

Grace period for Cross-boundary Movement of Physical Currency and Bearer Negotiable Instruments Ordinance will expire soon

The Customs and Excise Department (C&ED) today (October 9) reminded members of the public that rigorous enforcement of the Cross-boundary Movement of Physical Currency and Bearer Negotiable Instruments Ordinance (Chapter 629) will begin next Tuesday (October 16).

Under the Ordinance, a person 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 use the Red Channel under the Red and Green Channel System and make a written declaration to a Customs officer.

A person who is about to leave Hong Kong, or who arrives in Hong Kong other than at 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.

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 fail to comply with the declaration or disclosure requirements under the Ordinance are liable to a maximum penalty of a fine of HK\$500,000 and imprisonment for two years.

To assist members of the public, visitors and relevant trades to comply with the new requirements, in the three months since the commencement of the Ordinance, the C&ED has implemented a grace period and issued written warnings as far as possible to persons who breached the declaration or disclosure requirements for the first time.

As at last Sunday (October 7), the C&ED handled 6 697 declarations (including 4 294 from travellers and 2 403 for cargoes) and issued 20 written warnings, 18 to travellers and two in respect of cargoes.

"Starting on October 16, the C&ED will take enforcement action against breaches of the Ordinance without issuing any warnings," a spokesperson for the C&ED said.

The Ordinance implements Recommendation 32 of the Financial Action Task Force to detect cross-boundary transportation of large quantities of CBNIs for the purpose of anti-money laundering and counter-financing of terrorism.

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 enquiry hotline at 3759 3184.