

CCPCJ

*Advanced
ECOSOC*



TOPIC A: Illegal Organ Trafficking, Combating Money Laundering in the Digital Age

CHAIRS: Anthony Padnos, Virginia Haynes

LAIMUN XXIX

December 2-3

⚡ LAIMUN XXIX ⚡

Letter from the Secretariat	3
Introduction to the USG	4
Introduction to the Dais	5
Committee Description	7
Topic A: Illegal Organ Trafficking	9
Topic B: Combating Money Laundering in the Digital Age	23

Letter from the Secretaries-General

Dear Delegates,

On behalf of our entire staff, it is our pleasure to welcome you to Session XXIX of the Los Angeles Invitational Model United Nations (LAIMUN) conference. LAIMUN XXIX will take place on Saturday, December 2 and Sunday, December 3 of 2023 at the Mira Costa High School (MCHS) campus.

Our staff, composed of over 120 MCHS students, has been working tirelessly to make your debate experience the best it can be. You will find your dais members to be knowledgeable about the issues being debated and MUN procedure. We pride ourselves in hosting a conference that is educational and engaging, and we hope you take advantage of that as you prepare and debate.

At LAIMUN, we value thorough research and preparation. We ask that delegates write position papers following [these directions](#). The deadline to submit position papers to be considered for Committee and Research Awards is Friday, November 24 at 11:59 PM PT. The deadline to submit to be considered for Committee Awards is Thursday, November 30 at 11:59 PM PT.

We also encourage all delegates to read the [LAIMUN Rules of Procedure](#) for conference-specific information and as a reminder of points and motions that can be made during committee.

Feel free to reach out to our staff with any questions or concerns you may have. Delegates can find their chairs' contact information next to their committee profile and the Secretariat's email addresses on the staff page. Any member of the LAIMUN staff will be happy to assist you.

We look forward to seeing you in December!

Sincerely,

Akash Mishra and Lily Stern
Secretaries-General, LAIMUN XXIX
secretarygeneral@mchsmun.org



Introduction to the USG

Hi delegates!

My name is Claire Koerber and I am the Under-Secretary General of the Economic and Social Council (ECOSOC) for Mira Costa Model UN; I am excited to welcome you all to LAIMUN XXIX.

The advanced and novice ECOSOC committees cover a variety of prevalent international issues that require multifaceted approaches and solutions. Each delegate brings a unique perspective into debate and it is important to use creativity in developing solutions while also paying attention to country policy. Your chairs will hold you to high standards in regards to solutions, speeches, caucusing, and diplomacy, so please be sure to keep this in mind.

To ensure you are adequately prepared for debate, please submit your position papers promptly to your chairs. All work should be your own. This goes for all preparation, speeches, solutions, and resolutions as well. LAIMUN has a strict no pre-written resolution policy, and resolutions should only be worked on at the chair's discretion. Be sure to act respectfully in committee towards fellow delegates and chairs.

I hope LAIMUN XXIX provides you with lasting memories and educational experiences. Our LAIMUN staff do their utmost to give all delegates the best experience possible. We want all delegates to gain knowledge, confidence, speaking skills, and most importantly, a new understanding of international relations and the current events around us that affect the way we live today. Throughout the weekend, make sure to participate and stay engaged during debate. Who knows...if nothing else, you may actually learn a thing or two.

If you have any questions or concerns, please don't hesitate to reach out to ecosoc@mchsmun.org or any other secretariat member. Looking forward to seeing you in December and best of luck in your preparation towards success!

All the best,

Lily Stern and Akash Mishra
Secretaries-General

Claire Koerber
Under-Secretary General ECOSOC

Introduction to the Dias

Hello delegates,

My name is Anthony Padnos, and I will be serving as your co-chair for this year's CCPCJ Advanced committee. I am a Junior here at Mira Costa and have been doing MUN for 6 years. I really enjoy Model United Nations because it has helped me grow my public speaking skills, improve my writing, learn how to debate, and help me grasp what is going on in the world on a geopolitical scale. I really enjoy giving speeches and making solutions in committee.

Outside of school, I like to volunteer in community service projects such as teaching art classes and I am speaking at TEDx Manhattan Beach this year. I am also on the varsity golf team at Mira Costa. Aside from extracurriculars, I like to play golf, do art, watch TV, play basketball, or spend time with friends. I am a huge Boston Celtics fan and enjoy watching or following the scores of games.

This year in LAIMUN's CCPCJ, I look forward to seeing all of you work together and use creative solutions in debate! Make sure to stay on policy and make sure your solutions are applicable and scalable. I would like to see some fun rhetoric and interesting hooks to make debate come alive. I can't wait to see you all in debate!

Sincerely,

Anthony Padnos

☛ LAIMUN XXIX ☛

Hi delegates!

My name is Virginia Haynes and I will be your chair along with Anthony for CCCPJ Advanced. I am a senior at Costa and have been a part of the MUN program since sophomore year, after moving to Manhattan Beach from China. My experience in MUN has inspired me to pursue a career in international relations and global studies.

Outside of MUN, I play clarinet in the Marching Band and I volunteer every week at the Roundhouse Aquarium on the pier. A fun fact about me is that I've lived in China for 10 years and I am fluent in Chinese so in addition to everything I do outside of school, I also tutor students taking Mandarin at Costa.

My favorite hobbies are baking, snowboarding and watching reality TV. I've been snowboarding for 8 years and some of my favorite places to snowboard are Myoko Kogen in Japan and Mammoth. My favorite shows are Keeping up with the Kardashians and Love Island . In our committee, I am excited to see a collaborative environment between everyone. And I am also excited to hear creative solutions for our topics. Feel free to reach out with any questions!

