

UNODC – United Nations Office on Drugs and Crime

Topic A: Combating money laundering and corruption to
weaken transnational criminal networks.

Topic B: Enhancing protection of victims in human trafficking
and migrant smuggling.

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Letter From the Chair

Honorable Delegates,

Welcome to the United Nations Office on Drugs and Crime! We are Juan Pablo Padilla and Alexandra Chiquillo and we are thrilled to serve as your chairs for EMUN 2026. Our committee is dedicated to promoting meaningful dialogue on solutions regarding transnational organized crime crises. As members of UNODC, we hold the responsibility of addressing international crises with diplomacy, impartiality, and a commitment to the UN Charter. This session, we will examine the effects of human smuggling and trafficking – a global issue that endangers vulnerable populations while funding organized crime networks and undermining government authority. Moreover, we will examine solutions to combat transnational money laundering rings and corruption to undermine criminal organizations that further harm the global environment. Delegates will be challenged to consider the balance between international security and humanitarian aid to propose solutions that not only address immediate tensions but also lay out the groundwork for long-term peace.

As we engage in debate, let us remember that our discussions have real-world implications. UNODC is not just a forum for words—it is a body with the power to take binding action. We encourage you to think critically, speak diplomatically, and collaborate constructively to build effective solutions.

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Committee Overview

The United Nations Office on Drugs and Crime (UNODC) is the leading UN body responsible for addressing drug control, crime prevention, criminal justice, and international law enforcement

cooperation. Established in 1997, the UNODC works towards aiding member states in problematics regarding illicit drugs, organized crime, corruption, and terrorism. The UNODC operates through research, policy development, and technical assistance, strengthening rules of law and supporting countries in implementing international conventions. Internationally, money laundering poses a threat because it enables criminal individuals like cartels, traffickers, and corrupt officials to legitimize their operations and make a profit. Member States can discuss improving financial transparency and strengthening international cooperation to identify and weaken the economic foundations of organized crime. Moreover, organized crime also puts individuals at risk through trafficking and smuggling. Victims of trafficking and smuggling endure exploitation, violence, and psychological harm, often with limited access to justice or protection. Member states should discuss strengthening legal and humanitarian responses to protect vulnerable populations. Through this committee, delegates will be able to explore both the financial and human aspects of organized transnational crime to propose solutions that reinforce global justice, human security, and sustainable development.

Recent Actions

Topic A

Money laundering facilitates the concealment of illicit profit to fund organized crime and corruption to globally. Corruption further undermines governance and rule of law, creating international criminal networks. Specific challenges include cross-border coordination difficulties, legal system gaps, evolving money laundering methods using technological advances, and weak institutional capacities.

Recent actions include:

- Launching a practical handbook in collaboration with FATF, Egmont Group, and INTERPOL to promote more efficient international cooperation for targeted investigations of money laundering.
- Deployment of the goAML software to enhance Moldova's financial intelligence services to detect suspicious activity and act in compliance with ant money laundering standards.

These recent initiatives provide innovative tools and frameworks to improve international collaboration against money laundering and corruption by aiding member states in the detection and proper shutdown of money laundering circles.

Topic B

Human trafficking is a crime against individuals and a severe violation of human rights. It is often referred to as modern slavery. Migrant smuggling constitutes a crime against the state, but it still poses a risk to the individual being smuggled. The purpose of both is exploitation for financial gain.

Recent actions include:

- Implementation of the *Victim Translation Assistance Tool* (VITA) in 2011 to aid law enforcement in providing basic assistance to victims.
- 2021 Toolkit for mainstreaming Human Rights and Gender Equality into criminal justice interventions to address trafficking in persons and smuggling of migrants.
- Launching global initiatives in 2024 against human traffic and identifying survivors to voice their stories.

These recent developments aid governments in identifying and punishing human trafficking to further undermine organized crime networks.



Topic A: Combating money laundering and corruption to weaken transnational criminal networks.

