

# The Daily Star

FOUNDER EDITOR  
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## Making up for lost education

*Govt must get the experts on board*

ONE of the most devastating fallouts of the Covid-19 pandemic has been the huge gap in education especially for students whose academic year has been completely disrupted with important board exams such as the HSC being postponed. More than one million students are expected to take the HSC exams, for example, at over 9,000 educational institutions across the country.

The education ministry no doubt is trying to find ways to make up for the loss in lessons and delayed exams. At a recent webinar Education Minister Dipu Moni has said that the government is considering cutting short the exam days, holidays and the number of subjects of the HSC and equivalent exams postponed due to the pandemic. These may give some relief to students but there are still many hurdles to cross in addressing this formidable challenge.

Education experts have given various suggestions to reduce the burden faced by students who have not gone to school for months, with many of them not having access to the government's televised classes or online classes because of lack of internet services in their areas. Recommendations include cancelling the Primary Education Completion Examinations (PECE) and equivalent exams after class-V and Junior School Certificate (JSC) and equivalent exams after class-VIII for at least the current academic year and not raising supplementary duty on mobile phone services so that students can avail online education.

Meanwhile a report in this daily has revealed the dire situation of students in remote regions like the CHT where schools are closed and there is negligible or no access to television or the internet. In Bandarban, Khagrachhari, Rangamati and other areas of CHT there are thousands of students of primary and secondary school, most of them cannot benefit from online education or the televised classes on Sangsad TV initiated by the government.

The result is that thousands of students will be behind their counterparts who at least have some access to lessons increasing educational disparities even more.

The government therefore has a mammoth task ahead in addressing the loss of education, lack of access to alternative education and the domino effect this gap will have in the future of these students. Getting education experts on board is crucial to devise strategies to address the education crisis. This may also be a good time to revise the whole education system and make it more practical, modern, dynamic and inclusive so that the loss in education can be made up as much as possible and no child is left behind.

## Is it deliberate oversight or connivance?

*2 'NIDs' for 72 names!*

TO say it is a mere irregularity would not really portray the scope of corruption by a group of people to pocket government money meant for the poor. This has added to the ever growing list of people in place of responsibility, most often local elected representatives, displaying their abject venality spurred by greed, depriving those very people who had voted him or her to office.

As reported in this paper yesterday, fake NID numbers were used in government cash assistance lists for tea workers in Moulvibazar, not one or two or three, but 72 times. The list was drawn up to disburse money under a scheme of the Department of Social Services to improve impoverished tea workers' living standards. Each of the 2,113 tea workers of 22 tea gardens in Kamalganj upazila of Moulvibazar, were to receive Tk 5,000 cheque. While many non-tea garden workers were included in the list, many genuine workers were not. And according to a local UP member, he was not involved at all in preparing the list. Predictably, the mistakes have been blamed on "technical issues".

It is quite obvious that a coterie of people have connived to make the fake list. But what we are surprised at is that it escaped the eyes of those who were supposed to scrutinise, vet and finally approve the list. And it is a long chain along which everyone failed to notice the error!

Since the beginning of the pandemic crisis the government has undertaken several poor-friendly schemes to help the most needy. Reportedly, the ACC has started investigation against some 94 union parishad chairmen and members for their alleged involvement in corruption and irregularities during the Covid-19 relief programmes based on media reports.

Such corrupt people must be dealt with quickly as deterrence. Many of them have been caught red-handed, which merits immediate charge sheet and trial. Unless these people are behind bars the government's social programmes are likely to fail. But that doesn't absolve the government functionaries from their responsibility of exercising proper supervision. Failure to do so should also merit similar punishment as the perpetrators.

## LETTERS TO THE EDITOR

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### Stop sexual violence

Incidents of rape are still taking place quite frequently in Bangladesh. Those who commit such heinous crimes usually have no remorse. Every day, young children, teenagers and women continue to be targeted by these criminals. Many such incidents often go unreported, and yet, our newspapers are filled with these horrific stories. We must figure out a way to bring an end to all this.

