

# Hong Kong Customs detects money laundering case with more than \$380 million involved

â€‹Hong Kong Customs arrested two persons suspected of engaging in money laundering activities involving about \$384 million during an operation today (December 28).

Acting upon intelligence, Customs officers targeted a woman and her younger brother who were suspected of using personal bank accounts and a cryptocurrency exchange trading platform in dealing with money from unknown sources and participating in money laundering activities.

Following in-depth investigations, Customs raided a residential premises in Yau Tong today. A 21-year-old man and a 28-year-old woman were arrested for "dealing with property known or reasonably believed to represent proceeds of an indictable offence" (commonly known as money laundering) under the Organized and Serious Crimes Ordinance (OSCO).

A further investigation revealed that the two arrested persons had opened personal accounts between May to November last year at various banks in Hong Kong (including virtual banks) and a cryptocurrency exchange trading platform, and engaged in suspected money laundering by dealing with money from unknown sources through bank transfers, cash deposits and cryptocurrency.

An investigation is ongoing. The two arrested persons have been released on bail pending further investigation and the likelihood of further arrests is not ruled out.

Under the OSCO, a person commits an offence if he or she deals with any property knowing or having reasonable grounds to believe that such property in whole or in part directly or indirectly represents any person's proceeds of an indictable offence. The maximum penalty upon conviction is a fine of \$5 million and imprisonment for 14 years while the crime proceeds are also subject to confiscation.

Members of the public may report any suspected money laundering activities to Customs' 24-hour hotline 2545 6182 or its dedicated crime-reporting email account ([crimereport@customs.gov.hk](mailto:crimereport@customs.gov.hk)).

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# Coordination Group on Implementation of Fintech Initiatives convenes first meeting

The Coordination Group on Implementation of Fintech Initiatives (CGFin), chaired by the Secretary for Financial Services and the Treasury, Mr Christopher Hui, today (December 28) convened its first meeting. Representatives of the Government and the financial regulators exchanged views on the latest developments in financial technology (fintech) with representatives from the financial services sector, academia and research institutions.

Mr Hui said, "The CGFin is established to holistically review and supervise the fintech development in Hong Kong, covering various key areas including collaboration with the Mainland and overseas markets, financial infrastructures, regulatory regimes, cybersecurity, promotion, talent development and other cross-sectoral fintech co-ordination, with a view to ensuring our policy and regulations are proactive enough to promote the further development of fintech in Hong Kong."

Meeting participants reviewed fintech's overall landscape and development trend in Hong Kong and beyond. They also exchanged views on various initiatives in place to facilitate the incubation process of fintech products, facilitate enterprise financing through fintech and nurture fintech talent.

The People's Bank of China (PBoC) and the Hong Kong Monetary Authority (HKMA) are actively building on a "one-stop platform" for fintech innovation supervisory co-operation in the form of a "network link-up" in the Guangdong-Hong Kong-Macao Greater Bay Area. Participants noted that the HKMA and the PBoC are working closely to finalise the implementation details of the initiative as soon as possible. They also noted the implementation status of the FinTech Virtual Lab launched by the Hong Kong Science and Technology Parks Corporation.

In addition, the HKMA briefed the participants on the progress of implementation of the Commercial Data Interchange. The platform has now entered the pilot launch stage and is expected to officially launch by the end of 2022.

Nurturing fintech talent is of particular importance to the development of the sector. Representatives of the Financial Services and the Treasury Bureau (FSTB) and Cyberport briefed the participants that a new round of the Financial Practitioners FinTech Training Programme would be rolled out soon. "The Chief Executive's 2021 Policy Address" put forward the development of professional qualification standards under the Qualifications Framework for the fintech sector. An FSTB representative reported the progress of the

relevant work at the meeting.

The Government and financial regulators also reviewed the progress in implementation of various policies and initiatives on promoting fintech development, which included the way forward for regulating virtual asset services providers.

The Secretary for Financial Services and the Treasury is the Chairman of the CGFin. Its members include the Permanent Secretary for Financial Services and the Treasury (Financial Services) and the Under Secretary for Financial Services and the Treasury, as well as representatives of the HKMA, the Securities and Futures Commission, the Insurance Authority, the Mandatory Provident Fund Schemes Authority, Invest Hong Kong, Cyberport and the Hong Kong Science and Technology Parks Corporation.

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## [Man sentenced for breaching compulsory quarantine order](#)

A 35-year-old man was sentenced to imprisonment for 14 days, suspended for 24 months, by the Kowloon City Magistrates' Courts today (December 28) for violating the Compulsory Quarantine of Certain Persons Arriving at Hong Kong Regulation (Cap. 599C).

