

Human Resources and Organisational Management

13.1 The initiatives taken to improve and manage the human resources of Bangladesh Bank, functions of different committee of the board including BB governance and IT activities have been highlighted in this chapter.

Appointment of New Directors in the Board

13.2 Mr. Mohammad Muslim Chowdhury was appointed as Director to the Board with effect from 05 October 2017. Mr. Kazi Sayedur Rahman, Executive Director was made as the Secretary of the Bank and to the Board as well with effect from 24 September 2017. The Board of Bangladesh Bank for the FY18 has partly been reconstituted but yet to be completed and awaiting for one more member of the Board to be appointed. During FY18, eight meetings of the Board of Directors were held.

Executive Committee

13.3 Under section 12(1) of Bangladesh Bank Order, 1972 (President's Order No. 127 of 1972) the Executive Committee is presently constituted as follows:

Mr. Fazle Kabir	Chairman
Mr. Md. Eunusur Rahman	Member
Dr. Mrs. Rushidan Islam Rahman	Member
Mr. Abu Hena Mohd. Razee Hassan	Member

Mr. Kazi Sayedur Rahman, Executive Director was made as the Secretary of the Bank and to the Executive Committee as well with effect from 24 September 2017. Four meetings of the Executive Committee were held during FY18.

Audit Committee of the Board

13.4 In line with the international best practices for strengthening good governance, an Audit Committee was formed by the Board

of Directors on 12 August 2002 comprising four non-executive directors of the Board who are not BB officials to assist the Board in discharging its oversight responsibilities on financial reporting, internal control and compliance and the auditing process.

The members of the Audit committee are as follows :

Mr. Md. Eunusur Rahman	Convener
Dr. Mrs. Rushidan Islam Rahman	Member
Dr. Jamaluddin Ahmed, FCA	Member
Mr. A. K. M Aftab ul Islam, FCA	Member

Mr. Md. Eunusur Rahman was appointed as convener of the Audit Committee in place of Mr. Md. Nojibur Rahman with effect from 30 January 2018. Dr. Mrs. Rushidan Islam Rahman was appointed as member of the Audit Committee with effect from 30 January 2018. Eight meetings of the Audit Committee were held during the FY18.

13.5 According to the Internal Audit Department Charter approved by the Audit Committee of the Board of Directors of BB, Internal Audit Department (IAD) in FY18 identified 58 auditable units (departments/ offices/ units/ cells) and prepared the audit plan for FY18. Programmes were conducted four times a year in the 11 auditable units, twice a year in 9 auditable units and once a year in 3 auditable units identified as high risk, and twice a year in 2 auditable units and once a year in other 33 auditable units identified as medium or low risk. The audit reports were placed before the Governor and the Audit Committee of the Board. Seven meetings of the Audit Committee were held during FY18.

The guidance/ directives/ recommendations received by IAD from the Governor and the Audit Committee were conveyed to the relevant auditable units for implementation. Progress reports on implementation of these guidance/ directives/ recommendations were placed before the meetings of the Audit Committee.

Executive Management Team

13.6 The Executive Management Team (EMT) consists of Governor, 03 Deputy Governors, all Executive Directors and Economic Adviser. This team reviews the implementation status of Bank's overall activities. Five meetings of the Executive Management Team were held during FY18.

New Appointment in Different Posts

13.7 A total of 261 officials/ staffs have been appointed in different posts during FY18. New Appointments during FY18 were as follows:

Assistant Director	150
Assistant Director (Research)	11
Assistant Director (Statistics)	19
Assistant Director (Engineering-Civil)	6
Assistant Director (Ex Cadre-Library)	2
Medical Officer	3
Assistant Programmer	19
Assistant Keeper	1
Guide	1
Staff	49
Total	261

Retirement, Voluntary Retirement, Resignation, Death, Compulsory Retirement, Removal and Suspension

13.8 The number of official/ staff of the Bank retired/ resigned/ died/ compulsory retired/

removed/ suspended during the FY18 was as under :

Retirement	231
Voluntary retirement	3
Resignation	12
Death	10
Compulsory Retirement	1
Removal	4
Suspension	6
Dismissal From Service	2
Total	269

Creation/ Abolition of Posts

13.9 In FY18, 196 new posts of officials and 50 posts of staffs were created. Considering the importance of the job, 54 posts of officials were upgraded during this period. The posts from which these were upgraded were abolished during the process. At the end of the period the total number of sanctioned post stood at 9,016 as compared to 8,770 of the previous year.

