

Report on

Analyzing the future security of bKash money
transaction occurring due to Money Laundering and
Financing Terrorism

By

Shahareen Mehjabin Haque

17104145

Bachelor of Business Administration

BRAC Business School

Brac University

January 2021

© [YEAR of Submission]. Brac University
All rights reserved.

Declaration

It is hereby declared that

1. The internship report submitted is my/our own original work while completing degree at Brac University.
2. The report does not contain material previously published or written by a third party, except where this is appropriately cited through full and accurate referencing.
3. The report does not contain material which has been accepted, or submitted, for any other degree or diploma at a university or other institution.
4. I have acknowledged all main sources of help.

Student's Full Name & Signature:

Shahareen Mehjabin Haque
Shahareen Mehjabin Haque
17104145

Supervisor's Full Name & Signature:

Ms. Mayesha Tasnim
Lecturer, BRAC Business School
BRAC University

Letter of transmittal

31st June

Ms. Mayesha Tasnim

Lecturer, Department of Human Resource Management

BRAC Business School

BRAC University

66 Mohakhali, Dhaka-1212

Subject: Analyzing the Future Security of bkash money transactions occurring due to Money Laundering and Financing Terrorism

Dear Miss,

It brings me much pleasure to be able to apply my internship in bKash Limited to complete BBA Course BUS 400 offered by Brac University.

Apart from the Academic knowledge, this report has allowed me to dedicate myself and learn about the corporate culture and allowed me to work under the supervision of intellectual people of bKash Limited. The experience I have acquired from this internship will be an invaluable asset and a stepping stone in my career.

I want to thank you for what you've done for me starting from your constant supervision and support to continue my internship at bKash Limited. Despite various shortcomings, I have been devoted to finding out the core information from different aspects. I hope you will recognize my efforts and deem the report to be satisfactory.

Without your expert advice, guidance and support, it wouldn't have been possible to complete this project paper. I at this moment, thank you for your valuable time and direction.

Sincerely,

Shahareen Mehjabin Haque

ID: 17104145

BRAC Business School

Non-Disclosure Agreement

[This page is for Non-Disclosure Agreement between the Company and The Student]

This agreement is made and entered into by and between [bKash Limited] and the undersigned student at BRAC University

Acknowledgement

I want to convey my gratefulness to many individuals for their unlimited time, support and guidance throughout my entire internship. I couldn't have finished the paper without them.

First and foremost, I'd like to share my thanks and debt of appreciation to my course instructor Ms. Mayesha Tasnim, Lecturer of Human Resource Management Department, BRAC Business School, Brac University, for her continuous guidance, encouragement and suggestions during the preparation of my internship report. Her availability, valuable time and constant support helped me to develop ideas and improve my writing.

I am also grateful towards my supervisor Mr. Shahrear Ahamed at bKash Limited. Working with Ms. Senjhuti Smita, Mr. Faizur Rahman, Ms. MimTakia, Ms. HriditaAfsana, Mr. Taj-E-Solaiman, Mr. Tamim Tahmid, Mr. Asif Siddik, Ms. Rehnuma Tarannum Rasha was a fantastic experience I would also like to thank my fellow interns and all the members of ECAD for the continuous support throughout my entire internship period and preparation of my report. They have given me all of the details and direction I need to keep moving forward. It was they who actually make the environment so warm that it was effortless to learn and perform.

Executive summary

Anti-Money Laundering and Combating Financing Terrorism comes in hand in hand when ever we talk about any MFS or Banking Sector. Financial activities are a serious offence the law and enforcement authority have a scheme to prosecute and compensate those who engage in them. bKash platform is used for performing various types of illegal activities like drug dealings, smuggling and various other unethical activities etc. One of the most popular types of criminal crime is fraud both AML&CFT activities are taken very seriously by bKash and successful steps are taken to combat this form of illegal activity. The Bangladesh Financial Intelligence Unit (BFIU) provides amendments, related to risk mitigation for bKash. bKash is working 24/7 in order to prevent these types of illegal and unethical activities through External Corporate Affairs Division; AML&CFT department of bKash is working in order to safe guard the peoples hard earned money and to save the country and its economics from the hands of unethical activities and peoples. Several levels of checkup are done 3/4 layering checkup is done before onboarding any customer to see how much risky they are, background checkup of customers is done so that necessary precautionary steps can be taken and necessary strategies can be made in order to overcome those risks.

Keywords: Anti Money Laundering & Combating Financing Terrorism, illegal, Unethical, uncertainty, precaution

Table of contents:

Chapter 1: Overview of Internship

(Description and assessment of Internship experience and lessons learnt)

1.1 Student Information: Name, ID, Program and Major/Specialization.....	1
1.2 Internship Information:	
1.2.1 Period, Company Name, Department/Division, Address.....	1
1.2.2 Internship Company Supervisor’s Information: Name and Position.....	1
1.2.3 Job Scope – Job Description/Duties/Responsibilities.....	2
1.3 Internship Outcomes:	
1.3.1 Student’s contribution to the company.....	7
1.3.2 Benefits to the student.....	8
1.3.3 Problems/Difficulties.....	10
1.3.4 Recommendations	10
Chapter 2: Organization Part: Overview, Operations and a Strategic Audit	
(An overall assessment of the organization, its functional areas, and a strategic analysis/audit)	
2.1 Introduction (Objective, Methodology, Scope, Limitation and Significance)	11
2.2 Overview of the Company.....	13
2.3 Management Practices.....	15
2.4 Marketing Practices	16
2.5 Financial Performance amp; Accounting Practices.....	17
2.6 Operations Management and Information System Practices.....	18

2.7 Industry and Competitive Analysis (SWOT analysis)20

2.8 Summary and Conclusions.....21

2.9 Recommendations.....22

Chapter 3: "Analyzing the Future security of bkaash money transactions occurring due to Money laundering and financing terrorism."

3.1 Introduction (Background, Objective(s) and Significance)23

3.2 Methodology.....29

3.3 Findings and Analysis.....30

3.4 Summary and Conclusions.....41

3.5 Recommendations.....41

List of Acronyms

MFS = Mobile Financial Service

AML = Anti Money Laundering

CFT = Combating Financing of Terrorism

BFIU = Bangladesh Financial Intelligence Unit

ECAD = External Corporate Affairs Division

Glossary

Internship Report

An internship report outlines our internship experience and is required by many companies to finish your term at their company.

Anti-money laundering

Laws, rules, and processes aimed at preventing criminals from passing off unlawfully obtained cash as legitimate. Anti-money laundering rules may only apply to a restricted set of transactions and illegal activity, but their consequences are far-reaching.

KYC (Know Your Customer)

KYC stands for "know your customer," but it may also refer to "know your customers. "When opening an account. KYC (Know Your Customer) is a means of defining and verifying a customer's identity. Over time, Mobile Financial Services must ensure that their clients are who they pretend to be; as a result, the clients must fill out a KYC form.

Chapter 1

[Overview of Internship]

[Student information]

Name: Shahareen Mehjabin Haque

ID: 17104145

Program: Bachelors of Business Administration

Major/Specialization: Human Resource Management and Marketing

Internship Information

1.2.1: Company information:

Company Name: bKash Limited

Period: 6th January 2021 -6th May 2021

Department: Anti Money Laundering and Combating Financing of Terrorism; External corporate affairs division

Address: Shadhinata Tower,1 Bir Sreshtha Shaheed Jahangir Gate, Dhaka Cantonment, Dhaka - 1206

1.2.2: Supervisors Information:

Supervisors Name: Mr. Shahrear Ahamed

Deputy Manager,

AML and CFT; External and Corporate Affairs Division

bKash Limited.

1.2.3: Job Scope-Description/Duties/Responsibilities:

Job Responsibilities:

As an intern, my scope of work and access to work was limited. In the past three months of my internship in bKash has been a fantastic experience and a learning journey. Through my internship, I could step into the corporate world where I learned about the work environment and behavior, but I could also enhance my skills. I had to work in MS Excel, where I developed my Excel skills. I got the chance to go through BFIU circulars, where I learned about the rule, regulations and policies.

Furthermore, I was responsible for monitoring, detecting and providing observations on the registered forms of the personal customer account. I had to check the quality of KYC forms according to specific guidelines by BFIU for mobile financial service providers and whether they met the criterion.

For opening a personal account, the account holder has to be physically present in an agent point with their NID/ Driving license/ Passport as a photo proof and needs to fill up the KYC designed for personal account. The KYC form of a personal account is given below.

The image shows a screenshot of a KYC form for bKash. The form is in Bengali and includes the following sections:

- বিকাশ ব্যাংক লিমিটেড - ১ (Mandatory Fields Part - 1):** This section contains fields for the applicant's name in Bengali and English, father's name, husband's name, ID number, and date of birth.
- বিকাশ ব্যাংক লিমিটেড - ২ (Mandatory Fields Part - 2):** This section contains fields for the applicant's address, phone number, and occupation.
- বিকাশ ব্যাংক লিমিটেড - ৩ (Mandatory Fields Part - 3):** This section contains fields for the applicant's signature and the agent's signature.

