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FOSCAMUN 2019

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United Nations

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## UNITED NATIONS ECONOMIC AND SOCIAL COUNCIL

Dear delegates,

On behalf of the Economic and Social Council, it is a pleasure to welcome you to Foscamun 2019.

Now let me introduce you the chair. My name is Elena Maberino and I will be your President; Alessandro Tonut will be your Moderator, and Martina Reba, your Vice-President.

During the sessions, we are going to discuss two topics of major importance that have an enormous impact on the mechanics of social and international affairs.

*A) Tackling counterfeit and illegal products to promote consumer protection and enhance market development*

*B) Developing a financial action plan for natural disasters*

As members of this year's ECOSOC Chair, we earnestly hope that we will be able to reach common agreements in order to address these issues that nowadays are affecting the international community.

Thank you all for your participation.

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## ABOUT THE ECOSOC COMMITTEE

The United Nations Economic and Social Council (ECOSOC) is one of the six main organs of the United Nations (alongside the General Assembly, the Security Council, the International Court of Justice, the Trusteeship Council and the UN Secretariat) and it was established by the UN Charter in 1945, at the conclusion of the Second World War.

ECOSOC is responsible for the direction and coordination of economic, social, humanitarian and cultural activities carried out by the UN and its specialized agencies.

ECOSOC initiatives primarily involve:

**-Sustainable development**

**-Social development**

**-Populations and human rights.**

It is the central platform for reflection, debate and innovative thinking on international economic, social and environmental issues and for formulating policy recommendations.

Originally, 18 countries adhered to ECOSOC, but after the Charter amendment in 1974, the number of members increased to 54.

The Council's 54 member Governments are elected by the General Assembly for overlapping three-year terms. The seats given are based on geographical representations.

The Bureau of the Economic and Social Council is elected by the council at large at the beginning of each annual session. The current president of ECOSOC is the ambassador Inga Rhonda King.

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### **TOPIC A: Tackling counterfeit and illegal products to promote consumer protection and enhance market development**

#### **Brief Introduction:**

*“Product counterfeiting is a form of consumer fraud: a product is sold, purporting to be something that it is not. This is different from the crime of copyright violation, which involves the unauthorized transfer of licensed material, such as the sharing of music or video files electronically.*

*Product counterfeiting is typically an organized group activity because the manufacturing of goods takes people and time, and the goal is invariably profit. Many jurisdictions take the offence quite seriously. As a result, most product counterfeiting would be considered organized crime under the Convention.”*

-The UNODC committee

Counterfeit goods can be sold through parallel markets, or even introduced into the licit supply chain. Without the overheads of the licit products, these counterfeits can be priced extremely competitively while remaining vastly more profitable. Due to this competitive edge, in some national and regional markets, counterfeit products are far more common than the originals.

Where it becomes impossible to distinguish real from counterfeit, poor quality products destroy the reputation of the copied brand, and the cheaper goods will inevitably dominate.

Unaccountable products endanger consumer welfare and sustainability, in fact:

- knock-off toy producers need not worry about choking hazards or paint toxicity;
- counterfeit auto parts are not subject to the rigorous safety testing borne by their licit counterparts;
- due to cheaper materials and workmanship, counterfeit batteries and cigarette lighters are prone to explode;
- counterfeit medicines don't contain any active ingredient at all. Worse, they could contain a substandard dose, in the case of antibiotics, it can allow target microbes to develop resistance

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- manufacturing standards (such as supply-chain certification and waste management practices) are contravened in the factories where bogus goods are produced.

In this way, the proliferation of counterfeits anywhere in the world can have ramifications for global health, environmental protection and consumer safety. And counterfeit products have, indeed, proliferated.

Counterfeit products are often smuggled, both to circumvent problematic inspections and to evade import taxes. Since they are generally retailed irregularly, sales taxes are avoided. Such duty and tax evasion also allows counterfeit goods to be priced extremely competitively, while at the same time affording attractive profits for the dealers and retailers. By displacing the sales of legitimate products, they undermine the tax base and thus affect public services available for all; this is a threat to achieving sustainable development.

This phenomenon dampens creativity, decreases investments in research and development, breaks people's trust and jeopardizes human health.

### **History of the issue:**

Counterfeit has always existed, but it was from the advent of the latest tendencies and waves of globalization - and as a consequence of consumerism - that it soared. The rise of outsourcing - the process of paying to have part of a company's work done by another company and/or in other countries (usually less developed ones) - has made it take an enormous leap.

Electronic goods are one of the most commonly encountered counterfeit products, and fraudulent labelling of pharmaceuticals has also been rising.

The single most commonly counterfeited class of goods, however, is apparel: clothing, accessories and shoes.

The ultimate threat of counterfeiting has been realized in some parts of the developing world: the original, high-quality products have been essentially priced out of the market.

