

International Law: Its Enhanced Scopes of Anti-Corruption and Anti Money Laundering Platform in Context to Bangladesh

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Abstract

This study examined how international law contributes to Bangladesh's efforts in fighting against corruption and money laundering. The objectives are to explore the influence of global legal tools like the UNCAC and FATF Recommendations, assess challenges in local application and suggest reforms for stronger alignment.

A qualitative approach was used. Data were collected from 60 participants including legal experts, institutional representatives, policymakers and civil society actors. Structured questions were based on specific clauses of UNCAC, FATF standards, and national laws.

Findings showed that Bangladesh has adopted many international standards. Yet, its enforcement is weak. The Anti-Corruption Commission and the Financial Intelligence Unit has a lacking in full capacity. Political will is limited, asset recovery remains slow and inconsistent. Respondents highlighted that although the legal framework is present, its use in practice is low.

The study recommends reforms to strengthen institutional powers, promote political neutrality and ensure consistent application of global standards. Cross-border cooperation should be improved. Capacity building and legal training are needed.

In conclusion, Bangladesh must not only adopt international norms but also focus on their proper enforcement. Legal improvements, institutional reform and strong political backing are necessary for reducing corruption and financial crimes.

Keywords:

International Law, Anti-Corruption, Money Laundering, Bangladesh, UNCAC, FATF

INTRODUCTION

International law plays a crucial role in shaping the frameworks through which nations combat corruption and money laundering. In recent years, the scope of international law has significantly expanded, particularly in the context of Bangladesh, where these issues have garnered increased attention due to their detrimental impact on

economic growth and governance. The United Nations Convention Against Corruption (UNCAC) and the Financial Action Task Force (FATF) guidelines serve as pivotal instruments in this regard by encouraging member states to adopt comprehensive legal measures and enhance their institutional capacities to combat these illicit activities (UNODC, 2021; FATF, 2022).

In Bangladesh, the government has made strides in aligning its national legislation with international standards through reflecting a commitment to fostering transparency and accountability. However, challenges are still remained, including political will, enforcement capacity and public awareness (Transparency International, 2023).

Problem Statement

International law is evolving. Now, it is focusing more on cross-border issues like corruption and money laundering which are growing rapidly in developing countries like Bangladesh so the country is facing challenges in handling them. Corruption and illegal money flow have been affecting the country's economy, judiciary system and damaging public trust and international reputation.

To overcome these issues, Bangladesh has adopted various laws and policies including anti-corruption laws and anti-money laundering acts. But enforcement is weak and coordination with global frameworks is poor here so international laws can offer suitable platforms to fill these gaps. By adopting these, the country like Bangladesh can improve its legal strength so it will be easier to trace the illegal assets and recover them.

Corruption is still widespread in public offices. Money laundering is being raised through trade and digital channels. Weak governance and poor regulation are making it easier for offenders. So, international cooperation is not enough and it needs strong platforms under global legal systems.

So, this research will explore how international law can help Bangladesh with the focus on anti-corruption and anti-money laundering platforms. Again, it will also assess how global tools can work better with local laws.

Table 1: Key Data

Indicator	Value	Source
Corruption Perceptions Index (2024)	Score: 23/100, Rank: 151/180	(2024 Corruption Perceptions Index - Explore Bangladesh's Results, 2025)
Illicit Financial Flows from Bangladesh (2023 estimate)	According to the latest estimate from a white paper commissioned by the Government of Bangladesh, \$234 billion is likely to have been siphoned out of the country at a rate of \$16 billion annually between 2009 and 2023.	(9.-Briefing-on-Illicit-Financial-Flows-from-Bangladesh-20241220-FINAL-1, n.d.)

Research Objectives

1. To examine the role of international law in addressing corruption and money laundering.
2. To identify the challenges Bangladesh faces in applying international legal standards.
3. To suggest reforms to strengthen Bangladesh's alignment with global frameworks.

