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## **P@LICY REVIEW**

# Guideline takes aim at telecom fraud

Document calls on authorities to ramp up crackdown on pervasive crime

By YANG ZEKUN

uangzekun@chinadailu.com.cn

hina has recently issued a new guideline on cracking down on telecom fraud, with the aim of curbing crime and improving comprehensive social

The general offices of the Central Committee of the Communist Party of China and the State Council, China's Cabinet, jointly issued the guideline in April.

It called on authorities to uphold the people-centered approach, curb the high incidence of telecom fraud and improve the level of social governance to secure the sense of gain, happiness and security.

Telecom fraud in China has become a serious issue in recent vears. It is the most widespread the fastest rising crime with the broadest coverage and the largest number of public complaints. In response, authorities have made significant achievements in curbing the offense, said an official with the interministerial liaison conference office on fighting telecom fraud under the State Council.

The crackdown and governance of telecom fraud crimes is a complex social issue. Currently, fraudsters are taking advantage of sectors such as finance, telecommunications and the internet to commit crime, so comprehensive governance needs to be enhanced in these areas, the official said.

"It is imperative for the central government to create a system to combat these crimes based on the successful crackdown in recent years," the official said.

The document called on authorities to severely punish fraudsters and form a joint force to combat the

The mechanism for investigating and dealing with funds obtained by fraud should be improved to maximize the recovery of stolen money. In addition, legal support should be enhanced to bolster the crackdown and integrated governance, it said.

Authorities are required to strengthen international law enforcement and judicial cooperation, and work actively on the extradition and repatriation of fugitives.

The document also called on relevant authorities to intensify technicountermeasuresagainst telecom fraud; establish a mechanism for dealing with fraudulent websites, apps, phone calls and SMS; continue to improve early warning monitoring and discovery; and identify potential victims in a timely manner to take dissuasive measures.

Government departments should also establish a comprehensive publicity and education system to raise public awareness of telecom

Furthermore, oversight and governance should be strengthened in the sectors involved. The document asked regulators to establish safety assessment and access systems, enhance supervision over the financial industry to detect and control new money laundering channels,



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tration system for telephone users.

The departments should also establish a three-level accountability system covering themselves as well as companies and suspects, and those engaged in fraud should be subject to the highest level of punishment under the national social credit system.

Party committees and governments at all levels should intensify efforts to fight telecom fraud by pooling resources, clarifying roles and coordinating plans.

tions, internet and other sectors subject to telecom fraud should ensure their supervisory systems are fully implemented, and improve

their ability to combat the crime. "The rising trend of telecom fraud in recent years has been effectively contained due to tough crackdown measures, and the number of registered cases has decreased continuously since last June," Vice-Minister of Public Security Du Hangwei said.

nd coordinating plans.

The financial, telecommunicaresolved 441,000 telecom fraud cas-

es and arrested about 690,000 suspects, up 37.1 percent and 90.6 percent year-on-year, respectively.

Du said that the ministry has worked with other departments to track down culprits, including those who leave the country to commit fraud or to use phone and bank cards to carry out fraudulent activi-

Authorities have deeply integrated big data, cloud computing and artificial intelligence with prevention measures to protect the public

During the past year, authorities have prevented 61.7 million people from being defrauded, blocked 1.95 billion fraudulent calls, 2.14 billion text messages, 2.1 million domain names and websites, and halted 329 billion yuan (\$5.16 billion) in fraud payments.

During the same period, public security organs have persuaded 210,000 fraud suspects to return from abroad and overall, the number of people overseas committing fraud against Chinese citizens has dropped significantly.

due to a decadelong fishing ban. In a notice issued in May, the five departments said local authorities should ensure the wellbeing of the fishermen, and offer

and more effective skills training. Authorities should focus on those who are unemployed, don't have a stable job or who have experienced a significant

In addition, the notice asked

China imposed a 10-year ban on commercial fishing along the Yangtze on Jan 1 last year to restore biodiversity.

Efforts to curb scams succeeding, but situation remains grim

By YANG ZEKUN

The crackdown on telecom fraud has achieved good results, but the situation remains complicated and grim and requires comprehensive governance, authorities

According to the Ministry of Public Security, the number of registered telecom fraud cases has decreased continuously since last June due to effective measures taken by all relevant departments.

