

**THE EFFICIENCY INFLUENCE OF AGENCIES ON CONTROLLING MONEY LAUNDERING IN BANGLADESH**

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**ABSTRACT**

*Money laundering has emerged as a global concern in recent times, impacting both affluent and developing nations. Among emerging economies, Bangladesh faces pronounced challenges in addressing financial illicit activities due to its lenient regulatory framework and unstable financial sector. The Bangladesh Central Bank issues guidelines to streamline the implementation of the Prevention of Money Laundering Act. To ensure the stability and security of their institutions, financial entities are required to devise anti-money laundering policies in accordance with the stipulations of the Bangladesh Bank. This study centers on assessing the effectiveness of sanctioned organizations in countering money laundering. The research delves into the latest transformations in financial wrongdoing from the Bangladeshi context. It thoroughly explores strategies to prevent money laundering and other financial offenses through enhanced efficiency. Presently, money laundering constitutes a complex and evolving criminal activity, with perpetrators constantly devising novel tactics to undermine the financial system. The study will advance the discussion of the influence of combatting efficiency of the authorized agencies to fight against money laundering in Bangladesh.*

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**INTRODUCTION**

Money laundering entails the process of camouflaging unlawful proceeds and integrating them into the lawful financial system, as defined by Global Financial Integrity (Integrity, 2019). Additionally, money laundering refers to the methodology employed by individuals engaged in money laundering to cleanse tainted funds stemming from criminal activities, thereby presenting them as originating from legitimate origins while obscuring their source (Young & Woodiwiss, 2021). Moreover, particularly in emerging and less developed nations, money laundering poses an obstacle to domestic advancement, exerting adverse effects on economies across the board. Economic growth slowdown affects financial institutions, causing a decline in productivity within the tangible sectors of the economy due to misallocation of resources, heightened criminal activity, and fostering corruption. This, in turn, undermines capital flows and international trade, impeding sustainable economic expansion (Alnasser Mohammed, 2021). Money laundering can stem from various factors such as tax evasion and the creation of unreported income. A multitude of stakeholders, including certain criminals, politicians, corporations, executives, and employees, engage in money laundering (Khan et al., 2020).

Notably, a group of government agencies is fighting money laundering and related crimes in Bangladesh according to the Money Laundering Prevention Rules (MLPR, 2019). Plausibly, the efficiency of these agencies has a significant influence on fighting money laundering. This article will focus on the influence of the combatting efficiency of the agencies on money laundering.

**Research Problem**

Over the past few decades, money laundering and its impacts have drawn the attention of academics, researchers, and law enforcement organizations everywhere. Around the past few decades, money laundering methods like online gambling and

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its impacts have drawn the attention of academics, researchers, and law enforcement agencies all around the world. Researchers have argued in the past that regulators are growing more concerned about criminals who are using unlawful activities like money laundering, financing terrorism, and tax fraud (Parveen, 2020). According to Ba and Huynh (2018), money laundering has been connected to the instability of the financial system and a decrease in foreign investment. According to UNODC, the amount of money believed to be laundered globally in a single year ranges from \$800 billion to \$2 trillion, or around 2% to 5% of the world's GDP. Although there is a significant difference between those numbers, even the lower estimate highlights how serious the issue is that governments have promised to solve (UNODC, 2020). In addition, according to UNODC (2018), the nature of financial crimes including tax evasion, money laundering, bribery, and other types of corruption means that a single action may break multiple laws. Therefore, it is difficult for any jurisdiction as well as the international standard-setters to control money laundering (Jayasekara, 2021).

Bangladesh is one of the country's most badly affected by the epidemic of trade-based money laundering or capital flight, according to recent Global Financial Integrity (GFI) surveys. GFI calculates that Bangladesh lost 61.6 billion USD, or 25% of its GDP for the 2016–17 fiscal year, between 2005 and 2014. Between 2008 and 2017, over-invoicing and under-invoicing cost Bangladesh an astonishing USD 7.53 billion annually, or 17.95 percent of the total amount of its international trade with all of its trading partners (GFI, 2020). In 2015, trade mis-invoicing cost Bangladesh USD 5.9 billion, and Bangladesh is one of the top 30 countries for illicit money flows, according to a report by GFI published in 2020. According to a recent report from the Bangladesh Financial Intelligence Unit (BFIU), the organization received 8,571 suspicious transaction reports (STR) and suspicious activity reports (SAR) in the fiscal year 2021–2022—an increase over the previous five years. This pattern suggests unauthorized financial transactions and unusual capital flight, such as money laundering in Bangladesh (BFIU, 2021-2022).

