Pilot Study Result on IFF from Drug Trafficking: Bangladesh Experience

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Why Measure IFF

- Bangladesh’s 8th *Five-Year Plan* aims to attain SDG
- SDG 16: Peace, Justice and Strong Institutions

**Target 16.4:**

“By 2030, significantly reduce illicit financial and arms flows, strengthen the recovery and return of stolen assets and combat all forms of organized crime.”

**1st Indicator of Target 16.4:**

“Total value of inward and outward illicit financial flows: in current United States Dollars”
Why Measure IFF

- Integration of SDG in national policy
  - 1st Action Plan of Strategy 1: “conduct a study to find out the amount of outward IFF and their destinations”
  - Lead Agency to implement: Bangladesh Financial Intelligence Unit (BFIU)
Early Efforts to measure IFF

- BFIU formed a team to conduct a study on IFF
- Different methodologies by several international organizations were analyzed but no conclusion drawn
- Requests made to conduct study
  - The Bangladesh Institute of Bank Management (BIBM)- the national training, research, consultancy and education institute on banking and finance
  - UNODC, World Bank, APG
Proposal to conduct study

- UNODC-UNCTAD-ESCAP came up with proposal of conducting pilot on “Statistics and data for measuring illicit financial flows in the Asia Pacific Region” (September 2020)
- Initial Phase - IFF associated with **drugs and drug trafficking**
- Expression of Interest to UNODC for the project
Why measure IFF associated with drugs

- Area of 148,460 square kilometers
- World’s 8th most populous country with a population exceeding 165 million people
- Geographical factor:
  - 4156 km land border with India
  - 250 km land border with Myanmar at southeast corner
- Center of Golden Wedge, Golden Triangle and Golden Crescent
- A lucrative transit
Why measure IFF associated with drugs

- “Zero Tolerance Policy” to curb drug related crimes
- The Narcotics Control Act 2018 enacted
- Adverse effect in the society
- Devastating impact in the economy as country loses huge amount of money
- Department of Narcotics Control along with law enforcement agencies working relentlessly to fight against drug abuse
Pilot activities

- Kickoff Meeting (virtual): Representatives from 06 pilot countries attended
- National Focal Point – BFIU
- Consultant appointment
  - IFF Regional Consultant - UNODC
  - National Consultant
- Local Support - UNODC BD Project Office
Pilot activities

- Virtual Meeting (time to time)
- 3 National Level Workshops
- Data collection questionnaires and tools
  
  *drug supply and drug demand*
- National Coordination Mechanism
# The Stakeholders

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<td>Public Security Division, Ministry of Home Affairs</td>
<td>Department of Narcotics Control (DNC)</td>
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<td>Police Headquarter</td>
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<td>Criminal Investigation Department (CID), Bangladesh Police</td>
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<td>Anti Terrorism Unit (ATU), Bangladesh Police</td>
<td>Central Drug Addiction Treatment Centre</td>
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<td>CTTC, Bangladesh Police</td>
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<td>Rapid Action Battalion (RAB)</td>
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<td>Bangladesh Coast Guard</td>
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<td>Border Guard Bangladesh</td>
<td>United Nations Office on Drugs and Crime (UNODC)</td>
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Key stakeholders and data providers

- Department of Narcotics Control (DNC)
- Central Drug Addiction Treatment Centre (CDATC)
- National Institute of Mental Health (NIMH)
- LEA agencies
  - Rapid Action Battalion (RAB)
  - Border Guard Bangladesh (BGB)
  - BD Police, Criminal Investigation Department
  - Bangladesh Coast Guard
- some drug addiction treatment service providers
Drug Situation of Bangladesh

- Heroin, Yaba, Phensidyl and other cough syrup, Buprenophine Illegal Import/Trafficking contribute to outward IFFs.

- Cannabis (Marijuana)
  - local production mostly and import to some extent
  - no indication or estimation of production
  - estimation of IFF from cannabis not carried out

- Export Countries - India and Myanmar (destination countries of IFF associated with drug trafficking)

- No data on export or re-export of drug from Bangladesh

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Baseline of Data for Estimation

- **Drug price**
  - knowledge and experience of the relevant officials
  - price varies due to situation, availability, consumption, place and stringent actions of the LEAs

- **Drug Consumption**
  - interview with experts
  - data collection survey with 03 indicators i.e. quantity, frequency and expenditure
  - data from drug treatment centers (both govt. institutes and NGOs)

- The estimation of outward IFF associated with drug trafficking uses drug seizures at the national level (i.e., by all the seizures carried out by the corresponding law-enforcement agencies)
Results/Findings

Outward IFF - 2017 to 2021

Graph-1: Outward IFF from Heroine Trafficking

Graph-2: Outward IFF from Yaba Trafficking

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Results/Findings

Outward IFF - 2017 to 2021

Graph-3: Outward IFF from Phensidyl Trafficking

Graph-4: Outward IFF from Buprenorphine Trafficking

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Results/Findings

Yearly average of IFF associated with drug trafficking - **480.8 million USD (2017-2021)**

**Graph-5:** Yearly average of IFF - 2017 to 2021

**Graph-6:** Yearly average size of domestic market-consumption

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Challenges We Dealt in

- Covid-19 pandemic
- Data insufficiency
- Scattered information
- Lack of Inter-agency coordination
- Lack of proper record keeping or database management
- Varieties of stakeholders and professions involved like LEAs, militias, drug addiction treatment centers, hospitals/clinics, NGOs etc.
Benefits of the Project

- 1st initiative ever for measuring IFF
- Enhanced inter-agency collaboration and coordination
- Opportunity to work with different stakeholders in single platform with common goal
- Stakeholder engagement and awareness building
- Enhancement of expertise of the relevant stakeholders

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Going Forward

- The study result was shared with the agencies
- Opinion sought and integrated
- Experts opined the study is relatively reliable despite some limitations
- **Explore** the opportunities to measure other component of IFF - Corruption, Tax Evasion, Trade etc.
THANK YOU!