



# **The Role of Cryptocurrency on Global Security and Health through Enabled Black Markets**

CND



 **LINMUN**

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# I. INTRODUCTION

**Dear delegates of the Commission on Narcotic Drugs (CND),**

During this debate, you will discuss the current topic: **The Role of Cryptocurrency on Global Security and Health through Enabled Black Markets.**

Technology has transformed the global production and distribution of narcotic drugs, enabling sophisticated black markets through synthetic substances, encrypted platforms, and cryptocurrency transactions. Although these cryptocurrency based markets still represent a relatively small portion of the global illegal drug trade, their rapid growth poses new challenges for international law enforcement and regulatory frameworks. The neurological risks associated with synthetic drugs and their increasing accessibility, particularly for vulnerable groups such as teenagers, highlight the urgency for coordinated international action. CND expects great results from the debate and expects effective solutions to regulate these illegal markets and mitigate their harmful effects.

Welcome to the Olinca Model United Nations (OLINMUN) 2026.

Yours sincerely,

**Tatiana Mendoza Villarreal**

Head of Committee of CND

**María Gabriela Reyes Ríos**

Chair of CND

**Camila Espinoza Valenzuela**

Moderator of CND

**María Andrea López Rodríguez**

Deputy Chair of CND

**NOTE: We highly recommend you thoroughly read the following document and the Conference Handbooks since they will provide an overview of the topics discussed and will allow you to acquire crucial information about the rules of procedure.**

## II. OVERVIEW

### A. COMMITTEE'S BACKGROUND

The CND is the principal drug policy-making body within the United Nations together with the Commission on Crime Prevention and Criminal Justice (CCPCJ). Its mandate is to decide over narcotic drugs and other chemical substances under international control in assessment with the World Health Organization and the International Narcotics Control Board. Furthermore, the commission develops drug control policies, monitors drug control treaties, and looks over the efforts among member states to deal with drug trafficking, production and use.

In 1991 the General Assembly expanded the mandates of the CND, enabling it as the governing body of the United Nations Office on Drugs and Crime (UNODC) and approved a budget for the fund of the United Nations International Drug Control Programme. These are most of the resources that come from the United Nations for drug control. The CND holds internationally an annual regular meeting to discuss the global state of drug control and to implement resolutions.

As a functional commission of the Economic and Social Council, the CND contributes to the work of the ECOSOC and the General Assembly of the United Nations through the proposition of detailed analysis, data, and specific insights on certain issues related to drugs and crime, such as alternative development for communities involved in the cultivation of illegal drugs, preventing distribution of chemicals, and the connections between illicit trafficking and other forms of drug crime. It is of high importance that CND continues to function as it is the branch that establishes the root of many of the programs and actions being taken by other Committees, as well as a Commission focused on an incredibly relevant problem we face nowadays.

## B. COMMITTEE'S ACHIEVEMENTS

In the Ministerial Declaration of 2019, under the heading “Way forward”, Member States committed to supporting the Commission on Narcotic Drugs in continuing transparent and inclusive discussions. All relevant sponsors had to address and counter the world drug problem, including sharing information, best practices and lessons learned. Based on the challenges identified in the Ministerial Declaration of 2019, the Commission adopted that same year a multi-year work plan on how those challenges could be addressed through effectively implementing the provisions adopted in 2009, 2014, and 2016.

In 2022, the commission devoted special attention to the issue of availability and access (A&A) to controlled substances for medical and scientific purposes. The Commission considers it of great importance to step up its efforts in addressing this issue, as ensuring the availability and access to controlled substances for medical and scientific purposes is a commitment protected in the three international drug control conventions

## III. THE ROLE OF CRYPTOCURRENCY ON GLOBAL SECURITY AND HEALTH THROUGH ENABLED BLACK MARKETS

For over a decade, technology has developed at an exponential rate, profoundly transforming nearly every aspect of modern society. One of the areas most significantly affected by this rapid technological advancement is the rise of online black markets, commonly known as cryptomarkets. Crypto Markets are digital platforms where anonymous buyers and sellers can conduct business without official registration or oversight, an unfortunate advantage for drug traffickers and criminal organizations. These markets rely on encrypted communication and anonymity-enhancing technologies to protect users' identities, eradicating the need for any physical interaction. As a result, law enforcement agencies face considerable challenges in detecting illegal transactions carried out through cryptocurrencies such as Bitcoin. This anonymity makes Crypto Markets highly effective and resilient, allowing them to operate across the globe and making efforts to shut them down ineffective.