The objective of this study is to investigate the efficiency influence of the agencies to gain insight into how to manage money laundering more effectively and professionally, in accordance with the aforementioned justification. The goal of this study further aims at combatting efficiency of the authorized agencies to fight against money laundering in Bangladesh. As a foundation for developing anti-money laundering models, this research is anticipated to contribute to the list of additional factors that will help to combat money laundering.

## LITERATURE REVIEW

Money laundering is the most frequent crime committed in a nation using the financial system's resources. Any nation in the globe must deal with the issue of money laundering (Dujovski & Mojsoska, 2019). Compliance departments, law enforcement, and intelligence organizations all across the world still struggle with money laundering (Teichmann, 2019). The fundamental issue is that it is challenging to pinpoint exactly how money laundering happens. Although there have been numerous global initiatives to combat money laundering, it is sometimes stated that these efforts are insufficient (Teichmann & Sergi, 2018). The development of money laundering can be attributed to the financial transfer system's technological advancements (Teichmann & Sergi, 2018). The reason for this is that electronic money transmission may be carried out quickly and easily, for instance by using automated teller machines (ATMs) and electronic wire transfers. Financial transfers have benefited from technology advancements. Because it is available around-the-clock, operates without regard to geography, and can be completed quickly through electronic means, money laundering is made possible (Niepmann & Schmidt-Eisenlohr, 2017). National boundaries are becoming irrelevant as a result of information technology advancements. It makes it simple to commit an organized crime.

The different elements that makeup diamond fraud constitute the foundation for money laundering. Pressure, rationalization, opportunity, and capability are all fraud diamonds (Simser, 2012). Financial pressure is frequently the driving force behind money laundering activities (Zaleskiewicz et al., 2013). Opportunities and factors also form one of the key forces behind the action. Even when the conduct was wrong, the laundering would have a cause to defend it (Zaleskiewicz et al., 2013). Moreover, without the people who are qualified to perform such tasks, money laundering could not be conceivable (Wolfe & Hermanson, 2004). Additionally, there is a wide range of ways that money might be laundered by saving in banks, investing in stocks, or purchasing expensive goods. Placements, layering, and integration are the three sorts of typologies that can be used to categorize all washing models. The three steps of activity that make up the money laundering process are placement, layering, and integration (Gilmour, 2022).

### Efficiency and Money Laundering

In the literature, the term efficiency refers to competence or inability to take part in mediation and is used interchangeably. The term efficiency is introduced in the parts that follow to describe the various skills needed to access intervention (Susan, et. al., 2003). In several disciplines, efficiency has been thoroughly investigated. These initiatives have resulted in the creation of specific efficiency measurement techniques. According to Brockbank and Ulrich (2003), efficiency is the capacity to increase the value of an organization's operations, with a particular emphasis on the process of moving from changing business conditions to obtaining long-term competitive advantage. An extensive intake process to measure organizational efficiency appears out of place with a quick intervention like mediation and is unlikely to produce a valid assessment process. In areas where they feel vulnerable (current involvement in domestic abuse, medical issues, physical and mental limitations, medication), people might withhold information during the first intake process. This information frequently appears later in a treatment procedure in a therapeutic environment. The mediator runs a substantial risk of making an error in judgment in the absence of adequate training, suitable evaluation instruments, and accurate participant information. Incorrect conclusions can have serious repercussions for the parties and put mediators in legal hot water. Furthermore, people have a right to be informed that they are being evaluated. Since this is not made clear in the mediation

literature, there is a risk that mediators could decide on efficiency without the parties' knowledge or consent (Susan, et. al., 2003).