The form also includes a section for 'বিকাশ ব্যাংক লিমিটেড (Agent Use Only)' and 'বিকাশ ব্যাংক লিমিটেড (Distributor Use Only)'. The form is in Bengali and includes a signature line for the agent and distributor.

Figure: Personal KYC

To check if the KYC is compliance effective or not, BFIU has provided some guidelines. The guidelines by BFIU to recheck the KYCs are as follows:

- The photo submitted with the KYC must match the photo ID
- NID/provisional NID/paper printed NID/smart card will be accepted as photo ID.
- Use of Fluid anywhere in the KYC will automatically be the cause of denial
- Usage of multiple languages is not allowed. KYC has to be either in English or Bangla.
- Numeric fields must be filled in one language only.
- The applicant must provide a signature in the photocopy of the photo ID given, and the signature shown in the KYC must match the sign in the supporting document.
- In the KYC, no overwriting or corrections are permitted. However, up to four modifications are permitted, but the customer must provide a countersignature for each change.
- If the number of corrections exceeds four, the KYC will be rejected.
- Any revision in the customer's wallet number will lead to a direct rejection of the KYC.
- In terms of various appearance, deviation like age, gender etc., will lead to KYC rejection.
- Anyone having a beard or transparent glasses is acceptable.
- If someone is blind, he/she can wear dark glasses, but he needs to provide a certified document.
- Front faced photos are accepted only. A picture with single-colored background or shade is taken.
- The date field must be filled, and the absence of a date in the KYC will be rejected.
- Date of Birth (DOB) has to match the photo ID provided and can be written in both numeric and Alphanumeric form.
- In the Address field, four sub-fields (Village/area, Thana/Upazila, District/city &Postal code) must be filled out in both permanent and present address fields.
- Details of occupation must be filled out. Source of funds, Monthly income must be adequately stated inappropriate sources would lead to KYC rejection.
- Only one gender option should be selected.
- Signature of agent and distributor with date is a must. Thumbprint will cause rejection. The seal is not mandatory.

- Any customer account number with less/more than 11 digits, including zero, should not be accepted and cause KYC rejection.
- Any supporting document used as a Photo ID must have a validity date wherever applicable.
- Personal accounts can also be opened by armed license, military, paramilitary, SAGs and LEAs, freedom fighter ID, office ID (Government/semi-Government), Student ID and NGO beneficiary ID, but a birth certificate must be given along with it.

I used to recheck the KYCs accepted by Customer Service, and if the forms were compliance effective, I used to accept the sampled KYCs. Still, if I found any error, I rejected those KYCs, gave specific observations with remarks, and gave input in MS Excel. Some observations and reasons for those observations are given below:

Observations	Reasons	Remarks
Unclear Photo ID	The photo ID submitted with the KYC must be clear, readable and visible, if not, we give this observation	Quality Check (QC) Not possible
Incorrect Photo	If the photo given with the KYC has different coloured background or the front face of the person is not visible we give this information	KYC is Rejected
Photo Mismatch	If the photo of the account holder doesnot match with the photo ID we give this observation	KYC is Rejected
Father's/ Mother's Name Missing	Father's/ mother's name has to match with photo ID, if not we give this observation	KYC is rejected
The name of the husband/wife is absent.	If the spouse's name does not fit the photo ID, we make this observation.	KYC is Rejected
Wrong D.O.B	D.O.B has to match with photo ID, if not we give this observation	KYC is Rejected
Name Mismatch	The applicant's name must match with the name given in Photo ID, if not we give this observation	KYC is Rejected

Signature mismatch/missing	If signature does not match with the signature provided in the supporting document and if the applicant does not give signature in KYC, we give this observation	KYC is Rejected
Signature not found in supporting document	The applicant must sign the photocopy of the photo ID, if not we give this observation	KYC is Rejected
KYC/Supporting document not found	If KYC is not found or supporting document is not found we give this observation	QC Not Possible
Agent Signature not found	If there is no agent signature found in the KYC we give this observation	KYC is Rejected
NID number incorrect in KYC	If NID is given as photo ID the number must match with the NID number if not we give this observation	KYC is Rejected
KYC isn't complete.	Both KYC fields must be completed; otherwise, the form will be deemed unfinished, and we will note this observation.	KYC is Rejected
Customer and Agent sign same	The customer sign cannot match with the applicant's sign because the agent cannot open a personal account with same number	KYC is Rejected
Different supporting document	The photo ID information must match with the KYC, if not we give this observation	KYC is Rejected
Datemissing/ mismatch	The date of registration must be given if not we give this observation	KYC is Rejected
Mandatory field missing	All the mandatory fields must be filled if not we give this observation	KYC is Rejected
Overwriting	Four correction is allowed if exceeds four it will be considered as over writing and any correction in the wallet number is over writing	KYC is Rejected

Counter signature not found	Four corrections are allowed but the applicant must give a counter signature if not found we give this observation	KYC is Rejected
Address not captured/filled up properly	Four fields of address must be filled or else we give this observation	KYC is Rejected
Validity date missing/mismatch	Any photo ID provided that has validity date must match or stated in the KYC if not we give this observation	KYC is Rejected
Fluid use in KYC	No use of fluid is accepted anywhere in the KYC	KYC is Rejected
Agent Number not found	Agent number must be given but if the KYC is for an update it is accepted.	KYC is Rejected

Table 1: Observations for KYCs

We either deny the KYCs tested by CS because of these findings, or we approve them if all of the fields are correctly filled. If the necessary details is not filled out correctly, bKash gives customers sixty days to correct the mistake or their wallets will be frozen. By this process we work as a control body over the CS to maintain the qualities of the registered KYCs.

[Internship Outcome]

1.3.1: Students contribution to company:

I am extremely thankful for the chance to complete my internship at bKash Limited. My contribution towards bKash Limited is given below-

I got the opportunity to work with CPMCT under Mr. Shahrear Ahmed, Deputy Manager of AML&CFT and his team. AML&CFT department assesses the risks associated with the company, such as product risk, service risk and country risk and establishes necessary measures to mitigate such risks. The team, CPMCT, works with the customer service and rechecks their work of

checking the KYC forms. The KYC forms are checked in three stages according to the actions and compliances, and only if they are accepted, they go to the next step.

At first, Agents fill the KYC forms, verify, and either accept or reject the form. If the agents accept the forms, it goes to the distribution houses. The Distributor houses then check the quality of the forms and either accepts or rejects them. If the distribution house accepts the KYC forms, it goes to the Customer Service (CS) of bKash for the third-round check and verification of their supporting documents and Wallet numbers. Like the other rounds, the quality of the KYC decides if it will get accepted or rejected.

CPMCT then comes in, and the team takes a sample of one per cent of the KYC registrations accepted by CS to monitor and control the effectiveness of the compliance, provide observations, and give feedback to improve the quality of KYC. The team also finds out the common mistakes and suggests that the training teams highlight the issues.

The team follows the policy of Customer Due Diligence (CDD) through the KYC forms. CDD is the cornerstone for any AML&CFT program. CPMCT does the CDD by which customers are identified, customers backgrounds are checked and which ensures that the customers are considered to be presented less risky of money laundering and terrorism financing so that the team can mitigate risks that might arise from their customers and take precautions and adopt necessary strategies to get over those risks.

if the Bangladesh Financial Intelligence Unit (BFIU) and Payment System Department demand it, CPMCT is responsible for providing information on clients who use bKash services, including consumers, agents, distribution houses, and merchants (PSD).

The team examines the KYC of personal and non-personal consumers, as well as agents and merchants. So, I used to do the quality check of the paper KYC forms and the -KYS forms. According to specific guidelines by BFIU for mobile financial service providers and whether the criteria were met, the quality of KYC forms is determined.

1.3.2: Benefits to the students:

There's a lot of benefits for me being an AML and CFT intern at bKash Limited.

Gaining Organizational skills: Being an intern at bKash Limited, my learning of organizational skills is profound. I have worked in the organization for only four months, but I get a proper organizational view. My colleagues and supervisor have taught me the skills that are needed. I knew how systematically a Corporate organization could go through the smooth run. I got engaged with the learning session, which enriches your mind and teaches to be socially responsible. Gaining sound and stable organizational skills at the entry-level is one of the most superior benefits.

Professional work environment: bKash Limited maintain very high professionalism at their work. They understand and respect the time and work scope of each employee. I have learned how to deal with colleagues in the right and empathetic way. Suddenly when the government announced lockdown in the first week of April, we were entrusted to do our job from home, bKash values their employee's safety and health. I have seen different employees' different roles in how they deal with their work and how they communicate it to the bigger audience. Not only I have no knowledge about my team CPMCT, but also, I have now all the knowledge about other teams under AML and CFT they are RMCT, SCT, STR/SAR, Training Team, FCAT, RAMELCO etc. how each team is performing and the key responsibilities of each of the teams, I have also received training on AML and CFT and also on the guidelines of PSD (Payment system department) and BFIU.

