



**MMUN 49
GENERAL ASSEMBLY**

Topic: Preventing and Combating Corrupt Practices and Transfer of Funds of Illicit Origin and Returning such Assets to the Countries of Origin

Submitted by: General Assembly Second Committee

The General Assembly,

- 1 RECOGNIZING the widespread nature of and harm caused by corruption and the
- 2 international transfer of illicit funds,
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- 4 AWARE that by increasing the transparency of aid, corruption can be prevented,
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- 6 RECOGNIZING that information technology has made transparency a much more
- 7 achievable goal in recent times than it would have been previously,
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- 9 DEEPLY CONCERNED that cross-border flow of the global proceeds from criminal
- 10 activities, corruption, and tax evasion, according to the World Trade Organization, is
- 11 estimated between one trillion and 1.6 trillion U.S. dollars per year,
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- 13 RECOGNIZING each country's desire to maintain its sovereignty while remaining an
- 14 attractive target for further investment and aid,
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- 16 REALIZING the urgent need for international cooperation and the necessity of action,
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- 18 BEARING IN MIND that donors of international aid have an interest in ensuring that
- 19 their aid is well spent,
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- 21 AWARE that entities engaged in the transfer of illicit funds benefit from the current
- 22 opaqueness of the international aid system and that the need for the return of those funds
- 23 is also a result of the lack of transparency of the international aid system,
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- 25 NOTING WITH DEEP CONCERN that when aid and loans are not invested well, they
- 26 fall into the hands of extremists who undermine global security,
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- 28 ENCOURAGED by the progress made at the 20th Asian Regional Conference held in
- 29 Hong Kong in March 2008 sponsored by INTERPOL,
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- 31 NOTING WITH APPROVAL the existence of the Division for Public Administration
- 32 and Development Management (DPADM), which is a subsidiary of the United Nations
- 33 Development Program (UNDP), supports setting international standards, carrying out

34 comparative policy research and analysis, and assisting in building capacity in institutions
35 which safeguard public sector ethics, transparency, and accountability,

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37 NOTING that the DPADM is an actor able to promote transparency and which could be
38 enhanced to better achieve its objectives of a more transparent, efficient, and less corrupt
39 aid system,

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41 RECOGNIZING the need for Country Assessment in Accountability and Transparency
42 (CONTACT), a subdivision of UNDP, which assists governments in conducting self-
43 assessment of their financial management and anti-corruption systems,

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45 VIEWING WITH APPRECIATION the work of United Nations Educational Science and
46 Cultural Organization (UNESCO), Law Enforcement, Organized Crime and Anti-Money
47 Laundering Unit (LEOCAMLU), and the United Nations Office of Drugs and Crime
48 (UNODC),

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50 AFFIRMING that the return of illicit funds is essential to strengthen the integrity of the
51 international aid systems with the aid of World Bank Organization (WBO), International
52 Monetary Fund (IMF), and Financial Investigation Units (FIUs),

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54 NOTING that the International Monetary Fund has the potential to work with the
55 DPADM to improve transparency of the global aid system,

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57 GUIDED BY United Nations Resolution A/C.2/63/L.60, which declares the intention of
58 the General Assembly to combat corruption in the countries of origin of illicit funds,

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60 AFFIRMING the sovereignty of each state and the right of each state to self-
61 determination, in compliance with the Organization for Economic Cooperation and
62 Development, which supports their recommendation of improving ethical conduct in
63 public service,

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- 65 1. REQUESTS that the DPADM, in conjunction with the IMF, work to create
66 greater transparency of the expenditure of international aid in recipient nations, if
67 they are suspected of illicit use of aid;
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69 2. REQUESTS that in cases where the proper expenditure of aid in a developing
70 country is in doubt, the DPADM, in conjunction with CONTACT, should be
71 empowered with the ability and responsibility to conduct a succession of reviews
72 of the expenditure of aid and loans;
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74 3. RECOMMENDS the DPADM continue to enhance the quality of their institutions
75 relating to finance and development;
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77 4. REAFFIRMS that economic reviews will be adopted only with the acquiescence
78 of the country whose financial accountability is in question;
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- 80 5. RECOMMENDS the expansion of the DPADM by the UNDP to better perform
81 the review as necessary,
82 a. Urges members of the United Nations to further increase their financial
83 support of the DPADM through UNDP, so that it will have the ability to
84 fulfill its expanded responsibilities,
85 b. Also, enhance its diversity so that the interests of both developed and
86 developing nations are addressed,
87 c. Furthermore, both the reviewed country and the aid providers will have a
88 voice in the review process,
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- 90 6. FURTHER REQUESTS the DPADM to work with the IMF and domestic
91 institutions related to finance, where they exist, when performing the review,
92 a. In cases where effective domestic institutions capable of performing a
93 comprehensive review of the expenditure of aid do not exist, the DPADM
94 will facilitate their development;
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- 96 7. SUPPORTS making an executive summary by the DPADM of the reviews public
97 after a moratorium, to be decided by the DPADM, during which countries will
98 have an opportunity to improve their use of international aid should they require
99 it,
100 a. By reviewing the summaries, donors may be sure that their finances are
101 being spent in accordance with their intended use and are not falling into
102 the hands of corrupt officials or organizations,
103 b. In cases where the funds are not properly allocated, the DPADM will give
104 time to developing country in order to rectify their use of international aid
105 in an effort to prevent punitive measures, such as the reduction of aid,
106 from being necessary;
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- 108 8. ENCOURAGES investor countries to consider investing further in nations who
109 have shown substantial progress through the successive reviews in improving
110 their use of aid;
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- 112 9. CALLS UPON the international community to continue to strengthen existing
113 communications,
114 a. Through cooperation for the purpose of empowering institutions which
115 detect and prosecute international money-laundering operations,
116 b. Through prosecuting those who would perpetuate transnational corruption
117 and transnational illicit practices, for example: human trafficking, drug
118 trafficking,
119 c. By providing increased professional educational assistance to lesser
120 developed countries in order to further the opportunity to combat
121 corruption in its initial phases, through programs such as the UNESCO;
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- 123 10. ENCOURAGES increased technical assistance and financial assistance, if
124 necessary, to nations to fight corruption and encourages international cooperation
125 with LEOCAMLU, through the UNODC;

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11. CALLS FOR the fortification of existing regional institutions that facilitate cooperation between organizations, such as Intergovernmental Organizations or Non-Governmental Organizations, Financial Investigations Task Forces and other governmental programs, as well as assisting in identifying transnational corruption and illicit practices in the region;
12. FURTHER REQUESTS that these regional organizations bring forward the information to the country in which the transnational corruption suspect resides,
 - a. Brings together all countries so affected, to authorize supranational prosecution of the corrupt parties,
 - b. Recommends that the host country then considers the information and crimes brought to their attention by this regional body to prosecute the offender in their sovereign court of law on behalf of the international community;
13. AFFIRMS the need to establish a means to return the illicit funds to their country of origin, and acknowledges that an official, legitimate framework should be established in cooperation with institutions, such as the WBO, the IMF and the FIUs involved in tracking and freezing the organization's funds.