

# Hong Kong Customs detects money laundering case involving about \$7.4 million originated from follow-up investigation on smuggling case

Hong Kong Customs today (January 11) detected a suspected money laundering case involving about \$7.4 million of crime proceeds, subsequent to a follow-up financial investigation on a smuggling case identified in 2022. A 35-year-old man suspected to be connected with the case was arrested.

This is the first time for Customs to arrest persons suspected of smuggling endangered species under money laundering charges after the inclusion of certain offences under the Protection of Endangered Species of Animals and Plants Ordinance (Cap. 586) to the Schedule 1 to the Organized and Serious Crimes Ordinance (OSCO) (Cap.455) in August 2021.

In July 2022, Customs detected a sea smuggling case in which three men suspected to be connected with the case were arrested and a batch of goods, including suspected scheduled live corals, was seized. A subsequent financial investigation revealed that the personal bank accounts of a 35-year-old man, one of the arrestees, had numerous suspicious transactions with over 700 counterparties between April 2021 and September 2023. The funds, amounting to about \$7.4 million, were suspected to be crime proceeds connected with the smuggling case.

Customs arrested the man today for "dealing with property known or reasonably believed to represent proceeds of an indictable offence" (commonly known as money laundering) under the OSCO, and raided his residential premises in Tsing Yi. A mobile phone, a batch of bank cards and bank documents were seized.

The 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.

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](mailto:crimereport@customs.gov.hk)) or online form ([eform.cefs.gov.hk/form/ced002](http://eform.cefs.gov.hk/form/ced002)).