

Arafat "koko" Rahman (Singapore)

Case ID:

ARW-17

Jurisdiction of Origin of Public Official or Entity Allegedly Involved:

Bangladesh

Position of Public Official(s) (yrs in office):

Son of Prime Minister Khaleda Zia (1991-1996, 2001-2006)

Jurisdiction of Asset Recovery:

Singapore

Jurisdiction of Asset Recovery ? Description:

Undertaking Recovery Effort, Location of Recovery Effort, Asset Location / Alleged Asset Location

Asset Recovery Start:

2008

Asset Recovery End:

2013

UNCAC Offenses Implicated:

Art.16

Art.18

Art.23

Money laundering Implicated:

Yes

Legal Basis for Asset Recovery:

Actions Initiated by Foreign Jurisdiction

Intl.Cooperation: MLAT/Letter of Request?:

MLAT

Basis for Intl Cooperation:

United Nations Convention against Corruption

Contributing Factors in Asset Recovery:

Criminal conviction in Bangladesh, US foreign bribery case settlement with Siemens and subsequent non-conviction based asset forfeiture action against proceeds located in Singapore; also, as noted by the law firm Edwards Wildman, "We understand that Mr Rahman's conviction appears to have been partially based on the offence of illicit enrichment, the usual method of enforcement through the mutual legal assistance procedure was not available in Singapore. Illicit enrichment is an offence in some countries where a public official gains a significant increase in his assets which he/she cannot reasonably explain in relation to his/her lawful income. This is a crime that is generally not considered punishable in many countries like the UK and Singapore, making enforcement of a confiscation order based on such an offence complicated. Further, Singapore does not have a (non-conviction based) civil forfeiture procedure. Despite these hurdles, Singapore was nevertheless able to return the funds in the Fairhill account by using a legal tool called the 'disposal inquiry' mechanism. It would be prudent to add that one suspects that this particular mechanism was only viable because of the specific facts of this case." (Source: Antonio Suarez-Martines, "Civil forfeiture without borders: Bangladesh shows that where there's political will there's a way," Edwards Wildman, September 9, 2013.)

Status of Asset Recovery :

Completed

Stage in Asset Recovery Chain:

Assets Returned to Victim or Requesting Jurisdiction

Agreement for Returned Assets:

No

Agreement for Returned Assets - Description:

No formal agreement but according to the Daily Star, the Chairman of the Anti-Corruption Commission stated that the returned assets would be used for anti-corruption initiatives. (Source: Daily Star, "S'Pore returns Tk. 7.4 cr more," August 28, 2013.)

Case Summary:

According to the Anti-Corruption Commission of Bangladesh, the U.S. and Bangladesh were engaged in joint efforts to recover Mr. Rahman's alleged bribery proceeds held in Singaporean bank accounts. (Source: Anti-Corruption Commission of Bangladesh, "US, Bangladesh joint effort to retrieve Coco 'bribes'," News Updates - Jan 2009.) According to the Daily Star, between November 2012 through August 2013, Singapore returned \$2,661,070 to Bangladesh in confiscated assets and accrued interest. (Source: Daily Star, "S'Pore returns Tk. 7.4 cr more," August 28, 2013.)

A December 19, 2008 press report, the Anti-corruption Commission of Bangladesh had initiated an inquiry into alleged corruption proceeds held by Mr. Rahman in Singapore, and that Singapore had temporarily frozen S \$2,061,093 and U.S. \$261,477 in transactions by Mr. Rahman. (Source: "Singapore freezes Tk 11.6 cr of Koko: ACC begins probe," Priyo.com, December 19, 2008.) The civil asset forfeiture complaint filed by the United States Government, in U.S. v. All Assets Held in the name of ZASZ Trading & Consulting Pte Ltd., had alleged that ZASZ is a Singapore company created at the direction of Mr. Rahman by Lim Siew Cheng of Henry Noon & Co Management Consultants firm, which also allegedly established Mr. Rahman's account at United Overseas Bank at the instruction of Mr. Rahman in 2004. (Source: U.S. v. All Assets Held in the Name of Zasz Trading and Consulting PTE Ltd., et. al, Case No. 1:09-cv-00021-JDB (D.D.C.), Amended Complaint for Forfeiture In Rem, Filed on August 21, 2009. See also, case entry on asset recovery efforts by the United States.) Singapore's Today Online reported that Mr. Lim Siew Cheng was fined on January 3, 2011 for his failure to inform authorities that the money he had been dealing with could have been obtained from criminal activity. (Source: Alkhatib, Shaffiq. "MD fined over suspect cash in bank accounts." Today Online, Jan. 4, 2011, accessed at <http://www.todayonline.com/Print/Singapore/EDC110104-0000173/MD-fined-ov....>)

