

## BANGLADESH RESERVE HEIST

## Dirty money secrets of Philippines exposed

AFP, Manila

When mystery hackers launched a stunning raid on Bangladesh's foreign reserves, a plot worthy of a John le Carré spy novel was sparked in the Philippines, exposing the Southeast Asian nation as a dirty money haven.

The \$81 million stolen from the Bangladesh central bank's American accounts last month was immediately sent via electronic transfer to the Philippines' RCBC bank, with the thieves deliberately targeting their laundering location.

The Philippines has some of the world's strictest bank secrecy laws to protect account holders, while its casinos are exempt from rules altogether aimed at preventing money laundering.

"The Philippines is very attractive (for dirty money) because our laws have gaping holes. It's easy to launder money here," Senator Sergio Osmena, who is pushing for stronger anti-money laundering laws, told AFP.

Still, if the thieves were to get away with their audacious heist, the money had to be moved quickly through the banking system and into the casinos.

And it did.

Authorities took four days to order a recall of the money.

But by then it had vanished -- leaving in its place a tale of death threats, bribes, shady business figures and a bank manager who could be the villain or a victim.

"I did not do anything wrong. If this is a nightmare, I want to wake up now," the manager of RCBC bank, Maia Deguito, told ABS-CBN television this week after authorities stopped her at Manila airport from trying to leave the country.

"I live everyday in fear."

With authorities in Bangladesh and elsewhere bamboozled over who masterminded the cyber-heist, Deguito's role as manager of the bank that accepted and shifted the money has come under intense scrutiny.

She has accused the bank's president, Lorenzo Tan, of ordering her to move the money. He has fiercely denied the accusations.

Philippine senators who launched an inquiry this week into the affair are yet to determine whether she was a scapegoat or not, but are convinced she was not the mastermind.

"It's a big operation. This could not have been done out of the Philippines alone," Senator Ralph Recto said.

The Senate inquiry and another probe by the Philippines' Anti-Money Laundering Council have hit several

major hurdles, including a security camera at the bank not working when the money was shifted.

Accusations and counter-accusations between Deguito and RCBC management have further confused investigators.

'MONEYTRAIL'

A final roadblock has emerged at the casinos, with the money apparently vanishing in mountains of gambling chips and mysterious middlemen.

"Our money trail ended at the casinos," Julia Abad, deputy director of the anti-money laundering council, told senators Tuesday.

On February 5, the same day Bangladesh Bank was hacked, the money was sent electronically to four accounts in Deguito's RCBC branch in the financial capital of Makati, according to testimony to the Senate inquiry.

Those accounts appeared to have been set up solely for that purpose because they were done using aliases, the Senate inquiry heard.

After that, the bulk of the money was transferred into accounts of a local ethnic Chinese businessman, William Go, who has since protested his innocence. He said his signature was forged to set up the accounts.

From there, the money was briefly held by Philrem, a foreign exchange brokerage.

Philrem President Salud Bautista told the Senate inquiry \$30 million went to a man named Weikang Xu.

He was described as a casino junkie operator but senators have said they know little more about him other than he is of Chinese origin.

The anti-money laundering council said another \$29 million ended up in Solaire, a casino on a glittering Manila bayside strip that the Philippines hopes will become one of the world's biggest gambling destinations.

That money was exchanged into chips but could only be turned back into cash after being played in the casino, its management told the Senate inquiry.

Another \$21 million was sent to Eastern Hawaii Leisure, which runs a sparsely furnished casino with Chinese-only television in Santa Ana, a sleepy town in the far northern Philippines, according to the council.

Senator Osmena said the case was likely just the tip of the iceberg.

"This could have happened hundreds of times already," he said.

"We discovered this one only because someone complained. But normally, if a drug dealer from Burma (Myanmar) or China would send



**Food Minister Qamrul Islam and Liberation War Affairs Minister AKM Mozammel Haque, inset, leaving the Supreme Court after appearing before the court yesterday over a contempt rule issued against them for their comments on Chief Justice Surendra Kumar Sinha.**

## Qamrul asked

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he found very difficult to control.

He also expressed deep regret and remorse for his statements and comments and said he would never make such or similar comments in future.

Early this month, the two ministers came down hard on the chief justice for two days in a row, after the CJ expressed dissatisfaction over "poor performance" of the prosecutors and investigators of the war crimes tribunal in dealing with the war crimes case against Quasem.

