



General Assembly Second Committee:
Economic and Financial Committee

UGAMUNC 30

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Letter to the Delegates

Dear Delegates,

My name is Allie Maloney and I will be your chair for the Second General Assembly of the United Nations, on Economic and Financial issues, or for short, ECOFIN. I am a fourth-year double majoring in Political Science and International Affairs pursuing a certificate in Sustainability. In addition to being in Model UN, I am a Fellow with the Richard B. Russell Security Leadership Program within the Center for International Trade and Security and have served as a student ambassador for the School of Public and International Affairs. This semester, I am working on my sustainability certificate capstone project, combining my interest in sustainable business practices and responsible production with policy analysis and stakeholder engagement to recommend policy on reducing food insecurity and waste in Athens. I am looking forward to hearing well-researched proposals and seeing the great work you can accomplish as a delegate when listening and working with others.

I also have the pleasure of introducing my co-chair, Mehr. They are a first-year majoring in Intended Finance and International Business. This is their first year on the team and their first year doing Model UN, and they are looking forward to the year ahead. Outside of Model UN, they enjoy writing, painting, and spending time with their dog.

The UN's ECOFIN committee deals with issues related to sustainable economic development, financing, eradication of poverty, and food security.¹ It is important that delegates understand the mandate of the United Nations as well as their powers as delegates. General Assembly committees generally have limited enforcement mechanisms and must respect state sovereignty. Our expectations are that you will prepare adequately and compete to the best of your ability. Note that this background guide is meant to give you a foundation for further research, rather than an all-encompassing reference. On that note, **position papers are due at 11:59 pm on January 19th** and can be turned in at my email allie.maloney@uga.edu. We hope to see this committee debate responsibly and professionally so that each delegate is treated with respect. If you happen to have any questions before the committee, please email me or Mehr's at mehrpreet.kaur@uga.edu. We can't wait to meet you all!

¹"Economic and Financial Committee (Second Committee) - UN General Assembly." n.d. the United Nations. Accessed October 13, 2023. <https://www.un.org/en/ga/second/index.shtml>.

Sensitivity Statement

As you research these topics and prepare to attend our conference, please remember to be respectful and mindful of different cultures, traditions, religions, and more. Here at the University of Georgia, we do not tolerate any form of discrimination. As a standard, follow the Western business attire dress code, do not imitate accents when speaking, and do not bring props. Treat your fellow delegates with the utmost respect, regardless of differences in ability, age, culture and ethnicity, gender identity, national origin, race, religion, and sexual orientation. Please keep this in mind, whether it's the ideas discussed during debate or the content of your papers.

Additionally, cheating by pre-writing or other measures such as the use of AI (ChatGPT, Google Bard, Grammarly AI, etc.) will not be allowed, as it not only provides certain delegates with unfair advantages, but also takes away from the passion, personality, and effort that each delegate puts into their ideas and works. Although this is a technology committee, the use of AI to write position papers, speeches, or papers in committee is strictly forbidden. In short, please conduct yourself in a respectful and professional manner. If instances of racism, sexism, homophobia, xenophobia, etc. ever arise during committee, please let us know so that we can handle the situation and create a safe and welcoming environment for everyone. Furthermore, if our staff determine that you have violated our code of conduct, or that you have committed any aforementioned forbidden activities such as prewriting, accent imitation, or racism, we reserve the right to disqualify you from UGAMUNC 30.

Topic A: Sustainable Supply Chains

A supply chain describes the journey a final product makes from raw materials to final sale. It includes all the products, organizations, companies, and individuals that combined to create the product. With such a globalized economy, most products are no longer grown, sewn, and sold by a singular individual. With a simple product like a pair of jeans, people seldom think about all the processes it goes through before it is worn, including the cotton, die, buttons, thread, labor, packaging, and shipping. Raw materials first must be “collected, refined, transported, and stored” before all parts are brought to a manufacturing facility where they are assembled, tested for quality, and packaged.² From there they are shipped to their point of sale.

Because of its vast reach and touch into every industry, there are so many points in which to make supply chains more sustainable. From the plastic packaging and carbon emissions of shipping, to the labor practices employed, the UN Sustainable Development Goals set targets for many steps of the process. With a greater call from consumers for corporate sustainability, companies must now monitor, audit, and improve their practices. While some people may think of sustainability purely through an environmental lens, sustainability includes three spheres: Environmental, Social, and Economic. All three spheres are interconnected and should all be considered for a truly sustainable supply chain.