Disposition of Criminal Case(s):

According to the Press Trust of India, on June 23, 2011, Mr. Rahman was sentenced following his conviction in absentia on corruption charges. (Source: Press Trust of India, "Former Bangladeshi premier Khaleda Zia's younger son jailed for bribery," June 23, 2011.) According to the Daily Star, on April 27, 2011, Mr. Rahman's lawyers filed a petition to have his criminal case dismissed, pursuant to a February 9 ruling by the Bangladesh Supreme Court that acts committed before the passage of the Money Laundering Prevention Act of 2009 cannot be tried under it. The article stated that the Anti-Corruption Commission of Bangladesh would take action after scrutinizing the Supreme Court's decision and the relevant laws. (Source: The Daily Star, "Koko's lawyers for withdrawal of case," April 28, 2011, accessed at <http://www.thedailystar.net/newDesign/news-details.php?nid=183469>.) The trial had begun in Bangladesh in January 2011; he was being tried in absentia. (Source: BDCAN, "Trial of Arafat Rahman begins," January 5, 2011).

Jurisdiction of Origin: Investigative Agency:

Anti-Corruption Commission of Bangladesh

Jurisdiction of Origin: Prosecuting Authority/Civil Attorney(s):

Anti-Corruption Commission of Bangladesh

Jurisdiction of Origin: Courts Involved:

Special Court

Jurisdiction of Asset Recovery: Investigative Agency:

Corruption Practices Investigation Bureau

Jurisdiction of Asset Recovery: Prosecuting Authority/Civil Attorney(s):

Unknown

Jurisdiction of Asset Recovery: Courts Involved:

Unknown

Documents:

Rahman_DDC_Amended_Complaint_Aug_21_2009.pdf

Rahman_DDC_Default_Order_Apr_7_2010.pdf

Rahman_DDC_Govt_Default_Memo_Exhibit_Feb_10_2010.zip

Rahman_Dhaka_Ask_Gaea_News_Feb_2_2009.pdf

Rahman_Singapore_Freeze_ICAR_Priyo_Dec_19_2008.pdf




Rahman_Singapore_Intermediary_Today_Jan_4_2011.pdf

<http://star.worldbank.org/corruption-cases/sites/corruption-cases/files/document...>

Rahman_Trial_Begins_BDCAN_Jan_5_2011.pdf

Rahman_Bangladesh_Sentenced_NDTV_Jun_23_2011

Documents:

Attachment	Size
 Rahman_Returns_3_Tranches_Daily_Star_Aug_28_2013.pdf	640.19 KB
 Rahman_US_Asset_Return_Edwards_Wildman_Blog_Sep_9_2013.pdf	241.66 KB
 Rahman_Bangladesh_Sentenced_NDTV_Jun_23_2011.pdf	424.69 KB

Other Sources:

Antonio Suarez-Martines, "Civil forfeiture without borders: Bangladesh shows that where there?s political will there?s a way," Edwards Wildman, September 9, 2013, at <http://www.anticorruptionlaw.com/blog.aspx?entry=5033>; Daily Star, "S'Pore returns Tk. 7.4 cr more," August 28, 2013, at <http://www.thedailystar.net/beta2/news/spore-returns-tk-7-4cr-more/>; "Singapore freezes Tk 11.6 cr of Koko: ACC begins probe," Priyo.com, December 19, 2008, as posted on www.assetrecovery.org/kc/node/144dedf6-2b46-11de-900c-81c63910293a.2; Gaea News, "Dhaka asks U.S. for money siphoned off by Zia's son," February 2, 2009, as posted on www.assetrecovery.org/kc/node/ba567240-2030-11de-a9b1-0d536ac86161.6; BDCAN, "Trial of Arafat Rahman begins," January 5, 2011, accessed at <http://www.bdcan.ca/banglanews/news.details.php?news=1430>;

U.S. v. All Assets Held in the Name of Zasz Trading and Consulting PTE Ltd., et. al, Case No. 1:09-cv-00021-JDB (D.D.C.), Amended Complaint for Forfeiture In Rem, filed August 21, 2009 and Memorandum Opinion and Order of Default Judgment and Judgment of Forfeiture, filed April 7, 2010 and Government Motion for Default Judgment and Exhibit 2, filed on February 19, 2010. See also, Alkhatib, Shaffiq. "MD fined over suspect cash in bank accounts." Today Online, Jan. 4, 2011, accessed at <http://www.todayonline.com/Print/Singapore/EDC110104-0000173/MD-fined-ov...> Press Trust of India, "Former Bangladeshi premier Khaleda Zia's younger son jailed for bribery," June 23, 2011, accessed at <http://www.ndtv.com/article/world/former-bangladeshi-premier-khaleda-zia...>

