

Chinese Crypto Addresses Sent \$2.2 Billion To Scams Between April 2019 And June 2021

According to a report from blockchain data platform Chainalysis released on Tuesday, Chinese cryptocurrency addresses sent more than \$2.2 billion worth of digital tokens to addresses tied to illegal activity such as scams and darknet operations between April 2019 and June 2021.

China's transaction quantity with illicit addresses has fallen drastically over the two-year interval when it comes to absolute worth and relative to different nations, Chainalysis stated. The massive motive is the absence of large-scale Ponzi schemes because the 2019 rip-off involving crypto pockets and alternate PlusToken that originated in China, is famous.

Users and customers lost an estimated \$3 billion to \$4 billion (roughly \$3 billion Rs. 22,230 crores) to \$4 billion (roughly Rs. 29,650 crores) from the PlusToken scam.

The overwhelming majority of China's unlawful fund actions in crypto has been associated with scams, though that has declined as nicely, the Chainalysis report stated.

"That is probably due to the attention raised by PlusToken, in addition to the crackdowns within the space," stated Gurvais Grigg, international public sector chief know-how officer at Chainalysis, in an email to Reuters.

Chainalysis described China as the hub of the global fentanyl trade, with many Chinese producers of the drug-using cryptocurrency to carry out transactions.

Most cryptocurrency-based cash laundering entails mainstream digital forex exchanges, typically by means of over-the-

counter desks whose companies are constructed on high of those platforms.

Chainalysis famous because China seems to be moving towards companies and people facilitating this exercise.

It cited Zhao Dong, founder of several Chinese OTC businesses, pleading guilty in May to money laundering charges after being arrested last year.