

National Strategy for Preventing Money Laundering and Combating Financing of Terrorism

2015-2017



The People's Republic of Bangladesh



National Strategy for Preventing Money Laundering
and Combating Financing of Terrorism **2015-2017**



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Vision

Mission

Strategic Objectives

Strategics

Action Items

Monitoring & Control

NCC & Working Committee Assesment



Foreword

Soon after assumption of Office of the Finance Minister of Bangladesh in 2009, I was called to a party by my good friend and a colleague at that time the Hon'ble Law Minister Barrister Shafique Ahmed where the subject for discussion was a strategy to combat money laundering (ML) and terrorist financing (TF). I was informed that there was an Asia-Pacific group on money laundering and terrorist financing, and they worked on evaluating the preparedness of Bangladesh in combating these menaces. In fact, they carried out an evaluation and put Bangladesh on the grey list mainly because of legal weaknesses of the country. It was surmised at the time that laundered money was financing production and purchase of weapons of mass destruction (WMD). As we were in the grey list we had to be up and doing to overcome this grey listing. This prompted us to setting up a high-level committee under my Chairmanship to tackle this problem.

We prepared a strategy paper called "National Strategy for Preventing Money Laundering and Combating Financing of Terrorism" for the year of 2015-2017. It can be said that the direct outcome of National ML & TF Risk and Vulnerabilities Assessment Report and gap analysis of Bangladesh's AML & CFT by FATF was our committee under which a task force began functioning. The strategy paper reaffirms the firm commitment of the government to further strengthen the national AML & CFT regime in Bangladesh.

The objectives of this strategy paper are to set a comprehensive medium term target or goal and an action agenda in strengthening the capacity of all relevant stakeholders in implementing the provisions of the relevant UN Conventions and Protocols, UN Security Council Resolutions and FATF standards. This strategy paper has been developed in consultation and continued engagement with all relevant ministries, regulators, law enforcement agencies and private sector representatives. Commitment statements of all responsible ministries and agencies show their involvement and dedication in implementing this strategy paper.

This time we have developed eleven strategies against eleven specific strategic objectives with several action items focusing on improving the effectiveness of our robust AML & CFT system. I believe implementation of these strategies will ensure the achievements of our vision and mission. I hope this strategy paper will go a long way in upgrading our AML & CFT regime to be one of the best in the region.

A handwritten signature in dark ink, appearing to read 'Abul Muhit'.

Abul Maal Abdul Muhit
Finance Minister
Government of the People's Republic of Bangladesh

Preface

As an emerging economy, Bangladesh aims for middle income country status by 2021 and developed country status by 2041 with stable financial system, free of money laundering (ML), terrorist financing (TF) and proliferation financing (PF) of weapons of mass destruction (WMD) offences. Bangladesh government is highly committed to combat ML, TF & PF for a sound and stable financial system in the country. To deter and prevent ML, TF & PF Bangladesh has concluded National ML & TF Risk Assessment in 2011 and 2014 and completed gap analysis of its legal and institutional framework against Financial Action Task Force (FATF) recommendations. The output of these two initiatives demand focused attention to achieve the national objectives and for that, Bangladesh understands the importance of developing a comprehensive 'National Strategy for Preventing Money Laundering and Combating Financing of Terrorism 2015-2017' — hereinafter refers to as 'the Strategy' in combating these offences. In the process, provisions of Money Laundering Prevention Act, Anti-Terrorism Act, Mutual Legal Assistance on Criminals Matters Act, the FATF Recommendations, relevant UN Conventions, UN Security Council Resolutions (UNSCRs) and emerging trends of ML, TF & PF have been given due consideration.

Having exited from the International Co-operation Review Group (ICRG) process of FATF, getting the membership of Egmont and almost fully implementing the previous strategy, this strategy aims for further consolidation of AML & CFT initiatives focusing on effectiveness of AML&CFT measures. It recognizes the active involvement of all stakeholders in the process of developing, implementing and reviewing the Strategy. In the development stage comments from all stakeholders namely ministries, regulators, reporting agencies, private sector, cooperating partners have been considered.