Liu Zhongyi, head of the criminal investigation bureau at the Ministry of Public Security, said that telecom fraud has evolved significantly in tandem with technology in recent years, and fraudsters are taking advantage of global problems such as the COVID-19

"Currently, telecom fraud is

growing rapidly in developed countries," he said. "With COVID-19 rampant, more people are relying on the internet to work and purchase goods. This has further exacerbated the problem."

Fraud gangs closely follow social media trends and alter their scripts according to illegally gathered personal information to better target different groups. Public security organs have uncovered over 50 types of fraud, including those related to investment and financial management and online loans.

Some fraudsters also pretend to be customer service agents and even impersonate officers from public security organs, procuratorates and courts, Liu said.

The gangs capitalize on blockchain, virtual currency, GoIP, artifiintelligence and other technologies to commit crimes. As

the number of tools they can use grows, the number of crimes is escalating, he said.

"About 60 percent of telecom fraud cases are committed through fake apps, and the swindlers have begun to make extensive use of SMS, virtual private networks, cloud voice calls and foreign phone cards to commit fraud," Liu said. "Also, they have reduced their usage of third-party payment or corporate accounts for money laundering, opting to use digital currencies instead.

He said that gangs are well organized, with leaders often hiding abroad and recruiting inexperienced youngsters through promises of high salaries. Via chat software, they instruct people on the Chinese mainland to engage in various crimes

"There are still a large number of

criminal gangs in Cambodia, the Philippines, the United Arab Emirates, Turkey, northern Myanmar and other countries and regions committing fraud targeting Chinese citizens," Liu said.

The general offices of the Central  $\,$ Committee of the Communist Party of China and the State Council jointly issued a document in April on strengthening the crackdown on telecom fraud.

The financial, telecommunications, internet and other industries should improve their ability to fight fraud, it said.

Sui Jing, head of the network security administration bureau of the Ministry of Industry and Information Technology, said that it has set up anti-fraud teams and strengthened cooperation with public security organs.

Last year, the ministry disposed

of 97 million phone cards and removed 57 million internet accounts affiliated with them to thwart gangs.
"The ministry will improve gov-

ernance of the internet and crossborder telecoms, strengthen the regulation of key businesses involved in fraud and steadily promote credit management," Sui said. "Furthermore, anti-fraud technologies will be enhanced to improve integrated technology as well as defensive monitoring and early warning."

Telecom operators in the provinces of Zhejiang, Henan, Jiangxi, Liaoning, and Guizhou have blocked text messages and phone calls by default from Hong Kong, Macao, Taiwan and international locations to prevent cross-border telecom fraud and protect customer safety.

#### **Policy Digest**

#### Schools urged to hire university graduates



of Resources and Social Security and the Ministry of Education have issued a notice asking local education authorities to help kindergartens and primary, middle and high schools employ more university graduates.

Authorities should boost recruitment for subjects experiencing a shortage of teachers, including music, physical education, arts, science and special education.

In calling for more open recruitment of kindergarten teachers, the ministries said authorities should make sure preschool teachers are paid on time and in full, and ensure equal pay for equal work.

Also, kindergartens should contribute their full share of social insurance and housing funds as mandated by law, and vocational schools should also recruit more teachers

The ministries emphasized the need to strictly examine all job applicants. Local authorities should let their Party organizations play a leading role in examining the ideological and political quality and work ethic of applicants.

Moreover, schools and kindergartens must check whether applicants have records, and make sure not to recruit those that do.

### Degree holders sought to aid rural development The central government will

help governments and institutions in rural areas recruit 34,000 university graduates this year to implement a national project to assist rural development, according to the Ministry of Human Resources and Social Security and the Ministry of Finance.

The project was launched in 2006 to encourage university graduates to work at the township level for two years in posts related to agriculture, educa-tion, healthcare and the promotion of rural vitalization.

Local human resources and financial authorities should fully grasp the significance of the project and take concrete measures toward its implementation, the ministries said in a notice issued earlier this month, asking local authorities to finish this year's recruitment by the end of August.

Furthermore, the central government will help pay for special training for 8,000 participants in the project this year to hone their skills.

#### Authorities advised to help former fishermen

The Ministry of Human Resources and Social Security and four other departments have asked authorities in Shanghai, Chongqing and eight provinces along the Yangtze River to maintain efforts to assist former fishermen who have chosen to abandon work

targeted employment assistance

drop in income. They should ensure basic ocial security and encourage the former fishermen to pay their social insurance on time.

authorities to partially or fully cover endowment life insurance payments for the impoverished or those with serious disabilities and unable to pay.

WANG QINGYUN