The man was earlier issued a compulsory quarantine order stating that he must conduct quarantine at home for 14 days. Before the expiry of the quarantine order, he left the place of quarantine on May 15, 2021, without reasonable excuse nor permission given by an authorised officer. He was charged with contravening sections 8(1) and 8(5) of the Regulation and was sentenced by the Kowloon City Magistrates' Courts today to imprisonment for 14 days, suspended for 24 months.

Breaching a compulsory quarantine order is a criminal offence and offenders are subject to a maximum fine of \$25,000 and imprisonment for six months. A spokesman for the Department of Health said the sentence sends a clear message to the community that breaching a quarantine order is a criminal offence that the Government will not tolerate, and solemnly reminded the public to comply with the regulations. As of today, a total of 209 persons have been convicted by the courts for breaching quarantine orders and have received sentences including immediate imprisonment for up to 14 weeks or a fine of up to \$15,000. The spokesman reiterated that resolute actions will be taken against anyone who has breached the relevant regulations.

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## [Appeal for information on missing girl in Tsim Sha Tsui \(with photo\)](#)

Police today (December 28) appealed to the public for information on a girl who went missing in Tsim Sha Tsui.

Lin Sihan, aged 16, went missing after she was last seen in Tsim Sha Tsui (December 25). Her social worker made a report to Police on the same day.

She is about 1.52 metres tall, 50 kilograms in weight and of medium build. She has a round face with yellow complexion and long black hair. She was last seen wearing a pink and black checkered dress, white high heels and carrying a white bag.

Anyone who knows the whereabouts of the missing girl or may have seen her is urged to contact the Regional Missing Person Unit of Hong Kong Island on 2860 1040 or 9886 0034 or email to [rmpu-hki@police.gov.hk](mailto:rmpu-hki@police.gov.hk), or contact any police station.



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## [External merchandise trade statistics for November 2021](#)

The Census and Statistics Department (C&SD) released today (December 28) the external merchandise trade statistics for November 2021. In November 2021, the values of Hong Kong's total exports and imports of goods both

recorded year-on-year increases, at 25.0% and 20.0% respectively.

In November 2021, the value of total exports of goods increased by 25.0% over a year earlier to \$474.4 billion, after a year-on-year increase of 21.4% in October 2021. Concurrently, the value of imports of goods increased by 20.0% over a year earlier to \$486.0 billion in November 2021, after a year-on-year increase of 17.7% in October 2021. A visible trade deficit of \$11.6 billion, equivalent to 2.4% of the value of imports of goods, was recorded in November 2021.

For the first 11 months of 2021 as a whole, the value of total exports of goods increased by 26.5% over the same period in 2020. Concurrently, the value of imports of goods increased by 24.9%. A visible trade deficit of \$313.4 billion, equivalent to 6.5% of the value of imports of goods, was recorded in the first 11 months of 2021.

Comparing the three-month period ending November 2021 with the preceding three months on a seasonally adjusted basis, the value of total exports of goods decreased by 1.4%. Meanwhile, the value of imports of goods decreased by 1.8%.

#### Analysis by country/territory

Comparing November 2021 with November 2020, total exports to Asia as a whole grew by 25.7%. In this region, increases were registered in the values of total exports to most major destinations, in particular Taiwan (+63.0%), India (+48.3%), Malaysia (+47.4%), Korea (+42.7%) and Vietnam (+35.9%). The value of total exports to the mainland of China (the Mainland) also increased by 24.1%.

Apart from destinations in Asia, increases were registered in the values of total exports to some major destinations in other regions, in particular the USA (+32.2%).

Over the same period of comparison, increases were registered in the values of imports from most major suppliers, in particular Taiwan (+38.3%), the Mainland (+26.3%), the Philippines (+24.6%), Singapore (+21.9%) and Korea (+15.2%).

For the first 11 months of 2021 as a whole, year-on-year increases were registered in the values of total exports to most major destinations, in particular the United Kingdom (+63.8%), Taiwan (+47.8%), Korea (+42.3%), India (+32.5%) and the Mainland (+27.7%).

Over the same period of comparison, year-on-year increases were registered in the values of imports from most major suppliers, in particular Taiwan (+36.2%), Korea (+33.3%), Singapore (+32.0%) and the Mainland (+27.2%).

