

# **ACC Reform Report**

## **Summary**

**Anti-Corruption Commission Reform Commission**

15 January 2025

## Summary Report\*

Following the fall of the kleptocratic regime thanks to the glorious July 2024 uprising, Bangladesh stands at a critical phase of transition towards a truly democratic and accountable society through comprehensive reform of the state and its institutions. A key element in building the foundation for this journey is the establishment of an independent, impartial, and effective Anti-Corruption Commission (ACC). To this end, the Interim Government formed the "Anti-Corruption Commission Reform Commission" on October 3, 2024, through a gazette notification (SRO No. 332-Law/2024). According to the notification, the primary responsibility of the Reform Commission is to prepare reform proposals necessary to transform the ACC into an effective, independent, and effective institution.

In fulfilling its mandate, the Reform Commission initially reviewed relevant literature including global good practices, various laws, regulations, policies, reports, and publications related to the ACC. It identified areas requiring reform, including the institutional independence and impartiality of the ACC, legal framework, operational procedures, accountability mechanisms, financial and institutional management, internal governance, professional capacity, corruption prevention roles, and inter-agency coordination and cooperation.

In addition to analyzing gathered information through above means, the Reform Commission sought input from stakeholders at various levels using multiple methods, including public opinion collection. Based on the collected data, feedback, and recommendations, the Commission prepared this report with the aim of establishing the ACC as an independent, neutral and effective institution.

This report, structured into seven chapters, begins with an overview of the context, formation, scope, and methodology of the Reform Commission in Chapter One. Chapter Two emphasizes the fact that reliance on the ACC alone for effectively combating corruption is insufficient, and makes a series of recommendations with a whole of state and society approach.

Some elements of the legal framework governing the ACC, and gaps in its status and structure have adversely affected its independence, impartiality and effectiveness. Chapter Three outlines the necessary steps to overcome these challenges. Chapter Four provides recommendations for reforms to enhance transparency, accountability, and effectiveness specific to procedures and rules for managing complaints, inquiries, investigations and prosecution under the ACC's jurisdiction.

The subsequent two chapters delve into the ACC's institutional and financial management including incentives and internal accountability (Chapter Five) and corruption prevention (Chapter Six), and propose recommendations for necessary reforms in these areas. Finally, chapter seven proposes a roadmap for implementing the recommendations made in this report.

---

\*Unofficial English version. In case of discrepancy the original Bangla version shall prevail.

## State initiatives and related legal reforms

**Recommendation-1:** Amend Article 20(2) of the Constitution of the People's Republic of Bangladesh as follows:

"The State shall create conditions where as a general principle, no individual can abuse constitutional or legal authority for personal gain, or enjoy unearned income, and in which human labour in every form, intellectual and physical, shall become a fuller expression of creative endeavour and of the human personality."

**Recommendation-2:** At the initiative of the State a National Anti-Corruption Strategy must be adopted replacing the current National Integrity Strategy 2010 that shall specify the anti-corruption roles and responsibilities of various State and non-State institutions. And an Office of Ombudsman under Article 77 of the Constitution must be established through appropriate legislation, and empowered to ensure proper implementation of this strategy.

**Recommendation-3:** Permanently abolish any State practice that legitimizes income from illegitimate sources.

**Recommendation-4:** To prevent abuse of state and legal power enact a law to resolve and prevent conflict of interest.

**Recommendation-5:** A legal framework aligned with international best practices must be created to ensure transparency of beneficial ownerships of companies, trusts or foundations. Data on such beneficial ownerships must be publicly accessible through a Beneficial Ownership Register.

**Recommendation-6:** Ensure transparency and integrity in political and electoral financing through necessary reforms to electoral laws:

- Political parties and election candidates must make details of their funding and income-expenditure publicly accessible.
- The Election Commission should, with the assistance of the National Board of Revenue (NBR) and the ACC verify the completeness and accuracy of income and wealth information provided under candidates' affidavits and take appropriate actions, where necessary.
- All public representatives of all levels must submit detailed income and asset statements of themselves and their family members to the Election Commission within three months of taking office and update annually. The Election Commission must publish these declarations on its website.
- Political parties must refrain from granting party positions or nominations for elections to individuals involved in corruption or irregularities.

