



Financial Intelligence and Investigation Bureau
Hong Kong Police Force

Money Laundering Risk, Common Typologies and Case Sharing

Presented by:

Mr. LAW Chin-hon, Marco

(Chief Inspector of Police, Money Laundering Expert Cadre)



Important Notice

All rights, including copyright, in this PowerPoint file are owned and reserved by the Hong Kong Police Force. Unless prior permission in writing is given by the Commissioner of Police, you may not use the materials other than for your personal learning or in the course of your official duty.

重要告示

香港警務處持有並保留本簡報檔案包括版權在內的所有權益。除預先獲得警務處處長書面許可外，本簡報檔案只可用作個人學習或處理公務上用途。

About Money Laundering Expert Cadre (MLEC)



- ***Established in Oct 2022***
- ***51 officers***
- ***Recognized as Expert in Court***

OBJECTIVES OF MLEC

✓ **Professionalism**

Strengthening the Force's professionalism and capability in combating ML activities

✓ **Support Frontline**

Supporting the frontline in financial investigations

✓ **Expert Opinion**

Giving Expert Evidence in Court

✓ **OSCO Enhancement**

Applying for enhanced sentencing in ML cases



Financial Intelligence and Investigation Bureau
Hong Kong Police Force

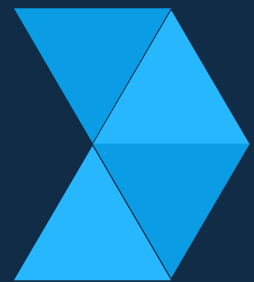
Hong Kong ML Landscape



Hong Kong ML Landscape

| | Jan-Jul 2024 | Jan-Jul 2025 | Change |
|--------------------------------|-----------------|-----------------|--------------------|
| Total no. of ML case | 3,808 | 5,136 | ↑ 1,328 or 34.9% |
| Total Amount Involved (HKD) | 8,651.4M | 5,214.8M | ↓ 3,436.6 or 39.7% |

Fraud/Deception remains at top threat



Hong Kong ML Landscape

Predicate Offence

- Fraud/Deception Related
- Standalone ML
- Theft/Robbery/Burglary/Blackmail
- Organised Crime
- Gambling
- Loansharking
- Drug Related
- Vice
- Tax Related
- Corruption

Sector

Financial Institutions:

- Banking
- SVF
- **Virtual Asset Service Provider**
- Money Lenders
- Insurance
- **Securities**
- Money Service Operators

DNFBP:

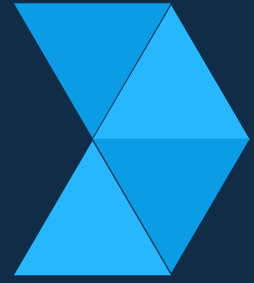
- Dealers in Precious Metals and Stones
- Estate Agents
- Trust and Company Service Providers
- Lawyers
- Accountants



Prevalent M.O. - Use of Stooge Account

Recruiting Stooges from other jurisdictions

Criminal syndicates often recruit stooges (money mules) from other jurisdictions and offer them incentives to open accounts at financial institutions in Hong Kong.



Prevalent M.O. - Exploitation of VA

Exploitation of VA

- 1. High anonymity: Compared to traditional banks, crypto wallet addresses are not directly linked to identities**
- 2. Fast cross-border flows: Funds can be transferred instantly**
- 3. Unlicensed virtual asset exchanges have varying levels of customer due diligence**