The 'National Strategy for Preventing Money Laundering and Combating Financing of Terrorism 2011-2013' was mostly successful as 43 actions items were fully implemented, 23 action items were partially done and 16 action items were in ongoing implementation phase at the end of 2013. In 2014, much effort was directed to these partial and ongoing implementation action items and it was also a busy year for the preparation of the upcoming 3rd Mutual Evaluation in October, 2015. This strategy, however, picks up from the legacy of that previous strategy and strides forward to a stabilized AML&CFT regime in Bangladesh. The previous strategy was focused on strengthening AML&CFT legal and institutional framework and this one is more focused on implementation and effectiveness.

This national strategy as a whole, consists of eleven individual strategies against eleven specific strategic objectives. Each strategy contains expected outcomes, challenges, needed actions, timeframe, budget, supporting legal instruments and responsible agencies to implement the strategies. Annex summarizes agency specific action items of responsible agencies. In fighting against ML, TF & PF, this strategy puts proper attention to root causes of predicate offence, sources of proceeds of crimes and methods and trends of profitable use of those proceeds of crimes having due consideration of rule of law and human rights.

For effective implementation of the Strategy, it is important for each responsible agency to prepare its own time bound detailed implementation plan of activities which it is responsible for. It is also important to have a well coordinated and proper reporting system to make the implementation plan achievable. For that responsible agencies are required to report semi-annually on the progresses achieved and problems faced during the implementation etc. to the National Coordination Committee (NCC) on AML & CFT and the Working Committee under it. The identified problems or difficulties in implementing the action plans are to be addressed and dealt by the Working Committee according to the direction of NCC. Besides, the inter-agency coordination and collective efforts needed to implement the Strategy would also be facilitated by the Working Committee. Furthermore, 'Primary Contact Point' of respective ministries/agencies would coordinate and remain updated about the progress of the implementation efforts by the concerned ministry/agency.

The strategy reflects a national commitment to a coordinated and effective effort to fight against money laundering and terrorist financing. In responses to the evolving nature and typology of money laundering and terrorist financing, the Strategy is a dynamic one. It will be reviewed periodically and corrective measures will be taken accordingly.

Statement of Commitment



Anti Corruption Commission

Anti Corruption Commission (ACC) of Bangladesh is an independent authority empowered to handle corruption and money laundering cases. Over the period ACC has successfully conducted good number of money laundering cases. In the AML&CFT field, ACC works in close cooperation with BFIU and Criminal Investigation Department (CID) of Bangladesh Police. ACC is also closely associated in formulating National AML&CFT Strategy Paper. This strategy paper is the direct response to mitigate identified ML&TF risks in Bangladesh. ACC is also working as a lead agency for preparing National Risk Assessment (NRA) report along with BFIU & CID to identify ML&TF risks and to continue the advancement of national and international efforts in maintaining AML&CFT regime in Bangladesh, ACC is playing a dominant role. For the effective investigation and prosecution of cases and confiscation of criminally derived assets and for the denial of criminal's access to the proceeds of their crimes, ACC has been persistently working to curb this practice. Additionally, ACC has already established a separate wing for dealing with money laundering cases and this wing can conduct parallel financial investigations in partnership with other agencies according to Money Laundering Prevention Rules. I would like to assure that ACC will be earnestly engaged to complete all the actions which are delineated in this AML&CFT Strategy paper.

Md Badiuzzaman
Chairman of Anti Corruption Commission



Attorney General

As the office of the Attorney General deals with legal matters and is entrusted with the responsibility of giving legal advice to the Government and to plead Government cases before the Court, it is a key agency for representing the government in matters on appeal of ML and TF cases that are subject to appeal. For mutual legal assistance, Office of the Attorney General along with Ministry of Home Affairs is designated as the central authorities for Bangladesh under the Mutual Legal Assistance in Criminal Matters Act. Additionally, Attorney General is leading the task force of Stolen Asset Recovery (StAR) which already recovered laundered money from abroad. It also covers the curbing of illicit flow of funds. Therefore, I am committed that we will be energetically involved to complete the tasks of prosecution, mutual legal assistance and StAR which are outlined in this Strategy.

Mahbubey Alam
Attorney General of Bangladesh

Bangladesh Bank

Among all other major responsibilities, Bangladesh Bank (BB), as the central bank of the country, plays an anchoring role to achieve sustainable economic growth and macroeconomic stability in the country by administering relevant provisions of MLPA & ATA. Inclusive growth and financial inclusion are the main priority of BB that is complementary to AML&CFT measures. BB has been playing major role in curbing illegal Hundi activities by encouraging and making availability of formal payment network for remittance. BB is very careful about the operational independence of BFIU and has been providing all kinds of financial support and human resources to BFIU on behalf of government of Bangladesh to reach out to the various national and international agencies for strengthening AML&CFT regime of Bangladesh. Through successful implementation of previous strategy paper, Bangladesh Bank facilitated successful delisting of Bangladesh from the ICRG process. This strategy paper aims to achieve full and effective compliance status of the FATF standards and strengthening AML&CFT regime in Bangladesh, BB will be fully cooperative and will provide required resources for the successful completion of all the relevant action items outlined in this strategy.