Best,

Virginia Haynes

Committee Description

Criminal justice in its relation to international crime has always been a prominent source of concern among the international community, but its presence on the global stage noticeably became more defined in the late 20th century. In 1992, the Commission on Crime Prevention and Criminal Justice (CCPCJ) was established under Resolution 1992/1 as a council governed by the United Nations Office on Drugs and Crime (UNODC). The Economic and Social Council (ECOSOC) elects 40 member states to serve in the CCPCJ, which is chaired by a bureau that includes a member from each regionally acquainted group. While the establishment of the CCPCJ was significant in itself in that it is the only division of ECOSOC specifically dedicated to the prevention of crime and the assurance of criminal justice, it was also important in that it dissolved the Committee on Crime Prevention and Control. The Committee on Crime Prevention and Control was the predecessor to the CCPCJ, whose dissolution symbolized the abandonment of ineffectiveness and the procurement of progression.

The CCPCJ was further developed in Resolution 1992/22, which outlined the Commission's priorities and mandates such as, "Improving international action to combat national and transnational crime and the efficiency and fairness of criminal justice administration systems." This Resolution also promoted collaboration between member states in the form of a forum where states could share experience, information, involved agencies, and expertise in the matter at hand in order to successfully combat the crime in that state. In addition to providing this forum to member states, the CCPCJ also has the responsibility of approving the budget for

the United Nations Crime and Criminal Justice Fund, as delegated to this committee in Resolution 61/252.

Holding regular sessions every five years and meeting in additional reconvened sessions, informal consultations, political events, and intersessional meetings, the CCPCJ works tirelessly to navigate international crime policies. They do this by collaborating with involved states, non-governmental organizations, and experts in the subject and by setting specific goals for the Commission that comply with each Sustainable Development Goal. The most recent session of the CCPCJ was the 28th session on May 20-24, 2019 in Vienna. With a focus on correcting the rising international trends of xenophobia, hate-motivated attacks, and civilian violence, this session highlighted, "The responsibility of effective, fair, humane and accountable criminal justice systems in prevailing and countering crime motivated by intolerance or discrimination of any kind." Overall, this session had 1,500 participants, 22 UN bodies and affiliates, 51 non-governmental organizations, and 18 intergovernmental organizations, showing the large-scale international involvement embedded into the foundations of the CCPCJ. The next session, the 29th session, will be held on December 3rd, 2020 with fewer member states than usual due to the COVID-19 pandemic. However, this session will still attempt to tackle the issues of crime and criminal justice that still prevail today.

Topic A: Illegal Organ Trafficking

I. Background

Organ trafficking, a secretive industry with a lot of ethical concerns, continues to pose significant challenges to the global healthcare system and the safety of many individuals. The industry involves the illegal procurement, transplantation, and distribution of organs on the black market. Individuals such as migrants are particularly vulnerable to have their organs forcefully harvested and sold due to their low socio-economic status. The organ trade (which includes organ transplants) is an extremely sizable industry, with conservative annual estimates being set around USD \$840 million up to USD \$1.7 billion. Furthermore, estimates place the amount of illegal transplanting at around 12,000 transplants. With the amount of legal transplants per year not exceeding much more than 150,000, it is estimated that just under 10% of all transplants are believed to be sourced illegally.¹ Unfortunately, under 10% of those in need of a transplant worldwide are able to receive the care they need. Individuals who can afford it are willing to go around the law to get organs for themselves, even if it means exploiting a more vulnerable person. A lack of regulation, action, and accountability in the industry, has led to countless human rights violations, and it is of utmost importance that this issue be solved.

The issue of illegal organ trafficking is most prominent in developing countries. These countries often lack the resources to address the issue, and the people are particularly vulnerable to selling their organs due to personal financial struggles. Although less developed countries are

¹ Whitney, Chase. "Organ Trafficking Facts." *The Exodus Road*, 16 Jan. 2023, theexodusroad.com/organ-trafficking-facts/#:~:text=How%20prevalent%20is%20organ%20trafficking.

handed a lot of the blame for the issue, they do not hold complete responsibility, because other parties (such as organized crime rings) with a lot of resources infiltrate these countries, and overwhelm their already limited resources. Organ trafficking, has recorded instances as early as the transatlantic slave trade, but it's popularity truly surged in the late 20th century due to advancements in transplant medicine and the growing disparity between organ demand and supply. The kidneys are most commonly trafficked due to the human ability to live with just one. Regions such as the Balkans, parts of Africa like the Sinai Peninsula, and Southeast Asia have become significant hotspots for this illicit trade.

The biggest reason for such a lucrative organ trafficking industry is due to a lack of development in the systems that are responsible for getting organs to those in need. Even in developed countries, long wait times and a lack of supply prevent individuals in need from receiving the organs they require to live their lives. Rather than let themselves perish, those who can afford it simply turn to the black market, where there can be organs on demand. Because organs are quite literally a life and death issue, this has driven the price of illegally sourced organs through the roof, making the industry extremely attractive to organized crime rings and individuals who are willing to sell an organ to relieve financial trouble. This is especially prevalent among Transnational Organized Crime (TOC) groups. Wait times for organs worldwide are extremely long and individuals often die if they wait too long. It is known that around 17 people in the United States die every day while waiting for an organ donation.² Wait

² "6 Quick Facts About Organ Donation." Pennmedicine.Org, www.pennmedicine.org/updates/blogs/transplant-update/2023/april/6-quick-facts-about-organ-donation#:~:text=Did%20you%20know%20that%20there,an%20organ%20to%20become%20available. Accessed 16 Sept. 2023.

times for a kidney in Canada can exceed 7 years, and in Europe, a whopping 43% of people wait 2-4 years for a kidney, and 35% wait for over 5 years. With such a dire shortage of organs, and buyers willing to pay just about any set price, the risk-reward factor for illegally selling organs is strongly in favor of the reward. This high reward can be quantified by looking at organ prices in different countries. In India, a kidney fetches around USD \$20,000, in China, USD \$40,000+, and in Israel, USD \$160,000+. Sellers get most of the profit, while those that actually are responsible for the kidney only receive an average of \$1,000-\$10,000. Organ salesmen use a wide array of trickery to scam those who give up organs, including requiring excessive payments for travel, the surgery, medical supplies, and “look-the-other-way” payoffs, among others.³

Due to the large market for organs that has an extremely high demand, a phenomenon known as organ tourism emerges. Organ tourism is the most common way in which organs are smuggled across national borders. It is conducted through potential recipients traveling abroad to purchase their required organ and undergo surgery in that place. From there, they simply go back home with their new organ. Due to the nature of going to a place for the procedure, it is given the name “organ tourism”. Organs obtained in this way are often not from eligible donors. This has a lot of potential negative side effects, as there is no health code or regulation in these black market dealings. Organs may be unhealthy, dangerous, or not fit for transplantation.