Training resources: I think bKash Limited provides the best guideline for training on different functions. There is a separate team known as the Training Team under the AML and CFT department. They organize various types of training for their employees. They have trained everyone with induction training on different policies, training on AML and CFT, training on the guidelines of BFIU and PSD, training on Corporate Etiquettes, and the MS EXCEL. Besides that, they provide the entire procedure for how to perform the tasks efficiently. They also offer on the job training if requires.

Experiential Learning: Experiential learning is one of the significant parts of learning during my internship period. I have gathered theoretical knowledge, but I have also experienced my job's practical and technical functions.

1.3.3: Problems/Difficulties faced during the internship:

I learned a lot from bKash Limited throughout my internship. This is a fantastic experience to work there. As we have to stay at home some times during our internship for the pandemic, we faced some problems like the communication and engagement with other team members decreased more over interns are only exposed to a specific work so it would be better everyone left a portion of work for the interns who will not hamper their usual works and interns will also become more knowledgeable about other fields and be diversified

1.3.4: Recommendations:

I have some recommendations for the problems. They are described below-

Job rotation: Job rotation is the technique to rotate their employees' job in different period. If the interns can get work under additional department supervision, they can learn more, and the work scope will be diversified. As the interns are only getting four months, they can work for different teams to enhance them. Furthermore, it will strengthen the communication with other departmental colleagues as well as other team members.

Engagement: For the pandemic situation, we have to work from our home for some time, So the meeting with other colleagues became lesser than usual. As interns are not able to communicate physically, the chance of engagement with others decreases. If weekly all the teams give a small portion of time and work from them, it might increase the concentration.

Fixed schedule of work: Interns are required to do certain tasks. It would be preferable if interns were assigned some regular tasks. It would be a more technical than normal learning experience.

Chapter 2

[Organization Part: Overview, Operations and a Strategic Audit]

2.1: Introduction:

2.1.1: Objective:

The study's primary goal is to discover how financing activities are a serious criminal for which law enforcement authorities have a penalty and compensation system. All of the illegal activities listed below are linked to money laundering and terrorism financing in some way. The bKash platform is used for a wide range of unlawful operations. And, of all the illegal offences, fraud is by far usual in terms of AML&CFT activities. Money laundering and terrorist funding are taken extremely seriously by bKash, and comprehensive preventative steps are implemented to thwart this illicit conduct. Customer- or agent-driven ML&TF operations are possible.

Short term objective: Short term objectives are-

Checking the KYC forms (Know your Customer)

Cross-checking all the information's through NID and EC commission

Quality check whether all the information's provided was accurate or not

Checking all the parameters according to the provided thresholds, and if we get any exceptional cases, then we mark them as other observations

2.1.2: Methodology:

The report contains qualitative data which I have collected through primary and secondary research. Some I have collected from google survey and through the company website.

One to one meeting: I have the opportunity to sit with seven teams of AML & CFT, Compliance Processing & Monitoring Control Team, Risk Monitoring &Control Team, Strategic Compliance Team, Team of Suspicious Transaction Reports and Suspicious Activity Reports, Training Team,

Compliance Analysis & Documentation, Field Compliance Assessment Team and also with Regional Compliance Officer for Anti-Money Laundering. Moreover, my HOD Head of the Department, Mr. Saber Sharif also took training on the Bangladesh Financial Intelligence Unit (BFIU) and PSD, and he also took a session on Corporate Etiquette. Last but not least, my supervisor has provided a lot of information.

On the job learning: As I am now on the job, I have learned a lot from work and individual employees. I have incorporated that learning into my report.

Secondary data: I have gone through the bKash corporation website, bKash Limited website, and related academic reports.

2.1.3: Scope:

The report shows how bKash is working to prevent Money Laundering through various illegal transactions, and sometimes it is seen that people are not opening their Accounts ethically. For instance, they provide another person's picture for opening the bKash account through the app or in the KYC Form. Those are checked according to the policy, guidelines, rules and regulations of BFIU. I got the opportunity to work in the CPMCT Team, Compliance processing Monitoring Control Team, which will boost my confidence and workability in my corporate career.

2.1.4: Limitation:

I cannot disclose such information due to the privacy policy of bKash Limited. I had to give generic information not in brief for that. Also, my internship period is only for four months and working staying at home for a whole month. Therefore, it does not contain proper analysis and some recommendations.

2.1.5: Significance:

The primary goal of this research is to get experience in a real-world work setting and to gain practical knowledge. The significance of this internship is massive. This proves the firsthand

experience of corporate culture, which I will be entering shortly. Corporate culture is very different from what we students have experienced so far. Nowadays, knowledge and skills matter more than higher grade points. So, the firsthand experience will be a great advantage if we go to a similar firm for our jobs. As I am doing my internship in bKash, it will be a considerable advantage and beneficial for me if I join in mobile banking shortly. Finally, the working experience of bKash their learning environment will always motivate me to be best in my career and life.

2.2: Overview of the Company:

Mobile Financial Services (MFS) integrates banking with mobile wireless networks to enable customers to execute financial transactions while on the go. This refers to the capacity to deposit, withdraw, transfer, and receive funds using a mobile device. These schemes are frequently enabled by the usage of bank agents, who encourage mobile account holders to do transactions at specific agent sites outside of bank offices.

BRAC Bank established bKash, a 51 percent-owned subsidiary, in 2011 with funding from Money in Motion, a US-based firm that had been granted authorization Bangladesh Bank will work together to run MFS in Bangladesh.

In April 2013, the International Finance Corporation (IFC) of the World Bank Group became an equity partner. In April 2014, the Bill and Melinda Gates Foundation invested in the company. bKash Limited, Bangladesh's largest mobile financial service provider, was placed 23rd on Fortune's third annual "Change the World" list, which honors the top fifty firms addressing a wide range of social issues (bKash, 2017).

Robi, Banglalink, Grameenphone, and Airtel are among the MNOs that use bKash's single service menu. bKash is Bangladesh's largest MFS, has about 200000 agents in its network spread across the country's both urban and rural, reaching out to with over 35 million registered accounts, the unbanked are no longer unbanked. Large organizations such as Aarong, Bata, and Lotto have also partnered with bKash as a commercial partner.

The Bangladesh Bank has a big say in the regulations that regulate bKash's operations. bKash complies with all regulations and changes to guarantee that its services are not used for fraudulent

purposes. bKash complies with Bangladesh Bank's standards, and, most importantly, Customer Due Diligence (CDD) or Know Your Customer (KYC) background checks are performed by bKash to verify that customers are properly risk assessed prior to onboarding. Stakeholders can also attend training sessions with bKash to ensure they have the essential expertise (International Compliance Association, n.d.).

bKash has reached almost every district in Bangladesh, providing low-cost financial services to those who could not otherwise afford them and contributing significantly to the country's growing wealth.

Mission:

The mission of bKash, as Bangladesh's largest MFS, is to deliver quick, inexpensive, and secure financial services. The firm seeks to broaden the economic net by delivering a Mobile Financial Service based on a highly scalable mobile money platform that allows consumers to make secure money transactions using their mobile phones (bKash, n.d.). (bKash, n.d.).

Vision:

bKash is neither a bank nor a telecommunications firm. Its business strategy, on the other hand, differs from that of traditional banking. Unlike traditional banking, bKash is focused on transactional income rather than loans or deposits. Banks are largely located in metropolitan areas in our country, and they generally focus on customer-based services. However, rural regions are home to 70% of our people. Because they lack sufficient access to banking in the classic sense, bKash's objective was to deliver MFS (Mobile Financial Service) specifically to the people that make up this segment of our society.

Corporate Divisions

bKash has several divisions, which are divided into different departments to carry out functions. The departments are then divided into several teams working together as a whole for the department. The divisions of bKash are shown below:

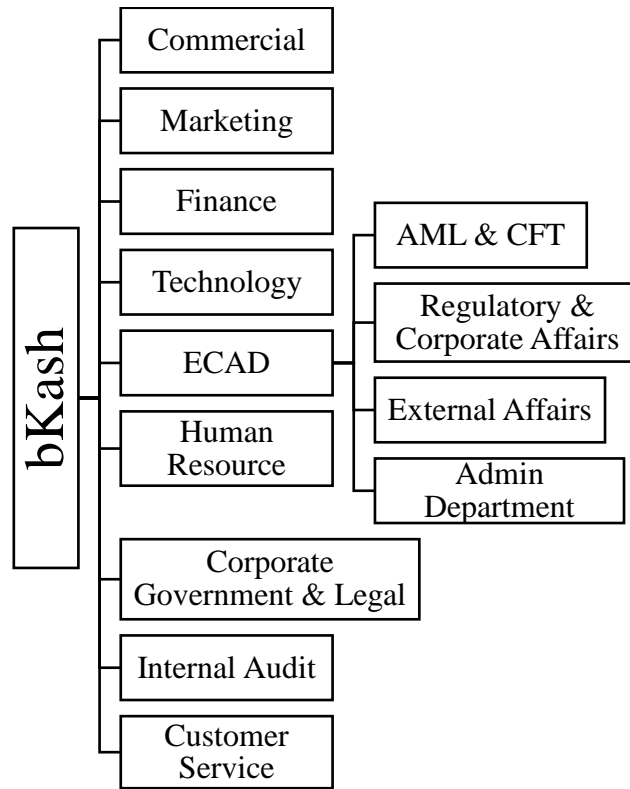


Figure 1: Corporate Division and its Departments

Furthermore, the departments are divided into several channels. Below are descriptions of several of bKash Limited’s departments and their responsibilities.