With global climate change looming as an ever-present threat, environmental impacts of corporations are the most visible aspect of supply chains. A product’s lifecycle “impacts can include toxic waste, water pollution, loss of biodiversity, deforestation, long term damage to ecosystems, water scarcity, hazardous air emissions as well as high greenhouse gas emissions and energy use.”³ It is important that businesses pledge to work with suppliers who have clear environmental standards. However businesses that have set and advertised sustainable goals have run into backlash for discoveries of environmental degradation, such as Nike and Adidas suppliers who were polluting rivers in China with toxins.⁴ Very often it is corporate greed that leads to these problems. Businesses place orders that exceed available supply and capacity, making suppliers turn to unsustainable outlets to meet demand.⁵ A circular economy where products are reused or recycled rather than raw materials continuously being taken from the environment would mitigate this demand. The World Trade Organization identifies revolutionizing information technology as a way to manage supply chain circularity through transparent traceability along with creating a common database and language for standards.⁶ This

² Duggan, Wayne. 2022. “What Is a Supply Chain? | U.S. News.” US News Money. <https://money.usnews.com/investing/term/supply-chain>.

³ Sisco, Cody, and Blythe Chorn. 2015. “Supply Chain Sustainability.” United Nations Global Compact. https://d306pr3pise04h.cloudfront.net/docs/issues_doc%2Fsupply_chain%2FSupplyChainRep_spread.pdf.

⁴ Villena, Veronica, and Dennis Gioia. 2020. “A More Sustainable Supply Chain.” Harvard Business Review. <https://hbr.org/2020/03/a-more-sustainable-supply-chain>.

⁵ *ibid*

⁶ International Trade Center. 2015. “Making Sustainable Supply Chains.” World Trade Organization. https://www.wto.org/english/tratop_e/devel_e/a4t_e/global_review15prog_e/brochuresidevents19.pdf.

includes the ability to trace history of products, monitor transportation environmental impacts, and crowdsourcing materials through blockchain technology.⁷

In 2010, the UN Human rights council outlined ways in which businesses could support and protect international human rights through “core business activities, strategic social investment, philanthropy, public policy engagement, advocacy partnerships as well as collective actions.”⁸ Labor conditions, wages, child labor, and work hours in outsourced manufacturing can often not meet international labor standards, and since the supply chain network is so intricate, sometimes businesses do not even know their products come from forced labor conditions. There are an estimated 450 million people working in supply chains, including 190 million women,⁹ therefore improving labor conditions should be a priority for the international community. Good jobs can allow for economic independence and stable healthcare, but so long as businesses are not exploiting their employees. Businesses have the responsibility to carefully investigate and know where their products have come from. Sometimes, in lower-tier suppliers, that is suppliers of suppliers to companies, oversight is lacking. For example, Harvard Business review discovered a car manufacturing company’s supplier in Mexico did not have channels for sexual harassment reporting and punishment, and their turnover rate for workers was very high, making it hard to establish health and salary benefits for employees.¹⁰

Countries and international organizations are taking regional approaches to sustainable supply chains. The Asian Development Bank, or ASEAN. ASEAN’s goal is to strengthen global value chains and Asian countries’ comparative advantage with technology and labor under the evolving global challenges of pandemics, climate change and strategic geopolitical competition.¹¹ The European Union introduced a law for businesses to track operations and social and environmental impacts. Some groups, like the Human Rights Watch posit that this type of evaluation is too self reliant on businesses to monitor their own operations and does not provide enough oversight.¹² Additionally, global agreements, such as the Paris Agreement pursues a cap to global warming to 2 degrees fahrenheit, with a goal of limiting to 1.5 degree global increase. This puts states at a position to create domestic laws and institutions to limit

⁷Sarkis, Joseph. 2022. “Green Supply Chains: Digitization, Circular Economy, and Due Diligence Linkage.” World Trade Organization. https://www.wto.org/english/res_e/reser_e/sarkis_climate_change_21april22.pdf.

⁸ Sisco, Cody, and Blythe Chorn. 2015. “Supply Chain Sustainability.” United Nations Global Compact. https://d306pr3pise04h.cloudfront.net/docs/issues_doc%2Fsupply_chain%2FSupplyChainRep_spread.pdf.

⁹United Nations Industrial Development Organization. 2023. “Sustainable supply chains.” UNIDO. <https://www.unido.org/our-priorities/sustainable-supply-chains>.

¹⁰ Villena, Veronica, and Dennis Gioia. 2020. “A More Sustainable Supply Chain.” Harvard Business Review. <https://hbr.org/2020/03/a-more-sustainable-supply-chain>.