This brings up another extremely dire issue with the organ trafficking industry, in that a lot of hostile organ harvesting occurs. Many organs used on the black market are not from those

³ Barker, Eric. “How Much Are Organs Worth on the Black Market?” *Barking up the Wrong Tree*, 6 Feb. 2010, bakadesuyo.com/2010/02/how-much-are-your-internal-organs-worth-on-th/.

who made the decision to sell their organs. Quite often, individuals are tricked into getting their organs harvested for nothing, or have their organs straight up stolen. Individuals getting their organs stolen has roots in human trafficking.⁴ Trafficking in Persons for the purpose of organ removal (or TIP for OR) is a form of trafficking where individuals are exploited for their organs. This process of stealing organs is done through coercion, deception, and abuse of a position of vulnerability. TIP for OR is an extremely serious crime that causes extreme harm to humans and violates all ethical standards.

Although Organ trafficking is an extremely large issue, it is far less common than labor or sex trafficking. This is largely in part to the fact that organ trafficking requires high level medical knowledge and an extreme amount of organization for the crime to take place. Nonetheless, the issue is hard to quantify in terms of tracking the number of crimes related to organ trafficking that occur. This is due to the fact that a lot of the crimes in question often happen within the realm of authorized medical institutions, staffed by certified healthcare professionals. These individuals are expected to operate under legal frameworks and regulations along with complying with ethics standards, so it is especially hard for experts to track the true amount of trafficking that goes on within hospitals. Not only is the organ trafficking that takes place within hospitals hard to track, but the money laundering side of organ trafficking is extremely hard to track.

⁴ “Human Trafficking for the Purposes of Organ Removal: UNODC Regional Consultation Addresses One of the Least Known but Growing Forms of Trafficking Worldwide.” *United Nations : Office on Drugs and Crime*, www.unodc.org/unodc/en/human-trafficking/glo-act2/Countries/human-trafficking-for-the-purposes-of-organ-removal_-unodc-regional-consultation-addresses-one-of-the-least-known-but-growing-forms-of-trafficking-worldwide.html.

While it is difficult for banks to track transactions relating to organ trafficking, it is not impossible to do so, and there are some recurring indicators available that may be able to help expose these transactions. Quite often, some red flags that occur in transactions relating to organ trafficking involve wire transfers to entities in high risk jurisdictions (that involve medical names), payments between charities and medical tourism sites, suspiciously large money movement prior to travel (detecting transplant tourism), along with a host of other methods standard within money laundering. It is very important to keep in mind that traveling abroad to obtain an organ may be legal in certain countries such as Iran, the Philippines, and India; however, despite the varying levels of regulation, all these countries struggle with ethical concerns and health risks for donors and recipients. Furthermore, transplant tourism is not even fully punishable under international law.⁵ Although this is the case, financial transactions pertaining to the purchase of an organ still must be detected as purchasing an organ in the buyer's home country may still be illegal. Detecting money laundering within the organ trafficking industry can help seize the profits of the criminals involved and shut down the industry.

II. UN Involvement

The United Nations (UN) has long been attempting to curb illegal organ trafficking, as it violates human rights and breaches ethical concerns. The largest action taken by the UN against this issue has been the UN Protocol to Prevent, Suppress, and Punish Trafficking Persons. This initiative was drafted by the United Nations Convention against Transnational Organized Crime, and was officially adopted and put into practice in November of 2000 through resolution 10/3.

⁵ Ambagtsheer, Frederike, et al. "Cross-Border Quest: The Reality and Legality of Transplant Tourism." *Journal of Transplantation*, U.S. National Library of Medicine, 2012, www.ncbi.nlm.nih.gov/pmc/articles/PMC3359720/.

The most recent resolution regarding organ trafficking was in 2016, in which the General Assembly adopted Resolution 71/167 which focused on the trafficking of women. Furthermore, the UN has released countless studies pertaining to organ trafficking, with the majority finding that the only way to end organ trafficking is through a universal cooperation of all UN participants to regulate the issue and implement permanent solutions.

The UN Office on Drug and Crime flagship 2020 Global Report on Trafficking in Persons indicated that the prevalence of TIP for OR was only increasing. The report suggested that the full extent to the phenomenon had not been fully discovered yet. After this report was published, the UNODC wanted to better support member states to better direct, investigate, and prosecute TIP for OR. One effort made by the UN was the UNODC Regional Office for Southeast Asia and the Pacific (ROSEAP) in collaboration with the Global Action against Trafficking in Persons and the Smuggling of Migrants, also known as the GLO.ACT. This created a regional consultation in Bangkok, Thailand on addressing TIP for OR in Southeast Asia and beyond.⁶ After this, the UNODC has given technical and legislative assistance to support criminal justice responses to TIP for OR. It has done this seeing as it has the role of guardian of the UN's protocol to mandate support to member states who have vowed to put an end to illegal organ trafficking.