Sanctioned and Working Strength of Officials and Staff

13.10 The sanctioned, working strength and vacant post of officials and staff of the Bank as on 30 June, 2018 were as follows:

Category	Sanctioned strength	Working strength	Vacant
Class-I	5,477	3,922	1,555
Class-II	1,034	192	842
Class-III	1,890	1,327	563
Class-IV	615	300	315
Total	9,016	5,741	3,275

During FY18, working strength of officials (Class-I & Class-II) decreased by .48 percent to 4,114 from 4,134 and that of staffs (Class-III & Class-IV) increased by 6.34 percent to 1,627 from 1,530. At the end of the period, the ratio of officials to staff remains nearly 2.70:1.

About 36.33 percent of the sanctioned posts remained vacant on 30 June, 2018.

Promotion

13.11 672 officials and 314 staffs were promoted to their next higher grade during FY18. In FY18, 16.33 percent of the officials and 19.30 percent of the staffs working in the Bank were awarded promotion.

Number of Officers on Deputation/ Lien

13.12 At the end of the FY18, 59 officials of the Bank were working on deputation at different institutions of the country and abroad. On 30 June 2018, 16 officials were on lien of which 4 were working within the country and 12 abroad.

Reorganization/ Newly Established Departments of the Bank

13.13 During FY18, a cell named "Foreign Investment & External Debt Management Cell" and an unit named "OFCs Survey Unit" were established under Statistics Department. A unit named "Problem and Weak Financial Institutions Monitoring Unit " under Department of Financial Institutions and Market was also established to monitor activities of problem and weak non-bank financial institutions (NBFIs) working in Bangladesh.

Reward and Recognition

13.14 Like other years, in FY18, a total number of 22 talented officials were declared as the winners of "Bangladesh Bank Employees' Recognition Award 2015" for their outstanding performances. Among them 5 officials were awarded with gold medals individually, while 17 officials from 5 different teams were awarded with silver medals. All the winners received

Letter of Appreciation signed by the honorable Governor. Awards were handed over to the winners through a formal award giving ceremony in presence of high officials of the Bank and family members of the winners.

13.15 Besides, Dr. Azizur Rahman Khan and Dr. Mahabub Hossain (posthumous) were jointly honoured with the "Bangladesh Bank Award 2017" in recognition of their contribution to the economy. Each of the awardee got a gold medal, a Bangladesh Bank crest and cash amount of Taka two lac. Honourable Finance Minister handed over the awards at a ceremony, held at Bangladesh Institute of Bank Management (BIBM).

Welfare Activities and Approval of Scholarship

13.16 During the FY18, an amount of BDT 4.97 million has been provided to the children of the officials and staffs as scholarship and BDT 0.10 million has been given as medical assistance from the Karmachary/ Karmakarta Kallan Tahbil, established under the auspicious of the Governor. Besides, during the FY18, an amount of BDT 100.34 million has been allotted to Bangladesh Bank schools, mosques, clubs, day care and freedom fighters welfare units etc. to carry out their recreation and welfare activities.

Foreign Training and Study

13.17 During the FY18, a total of 518 officials of the Bank participated in different training courses/ seminars/ workshops. Moreover, 40 officials were on deputation/ leave for higher study abroad.

Domestic Training and Study

13.18 During the FY18, a total of 243 officials of the Bank participated in different local training courses/ seminars/ workshops organized by different institutions (Other than BBTA) within the country. Moreover, 15 officials were allowed to participate in higher study within the country.

Training Courses, Workshops and Seminars Conducted by Bangladesh Bank Training Academy (BBTA) during FY18

13.19 Bangladesh Bank Training Academy (BBTA) conducts a wide range of activities to attain the objective of transforming itself a world-class centre of excellence for imparting quality training to the officers of Bangladesh Bank, commercial banks, financial institutions and government and non-government organizations. Apart from training different types of seminars, workshops are also arranged by BBTA to add values to knowledge management process. In view of enhancing the capacity of the faculty members and updating them with the changing knowledge frontiers in various fields relating to economics, finance and banking BBTA also arranges various programs for the trainers with the help of the trained personnel of advanced and specialised institutions at home and abroad. BBTA conducted a total of 188 training courses, workshops and seminars during FY18 of which 138 were held at the BBTA premises and 50 were held at other offices of Bangladesh Bank. A total of 8461 participants participated in the above mentioned courses. The courses conducted by the BBTA during FY18 are shown in Table 13.1.

