

Hong Kong Customs detects case of precious metals and stones dealer carrying out specified transactions without registration

Hong Kong Customs yesterday (August 20) detected a case which involved a local watch company that conducted transactions of precious products with each transaction value exceeding HK\$120,000 without a registration under the Dealers in Precious Metals and Stones Regulatory Regime. The sole director of the company was arrested.

The investigation is ongoing. The arrested person has been released on bail pending further investigation.

According to the Anti-Money Laundering and Counter-Terrorist Financing Ordinance (Cap. 615), the Regime came into effect on April 1, 2023. Any person who is seeking to carry on a business of dealing in precious metals and stones in Hong Kong and engage in any transaction(s) (whether making or receiving a payment) with a total value at or above HK\$120,000 in Hong Kong is required to register with the Commissioner of Customs and Excise. Any dealer, other than a registrant, who claims to be a registrant, claims to be authorised to carry out, or carries out any cash or non-cash transaction(s) with total a value at or above HK\$120,000, is liable to a maximum fine of HK\$100,000 and imprisonment for six months upon conviction.

Hong Kong Customs reminds all dealers that the transitional period for registration under the Regime has ended. Any dealers in precious metals and stones must successfully obtain the relevant registration before they can carry out any cash or non-cash transaction(s) with a total value at or above \$120,000.

For the forms, procedures and guidelines to submit applications for registration, please visit the website for Dealers in Precious Metals and Stones Registration System (www.drs.customs.gov.hk) or Hong Kong Customs' webpage (www.customs.gov.hk/en/service-enforcement-information/anti-money-laundering/supervision-of-dealers-in-precious-metals-and-ston/index.html).

Members of the public may report any suspected transactions involving precious metals and stones with a total value at or above HK\$120,000 conducted without the required registration 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).