⁶ "Human Trafficking for the Purposes of Organ Removal: UNODC Regional Consultation Addresses One of the Least Known but Growing Forms of Trafficking Worldwide." *United Nations : Office on Drugs and Crime*, www.unodc.org/unodc/en/human-trafficking/glo-act2/Countries/human-trafficking-for-the-purposes-of-organ-removal_-unodc-regional-consultation-addresses-one-of-the-least-known-but-growing-forms-of-trafficking-worldwide.html.

The UN has also implemented the Trafficking in Persons for the Removal of Organs (TPRO), which aims to regulate the illegal removal of organs, and punish trafficking in persons. Additionally, they established the Coalition for Organ Failure Solutions (COFS), which works to fill in the gaps that are left by states that do not follow all the guidelines established by TPRO.⁷ Not all states have the same laws or enforcement pertaining to illegal organ trafficking, so these organizations focus on working to ensure the protection of vulnerable individuals to the organ trafficking industry, and the enforcement of laws pertaining to illegal organ trafficking.

III. Topics to Consider

A. The Role of the Black Market in Organ Trafficking

The illicit trafficking of organs in the black market has emerged as a grave concern in recent years. As medical technology advances and the demand for organ transplants increases, illicit organ trading has flourished. Around 5-10% of the organs transplanted worldwide have resulted from illegal organ trafficking. Communication and anonymity are accessible on the dark web, and transactions facilitated by the internet have played a significant role in the growth of illegal trafficking. The World Health Organization (WHO) estimates that about 10,000 kidneys are illegally sold, and the entire industry generates about 1.9 billion dollars annually. The unregulated dark web market preys on vulnerable individuals, who are desperate for organs to prevent their own or a loved one's death. Potential buyers and sellers connect anonymously and negotiate terms, including prices and transport logistics. Furthermore, some platforms operate on encrypted networks, making it challenging for authorities to identify and apprehend the

⁷ "Human-Trafficking-Fund_projects_removal_of_Organs." *United Nations : Office on Drugs and Crime*, www.unodc.org/unodc/en/human-trafficking-fund/human-trafficking-fund_projects_removal-of-organs.html.

perpetrators. Although there have been international collaborative efforts to resolve this issue, the demand for organs far exceeds the available legal supply, continuously contributing to a more lucrative underground market.

B. Managing the Distribution of Illegal Organs

One of the main factors contributing to illegal organ trafficking is the poor management of distribution. Managing the distribution and networks of illegal organ trafficking requires a multifaceted approach involving various strategies. Strengthening border control is crucial to intercepting traffickers and their victims. With more than 27.6 million victims worldwide, strict monitoring of airports, seaports and land borders can help detect suspicious movements. With over 12,000 organs trafficked every year, it is often that organs come through unchecked containers and unsupervised ports. One region that has been historically susceptible to organ trafficking has been the Balkans. In the late 1990s, accusations began to surface and investigations began to pop up regarding organ trafficking, particularly in Kosovo. A report was even published in 2010 by the Council of Europe, which accused members of the Kosovo Liberation Army for trafficking organs taken from prisoners of war through their stationed ports. Physicians and other health professionals are often also involved in organ trafficking. They serve as important sources for information about patients that have been subject to organ removal. However, hospitals often lose these organs in the process of distribution as traffickers take advantage of weak management. International hospitals have adopted a single framework to be used across organs. Platforms such as Interpol and Europol have cooperated to form cohesive understandings of organ trafficking and support the dismantling of them. Their framework

tackles medical judgment, organ waste and distribution and organ offers. While the management of illegal organ trafficking networks remains a complex and ongoing challenge, implementing these frameworks in a coordinated manner can disrupt operations and networks.

C. The Protection of Migrants from Illegal Organ Trafficking

Given their vulnerability and the risk of residing in unfamiliar countries, protecting migrants from illegal organ trafficking is a critical concern. According to the International Organization for Migration (IOM), migrants are often targeted due to their inability to access healthcare and legal protection. Migrants are usually coerced into being subjects of organ removal, which results in severe health consequences. Doctors and medical staff working in refugee camps or temporary hospitals sometimes exploit migrants by convincing them to do a procedure they don't need. Due to their poor socioeconomic status, they are also lured through promises of job opportunities abroad. Victims are then only given a portion of the promised money but never receive the full amount. Language barriers, cultural differences, and a lack of access to reliable information also contribute to their vulnerability. Although the authorities have tried to step in, migrants, especially those with undocumented status, fear that reporting their experiences may result in deportation. This gives traffickers free protection since migrants are afraid and unable to speak up for themselves. Efforts to combat the exploitation of migrants in organ trafficking must address these underlying factors.

IV. Case Study: Kakkar Hospital Scandal: The Dark Underbelly of Organ Trafficking in India

In 2002, police in Amritsar City in Punjab, northern India, arrested Dr. Parveen Kumar Sareen and Dr. O P Mahajan for being alleged leading players in an ongoing human organ trafficking case.⁸ The police estimated that almost 19.4 million dollars had been in the hands of doctors, middlemen, and donors, as a result of organ trafficking, between 1997 and 2002. The two doctors manipulated the Transplantation of Human Organs Act by accepting monetary benefits from unrelated donors and generating immense profit.

According to the national police, each kidney transplant costs between \$6,000-\$12,000 USD. Reports show that while the doctors and mediators pocketed most of the money, the donors only received about 25,000 rupees as compensation. This showed the disparity and power dynamics between doctors and donors. Considering that most donors were poor laborers from the Bihar state in India, they rarely spoke up about their lack of compensation. The investigation revealed that Kakkar Hospital was at the epicenter of the scandal. Out of the 2,384 kidney transplant procedures conducted in Punjab since 1995, 1,972 were approved in Amritsar, with a staggering 1,522 procedures taking place at Kakkar Hospital alone. Shockingly, the "donors" received inadequate postoperative care and were often threatened with imprisonment for their involvement in the illegal act. Sometimes, they were discharged from the hospital within only a week of having the transplant. There were dire consequences, such as the deaths of at least six laborers, although the actual number of fatalities could be higher. The police are currently investigating approximately 400 similar cases; they have encountered significant challenges as many of the addresses the donors and recipients provided in the records are not up to date. The

⁸ Kumar, Sanjay. "Police Uncover Large Scale Organ Trafficking in Punjab." *BMJ (Clinical Research Ed.)*, 25 Jan. 2003, www.ncbi.nlm.nih.gov/pmc/articles/PMC1125055/.

authorities have confiscated signed authorization certificates from Kakkar Hospital, further substantiating the allegations against Dr. Sareen and his associates.