Further, efficiency also refers to the agency's capabilities and resources that are connected to business performance. They are located using techniques for market analysis and the procedure for strategic planning. Grant (1991) explores the subordinate components of core competencies, including innovation and the creation of a learning agency. Agency resources (such as individual employees' skills), leadership, and more tangible assets like capital resources, brand recognition, and patents come together to form agency competencies and capabilities. Corporate talents, according to Klein, Edge, and Kass (1991), are purposeful mixtures of individual (human) productivity, hard agency variables (like tools and facilities), and soft agency factors (like culture and agency design). Therefore, core efficiency measures serve as stable sources of competitive advantage and reveal what makes one agency more successful than another. Superior records of innovation, learning quality, or other long-term business factors are utilized as performance metrics to evaluate this. Agencies must actively manage their efficiency portfolio, examining current and upcoming efficiency requirements in conjunction with the process of developing strategies (Jaradat, Keating, & Bradley, 2017).

Previous studies have found that money laundering is related with efficiency (Isa et al., 2015). Influence of efficiency is regarded as an important construct for money laundering (Domashova & Pisarchik, 2016). Again, combating efficiency has a positive influence on money laundering (Gilmour, 2016). Additional findings from related studies suggested that money laundering and combatting effectiveness are connected (Khan, Jani, & Zulkifli, 2021). Combating efficiency is regarded as an important construct for money laundering (Domashova & Pisarchik, 2016). Again, combating efficiency has a positive influence on money laundering (Gilmour, 2016). Such studies also indicated that combating efficiency is related to money laundering (Khan, Jani, & Zulkifli, 2021). The government has designated an authorized agency to handle the particular responsibility (Nasri et al., 2022). A permanent government entity known as an authorized agency, or occasionally an appointed authority, is in charge of overseeing and carrying out a certain set of duties. Agency kinds come in a wide range. A government agency is often distinct from a department, ministry, and other sorts of public bodies established by the government, notwithstanding terminology differences. Because different sorts of agencies are frequently established in an advising capacity, their duties are typically executive (Craft & Halligan, 2020).

### **Efficiency of Agencies to Combat Money Laundering in Bangladesh**

Any ministry, department, entity, or program listed in the schedule that is approved by the government to do the particular responsibility is referred to as an agency (Nasri et al., 2022). An authorized agency, also known as an appointed authority, is a permanent department of the executive branch of government charged with overseeing and carrying out particular duties. There are many different kinds of agencies. A government agency is often separate from a department or ministry as well as other sorts of public bodies established by the government, notwithstanding terminology differences. Since various sorts of agencies are frequently established in an advising capacity, their activities are typically of an executive nature (Zhang, et. al., 2020). A number of government organizations are fighting money laundering and related crimes in the context of Bangladesh. The National Board of Revenue (NBR), the Anti-Corruption Commission (ACC), the Bangladesh Security Exchange Commission (BSEC), the Criminal Investigation Department (CID), the Directorate of Environment (DoEN), the Directorate of Narcotics Control (DoNC), and Bangladesh Customs are some of the organizations leading the charge against money laundering (MLPR, 2019).

To combat money laundering, The Money Laundering Prevention Act was passed by the Bangladeshi government in 2002 to address the issue of money laundering. The UNCAC was subsequently put into effect by the government in 2007. The Anti-Money Laundering Department (AMLDD) of the Central Bank was named the government's Financial Intelligence Unit (FIU) in 2007. In 2008, the government passed the Anti-Terrorism Ordinance (ATO 2008) and the Money Laundering Prevention Ordinance (MLPO 2008). Both legislation facilitate international cooperation in the fight against money laundering, including the recovery of funds that have been forcibly transferred to or from other countries (Sanctionscanner, 2021). Bangladesh has participated in the Asia Pacific Group on Money Laundering (APG), a founding member, annual plenary conference since 1997. As an APG member, Bangladesh is committed to implementing the 40 recommendations of the FATF. Bangladesh is the first country in South Asia to comply to international standards and fix the problems with the MLPA, 2002. The Bangladeshi parliament passed the Money Laundering Prevention Ordinance (MLPO) in 2008, however the MLPA took its place in 2009. The Anti-Terrorism Act (ATA) of 2009 was revised in 2012 and 2013 to improve Bangladesh's AML/CFT framework and meet international standards. The MLPA of 2012 repeals the MLPA of 2009. The Mutual Legal Assistance in Criminal Matters Act, 2012 was also passed by Bangladesh to enhance global collaboration in the fight against money laundering, terrorism financing, and other related crimes. The Anti-Money Laundering Department (AMLDD) of Bangladesh Bank was replaced by the Financial Intelligence Unit (FIU) in June 2012. According to MLPA guidelines, AMLDD was renamed Bangladesh Financial Information Unit (BFIU) on January 25, 2012, strengthening and guaranteeing the operational independence of FIU (Faysal & Arifuzzaman, 2022).