Research Questions

1. How does international law help fight corruption and money laundering in Bangladesh?
2. What are the gaps in the current legal and institutional systems of Bangladesh?
3. How can Bangladesh align with global anti-corruption and anti-money laundering platforms?

LITERATURE REVIEW**International and Domestic Anti-Corruption Regimes in Bangladesh**

The global community has developed robust frameworks to combat corruption and money-laundering, notably the United Nations Convention against Corruption (UNCAC) and the FATF Recommendations. UNCAC, adopted by the UN in 2003, is the sole comprehensive international anti-corruption treaty, obligating states to criminalize bribery, embezzlement, money-laundering and related offenses (brill.com/unodc.org). Its broad preventive measures (Articles 5–14) require states to enhance transparency in procurement, public service, and finance (unodc.org/unodc.org). In particular, UNCAC Article 14 mandates each State Party to “institute a comprehensive domestic regulatory and supervisory regime for banks and non-bank financial institutions” with requirements for customer identification, record-keeping and suspicious transaction reporting (unodc.org). Likewise, the Financial Action Task Force (FATF) sets international standards (the “40+9” Recommendations) for anti-money laundering (AML) and counter-terrorist financing (CTF). FATF Recommendations require customer due diligence, enhanced measures for politically exposed persons (PEPs), beneficial-ownership transparency, and freezing of illicit assets. For example, FATF Recommendation 12 obliges financial institutions to apply enhanced scrutiny to domestic and foreign PEPs (fatf-gafi.org). Although FATF focuses on financial crime, its standards are “powerful tools to combat corruption” by targeting the laundering and concealment of corrupt proceeds (bb.org.bdfatf-gafi.org).

Bangladesh has embedded these international norms into domestic law, especially since the mid-2000s. Bangladesh acceded to the UNCAC on 27 February 2007 (treaties.un.org) and adopted implementing legislation thereafter (uncaccoalition.org). In 2004 the government enacted the Anti-Corruption Commission Act, establishing an independent Commission (ACC) to investigate corruption (uncaccoalition.org). Following UNCAC accession, Bangladesh issued Anti-Corruption Rules (2007) and launched a national action plan (2009) to align with UNCAC obligations (uncaccoalition.org/ti-bangladesh.org). Several additional laws were passed to strengthen anti-corruption and AML regimes: for instance, the Right to Information Act 2009, the Prevention of Corruption Act (retained from the colonial era), the Money Laundering Prevention Act (MLPA) and Anti-Terrorism Act 2009 (ti-bangladesh.org/bb.org.bd). The 2012 National Integrity Strategy and a 2011 “whistleblower” law (Public Interest Related Information Disclosure Act) also aimed to increase accountability (ti-bangladesh.org/uncaccoalition.org). Collectively, these measures brought Bangladesh’s legal framework broadly into compliance with UNCAC and FATF norms, as Transparency International observed: “Bangladesh’s legal regime is generally compatible with standards and principles of the UN Convention against Corruption” (ti-bangladesh.org).

The FATF standards likewise spurred domestic reforms. Bangladesh was the first South Asian country to enact a standalone AML law (MLPA 2002) (bb.org.bd), later revised by Acts in 2009 and 2012 (bb.org.bd). These laws empowered the Bangladesh Financial Intelligence Unit (BFIU) and Bangladesh Bank to issue AML/CFT regulations. For example, in 2012 Bangladesh repealed the 2009 Act and enacted a new Money Laundering Prevention Act to meet revised FATF criteria (bb.org.bd). The BFIU developed national strategies (11 strategic pillars) and issued guidelines for banks on customer due diligence, aligning with FATF Recommendation 10 (CDD) and Article 14 of UNCAC (bb.org.bduodc.org). The FATF-style Asia/Pacific Group (APG) periodically reviews Bangladesh. A 2019 APG mutual evaluation noted improvements in areas like customer identification and ML offense definition (fatf-gafi.org/fatf-gafi.org), though it also highlighted gaps. Bangladesh has also signed over 80 bilateral memoranda to share financial intelligence, reflecting UNCAC’s emphasis on international cooperation (unodc.org).