This case serves as a reminder of the magnitude of the organ trafficking problem in India and the exploitation of vulnerable individuals in the industry. The involvement of medical professionals and the manipulation of legal loopholes demonstrate the need for stricter regulations and oversight in the organ transplant sector.

V. Guiding Questions

1. How can vulnerable populations that suffer from hostile harvesting be protected?
2. Should legal organ markets be permitted? If so, how do you plan to regulate these institutions to ensure that corruption is prevented and that ethical standards are met?
3. How do you plan to spread awareness about the issue and prevent individuals from being unnecessarily vulnerable?
4. Is encouraging organ donation a viable way to stop the issue of organ trafficking? If so, how do you plan to do so, and what are the ethical concerns with encouraging donation?
5. How do you plan to increase regulation to prevent this trade and catch more individuals who partake in its operation?
6. How can you prevent financially unstable individuals from selling their organs on the black market?
7. How will you address the issue of organ trafficking within hospitals? This issue specifically pertains to medical officials who take part in the organ trafficking industry.

8. How can international cooperation and collaboration be enhanced to tackle the cross-border nature of organ trafficking?
9. What support and rehabilitation programs are available for victims of organ trafficking, and how can their rights be protected and their well being ensured?

Works Cited

- Andrews, Peter, et al. "The Value of a Human Life." *Perspectives on Black Markets V3*,
iu.pressbooks.pub/perspectives3/chapter/the-value-of-a-human-life/. Accessed 15 June
2023.
- Barker, Eric. "How Much Are Organs Worth on the Black Market?" *Barking up the Wrong Tree*,
6 Feb. 2010, bakadesuyo.com/2010/02/how-much-are-your-internal-organs-worth-on-th/.
- Broumand, B, and R F Saidi. "New Definition of Transplant Tourism." *International Journal of
Organ Transplantation Medicine*, vol. 8, no. 1, 2017, pp. 49–51,
[www.ncbi.nlm.nih.gov/pmc/articles/PMC5347406/#:~:text=The%20most%20common%
20way%20to](http://www.ncbi.nlm.nih.gov/pmc/articles/PMC5347406/#:~:text=The%20most%20common%20way%20to).
- "Frameworks for Organ Distribution - OPTN." *Organ Procurement and Transplantation
Network*,
[optn.transplant.hrsa.gov/policies-bylaws/public-comment/frameworks-for-organ-distribut
ion/](http://optn.transplant.hrsa.gov/policies-bylaws/public-comment/frameworks-for-organ-distribution/). Accessed 15 June 2023.
- "Human Trafficking for the Purposes of Organ Removal: UNODC Regional Consultation
Addresses One of the Least Known but Growing Forms of Trafficking Worldwide."
United Nations : Office on Drugs and Crime,
[www.unodc.org/unodc/en/human-trafficking/glo-act2/Countries/human-trafficking-for-th
e-purposes-of-organ-removal_-unodc-regional-consultation-addresses-one-of-the-least-kn
own-but-growing-forms-of-trafficking-worldwide.html](http://www.unodc.org/unodc/en/human-trafficking/glo-act2/Countries/human-trafficking-for-the-purposes-of-organ-removal_-unodc-regional-consultation-addresses-one-of-the-least-known-but-growing-forms-of-trafficking-worldwide.html).

“Human-Trafficking-Fund_projects_removal of Organs.” United Nations : Office on Drugs and Crime,

www.unodc.org/unodc/en/human-trafficking-fund/human-trafficking-fund_projects_removal-of-organs.html.

Kumar, S. “Police Uncover Large Scale Organ Trafficking in Punjab.” *BMJ*, vol. 326, no. 7382, 25 Jan. 2003, pp. 180b180, <https://doi.org/10.1136/bmj.326.7382.180/b>. Accessed 13 Mar. 2020.

Maginn, Susan. “Organ Trafficking Facts.” *The Exodus Road*, 16 Jan. 2023, theexodusroad.com/organ-trafficking-facts/.

“6 Quick Facts About Organ Donation.” Pennmedicine.Org, www.pennmedicine.org/updates/blogs/transplant-update/2023/april/6-quick-facts-about-organ-donation#:~:text=Did%20you%20know%20that%20there,an%20organ%20to%20become%20available. Accessed 16 Sept. 2023.

Ambagtsheer, Frederike, et al. “Cross-Border Quest: The Reality and Legality of Transplant Tourism.” *Journal of Transplantation*, U.S. National Library of Medicine, 2012, www.ncbi.nlm.nih.gov/pmc/articles/PMC3359720/.

Topic B: Combating Money Laundering in the Digital Age

I. Background

Money laundering is the process of hiding the origins of illicit funds and it has gone through a significant transformation in the digital age. According to the United Nations Office on Drugs and Crime, around \$2 trillion is laundered each year worldwide. In recent years that number has increased to more than \$10 billion due to the emergence of digital transactions. Modern age has witnessed the rapid development of digital financial systems, electronic banking and online payment platforms. These various new technologies have become new avenues for money launderers to exploit.

