

Annex - Questionnaire

Measures taken to implement the Convention and the commitments contained in the UNGASS political declaration, as well as good practices and progress made in the use of international cooperation mechanisms under the Convention¹

Country	The People's Republic of China
Implementing authority/authorities	Hong Kong Police Force (HKPF), Hong Kong Special Administrative Region (HKSAR)
Corresponding paragraph(s) of the UNGASS political declaration and/or article(s) of the Convention	<u>UNGASS political declaration</u> Paragraph 44
Title of initiative	Operation of the Joint Financial Intelligence Unit (JFIU)
Keywords of initiative	JFIU, suspicious transaction reports
Short summary of initiative (please indicate the start date/duration if relevant)	The JFIU, a law-enforcement-type Financial Intelligence Unit (FIU) housed under the HKPF, maintained cooperation and liaison with both domestic and overseas counterparties in identifying and tracing of crime proceeds.
Detailed description of initiative	<p>The JFIU was set up in 1989 as the sole agency in the HKSAR designated to receive, analyse and disseminate suspicious transaction reports (STRs) and other information relevant to money laundering (ML) and associated predicate offences. Pursuant to section 25A(1) of the Organized and Serious Crimes Ordinance (OSCO) and the Drug Trafficking (Recovery of Proceeds) Ordinance as well as section 12(1) of the United Nations (Anti-Terrorism Measures) Ordinance, if any person knows or suspects that any property (a) in whole or in part directly or indirectly represents any person's proceeds of, (b) was used in connection with, or (c) is intended to be used in connection with drug trafficking or an indictable offence; or if any person knows or suspects that any property is terrorist property, the person shall as soon as it is reasonable, make a disclosure of such information to the JFIU.</p> <p>Several offences under the Prevention of Bribery Ordinance (including bribery and soliciting / accepting bribes) are listed as indictable offences in the OSCO. STRs related to corruption or related offences will be received by the JFIU.</p>

¹ Please use one form per initiative described

	<p>On receipt of each STR, the JFIU will examine and conduct intelligence analysis in accordance with its risk-based assessment mechanism, examining aspects of the report, including its degree of suspicion, severity and level of risk. Apart from providing feedback to respective reporting entities, the JFIU identifies and develops valuable intelligence from STRs and disseminates such intelligence to investigative units of law enforcement agencies (LEAs) or other agencies. During the process, the JFIU is able to identify and trace proceeds of crimes before referring to the LEAs, who will take up the roles of freezing, seizing, confiscating and returning the proceeds to the lawful owners.</p> <p>As a member of the Egmont Group of FIUs, the JFIU functions as the central point for dissemination of intelligence to worldwide FIUs and LEAs or other agencies as appropriate. Similarly, the JFIU acts as an intergovernmental agent in identifying and tracing crime proceeds.</p> <p>In 2021, the JFIU received 56,913 STRs and more than 37% were disseminated to local or overseas authorities for further action.</p>
<p>Lessons learned in implementing the initiative</p>	<p>Given its status as an international finance, trade and transportation centre, the HKSAR continues to be exposed to both external and internal ML threats, in particular cross-jurisdictional ML syndicates. Timely intelligence sharing on tracing of crime proceeds and immediate actions to freeze / withhold such are crucial in interdicting corruption related ML activities.</p>
<p>Challenges encountered in implementing the initiative</p>	<p>The development of technology in recent years has enabled instant transfers of crime proceeds across jurisdictions and rendered identifying / tracing of such highly difficult.</p>
<p>Link to more information</p>	<p>Organized and Serious Crimes Ordinance https://www.elegislation.gov.hk/hk/cap405</p> <p>Drug Trafficking (Recovery of Proceeds) Ordinance https://www.elegislation.gov.hk/hk/cap455</p> <p>United Nations (Anti-Terrorism Measures) Ordinance https://www.elegislation.gov.hk/hk/cap575</p> <p>The JFIU signed a Memorandum of Understanding with Turkish counterpart https://www.police.gov.hk/offbeat/1202/eng/9005.html</p>