

Economic and Financial Affairs Council (ECOFIN)

Thomas Jefferson Model United Nations Conference

TechMUN XXXII



High School General Assembly

Co-Chairs: Hrishi Desai & Esha Madamalla

Thomas Jefferson High School for Science and Technology

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Dear Delegates,

Welcome to TechMUN XXII, but better than that, welcome to ECOFIN! We are your chairs for this conference, and we are excited to see how you decide to tackle some of the biggest topics in the world. This committee takes place in 2025 amid the current global issues that are taking place. All of you represent a country from the United Nations, some big and powerful and others small but mighty. Despite the size of your country, you all are equally representative. It is important for you to remember your country, and stay with that as it will be how you will be distinguished. At today's conference, the first topic is regulating the digital economy regarding cryptocurrency and how you can help as a member of ECOFIN, and the second topic discusses regulating the lab grown meat industry on a global scale

We are looking for enthusiastic delegates, with good research done prior to the conference who are able to communicate properly to get their solutions across. We want to focus on diplomacy, and want to see delegates who work with others and don't try to make a committee just for them. Make sure to participate and raise your placard as much as possible, we love to see that kind of behavior. Don't be afraid to try new things, and even if mistakes are made, it is not the end and more participation will be looked positively upon. We all do Model UN to have a great time, and we want to ensure that you all have the best time at TechMUN. No matter how much experience you have, if it's your first or your tenth, we want to make this conference your best one yet and one for your books. Please do not hesitate to email us at ecofintechmun2025@gmail.com if you have any questions or concerns.

Hrishi Desai & Esha Madamalla

Co-Chairs, ECOFIN

Introduction to ECOFIN

Welcome to TechMUN XXXII, or better than that, ECOFIN! As one of the most dynamic and forward-thinking committees of the United Nations, ECOFIN plays a crucial role in shaping global economic policies, fostering financial stability, and ensuring sustainable development. Through international cooperation and policy innovation, we work to address the most pressing economic challenges facing the world today.

Our first topic focuses on the rise of cryptocurrency and financial technology (FinTech)—sectors that have revolutionized global transactions but also introduced regulatory and economic challenges. As digital currencies and decentralized finance (DeFi) expand, nations struggle to balance financial innovation with stability, consumer protection, and the prevention of illicit activities. As delegates, you will explore policies to regulate digital assets, promote responsible financial technologies, and ensure economic security in an increasingly digital world. Our second topic, lab-grown meat and its role in the global economy, pushes us to consider the intersection of technology, sustainability, and market regulation. With climate change concerns and global food security at the forefront, lab-grown meat presents a revolutionary alternative to traditional livestock industries. However, it also raises economic, ethical, and regulatory questions. As delegates, you will debate how governments should regulate this industry, support innovation while maintaining fair competition, and navigate the economic shifts caused by the rise of alternative proteins.

As we engage in these discussions, we encourage you to think critically, propose innovative policies, and collaborate to develop sustainable and equitable solutions. The future of the global economy is in our hands—let's make this year's ECOFIN committee one to remember!

Topic A: Regulating the Digital Economy: Addressing Cryptocurrency and FinTech Disruptions

Introduction:

The rapid expansion of the digital economy has introduced both opportunities and challenges for global financial stability. Cryptocurrencies and financial technology (FinTech) have revolutionized banking, payments, and investments, providing financial access to underserved populations while also introducing regulatory and security risks. The rise of decentralized finance (DeFi) platforms and digital assets like Bitcoin and Ethereum has blurred the lines between traditional financial institutions and digital financial services, complicating monetary policies and economic regulations.

Governments and central banks worldwide have struggled to adapt to these rapid technological advancements, particularly with concerns over money laundering, fraud, tax evasion, and economic volatility. While some nations have embraced digital currencies, others have implemented stringent restrictions or outright bans. Meanwhile, central bank digital currencies (CBDCs) are being explored as a potential solution to provide the benefits of digital finance while maintaining regulatory oversight. The challenge for the Economic and Financial Committee (ECOFIN) is to strike a balance between fostering innovation, ensuring consumer protection, and maintaining economic stability.

Relevant Issues:

The rapid growth of cryptocurrencies and FinTech has created regulatory, financial, and security challenges. The lack of global oversight has led to inconsistent regulations, economic instability, and difficulties in tracking cross-border transactions. Cryptocurrencies' volatility makes them prone to speculation and financial manipulation, while their anonymity enables illicit activities such as fraud, money laundering, and tax evasion. Additionally, consumer

protection and cybersecurity risks remain major concerns, as decentralized finance (DeFi) platforms often operate without safeguards, leaving users vulnerable to hacking and financial losses. Central banks also face difficulties in maintaining monetary control, prompting discussions on central bank digital currencies (CBDCs) as a potential solution. While FinTech innovations promote financial inclusion in developing economies, they also risk economic instability without proper regulation.

Possible Solutions

To address the challenges posed by cryptocurrencies and FinTech disruptions, ECOFIN can support the establishment of a global regulatory framework that ensures consistency across nations. International cooperation between financial authorities, central banks, and institutions such as the International Monetary Fund (IMF) and the Financial Action Task Force (FATF) is essential for developing standard policies that promote innovation while maintaining economic stability. Implementing stronger Know Your Customer (KYC) and Anti-Money Laundering (AML) regulations can help mitigate illicit financial activities and provide greater oversight of digital transactions.

