

US sanctions Pak money laundering group, Dubai-based affiliate

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Washington: The US has slapped sanctions on a Pakistan-based group and its affiliate in Dubai, which have ties with terrorist outfits like the LeT and underworld don Dawood Ibrahim, for laundering money for criminals and political activists.

“The Khanani Money Laundering Organisation exploits its relationships with financial institutions to funnel billions of dollars across the globe on behalf of terrorists, drug traffickers, and criminal organisations,” said Acting Under Secretary for Terrorism and Financial Intelligence Adam J Szubin yesterday.

“Today’s action hinders the Khanani Money Laundering Organisation from gaining access to the international financial system to launder money for these illicit actors,” he said.

The Pakistan-based group launders illicit funds for organised crime groups, drug trafficking organisations, and designated terrorist outfits throughout the world, the US Treasury said.

Additionally, the Treasury also designated Dubai-based money services firm Al Zarooni Exchange for being owned or controlled by, or acting for or on behalf of directly or indirectly, the Khanani MLO, and for materially assisting, sponsoring, or providing financial, material, or technological support for, or goods or services to or in support of, the Khanani MLO.

As a result of the Treasury’s action, any property in the US, or in the possession or control of the US, persons, in which Khanani MLO or Al Zarooni Exchange has an interest, are blocked, and Americans are prohibited from engaging in transactions with them.

Khanani MLO is a transnational criminal organisation (TCO) composed of individuals and entities operating under the supervision of Pakistani national Altaf Khanani, who the US Drug Enforcement Administration (DEA) arrested this September.

Khanani MLO facilitates illicit money movement between Pakistan, the UAE, the US, the UK, Canada, Australia, and other countries, and is responsible for laundering billions of dollars in organised crime proceeds annually. It offers laundering services to a diverse clientele, including Chinese, Colombian, and Mexican organised crime groups and individuals associated with Hizballah, the Treasury said.

“Khanani MLO has also laundered funds for designated terrorist organisations. Altaf Khanani, the head of the Khanani MLO, and Al Zarooni Exchange have been involved in the movement of funds for the Taliban, and Altaf Khanani is known to have had relationships with Lashkar-e-Tayyiba, Dawood Ibrahim, al-Qaeda and Jaish-e-Mohammed,” the Treasury said.

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