

Cases Involving Customs Elements



WAN Siu-lun, Anthony (Hong Kong-China)

13 March 2024

Customs and Excise Department

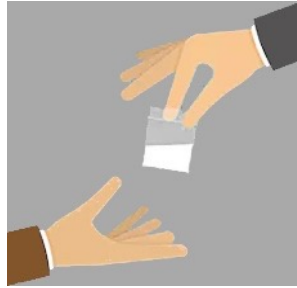
- service and enforcement information



- Passenger Clearance
- Cargo Clearance
- Trade Facilitation
- Trade Controls
- Intellectual Property Rights Protection
- **Anti-money Laundering**
- Consumer Protection
- Trafficking in persons

Official Website: <https://www.customs.gov.hk/en/home/index.html>

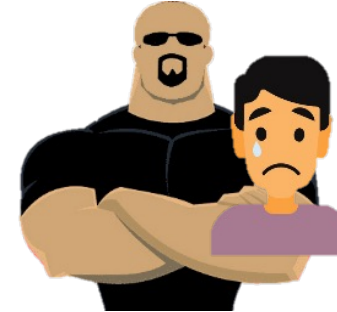
Common Predicate Offences



Trafficking



TD/IPR Offence



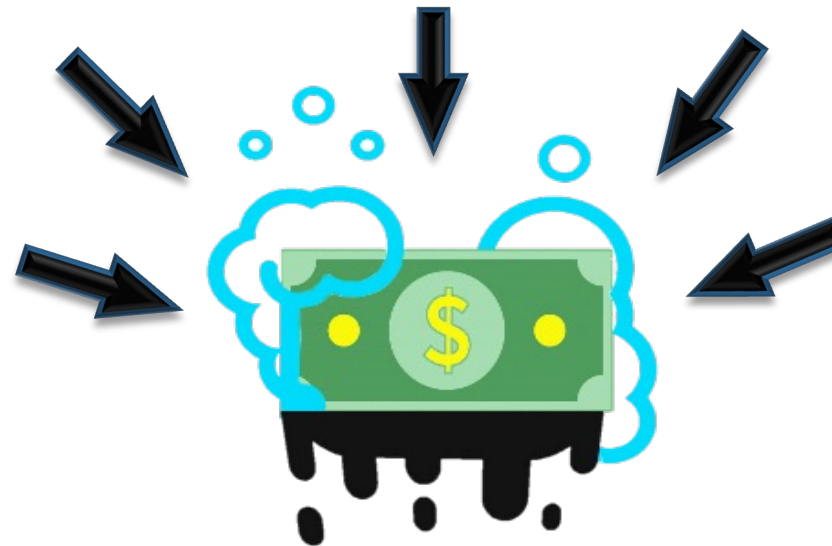
UTP Offence



Smuggling



**Offence arising from
MSO, R32 & DPMS**



**Money-
laundering**



Sources of Intelligence

- Case referrals
- Suspicious transaction reports
- Information from Financial Institutions
- Local, Mainland & overseas LEAs/ agencies
- CBNI declaration
- Informants
- Hotline & Emails