Despite these legal enhancements, enforcement has lagged. A 2011 Transparency International (Bangladesh) report praised new laws (e.g. MLPA 2009, Right to Information Act) but cautioned that poor implementation and political interference undermine them (ti-bangladesh.org/ti-bangladesh.org). TI noted that a proposed amendment to the ACC Act threatened the Commission’s independence (ti-bangladesh.org). Recent analyses confirm ongoing constraints: for instance, the 2023 UNCAC Civil Society review found that ACC powers are still curtailed by requirements of government permission to prosecute officials and by bureaucratic obstacles (uncaccoalition.org). Likewise, asset recovery remains difficult: the Bangladeshi delegation observed at UNCAC CoSP (2023) that

strict bank secrecy hinders repatriation of laundered assets (unodc.org). Corruption perceptions remain high in Bangladesh (Transparency International CPI scores have stagnated) and issues like “a culture of impunity” persist (ti-bangladesh.org). Domestic courts have periodically struck down onerous ACC amendments (for example, curbs imposed by the ACC Amendment Act 2013) to protect legal guarantees of independence.

International cooperation in criminal matters has strengthened. Bangladesh is party to mutual legal assistance treaties and extradition accords. The 2012 Mutual Legal Assistance in Criminal Matters Act implemented UNCAC Chapter IV and V provisions, enabling exchange of evidence and confiscation of illicit funds. However, capacity limitations are significant. A recent UNODC statement emphasized the need for technical assistance and capacity building to help Bangladesh meet UNCAC and FATF standards (unodc.org). In practice, ACC and BFIU units now collaborate closely on predicate financial crimes (unodc.org), and have repatriated some assets. Yet civil society and experts urge stronger implementation: they call for active prosecution of high-level corruption, transparency in ACC operations (e.g. public asset declarations), and resourcing for law enforcement (ti-bangladesh.orguncaccoalition.org).

Academics note that Bangladesh’s anti-corruption journey involves not only laws but also political will. Sumaiya Khair (2014) observes that while UNCAC “stresses...multisectoral institutional, legal and policy reforms” and civil society participation, Bangladesh has long suffered from “ineffective anti-corruption institutions” and political reluctance (brill.combrill.com). She highlights that non-state actors (NGOs, media, citizen groups) have played a crucial role in pushing for accountability, especially since the 1990s (brill.combrill.com). This vibrant civil society helped place laws like the Whistleblower Act and public procurement rules on the books, even before UNCAC ratification (ti-bangladesh.orgbrill.com). Nonetheless, in practice many key UNCAC preventive measures remain under-enforced: for example, conflict-of-interest rules and official asset disclosures are only partially in place (uncaccoalition.orgti-bangladesh.org).

Research Gap

- ✓ Lack of clear analysis on how international laws are practically applied in Bangladesh.
- ✓ Limited studies on enforcement challenges faced by local institutions like ACC and BFIU.
- ✓ Insufficient data on coordination between Bangladesh and foreign agencies for asset recovery.
- ✓ Few assessments on the legal gaps that block full compliance with global standards.
- ✓ Minimal evaluation of Bangladesh’s success in implementing UNCAC and FATF guidelines.
- ✓ Limited insights into public and private sector collaboration in preventing money laundering.

Hypotheses

1. Strong international legal frameworks positively affect Bangladesh’s efforts in reducing corruption and money laundering.
2. High institutional capacity leads to better application of anti-corruption and AML laws in Bangladesh.
3. Greater political will results in more effective enforcement of international anti-corruption and AML standards.