Department of Human Resource Management:

Human resource management is in charge of employee recruitment, screening, and evaluation, as well as remuneration, training, and benefits. Recruitment and collection, coaching and advancement, reward and inspiration, including incredibly ahead, are all subcategories of the human resource department.

Department of Marketing:

Public relations, close branding, stock and service marketing, administration and order engendering, digital advertisement, content generation, Client relation supervision, database

management, and other jobs are all part of the marketing department's responsibilities. 7 Consumer Satisfaction With bKash As a Mobile Financial Service Provider Analysis.

Department of Sales:

The Department of Sales is in charge of defining the sales objective, selecting strategies for reaching the goal, implementing the Policies and leading the objective of the replacement.

Department of Supply Chain Management:

The supply chain management team manages all logistics linked to the supply chain, including strategy development, Management of sources, logistical assistance, security and return systems, and so on.

Department of Account and Finance: All of the company's accounts, as well as all financial transactions, are handled by the accounting and finance department. Statements due and receivable tracking, rhythmic and yearly revenue tracking, payroll administration, reporting and recording financial transactions are just a few examples.

Department of External Corporate Affairs: The External Corporate Affairs department administers every sort of corporate gains that need to be managed externally, requiring widespread exterior contact. In a nutshell, this sector is known as ECAD.

I was hired as an intern in the Division of External & Corporate Affairs (ECAD), one of the most important comprehensive divisions of bKash, with four departments divided into several teams. ECAD mainly works with compliance, fraudulent activities, and functions to mitigate bKash and its operations risks. ECAD division of bKash harmonizes the interests of bKash with the regulations of Bangladesh Bank required for MFS provider related to mitigating the possibility of money laundering and financing of terrorism. Bangladesh Financial Intelligence Unit (BFIU) provides compliance and amendments about risk mitigation for bKash. ECAD deals with the

external affairs related to bKash. I was placed as an intern in the Anti Money Laundering & Combating Financing of Terrorism (AML & CFT) department in addition got to work with the CPMCT.

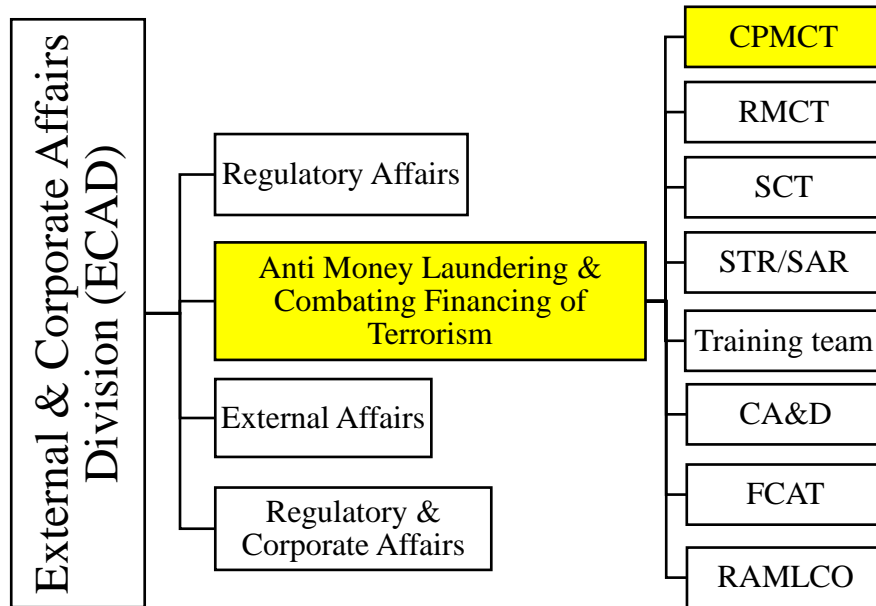


Figure 2: Elaboration of ECAD

Competitive Analysis of MFS Industry Using Porters Five Forces Model

With regular special offers and new value-added services, as well as new and more important entrants, the competitive landscape in the mobile financing business has grown extremely aggressive since 2016. The following sections use Michael Porter's five forces model to explain the competitive landscape in the business.

The threat of Intense Segment Rivalry: This sector of mobile lending is rapidly expanding. The market is now dominated by bKash and DBBL Mobile Banking. These two are rapidly gaining

market share and attempting to enhance their market share before confronting increased competition. M Cash, on the other hand, was just launched by Islami Bank Bangladesh. It might be one of those two firms' key competitors. In this business, though, the monopoly may soon come to an end. BRAC Bank has been aggressively marketing bKash since its introduction into the sector. With a large number of agents, they already hold around 75% of the market share. They also have television commercials, billboards, and newspaper ads to market their services. Aside from that, DBBL uses a similar branding strategy to advertise its mobile banking services. Although Bkash is the market leader in mobile banking, the business is growing at a breakneck pace. As a result, anyone may enter this business, posing a danger to bKash. However, bKash is well aware of this. That is why they are fast gaining market share. Aside from that, they promote their services in every conceivable context. T-cash and Ukash are also fast gaining market share.

The threat of New Entrants: The Bangladesh Bank has published a new law that mandates that all banks offer mobile banking services. As a result, breaking into this business as a newcomer is not difficult. Aside from that, the Bangladesh Bank has certain new entry regulations. The Bank needs to establish a subsidiary for making an entrance to the MFS industry. But the most dangerous threat for every MFS operator is "NAGAD". It is a government-owned MFS operator, so it is very likely to receive some extra advantage from the Bangladesh government and Bangladesh Bank, which may cause chaos in the MFS industry of Bangladesh.

The Threat of Substitute Products: Mobile banking is a high-tech business, and the alternatives that would succeed in today's settings are highly dependent on innovation. Reserves exist at the government post office and agent banking in Bangladesh's mobile banking business. The MFS industry, on the other hand, has no viable replacement. Existing alternatives are either outmoded or in the early stages of development, posing a slight danger to the sector. The sole firm that offers services at agents' points and ATM booths is bKash & Rocket. However, because the alternative services aren't critical, the corporations don't provide high-quality equivalents. As a result, replacement provide little of a barrier in Bangladesh.

The threat of Buyers Growing Bargaining Power: In Bangladesh, there exist primarily three mobile banking operands. They provide nearly homogeneous co-operations with minimal switching costs between providers, giving purchasers tremendous negotiating power.

Bargaining Power of Suppliers: Supplier negotiating power in the mobile sector diverges based on the hallmark and imperative relevance of the network, as well as the organization's size. Suppliers with significant negotiating power in the mobile banking business include Grameenphone, Banglalink, Robi, Airtel, and Teletalk. In the mobile banking business, on the contrary, there are several possible suppliers and vendors, including various agents and merchants such as Aarong, Agora, Bata, Swapno, and others.

S.W.O.T Analysis of bKash:

<p>Strengths:</p> <ul style="list-style-type: none"> • As a Subsidiary of BRAC Bank, bKash is the first MFS in Bangladesh • It uses the strong and wide network of the biggest mobile network operating companies to provide their services to a wide range of customers through agents located in every corner in Bangladesh • It is the market leader in the Mobile Financial services sector capturing a huge part of the market shares • • bKash is a powerful brand that contributes to the economy by delivering services to the unbanked. • It has strong investors and technological back up which helps 	<p>Weaknesses:</p> <ul style="list-style-type: none"> • The transaction charges are higher in bKash than other MFS service providers • With a huge customer base bKash now has a wide range of agencies working. It is a weakness that it cannot provide higher security measures for field agents
--	---

<p>them provide the best mobile financial services</p> <ul style="list-style-type: none"> • bKash has now signed up partnerships with many super shops and vendors as merchants and has also entered RMG sector as their payroll service 	
<p>Opportunities:</p> <ul style="list-style-type: none"> • As bKash targets people who cannot afford and access banking services it has a huge number of customers • The growth of the online shopping can be a huge market for bKash if they collaborate and make transactions through bKash • As International companies are collaborating with bKash it can take the opportunity to carry out International transactions • MFS is still a new industry in Bangladesh so bKash can explore to innovate new services to offer 	<p>Threats:</p> <ul style="list-style-type: none"> • As MFS provider with a huge range of customer base bKash always has threat of money laundering activities using its services • New entrants such as Government organizations like NAGAD and as well as existing MFS like Rocket provides almost same services, so they can be potential competitors and act as threats • Other service providers are providing similar services so bKash has to come up with new ideas or they might lose market shares

Recommendation

The CDD procedure of bKash applies to all types of bKash customers, including personal, agents, merchants and distribution houses. Therefore, their customer base is enormous. We used to check the effectiveness of guidelines in the KYC by ourselves or manually using scanned photos where sometimes we could not read the information. The images were not clear, and few pages of the KYC were occasionally unavailable. This manual check of every KYC is time-consuming,

including the many customer samples to check. Therefore, I would like to recommend any scope of using advanced technology or database to look from, and it would get easier to check the quality and save time. There are plans to covert paper KYC into e-KYC, which is in process. This procedure would automatically verify the supporting documents, and this usage of technology would make the operation more efficient.

