

Effectiveness of second phase of territory-wide large-scale anti-illicit cigarette enforcement operation "Tempest" by Hong Kong Customs (with photos)

â€‹Hong Kong Customs mounted a territory-wide large-scale special operation codenamed "Tempest" since February 19 to step up enforcement in combating illicit cigarette activities on all fronts at each control point and all districts across the territory in Hong Kong. As of March 14, including the figures of the first phase, Customs detected a total of 1 361 related cases and seized about 61 million suspected illicit cigarettes, about 8 340 grams of cigars, and about 540g of manufactured tobacco products, with a total estimated market value of about \$270 million and a duty potential of about \$190 million. During the operation, Customs arrested 1 314 persons aged between 17 and 89, and detained nine vehicles suspected to be used for illicit cigarette distribution.

At the cross-boundary smuggling level, Customs continued to step up efforts to crack down on smuggling of tobacco products at airport, port, land boundary, rail and ferry control points, with a total of 56 related cases detected as of March 14. Moreover, Customs imposed penalties to 1 172 incoming passengers on offences compoundable under the Dutiable Commodities Ordinance (imposing penalty instead of prosecution), involving a total of about \$5.5 million penalties. In the above-mentioned cases, a total of about 280 000 suspected duty-not-paid cigarettes, about 8 340g of suspected duty-not-paid cigars, and about 540g of suspected duty-not-paid manufactured tobacco products were seized.

In one of the cases, through risk assessment and intelligence analysis, Customs on February 29 selected a 40-foot container, declared as carrying frozen food and arriving in Hong Kong from Taiwan, for inspection at the Kwai Chung Customhouse Cargo Examination Compound. Upon examination, Customs officers found about 9.5 million suspected illicit cigarettes in the container.

At the storage and distribution level, Customs mounted a joint operation with the Police on March 6 and raided container houses in San Tin, Lok Ma Chau. About 6 million suspected illicit cigarettes were seized in four container houses, smashing a large-scale suspected illicit cigarette storage centre.

At the peddling and retail level, Customs and the Tobacco and Alcohol Control Office (TACO) of the Department of Health conducted joint operations against the distribution of illicit cigarette promotion leaflets and the sale of illicit cigarettes through telephone orders in public housing estates.

During the operation, Customs officers arrested a total of 62 men and eight women, including 49 buyers and 21 sellers. The relevant cases involved buying and selling between 100 to 4 400 sticks of illicit cigarettes. Customs also assisted TACO to arrest a 14-year-old male student who was suspected of distributing illicit cigarette promotion leaflets. The case was handed over to TACO for follow-up action.

The operation "Tempest" is still ongoing.

A Customs spokesman said today (March 18), "The outcomes of the operation demonstrate the effectiveness of Customs' enforcement strategy. Customs will continue to step up enforcement to vigorously combat different levels of illicit cigarette activities through risk assessment, intelligence analysis and interception at source."

Smuggling is a serious offence. Under the Import and Export Ordinance, any person found guilty of importing or exporting unmanifested cargo is liable to a maximum fine of \$2 million and imprisonment for seven years.

Customs reminds members of the public that it is an offence to buy or sell illicit cigarettes and that conviction would lead to a criminal record. Under the Dutiable Commodities Ordinance, anyone involved in dealing with, possession of, selling or buying illicit cigarettes commits an offence. The maximum penalty upon conviction is a fine of \$1 million and imprisonment for two years.

Under the Dutiable Commodities Ordinance, incoming passengers, who fail to declare or make a false or incomplete declaration to a Customs officer on the quantity of dutiable goods in their possession which are in excess of the duty-free concessions are liable to prosecution. In 2023, the maximum penalty imposed by the court for possession of dutiable commodities by an incoming passenger is \$20,000, and the maximum imprisonment sentence is three months.

Customs may consider imposing a penalty on offences compoundable under the Dutiable Commodities Ordinance. Under the "Compounding Scheme", an offender is required to pay a penalty five times the equivalent of the duty payable on the dutiable goods concerned plus a fine of \$2,000. Under the new duty rates of tobacco, if a passenger brings an extra pack of 200 sticks of cigarettes, which are in excess of the duty-free concessions into Hong Kong without declaring it to Customs officers, the offender is required to pay a penalty of \$5,306 under the "Compounding Scheme".

In accordance with the Smoking (Public Health) Ordinance (Cap. 371), no person shall distribute any smoking product advertisement (including any promotion leaflets). Any person who contravenes the regulation is liable to a maximum fine of \$50,000.

Members of the public may report any suspected illicit cigarette activities to Customs' 24-hour hotline 2545 6182 or its dedicated crime-reporting email account (crimereport@customs.gov.hk) or online form (eform.cefs.gov.hk/form/ced002).