Another crucial step is enhancing consumer protection and financial education. Governments and financial institutions should promote awareness campaigns to educate consumers about the risks and benefits of cryptocurrencies and digital finance. Strengthening cybersecurity regulations, requiring crypto exchanges and FinTech companies to implement higher security standards, and introducing legal protections for consumers affected by fraud or hacking are necessary measures to create a safer digital financial ecosystem.

Finally, strengthening international cooperation to combat financial crimes is essential in addressing illicit activities facilitated by digital currencies. ECOFIN can advocate for the

expansion of intergovernmental collaborations, such as improving data-sharing mechanisms between financial institutions and law enforcement agencies. By promoting transparency and accountability in the digital financial sector, nations can harness the benefits of cryptocurrencies and FinTech innovations while minimizing their risks to global economies.

Questions to Consider:

- 1) How can international cooperation be strengthened to regulate the digital economy without stifling innovation?
- 2) What measures should be taken to protect consumers and businesses from the risks associated with cryptocurrency and FinTech disruptions?
- 3) Should central banks develop their own digital currencies (CBDCs), and if so, how can they be implemented responsibly?
- 4) What role should major financial organizations (IMF, FATF, World Bank) play in regulating cryptocurrencies?
- 5) How can developing economies benefit from cryptocurrency and FinTech innovations while minimizing financial instability?

Helpful Links:

- <https://www.imf.org/en/Topics/fintech>
 - <https://www.fatf-gafi.org/>
 - <https://www.weforum.org/agenda/archive/financial-technology>
 - <https://www.bis.org/publ/othp33.pdf>
- https://www.ecb.europa.eu/paym/digital_euro/html/index.en.html

Topic B: Meat the Future: Regulating the Lab-Grown Meat Industry in a Shifting Global Economy

Introduction

The emergence of lab-grown meat, also known as cultivated meat, has the potential to revolutionize the global food industry by providing a sustainable alternative to traditional livestock production. This innovation, developed through cellular agriculture, promises to reduce greenhouse gas emissions, lessen land and water usage, and address global food security challenges. However, as the lab-grown meat industry expands, it raises complex economic, regulatory, and ethical concerns that require international cooperation and oversight.

The global meat industry is a cornerstone of many national economies, employing millions and contributing significantly to trade and GDP. The rise of lab-grown meat poses economic challenges to traditional meat producers, including potential disruptions in employment, trade regulations, and shifts in consumer markets. Governments face the challenge of determining how to regulate this new industry while ensuring fair competition, food safety, and ethical considerations. Some nations have embraced cultivated meat, approving products for commercial sale, while others remain hesitant due to health concerns, cultural factors, and economic disruptions. ECOFIN must navigate these challenges by developing regulatory frameworks that promote innovation, protect economic stability, and ensure consumer confidence in lab-grown meat.

Relevant Issues

The rapid growth of lab-grown meat presents both economic and regulatory challenges for global markets. Traditional livestock industries face potential disruptions, with farmers and meat workers at risk of losing jobs as consumer demand shifts. Countries that rely on meat

exports may experience economic downturns, raising concerns about fair trade and market competition. Regulatory uncertainty remains a major obstacle, as there is no universal framework for food safety, labeling, or consumer transparency. Some nations have approved cultivated meat, while others hesitate due to health concerns and cultural resistance. Without consistent regulations, international trade could become fragmented, limiting market growth and consumer confidence. Additionally, the affordability and accessibility of lab-grown meat pose challenges, particularly in developing nations. While cultivated meat has the potential to reduce environmental harm and improve food security, high production costs may prevent widespread adoption. Governments must balance innovation with economic stability, ensuring that the benefits of lab-grown meat are accessible to all while protecting traditional agricultural economies.

Possible Solutions

To effectively regulate lab-grown meat, ECOFIN must establish international standards for food safety, labeling, and trade to ensure consistency and consumer trust. Cooperation with organizations like the WTO and FAO can help create a framework that facilitates market access while maintaining quality control. Economic policies should support traditional meat producers through subsidies, retraining programs, or incentives to integrate cultivated meat technology. Governments can also encourage investment in research to lower production costs and make lab-grown meat more affordable, ensuring that it benefits both developed and developing nations. Finally, consumer education is key to addressing skepticism and cultural resistance. Clear labeling, transparent production processes, and public awareness campaigns can help build trust in lab-grown meat, ensuring its smooth integration into global markets while maintaining economic stability.

Questions to Consider

1. How can regulatory frameworks be standardized to ensure food safety while promoting innovation in lab-grown meat?
2. What economic policies can be implemented to support traditional meat producers as the market shifts toward alternative proteins?
3. How can lab-grown meat be made more accessible and affordable in developing nations?
4. What role should international organizations like the WTO and FAO play in governing the lab-grown meat industry?
5. How can ECOFIN ensure that lab-grown meat does not create monopolies or unfair market advantages for large corporations?
6. ECOFIN must address these challenges with a forward-thinking approach, ensuring that lab-grown meat contributes to a sustainable, inclusive, and well-regulated global economy.

Helpful Links

- <https://www.fda.gov/news-events/press-announcements/usda-and-fda-announce-formal-agreement-regulate-cell-cultured-food-products-cell-lines-livestock-and>
- <https://www.fda.gov/food/food-ingredients-packaging/human-food-made-cultured-animal-cells>
- <https://www.fda.gov/food/food-ingredients-packaging/human-food-made-cultured-animal-cells>
- <https://www.frontiersin.org/journals/sustainable-food-systems/articles/10.3389/fsufs.2021.624270/full>

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