Conclusion

In the MFS industry, fraudulent activities are increasing significantly day by day. Over the past few years, many fraudulent cases have been reported and have raised concerns about the risks. We may check and verify information in a specific book by using the CDD. bKash should establish additional preventative measures to reduce future risks, detect fraudulent activity and crimes, and take serious action against fraud. bKash's first expansion to a huge scale was among the quickest in the world. It is, however, still in the early stages of advancement. There is still an interminable way to go in terms of technology breakthroughs and innovation in the industry. bKash's technological infrastructure must be stabilized in order to accommodate a substantially larger volume of transactions and maintain client information.

\

Chapter 3

"Analyzing the Future security of bkaash money transactions occurring due to Money laundering and financing terrorism."

Introduction:

Money laundering is defined as the process of hiding the source of money gained illegally and shifting its identity through a complicated series of financial transfers or commercial transactions. To put it another way, we can say that money or property is converted or transferred.

Money laundering generally consists of three processes. They are:

- **Placement:** It's the initial step in the money laundering procedure. This phase entails infiltrating the financial system using unlawfully acquired or "dirty" money in some way.
- **Layering:** At this point, the unlawfully obtained funds are transferred around to raise doubt about their source, which is frequently accomplished by wiring or moving funds through many accounts.
- **Integration:** Finally, through an extra transaction, the black or unsanitary money is merged into the right financial canal until the "dirty" money seems to be "clean."



Figure: Money Laundering Process

Terrorist Financing:

Processing payments, sponsoring, or assisting terrorist actions are all examples of terrorist financing. To create and sustain its infrastructure, a terrorist organization or group need a certain level of financing. Terrorist Financing is defined as giving financial assistance to carry out a terrorist attack. Terrorists and other criminals utilize the banking system in quite similar ways.

The Effect of Combatting Money Laundering and Terrorist Financing

Money laundering and terrorist financing are both serious criminal offenses that pose significant hazards to local and international safety and security, as well as the financial system's integrity. Money laundering is the process of disguising the source of unlawfully invaded funds and shifting their identity through a multiplex series of financial transfers or financial activities. Money laundering is defined as the conversion or transfer of filthy money or property into clean cash or property in order to make it look legitimate. Terrorist financing, sponsorship, or facilitation of terrorist actions are all terms used to describe the processing of payments. To create and sustain their infrastructure, terrorist organizations or groups require a certain level of financing. Terrorist Financing is defined as giving financial assistance to carry out a terrorist attack.

Money laundering and terrorist funding both take use of comparable weaknesses, despite the fact that their goals and functions are distinct. Both have far-reaching criminal, economic, and financial consequences. These types of major offenses help to reward and perpetuate criminal behavior. It is our most important responsibility to protect the financial system from the negative effects of money laundering. Money laundering and terrorist financing must be combated due to the aforementioned detrimental effects.

Reasons for Combatting Money Laundering and Terrorist Financing

Combating money laundering and terrorist financing is important for a variety of reasons. They are as follows:

- Money laundering and terrorist funding have had a disastrous impact on Bangladesh's economy. It attracts illicit arms dealers, corrupted public officials, and other illicit activities like as drug trading, smuggling, and terrorism. It boosts government spending, notably in the areas of law enforcement and health care. Money laundering has a negative impact on government tax collections. Money laundering makes it harder to collect taxes from residents, resulting in a high tax rate.

As a result of money laundering, asset and consumer values are misled.

- It also leads to resource misallocation.
- Money laundering causes an unbalanced asset structure, putting monetary stability at risk.
- Terrorist finance is at the root of many of our country's terrorist strikes. These terrorist assaults have left a negative perception of Bangladesh across the world. We are losing a lot of foreign commercial and investment opportunities as a result of this unfavorable image.

Money Laundering and Terrorist Financing activities

Money laundering, and there is a full section of the money laundering and terrorism financing prevention act where all the declared offenses that come under money laundering and terrorist financing activities are listed in plain language. Money laundering and terrorist financing are serious crimes, and the law and enforcement authorities have a mechanism in place to punish and compensate those who do them. All of the illegal activities listed below are linked to money laundering and terrorism financing in some way. The bKash platform is used for a wide range of unlawful operations. Fraud is the most widespread kind of AML&CTF activity among all criminal offenses. Money laundering and terrorist funding are taken extremely seriously by bKash, and efficient preventative steps are implemented to counteract this form of criminal behavior. Customer- or agent-driven AML&CTF operations are possible. According to Section 2 of the Money Laundering Act, a predicate crime is one in which the proceeds are generated by perpetrating or attempting to perpetrate one of the following offenses:

- (1) Bribery and corruption.
- (2) Forgery of currencies.
- (3) Forgery of papers.
- (4) Extortion.
- (5) Theft.
- (6) Falsification.
- (7) Illicit arms trafficking.
- (8) Illicit narcotics and psychotropic drug trafficking.
- (9) Smuggling of stolen items.
- (10) Kidnapping, shackling, and hostage-taking.
- (11) Murder and serious bodily harm.
- (12) Trafficking in women and children.
- (13) Local and foreign currency smuggling and theft.
- (14) Theft, theft, piracy, sea piracy, or air piracy are both terms for the same thing.
- (15) Human trafficking.
- (16) Dowry.
- (17) Illegal trafficking of customs-related crime.
- (18) Tax-related crime.
- (19) Piracy of intellectual property.
- (20) Terrorism and terrorist financing.
- (21) Environmental crime.
- (22) Sexual exploitation.
- (23) Insider trade and market manipulation.
- (24) Organized crime.
- (25) Obtaining money by threatening.
- (26) Any other offense that the Bangladesh Bank designates as a predicate offense with the consent of the government.

Issue Analysis

Bangladesh's mobile wallet business, according to experts, will gather up momentum in 2019. It is predicted that by 2024, it would have grown to USD 250 billion, up from USD 100 billion in 2017. The mobile wallet market is expected to grow at a 30 percent compound annual growth rate (CAGR) by 2020, according to experts in the Mobile Financial Services (MFS) sector, compared to 15 percent internationally. The mobile wallet sector in Bangladesh is booming, thanks to increased digital purchasing, the adoption of the QR code, and cashback offers from some MFS carriers (Bhutani & Wadhvani) The mobile wallet industry is predicted to increase from over USD 100 billion in 2017 to USD 250 billion by 2024, according to a research released on Tuesday by Global Business Insights of the United States. It's probable that the growth is being influenced by mobile wallet companies' competitive discounts and cashback offers. According to the report, significant capital expenditures in regeneration initiatives by key market participants, as well as collaboration between fin-tech enterprises and commercial banks, would further promote sector growth 2019 (Bhutani & Wadhvani) "Cashback offers further reduce customer acquisition costs by preventing marketers from investing large quantities in marketing their items," according to the report, which also predicts that the mobile wallet business in Bangladesh and India would grow in 2019. (2019, Azad) According to a Bangladesh Bank (BB) official, the Bangladesh MFS market will gain traction in 2019 as most players offer competitive discounts and cashback deals, and are likely to launch lucrative services in collaboration with global financial institutions.

More than 50 million individuals utilize mobile banking services supplied by 18 institutions to meet their demands in a favorable regulatory environment. The market has risen by 120 percent since 2011 due to rapid consumer penetration and innovations in service delivery. "bKash, a global corporation, is a top MFS operator in Bangladesh with a lion's share of the market, followed by Rocket and Sure Cash," a central bank official said. It is expanding its customer base by providing attractive cashback packages According to the BB official, bKash has already included QR codes in its payment applications to give consumers with cashless purchasing experiences, and government agencies are progressively adopting this new way of payment, while numerous private sector enterprises have utilized this platform to disburse salaries. According to BB's MFS study,

total transactions on the MFS network in 2018 were Tk. 378,885 crores, up 20% from 2017. Furthermore, the number of active consumers increased from 2.1 crores in 2017 to 3.73 crores in 2018. Wallet-to-wallet fund transfers are still the most common segment in MFS transactions, according to Shamsuddin Haider Dalim, bKash's head of corporate communications. He also mentioned that some other areas, such as bill payment, vendor payment, salary disbursement, and foreign remittances, have a lot of room for growth. " Our remittance solutions have seen a significant effect, with partner banks such as MTBL, Bank Asia, City Bank, and BRAC Bank delivering international remittances." (2019, Azad)

Objective:

The goal of this research is to show how bKash is preventing money laundering through numerous transactions, as well as how they are adopting many laws, rules, and processes to dissuade criminals from passing off unlawfully obtained monies as legitimate revenue. How does bKash conduct background of customer due diligence (CDD) or Know Your Customer (KYC) checks through their Compliance Processing Monitoring Team (CPMCT)

The objectives of my topic are:

1. Determining criminals from feeding their illicit funds into the financial system.
2. By forcing professionals to use a risk-based approach, we can prevent criminals from utilizing professional services to launder money.
3. Identifying the client and monitoring how they are using the service and their transaction.
4. Monitoring (STR and SAR) of the clients Strategic Transaction Recording and Strategic Activity Recording.