¹¹ Cortes, Mike. 2023. “ASEAN and Global Value Chains: Locking in Resilience and Sustainability.” Asian Development Bank. <https://www.adb.org/sites/default/files/publication/871976/asean-global-value-chains-resilience-sustainability.pdf>.

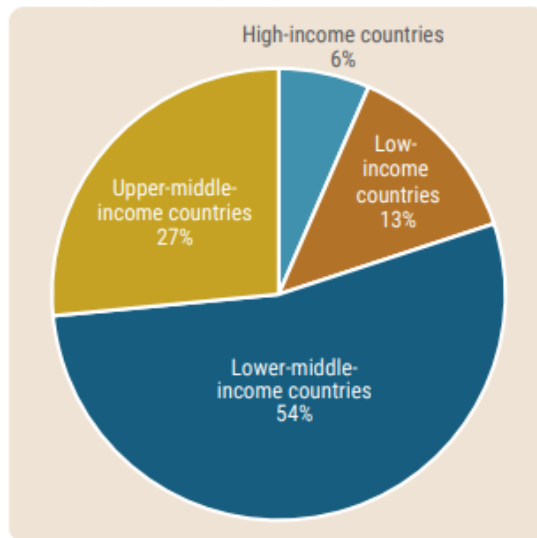
¹² Kippenberg, Julianne. 2023. “EU’s new supply chain laws over-reliant on self-certification.” Human Rights Watch. https://www.hrw.org/news/2023/06/14/eus-new-supply-chain-laws-over-reliant-self-certification?gad_source=1&gclid=Cj0KCQjw1aOpBhCOARIsACXYv-fyfXzUDuNal2bUQ0ej3T9sAH880uRz_Ej8mje3YNt_pz1WDysSTm0aAkqdEALw_wcB.

carbon emissions. Since business and industry is one of the largest emitters, finding ways along the supply chain to limit carbon footprint is a large goal.

Topic B: Rural Development

Rural development refers to efforts to cause socioeconomic changes and human improvements in rural areas, typically sparsely populated areas.¹³ About 70 percent of the world's rural population lies in low to lower-middle income countries, which constitutes the issue of rural development as essential for these countries. In high-income countries, the rural population consists of one-fifth of the total population, however, the socioeconomic performance of rural development strategies cannot be determined solely on the basis of income. Overall improvement in the rural population depends on complex interactions between their economic activities, the quality of their social condition, and the management of their environment.¹⁴

Figure 0.1
Share of world's rural population by
country income group, 2020



Source: UN DESA, based on data from World Bank (2021).

In the Millennium Development Goals Report 2015, Secretary-General, Mr Ban Ki – Moon emphasizes the pronounced imbalances between rural and urban and the gaps persisting in different sectors. Specifically, rural areas still lack access to modern energy services, such as electricity, petroleum products, and natural gas, and rely on biofuel products such as wood, crop residue, and animal dung. Without access to modern energy sources, people in rural areas are unable to improve their quality of life, in turn negatively affecting productivity, education, and

¹³Atkinson, Christopher L. 2019. "Rural Development." SpringerLink.
https://link.springer.com/referenceworkentry/10.1007/978-3-319-31816-5_1014-1.

¹⁴ World Social Report. 2021. "Reconsidering Rural Development." United Nations Department of Economic and Social Affairs.
https://www.un.org/development/desa/dspd/wp-content/uploads/sites/22/2021/05/OVERVIEW_WSR2021.pdf.

worsening the poverty trap.¹⁵ Essentially, these areas lack the energy sources that could drive them out of poverty. People cannot produce goods or farm efficiently if their time is spent searching for diminishing woodfuels or if their income is used to pay for inefficient sources of power. Furthermore, the usage and production of inefficient energy sources worsens the impacts of air pollution and greenhouse gasses. Globally, nearing 1 billion people (13% of the world's population) are without electricity, many of which depend on biomass to fuel daily activities such as cooking meals. One-third of the total energy consumed in developing countries is biofuel related with annual biofuel consumption in developing countries exceeding 1 billion tons of oil equivalent (btoe).¹⁶ Furthermore, while biofuel is considered an alternative to fossil fuel consumption due to its potential to reduce greenhouse gas emissions, its sustainability is debated upon due to several undesirable effects, such as pressure on water resources, air and water pollution, and increased food costs. It is also unable to compete economically with fossil fuels without subsidies or other market interventions.¹⁷