The share of counterfeit and pirated goods in world trade is estimated to have increased from 1.85% in 2000 (over USD 100 billion) to 1.95% in 2007 (USD 250 billion), reaching 2.5% in 2013 (USD 461 billion): up to 5% of goods imported into the European Union are fakes.

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### **Actions taken/projects:**

International Institutions should take firmer actions against the criminal organizations responsible for such crimes.

There are several ways in which this can be, and is being, tackled. This spans a number of areas and actions on the part of both authorities and consumers.

- Legislative actions

Adopting and fully implementing the United Nations Convention against Transnational Organized Crime: The counterfeit business is a global operation spread across numerous countries and organized by cross-border criminal networks. As a result, there is an ever-growing need for action at both local and international levels. The United Nations Convention against Transnational Organized Crime is the world's most inclusive platform for cooperation in tackling organized crime. 179 countries are currently Parties to the Convention and have committed themselves to fight organized crime locally and internationally by such means as collaboration and ensuring that domestic laws are suitably structured.

As an important instrument in tackling transnational organized crime, the Convention fosters international cooperation and, aside from encouraging the adoption of measures such as the establishment of domestic criminal offences, urges countries to put in place frameworks for extradition, mutual legal assistance and law enforcement cooperation.

Business Action to Stop Counterfeiting and Piracy (BASCAP) recently presented a comprehensive argument on the money laundering issue. Advocating for the confiscation of the proceeds from crime, both the United Nations Interregional Crime and Justice Research Institute (UNICRI) and the International Chamber of Commerce (ICC) have called on Governments to seize profits made by organized criminal networks from counterfeiting as a more effective response than just imprisonment.

- Operational actions

The illicit trafficking of counterfeit goods is evidently not an internal issue and in the production, trafficking and sale of these items multiple countries are affected. As a result, bilateral and multilateral cross-border investigations are vitally important.

The UNODC/World Customs Organization Container Control Programme is one method that is helping train officials to confiscate counterfeits as well as other illegitimate goods before they reach consumers. UNODC's regional cooperation networks for prosecutors, working

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with INTERPOL and others, could potentially provide the ideal platform to trace back such seizures through the supply chain and track down and investigate criminal networks involved in this illicit trade.

- Consumer actions

One way in which counterfeiting can be tackled is through empowering consumers to make more informed decisions. The UNODC campaign ‘Counterfeit: Don’t Buy into Organized Crime’ is one example of the type of awareness initiatives which should be pursued with added vigour in order to mobilize the full force of consumer power against such criminal business and deprive organized crime of one of its most profitable and low-risk money sources.

- Technical tools

There are a number of national and international product control organizations that have a role to play in the health and safety side of counterfeiting. There are also specific tools which are becoming available to assist in detecting counterfeit goods before they reach consumers. The development of one such device by the US Food and Drug Administration in the form of a handheld device has been used to screen products to identify counterfeit goods across a range of areas.

### **Guiding questions:**

- Does your country suffer from counterfeiting? How are consumers affected? How are manufacturers and retailers affected? How is your country tackling this issue?
- Are counterfeit goods produced in your country? Which ones? Does local economy suffer or benefit from it?
- Is there any plan or legislation to curb it? Are your custom authorities cooperating at international level with other ones?
- Is there any policy to educate consumers in your country?

### **Useful links:**

<http://mrglobalization.com/international-trade/239-trade-in-counterfeit-and-pirated-goods>

<http://www.oecd.org/industry/global-trade-in-fake-goods-worth-nearly-half-a-trillion-dollars-a-year.htm>

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[https://www.itu.int/en/ITU-T/Workshops-and-Seminars/20160628/Documents/PPT/S1P3\\_D\\_Protsenko.pdf](https://www.itu.int/en/ITU-T/Workshops-and-Seminars/20160628/Documents/PPT/S1P3_D_Protsenko.pdf)

<https://www.theguardian.com/technology/2018/dec/02/whether-youre-unaware-or-dont-care-counterfeit-goods-pose-a-serious-threat>

[https://www.unodc.org/documents/data-and-analysis/tocta/8.Counterfeit\\_products.pdf](https://www.unodc.org/documents/data-and-analysis/tocta/8.Counterfeit_products.pdf)

[https://www.unodc.org/documents/counterfeit/FocusSheet/Counterfeit\\_focussheet\\_EN\\_HIRE\\_S.pdf](https://www.unodc.org/documents/counterfeit/FocusSheet/Counterfeit_focussheet_EN_HIRE_S.pdf)

<https://www.unodc.org/counterfeit/>

<https://news.un.org/en/story/2017/09/565802-un-must-lead-global-battle-against-counterfeit-medicines-congo-tells-general>