Table 13.1 Different Training Courses, Workshops and Seminars Organised by the Bangladesh Bank Training Academy during FY18

Sl. no	Subjects	Number of courses	Number Of Participants
1	2	3	4
A.	Foundation Courses	4	203
1)	Foundation Training Course (AD-Specialised)	1	36
2)	Foundation Training Course (Officer) –6th Batch	1	61
3)	Foundation Training Course (Officer) –7th Batch	1	60
4)	Foundation Training Course (Officer) –8th Batch	1	46
B.	Other Training Course	169	7316
i)	For the Officials of Bangladesh Bank	100	3539
1)	Audit Checklist of Guideline on ICT Security for Banks & NBFIs	1	31
2)	Banking Laws and Regulations	2	76
3)	Bangladesh Bank Intranet System	1	19
4)	Basic H/W & S/W Troubleshooting	2	42
5)	Business Etiquette & Personal Grooming	3	80
6)	Core Banking Software of BB	2	32
7)	Currency Management, Payment & Settlement Systems in Bangladesh	1	28
8)	Data Analysis using MS Office	2	37
9)	Early Warning System	1	27
10)	Enterprise Resource Planning (ERP)-HR Module	1	17
11)	Financial Inclusion & Sustainable Financing	1	30
12)	Financial Stability Analysis	1	30
13)	Financing in Agriculture and Rural Development	2	45
14)	Foreign Exchange Inspection	2	50
15)	Foreign Exchange & Foreign Trade	1	24
16)	General Competencies of On-Site Inspectors	1	27
17)	ICT Risk Management	3	86
18)	In-Service Training	1	28
19)	Innovation in Public Service	2	47
20)	IT Auditing	1	28
21)	IT Security and Awareness	43	2042
22)	Leadership Development	1	25
23)	Micro Financing	1	28
24)	Monetary Policy Formulation and Implementation Process in Bangladesh Bank	2	59
25)	Online Monitoring through ISS, EDW	2	53
26)	Policy Dialogue to Improve Supervisory Tools and Techniques	1	33

27)	Presentation Skill for Enhanced Managerial Performance	2	59	C. Workshops/Seminars/Lecture Sessions	14	915
28)	Procurement Management in BB	1	26	1) Central Banking: Present & Future Challenges	1	29
29)	Public Debt Management and Debt Securities Market in Bangladesh	1	29	2) Current Payment Systems in Bangladesh - An Overview	1	87
30)	Research Methodology and Data Analysis	1	23	3) Detection, Disposal of Forged & Mutilated Notes	1	31
31)	Safety, Security and Disaster Management	1	33	4) Emerging Threats in IT Security in Bangladesh Financial Sector & Control Measures	1	110
32)	SMEs Financing: Policies & Strategies and Women Entrepreneurship Development	1	23	5) Fire Prevention, Extinction and Safety Measures	1	179
33)	Techniques of Bank & NBFIs Inspection and Report writing	1	22	6) Integrity and Anticorruption in Financial Sector	2	242
34)	TOT on BASEL-III	1	33	7) Key Activities & Current Issues of Bangladesh Bank	3	83
35)	Trade Based Money Laundering	1	31	8) Lecture Session on Monetary Policy	1	47
36)	Training Course on ERP-MM Module	1	24	9) Workshop on SDG	1	38
37)	UCP 600 & Other Important ICC Publications	3	77	10) Workshop on Innovative Idea	1	37
38)	Understanding and Analysis of Financial Statement of Bank	3	86	11) Workshop on Implementation of the Portal Developed for Savings Certificate Reimbursement Section	1	32
39)	Understanding Economic Indicators	2	49	D. International Training Courses/ Seminars	1	27
ii) For the officials of Commercial Banks		69	3777	1) International Training Course on "Agricultural Financing & Rural Development" Jointly organized by BFTA, CICTAB (India) and Milk Vita	1	27
1)	Capital Adequacy for Banks according to BASEL III	1	26	Grand Total (A+B+C+D)	188	8461
2)	CIB Business Rules and Online Systems	6	540	Source: Bangladesh Bank Training Academy.		
3)	Classification, Provisioning and Rescheduling of Loans	8	375	Financial Sector Support Project (FSSP)		
4)	Credit Risk Management	2	53	13.20 The Financial Sector Support Project (FSSP) is being implemented with the assistance of International Development Association (IDA) to improve financial market infrastructure, regulatory and oversight capacity of Bangladesh Bank and access to long term financing for manufacturing sector in Bangladesh for ensuring stability and greater resilience of the financial sector. The project has been commenced on 01 July 2015 and will end on 31 March 2021. The total approved project cost is USD 350.0 million of which IDA will provide USD 300.0 million and Bangladesh Bank will provide USD 50.0 million. Fund received total amount of USD 263.3 million from IDA, out of which USD 151.5 million has been disbursed and from BB USD 23.9 million has been disbursed up to June 2018.		
5)	Customer Services in Banks	1	33			
6)	Detection, Disposal of Forged & Mutilated Notes and Malpractices in Banks	5	365			
7)	Environmental Risk Management & Green Financing	1	26			
8)	Foreign Direct Investment and External Debt Reporting	3	93			
9)	Foreign Exchange & Foreign Trade	3	120			
10)	Foreign Exchange Transaction Reporting	6	233			
11)	Good Governance in Banks & NBFIs	1	28			
12)	Guideline on ICT Security for Banks & NBFIs	4	128			
13)	Integrated Supervision System (ISS) Reporting	6	522			
14)	Internal Audit & Control	1	25			
15)	Money & Banking Data Reporting	4	155			
16)	Prevention of Money Laundering and Terrorist Financing	7	252			
17)	Reporting System of E-Commerce and E-Banking	5	203			
18)	SME Customer Advocacy and Business Plan Analysis	1	32			
19)	Training Course on AML/CFT	4	568			