Dr. Atiur Rahman
Governor, Bangladesh Bank



Ministry of Home Affairs

The Ministry of Home Affairs (MoHA) is responsible for administering the Anti Terrorism Act, 2009. The ministry also deals with incoming and outgoing requests for mutual legal assistance and extradition. Bangladesh Police, working under this ministry, is the investigating authority of terrorism and terrorist financing according to the provision of ATA. Furthermore, MoHA is the central agency for the coordination of all the different law enforcing agencies for combating money laundering, terrorist financing and preventing proliferation of weapons of mass destructions. Through Bangladesh Police, BGB, Bangladesh Coast Guard, Passport and Immigration Department and Narcotics Control Department, MoHA is playing very vital role in containing Terrorism, TF and ML cases. MoHA is also very active in anti-extremism and de-radicalization efforts. I am committed that this ministry will be actively involved to complete all the actions which are delineated in this Strategy.

Dr. Md. Mozammel Haque Khan
Senior Secretary, Ministry of Home Affairs





Ministry of Commerce

With the increasing volume of trade and its rapid diversification, chances of illegal activities based on trade have also been increasing and many of such activities pose threat to global peace and security. Money laundering is one of such activities that act as a vital tool for smuggling, arms and human trafficking and terrorist financing. As a part of international community, Bangladesh is committed to preventing and combating such illegal activities. Ministry of Commerce has been working with other Ministries and agencies to keep the country free from all illegal and undesirable activities related to trade. We pursue fair trading system for the benefits of people of the country. We are also committed for the successful implementation of National Strategy for preventing money laundering and combating financing of terrorism. The Ministry of Commerce along with its agencies is firmly committed to combat money laundering and financing in terrorism with zero tolerance. I believe, proper implementation of this strategy will further enhance our capacity to prevent and combat money laundering, terrorist financing and other similar ominous activities.

Hedayetullah Al Mamoon, ndc
Senior Secretary, Ministry of Commerce



Bank and Financial Institution Division, Ministry of Finance

The Bank and Financial Institutions Division (BFID) of Ministry of Finance (MoF) is a key coordinating agency with all the relevant agencies for maintaining AML & CFT regime in Bangladesh. The Honorable Finance Minister is the convener of National Coordination Committee (NCC) on AML&CFT. In order to assist the NCC, a Working Committee has been formed and the Secretary, BFID by designation is the convener of the committee. Effective implementation of all AML & CFT initiatives by the Government are monitored & coordinated by this division. This division is also successfully playing an important role in different international forums such as APG and FATF for enhancing AML & CFT measures in Bangladesh. At the stage of development of this Strategy, this division has played active role and I am confident that in the implementation stage my division will be more vigilant and will take necessary measures for reviewing and taking corrective measures to make the Strategy effective. I am of this opinion that the BFID of Ministry of Finance (MoF) will ensure the successful completion of all the actions which are set down in this Strategy.

Dr. M Aslam Alam
Secretary, Bank and Financial Institutions Division, Ministry of Finance

National Board of Revenue

With the steady growth of economy and revenue collection of the Government, National Board of Revenue (NBR) is now at the forefront for ensuring AML & CFT regime in Bangladesh. Besides, NBR is facing ever growing threats and vulnerabilities of illicit outflow of fund, tax evasion, transfer pricing, trade based money laundering and gold smuggling. To mitigate these risks, NBR was actively involved in this National Strategy formulation process. This organization is very much committed to issue relevant implementing rules and monitoring procedures regarding declaration or disclosure system of currency, goods, Bearer Negotiable Instruments (BNI) and other materials mentioned in UNSCR 1540, 1718, 1737.

Effective domestic inter-agency as well as international cooperation and coordination, namely, Coordinated Border Management (CBM) needs to be strengthened for holistic approach regarding smuggling, human trafficking, cross-border transportation of currency, exchange of information and investigation of breaches of declaration/disclosure system. I am confident that NBR will be proactive for completion of all the actions as stipulated in this strategy.