### **Efficiency of the Criminal Investigation Department**

The Criminal Investigation Department (CID) has performed as a top-notch investigation unit as the chief investigative division of Bangladesh Police. As the leader in criminal investigation, the unit has undergone substantial changes to become proactive, tech-savvy, and sensitive to issues crucial to building a society where it will be better to live and work (CID, 2023). With around three thousand manpower, CID is handling financial crimes like money laundering in Bangladesh, in accordance with the Money Laundering Prevention Rules 2019. Clause 2 of the Money Laundering Prevention Act of 2012 lists 27 different categories of predicate offenses and only CID is authorized to investigate and act with 18 of them. Clause 54 of the aforementioned guidelines additionally permits CID to handle up to an additional six predicate offenses

concurrently and in collaboration with other authorities. According to a statistics, CID looked into 331 cases of money laundering between 2015 and 2022. Of those, a charge sheet has been issued in 198 of the cases, 229 have been resolved, and 31 have received a final report from CID. 102 incidents of money laundering are now being investigated by the concerned unit. Additionally, of the 477 money laundering instances, 132 are being investigated, and 345 have been resolved after an investigation (Bangladesh Police, 2023).

With a view to enhancing the efficiency of the CID officers, exclusive training on *Financial Crime Investigation* was organized between October 2022 and February 2023. Around 450 officers including Sub-Inspector, Inspector, Assistant Police Super, and Additional Police Super attended the training in six batches and obtained practical knowledge and skills on dealing with money laundering more efficiently (CID, 2023). Simultaneously, another capacity enhancement training on *Extending the Activities of Money Laundering Prevention* was conducted from 5<sup>th</sup> to 9<sup>th</sup> February 2023, where forty-four officers of different ranks took part and learned the techniques of combating money laundering practically (CID, 2023).

### **Efficiency of Anti-Corruption Commission**

The Anti-Corruption Commission (ACC) is another recognized organization to combat money laundering in Bangladesh, according to the Money Laundering Prevention Rules (MLPR) 2019 regulations. The Bangladesh Anti-Corruption Act, 1974, which established the Bureau of Anti-Corruption, is one of the most important measures taken to combat corruption in Bangladesh (Sakib, 2019). Recently, the commission made the decision to delegate responsibility for issues relating to money laundering, banking, and financial institutions to the inspection and money laundering section. On these matters, earlier activities were collected from the Special Investigation and Investigation Department. This has already been accomplished by staffing the Money Laundering Unit. This division has received documents pertaining to money laundering from the Special Investigations and Investigations Division (ACC, 2023).

Money Laundering is one of the 6 major activities of the Anti-Corruption Commission which has two units (a) the Unfinished Matters Unit, and (b) the Inspection and Anti-Money Laundering Unit. Recently, the commission decided to entrust matters related to money laundering, banking and financial institutions to the Inspection and Money Laundering Unit. Earlier, activities were taken from the Special Investigation and Investigation Department on these issues. Money Laundering Unit has already been manned for this purpose. With a manpower of 2146 officers and employees, ACC has been operating its functions against money laundering. With a view to making ACC officers more dynamic, effective and visible, the Commission is committed to enhancing the capacity of its own manpower as well as ensuring transparency and accountability (ACC, 2023).