Naem Ariyan, Chattogram



# Why does money laundering enjoy impunity in Bangladesh?



THE Swiss Banking authorities published their annual update on deposits of foreign nationals, including Bangladeshis, on June 25. It shows 603.2 million Swiss Francs or Tk

5,367 crores invested by Bangladeshis, which is 2.38 percent less than that in 2019. The decline is negligible, while it shows a persistent trend of capital flight from the country through illicit financial transfers. A tiny portion may be deposits out of legitimate income of Bangladeshi nationals staying abroad. However, there is no doubt that illicit transfers account for the overwhelming share.

The Swiss data shows only a tip of the iceberg. Information on illicit transfers to many more destinations, especially offshore islands, and quite a few countries of South, East and Southeast Asia, are not disclosed. The regular disclosures by the Swiss Banks, the conventionally most attractive destination of global illicit financial transfers, may be making other destinations more attractive to smarter money launderers, though the Swiss would also share more specific data like who, how much, when and in what process, only if the government at source so requests in the due process.

The lion's share of money laundering takes place through misinvoicing in international trade. In addition, in case of Bangladesh, recent TIB studies have shown at least two more channels of illicit financial transfers. One by recruitment agencies for Bangladeshi expatriate workers to various countries, especially Middle East and Southeast Asia. Another is through the various categories of foreigners working in Bangladesh, mostly in the corporate sector.

In any case, there can be no doubt that the amount laundered from Bangladesh will be much higher than the Swiss figures, in no way less than USD 10 billion a year by most conservative estimates. Taking into consideration the likes of Malaysian Second Home project, of which Bangladeshis are reportedly the third largest group of clients, or Begum Para in Canada, or Panama Papers

and Paradise Papers where quite a few Bangladeshis were listed, the estimates are bound to be mind-boggling.

Illicit financial transfers or money laundering is a crime according to both national and international law. Any crime is bound to flourish when laws and regulations are not enforced and violators are not held accountable. This is exactly what has been happening with money laundering in Bangladesh. The relevant laws, especially the 2012 Anti-money Laundering Act (AMLA) has remained a paper tiger. The opportunities created under the UN Convention against Corruption (UNCAC) for Bangladesh, as a state party, being entitled to benefit from cooperation with destination countries to recover stolen assets, have not been seized.

The institutions authorised to prevent and control the crime like the Bangladesh Financial Intelligence Unit (BFIU), created

automatic exchange of information on financial accounts that could facilitate robust tracking of financial flows across borders.

Not much is known about what the relevant law-enforcement agency has done in discharging their entrusted role in this regard. The Anticorruption Commission (ACC) has taken a back seat in the wake of an amendment that unduly curtailed its jurisdiction on money laundering. The Attorney General's Office, which is supposed to be the focal point for initiatives to benefit from arrangements for recovery of stolen assets through Mutual Legal Assistance with destination countries, seems to be too busy otherwise.

The outcome of all these is a practical impunity to illicit transfers. Hardly any action is taken against the alleged perpetrators of the crime as many of them are tied to the power structure and hence determine terms rather than laws and

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as an example of compliance of UNCAC, have been at best busy explaining why they are not quite in agreement with the disclosed data on money laundering. Precious little has been done by the National Board of Revenue to control misinvoicing, which raises the question whether the protection and promotion of misinvoicing are an inside job. Unlike well over a hundred countries including some regional neighbours, Bangladesh is yet to adopt the global standard for

regulations. One example of such state capture can be seen in the 2020-21 draft national budget that proposes to legalise illicit transfers violating national and international laws.

While the 2012 AMLA clearly provides that laundered wealth are subject to confiscation by the state; financial penalty can be up to double the confiscated amount; and the crime can be punishable by 4-12 years of imprisonment, the budget offers to

"legalise" laundered income on payment of so-called 50 percent tax. It not only undermines the relevant provisions of the law but also grants blanket impunity and offers an invitation to money launderers to indulge in it more. It further calls upon others to do the same.

Such impunity to illicit financial transfers is suicidal for a country starved of capital and revenue. Those who are behind such state capture are not only maligning public interest, but also undermining the prime minister's pledge of zero tolerance for corruption. Ironically, some of them are also among those entrusted with the responsibility to deliver the lofty commitment.

Bangladesh did succeed once to repatriate laundered asset from Singapore in the same process mentioned above. The question remains if it was possible once, what prevents the same from happening again? It is obviously the political will and its application that matters. The failure to be effective against money laundering is not due to the absence of laws, policies, institutions, regulations, or even capacity and skills; it is about the lack of courage and commitment to ensure accountability without fear or favour and irrespective of identity or status.