Md. Najibur Rahman

Secretary, Internal Resources Division (IRD), Ministry of Finance
& Chairman, National Board of Revenue (NBR)



Ministry of Law, Justice and Parliamentary Affairs

In order to fulfill its obligation under UN Security Council resolutions, relevant UN Conventions and FATF recommendations, Bangladesh has already enacted Money Laundering Prevention Act, Anti-terrorism Act, Mutual Legal Assistance in Criminal Matters Act, etc. Legislative and Parliamentary Affairs Division is firmly committed to play a key role for the purpose of framing all those legal instruments so as to combat terrorism and financing of terrorism, prevention of money laundering and other incidental issues. Any further legal reform, as and when required, will be accelerated on an urgent basis following the decisions of National Co-ordination Committee (NCC). This strategy paper reaffirms the commitment of Bangladesh to strengthen Anti-Money Laundering (AML) and combating financing of terrorism (CFT) issues. Hopefully, the focal points of different Ministries/Divisions and the 'primary contact points' of different government agencies for implementing all those legal frameworks will play an active role so that Bangladesh may emerge as a fully compliant country towards the implementation of UN Conventions, resolutions and FATF recommendations.

Mohammad Shahidul Haque

Secretary, Registrative & Parliamentary Affairs Division
Ministry of Law, Justice and Parliamentary Affairs





Ministry of Foreign Affairs

In line with Bangladesh's policy of 'zero tolerance' to terrorism in all its forms and manifestations, the Ministry of Foreign Affairs (MoFA) has remained closely involved with the ongoing efforts to further strengthen the national anti-money laundering and combating financing of terrorism (AML&CFT) regime. In the process, it has worked to ensure that the national laws and mechanisms adhere to the relevant international norms and standards, and the measures taken under the aegis of the National Coordination Committee on AML&CFT is duly shared with all relevant agencies at the international level. MoFA steers the work of the National Committee on Implementation of UN Security Council Resolutions (UNSCRs) on Terrorism and Financing of Terrorism, and would continue to work towards building further capacity of the concerned Government organizations to comply with the UNSCR provisions, including through trainings organized with the support of the UN and other international partners. Along this line, this Ministry would remain seized with implementing the mandated issues under the current National Strategy for AML&CFT for 2015-17 in collaboration with all.

Md. Shahidul Haque
Foreign Secretary, Ministry of Foreign Affairs



Bangladesh Police

Combating terrorist financing, which is interlinked with preventing money laundering, has been considered a core pillar of the fight against terrorism. With the all-pervasive effect of globalization and rapid advancement of technology, every day terrorists explore newer avenues of gaining and moving money. In this context, the fight against terrorist financing all over the world warrants an integrated approach involving various state organizations like the police, the judiciary, intelligence agencies, banks and other financial institutions. Bangladesh, which has for the last couple of decades been facing the brunt of this menace, needs to pursue the same multi-agency approach.

The present strategic document encompasses the roles, responsibilities and obligations of the concerned agencies, legal and operational challenges in combating money laundering and terrorist financing.

Bangladesh Police has played a tremendous role in the fight against terrorist financing. We now renew our pledge for our relentless efforts to check this terrible curse in days to come. I believe, this national strategy will pave the way for Bangladesh Police to further strengthen its role and contribute to the proper investigations of money laundering and terrorist financing.

I wish this strategic document all the success.

A. K. M. Shahidul Hoque bpm, ppm
Inspector General, Bangladesh Police

Bangladesh Securities and Exchange Commission

While the capital market in Bangladesh is contributing increasingly towards the country's economic growth, possibility of occurring money laundering and terror financing activities in the market is not only a vulnerability to it, but it may also harm the country's economy. BSEC is firmly committed to prevent these activities in the market and set appropriate control mechanism, and to extend all sorts of cooperation and integration with national coordination bodies and enforcement agencies. As part of legal framework, capital market intermediaries have been included in the Money Laundering Prevention Act, 2012 and Anti Terrorism Act, 2009 as the reporting agencies for reporting money laundering and terrorist financing suspicion in the market. BSEC has established an AML&CFT Cell at the Commission to strengthen anti-money laundering and anti-terrorist financing activities in the capital market as per the requirement of the Money Laundering Prevention Rules, 2013, and instructed all market intermediaries to comply with the AML&CFT related laws and guidelines. I am confident that BSEC will complete all issues presented in the national strategy.