In 2022, in addition to modernizing the working environment of the commission, the commission has taken several steps in organizing necessary training, seminars, symposiums etc. to enhance the skills of officers/employees. Among them, 253 officers have been appointed under the new organizational structure of the Anti-Corruption Commission to effectively investigate, investigate and prevent corruption. Anti-Corruption Commission has promoted a total of 163 officers/employees during the financial year 2021-2022. Orientation training has been provided to newly recruited officers and in-service training is ongoing. ACC also provided software based training to 682 ACC officers/employees on Investigation and Prosecution Management System (IPMS) software by the year 2023. exclusively 12 officers in training on Trade Finance Process and Trade-Based Money Laundering, 35 in ACC Hotline 106, 5 in training related to e-GP System Policy Level activities, 10 in Digital Forensic Lab, Short Procurement Training: Orientation of Anticorruption, 150 people in training on Officials, 30 people in Training on Financial Accounting Course, 84 people in Capital Market Management training, 10 people in 58th Senior Security Course, 39 people in Integrity and Good Governance Training, 25 officers/employees trained in bank operations done. Additionally, training has been completed in the country and abroad on five software tools for the nominated officers to run their own Digital Forensic Lab established for easily obtaining information from digital devices for the investigation and investigation work of the Commission.

### **Efficiency of Bangladesh Securities and Exchange Commission**

In terms of the number of formal institutions, the number of financing instruments, and the size of the asset bases, Bangladesh's financial industry and institutional financing operations have grown over time. In addition to non-bank financial institutions (NBFIs), capital market intermediaries, insurance firms, and microfinance institutions (MFIs), Bangladesh's financial system is founded on banks. The Bangladesh Securities and Exchange Commission, or BSEC, oversees and regulates capital market operations including NBFIs' use of securities instruments (Habib et al., 2019). According to the provisions of the Bangladesh Securities and Exchange Commission Act 1993, the Bangladesh Securities and Exchange Commission (BSEC) was founded on June 8th, 1993 as the country's capital market regulator. The Commission's goals are to safeguard investors' interests, expand the securities market, and establish regulations for everything related or incidental to these goals. The Commission is made up of the Chairman and four Commissioners, all of whom are full-time government appointments. The BSEC has been given the authority to serve as an authorized agency to combat money laundering in Bangladesh under the Money Laundering Prevention Rules 2019 (MLPR, 2019).

In order to protect the interests of investors in securities, promote the securities market, and enact regulations on these topics or subjects related thereto, the Bangladesh Securities and Exchange Commission was established. Consequently, the Commission's mandate is to safeguard securities investors' interests; expand the securities industry; creating regulations on subjects relating to securities or those covered by them. The Commission's main functions are: regulating the business of the Stock Exchanges or any other securities market, registering and regulating the business of stock-brokers, sub-brokers, share transfer agents, merchant bankers and managers of issues, trustee of trust deeds, registrar of an issue, underwriters, portfolio managers, investment advisers and other intermediaries in the securities market, registering, monitoring and regulating of collective investment scheme including all forms of mutual funds, monitoring and regulating all authorized

self-regulatory organizations in the securities market, prohibiting fraudulent and unfair trade practices relating to securities trading in any securities market, promoting investors' education and providing training for intermediaries of the securities market, prohibiting insider trading in securities, regulating the substantial acquisition of shares and take-over of companies, undertaking investigation and inspection, inquiries and audit of any issuer or dealer of securities, the Stock Exchanges and intermediaries and any self-regulatory organization in the securities market and conducting research and publishing information (BSEC, 2023).

### **Efficiency of the National Board of Revenue**

There are numerous ways to define money laundering. It is defined as any income, whether generated legitimately or unlawfully, that is not reported to a government agency and for which no income tax is paid to the government. Because it downplays the significance of the idea of money that has been obtained illegally, undeserved, or by unethical, improper, or illegal means, this definition tends to lessen the magnitude of the black money problem. According to Waris and Latif (2014), black money is associated with corruption, crime, unlawful activity, and the black economy. The Money Laundering Prevention Rules (MLPR 2019) have given NBR the authority to operate as an authorized agency to combat money laundering in Bangladesh.

In view of the aforementioned, Bangladesh joined the Asia Pacific Group (APG) Anti-Money Laundering Group as a founding member, and for five years after 2002, Bangladesh supported the adoption of anti-money laundering regulations. When the first Anti-Money Laundering Act (AML) was passed in 2002, money laundering itself was not regarded as a crime. This huge gap was not filled until 2008 when the 2009 Act entered into force first as an ordinance and subsequently as an Act. Since its passage, it is anticipated that several hundred crore have returned to the nation, including as a result of the tax amnesties that the Bangladeshi government has from time to time provided.