Iftekharuzzaman is Executive Director, Transparency International Bangladesh.

## Garments industry needs evolution, not revolution



RMG NOTES

MOSTAFIZ UDDIN

WE need to do better.

We need a complete "industry reset". We "cannot go back to the way things were before". I hear all of these sentiments and read about them each day on

my various social media feeds. Part of me thinks, "yes, we must strive for a better industry". I also agree that the events of the past few months have exposed huge fault lines within our sector, not least of which is the unequal relationship between buyer and supplier.

In some ways, then, I go along with calls for a different type of apparel and textile industry beyond Covid-19. We must all strive to be the best we can possibly be and I share the natural instincts of many to hope that something good and positive can come out of such a difficult and, in many cases, tragic period of history.

At the same time, there is a nagging feeling in the back of my mind. What does a "better" industry actually mean? More pertinently, on a practical level, what does it mean for RMG manufacturers in Bangladesh? Until we have clear answers to these questions, there will be anxiety among myself and my peers with regards to how any kind of industry reset might impact us and our workers.

If an industry reset means an improvement to purchasing practices, that would certainly be a welcome step forward. The past few months, in which we have seen public rows between brands, industry trade bodies and suppliers, have not helped anybody in our sector. Such rows cannot be repeated moving forwards.

More robust contracts, and perhaps an increased use of L/C must be the way forwards to stop brands walking away from orders without looking back. This would be a step forward for suppliers, providing more stability, and it would actually also help brands because it would mean we would all know exactly where we stand. Such a change is something we would all welcome.

The concern is where there is talk of broader changes associated with an industry reset. I also have concerns where people say we will become a "more sustainable" industry after Covid-19. Really? Let us be realistic here. The key to sustainability lies in supply chains—this is where emissions occur, this is where so

much water is used and, in many cases, wasted. Change here will not happen overnight, as much as we would all like it to. Sustainability costs money (something we do not discuss enough) and, as we know, many suppliers are short of money right now; many are on the verge of bankruptcy.

Suppliers cannot magically up investment for sustainability projects out of thin air. Their priorities are paying their bills and paying their workforce. After that, they might think about investing in new effluent treatment technology or energy saving devices, but they cannot

hastened the sustainability agenda. Again, without wishing to appear like a killjoy, my question is, how would that work? Who will pay?

I also read recently that the Council of Fashion Designers of America and British Fashion Council have jointly called for the fashion industry to slow down as part of a much-needed industry change post Covid-19. The two trade bodies suggest the current time offers an opportunity to "rethink and reset the way in which we all work and show our collections." As part of this, they propose no more than two main collections per year.

fashion industry provides millions of jobs around the world. It has helped lift many millions of garment workers out of poverty, providing them with a stable income and putting a roof over their heads. People like to criticise fast fashion but the business has provided regular business for thousands of garment factories in Bangladesh for almost two decades.

To be clear, I am greatly in favour of a more sustainable industry and I also, like many, believe climate change is a much bigger challenge than the coronavirus. We cannot afford to take our eyes off the ball



Garment workers washing hands before entering an apparel factory in Savar's Ulail area.

PHOTO: PALASH KHAN

do any of these things until they have ensured they are financially viable. This is not me being negative, I am just stating the stark reality of the present time.

Likewise with brands. There are very few cash-rich brands and retailers at the present time. Even those with money are shoring up their balance sheets after a terrible 2020. There will be little appetite to invest in better supply chains.

The key here is to manage expectations. Any reset we see in our industry moving forwards will be about evolution, not revolution. Many people seem to think that the coronavirus has somehow

I see these remarks as a counter-balance to fast fashion. There are many others who are saying fast fashion will become irrelevant moving forwards.

The problems with fast fashion and excessive consumption are well documented and, from an environmental perspective, a move towards better made clothing would be better for the planet. But this surely must be a gradual shift in order to give supply chains time to adapt. And, indeed, any discussions around this shift need to involve suppliers; we need a place at the top table.

We must remember that the fast

on this issue.

But, I also think all of us need time to pause for breath. These past few months have been the most volatile period for the global economy in more than a century. For many of us, there is no time to think of resets. We just want to get through 2020 and, those of us lucky enough to still be around beyond that, can maybe start planning a brighter future in 2021 and beyond.

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