Professor Dr. M. Khairul Hossain
Chairman, Bangladesh Securities and Exchange Commission



NGO Affairs Bureau

NGO Affairs Bureau as a regulatory authority under Prime Minister's Office is working to facilitate and promote NGO activities in Bangladesh. It particularly emphasizes to ensure the proper use of foreign fund and maximize the welfare of the targeted beneficiaries and the downtrodden people. With this end in view, NGO Affairs Bureau is very much concerned about the risk of money laundering and terrorist financing issues in NPO sector. It has taken steps to strengthen organizational capacity to combat terrorist financing and money laundering. NGO Affairs Bureau with the guidance of Prime Minister's Office has proposed to amend its existing law with insertion of provisions against ML and TF. It has also extended networking system with foreign donation receiving NGOs in Bangladesh and asked all NGOs to examine the nature and credentials of donor agency/organizations. NGOAB has also taken initiative to strengthen its inspection and monitoring mechanism to reduce the threat of ML and TF. Let me assure and affirm our organizational commitment for effective implementation of the strategy.

Md Nurun Nabi Talukder
Director General, NGO Affairs Bureau, Prime Minister's Office





Department of Narcotics Control

Department of Narcotics Control (DNC) works as a nodal agency to control drug abuse as well as investigative authority to unearth the drug induced criminal activities. Billion and billion dollars are being rolled under money laundering process internationally. To some extent, Bangladesh is not an exception to this practice. In recent days, growing trends of demand and supply scenario of drugs manifest the huge prevalence of money laundering used by drug traffickers. Money laundering is not only posing a threat to the financial system of the countries but it may also destabilise their vibrant economies and national securities. Admittedly, drug trafficking is a highly profit driven transnational crime and most drug traffickers hide their ill-gotten money by layering through the different local and international financial institutions. The UN Convention against illicit traffic in Narcotics Drugs and psychotropic substance emphasizes pragmatic measures to make the confiscation process fruitful regarding drug related cash and property. Mentionable, some sections relating to financial investigation and asset forfeiture have been incorporated in the Narcotics Control Act, 1990. DNC appreciates time responsive financial investigation techniques in the National AML& CFT Strategy Paper and I am profoundly confident that this strategy will open up a new horizon and bring desired economic discipline in society.

Md. Bazlur Rahman
Director General, Department of Narcotics Control



Border Guard Bangladesh

BGB is the "Ever Vigilant Guards of the Border." Its primary role is to protect the border and prevent trans-border crime that includes human trafficking, drugs and arms smuggling. The tangible achievement of BGB in anti-smuggling drive in a year signifies the success and contribution to our economy needs no elaboration. This force also takes part in internal security duties and various nation-building activities. Money laundering and terrorist financing is a global problem having multi-dimensional approaches. Despite limitations, due to the illusive nature, BGB is duty bound to render it's all out effort to prevent laundering involving gold and narcotics trafficking, organized criminal activities, human trafficking and illegal trade of goods. Bangladesh remains vulnerable to transnational organized crimes due to its geo-strategic location having porous border with both Myanmar and India. We have neither barbed wire fence nor the ring road along the border which are the basic need for any Border Guarding Forces and the most decisive vibrant to combat transnational organized crimes across the border. Addressing this impediment to capacity, BGB will be able to contribute to the fullest of its potential to implement the national strategy for preventing money laundering and combating financing of terrorism if assigned by the government.

Aziz Ahmed, BGBM, psc, G
Director General, Border Guard Bangladesh

Bangladesh Coast Guard

To reach the milestone of middle income country by 2021 and developed country by 2041, Bangladesh needs to take certain responsive measures against money laundering (ML), terrorist financing (TF) and proliferation financing for weapons of mass destruction offences. As an effective law enforcing agency of the country Bangladesh Coast Guard is dedicated to uphold law and order in its area of jurisdiction. With this purview, well crafted coordination and proper reporting system amongst law enforcing agencies of the Government are highly demanded. In the Strategy Paper namely "National Strategy for Preventing Money Laundering and Combating Financing of Terrorism 2015-2017" the operational role of Bangladesh Coast Guard against Cross Border Smuggling and Transportation has been rightly mentioned. As a law enforcing agency against cross border transportation, money laundering and terrorist financing crimes, Bangladesh Coast Guard was very much involved in the Formulation of National AML and CFT strategy paper. I hope and believe that this strategy in response to identified risk of ML and TF in Bangladesh will help mitigating these risks and develop national economy. I am very confident that Bangladesh Coast Guard will make all out efforts to complete its assignment narrated in this strategy paper.

