

Cross-boundary Movement of Physical Currency and Bearer Negotiable Instruments Ordinance to come into operation on July 16

The Customs and Excise Department (C&ED) today (July 12) reminded members of the public that the Cross-boundary Movement of Physical Currency and Bearer Negotiable Instruments Ordinance (Chapter 629) will come into operation next Monday (July 16).

Under the Ordinance, a traveller who arrives in Hong Kong via a specified control point and is in possession of a large quantity of currency and bearer negotiable instruments (CBNIs) (i.e. the total value of which is more than HK\$120,000) must make a written declaration to a Customs officer, using the Red Channel under the Red and Green Channel System.

A traveller who is about to leave Hong Kong, or who arrives in Hong Kong not via a specified control point, must disclose upon the request of a Customs officer whether he or she is in possession of a large quantity of CBNIs and, if so, make a written declaration.

Declaration forms are available at the Red Channel of the Customs Arrival Hall and at the website of the C&ED.

For a large quantity of CBNIs imported or exported in a cargo consignment, an advance declaration must be made to the C&ED through the Currency and Bearer Negotiable Instruments Declaration System accessible at the website of the C&ED.

Persons who do not comply with the Ordinance will be liable to a maximum penalty of a fine of HK\$500,000 and imprisonment for two years. A traveller who breaches the declaration or disclosure requirement for the first time may discharge their liability by payment of HK\$2,000, on condition that he or she has not previously been convicted of any money laundering or terrorist financing offences, and his or her CBNIs are not reasonably suspected to be crime proceeds or terrorist property.

"In order to assist members of the public, visitors and relevant trades to comply with the new requirements, in the first three months of the commencement of the Ordinance, the C&ED will as far as possible issue written warnings to persons who breach the declaration or disclosure requirements under the Ordinance for the first time. The C&ED will remind such offenders of the requirements under the Ordinance when issuing written warnings.

"For repeat offenders, persons found to abuse the above arrangements or suspected to be involved in money laundering or terrorist financing, the C&ED will not issue warnings and will take enforcement actions in accordance with

the Ordinance," a spokesman for the C&ED said.

The Ordinance implements Recommendation 32 of the Financial Action Task Force to strengthen the prevention of money laundering and terrorist financing through the cross-boundary transportation of CBNIs. For details of the Ordinance, please visit the C&ED's designated webpage at www.customs.gov.hk/en/enforcement/cds/index.html or call the C&ED's hotline at 2815 7711.