Significance:

This study will help to understand how bKash is trying to prevent Money Laundering continuously and helping to find out the criminals as many people try to use the bKash platform and are committing various types of illegal activities like drug dealing and smuggling and

different variety of unethical activities. Still, bKash endlessly tries to identify those criminals and prevent these kinds of heinous actions; moreover, bkash has a robust compliance and risk assessment team with AML officers. It has high-end risk assessment software, has strong AML policies, and bKash always ensures proper KYC process while onboarding customers.

Methodology: The procedure through which we will gather, analyze, and evaluate data is referred to as methodology. Data for this study was gathered from two important sources: primary and secondary sources. The heads were detailed in the following paragraphs.

- **Primary Source:**

The term "primary data" refers to information gathered via direct contact with respondents. The preliminary data sources are listed below.

- Conducting a survey and receiving comments from business clients.
- Witnessing various works of the organization.
- Information gathered via firsthand observation.

- **Secondary Source:**

Secondary data is information gleaned from previously published sources or situations that occurred in the past. It is a convenient and oblique source of information. The secondary sources are included in the table below.

- Articles and journals published online.
- A study article that has already been published.
- Access to the internet.
- Websites of Company

Findings and Analysis:

This report consists of the findings of the customers who use bKash and does their transactions through bKash. On the survey questioner, ten questions will elaborate how bKash works to prevent Money Laundering and how they are securing the daily transactions occurring due to Money Laundering and Financing Terrorism.

Do you use Mobile Financial Services (bKash)?

71 responses

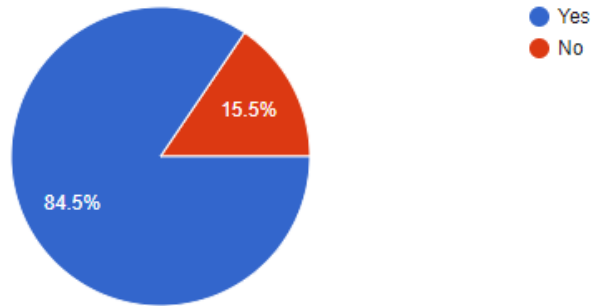


Figure: people using bKash

Your age

71 responses

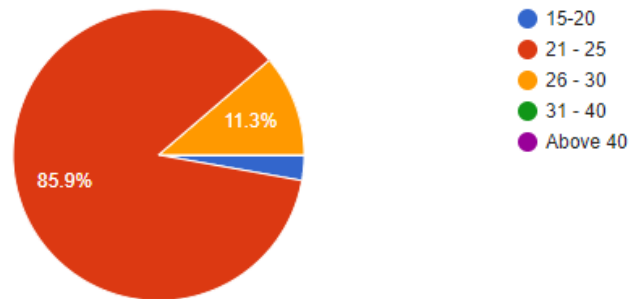
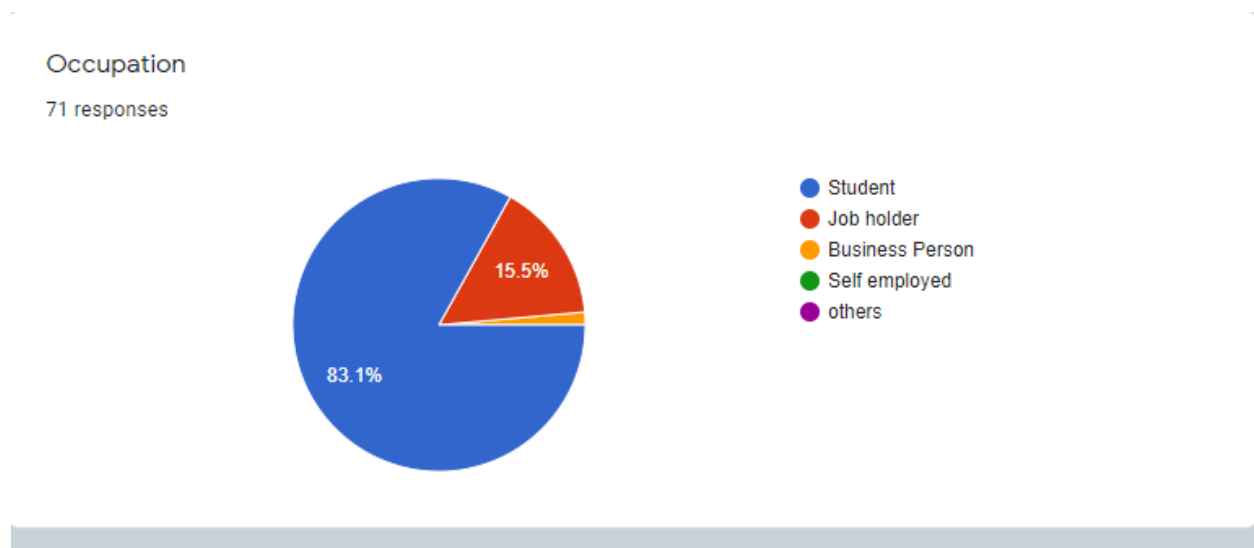


Figure: Age range of people using bKash

As we can see above, people using bKash is almost 85%, so people are shifting from traditional banking to the newest and latest from that is cashless transactions and online banking. From transferring and receiving money to making payments, the mobile finance service business has

evolved as a one-stop shop for all sorts of operations bKash, one of Bangladesh's earliest MFS providers, has a market share of more than 80%, making it the market leader in the category. It began as a joint venture between Bangladesh's BRAC Bank Limited and Money in Motion LLC in the United States, and it is now a subsidiary of BRAC Bank. The Foreign Finance Corporation (IFC) became an equity partner in bKash in 2018, and Alipay, an Alibaba Group subsidiary, became another international investor in the firm in 2019. bKash has effectively distributed MFS across the country by cooperating with all five Mobile Network Operations. It presently has over 180,000 agents and over 30 million registered accounts in the United States.

Secondly, we have seen that the age range mainly who uses bKash is among 21-25 years of age, which means it is prevalent among the current generation; hence, we can predict that our future generation will also be inclined. Not only that but also, we have seen that every age of people uses bKash starting from the present generations to the people of middle age as well as it is also popular among the senior citizens of our country



From the survey, it is seen that bKash is primarily popular among the students and job holders as we all know that various students come to Dhaka leaving their parents and families and their medium of Transaction is bKash through bKash they are receiving their money for giving house rent, buying daily necessities not only that but also through bKash now students can also pay their tuition fees in addition to that students receive stipends through bKash. During the pandemic, we

have seen that an emergency Student service online has also been introduced. We have seen that the students of BRAC University introduced the option of submitting payment through a bKash merchant account. Eden College students can pay their fees via bKash. Last but not least, bKash is currently providing fee payment service to 600 educational institutions that Save time and money by avoiding the bother of waiting in huge lines at bank desks during business hours.

bKash is also very much popular among the jobholders. bKash steps up to apparel workers to get salary now they have moved away from the traditional salary disbursement process the companies have become digitalized. Garment factories are moving away from digital wage payment during the lockdown. This process became more famous as well. It is convenient for both the employee to receive the money and the employers to disburse the salaries.

Furthermore, we have seen that the business persons also admire bKash. Due to the pandemic, more people are in favor of online shopping, buying and purchasing. Hence, for online payment and transactions, people are highly in preference of using the bKash service.

Furthermore, we have seen that the business persons also admire bKash. Due to the pandemic, more people are in favor of online shopping, buying and purchasing. Hence, for online payment and transactions, people are highly in preference of using the bKash service.

What is your desired payment system / desired mode of transaction?



71 responses

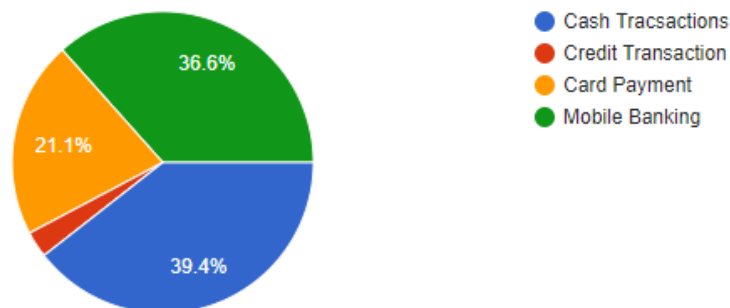


Figure: mode of Transaction

From the above figure, we can see that after traditional cash Transaction, people are primarily dependent and feel secure to transact their money through Mobile Banking. So, we can say that after few years, there will be a reduction in paper use as every notification and Transaction is controlled electronically. And like all other countries, we will soon be a cashless transaction nation as it is more convenient, it has lower risk and track is kept for every Transaction. Again, we can see from the above-given figure that some people also make payment through card, and some do credit Transactions.

