

Hong Kong Customs detects money laundering case involving \$16 million following narcotics investigation

Hong Kong Customs yesterday (February 28) successfully detected a suspected money laundering case involving about \$16 million in crime proceeds, subsequent to a follow-up investigation of a dangerous drugs case identified last year. A 36-year-old man suspected to be connected with the case was arrested.

In August last year, Customs detected a seaborne drug-trafficking case involving about \$200 million worth of drugs and arrested the local man suspected to be connected with the case. A subsequent financial investigation and fund-flow analysis revealed that there were numerous suspicious transactions amounting to \$16 million in the personal bank accounts of the man between February 2022 and June 2023. The funds were suspected to be crime proceeds.

Upon further investigation, Customs yesterday took enforcement action and arrested the man 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), and searched his residential premises in Chai Wan and two of his companies in Mong Kok and To Kwa Wan. Two mobile phones and a batch of bank documents were seized in the operation.

The man has been released on bail pending investigation. An investigation is ongoing 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) or online form (eform.cefs.gov.hk/form/ced002).