Qumrul demanded formation of a new bench to rehear the case, excluding the CJ. He also wanted the attorney general out of the hearing. Mozammel went on to say the chief justice should not be delivering the verdict in Quasem's case.

The verdict in Quasem's case was pending when they made the comments and the SC on March 8 sentenced the Jamaat leader to death.

On the same day, a nine-member apex court bench issued the contempt rule on the two ministers and asked them to explain by March 14 their "derogatory and highly contemptuous statements". It also ordered them to appear before it on March 15.

During yesterday's proceedings, the SC criticised both the ministers, saying they not only undermined the chief justice but trampled the entire judiciary by their comments.

The two ministers made arrogant comments and scandalised the chief justice and the judiciary, Sinha said, adding that he was doubtful whether they made such comments to influence the judgment on Quasem's appeal.

Interference in the administration of justice is a criminal contempt and committing contempt is a criminal offence like a robbery. And all these issues have been discussed in the verdict in the contempt case against daily Janakantha, he said.

Justice Md Abdul Wahhab Miah, the senior most judge of the SC bench after the CJ, said the chief justice alone could not deliver a judgment even if he wished to.

If the chief justice withdraws himself from war crimes cases, the entire trial proceeding would be hampered, said Justice Sinha, adding that judges of the top court gave their decisions in many war crimes cases.

The law will take its own course however powerful one is and the court will not hesitate to pass any order for the protection of the constitution, he noted.

Justice Sinha told Qamrul's lawyer Abdul Baset Mazumder that the minister confessed to his guilt, but confessing to the guilt by a minister and a reporter or an ordinary citizen was not the same.

The CJ sought to know from the counsel what should be the conse-

quences of breaking the oath of office of protecting the constitution.

He also advised the lawyer not to appear before the court if he could not give protection to his client.

The CJ said he was in Nepal when the two ministers made the comments. He then communicated with the law minister through the high commission office to ask the two ministers to apologise unconditionally through holding a press conference. He also requested the law minister to raise the issue in the cabinet meeting.

The prime minister has reportedly scolded the two ministers in a cabinet meeting, but it is not enough as the ministers did not apologise through a press conference, said the CJ.

"The court is an organ of the constitution, not of the government, and there should be mutual respects between the judiciary and the government."

Justice Sinha said a prosecutor has reportedly showed a judgment to the chairman of the Law Commission to examine whether the judgment was right.

"Where and at which level have you brought the Supreme Court?" he asked.

The chief justice said they had been patient enough, although the ministers criticised the judiciary even at TV talk shows, but they did not want to tolerate such criticisms.

## Use social media responsibly

Govt officials, employees asked

STAFF CORRESPONDENT

The government yesterday published its draft guidelines for the public servants on social media use.

The 11-point guideline, which advises government officials on how to use their official and personal accounts in the social media, will be applicable to all ministries, divisions, directorates, agencies, field-level offices, education and training institutions.

In a circular issued to divisional and deputy commissioners and upazila nirbahi officers on October 28, the cabinet division observed that some field-level officials were sharing on Facebook their personal matters, not related to their work.

Those posts do not go with the image of the administration, it said.

The guidelines, which fixed a set of do's and don'ts for public servants, say they cannot publish any content against the national unity and spirit.

They cannot publish any discriminatory or demeaning posts against any indigenous and ethnic minority community and contents relating to any political ideology or discussion, said the guidelines.

No government officials will publish contents that may belittle any person, institution or the state, support gender discrimination and provoke public discontent or untoward behaviour.

Personal accounts of public servants would not come under these guidelines but they have to ensure responsible behavior and abide by rules and regulations as responsible citizens.

They will have to be careful in selecting social media friends and avoid unnecessary chatting.

The public servant concerned will be responsible for any misuse of social media account or any harmful content posted from the account. In such a case, he or she might have to face action as per the law.

A social media account or page representing any government office has to be created by the office, not by any person. But three to five officials can be selected as admins, who will use strong password and update the page or account twice a week.

No personal photos will be used as the cover or profile pictures. Officials will have to refrain from posting personal or family related contents

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## Sloppy job in screening led to cargo ban

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x-ray and ETD machines; leaving London-bound air cargo unprotected and unguarded on the airside; visible lapses in supervision; non-implementation of Corrective Action Plan (CAP), and manpower and equipment crisis.

On February 29, the DfT discussed these reasons at a meeting between European and British aviation security teams, according to a report sent by the Civil Aviation Authority of Bangladesh (Caab) to the civil aviation ministry.