Is Mobile Financial Service bkash reliable way for making various types of transactions?

71 responses

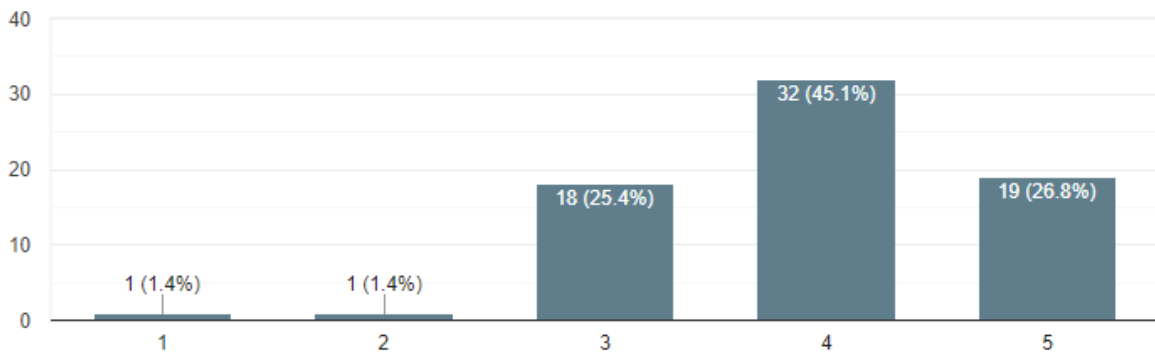


Figure: consumers reliability

As the graph rises above, we can see that people feel it more safe and secure to pay their bills or do other transactions comfortably using bKash. Customer satisfaction is very much essential to keep the customers attached to the organization. According to the survey, we can see that people are more responsive, reliable, assured about their transactions made by bkash. They are more dependable, firm about their mode of dealing.

How frequently do you use the service?

71 responses

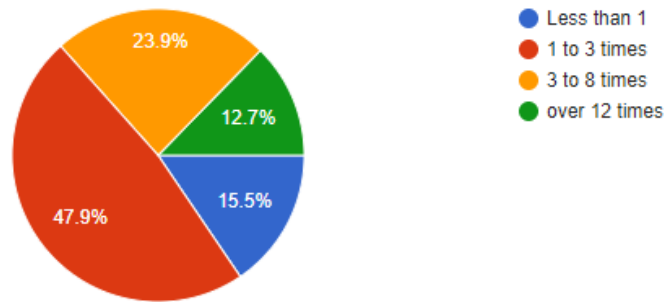


Figure: frequency of use

From the figure, we can see that it has a wide usage among its customers. The frequency of usage shows us about the dependency rate, reliability rate and popularity. It has seen that people are using bKash 1 to 3 times for Transaction, in some cases, it is seen that some use it 3 to 8 times and some over 12 times also so from this statistic it is proven that bKash is very much admired among its users.

Mobile banking bKash saves time

71 responses

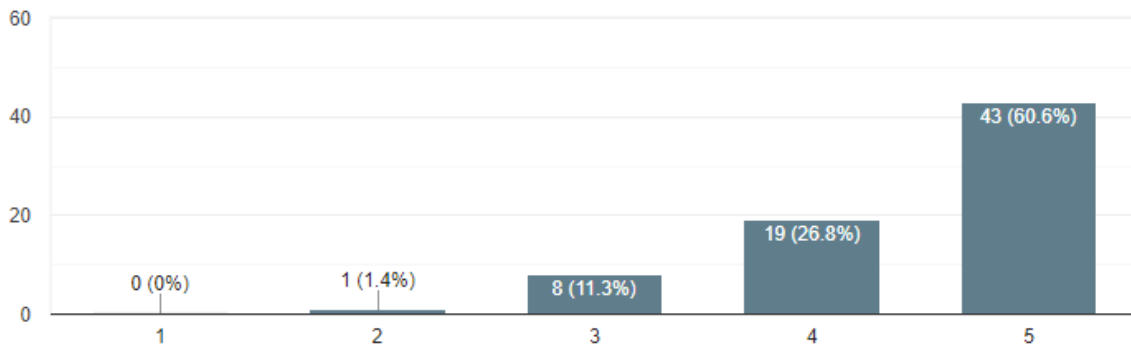


Figure: time savior

60.6% are in favor, according to the above statics, that using bKash has saved their time. People don't need to go from one place to another to do their payment or any transactions, and now they can sit at home and pay through bKash nor have to stand in the long queue for a long time. It is swift and easy to use and access, and money transfer or bill payments are made effortlessly and straightforwardly through bKash.

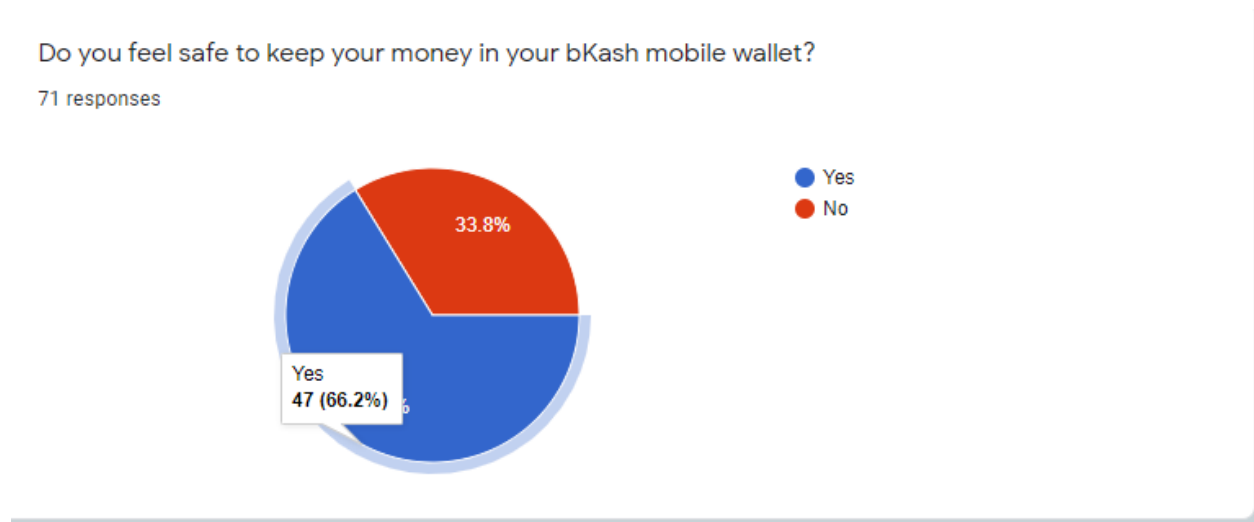


Figure: safety of mobile wallet

From the above two diagrams, we can see that mobile wallet, bKash is very praised as we all know that mobile phone has become one of part and parcel of our life, even if we don't carry anything else but still carry our mobile phone. What else can be better than keeping our money in our mobile wallet .so, during any emergency, we can pay or transact our money using our mobile phone wallet. bKash has released its first mobile application. It has given the online transaction system a new dimension and boosted the speed; we may use the bKash mobile wallet to pay money, receive money, or request money to another bKash number. bKash may be used to pay thousands of

businesses.

App.