In the digital age, money laundering has evolved to the use of digital currencies. While the process of laundering money digitally is more complex, criminals have increasingly embraced this industry. Money laundering through cryptocurrency typically involves three key stages: placement, hiding and integration. In the initial placement stage, criminals acquire cryptocurrency either by purchasing it with fiat currency or through other types of cryptocurrencies. The second state, hiding, addresses the challenge of tracking transactions within a blockchain, which is a public ledger that records all cryptocurrency transactions. Finally, the integration stage marks the last step in money laundering within the digital currency realm. At this point, criminals endeavor to make the laundered currency blend seamlessly with legitimate assets. By having more knowledge about these stages, authorities have developed more effective ways of combating and preventing the continuation of digital money laundering activities.

The emergence of cryptocurrencies, like Bitcoin, have been especially influential in the money laundering industry. The use of cryptocurrencies provides anonymity and, in addition to that, each transaction goes through a decentralized system, making it untraceable.

Cryptocurrencies also allow for cross-border transactions without the need for government intermediaries or banks. This has led to many transactions primarily involving illicit trading. In 2011, Ross William Ulbricht founded “Silk Road,” an online platform that facilitated exchanges of illegal items. Silk Road used Bitcoin as a payment method since it did not require a bank account, ID or social security number. By 2013, Silk Road approached one million accounts with commissions of over ten thousand dollars. This massive platform was eventually shut down in October of 2013 as the Federal Bureau of Investigation removed the website. The case of Silk Road serves as a significant example of the potential risks and consequences associated with digital money laundering. Additionally, the rise of cybercrime, including hacking, identity theft and online fraud, has generated significant proceeds that require laundering. As criminals exploit technology to commit these crimes, they also leverage the same technology to launder the funds obtained illegally.

Many online games have also been subject to money laundering. While virtual currencies seem harmless, they can be traded and exchanged for real money to buy in-game benefits. Money launderers exploit this by setting up accounts to transfer virtual money and wash laundered dirty money. In October of 2019, the gaming company Valve halted trading in its most popular game Counter-Strike: Global Offensive after discovering that almost all of the trading of

in game items was part of a money laundering scheme run by worldwide fraud networks.⁹ These networks used Counter-Strike to liquidate their gains through laundering income from credit cards and other financial transactions. They bought and sold digital goods since it has become a popular way for criminals to cash out from identity theft. Although the trading aspect of Counter-strike has been shut down, there is no doubt that financial criminals will find another avenue to take advantage of.

Not only are online spaces a digital money laundering risk but international bodies are as well. The World Bank, the International Monetary Fund and the Financial Action Task Force have all weighed in with guidance on how to mitigate the risks posed by digital currency transactions. Governments and regulatory bodies have also responded by implementing stricter regulations and enhancing their capacity to combat financial crimes in the digital atmosphere. Financial institutions are required to implement know your customer (KYC) procedures to verify the identities of customers and monitor their transactions for suspicious activities. KYC procedures require businesses to verify the identities of their customers and assess the potential risks associated with their financial transactions. In addition to KYC, governments are increasingly utilizing blockchain analytics companies to trace and monitor transactions conducted through cryptocurrencies. Companies that implement this use sophisticated tools and qualified personnel to analyze blockchain data and assist in the investigation of money laundering activities. Data from past chain analysis reported that in 2020, crypto-currency related

⁹ “Counter-Strike Trading Found to Be ‘nearly All’ Money Laundering.” *The Guardian*, 30 Oct. 2019, www.theguardian.com/games/2019/oct/30/counter-strike-trading-found-to-be-nearly-all-money-laundering.

money laundering accounted for approximately 0.34% of total crypto-currency transaction volume. The United States has strict anti-money laundering regulations in place, like the USA PATRIOT Act. Financial institutions are required to implement procedures that report suspicious transactions and these reports are sent directly to the Financial Crimes Enforcement Network (FinCEN). FinCEN has aided in the successful prosecution of 26 cases in the United States and 198 convictions resulting from the prosecuted cases. There are more than 14,800 participating financial institutions with more than 33,000 participating points of contact within the FinCEN program. FinCEN has also reported over 2 million SARs (Suspicious Activity Reports) in 2019, indicating the scale of suspicious financial transactions being flagged. In addition to the United States' actions against digital money laundering, investigators in Canada have automated hunting for information and gathering documents to free up analysts to concentrate on higher-level risk management. Countries have advanced their collective capacity to fight financial crime in the digital age.

In conclusion, the digital age has brought both opportunities and challenges to the realm of money laundering. Criminals have used these advancements in technology and digital financing to their advantage. Although countries have made efforts to combat money laundering in the digital age, to fight the extent that it is at now will require more collaboration between governments, financial institutions, and international organizations.

II. UN Involvement

Money laundering has evolved with the advent of the digital age, posing significant challenges for global regulatory bodies like the United Nations. Money laundering was brought

to attention when it was mentioned in the UN Vienna Convention Article 3.1 in 1988. It stated that money laundering “the conversion or transfer of property, knowing that such property is derived from any offense(s), for the purpose of concealing or disguising the illicit origin of the property or of assisting any person who is involved in such offense(s) to evade the legal consequences of his actions”.¹⁰ The UN has since recognized the urgent need to address money laundering in the digital age and has adopted various resolutions to combat this illicit activity. The United Nations Security Council passed resolution S/RES/2462 in 2019 with the intention of preventing financing of terrorist acts and giving power to terrorist organizations. Many terrorist groups use money laundering to purchase illegal weapons and narcotics, as a result of this resolution the Counter-Terrorism Committee (CTC) held a joint special meeting to discuss terrorist financing.¹¹ Additionally, the UN Office on Drugs and Crime (UNODC) plays a crucial role in assisting member states in implementing anti-money laundering measures. It provides technical assistance and knowledge-sharing platforms to help countries enhance their regulatory frameworks. However, it is still challenging to handle cross-border transactions in different countries. The lack of international cooperation and varying legal frameworks hinder the seamless sharing of information and collaborative efforts. Cooperating with the UNODC the International Monetary Fund (IMF) has also created model legislation for countries to implement, specifically targeting terrorism. This model legislation created with the

¹⁰ “Overview.” *United Nations : Office on Drugs and Crime*, www.unodc.org/unodc/en/money-laundering/overview.html.

