

Hong Kong Customs smashes drug trafficking and money laundering syndicate (with photo)

Hong Kong Customs on October 19 seized about 260 kilograms of suspected cocaine with an estimated market value of about \$300 million at the Tsing Yi Customs Cargo Examination Compound. Customs officers found that the case also involved money laundering activities, in which about \$130 million of suspected crime proceeds had been laundered.

A cocaine trafficking case making use of an aircraft engine was uncovered by Customs in May last year. After a series of in-depth investigations and data analysis, Customs officers selected for inspection a 40-foot refrigerated container, declared as carrying frozen chicken legs, arriving in Hong Kong from Brazil at the Tsing Yi Customs Cargo Examination Compound on October 19. Upon inspection, the officers found that the container's bottom structure was suspicious and therefore used some tools to cut open the bottom structure. The batch of suspected cocaine was found concealed inside four false compartments of the bottom structure.

After follow-up investigation, Customs officers conducted arrest operations at various districts from October 24 to yesterday (November 4). Seven premises were searched and a batch of shipping documents, bank statements, computers, mobile phones, banking security authentication tokens, signed cheques and cash were seized.

During the operations, six persons comprising three men and three women, aged between 30 and 64, were arrested by Customs. A man is wanted in suspected connection with the case.

Moreover, Customs officers conducted a financial investigation into the case at the same time. It has been initially revealed that one of the arrested persons has used multiple company bank accounts owned by her to launder about \$130 million of suspected crime proceeds.

Investigation is ongoing. One arrested woman has been charged with two counts of attempting to traffic in a dangerous drug. Customs will carry out in-depth investigation in the aspects of dealing with crime proceeds and money laundering. The likelihood of further arrests is not ruled out.

Customs believes that the operation has smashed a transnational crime syndicate engaged in drug trafficking and money laundering. The multifarious modus operandi adopted by drug trafficking syndicates will not hinder Customs in detecting cases. The department will continue to maintain stringent law enforcement and close contact with relevant government departments and the logistics industry, and to make use of risk assessment, intelligence analysis and international co-operation, to vigorously combat drug trafficking and money laundering activities.

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.

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 drug trafficking and money laundering activities to Customs' 24-hour hotline 2545 6182 or its dedicated crime-reporting email account (crimereport@customs.gov.hk).