Background of the Topic

To understand this topic, it is necessary to know how money laundering came to be and how it continues to operate regarding more present regulatory frameworks. The main drivee for organized crime is monetary profit. Without the ability to conceal, integrate, and utilize the massive proceeds of their illicit activities, transnational criminal organizations would struggle to sustain their operations, expand their reach, and corrupt public officials. Money laundering, as defined by the UN Vienna 1988 Convention Article 3.1, is “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”. Money laundering follows a pattern that varies between illicit financial operations: placement, layering, and integration. Firstly, profit rooted in illicit operations like drug trafficking is collected and integrated into the financial system. Then, this money trail is disguised through tactics such as transfers between shell companies, international bank accounts, and other invoices. Finally, this money is made available to criminals from what seem to be legitimate sources, allowing them to purchase assets with no risk of criminal punishment. It is important to understand that corruption, abusing one’s power for private gain, plays a key role in integrating profits into formal economies and avoiding regulatory frameworks (protection and impunity).

Drug profits were often physical cash—too bulky and traceable to use directly. This necessitated the creation of methods to “clean” the money, leading to the development of the placement, layering, and integration stages. In response, the 1988 Vienna Convention served as the first major international treaty to explicitly require signatory nations to criminalize the conversion, transfer, or concealment of property derived from drug trafficking. The limitations of national laws quickly became apparent, as criminals exploited jurisdictions with weak oversight. This led to the establishment of standardized regulatory bodies like the *Financial Action Task Force* (FAFT) and the *Forty Recommendations*. Even

though solutions had been put in place, the magnitude of these programs was insufficient. Policymakers recognized that money laundering was not just about drugs, it was the core of all major transnational crime and corruption schemes. The *UN Convention Against Corruption* specifically tackled the "enabler" of international organized crime: corrupt officials. It criminalized bribery, embezzlement, and illicit enrichment while recovering stolen assets. Modern context demands addressing rapid technological shifts like virtual assets and cryptocurrency.

Currently, the scale of money laundering is rising. The UNODC estimates that the total amount of money laundered globally in one year is between 2% and 5% of global GDP. Based on current economic figures, this represents hundreds of billions/trillions of US dollars annually. Despite the scale of the problem and aggressive regulatory measures, law enforcement agencies successfully seize or freeze only an estimated 1% or less of illicit financial flows each year. This low recovery rate is a key reason organized crime remains so well-funded. High-risk sectors commonly exploited by transnational crime organizations for money laundering include real estate, Trade-Based Money Laundering (TBML) via manipulated invoices, and complex webs of shell companies in jurisdictions with weak regulatory oversight. Weak governance and rule of law lead to corruption that enables money laundering. The global presence of tax havens and the ease of establishing anonymous shell companies allows criminals to hide the beneficial ownership to make assets nearly impossible to trace. Poverty, high unemployment, and lack of opportunity in vulnerable countries can drive individuals into the illicit economy, either as victims of trafficking or as "money mules" who are recruited to move funds, effectively being the lowest tier of the money laundering network.

Context of the Problem Worldwide

The global fight against transnational criminal networks has been shaped by exposing how money laundering serves as the essential enabler for corruption and organized crime across nations. Events like *Operation Car Wash* in Brazil revealed vast, state-level corruption schemes intertwined with illicit finance to demonstrate how inflating contracts for state-owned enterprises like Petrobras generates laundered

funds that cross borders via complex financial structures. Similarly, the 1MDB scandal in Malaysia showcased the epic scale at which Politically Exposed Persons (PEPs) can exploit sovereign wealth funds, using international banks and opaque shell companies to place billions into global luxury assets, sparking widespread international investigations and regulatory crackdowns on banking oversight. More recently, the proliferation of cyber-enabled fraud and illicit gambling operations in Southeast Asian SEZs highlights a growing threat where technology, underground banking (often utilizing crypto), and local complicity create criminal safe havens that feed trillions into the global illicit economy while simultaneously fueling human trafficking and exploitation. These cases collectively prove that dismantling these criminal networks requires relentless global coordination to target the financial plumbing—namely, prosecuting corruption, enforcing transparency on beneficial ownership, and adapting AML frameworks to counter digital asset misuse.

