

Hong Kong Customs detects money laundering case involving \$48 million following narcotics investigation

Hong Kong Customs yesterday (October 11) successfully detected a suspected money laundering case involving about \$48 million in drug trafficking proceeds, subsequent to a follow-up investigation of a dangerous drugs case identified earlier this year. Two men suspected to be connected with the case were arrested.

In April this year, Customs detected a dangerous drugs case involving about \$5 million worth of drugs and arrested a 24-year-old man suspected to be connected with the case. A subsequent financial investigation and fund-flow analysis revealed that there were numerous suspicious transactions in the personal bank accounts of the arrested person and another man between January 2021 and April 2023. The funds were suspected to be drug trafficking proceeds.

Upon further investigation, Customs arrested a 25-year-old man in Tuen Mun on October 10 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 raided his residential premises in the same district. A mobile phone was seized therein. Yesterday, Customs officers further arrested the 24-year-old man, who has been remanded due to the related drug trafficking case, for money laundering.

The 24-year-old man continues to be remanded in custody, and the 25-year-old arrested person 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.

Under the Dangerous Drugs Ordinance, trafficking in a dangerous drug is a serious offence. The maximum penalty upon conviction is a fine of \$5 million and life imprisonment.

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).