The World Social Report 2021 by UN DESA addresses the lack of modern energy sources along with three other factors as incentive to urgently reconsider the role of rural development and its strategies: the impact of climate change on agricultural and rural economies, rapid technological advancements increasing the likelihood of decreasing or removing the poverty line, and the possibility of industrialization while still keeping the share of agriculture in gross domestic product (GDP) high. It refers to two views: the narrow view that focuses on the connection between rural development and the UN sustainable development goals (SDGs) regarding poverty, hunger, and equality and the broader view that stresses a wider range of connections between rural development and the SDGs.¹⁸

Sustainable agriculture also plays a large role in rural development. The Sustainable Agriculture and Rural Development (SARD) was introduced by the UN in Agenda 21 (1992). SARD's main objective is to increase sustainable food production and enhance food security through the involvement of education initiatives, utilization of economic incentives, and the development of appropriate and new technologies.¹⁹ Most countries rely heavily on agriculture, and climate change can have a significant impact on crop yields. Extreme shifts in temperature, ozone, and water and nutrient constraints can cause quality to decline or even prevent crops from

¹⁵ United Nations Department of Economic and Social Affairs. n.d. "Rural Development | Department of Economic and Social Affairs." Sustainable Development Goals. Accessed October 18, 2023. <https://sdgs.un.org/topics/rural-development>.

¹⁶ Barnes, Douglas, and Willem Floor. 1996. "RURAL ENERGY IN DEVELOPING COUNTRIES: A Challenge for Economic Development1." *Annual Review of Energy and the Environment* 21 (1): 497-530. 10.1146.

¹⁷United States Environmental Protection Agency. 2023. "Economics of Biofuels | US EPA." Environmental Protection Agency. <https://www.epa.gov/environmental-economics/economics-biofuels>.

¹⁸World Social Report. 2021. "Reconsidering Rural Development." United Nations Department of Economic and Social Affairs.

¹⁹ United Nations Department of Economic and Social Affairs. n.d. "Rural Development | Department of Economic and Social Affairs." Sustainable Development Goals. Accessed October 18, 2023. <https://sdgs.un.org/topics/rural-development>.

growing, in the case of extreme events such as floods or droughts.²⁰ Many agricultural practices have also influenced pollution, soil erosion, and wildlife population declines, but sustainable agricultural practices, such as crop rotation and integrated pest management (IPM), and new technologies such as modern irrigation systems have begun to mitigate this gap.²¹ This concept as a whole is considered agriculture with a rural development perspective. It is also noted that food security— while remaining a large focus for most countries— is still an unfulfilled goal.

In the United States, about one-fifth of the population resides in rural areas, and rural areas constitute 97 percent of its total landmass. Thus, the U.S. Department of Agriculture (USDA) places importance on the value of rural development. For example, one initiative created is Strategic Economic and Community Development (SECD), which promotes and implements strategic community investment plans by using the unique strengths of rural communities and finances projects through federal, state, local or private funding.²² These investment plans include loan programs such as the Single Family Housing Guaranteed Loan Program by the USDA, which provides low and moderate income households with the opportunity to purchase, build, rehabilitate, improve, or relocate a dwelling in an eligible rural area with 100% financing. The intent of programs such as these is to promote rural development while also providing affordable homeownership.²³

²⁰ United States Environmental Protection Agency. n.d. “Climate Impacts on Agriculture and Food Supply | Climate Change Impacts | US EPA.” Climate Change. Accessed October 18, 2023.

<https://climatechange.chicago.gov/climate-impacts/climate-impacts-agriculture-and-food-supply>.

²¹ Union of Concerned Scientists. 2017. “What is Sustainable Agriculture?” Union of Concerned Scientists. <https://www.ucsusa.org/resources/what-sustainable-agriculture>.

²²United States Department of Agriculture. n.d. “Strategic Economic and Community Development | Rural Development.” USDA Rural Development. Accessed October 18, 2023.

<https://www.rd.usda.gov/about-rd/initiatives/strategic-economic-and-community-development>.

²³ United States Department of Agriculture. n.d. “Single Family Housing Guaranteed Loan Program | Rural Development.” USDA Rural Development. Accessed October 18, 2023.

<https://www.rd.usda.gov/programs-services/single-family-housing-programs/single-family-housing-guaranteed-loan-program>.

Questions to Consider:

1. How can the UN incentivize or promote supply chain transparency?
2. What goals can the UN set for social equity in supply chains?
3. How can women and marginalized peoples be empowered through sustainable supply chains and rural development?
4. How can renewable energy be used to prompt rural development?
5. What is the role of sustainable agriculture technology in rural development?