

## Sue the fraudulent exporters for money laundering

### In-depth investigations needed to identify all involved in the scam

IT is alarming that fraudulent agro companies have been taking incentives from the government and laundering money by showing false exports. According to a report by this daily on April 16, at least 20 such companies have pocketed 20 percent export incentive given by the government (farm sector exporters are entitled to the government benefit that aims to boost export of certain goods) over the last five years through ghostly shipments of 965 consignments worth about Tk 451.5 crore. One of the companies, identified by the customs authorities, is Dhaka-based Mamun Enterprise, which alone has drawn over Tk 6.2 crore in incentives against agro exports between August 2018 and September 2020. Investigations found that the company did not ship any of the 142 consignments against which it pocketed the incentive.

Clearly, there is a big syndicate—including the exporters and the customs and NBR officials—involved in the scam. Otherwise, how would the companies breach the NBR website so easily and export non-existent goods through the port without any inspection? Investigations by the Chattogram customs authorities have by now unearthed a lot of the facts behind the scam. They have found that companies are laundering huge sums of money with the help of some customs officials and C&F (clearing and forwarding) agents.

According to the customs documents, at least 20 C&F agents helped the exporters obtain customs officials' IDs and passwords to create fake export entries on the NBR server. And the ghost exports were done just by changing the status of the shipments on the NBR server. Although until now no involvement of the banks—where these companies opened their LCs and made transactions and received the incentives—have been found, the chances of the banks' involvement in the scam have not been ruled out by the investigating authorities.

Over the last few years, money laundering has become a major problem for our economy. But not much has been done by the authorities to address it. In case of these fraudulent agro companies, it is good to know that imports and exports by them as well as the licences of their C&F agents have been suspended. But further investigations are needed to know how the money entered the country without exporting goods.

We urge the central bank and the commerce ministry to file criminal and money laundering cases against the identified scammers. The authorities should also take action against the bank and the audit firm concerned for their involvement in any illegal payment. Lastly, our export process should be made more rigorous, with three to four phases of inspections, to stop such big scale forgery from happening in future.

## Migrant workers deserve so much from us

### Establishing a dedicated centre for them is a good first step

IT is good to see the government establishing a dedicated centre for migrant workers to reduce the hassles they face while going abroad or returning home. It's a long-overdue initiative. Over the years, the migrants' contribution to our economy has been nothing short of extraordinary. In the last fiscal year alone, Bangladesh received remittances worth USD 24.77 billion because of its migrant workers. Yet, we have seen these same people being exploited year after year both at home and abroad, without anyone so much as batting an eyelash. That is very unfortunate given how much they've sacrificed and the vital role they've played in turning Bangladesh into a developing country.

According to a report published in this newspaper on April 16, the centre will hold pre-departure briefings for outbound workers on issues related to destination countries and different services offered by the Wage Earners' Welfare Board (WEWB). Returning workers will also be briefed on reintegration for socio-economic development. Migrant workers coming from outside of Dhaka can stay at the centre for a maximum of two nights before boarding their flights out of the country. This will surely be helpful to many. However, the number of workers that it can currently accommodate—only 50—should be increased. Similarly, workers who land at the Dhaka airport can also find accommodation at the centre using their necessary paperwork. This will be of particular help to migrant workers who fly into the country late at night, as it is even more difficult for them to arrange decent accommodation.

Establishing this centre is a good first step in providing our migrant workers with the support that they deserve. However, it should by no means be the end of it. Our migrant workers have sacrificed plenty of themselves for their families and their country. But the process of migrating from Bangladesh is still fraught with many challenges as well as dangers of being scammed or trafficked, with very little chance of receiving substantial or meaningful assistance from the government. That should change. For now, this centre can be a hub that migrant workers can turn to for a host of other migration-related facilities. And we call on the government to use it to build a safer and easier path for our workers to migrate abroad and work without being exploited for a better future for themselves, their families and their country.

# Anti-Discrimination Bill 2022: Can it fit the purpose?



Iftekharuzzaman,  
Executive Director, Transparency  
International Bangladesh.

IFTEKHARUZZAMAN

THE draft Anti-Discrimination Bill 2022 was placed in parliament on April 5, 2022. Long years of civil society engagement and advocacy with the government have catalysed this initiative.