Cross-border Smuggling Case

Smuggling of Vehicles and Laundered Proceeds

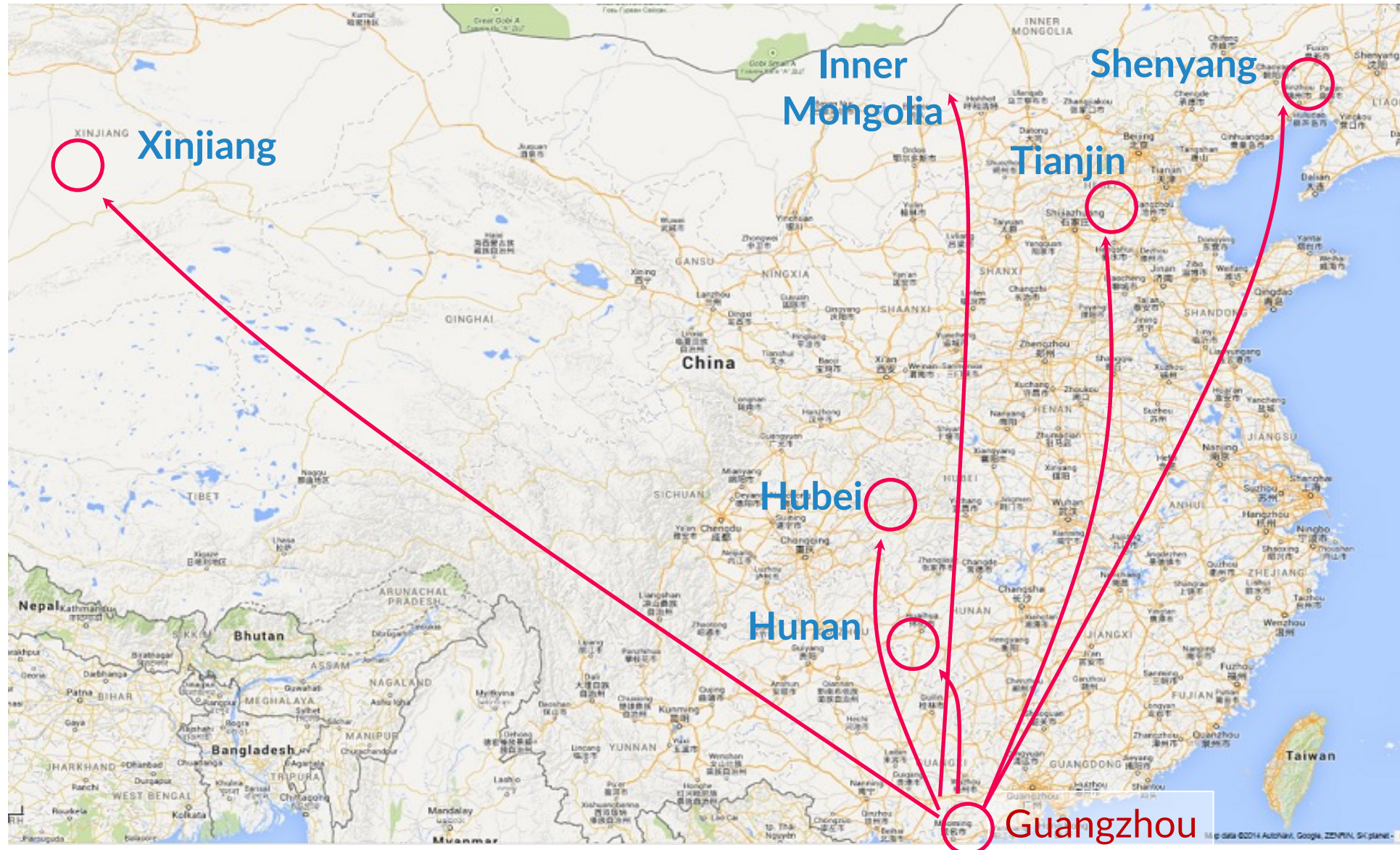


Flow of the Smuggled Vehicles

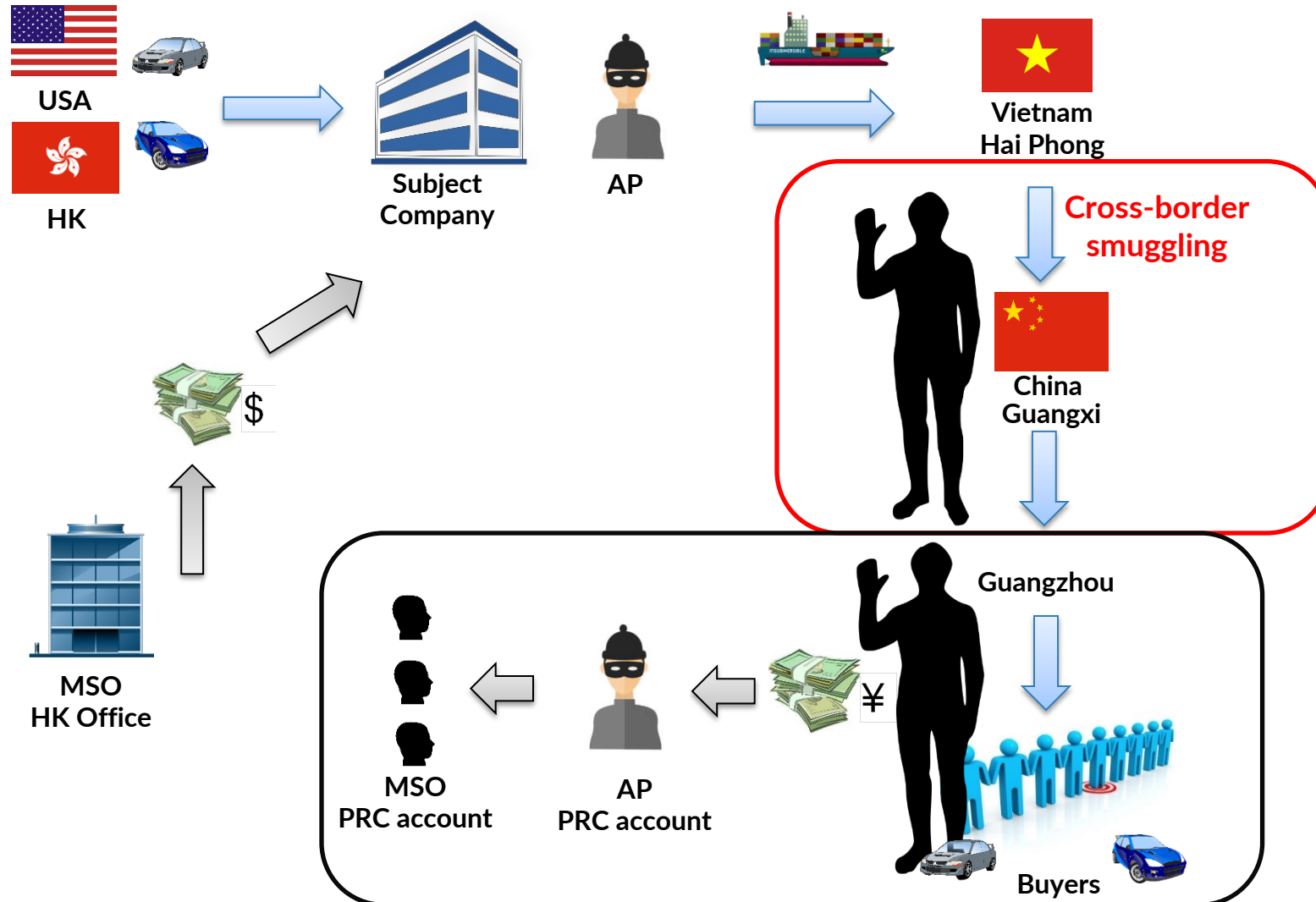




Vehicles sent to different cities



ML Scheme



Court-to-court Evidence Taking Hearing in Shaoguan(4 - 14 September 2017)



Prosecution/ Conviction/ Recovery of Proceeds



- Court Case:
- **DCCC 1035/2015**
- Convicted → sentenced for 5 years imprisonment
- Restrained & confiscated: HKD17m (~USD2.2m)

○ Press Release

Car dealer jailed for money laundering

6 Apr 2018

A car dealer was sentenced to five years' imprisonment at the District Court today (April 6) following his conviction for dealing with property known or believed to be crime proceeds (money laundering) on March 8, in contravention of the Organized and Serious Crimes Ordinance (OSCO).

Hong Kong Customs and Mainland Customs mounted a joint operation against a vehicle smuggling syndicate earlier. During the investigation, the law enforcement agencies found that a local car dealer had taken part in exporting left-hand drive vehicles from Hong Kong to Vietnam, smuggling them to different places in the Mainland and eventually laundering the crime proceeds back to Hong Kong.

Investigations revealed that the car dealer dealt with a total amount of about RMB48 million, which was believed to represent proceeds of an indictable offence between August 15, 2012 and April 16, 2013.

Following prolonged and in-depth investigations, Hong Kong Customs arrested the car dealer on September 26, 2013. He was subsequently charged with the offence of one count of money laundering and his assets of about HK\$17 million were restrained. The case ended up with his conviction at the District Court last month.