Eight days later, on March 8, the UK government as part of a set of interim measures imposed the air cargo ban that will remain in effect until further notice.

The same day, British Prime Minister David Cameron wrote to his Bangladesh counterpart Sheikh Hasina, asking her to meet all security requirements at the airport by March 31 to avoid more actions like suspension of direct Biman flight to the UK.

Biman is set to lose around Tk 100 crore annually if the cargo ban continues.

Following the UK decision and warning, Caab chairman M Sanaul

Haque and civil aviation secretary Khorshed Alam Chowdhury were removed.

The government also decided to hire a foreign firm as suggested by the UK for overall management of security services at Shahjalal International Airport.

About the false entry, a Caab security officer, however, claimed that in their own investigation they found the ETD machine's dates were set incorrectly. So it gave wrong readings, but there was nothing wrong in total counts, he claimed.

Talking to reporters recently, Civil Aviation and Tourism Minister Rashed Khan Menon quoted the UK team as saying that screeners have problems in their mindset.

About the supervisors, the UK team observed that either they are not skilled or they don't supervise properly, added the minister.

An official of British High Commission in Dhaka, seeking anonymity, said the UK imposed the cargo ban as Bangladesh responded to its requirements at the eleventh hour.

"Besides, lack of coordination was evident when police said they are not

willing to work under the control of another force while Caab and Biman kept blaming each other for the poor security in the cargo complex area."

The official also said the UK team has been raising the security alarm since October, but a project for purchasing necessary equipment has been approved only recently.

"It is not unlikely that a ban will be imposed on passenger flight between Dhaka and London," he said, adding it would damage Bangladesh's image seriously.

On March 8, the Executive Committee of the National Economic Council approved a Tk 89.55 crore project for purchasing security equipment for all three international airports -- located in Dhaka, Sylhet and Chittagong.

The project is for purchasing two sets of explosive detection system, six sets of liquid explosive detection system, eight sets of dual view x-ray scanning machines, 14 sets of dual view x-ray scanning machine for cabin baggage, nine sets of under vehicles scanning machine, 14 sets of ETD, five barrier gates, and four sets of flap barriers.

The DfT made a list of 37 airports in 15 countries that have security lapses following the destruction of a Russian jet in a mid-air explosion over Egypt's Sinai desert in October. The list includes the Dhaka international airport.

Other European countries have authorised the British government to look into the airport security issues of the 15 countries.

UK experts inspected the Dhaka airport in November and December last year and found serious security lapses and risks.

"Findings were horrible. Overall, the airport failed to meet the required security standards in 75 percent of the observations. In 25 percent of the observations, security standards were being consistently met," said a report prepared by the UK experts after the follow-up visit in December.

About cargo, the report mentioned, "In 80 percent of the observations, security measures were not complied."

Talking to this newspaper recently, Rashed Khan Menon said, "We have fulfilled 70 percent of the requirements and meeting the rest 30 percent is under process."

## Hurting Tigers

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Bangladesh late last year due to security fears.

But the Tigers could not have asked for a worse time for their vital ICC World T20 fixture against an equally uncomfortable Australia -- a game Bangladesh will have to play without two of their performing bowlers after pacer Taskin Ahmed and left-arm spinner Arafat Sunny were suspended by the International Cricket Council (ICC) on Saturday when their bowling actions were deemed illegal.

And the desperation was quite evident when Tigers skipper Mashrafe Bin Mortaza at a pre-match briefing said: "Even if he [Mustafizur Rahman] is 20 per cent fit he will have to play, we don't have any choice."

So, the game will mark the debut of Bangladesh's pace sensation Mustafizur on the world stage, which was delayed due to a side strain the 20-year-old suffered during the Asia Cup.

But Bangladesh, looking for their first win against Australia in the shortest version of the game after three defeats including the last one on home soil in 2014, are more focused on rearranging their playing 11 as well as their strategy after that devastating blow on Saturday.

Taskin's suspension has already created an uproar at home and it will definitely have a toll on a team that has been playing so well as a unit for the last one and a half years, during which the strapping fast bowler emerged as a vital cog in an impressive pace bowling engine.

Although bowling is not supposed to be a serious issue on a Chinnaswamy wicket known as an absolute belter, Mashrafe believed that the suspension not only disturbed their game plan also hurt the team mentally.