The stated objective of the bill is to prevent discrimination in order to ensure respect for human entity, equal rights and dignity. It is also stated to be inspired by the need to establish equality and social justice towards an exploitation-free society in Bangladesh established through a historic Liberation War. Reference is made rightfully to the need to make legal provisions to prevent discrimination consistent with articles 27, 28 and 29 of the Constitution. Therefore, it should be commended as a concrete step towards fulfilling the dream of generations for a discrimination-free society.

Whether and to what extent the expectations raised by the bill will be met remain to be seen, however. A key concern is that it can even be counterproductive as the draft fails to criminalise discrimination. In terms of redress for discrimination, the series of provisions made in the draft are short of any concrete and effective punitive action, and instead bank on "resolution through consultation" or at best "due redress" by the district, divisional and national committees to be created for the purpose. Even an appropriate court, which may be resorted to, will issue an order to "duly redress", with the only provision of an unspecified amount of pecuniary sanction.

These are far from deterrent enough to fit the purpose of the proposed law. Credible research shows that by seeking redress, the victims of discrimination often become further targets of harassment and discrimination. They are threatened, deprived, or at best advised to "survive with the reality". Take, for instance, parents of Dalit students being told that they should not touch educational materials in school because mainstream children don't like it; or that complaint against delivery of less-than-allocated amount results in elimination from the list of social safety net beneficiaries; or official order being issued to restaurants to arrange separate seating arrangements including crockeries and cutleries for customers of a particular marginalised community, and so on. In a context where mutuality of interest is quite common between the perpetrators of discrimination and those who are mandated to address complaints, the provision for resolution through consultation without any deterrent punishment for the perpetrators can yield hardly anything other than legalisation of



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The three sets of institutional arrangements proposed in the draft (paras 5, 6, 7) for monitoring, overall implementation, and fulfilment of the objectives of the law are fraught with absence or lack of clarity of terms of reference. There are risks of mutual overlap and duplication as well as lack of

not be discriminatory.

The definition of public place (para 2) does not include roads and bridges, rivers and canals, sea beaches and other tourist attractions, parks and entertainment facilities. The draft (para 3) misses some commonly discriminated sections of the society like persons living with HIV/AIDS or victims of acid violence. It includes

coordination between the three which can create a crippling effect on the purpose of the law.

More importantly, the three bodies are overwhelmingly bureaucracy-dominated in formation, composition and functioning, whereas as per international good practices, implementation, monitoring and grievance redress including deterrent actions are reposed in independent authorities such as commissions created by law. Although the experience of commissions in Bangladesh leaves little scope of optimism for independent and effective functioning, provision should nevertheless be made to entrust the tasks to a thoroughly revamped, truly independent and appropriately resourced National Human Rights Commission, reconstituted as the National Human Rights and Anti-Discrimination Commission.

The draft rightly provides (para 12) that owners or senior officials of a company will be liable for acts of discrimination. But it remains silent about other entities, especially the whole range of state and non-state institutions, who are often involved in discriminations on the basis of various markers of identity, in terms of access to services, rights and entitlements, recruitment, promotions, transfers, etc. Thus, the draft is itself discriminatory.

Provision has been made for awareness programmes, almost as an exclusive domain of the government. It misses the opportunity to create the legal mandate to involve non-governmental and civil society actors and media. The National Curriculum and Textbook Board has been mandated to convey, through textbooks, ideas on acts of discriminations, but not to ensure that contents of the textbooks shall

third gender but leaves out other sexual minorities. Similarly, unmarried, separated and divorced persons and widows who are often subjected to discrimination have been excluded. Skin tone must be included in the list as persons with dark skin tone are discriminated in many different ways motivated by a culture of glorifying fair skin tone, especially by aggressive marketing of skincare products. Specific provision must be made to prevent discrimination based on skin tone through any means including advertisements and other means of communication.

Para 3 of the draft makes a provision that depriving anyone of legally mandated right to land shall be treated as discrimination. However, no scope has been created to prevent discrimination in terms of customary land rights of indigenous communities.

