

Illicit cigarette seizures by Hong Kong Customs this year exceed annual figures of past two decades (with photo)

Hong Kong Customs has so far this year seized over 190 million suspected illicit cigarettes, a figure that already exceeds the annual seizure amounts for each of the past two decades. It has also surpassed the total seizure amount in the past three years. In the latest case on December 4, Customs has seized about 8 million suspected illicit cigarettes with an estimated market value of about \$22 million and a duty potential of about \$15 million in Yuen Long.

During an anti-illicit cigarette operation mounted on that day in Wang Chau, Yuen Long, Customs seized the batch of suspected illicit cigarettes inside a metal shed and two containers at a recycling yard located in remote area.

During the operation, Customs officers arrested four men and one woman, aged between 35 and 65, and detained two containers suspected to be connected with the case.

Investigation is ongoing.

Hong Kong Customs has started to participate in the "Project Crocodile" international co-operation plan in 2004 to jointly monitor with other participating Customs Administrations the movement of all suspicious cigarette shipments when they are imported, re-exported or transshipped across Customs territories. Through intelligence exchanges under the immediate notification system, Hong Kong Customs will take appropriate enforcement actions. This case was also detected through the project.

The number of suspected illicit cigarettes seized by Customs in each of the past two decades ranged from 52 million to 180 million while the total seizure amount in the past three years was 170 million. The seizure amount of 190 million recorded so far this year has surpassed the relevant figures.

There were 18 in-bound mega cases (those involving 500,000 cigarettes or above) detected so far this year with the total seizures of 91 million illicit cigarettes. The number of illicit cigarettes has increased by 203% as compared to 2019. Among the 18 cases, four of them involved more than 10 million cigarettes while one case was detected last year.

Customs will continue its risk assessment and intelligence analysis for interception at source as well as through its multi-pronged enforcement strategy targeting storage, distribution and peddling to combat illicit

cigarette activities for protection of revenue.

Smuggling is a serious offence. 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 Dutiable Commodities Ordinance (DCO), tobacco products are dutiable goods to which the DCO applies. All heat-not-burn products containing tobacco in content are also dutiable goods subject to the control of the DCO. Any person who imports, possesses, sells or buys dutiable commodities without a valid licence commits an offence. The maximum penalty upon conviction is a fine of \$1 million and imprisonment for two years.

Members of the public may report any suspected illicit cigarette activities to Customs' 24-hour hotline 2545 6182 or its dedicated crime-reporting email account (crimereport@customs.gov.hk).

