

China uncovers largest money laundering case

Authorities in China's commercial center [Shanghai](#) has uncovered a five billion yuan (633 million U.S. dollars) money laundering case, the largest ever in the country's history.

The case was exposed accidentally in a probe into falsification in business registration jointly launched by the Shanghai office of the central bank and other government agencies, the Shanghai Securities News said Friday.

The report gave no details of the case other than that it involves "underground" banks, or illegal private businesses offering remittance, foreign exchange and other banking services.

Though a relatively new thing in China, anti-money laundering has been increasing attention by Chinese authorities.

In 2003 the central bank was given the power to handle anti-money laundering investigations.

In October this year, the national legislative body adopted the country's first anti-money laundering law, which expanded the definition of money laundering to include bribery, and gave the central bank greater power in investigations.

The new law, which will take effect on Jan. 1, 2007, will pave the way for China to join the Financial Action Task Force on Anti-Money Laundering (FATF), an international organization also devoted to cut off funding to terrorists.

Source: Xinhua

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