"This is a kind of wicket that produces a lot of runs. So, yes we expect our batsman to score runs here. But we will have to pull our act together without our two key bowlers," said the Bangladesh captain, adding that their coach Chandika Hathusingha's Australian experience would be handy for them.

Bangladesh's Sri Lankan coach

has experience of coaching Australian players, having served as coach for New South Wales and Australian Big Bash League team Sydney Thunder between 2012 and 2014.

"But whatever he teaches us, it's our job to execute that in the middle. We know Australia is one of the best sides," Mashrafe added.

Asked what he expects from his wounded team, he said: "I'm banking on each and every player. In a T20 game those contributions are very important to win a game."

Mashrafe's Australian counterpart Smith is however facing a different problem going into the game and according to him his team needs to solve the problem of not scoring in the middle overs. Australia, a dominant force in Test and ODIs, have surprisingly not won any T20 silverware. Their defeat against New Zealand at Dharamsala have put them in a dicey situation like Bangladesh, who suffered a massive 55-run defeat against Pakistan at the Eden Gardens on March 16.

Smith however refused to accept the notion of his former New South Wales coach Hathusingha, who the other day said that this Australian team is not sure about its playing 11 which could be an advantage for Bangladesh.

"We are pretty sure about our combination. We have lost against New Zealand which is pretty disappointing. But conditions here are different. We have respect for Bangladesh, a team that has been improving for the last one year or so. We are ready to go," Smith told reporters at the pre-match briefing.

It is very likely that Aaron Finch, who sat out the opening game against the Kiwis, will open the innings with David Warner, pushing Usman Khawaja to the sidelines. Finch blasted 71 and Warner hit 48 in their last game against Bangladesh in the group stages of the 2014 WT20 in Bangladesh, a match the Australians won with two and a half overs to spare, chasing 159.

Incidentally, it was also a game where Taskin made his debut and bowled beautifully at Bangladesh's home of cricket in Mirpur.

## BNP high-ups were in dark

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the standing committee to work as the party's main policymaking forum and to decide the party's policies and programmes.

"The proposals are new policies and programmes of our party ... Major policies, in fact ... But unveiling them by bypassing the standing committee is against the spirit of BNP's charter," a member of the now defunct standing committee told The Daily Star yesterday, wishing anonymity.

After Khaleda unveiled the proposals in her address to the inaugural session of the council, a veteran BNP leader, who was a member of the standing committee dissolved through the council, asked one of his party colleagues if he knew about it in advance.

"He replied in the negative and said, 'Do you think the standing committee is considered worthy of discussing those?' It was too surprising for us," the leader said.

"The proposals should have been discussed by the standing committee beforehand," he added.

However, Khandaker Mosharraf Hossain, who too was a member of the BNP's apex policymaking forum, said it was not possible to discuss the proposals among the committee members.

"Our chairperson unveiled the proposals at the council. We in principle endorsed them," he said yesterday, adding: "All the proposals will be discussed before they are finalised."

Pro-BNP intellectual Prof Emajuddin Ahmed was involved in drafting the proposals on the new government model.

Asked how the BNP would implement the proposals, the former Dhaka University vice-chancellor said it would only be possible to go ahead with the proposals if the party wins an election with two-thirds majority in parliament.

"At this stage the BNP can do

nothing more than this," said Prof Emajuddin, one of the country's leading political scientists.

To implement the proposals, the constitution will have to be amended. And two-thirds majority in parliament is required to amend the constitution.

Mosharraf, on the other hand, said a group of professionals, politicians and experts are still working on the proposals.

"The BNP chief will soon explain before the nation how the proposals will be implemented," he added.

However, the way the proposals were unveiled raised questions over the effectiveness and sincerity behind those.

In the afternoon, Khaleda in her address spoke against absolute power of the prime minister and advocated democracy.

But at night, she was vested with the absolute authority to pick party leadership to form the national executive and

the standing committees, ignoring the party charter that empowers councillors to elect the leadership.

Now Khaleda and her elder son Tarique Rahman -- who were elected chairperson and senior vice-chairman respectively without a challenge -- are the only office bearers of the party.

With empowerment of Khaleda by the council to pick other leaders, the national executive and the standing committees were automatically dissolved.

All power of the party now belongs to Khaleda. In her absence, Tarique can exercise the power until the two crucial bodies are formed.

A number of BNP leaders yesterday said Khaleda may take two to three weeks to complete the formation of the two committees.

Many in the BNP are now trying to win Khaleda's heart to get berths in the two key party forums, party insiders said.