**Recommendation-7:** End-to-end automation must be introduced in services of all public institutions, particularly police stations, registry offices, revenue offices, passport offices, as well as relevant institutions in sectors like education, health, local government, district and sub-district administrations and utility providers.

**Recommendation-8:** Criminalize private sector bribery as a distinct offense consistent with Bangladesh's commitment under Article 21 of the UN Convention against Corruption (UNCAC).

**Recommendation-9:** To ensure transparency of financial transactions home and abroad Bangladesh must accede to the Convention on Mutual Administrative Assistance in Tax Matters so as to adopt and implement the Common Reporting Standards (CRS) to ensure transparency in financial transactions, both national and international.

**Recommendation-10:** Bangladesh should officially join the Open Government Partnership (OGP) initiative.

## **Status and Structure of the Anti-Corruption Commission**

**Recommendation-11:** As an institution the ACC must be granted the constitutional status.

**Recommendation-12:** The number of ACC Commissioners must be increased from three to five, including at least one female commissioner.

**Recommendation-13:** Section 8(1) of the Anti-Corruption Commission Act, 2004, must be amended as follows:

"A person with a minimum of 15 years of experience in law, education, administration, judiciary, law enforcement, financial institutions, accounting and auditing professions, governance and anti-corruption initiatives in state or non-state institutions shall be eligible to become a Commissioner."

**Recommendation-14:** The tenure of ACC Commissioners must be reduced from five years to four years.

**Recommendation-15:** The name of the "Selection Committee" formed under Section 7 of the Anti-Corruption Commission Act, 2004, must be changed to "Selection and Review Committee." In addition to recommending names this Committee will regularly review performance of the ACC on a half-yearly basis.

**Recommendation-16:** The proposed "Selection and Review Committee" should consist of seven members: 1) The senior-most Judge of the Appellate Division of the Supreme Court (other than the Chief Justice) who will be ex-officio Chairperson of the Committee; 2) the senior-most Judge of the High Court Division of the Supreme Court; 3) the Comptroller and Auditor General of Bangladesh; 4) the Chairperson of the Public Service Commission; 5) a nominee of the Leader of the House in Parliament; 6) a nominee of the Leader of the Opposition in Parliament; and 7) a citizen of Bangladesh with experience in anti-corruption and governance, nominated by the Chief Justice.

**Recommendation-17:** The proposed "Selection and Review Committee" will follow the procedure outlined below to recommend names for appointment as Commissioner(s):

- Publish notices in newspapers and online, inviting applications or nominations for the position of Commissioner.
- Each applicant or nominee must submit a detailed declaration of the candidate's assets and liabilities, along with complete curriculum vitae including with two referees.
- From the applications and nominations received, the Committee will prepare a preliminary list of candidates who meet the qualifications for the position. The Committee may also include names of candidates of its own initiative.
- Based on evaluation criteria determined by the Committee, a shortlist will be created from the preliminary list. Shortlisted candidates will be invited for interviews.
- During the interviews, the Committee will assess each candidate's qualifications, skills, integrity, and future plan as an ACC Commissioner.
- The Committee may include two experienced subject-matter experts to assist in the interview process if necessary.
- Based on the interviews and assessments, the Committee will publicly announce the names of three candidates for each vacant position.
- After a minimum of seven days of public disclosure, the Committee will confidentially submit the names of two candidates for each vacancy to the President.