13.21 The project will be implemented through three major components over the project term. The components are (a) Developing key financial market infrastructure through benchmarking with international best practices, (b) Strengthening the capacity of the regulator to comply with international standards and accords on banking sector supervision and regulation, (c) Serving as a catalyst for developing a financial market in long-term finance market segment. Specific objectives of these components are as follows:

Strengthening Financial Market Infrastructure

13.22 This component aims to improve financial IT infrastructure of the country further, specially focusing on: (a) development of Payment and Settlement System to ensure a large scale shift to electronic payments in Bangladesh, specially of the Government payments, (b) expanding and modernizing Credit Information Bureau (CIB) by including credit information of the Microfinance Sector and increasing reliability of credit reporting system, (c) strengthening the systems of BFIU by integrating with systems of other stakeholders thereby leading to safety and integrity of the financial systems and (d) strengthening the IT Governance and IT management of the Bangladesh Bank to lay a robust and secured financial platform for advanced financial market. Necessary capacity building and knowledge transfer initiatives will also be taken to make the officials of the central bank and its associated organizations to embrace the new technologies and align their regular functions with the technology based new processes. Till June 2018, three consultants have been recruited and four IT packages have been procured to construct three data centers under

this component. Already one data center and one near data center has been established and partially operative at present. Construction of one disaster recovery center (DRS) is ongoing at BB Rajshahi Office.

Strengthening Regulatory and Supervisory Capacity

13.23 The project expects to provide technical assistance towards the development and adoption of the comprehensive risk-based integrated approach to banking regulation and supervision, which would include related documentation and training. Currently, Rules based approach is in place to regulate and supervise the banking system. However, the risk based approach evolves the supervisory process toward one that is more anticipatory. This component will help BB to migrate to a risk-based approach to supervision to discharge its responsibilities to ensure a safe and sound banking system. Technical support will also be provided by appointing national and international individual advisor/ consultant(s) or firm(s) to help building the system and develop the capacity to review and strengthen prudential regulations in future. Under this component, Resident Macro Prudential Regulation Specialist has completed his mission.

Supporting Long Term Finance

13.24 One of the deficiencies of the current financial market structure is inadequate sources of long term fund to meet the demand of the productive sector of the country. As a result, the financing need for long term investments is met with relatively shorter maturity funds creating maturity mismatch both at banks and investors book. Hence there is a demand for long term financing for the manufacturing sectors for

maintaining growth through upgradation of technology and production lines and improve compliance with the international standards on social and environmental practices. This prime component of the project will provide long term funds, especially in USD, which would be channeled by BB to eligible participating financial institutions (PFIs) based on eligibility criteria for lending. The fund will be available, on demand, to the manufacturing enterprises for procurement of capital machineries, equipment and other needs of the industry for setting up of new firm, expansion and upgradation. The project would extend technical assistance to support PFIs to build appraisal skills (including on assessing safeguards risks) and to funded borrowers. The PFI agreement has been signed with 31 scheduled banks and USD 228.9 million has been sanctioned from which USD 163.4 million has been disbursed till June 2018. Besides, an Environmental Regulations Compliance Specialist (National) and an Advisor for Long Term Project Financing have been appointed under this component.

13.25 On successful implementation of the project, it is expected that the IT infrastructure of the financial market will be strengthened, the regulatory and supervisory capacity of the central bank will migrate to more advanced level and an additional production capacity will be created which will result in increase of real output in the country.