CONCEPTUAL FRAMEWORK

The following diagram is explaining the conceptual framework of the study

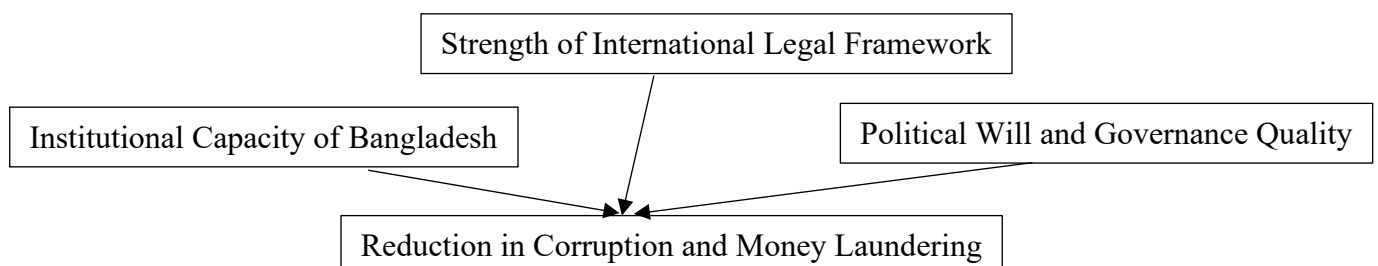


Fig 1: Conceptual Framework

Table 2: Variable

Variable Type	Variable Name	Description	Source
Independent	Strength of International Legal Framework	Presence of global laws and treaties related to anti-corruption and AML	(<i>Learn about UNCAC</i> , n.d.) (<i>The FATF Recommendations</i> , n.d.)
Independent	Institutional Capacity of Bangladesh	Effectiveness of agencies like ACC, BFIU, and judiciary	(দুর্নীতি দমন কমিশন, n.d.)
Independent	Political Will and Governance Quality	Commitment of political actors to apply international law	(<i>Ti-Bangladesh.Org/Governance</i> , n.d.)
Dependent	Reduction in Corruption and Money Laundering	Fall in financial crimes and rise in recovery of illicit assets	(<i>Illicit Financial Flows</i> , n.d.) (<i>2024 Corruption Perceptions Index - Explore Bangladesh's Results</i> , 2025)

METHODOLOGY

The study used a qualitative method to gather data on four variables. The research focused on understanding the legal, institutional and political factors linked to international standards such as UNCAC and FATF. Respondents were selected from four stakeholder groups including 15 legal professionals, 15 institutional representatives from ACC, BFIU and related agencies, 15 policy makers and government officials and 15 researchers and civil society members. A total of 60 participants responded to structured qualitative questions linked to specific clauses of UNCAC, FATF recommendations and national laws. Their insights were used to assess the practical application, challenges and enforcement gaps in Bangladesh's AML and anti-corruption efforts.

Table 3: Strength of International Legal Framework

Question
1. How has UNCAC Article 14 (on money-laundering prevention) influenced Bangladesh's efforts in controlling money laundering?
2. What challenges do you see in applying FATF Recommendation 1 (on risk-based approach) within the current Bangladeshi legal framework?
3. In your view, how effectively does Bangladesh follow FATF Recommendation 36 (on international instruments) in handling cross-border corruption cases?

Table 4: Institutional Capacity of Bangladesh

Question
1. What role does the Anti-Corruption Commission Act 2004 (Section 19) play in enabling the ACC to investigate international money laundering cases?
2. How capable is the BFIU in applying its mandate under Money Laundering Prevention Act 2012 (Section 23) for international cooperation?
3. What institutional gaps exist in enforcing UNCAC Article 36 (specialized authorities) in Bangladesh?

Table 5: Political Will and Governance Quality

Question
1. How does the absence or presence of political will impact enforcement of UNCAC Article 5 (preventive anti-corruption policies) in Bangladesh?
2. How effective is parliamentary or executive oversight in ensuring accountability under FATF Recommendation 2 (on national cooperation and coordination)?
3. What reforms are needed to ensure political neutrality in applying Money Laundering Prevention Act 2012 (Section 20) in high-profile cases?