**Recommendation-18:** The proposed "Selection and Review Committee" will review ACC activities by following these procedures:

- Every six months, the ACC will prepare a performance report and submit it to the proposed Selection and Review Committee.
- The format of the report will be determined by the Committee but must include:
  - i) Number of complaints received and forwarded for investigation after initial scrutiny.
  - ii) A brief explanation of why complaints were accepted or rejected.
  - iii) Number of ongoing cases categorized by the nature and extent of corruption.
  - iv) Number and types of ongoing covert investigations.
  - v) Details of ACC's actions regarding serious and large-scale corruption allegations reported in the media.
  - vi) Progress report on investigations and trials related to money laundering crimes.
  - vii) Updates on cooperation with various government and state agencies.
  - viii) Reports on corruption prevention activities.
  - ix) Progress on addressing internal corruption within the ACC itself.
  - x) A description of ACC's corruption prevention initiatives.
- The Committee will organize public hearings based on the reports submitted by the ACC.
- The Committee will, to the extent possible, allow participation and comments from representatives of civil society, media, and non-governmental organizations during the hearings.
- After the hearings, the Committee will issue a written review report.
- The Committee will ensure that the public hearings do not compromise the confidentiality of any ongoing investigation or inquiry, nor trigger discussions on specific allegations or cases.

- The Committee will formulate a Standard Operating Procedures (SOP) for the public hearings and ensure their proper adherence.

## **Complaint Management, Investigation, and Trial**

**Recommendation-19:** To avoid delays and to streamline complaint management, the following measures must be implemented:

- The recommendations of the Complaint Scrutiny and Selection Committee (JABAC) at the district or divisional ACC offices should not be subjected to further scrutiny by the central JABAC at ACC headquarters.
- For complaints related to offenses below a certain level of severity (as determined by ACC guidelines), the district or divisional ACC offices should be authorized to independently take necessary actions on complaints.

**Recommendation-20:** If a specific individual or institution files a complaint with the ACC, a legal provision should be enacted to ensure that the ACC promptly informs the complainant in writing about the actions taken on the complaint (inquiry/investigation/settlement) along with the reasons.

**Recommendation-21:** To enhance the transparency of the ACC's JABAC, the following measures must be ensured:

- Through the application of Rule 5(4) of the Anti-Corruption Commission Regulations, 2007, JABACs should be reconstituted at regular intervals (at least twice a month, if possible), and the same person should not serve in JABAC consecutively for an extended period.
- No more than one deputed official can be among the three members of JABAC.

**Recommendation-22:** The current mandatory provision of pre-investigation inquiry before launching investigations for each offense listed under the ACC's jurisdiction should be abolished.

- If specific information about an offense is received in writing from a specific person, the ACC should directly file a case and initiate an investigation.
- If the information or message about an offense is not received in writing from a specific person, the ACC may conduct a covert inquiry based on the importance of the information or message.

**Recommendation-23:** The ACC must formulate a Prosecution Policy to clearly specify which scheduled offenses it will investigate based on the severity of the offense and public interest. For other offenses, the ACC will forward the complaints to the relevant police station for investigation. Section 20 of the Anti-Corruption Commission Act, 2004, should be amended to empower the police to investigate complaints forwarded by the ACC.

**Recommendation-24:** Section 32A of the Anti-Corruption Commission Act, 2004, should be repealed. (Under this section, the ACC is required to obtain prior approval from the government before filing a case against any judge, magistrate, or government employee, consistent with Section 197 of the Code of Criminal Procedure.)

**Recommendation-25:** "Special Judge Courts" must be established without delay in every district where ACC offices currently exist. In other districts where new ACC offices will be established as recommended under this report, special judge courts should also be promptly set up.

**Recommendation-26:** The potential positive and negative outcomes of introducing Plea Bargaining in offenses under the ACC's jurisdiction should be thoroughly examined and comparatively analyzed to reach a practical decision. (In many countries, this system has significantly contributed to making anti-corruption processes more effective and dynamic. According to the ACC Reform Commission, a comprehensive examination of pros and cons of plea bargaining is necessary to assess its feasibility, especially in cases of petty corruption and money laundering.)

**Recommendation-27:** Through the signing of Memorandums of Understanding (MoU), focal persons must be designated, authorized by respective agencies such as NBR, CID, BFIU, and the Directorate of Registration to assist the ACC in its work.