Information and Communication Technology (ICT)

13.26 During FY18, Information Systems Development Department (ISDD) has performed its regular software development and data processing activities through existing applications software as well as performed various IT systems procurement and

implementation activities like security product & setup, Email security expansion, arrange UPS & switch in server room of branch offices, ensured product delivery for Data center package, Network package, storage and server packages. Following Information Systems and related tasks have been completed during this period:

ICT Strategy Implementation

13.27 During FY18, ISDD has implemented several ICT strategies as per the defined strategy in ICT strategy 2017-2021 for Bangladesh Bank.

IT Security and Awareness Building

13.28 To build more secured ICT infrastructure as a part of remediation plan several security devices and technology have been deployed in Bangladesh Bank to secure the IT Systems. Besides, training on IT security awareness is a continuous process and which is going on in association with other departments to build IT security awareness among the Bangladesh Bank officials.

ICT Infrastructure Rebuilding

13.29 Renovation Process of Data Center (DC) and Disaster Recovery (DR) is under process carrying out by FSSP Project. Renovation/ reconstruction of Near Data Centre (NDC) & Disaster Recovery Site (DRS)/ Far Data Centre (FDC) is going on in full swing. By this time, 95 percent tasks of DC has been completed. 80 percent tasks NDC, DRS rebuilding has been completed and migration of ICT systems is going on.

Information Systems Development

13.30 Information Systems and related tasks have been completed during FY18 as shown in Table 13.2.

Table 13.2 Statement on Information Systems and Related Tasks during FY18

Sl. No.	Name of the Software/ Information Systems	Brief description of
1	2	3
1.	Urban Building Safety Project Systems (UBSP)	<p>The objective of the Project is to strengthen the building safety in Urban Cities by financing loans for building safety for private buildings through Participating Financial Institutions (PFI), and by improving the building safety for public buildings, thereby contributing to improvement of the social vulnerability of urban cities.</p> <p>The Two Step Loan (TSL) Project is an on-lending loan scheme to provide short to long-term loans to strengthen the RMG factories and private buildings through the accredited PFIs. JICA provides the Loan funds in Japanese Yen (JPY) to the Government of Bangladesh (hereinafter referred to as "GOB") represented by its Ministry of Finance (hereinafter referred to as "MOF").</p> <p>There are options to entry application data for the scheme, sanction and disbursement process along with the Authorization Schedule preparation, repayment process, provision calculations and also various report generation facilities as required.</p>
2.	E-refinance system of Bangladesh Bank	<p>All the refinance schemes of Bangladesh Bank are incorporated in this system. In the last year, three new modules/ schemes have added as (i) SMEDP2, (ii) SMAP, and (iii) GTF. We have done the following enhancements in this system for different modules:</p> <p>Grihayan Tahabil: Active Loans from 30 jun 17 are entered by Grihayan Tahabil officials and all necessary modifications are done for data entry and report generation by ISDD.</p> <p>LTFF: This module keeps all data regarding fund management of Long Term Financing Facility project and generates various reports.</p>

SMEDP2: This module keeps all data regarding fund management of SMEDP-2 project and generates various reports.

SMAP: This module keeps all data regarding fund management of Small And Marginalized Farm-Sized Agricultural Productivity Improvement And Diversification Financing Project and generates various reports.

GTF: This module keeps all data regarding fund management of Green Transformation Fund project and generates various reports.

3. Enterprise Data Warehouse (EDW) Web Portal

EDW Web Portal updated with new features for both internal and external stakeholders and validation imposed on the fly. The feature includes a fresh new look and feel, user friendly redesigned UI and management capability at business user end.

New data components as per new requirements from different departments added and hence designed new mappings, reports and dashboards. OBU (Offshore Banking Unit) and OFCs (Other Financial Corporations) data are two challenges we are working about, for the coming days.

Integrated Supervision System (ISS) coverage expanded as required from ISMD. Now it covers Financial Institutions as well as banks. New dashboards and reports designed for FIs.

4. Mobile Apps "Banking Information" for adding new other services.

As part of exploring innovative idea for convenience of mass people of Bangladesh, a mobile "Banking Information" and web application has been developed.

Recently, we have incorporated two new features as (i) Agent Banking information, and (ii) Prize bond result searching option in Mobile Apps "Banking Information".

5. Voucher Processing System

Through this web-based software, Account & Budgeting Department is processing their several types of voucher regularly from multiple user end.

Source: Information Systems Development Department, BB.