Discrimination in any society is an outcome of power imbalance. The discriminator is powerful in many different ways—socially, economically, religiously, culturally, ethnically, etc., and not least politically. The discriminated are the powerless by the same indicators. To that extent the proposed law, in whatever form it is enacted, will be at best an attempt to handle the syndromes rather than the underlying causes of the disease. Power imbalance exists in all societies. The key factor is the extent to which laws and institutions are effective enough to ensure accountability of the exploitative use of this power imbalance. The challenge of the anti-discrimination initiative is not only a good law that truly serves its purpose, but also the independence and effectiveness of institutions of accountability, free from the grips of politically designed dysfunctionality.

## The perils of Dhaka's street vendors

Rafsanul Hoque  
is a Research Associate and  
Redwanul Hoq  
is a Research Intern at the Brac  
Institute of Governance and  
Development (BIGD), Brac University.

RAFSANUL HOQUE and REDWANUL HOQ

STREET vendors in Dhaka are popular for selling a wide range of goods at a lower price to customers, mostly from middle and low-income communities. They sell their products in makeshift shops set up on the sidewalks. This informal sector operates without approval from authorities. That is because, for any business in Bangladesh, one must obtain a trade license.

A trade license is only provided if the applicant provides details of a bank account, office address, copy of utility bill, national identity card, e-TIN number, among other documents. A hawker, however, does not have an office address and usually does not have a bank account. Thus, they cannot obtain a trade license to run their business.

The government does not have any alternative policy or process to provide trade licenses or any other authoritative document to hawkers. This legal disapproval, along with general acceptance among the public, has created certain complexities.

The formation and protection of such businesses are maintained by the "linemen", who are agents of local powerful people, mostly belonging to the ruling political party. Vendors pay rent to the linemen, and in return, get space to run their businesses. The rent is divided among multiple state and informal actors, meaning all of them have incentives to continue the system.

These linemen keep the vendors informed about possible eviction drives by the city corporation and also help them

reinstate their carts after the drive is over. Additionally, vendors are beaten and harassed if they do not follow the linemen or fail to pay the rent on time.

The absence of legal recognition creates problems such as a lack of rights and proper working conditions. The most critical problem faced by hawkers is the constant threat of eviction.

The city corporations, being in charge of managing public spaces, generally take a reactive approach by destroying the establishments created by the vendors. However, with the help of local musclemen, who extort fees from them to set up their shops, they again return.

Hawkers have many trade unions and groups who are collectively voicing their demands for a solution from the authorities. In interviews conducted by BIGD, union representatives argued that linemen are vigilant in making sure that no forum is formed among the local street vendors. The informal governance mechanism aims to resist any collective functioning. As a result, they suffer from poor hygiene, lack of access to water and electricity, risk to their safety while working beside busy roads, etc. Extreme weather and dirty streets also affect their health and livelihood.

Covid-19 added to their woes. During the lockdowns, thousands of hawkers were completely out of business for months. Daily sales drastically decreased, partly because street vendors could not engage with customers due to increased concerns around health and hygiene.

Existing informality in the system remains the biggest barrier to solving these problems. Due to the lack of legal recognition, the government has no mechanism to work toward hawkers' rights. It also diminishes the government's incentive to work in this area as financial allocation and resource mobilisation are difficult. As for the city corporation, it prioritises creating

safe and accessible public spaces, not complying with the needs of those who occupy them.

Different stakeholders have discussed multiple solutions to improve hawkers' rights and working conditions. These can be accomplished by bringing this sector under a structured framework. Many of the solutions include full or some form of formalisation of the sector, bringing in the application of the Labour Act. The introduction of formal contracts and a database of workers can help them tremendously.

Experts suggest a sustainable vendor management system where street vending will be brought into a policy framework. In the absence of policy or any legal framework, a multi-stakeholder institutional arrangement (e.g., city authorities, law enforcers, civil society organisations, private sector) will be essential to managing public space. It is to be noted that multiple stakeholders find financial incentives in the current informal rent-seeking mechanism. Therefore, any idea needs to map stakeholders' interest in the planning stage.

Unions have advocated for policies to legalise street vending and regulate vendors based on location and hours. They have also pointed out that legalisation would make vendors pay taxes to the government instead of paying rent to the linemen.

More recently, the DNCC, BRAC, and BIGD have been working on a pilot project to test whether assigning specific times and locations based on area dynamics and peak traffic hours could help. The plan also includes the registration of vendors and the physical space where they would function. The prototype is expected to be implemented soon in a few streets of Dhaka. Regardless of the mechanism, strong political will is critical to make any idea work.

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