### **Efficiency of Directorate of Narcotics Control**

The Directorate of Narcotics Control (DNC) is another authorized agency to combat money laundering (MLPA, 2012). Directorate of Narcotics Control under the Ministry of Home Affairs of the Government of the People's Republic of Bangladesh. Preventing the flow of illegal drugs in the country, controlling the import, transportation and use of legal drugs used in medicine and other industries subject to customs duties, proper testing of drugs, ensuring treatment and rehabilitation of drug addicts, planning and implementation of prevention programs aimed at creating widespread public awareness about the evils of drugs, the United Nations and other international agencies.

The main responsibility of the directorate is to build resistance against drugs nationally and internationally by creating close working relationships (DNC, 2023). DNC has been working with the mission to gradually reduce drug abuse in the country by strengthening enforcement and legal activities to prevent drug abuse and illegal trafficking in the country, creating public awareness against drugs and ensuring treatment and rehabilitation of drug addicts (DoNC, 2023).

### **Efficiency of the Department of Environment**

The Department of Environment (DEn) is another authorized agency to combat money laundering in Bangladesh (MLPA, 2012). Environmental conservation is one of the most discussed issues internationally. The existence of life on earth is threatened due amongst other things to climate change as a result of continuous environmental pollution. For a long time, environmentalists around the world have tried to focus the attention of world leaders on this and other pressing environmental matters. One of the first international collaborative efforts was the Stockholm Conference on Human Environment in 1972 (DEn, 2023a).

According to DEn (2023), the first environmental activities in Bangladesh were taken soon after the Stockholm Conference on Human Environment in 1972. As a follow-up action to the Stockholm Conference, the Government of Bangladesh funded, under the aegis of the Department of Public Health Engineering and with a staff level of 27 and after promulgating the Water Pollution Control Ordinance in 1973, a project primarily aimed at water pollution control. In order to enhance the efficiency of its workforce having 1133 approved positions, the Department of Environment has initiated a series of capacity development training like: a 2-month Foundation course, Financial management, Conservation of Environment, Strengthening Capacity for Monitoring Environmental Emissions under the Paris Agreement in Bangladesh, Awareness and Capacity Building Workshop on Enabling Activates for the Implementation of Kigali Amendment to the Montreal Protocol, Environmental clearance certificate (ECC) automation, Project management and procurement system, Preparation of Para wise reply of Writ Petitions, Leave to Appeal, Contempt & Others, Introduction and CrossCutting Issues of IPCC Guidelines for DOE Officials, Hands-on training on GHG Inventory and MRV system for Forestry and other Land Use, ETP Design Evaluation Ges ETP Inspection Process, Bangladesh Environment Statistical 2020, Material Safety Data Sheet (MSDS), environmental issue, Environmental Fate and Behaviour and Residual Information etc (DEn, 2023b).

### **Efficiency of Bangladesh Customs**

Bangladesh Customs was formed under the National Board of Revenue in 1972 after the Independence of Bangladesh through the Customs Act. In 2016, Bangladesh Customs joined Operation IRENE to stop the illegal trafficking of small arms and drugs. Bangladesh Customs has an intelligence division, responsible for preventing smuggling and tariff evasion. In 2016 it started operations to recover cars bought and sold in Bangladesh evading taxes, the cars were bought by foreign officials working in International agencies such as the World Bank and various agencies of the United Nations (CIID, 2023). The CIID did file a total of 83 cases between 2016 and 2019 (Morshed & Rahman, 2021).

The National Board of Revenue (NBR) defines it as any legally or illegally earned money, that is not declared to the government agency, and on which no income tax is paid to the government. This definition tends to dilute the seriousness

of the issue of black money, because it minimizes the importance of the concept of illegally obtained money or unearned income or money amassed through immoral, improper and illegitimate means. Black money is linked up with corruption, crime, illegal activities and black economy (Waris & Latif, 2014). The Customs Intelligence has been entrusted with special powers to take necessary steps as per law to deter traders who are disrupting the stability of the country's economy and local markets through customs evasion and smuggling, and who are not doing business in accordance with the prevailing customs laws (CIID, 2023). Considering the efficiency demand of the NBR workforce, it has emphasized on n Anti-Counterfeiting Measures for Practitioners, abusive use of transfer pricing, cross-border trade and transactions, combatting transfer mispricing and so on (Bangladesh Customs, 2021).