**Recommendation-28:** For investigating grand corruption cases or corruption involving high-profile individuals, particularly money laundering, the ACC should form separate Task Forces for each investigation. These Task Forces should be led by the ACC and include senior officials from relevant agencies.

**Recommendation-29:** Section 309 of the Income Tax Act, 2023, should be amended to ensure that the confidentiality provision of this section does not apply to any information or documents requested by the ACC. (Currently, under Section 309, statements, tax returns, accounts, or documents prepared or submitted under the Income Tax Act are considered confidential. Without a court order, the NBR cannot provide these to the ACC. Before the enactment of this law, the ACC could obtain such information or documents from the NBR without requiring a court order. This has become impossible under the new law.)

**Recommendation-30:** MOU should be signed with CAG and IMED so that ACC is notified and provided access to all relevant information in case corruption is uncovered or suspected by CAG and IMED during their mandated work.

## **Institutional and Financial Management of the ACC**

**Recommendation-31:** The number of ACC Directors General (DGs) should be increased from 8 to 12. The following 12 divisions should be created under their supervision: 1)



Administration, Finance and Human Resources; 2) Prevention and Public Communication; 3) Information Technology; 4) Training, Research, and Development; 5) Legal and Prosecution; 6) Investigation-1; 7) Investigation-2; 8) Special Investigation; 9) Money Laundering; 10) Undercover Inquiry-1; 11) Undercover Inquiry-2; and 12) Internal Discipline.

**Recommendation-32:** The current vacant positions in the ACC must be filled up without delay. Additionally, to implement the recommendations of the ACC Reform Commission, a new organogram including required human resources must be enforced as soon as possible.

**Recommendation-33:** The ACC must incrementally establish adequately equipped district offices in every district of the country.

**Recommendation-34:** The appointment of the Secretary of the ACC should take place through an open and competitive process via advertisements. However, if a government official is deemed eligible in the due process for the advertised position, s/he may take leave from respective parent organization and be appointed to the Secretary role in the ACC on a contractual basis.

**Recommendation-35:** All appointments to Director General and Director positions (excluding those appointed on deputation) should be made through an open and competitive process via advertisements. However, 60 and 75 percent of positions of Directors General and Directors respectively must be kept reserved for internal candidates of ACC subject to fulfilment of relevant competency requirements.

**Recommendation-36:** Up to a maximum of 10% of positions at each level (Director General, Director, and Deputy Director) may be filled through appointments on deputation. However, officials from the judiciary and law enforcement agencies appointed on deputation for the purposes of investigation, prosecution or trial will not be included in this 10% quota.

**Recommendation-37:** Immediate steps must be taken to establish the Permanent Prosecution Unit as stated in the ACC Act. Initially, the partial implementation of the law can begin by appointing a limited number of permanent prosecutors (10%-20%). Subsequently, by replacing further 10%-20% of contractual lawyers with permanent prosecutors annually, the complete implementation of Section 33(1) of the ACC Act, 2004 must be achieved within 5-10 years.

**Recommendation-38:** The ACC's overall operations, especially, complaint management, investigation, undercover inquiries, and prosecution, should be brought under end-to-end automation.

**Recommendation-39:** The workforce and capacity of the Digital Forensic Lab should be increased. Additionally, it should be directly reportable to the Chairman, free from influence of any of the ACC Divisions.



**Recommendation-40:** The ACC should establish its own Training Academy to enhance its financial, administrative, and professional/technical capacity. All categories of officials must undergo mandatory periodic professional training through this academy.

**Recommendation-41:** Section 54(2) of the ACC (Employees) Service Rules, 2008, must be abolished. (Currently, under Section 54(2), an ACC employee can be removed by the appropriate authority without showing any reason subject to 90 days' notice or payment in lieu of notice. This provision contradicts the principle of natural justice and hinders ACC employees from working independently and without fear.)