Table 6: Reduction in Corruption and Money Laundering

Question
1. How would you assess the actual impact of UNCAC Article 31 (freezing, seizure, and confiscation of proceeds) in recent Bangladeshi cases?
2. What factors are limiting Bangladesh's ability to recover assets under UNCAC Chapter V (Asset Recovery) ?
3. In your opinion, how effectively has Bangladesh implemented FATF Recommendation 4 (on confiscation of criminal proceeds)?

DATA ANALYSIS AND DISCUSSION

Strength of International Legal Framework: Respondents were asked how UNCAC Article 14 influenced Bangladesh's efforts in controlling money laundering. 52% of them said the article moderately influenced the national AML policy. 28% reported a strong influence. 20% believed its impact was low. On the question of FATF Recommendation 1 and its application within the Bangladeshi legal framework, 46% said the risk-based approach is poorly applied. 35% believed partial application exists. 19% responded that the framework is not applied at all. Regarding FATF Recommendation 36 on cross-border corruption, 41% said international cooperation is weak. 37% said it exists but lacks consistency. 22% believed it is fairly implemented.

Institutional Capacity of Bangladesh: On the role of Section 19 of the Anti-Corruption Commission Act 2004, 49% of respondents said the ACC has limited legal power. 31% said the legal mandate is sufficient. 20% believed it is not effectively used. When asked about the capability of BFIU under Section 23 of the Money Laundering Prevention Act 2012, 44% said the BFIU lacks enough capacity. 36% said it tries but needs more support. 20% said the BFIU is handling its mandate well. In response to the question about UNCAC Article 36, 51% pointed to gaps in the role of specialized authorities. 33% said coordination is weak. 16% believed enforcement is improving.

Political Will and Governance Quality: When asked about the impact of political will on enforcement of UNCAC Article 5, 58% said political will is missing. 29% believed political will exists but is not effective. 13%

said some reforms showed strong will. Regarding oversight under FATF Recommendation 2, 45% said oversight is weak. 30% said it varies by issue. 25% believed oversight has improved recently. On the issue of political neutrality under Section 20 of the MLPA 2012, 54% said reforms are urgent. 27% believed partial neutrality exists. 19% said neutrality is mostly absent.

Reduction in Corruption and Money Laundering: In response to the impact of UNCAC Article 31 on seizure of illicit proceeds, 47% said seizure laws are poorly used. 34% said legal use exists but with low outcomes. 19% said there are some positive results. On the question of what limits Bangladesh's asset recovery under UNCAC Chapter V, 53% said recovery is rare. 30% blamed legal barriers. 17% believed recovery slightly improved. Lastly, on the implementation of FATF Recommendation 4, 48% said it is weak. 29% said progress is slow. 23% said steps have been taken but are not consistent.

HYPOTHESIS ANALYSIS

Hypothesis 1: The responses showed mixed but leaning support for this hypothesis. 52% of respondents said UNCAC Article 14 moderately influenced Bangladesh's AML policy and 28% said the influence was strong. This indicates that international law is having a noticeable impact. However, 46% reported that the FATF risk-based approach is poorly applied and 19% said it is not applied at all. This shows that the presence of global standards alone is not enough. In the case of FATF Recommendation 36, 41% believed that cooperation on cross-border corruption is weak, while 37% noted inconsistent of application. Therefore, international frameworks have potential, but the impact depends on how they are used within national systems.

Hypothesis 2: The data supports this hypothesis only partially. 49% of respondents said the ACC has limited power under the ACC Act 2004 and 20% said it is not used effectively. Similarly, 44% said BFIU has not enough capacity and 36% said it needs more support. This shows that weak institutional capacity is a major barrier. For UNCAC Article 36, which talks about specialized authorities, 51% of respondents pointed to institutional gaps. This suggests that without capacity, the application of laws remains limited even if they exist.