<https://www.unric.org/en/latest-un-buzz/28969-the-international-fight-against-fakes>

## **TOPIC B: Developing a financial action plan for natural disasters**

### **Brief Introduction:**

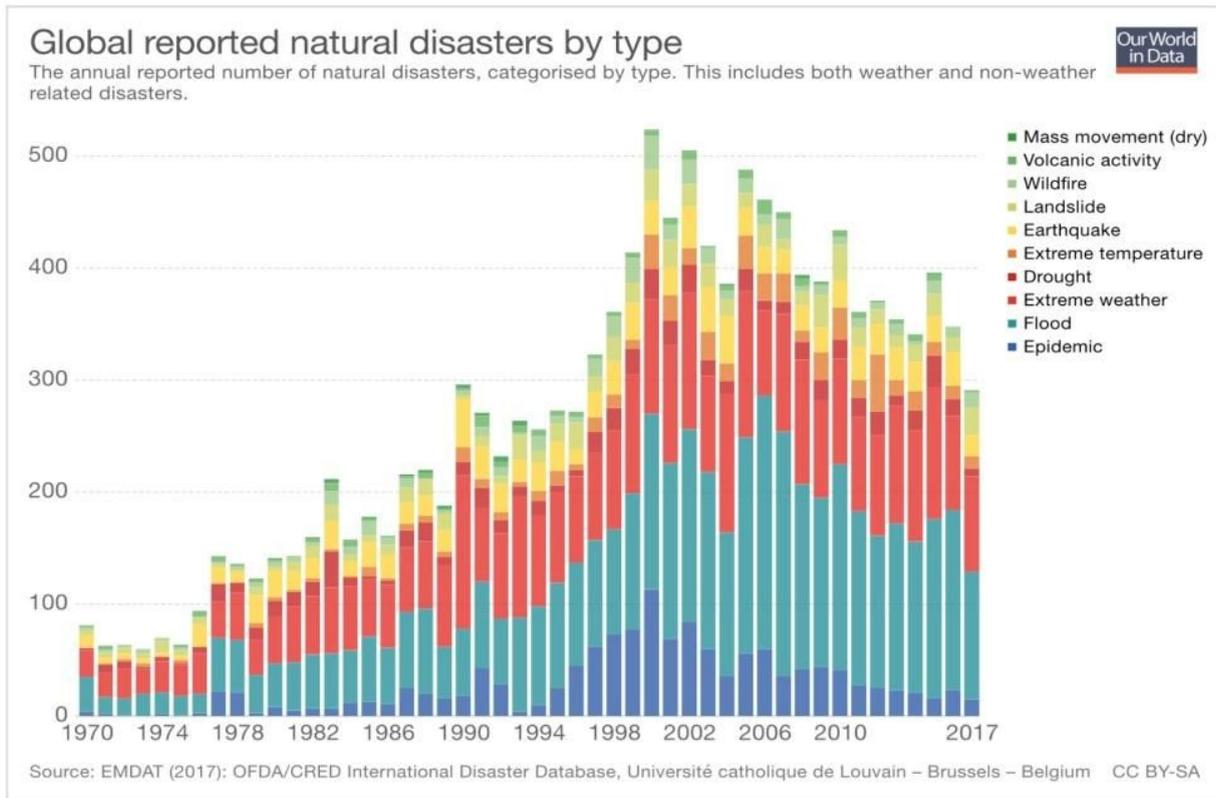
A natural disaster is an event that is caused by the natural forces of the earth and results in great damage and possibly casualties. Each year, the Earth experiences natural disasters. When natural disasters occur in heavily populated areas, a lot of people may lose their lives. Every year natural disasters kill around 90.000 people and affect close to 160 million people worldwide. Natural disasters include earthquakes, tsunamis, volcanic eruptions, landslides, hurricanes, floods, wildfires, heat waves and droughts. They have an immediate impact on human lives and often result in the destruction of the physical, biological and social environment of the affected people, thereby having a longer-term impact on their health, well-being and survival.

After a natural disaster strikes a region, its physical consequences are very evident, there are many wrecked houses and businesses, flooded streets, damaged vehicles, destroyed crops, and other visible impacts. However, natural disasters can have other effects that aren't as obvious and evident to the naked eye, but have equally or even more serious implications for communities.

The strain that natural disasters place on local governments' financial capacity is one of the most serious of these impacts. Although cities and counties usually receive some federal aid after disasters, they are still responsible for many of the costs related to response and recovery, and if they are not prepared or if they cannot afford such a considerable expense, these costs can have long-term impacts on local financial stability. Where there is a lack of territorial planning, of building administration and, above all, of an effective emergency and response strategy, the recovery from natural disasters is more difficult and considerably slower than in high-income countries.