### CONCEPTUAL FRAMEWORK

Based on the thorough literature analysis, the study proposes a research framework (figure 1). The model conceptualizes the connection between money laundering and the role of authorized agencies. The issues with the connection mentioned above are also brought up. The model could serve as the foundation for the next empirical studies.

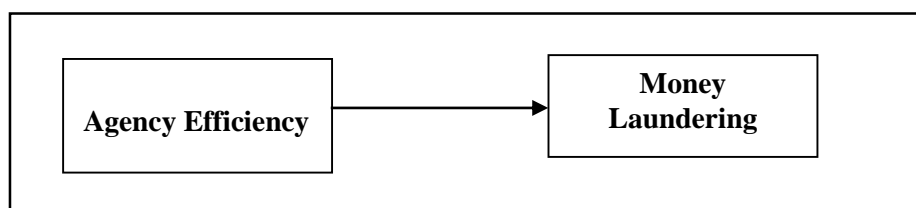


Figure 1. Research framework

### Influence of Agency Efficiency on Controlling of Money Laundering

A regulatory body or governmental organization with the authority to act in the subject area is referred to as an agency (Butler & Macey, 1996). Contrarily, the term money laundering refers to any criminal activity carried out by an individual or a group of individuals that entails obtaining money or other property that belongs to another person in order to pursue personal or professional benefit (Gottschalk, 2010).

In the instance of Bangladesh, the government has granted authority to several agencies, including a specialized branch of the Bangladesh police, to combat money laundering and associated crimes. The Criminal Investigation Department (CID), Anti-Corruption Commission (ACC), Bangladesh Security Exchange Commission (BSEC), Directorate of Environment (DEn), Directorate of Narcotics Control (DNC), The National Board of Revenue (NBR), and Bangladesh Customs are working against money laundering with its available resources and performance efficiency. It is anticipated that by empowering their efficiency with modern knowledge and technological orientation money laundering could be controlled.

### DISCUSSIONS

Bangladesh has developed the Money Laundering Prevention Program in an effort to participate in the worldwide push to address the issue of According to the provisions of the Money Laundering Prevention Act of 2012 (the MLPA), the Bangladesh Financial Intelligence Unit (the BFIU), an anti-money laundering division of the Bangladesh Bank, has been given government authority to act as the central agency in charge of independently reviewing Suspicious Transaction Reports (STR) and Cash Transaction Reports. While not limiting the reporting agency's transaction monitoring process, suspicious actions can be found during the financial body's client's onboarding and ongoing due diligence. A behavior constitutes a suspicion when it is connected to the client's general behavior and gives rise to information or suspicion that the client may be engaged in illegal activity for which proceeds could be created. (Rana & Awwal, 2020; BFIU, 2019). This study further intends to explain the efficiency influence of authorized agencies in combating money laundering.

Moreover, the Money Laundering Prevention Act of 2012 and the Anti-Terrorism Act of 2009, as amended in 2013, both control the Bangladesh Financial Intelligence Unit (BFIU). It is a technology division that provides intelligence data to the appropriate government authorities to help them combat money laundering in Bangladesh. The CID, CIID (Customs Intelligence & Investigation Directorate), Anti-Corruption Commission, and other government agencies deal with money laundering issues with their highest efficiency.

### CONCLUSIONS

The primary aim of this investigation was to assess the efficacy of established institutions in their efforts to prevent money laundering. This inquiry delved into the paramount importance of the study, the capabilities of the criminal justice system in countering money laundering, and the awareness surrounding authorized entities operating within Bangladesh dedicated to this cause. The comprehensive scrutiny encompassing all variables of the study, encompassing money laundering offenses, sanctioned agencies, and their effectiveness, was also prominently emphasized within this piece. The examination of these facets was meticulously conducted. Consequently, the conceptual framework, coined as the 'influence of agency efficiency on the regulation of money laundering in Bangladesh,' was formulated through a nuanced conceptual elucidation expounded exclusively in this manuscript.

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