

Hong Kong Customs seizes 71 kilograms of suspected smuggled gold worth about \$35 million (with photos)

Hong Kong Customs mounted a special operation codenamed "Melter" last month to fight against cross-boundary precious metal smuggling activities and related suspected money laundering activities. Six gold smuggling cases using cross-boundary goods vehicles were detected at Lok Ma Chau Control Point (LMCCP) and Man Kam To Control Point (MKTCP). Suspected smuggled gold weighing about 71 kilograms with an estimated market value of about \$35 million was seized and six cross-boundary goods vehicle drivers were arrested.

Through risk assessment and intelligence analysis, Customs intercepted five incoming lorries at LMCCP and one incoming lorry at MKTCP respectively on September 3, 10, 11, 23 and 27. Seventy-one pieces of suspected smuggled gold in cases, weighing about 1kg each, were seized.

The six male drivers involved had used different methods to conceal the gold to evade inspections by Customs officers, which included placing the gold in hidden places in the driving compartment, concealing the gold inside specially made waistbands, jeans with specially made compartments, and trouser pockets as well as strapping the gold around their calves.

During the operation, Customs arrested six cross-boundary lorry drivers aged between 32 and 64.

With stringent regulations imposed on the import and export of gold on the Mainland and the recent rise in the price of gold, Customs believes that criminals smuggled gold into Hong Kong to resell for a profit. The modus operandi of this series of cases were similar and the concealment methods were meticulous. Customs would not rule out that they were plotted and manipulated by a syndicate.

Since gold is usually used as a money laundering tool and a common way to transfer criminal proceeds, Customs is now pursuing investigations of the abovementioned cases in the aspects of syndicate smuggling and money laundering.

Customs will continue strengthening intelligence exchanges with other law enforcement agencies to combat precious metals smuggling and money laundering activities.

Customs appeals to cross-boundary lorry drivers that smuggling is a serious offence. They should refrain from being used by criminal syndicates to participate in smuggling activities. Customs has all along been stepping up enforcement action against smuggling activities through risk assessment and intelligence analysis.

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.

Under the Organized and Serious Crimes Ordinance, 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 smuggling or money laundering activities to Customs' 24-hour hotline 2545 6182 or its dedicated crime-reporting email account (crimereport@customs.gov.hk).