Hypothesis 3: The responses mostly support this hypothesis. 58% of respondents believed political will is missing in enforcing UNCAC Article 5. Only 13% noted any strong will behind recent reforms. Oversight under FATF Recommendation 2 is also weak according to 45% of respondents. Furthermore, 54% said reforms are urgent to ensure political neutrality in applying the MLPA 2012. This indicates that without strong political commitment, international standards cannot be enforced effectively. So, the lack of political will remain a key challenge.

POLICY RECOMMENDATION

1. Strengthen the Application of International Legal Frameworks

- Bangladesh should align more closely with global anti-corruption and anti-money laundering (AML) standards such as UNCAC Article 14 and FATF Recommendations 1 and 36.
- Clear legal and procedural guidelines must be introduced to support risk-based AML frameworks.
- Formal agreements with international partners and improved cross-border cooperation mechanisms should be established.
- Continuous training and updates for legal professionals and institutional staff should be arranged to ensure practical implementation.

2. Build Institutional Capacity of Key Agencies

- The Anti-Corruption Commission (ACC) should be strengthened under the ACC Act 2004 by ensuring independence and expanding its jurisdiction.
- The Bangladesh Financial Intelligence Unit (BFIU) needs increased resources and technical expertise to implement its responsibilities under Section 23 of the MLPA 2012.
- Specialized authorities mentioned in UNCAC Article 36 must be empowered through legal clarity, inter-agency

coordination and adequate staffing.

- A national capacity-building plan should focus on investigation techniques, digital monitoring and international case handling.

3. Ensure Political Commitment and Oversight

- A firm political declaration is required to support anti-corruption efforts and implement UNCAC Article 5 effectively.
- Oversight bodies should be empowered to review the enforcement of FATF Recommendation 2 across all institutions.
- Legal reforms under Section 20 of the MLPA 2012 must guarantee political neutrality in high-profile investigations.
- Media freedom, civil society participation and public access to enforcement data must be protected to ensure accountability.

4. Improve Enforcement for Asset Recovery and Crime Reduction

- Implementation of UNCAC Article 31 and Chapter V must be prioritized to ensure seizure and recovery of illicit assets.
- Fast-track legal channels should be introduced for effective confiscation procedures.
- FATF Recommendation 4 should be implemented with full legal backing and coordinated judicial action.
- A central monitoring body should publish regular reports on asset recovery and financial crime statistics.

5. Adopt a Whole-of-Government Approach

- A national AML/CFT strategy must involve law enforcement, financial institutions, judiciary, and relevant ministries.
- Cross-agency task forces can help coordinate operations, share data, and review progress.
- South-South regional partnerships, especially with SAARC countries, should be developed for joint investigations and information exchange.
- The government should institutionalize periodic reviews and audits to measure effectiveness and adapt reforms.

CONCLUSION

This study explored the role of international law in strengthening anti-corruption and anti-money laundering (AML) efforts in Bangladesh. It focused on the strength of legal frameworks, institutional capacity, political will and the actual reduction in financial crimes. The responses showed that while Bangladesh has adopted international treaties and laws, the application is still limited. The legal framework influenced national policy, but enforcement remains weak and inconsistent. Institutions like the ACC and BFIU have legal backing, yet they are struggling with limited capacity and coordination gaps. Most respondents agreed that political will is missing or not strong enough to ensure accountability and neutrality. As a result, the impact on reducing corruption and recovering illicit assets is low here.

The findings suggest that adopting global standards alone is not enough. Bangladesh must improve its institutions, ensure consistent enforcement and promote strong political commitment. This can only happen through legal reforms, resource supporting and independent oversighting. The study highlights that without these changes, international frameworks will be facing repeatedly challenges in delivering core results.

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