¹¹ [https://documents-dds-ny.un.org/doc/UNDOC/GEN/N22/418/07/PDF/N2241807 ...](https://documents-dds-ny.un.org/doc/UNDOC/GEN/N22/418/07/PDF/N2241807...), www.ohchr.org/sites/default/files/documents/issues/women/sr/statements/2022-11-14/2022-10-04-SRVAW-Statement-Climat-Crisis-GA.docx.

commonwealth secretariat addresses aspects of money laundering such as high risk customers and potentially-exposed persons. Alongside the Financial Action Task Force (FATF)¹² guidelines of 40 recommendations, created in 1989, to improve the infrastructure used to fight money laundering, the IMF has successfully made suggestions that countries can implement effortlessly. The IMF and UNODC also highlight common law in their guidelines since it ensures the domestic legality of their clauses.

III. Topics to Consider

A. The Threat of E-Commerce

When looking at money laundering in the digital age, technology's influence can not be overlooked. Rapid advancements in mobile technology and internet accessibility have drastically changed the way that finances are handled in the modern world. The increasing digitalization of the world has led to a cashless society that is much more susceptible to money laundering. This cashless society has led to the increasing popularity of things like e-commerce, which may involuntarily support money laundering.¹³ E-commerce, or a method of buying and selling goods and services online, has made it easy to build business online and hide them behind legitimate store websites. Because of this simple accessibility, money launderers have begun to use e-commerce websites to take advantage of this vulnerability and continue their activities online. The financial crimes that typically use these pathways are more known as transaction laundering,

¹² Gpml. "Imolin." *United Nations Model Terrorist Financing Bill, 2003*, www.imolin.org/imolin/en/tfbill03.html. Accessed 19 June 2023.

¹³ How Money Laundering Has Changed in the Digital Age | Top Business Tech. tbttech.co/news/how-money-laundering-has-changed-in-the-digital-age/.

which more accurately depicts this money laundering in the digital age.¹⁴ In the past, criminals who use this method of money laundering connect to the extended networks of undeclared, confidential, and illegal e-commerce websites, along with the desired payment of the seller. To prevent this, Merchant Service Providers are required to check the authenticity of e-commerce websites. This is because invalid online organizations can easily infiltrate anti-money laundering protocol through online payment laundering. To prevent the dangerous possibilities that transaction laundering proposes, entities responsible for facilitating payment must improve cybersecurity that can infiltrate illegal ecommerce networks and put a stop to this form of technology supported money laundering.

B. Digital currency

Cryptocurrencies, such as Bitcoin, Ethereum, and a host of others, can support a wide array of illegal activities, which can include money laundering. Money laundering through the use of cryptocurrencies can use the underlying principles of traditional money laundering that can include placement, layering, and integration. These principles are the key stages of the laundering of money through digital currency, and must be thoroughly understood before implementing regulation that seeks to prevent money laundering through digital currency. First, placement is a principle in which crypto coins can be purchased with fiat currency, or other types of crypto coins. From there, the coins are easily exchanged in ways that do not comply with AML (Anti-Money Laundering Laws). The easy accessibility of the coins and the anonymity of

¹⁴ “The Change of Money Laundering in the Digital Age - Sanction Scanner.” SanctionsScanner.com, sanctionsScanner.com/blog/the-change-of-money-laundering-in-the-digital-age-190#:~:text=E%2DCommerce. Accessed 22 June 2023.

the cryptocurrency trade has allowed it to be a good option for money launderers. Second, hiding crypto transactions when necessary is not difficult. In a launderer currency, criminals use an anonymization service to hide the source of money, which makes it impossible for money laundering. Money launderers often use not very mainstream coins to avoid detection. Last, integration has reached a point in which the digital currency cannot be easily followed.

Launderers can create online companies that accept bitcoin as payment, to turn money obtained from shady dealings into legal, usable money. Despite cryptocurrencies being founded upon the principles of blockchain technology (meaning that all transactions are recorded on a public ledger), which allows all transactions and money to be accounted for, criminals have found ways of getting around laws, and anonymising themselves in their cryptocurrency trade. To prevent this, most stable cryptocurrency markets have anti-money laundering infrastructure, meant to place regulations and detect suspicious activity. Although this is the case, some cryptocurrency markets are unregulated, which allows those who wish to partake in money laundering to exploit these platforms. Some cryptocurrencies (which can include coins like Monero) are completely untraceable. These coins were created with privacy in mind, and are often taken advantage of by money launderers.

C. Terrorist Financing

One huge issue with increasing opportunities in money laundering, is the accessibility terrorists have to receive more funding. Previously mentioned topics like e-commerce and cryptocurrency, along with other digital ways of money laundering have opened the pathways for individuals to have the ability to fund terrorist groups. Detection of this money laundering must

be increased to prevent increasing popularity in funding terrorism. Current efforts meant to prevent terrorists from receiving financing are known as counter-terrorist financing (CFT), but the digital age makes preventing terrorist organizations money laundering activities a lot more difficult. One current effort to stop this type of money laundering includes the FATF, which aims to explore opportunities that technology can provide to improve anti-money laundering (AML) and CFT efforts. With organizations that work on CFT causes, and others that work to prevent all kinds of money laundering, it is important to recognize the shortcomings of these organizations, and create solutions relevant to ensuring the prevention of money laundering in general, but also focusing on preventing the funding of terrorist organizations.

D. Regulatory Frameworks

Preventing money laundering in the digital age is no easy task, and the implementation of regulatory agencies and frameworks must be explored to put an end to this problem. Many efforts to try and stop digital money laundering have failed, and it is important to look at their shortcomings, along with other sub-issues that need to be addressed before starting something new. It is important to explore the existing legal and regulatory frameworks at the national, and even international levels to combat money laundering, and discuss the effectiveness of these current measures. Additionally, the need for cooperation between nations, corporations, and law-making bodies must be addressed in order to best put an end to digital money laundering.