M Makbul Hossain, Rear Admiral
Director General, Bangladesh Coast Guard



Bangladesh Financial Intelligence Unit

BFIU is working as the national central agency for receiving, analyzing and disseminating of STRs/SARs and any other information related to money laundering, financing of terrorism and proliferation of weapons of mass destruction. Besides analysis of CTRs & STRs, BFIU is anchoring the AML&CFT regime in Bangladesh with the active cooperation of different government ministries/agencies and reporting organizations. BFIU also has a role in supervising AML&CFT measures as well as providing training to investigators, prosecutors and reporting organizations to fight against ML, TF & PF. Furthermore BFIU coordinate and cooperate with domestic regulating, investigating, law enforcing and prosecuting agencies and liaises with, and enters into any agreement or arrangement with foreign counterparts like FIU regarding the exchange of information under MLPA. During drafting the strategy as a convenor of the strategy I find very active support from different government agencies and I hope in implementing the strategy all the stakeholders shall be more active. As several strategies of this strategy paper are directly linked with BFIU and as a specialized agency for maintaining AML&CFT regime, BFIU is vested with multitude of action items delineated in this strategy.

Abu Hena Mohd. Razee Hassan
Deputy Governor, Bangladesh Bank & Head of BFIU



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Background

Bangladesh is one of the founding members of the Asia Pacific Group on Money Laundering (APG) and has been participating in APG's annual plenary meetings since 1997. APG is a FATF style regional body that enforces FATF standards on AML & CFT in Asia Pacific region. As a member of APG, Bangladesh is committed to APG's mandate i.e. implementation of FATF Recommendations. Accordingly, Bangladesh promulgated Money Laundering Prevention Act (MLPA) in 2002 as the first country among the South Asian countries. To implement MLPA, Bangladesh Bank established a separate department named Anti Money Laundering Department (AMLDD) in July, 2002. To assess our AML&CFT regime of Bangladesh, the first Mutual Evaluation (ME) was conducted by a joint team of World Bank and International Monetary Fund in October, 2002 and APG adopted the report in September, 2003.

To address the shortcomings of MLPA, 2002 and to meet the international standards Bangladesh enacted Money Laundering Prevention Ordinance in 2008 which was replaced by MLPA, 2009. To combat terrorism and terrorist financing effectively, Bangladesh also enacted Anti Terrorism Act (ATA), 2009. This ATA authorises Bangladesh Bank to take measures for combating financing of terrorism.

The 2nd round Mutual Evaluation of Bangladesh was conducted in August, 2008 by APG and Mutual Evaluation Report (MER) was adopted by the APG Plenary in July, 2009. The MER contained a comprehensive assessment of the AML&CFT regime of Bangladesh along with some vital recommendations. Bangladesh took the MER seriously and prepared an action plan to implement the recommendations made in the MER.

Based on the rating against 16 FATF core and key recommendations in the MER, Bangladesh was placed International Cooperation and Review Group (ICRG) process in October 2010. In response to the ICRG process, Bangladesh developed a time bound action plan and implemented all the action items in time and came out from the ICRG process in February, 2014.