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Furthermore, fast-growing economies experience exponential growth in assets exposed to the threat of damage from natural hazards. Without sufficient risk mitigation programmes, governments experience increasing volatility on financial incomes and budget appropriation, both of which can, in turn, impact the delivery of public services and investments.



Global reported natural disasters by type

### **History of the issue:**

The list of recent major disasters provides a grim illustration of the human and economic toll of natural hazards. Since 2000, 22 of the largest disasters in Commonwealth countries have caused losses of US\$ 37.7 billion, according to the World Bank's Damage and Loss Assessment database. This includes the 2010 floods in Pakistan, which caused over US\$ 10 billion in losses and affected the lives of over 20 million people. In the Horn of Africa, the extended 2008-2011 drought left 3.7 million people without food and clean water shortages, causing estimated losses in Kenya alone of US\$ 12.1 billion. This caused an estimated 2.8% deflection in economic growth. In small island states, the impact can be even more debilitating: Hurricane Tomas devastated St. Lucia in 2010 and wiped out 43% of GDP.

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According to the UN's disaster-monitoring system, between 1995 and 2015, the greatest number of natural disasters occurred in America, China and India. Globally, 2011 was the most costly year on record, with losses totalling over US\$ 380 billion.

In 2017, there were 335 major natural disasters worldwide, that affected over 95.6 million people, killing an additional 9,697. Overall costs were US\$ \$335 billion. Asia proved to be the most vulnerable region for floods and storms, with 44% of all disaster events, 58% of the total deaths, and 70% of the total people affected. Despite this, the Americas reported the highest economic losses, representing 88% of the total cost from 93 disasters. China, U.S., and India were the hardest hit countries in terms of occurrence with 25, 20, and 15 events respectively. Between 1980 and 2011 geophysical events accounted for 14% of all natural catastrophes.

Studies on natural events require complete historical records and strategies related to obtaining and storing reliable records, allowing for both critical interpretation and validation of the sources.

### **Actions taken/projects:**

Every year, major disasters such as earthquakes, floods or hurricanes cause hundreds of deaths, injuries, and displacements, as well as the destruction of homes, infrastructure and entail great economic losses. In 1989, the U.N. General Assembly designated October 13th as the International Day for Disaster Reduction in order to promote a global culture of risk-awareness of natural disasters through information campaigns, aiming to increase flexibility and responsiveness of communities and governments when facing a natural disaster. But as not all states are equally prepared to deal with natural disasters, it is necessary to strengthen the resilience, adaptation and anticipation measures to climate-related risks, from conservation and restoration activities to infrastructure improvements.

To reduce mortality rates in natural disasters, the U.N. has launched Sendai Seven, a programme focused on the seven objectives of the Sendai Framework, which will last seven years:

- 2016: Reduce mortality caused by disasters.
- 2017: Reduce the number of people affected.
- 2018: Reduce economic losses.

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- 2019: Reduce the damage caused by disasters.
- 2020: Increase the number of countries with response strategies.
- 2021: Increase international cooperation with developing countries.
- 2022: Increase the implementation of early-warning systems.

### Guiding questions:

- Is your country ready to face a natural disaster? Does it need the help of others?
- How did your country face other natural disaster happened in the past?
- Are there any plans/measures adopted in order to face such disasters?
- How would be possible to limit damage in case of natural catastrophes? (refer to previous cases)

### Useful links:

[https://www.gfdr.org/sites/default/files/publication/Building\\_Financial\\_Resilience\\_Against\\_Natural\\_Disasters\\_and\\_Climate\\_Change.pdf](https://www.gfdr.org/sites/default/files/publication/Building_Financial_Resilience_Against_Natural_Disasters_and_Climate_Change.pdf)

<https://www.unisdr.org/archive/49524>

<https://www.activesustainability.com/environment/how-to-fight-against-natural-disasters/>

<https://ourworldindata.org/natural-catastrophes>

[https://www.uaex.edu/health-living/personal-finance/m52040082\\_DisastersandFinancialPlanningGuide\\_FINAL.pdf](https://www.uaex.edu/health-living/personal-finance/m52040082_DisastersandFinancialPlanningGuide_FINAL.pdf)

[https://www.nado.org/wp-content/uploads/2014/01/FINAL\\_Workbook.pdf](https://www.nado.org/wp-content/uploads/2014/01/FINAL_Workbook.pdf)

<https://www.oas.org/dsd/publications/Unit/oea66e/ch02.htm>

<https://www.nap.edu/read/1840/chapter/2>

[https://en.wikipedia.org/wiki/Natural\\_disaster#Protection\\_by\\_international\\_law](https://en.wikipedia.org/wiki/Natural_disaster#Protection_by_international_law)  
[number-of-natural-disasters-events-globally](https://www.preventionweb.net/publications/view/60351)

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