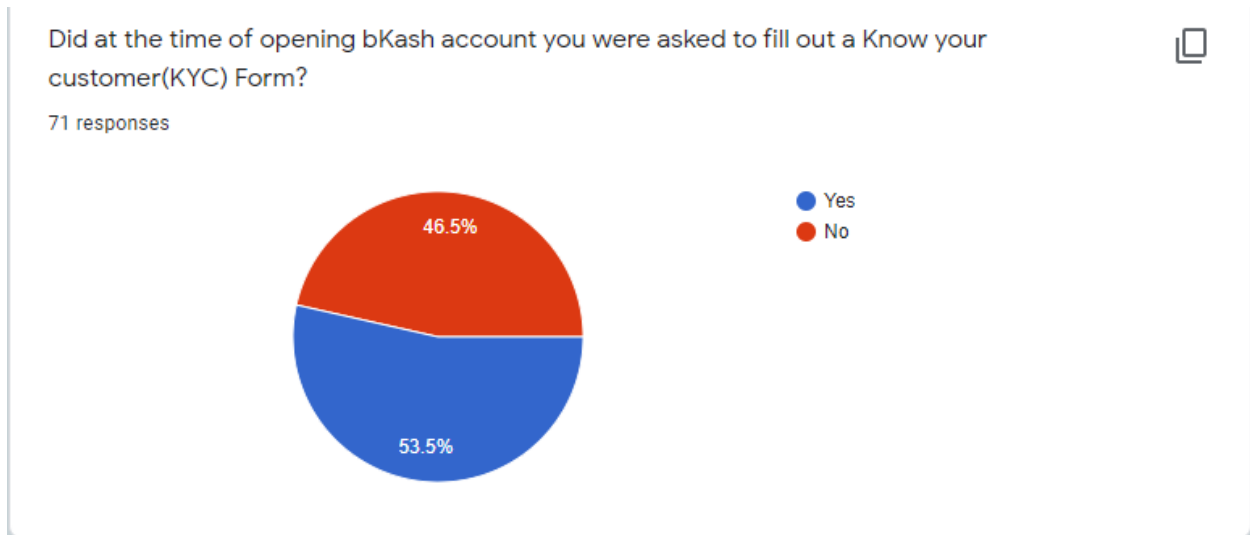


Figure: Know Your Customer

Through the above figure we can see that people have responded “yes” that at the time of opening their bKash account they were asked to fill out a KYC form. The goal of the KYC guideline is to prevent criminal elements from using banks and mobile financial services for money laundering purposes. It also allows MFS to have a better understanding of its clients, including their monthly income, employment, date of birth, mother's name, and address, in order to better service them and manage risks. KYC is designed to limit the risk of identity theft, money laundering, financial fraud, and criminal organization financing. KYC aids in the management of risks and the comprehension of client behavior. When you open a bKash account, you must provide your KYC information. In certain circumstances, KYC stands for "know your customer" or "know your client.". When creating an account and on a regular basis, KYC is a mandated procedure of identifying and validating the client's identification. In other words, it is done to make sure that the clients are genuinely who they claim to be. It is done in order to verify the identity of their customers, understand the nature of their transactions and assess their risk for money laundering and other financial crimes. It is a precaution against illegal activities like Money Laundering and Financing terrorism, bribery or corruption.

Does bKash have a separate compliance for AML (Anti-Money Laundering) and CFT (Combating Finance Terrorism)

71 responses

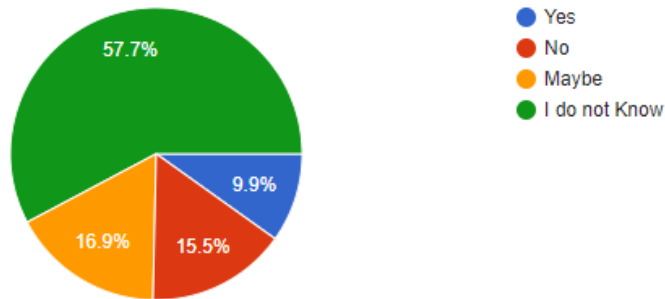


Figure: people's knowledge about the compliance

According to the above given diagram it is seen that Most of the people doesn't know the fact that country's largest Mobile Financial Service bKash have a separate compliance for AML and CFT. A money laundering prevention and detection program is a collection of rules and processes those financial institutions follow to prevent and identify money laundering and terrorist funding. bKash follows guidelines The ECAD division of bKash aligns bKash's objectives with Bangladesh Bank laws requiring MFS providers to limit the risk of money laundering and terrorism funding. Bangladesh Financial Intelligence Unit (BFIU) provides the compliance and amendments related to risk mitigation for bKash. ECAD deals with the external affairs related to bKash. there are some teams under Anti Money Laundering and Combating Financing Terrorism

The teams and their functions:

- **CPMCT: Compliance Process Monitoring & Control Team:** This group collaborates with customer service representatives, double-checks their work, provides comments, and develops methods for further improvement after compliance.

- **RMCT: Risk Monitoring & Control Team:** This team keeps an eye on things, identifies hazards that might occur from utilizing bKash services, and takes steps to reduce such risks.
- **SCT: Strategic Compliance Team:** This group examines the potential hazards that may occur as a result of implementing new methods and devises solutions to mitigate such risks.
- **STR/SAR: Suspicious Transaction Report/ Suspicious Activity Report Team:** This team investigates anomalous bKash transactions and activity, files complaints, and takes appropriate action.
- **Training team:** This team educates agents, distributors, and merchants in accordance with the Bangladesh Financial Intelligence Unit's regulations (BFIU)
- **CA&D: Compliance Analysis & Documentation:** This team is in charge of the department's documentation and records, as well as interacting with Bangladesh Bank directly.
- **FCAT: Field Compliance Assessment Team:** This group works in the field and evaluates odd transactions using prime causes.
- **RAMCO: Regional Anti-Money Laundering Compliance Officer:** They are the leaders of separate divisions in various areas that monitor regional issues that arise as a result of bKash services.

Thus, bKash is working to secure the Future Security of bkashs money Transaction due to Money Laundering and Financing Terrorism. Various teams under AML and CFT department are relentlessly working to prevent Money Laundering, prevent illegal transactions, or any other illegal activities such as drug dealing, trafficking or terrorist funding. bKash strictly monitors these types of unlawful things, prevents those from occurring, keeps a strict eye, rigorously monitors any illicit transactions, and reports those as soon as identified.

Summary: After conducting the poll, I came to the conclusion that individuals had a high level of trust in bKash. As a consequence, they complete their transactions without worry every day, and bKash is working around the clock to keep people's important goods safe and secure utilizing the latest technology, personnel and compliance officers, and BFIU standards and amendments. And we have also known that bKash has its separate department of AML&CFT and several teams working under them to fight any illegal, unethical, unlawful activities. So, thus it gives us an insight

that bKash is ensuring the future security of money of its customers and illegal transactions occurring due to "Money laundering and financing terrorism."

Recommendation: although bKash is vigorous in its works and functions, all the officers are actively doing their job 24/7 with high potentials and advanced technology. Still, I would like to recommend maintaining more effective risk assessment, develop new policies and procedures with the advancement of time. New guidelines should emerge to sustain in the competitive market. They have to utilize technology for active client due diligence. Moreover, they should decrease their threshold level and percentage in the app while recognizing the customers' faces; otherwise, they might lose their potential customers.

Conclusion: to conclude I would like to say that bKash is one of the most popular mobile financial services in our country, and most widely used. People have much faith in bKash for the safety of their money. Its transaction and bKash are also working in full swing to keep its valuable customers' trust and keep the country free from illegal activities and contribute to its economy. Still, by upgrading policies and adapting to new technology, they can provide the most polished service and prevent all sorts of Money Laundering activities and combat the financing of Terrorism.

Appendix:

1. Do you use Mobile Financial Services (bKash)?

- Yes
- No

2. Your age

- 15-20
- 21 - 25
- 26 - 30
- 31 - 40
- Above 40

3. Occupation

- Student
- Job holder
- Business Person
- Self employed
- others

4. What is your desired payment system / desired mode of transaction?

- Cash Transactions
- Credit Transaction
- Card Payment
- Mobile Banking

5. Is Mobile Financial Service bKash a reliable way for making various types of transactions?

- Strongly Agree
- Agree
- Neutral
- Disagree
- Strongly Disagree

6. How frequently do you use the service?

- Less than 1
- 1 to 3 times
- 3 to 8 times
- over 12 times

7. Do you feel safe to keep your money in your bKash mobile wallet?

- yes

- No

8. Did at the time of opening bKash account you were asked to fill out a Know your customer (KYC) Form?

- Yes
- No

9. Does bKash have a separate compliance for AML (Anti-Money Laundering) and CFT (Combating Finance Terrorism)?

- Yes
- No
- Maybe
- I do not know

10. Is Mobile Financial Service bKash a reliable way for making various types of transactions?

- Strongly Agree
- Agree
- Neutral
- Strongly Disagree
- Disagree

Bibliography:

- *Oxfam*. (2013). Retrieved from <https://oxfamblogs.org/bangladesh/oxfam-and-bkash-seal-the-deal-to-work-for-humanitarian-response/>
- *bKash*. (2017). Retrieved from <https://www.bkash.com/news/bkash-ranked-23rd-fortune%E2%80%99s-top-50-change-world-list>
- Daily Sun. (2019). *bKash hands over books to book reading program of BSK*.
- *bKash*. (n.d.). Retrieved from <https://www.bkash.com/about/company-profile>
- Hossain, M. (April 2017). *Future Role of Financial Mobile services in Bangladesh*.
- *International Compliance Association*. (n.d.). Retrieved from <https://www.int-comp.org/careers/a-career-in-aml/what-is-cdd/>
- Jaheed Parvez, A. I. (April 2015). *Financial Services in Bangladesh*.
- Opu, M. H. (2019). Liberation War Museum starts collecting donations through bKash
- [https://en.wikipedia.org/wiki/BKash#:~:text=bKash%20\(Bengali%3A%20%E0%A6%AC%E0%A6%BF%E0%A6%95%E0%A6%BE%E0%A6%B6\)%20is,LLC%2C%20United%20States%20of%20America](https://en.wikipedia.org/wiki/BKash#:~:text=bKash%20(Bengali%3A%20%E0%A6%AC%E0%A6%BF%E0%A6%95%E0%A6%BE%E0%A6%B6)%20is,LLC%2C%20United%20States%20of%20America).