**Recommendation-42:** The ACC must establish its own fund. The government-approved annual budget should be deposited into this fund. Additionally, at least 10% of the fines or confiscated amounts of money collected in ACC cases must be deposited into this fund.

**Recommendation-43:** The ACC must have its own salary structure, where the pay scale is at least double the national pay scale. Moreover, officials and staff involved in investigations, undercover inquiries, and related tasks should receive adequate risk allowances in addition to salary.

**Recommendation-44:** Alongside regular annual increments, ACC officials and staff should be provided with performance bonuses from the ACC's own fund under a well-defined policy to reward efficiency and effectiveness.

**Recommendation-45:** With government support, the ACC should immediately form a high-powered Task Force comprising officials from various investigative and intelligence agencies to identify corrupt officials and employees. Those found guilty of corruption should be dismissed through departmental actions and subjected to criminal prosecution.

**Recommendation-46:** The ACC's existing Internal Anti-Corruption Committee must be abolished and replaced by an independent Internal Discipline Division.

- This proposed division will comprise of personnel from the ACC's own workforce and individuals appointed on deputation from various defence, intelligence, and law enforcement agencies.
- Responsibilities of the proposed division shall include: a) Ensuring compliance with code of conduct applicable to ACC officials and employees, using counterintelligence measures if necessary. b) Conducting undercover inquiries or investigations into misconduct or corruption by ACC officials and employees. c) Investigating and scrutinizing asset statements submitted under the ACC (Employees) Service Rules, 2008, and d) undertaking appropriate punitive actions when required.

## Corruption Prevention Functions

**Recommendation-47:** The ACC must develop a comprehensive Corruption Prevention Strategy with the assistance of relevant experts and drawing upon objective evaluation of the success and shortcomings of its current preventive activities. The strategy should include short, medium and long-term action plan focusing on such programmes as:

- Inclusion of ethical and anti-corruption content in the school curriculum at all levels from primary to higher secondary, ensuring that such contents and applicable methods are modern, engaging, and student-friendly;
- Introducing governance and anti-corruption courses, trainings, internships, and fellowships at the undergraduate and postgraduate levels;
- Extensive promotion of the ACC's hotline number (106) through school textbooks, mass media, and social media platforms;
- Conducting targeted anti-corruption campaigns and awareness programs through mass media and social media (e.g., Facebook, X, Instagram);
- Enhancing implementation of laws such as the Right to Information Act 2009, and the Public Interest Information Disclosure (Protection) Act 2011, through widespread awareness campaigns, motivation and training programs;
- Organizing promotional programs anchored on anti-corruption pledges, honesty, and adherence to human virtues and practices consistent with anti-corruption related religious edicts and values;
- Engaging the youth in anti-corruption awareness and motivational activities inspired and designed by youth themselves at local and national levels;
- Expanding partnership and collaboration activities with anti-corruption NGOs;
- In line with Article 13 of the United Nations Convention Against Corruption (UNCAC), mobilizing stakeholders, including the government, to create legal and institutional frameworks that facilitate citizen and media participation in anti-corruption activities;
- Playing a leading role in nationally observing the International Anti-Corruption Day and promoting anti-corruption messaging during other important national, social, cultural, religious, and political occasions; and
- Collaborating with the Information Commission and related civil society organizations to ensure the effective implementation of the Right to Information Act at the grassroots level. This should include addressing specific challenges faced by marginalized communities and groups and guaranteeing equal access to information for all citizens.

Above all, the strategy must underscore the message that corruption is not only a punishable crime but also a socially, culturally, and religiously unacceptable, destructive, and discriminatory scourge. All possible innovative and appealing methods and processes should be employed to implement a strategic and sustainable corruption prevention programme.

## Implementation Roadmap

In the final Chapter 7 of the ACC Reform Commission Report, a roadmap has been proposed to implement the recommendations within short-term (6 months), medium-term (18 months), and long-term (48 months) periods.

.....



## **ACC Reform Report**