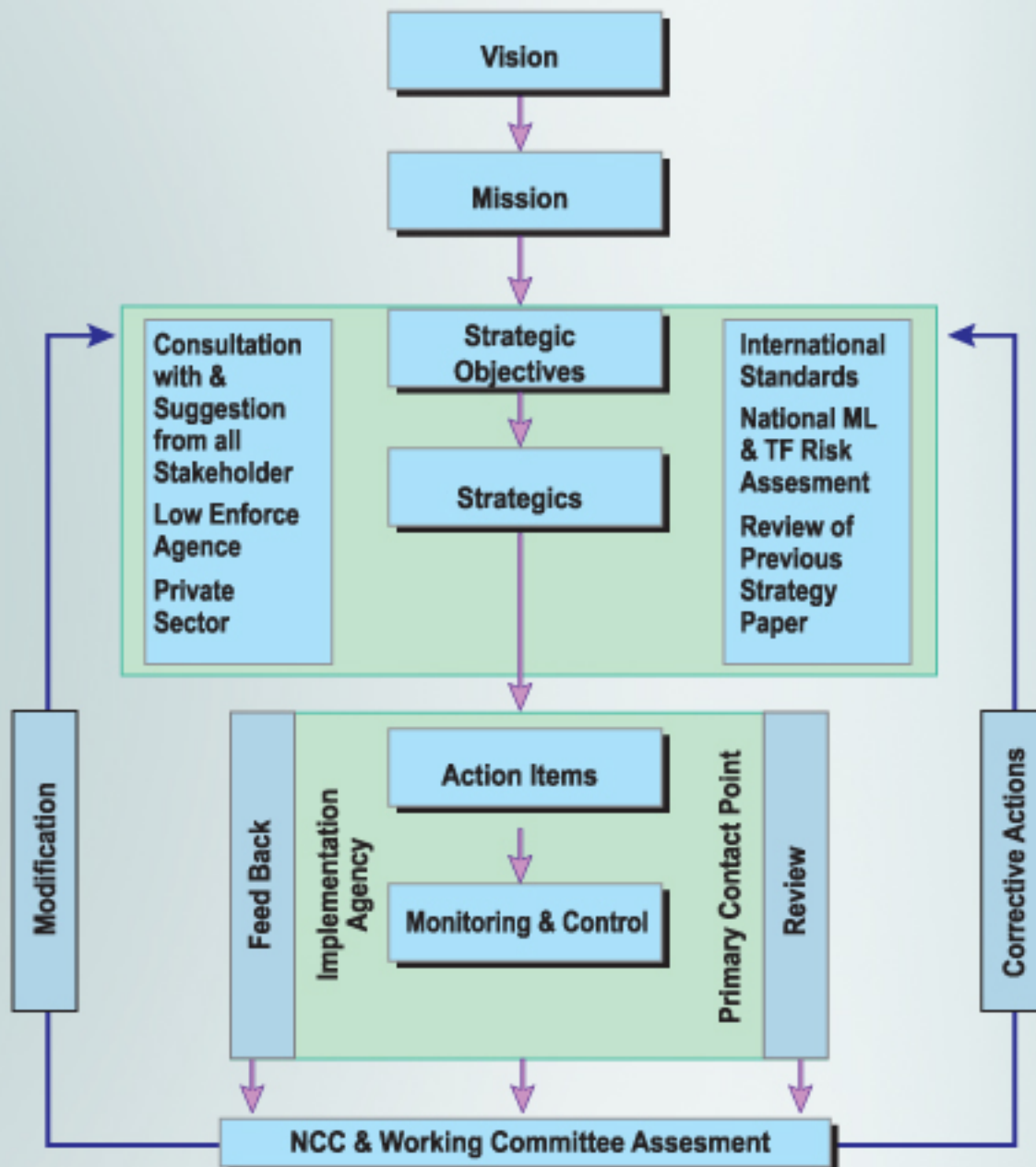
In line with the national action plan, Bangladesh enacted MLPA, 2012 replacing MLPA, 2009 and Mutual Legal Assistance on Criminal Matters Act, 2012. The Anti Terrorism Act was amended in 2012 and 2013, to ensure compliance with the relevant UN Conventions and UN Security Council Resolutions concerning terrorism, terrorist financing and proliferation financing of WMD.

According to the provision of MLPA, AMLD was renamed as Bangladesh Financial Intelligence Unit (BFIU) in 2012. During the ICRG process Bangladesh first conducted National ML&TF Risk and Vulnerability assessment in 2011 and accordingly adopted National AML&CFT strategy paper for 2011-2013. Having good outcome of that strategy paper Bangladesh again conducted NRA in 2014 and developed this Strategy Paper focusing on implementation and effectiveness.

To coordinate national effort against ML, TF & PF, several committee and task force are working simultaneously like National Coordination Committee (NCC) on AML & CFT headed by honorable finance minister. To support this NCC, a Working Committee headed by secretary of BFID of MoF is working very actively. To combat financing of terrorism and extremism, a taskforce headed by senior cabinet minister and an Anti-extremism and De-radicalization Committee convened by the state minister of MoHA is working. To monitor implementation of UNSCRs issues, National Committee headed by foreign secretary is working. Attorney General of Bangladesh is convening of the Stolen Asset recovery Taskforce. To tackle ML and illegal Hundi activity a Central Task Force headed by Deputy Governor of BB and Head of BFIU is working along with 8 (eight) regional task force to support it. In all these committees and task force BFIU is working actively.