#### Analysis by major commodity

Comparing November 2021 with November 2020, increases were registered in the values of total exports of most principal commodity divisions, in

particular "electrical machinery, apparatus and appliances, and electrical parts thereof" (by \$48.7 billion or 30.2%), "office machines and automatic data processing machines" (by \$19.0 billion or 48.3%), "telecommunications and sound recording and reproducing apparatus and equipment" (by \$9.6 billion or 13.6%) and "miscellaneous manufactured articles (mainly jewellery, goldsmiths' and silversmiths' wares)" (by \$4.7 billion or 24.6%). However, a decrease was registered in the value of total exports of "non-ferrous metals" (by \$1.6 billion or -20.7%).

Over the same period of comparison, increases were registered in the values of imports of most principal commodity divisions, in particular "electrical machinery, apparatus and appliances, and electrical parts thereof" (by \$35.6 billion or 21.2%), "miscellaneous manufactured articles (mainly jewellery, goldsmiths' and silversmiths' wares)" (by \$11.7 billion or 50.6%), "office machines and automatic data processing machines" (by \$9.6 billion or 29.2%) and "telecommunications and sound recording and reproducing apparatus and equipment" (by \$7.9 billion or 12.0%). However, a decrease was registered in the value of imports of "essential oils and resinoids and perfume materials; toilet, polishing and cleansing preparations" (by \$1.6 billion or -21.0%).

For the first 11 months of 2021 as a whole, year-on-year increases were registered in the values of total exports of most principal commodity divisions, in particular "electrical machinery, apparatus and appliances, and electrical parts thereof" (by \$508.8 billion or 33.3%), "office machines and automatic data processing machines" (by \$114.3 billion or 29.5%), "telecommunications and sound recording and reproducing apparatus and equipment" (by \$78.6 billion or 13.1%), "miscellaneous manufactured articles (mainly jewellery, goldsmiths' and silversmiths' wares)" (by \$58.2 billion or 34.7%) and "non-metallic mineral manufactures" (by \$42.1 billion or 38.0%).

Over the same period of comparison, year-on-year increases were registered in the values of imports of most principal commodity divisions, in particular "electrical machinery, apparatus and appliances, and electrical parts thereof" (by \$477.9 billion or 29.7%), "telecommunications and sound recording and reproducing apparatus and equipment" (by \$104.8 billion or 18.2%), "office machines and automatic data processing machines" (by \$91.9 billion or 29.1%), "miscellaneous manufactured articles (mainly jewellery, goldsmiths' and silversmiths' wares)" (by \$77.0 billion or 38.6%) and "non-metallic mineral manufactures" (by \$41.1 billion or 36.8%).

#### Commentary

A Government spokesman said that the value of merchandise exports saw an accelerated year-on-year growth of 25.0% in November. Exports to the Mainland, the US and the EU all continued to grow notably, and those to other major Asian markets also showed double-digit increases. For the first 11 months of 2021 as a whole, total merchandise trade value amounted to \$9,258.4 billion, surpassing the high in the same period in 2018 by 13.6%.

Looking ahead, the continued global economic recovery should remain supportive to Hong Kong's export performance in the near term. Yet, the

threat arising from the rapid spread of the Omicron variant in many places of late, together with the disruptions arising from supply bottlenecks, may weigh on global economic growth. Developments of China-US relations, monetary and fiscal policies in major economies, and geopolitical tensions also warrant attention. The Government will monitor the situation closely.

#### Further information

Table 1 presents the analysis of external merchandise trade statistics for November 2021. Table 2 presents the original monthly trade statistics from January 2018 to November 2021, and Table 3 gives the seasonally adjusted series for the same period.

The values of total exports of goods to 10 main destinations for November 2021 are shown in Table 4, whereas the values of imports of goods from 10 main suppliers are given in Table 5.

Tables 6 and 7 show the values of total exports and imports of 10 principal commodity divisions for November 2021.

All the merchandise trade statistics described here are measured at current prices and no account has been taken of changes in prices between the periods of comparison. A separate analysis of the volume and price movements of external merchandise trade for November 2021 will be released in mid-January 2022.

The November 2021 issue of "Hong Kong External Merchandise Trade" contains detailed analysis on the performance of Hong Kong's external merchandise trade in November 2021 and will be available in mid-January 2022. Users can download the publication at the website of the C&SD ([www.censtatd.gov.hk/en/scode230.html](http://www.censtatd.gov.hk/en/scode230.html)).

Enquiries on merchandise trade statistics may be directed to the Trade Analysis Section (2) of the C&SD (Tel: 2582 5042).