Questions To Consider

1. To what extent should the obligation to criminalize asset concealment be prioritized over enforcing beneficial ownership transparency to effectively dismantle TCO structures?
2. How should UNODC compel member states to overcome mutual legal assistance delays that currently allow illicit funds to be successfully integrated into the formal economy?
3. What specific, binding accountability mechanisms should be implemented against legal and financial entities that knowingly act as enablers for money laundering circles originating from corruption?
4. What enforcement strategies must be adopted to ensure that the estimated 99%+ seizure gap of illicit financial flows is significantly reduced within the next five years?
5. How should the international community balance the need for technological adaptation (e.g., regulating crypto) with the risk of over-regulating legitimate financial innovation in developing economies?

Topic B: Enhancing protection of victims in human trafficking and migrant smuggling.

Background of the Topic

To understand this topic, it is necessary to know the clear distinction between human trafficking and migrant smuggling and how both crimes, driven by human vulnerability, have evolved with regulatory frameworks. As stated before, the main drive of these crimes is monetary gain from exploiting the desperation and needs of vulnerable individuals. Without a steady supply of vulnerable demographics to abuse, transnational criminal organizations would not be able to keep up this exploitative system. Human trafficking is defined as the recruitment, transportation, transfer, harboring, or receipt of persons by means of force, fraud, or coercion for the purpose of exploitation. Migrants smuggling means the procurement of the irregular entry of a person across an international border for the purpose of obtaining a financial or material benefit. Unlike trafficking, migrant smuggling is voluntary, though not necessarily avoidable. Both crimes are linked as vulnerable, and indebted migrants tend to end up being exploited by organized crime rings. “The crime of human trafficking consists of three core elements: the act, the means, the purpose” (UNODC). Human trafficking is forced through threats, physical and sexual abuse, blackmail, abduction, emotional manipulation, and the removal of official documents to control their victims. Human trafficking can present itself in many ways. These include forced marriages, labor, and sexual exploitation. Victims are forced to work without pay or inadequate salaries in fear of violence and often in inhumane conditions. Some victims are tricked into having their organs removed and sold. Some children are forced to commit crimes for the benefit of traffickers.

Over time, the international response to these connected crimes improved by moving from general anti-slavery measures to specific legal frameworks. Historically, the movement of people for illicit purposes was addressed internally (per nation), but modern, transnational organized crime forced a coordinated legal response. The most significant improvement came with the Palermo Protocols in 2000, which supported the UN Convention against Transnational Organized Crime (UNTOC). These

protocols established the first internationally binding definitions for both human trafficking and migrant smuggling, requiring signatory states to criminalize the acts and cooperate on investigations. This framework also directly addressed the corrupt officials who enable these operations to acknowledge that competent border security and legal compliance depend on institutional integrity. Critically, the protocols distinguished between crimes. The Trafficking Protocol mandated victim protection, while the Smuggling Protocol explicitly aimed to target the facilitators, exempting the smuggled migrants themselves from criminal prosecution for irregular entry, though recognizing that indebtedness or vulnerability on the journey often leads to exploitation.

Currently, the scale of both human trafficking and migrant smuggling is the biggest it has ever been. The number of trafficking victims has seen a troubling rise since the COVID-19 pandemic, with a 25 per cent increase in global detections between 2019 and 2022, according to the Global Report on Trafficking in Persons 2024. With illicit activities continuing to generate massive profits for Transnational Organized Crime (TOCs) despite international regulatory bodies like the Financial Action Task Force (FATF). The economic footprint is staggering; estimates suggest global money laundering amounts to 2% to 5% of global GDP, with forced labor alone generating over \$236 billion in illegal profits annually. A key policy challenge is the low rate of asset recovery, as law enforcement successfully seizes less than 1% of these illicit financial flows, ensuring that criminal networks remain well-funded. These operations are fueled by global socio-economic inequality, conflict, and the absence of safe, legal migration pathways, which together create a constant supply of vulnerable individuals.