IV. Case Study: Two Arrested for Alleged Conspiracy to Launder \$4.5 Billion in Stolen Cryptocurrency

In 2022, two individuals in Manhattan, New York were arrested for an alleged conspiracy that involved laundering cryptocurrency that was stolen during a hack of Bitfinex (a virtual currency exchange platform). So far in the investigation, law enforcement has seized over 3.6 billion dollars worth of cryptocurrency directly linked to the aforementioned hack.¹⁵

Deputy Attorney General Lisa O. Monaco, a relevant figure in the arrests, said that these “arrests, and the department’s largest financial seizure ever, show that cryptocurrency is not a safe haven for criminals”. The increasing digitalization of the world has brought new methods to commit crimes without getting caught, and it is imperative that regulation is put into place and laws are made to ensure that money laundering in the digital age is stopped. Attorney General Monaco described how the crime was committed through stolen funds being routed through a wide array of cryptocurrency transactions, but the department was able to follow the money, and expose the criminals.

Current federal law enforcement is able to follow blockchain transactions, and has made it an utmost priority of not allowing “cryptocurrency to be a safe haven for money laundering or a zone of lawlessness within our financial system,” said Assistant Attorney General Kenneth A. Polite Jr. of the Justice Department’s Criminal Division. This event of law enforcement stopping these criminals in New York, sets a precedent for taking a firm stand against those who use cryptocurrencies for criminal purposes. Stopping this massive heist took years, as the original robbery from Bitfinex occurred in 2016, and only recently is money finally being recovered to

¹⁵ Department of Justice. “Two Arrested for Alleged Conspiracy to Launder \$4.5 Billion in Stolen Cryptocurrency.” www.justice.gov, 8 Feb. 2022, www.justice.gov/opa/pr/two-arrested-alleged-conspiracy-launder-45-billion-stolen-cryptocurrency.

the full extent. This demonstrates how complicated tracking criminals in the digital age can be, as there are so many things people can do, such as to cover their digital footprint. A lack of regulation in the cryptocurrency industry is a very slippery slope, and if proper precautions are not taken to monitor the validity of digital financial transactions, there is a lot of potential risk for money laundering and fraud.

According to court documents, the offenders in question allegedly conspired to launder the fiat currency backing of 119,754 Bitcoin that were stolen from Bitfinex's platform after a mass hack of the platform. During this hacking, Bitfinex's systems were breached and more than 2,000 unauthorized transactions were initiated. These unauthorized transactions were responsible for so much Bitcoin being transferred to the control of the hacker. Over the last 5 years, over 25,000 of the stolen Bitcoin were transferred out of the Ilya Liechtenstein's (one of the arrested criminals) wallet, through a series of complicated money laundering processes, that ended up with some of the stolen funds in the financial accounts of Liechtenstein, and his wife, the other offender, Heather Morgan. As for the remaining 94,000 Bitcoin in stolen funds, They remained in the wallet used to receive in store the funds purged in the hack. Following court ordered search warrants, which granted authorities permission to search the online accounts of Liechtenstein and Morgan, the crypto wallets of the offenders were discovered and the 94,000 Bitcoin, valued around \$3.6 billion dollars at the time of the seizure, was returned to Bitfinex.

Following the trial of Liechtenstein and Morgan, they were sentenced to serious penalties after their use of sophisticated laundering techniques which included using fictitious identities to set up online accounts, utilizing computer programs to automate financial transactions,

depositing stolen funds into a wide variety of accounts with a wide variety of virtual currency exchanges, among many others. The actions of these two criminals demonstrates how money laundering has become easier than ever in the digital age, and how important it is for authorities to catch up to the modern methods, as to ensure the prevention of money laundering in the digital age.

V. Guiding Questions:

1. What has your country done in the past to ensure the integrity of digital transactions?
2. How can guidelines and regulations be created to balance safety and security in the digital age, especially in data collection?
3. How can digital literacy be improved to foster responsible online transactions and protect vulnerable persons?
4. Should we govern emerging technologies? If so, how can we allow all individuals and communities to have equal access?
5. What are some key loopholes or vulnerabilities in existing financial systems that should be addressed?
6. How can international cooperation and information sharing be leveraged to monitor cross-border money laundering?

Works Cited

Gpml. “Imolin.” *United Nations Model Terrorist Financing Bill, 2003*,

www.imolin.org/imolin/en/tfbill03.html.

“Overview.” *United Nations : Office on Drugs and Crime*,

www.unodc.org/unodc/en/money-laundering/overview.html.

“Counter-Strike Trading Found to Be ‘nearly All’ Money Laundering.” *The Guardian*, 30 Oct.

2019,

www.theguardian.com/games/2019/oct/30/counter-strike-trading-found-to-be-nearly-all-money-laundering.

“The Change of Money Laundering in the Digital Age - Sanction Scanner.”

Sanctionscanner.com,

[sanctionscanner.com/blog/the-change-of-money-laundering-in-the-digital-age-190#:~:tex](http://sanctionscanner.com/blog/the-change-of-money-laundering-in-the-digital-age-190#:~:text=E%2DCommerce)

t=E%2DCommerce. Accessed 22 June 2023.

How Money Laundering Has Changed in the Digital Age | Top Business Tech.

tbtech.co/news/how-money-laundering-has-changed-in-the-digital-age/.

Department of Justice. “Two Arrested for Alleged Conspiracy to Launder \$4.5 Billion in Stolen

Cryptocurrency.” Www.justice.gov, 8 Feb. 2022,

www.justice.gov/opa/pr/two-arrested-alleged-conspiracy-launder-45-billion-stolen-cryptocurrency.