To comply with Rec 29 of FATF, BFIU got membership of Egmont that facilitates exchange of information through the Egmont Secure Web (ESW). Beside this, BFIU has already signed 32 (thirty two) MoUs with other foreign FIUs and several other MoUs are currently under process for signing to facilitate exchange of information and intelligence among FIUs utilizing the authority provided under section 26 of MLPA regarding the power of BFIU to enter into MoU with foreign FIUs to exchange information, intelligence on ML&TF.

The Process Flow of National Strategy



The Strategy Introduction



The 'National Strategy for Preventing Money Laundering and Combating Financing of Terrorism 2015-2017' identifies the strategic areas in which high level attention of concerned authorities and agencies of the Government of Bangladesh (GoB) is required. GoB has to revise study areas in which new guidelines or policy directions may be required and work with implementing agencies to improve financial transparency and financial inclusion. The Strategy also identifies the areas where GoB can effectively exploit information sharing opportunity among the law enforcement and investigating authorities. The strategy demonstrates Bangladesh Government's commitment to implement international standards namely FATF 40 recommendations, relevant UN Conventions & Protocols and UN Security Council Resolutions relating with ML, TF and PF. It not only identifies the work areas but also states how to do them and who will do them and when.

VISION

To
be an efficient and
responsive country that plays
a leading role within the region
and the global community in fighting
against money laundering, terrorist
financing and proliferation financing
of weapons of mass destruction.

MISSION

To
develop
an effective anti
money laundering
and combating financing
of terrorism system in Bangladesh
through implementing international
standards and best practices by engaging
all concerned agencies.

Strategic Objectives		Strategies
To develop a clear understanding of ML & TF risks at micro and macro level and to ensure efficient allocation of resources to mitigate the identified risks;	➤ Strategy 1:	Updating National ML&TF Risk Assessment Report regularly and introducing Risk Based Approach of monitoring and supervision of all reporting organizations.
To frustrate and prohibit profitable use of proceeds of corruption at both public and private sectors;	➤ Strategy 2:	Deterring corruption induced money laundering considering corruption as a high risk.
To prevent cross border drugs and gold smuggling, human trafficking and their financing;	➤ Strategy 3:	Modernization of Border Control Mechanism and depriving perpetrators from use of proceeds of crime to prevent smuggling of gold and drugs, human trafficking, other transnational organized crimes considering the risk thereon.
To guard against illicit flow of fund from home and abroad;	➤ Strategy 4:	Tackling illicit financial flows (IFF) by preventing the creation of proceeds of crime, curbing domestic and cross-border tax evasion and addressing trade based money laundering.

Strategic Objectives	Strategies
To enhance stolen asset recovery initiatives and to introduce recovery measures of evaded tax;	Strategy 5: Discouraging illicit fund transfer by increasing pace of stolen assets recovery initiatives and or recovering the evaded tax.
To tackle emerging threats of money laundering and terrorist financing;	Strategy 6: Enhancing the capacity of BFIU in identifying and analyzing emerging ML & TF cases including ML&TF risks arising from the use new technologies.
To establish a robust financial system by implementing AML & CFT preventative measures for all reporting agencies specially NGOs/NPOs and Designated Non-Financial Businesses and Professions (DNFBPs) ;	Strategy 7: Enhancing compliance of all reporting agencies with special focus on new reporting agencies like NGOs/NPOs and DNFBPs.
To prevent abuse of the financial sectors by criminals through effective investigation and prosecution of ML & TF cases;	Strategy 8: Expanding investigative capacity and improving the quality of investigation and prosecution of ML & TF cases to deter the criminals.

Strategic Objectives	Strategies
To ensure the full implementation of targeted financial sanction regime in Bangladesh along with travel ban and arms embargo;	<p>➤ Strategy 9: Establishing identification and tracing out mechanism of TF&PF and fully implementation of targeted financial sanctions related to TF & PF effectively.</p>
To develop greater cooperation and coordination in home and abroad and timeliness of information sharing among the competent authorities for supervision, financial intelligence/ investigation and prosecution; and	<p>➤ Strategy 10: Boosting national and international coordination both at policy and operational levels.</p>
To ensure the transparency of financial transactions emphasizing the importance of financial inclusion.	<p>➤ Strategy 11: Developing a transparent, accountable and inclusive financial system in Bangladesh.</p>