Money laundering is a serious crime. Under the OSCO, a person commits an offence if he 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 \$5,000,000 and imprisonment for 14 years.

Members of the public may report any suspected violations of the OSCO to the Customs 24-hour hotline 2545 6182.

Ends/Friday, April 6, 2018

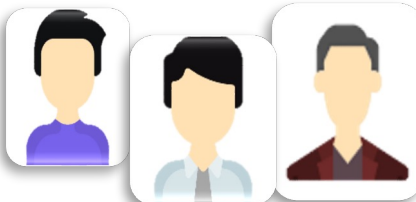
Selling Counterfeit Products



Transnational ML Offence (Predicate Offence: IPR Offence)



counterfeit goods

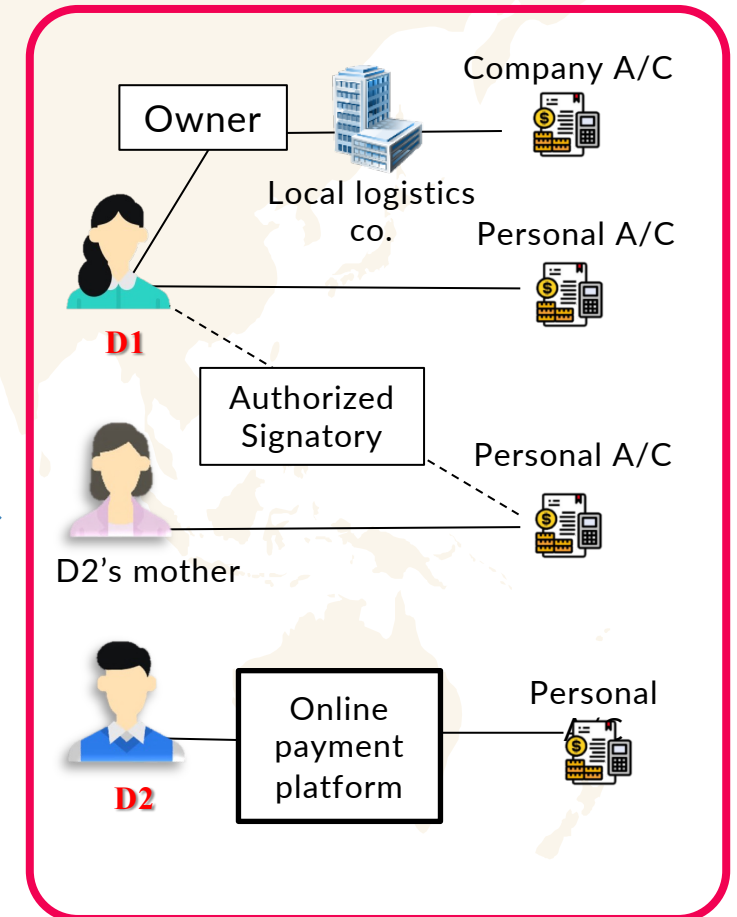


Overseas Buyers

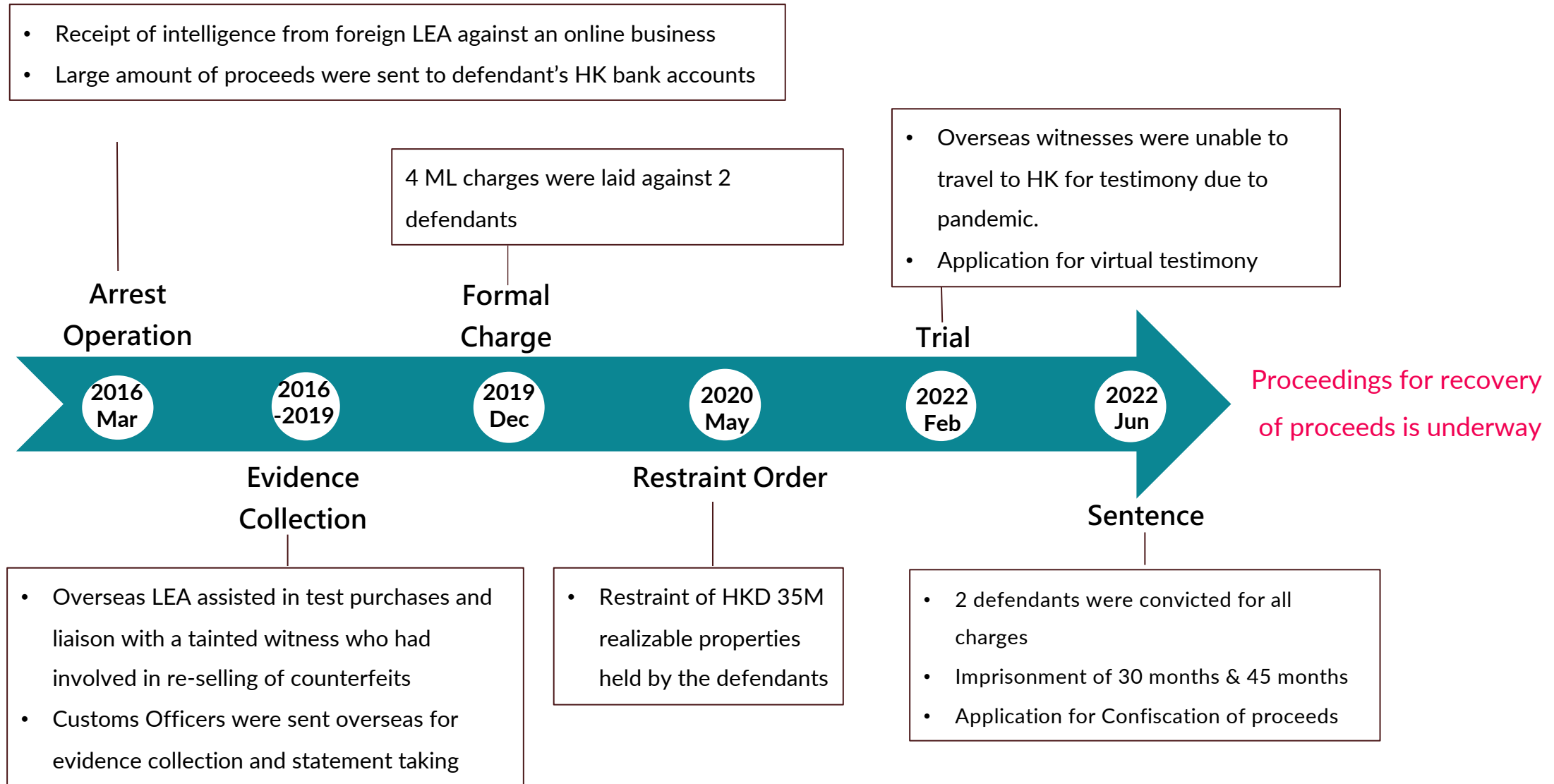
Crime proceeds

- from 20+ countries
- over 100 bank A/C and online payment A/C (including overseas witnesses)

Remittance: **HKD42 million**
Over **3 000** transaction
between 2009 and 2016



Transnational ML syndicate



Prosecution/ Conviction/ Recovery of Proceeds



- Court Case:
DCCC 209/2020
- Convicted → sentenced for
45 mths (D1) & 30 mths (D2)
- Restrained :
HKD35m (~USD4.5m)
- Recovery of proceeds (underway)

Press Release

Couple convicted and jailed for money laundering of about \$42 million

21 Jun 2022

A couple were sentenced to two years and six months' and three years and nine months' imprisonment today (June 21) at the District Court following earlier conviction for money laundering of about \$42 million in total by receiving an extensive amount of overseas remittance from unknown sources through bank accounts under their names, in contravention of the Organized and Serious Crimes Ordinance (OSCO).

During an investigation against a transnational syndicate selling counterfeit handbags in 2016, Customs officers found that the couple were suspected of receiving considerable amounts of suspicious overseas remittance through various local bank accounts to launder the crime proceeds. The total amount involved reached \$42 million.

Customs welcomes the sentence. The custodial sentence has imposed a considerable deterrent effect and reflects the seriousness of money laundering offences.

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).

Ends/Tuesday, June 21, 2022

Thank You