As previously mentioned, traffickers and dealers of synthetic drugs such as fentanyl, MDMA, and synthetic cannabis-based substances increasingly rely on Crypto Markets to distribute their products. The nature of synthetic drug production allows traffickers to relocate easily, share formulas online, and coordinate international supply chains without meeting in person. Furthermore, due to strict regulations on controlled substances in many countries generate high demand within Crypto Markets, creating strong profit incentives for criminal organizations to expand their operations through these platforms. According to the Global Initiative Against Transnational Organized Crime, as of 2025 there are approximately 30,000 active websites on the dark web, with an estimated 50-60% involved in criminal activities, highlighting the scale of the challenge faced by the international community.

The majority of transactions involving synthetic drugs and/or substances are conducted using cryptocurrencies, which allow full anonymity for both buyers and sellers alike. This facilitates both drug trafficking and money laundering, because there is no way of reversing these transactions. Privacy-focused digital currencies such as Monero or Zcash further enhance anonymity, while laundering techniques and specialized platforms are used to conceal the illicit profits generated by drug sales. Together, these mechanisms weaken traditional financial and monitoring systems. In addition to economic and security concerns, the increasing availability of synthetic drugs throughout Crypto Markets opposes severe neurological risks. Many of these substances cause hyperstimulation of neurotransmitters such as dopamine and serotonin, which may end up in a long-term brain malfunction. Critical regions such as the prefrontal cortex and hippocampus may also be affected, increasing the risk of psychosis, cognitive decline, and permanent neurological damage. These consequences are highly concerning given the ease of access to such substances, especially for vulnerable individuals, such as teenagers.

Moreover, the expansion of global illicit trade through black markets presents a serious threat to international security. It strengthens transnational criminal networks, fuels corruption, and contributes to political instability. The unregulated circulation of illegal

substances provides a major source of income for organized crime, highlighting the importance of increasing international cooperation to address criminal activity.

Overall, it is of high importance that Member States reinforce the effectiveness of existing efforts to combat illicit drug trade conducted through black markets. Equally as important is the need for collaborative, coordinated responses at regional, national and international levels. Only through coordinated cooperation and improved regulatory strategies can the global community effectively confront this evolving change.

## IV. KEY POINTS FOR DEBATE

### 1. Outcomes

- a. The expansion of synthetic drug markets and their consequences on global health and neurological well-being.
- b. The growing impact of cryptomarkets on international security and stability.

### 2. Causes and contributing factors of the black market

- a. Technological advancements enabling encrypted communication and anonymous transactions.
- b. Increased demand driven by strict national regulations on controlled substances.
- c. Decentralized production and rapid evolution of synthetic drug formulas shared online.

### 3. Crypto Markets and cryptocurrency practices

- a. Use of anonymous online platforms for the sale and distribution of synthetic drugs.
- b. The role of cryptocurrencies such as Bitcoin, Monero, and Zcash in facilitating untraceable transactions.
- c. Difficulties in monitoring digital financial flows and preventing money laundering.

4. Law enforcement challenges
  - a. Limited ability to follow or trace transactions made on encrypted platforms and the dark web.
  - b. Countries have different laws on cybercrime, which makes coordinated action harder.
5. Public health context
  - a. Neurological risks caused by synthetic drugs, including hyperstimulation and long-term cognitive impacts.
  - b. Increased accessibility for teenagers and other vulnerable groups due to online anonymity.
6. International security implications
  - a. The increase of international criminal organizations through illicit online trade.
  - b. The connection between Crypto Markets, drug trafficking, and other forms of organized crime.
7. Initiatives by international organizations and Member States
  - a. Efforts by the CND and UNODC to update global drug monitoring systems and early-warning mechanisms.
  - b. Actions taken by governments to regulate cryptocurrencies and digital platforms.
8. Consumer and social responsibility
  - a. How public demand for synthetic substances contributes to the expansion of the cryptomarket.
  - b. The role of digital awareness and responsible technology use in preventing access to illegal markets.

## IV. ANNEXES

### A. LIST OF COUNTRIES

1. Afghanistan
2. Brazil



3. Canada
4. China
5. Colombia
6. Egypt
7. France
8. Germany
9. India
10. Indonesia
11. Iran
12. Italy
13. Japan
14. Mexico
15. Netherlands
16. Nigeria
17. Pakistan
18. Peru
19. Russian Federation
20. South Africa
21. Thailand
22. Türkiye
23. United Kingdom
24. United States of America

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