Context of the Problem Worldwide

The global fight against crimes in human trafficking and migrant smuggling lies in recognizing the extreme vulnerabilities of victims and the systemic failures to protect them. Events such as the European Migrant Crisis (2015-2016) illustrate the scale of vulnerable populations exploited by smugglers and traffickers while migrating. When thousands of migrants crossed the Mediterranean Sea, those who survived the initial trip ended up in countries where they lacked legal status and documentation, making them targets for labor and sexual exploitation. Similarly, regional crises have exposed specific protection

challenges. The extensive trafficking of women and girls from Rohingya communities in Myanmar and Bangladesh into situations of sexual exploitation and forced labor across South and Southeast Asia demonstrated how poor state presence and persecution are primary drivers that traffickers exploit. Protection measures in these contexts must address issues like securing documentation and providing long-term support to survivors. These cases prove that victim protection and law heavy state presence is central to dismantling these organized criminal networks. Effective global action requires establishing mechanisms to improve coordination and strengthen National Referral Mechanisms (NRMs).

Questions To Consider

1. How can the international framework established by the Palermo Protocols be more effectively enforced and updated to address the evolving exploitation methods used by Transnational Organized Crime (TOCs) in human trafficking and migrant smuggling?
2. To what extent should financial investigation and asset recovery targeting criminal proceeds be prioritized over traditional law enforcement actions in undermining the viability of human trafficking and migrant smuggling networks?
3. What specific mechanisms should be established to ensure long-term protection and integration support for survivors of trafficking, moving beyond immediate rescue to address issues like long-term psychological care, vocational training, and secure documentation?
4. How should the global community coordinate responses to address the interconnectedness of migration drivers (conflict, inequality) with the immediate need to dismantle the criminal facilitators who exploit migrants upon arrival in host countries?
5. How can the Security Council address the institutional integrity failures—specifically state corruption enabling these crimes—that undermine effective border security and victim protection efforts across various sources, transit, and destination countries?

Important Terms and Definitions

Transnational Organized Crime (TOC): Criminal activities carried out by organized groups operating across national borders. They commonly involve drugs, corruption, money laundering, or human trafficking.

Rule of Law: Principle that all members of a society, including those in government, are equally subject to publicly disclosed legal codes and processes.

Corruption: Abuse of entrusted power for private gain, often linked to bribery, embezzlement, and impunity that enable organized crime.

Financial Transparency: Policies ensuring that transactions and ownership are clear and traceable to prevent corruption and money laundering.

Beneficial Ownership: The actual person who ultimately owns, controls, or benefits from a company or asset, even if it is legally registered under another name.

Shell Companies: Businesses that exist only on paper, used to hide ownership or transfer illicit funds without transparency.

Tax Havens: Jurisdictions with low taxes and strict secrecy laws, often exploited to hide illegal profits.

Trade-Based Money Laundering (TBML): Manipulating invoices and trade transactions to disguise the movement of illicit funds.

Politically Exposed Persons (PEPs): Individuals with prominent political roles (or close associates) who are more likely to be involved in corruption or misuse of public funds.

Debt Bondage: Situation where victims are forced to work to repay a debt that is manipulated to keep them in exploitation indefinitely.

Members

- United States of America
- People's Republic of China
- Federal Republic of Nigeria
- United Mexican States
- Republic of Colombia
- Federative Republic of Brazil
- Republic of South Africa
- Federation of Malaysia
- Republic of Albania
- Republic of Serbia
- Republic of North Macedonia
- Islamic Emirate of Afghanistan
- Republic of Iraq
- Islamic Republic of Pakistan
- People's Republic of Bangladesh
- Italian Republic
- Kingdom of Spain
- Hellenic Republic (Greece)
- Republic of Türkiye
- Republic of Honduras
- Bolivarian Republic of Venezuela
- Republic of Indonesia

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