

Speech by SJ at International Forum on Combating Money Laundering and Transnational Organized Crimes: Criminal Networks, Trade Dynamics and Beyond (English only) (with photos)

Following is the speech by the Secretary for Justice, Mr Paul Lam, SC, at the International Forum on Combating Money Laundering and Transnational Organized Crimes: Criminal Networks, Trade Dynamics and Beyond today (December 10):

Mr Osawa (Head of the Regional Intelligence Liaison Office for Asia and the Pacific of the World Customs Organization, Mr Toshihiko Osawa), Mr Tang (Secretary for Security, Mr Tang Ping-keung), Commissioner Ho (Commissioner of Customs and Excise, Ms Louise Ho), distinguished guests, colleagues, ladies and gentlemen,

Good afternoon. It is my pleasure to welcome all of you to the opening of this International Forum on Combating Money Laundering and Transnational Organized Crimes.

This is the first time that the Hong Kong Customs and Excise Department hosts such an important international forum. This event testifies to the Hong Kong Government's commitment to combating transnational organised crimes and money laundering activities by strengthening international co-operation. It is an ideal platform for all participants coming from different organisations and jurisdictions to share knowledge and experiences on this important subject matter.

Hong Kong is a well-known international trade, financial and logistic centre. To maintain and enhance such a status, Hong Kong has all along been sparing no efforts in combating money laundering and transnational organised crimes. Under the principle of "one country, two systems", we have a reputable and efficient legal and judicial system based on the common law. To be more specific, we have enacted a substantial amount of domestic laws, which will be updated continuously to tackle transboundary crimes in line with international standards and Hong Kong's international legal obligations. These laws are always strictly enforced by our faithful and effective law enforcement agencies such as the Hong Kong Customs together with my colleagues in the Department of Justice. All proceedings will be handled fairly by our Judiciary which exercises an independent power of adjudication. Let me give a few examples.

I would like to begin by referring to the international Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES). Hong Kong implemented its obligations under this international treaty back in 1976 by enacting the Animals and Plants (Protection of Endangered Species) Ordinance. It was updated and replaced by the Protection of Endangered Species of Animals and Plants Ordinance in 2006. This statute was strictly enforced. Hence, for instance, about 420 seizures of endangered species were made in 2023.

Turning to international financial crimes, our Anti-Money Laundering and Counter-

Terrorist Financing Ordinance, and Organized and Serious Crimes Ordinance, focus very much on effective prevention and early detection of suspicious transactions. Hong Kong has been a member of the Financial Action Task Force (FATF) since 1991. In the fourth round of FATF mutual evaluation in 2018-19, Hong Kong's anti-money laundering and counter-financing of terrorism (AML/CFT) system has been assessed to be compliant and effective overall, making it the first jurisdiction in the Asia-Pacific region to have achieved an overall compliant result. The FATF also adopted Hong Kong's follow-up report and recognised Hong Kong's efforts in strengthening its AML/CFT regulatory regimes last year.

Hong Kong plays an active role in international co-operation in different ways in combating money laundering and transnational organised crimes. Mutual legal assistance arrangements between different jurisdictions play an important role to enable effective prosecution of transboundary crimes, and recovery of assets or proceeds of crimes. In this respect, we have signed bilateral mutual legal assistance (MLA) agreements with 33 jurisdictions. In addition, 13 multilateral conventions targeting serious crimes which provide for MLA have been applied to Hong Kong, including the Palermo, Vienna and Merida Conventions. Even in the absence of applicable bilateral agreement or multilateral conventions, MLA may be provided on the basis of a reciprocity undertaking provided by the requesting place. Since 2022, Hong Kong has made 23 MLA requests and received 652 MLA requests - all of which are mainly related to cases of fraud, money laundering, corruption and smuggling.

With the above MLAs, Hong Kong has been providing effective and timely assistance to various foreign jurisdictions. Let me share with you some examples. Recently, pursuant to a request from an East Asian country, we have successfully obtained from the High Court a restraint order freezing assets in the form of cryptocurrencies of a total value of more than US\$20 million, suspected to be proceeds from a massive fraudulent scheme. Separately, regarding a request from Indonesia, we have restrained over US\$8 million worth of assets, representing proceeds of offences of fraud and money laundering, with a view to repatriating the confiscated funds back to the victim in Indonesia. In yet another example, with the joint effort of INTERPOL and extensive information sharing and joint investigations by the police from Singapore and Hong Kong, a transnational syndicate allegedly involved in laundering ill-gotten gains derived from tech support scams, including around HK\$33 million from the victims in Singapore, has been crippled in August this year, resulting in the arrest of eight people in Singapore and Hong Kong.

Another important aspect of international co-operation is knowledge and experience sharing, including capacity building. International symposiums and conferences such as this one provide an excellent forum for such purposes. In this respect, the Department of Justice has been very active recently. On October 29 this year, I, as a member of the Chinese delegation and also the leader of the HKSAR (Hong Kong Special Administrative Region) delegation, attended the 14th China-ASEAN (Association of Southeast Asian Nations) Prosecutors-General Conference in Singapore under the theme "Fostering Co-operation on Combating Financial Crimes". At that conference, it was also decided that the next China-ASEAN Prosecutors-General Conference will be held in

Hong Kong in late 2025.

More recently, between November 27 and 29, Hong Kong hosted the 11th Asia and Pacific Regional Conference of the International Association of Prosecutors under the theme of "Effective Prosecution Service in the Technological Age". In my opening speech, I said "Modern technology is, of course, not inherently evil; it becomes evil only when it is misused and abused by criminals. Our overriding objective is not only to prevent, suppress and punish such misuses and abuses but also to outwit the criminals by becoming better users of modern technology, and make modern technology our close ally in our war against the criminals." This is why I am particularly delighted that, later today, I am going to witness the signing of a memorandum of understanding between the Hong Kong Customs and the University of Hong Kong under which a strategic partnership focusing on innovative technology will be formed.

While Hong Kong is a firm, keen and strong supporter of international co-operation, I feel obliged to mention that it is subject to one important qualification in the light of some misconceived comments made by some foreign politicians and commenters in this respect. This is that international co-operation must be conducted in ways which are consistent with international laws and basic principles of international relations underpinned by the purposes and principles of the Charter of the United Nations. Therefore, while the Hong Kong Government has been enforcing sanctions imposed by the United Nations Security Council fully and vigorously to fulfil our international obligations, we are not obliged to, and we do not, implement unilateral sanctions imposed by any other foreign countries that constitute a violation of both international law and the basic norms of international relations.

Looking ahead, I wish to cite a traditional Chinese saying, in Chinese it is "海納百川 · 有容乃大" and in English "The ocean is vast for it refuses no rivers". This proverb emphasises the importance of inclusivity and openness to diverse cultures, ideas, and perspectives. In our interconnected world where the common goal of combating international crimes effectively cannot be achieved without international co-operation, we must be open and receptive to new ideas, to learn from one another's experiences and willing to adjust and modify our methods and strategies continuously. To this end, we look forward to forging closer ties with every one of you, and to sharing inspiring ideas, insights and opportunities in the course of this three-day conference.

On this note, I wish you all a very fruitful and constructive conference. And for those of you coming from afar to Hong Kong, you come at the best time of the year in Hong Kong. I sincerely hope that, apart from taking part in the professional programmes, you could spend some time to experience the vibrant and diversified life of Hong Kong. Thank you very much.

Ends/Tuesday, December 10, 2024