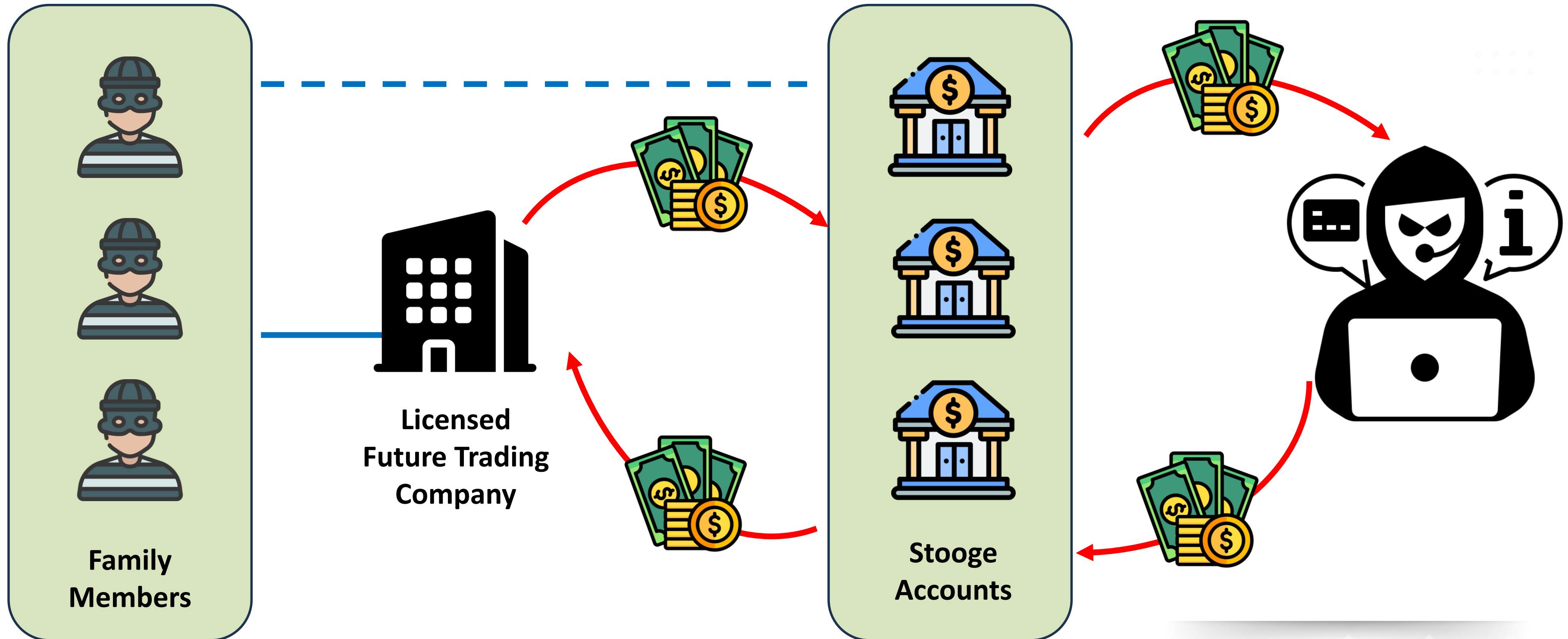


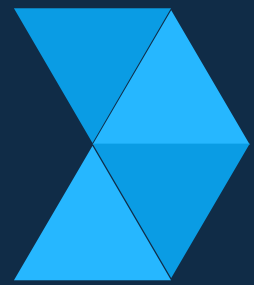
Financial Intelligence and Investigation Bureau
Hong Kong Police Force

CASE SHARING (Securities sector)



Case sharing (1) – Involving licensed future trading company

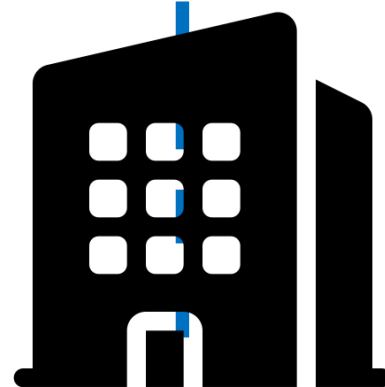




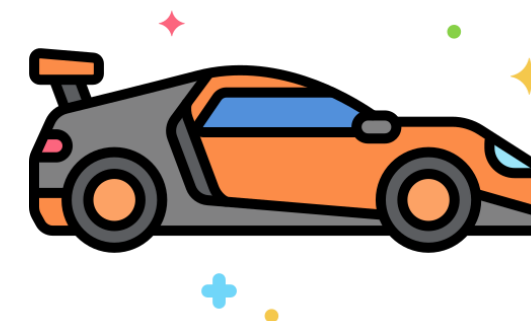
Case sharing (2) – Use of securities accounts to launder crime proceeds



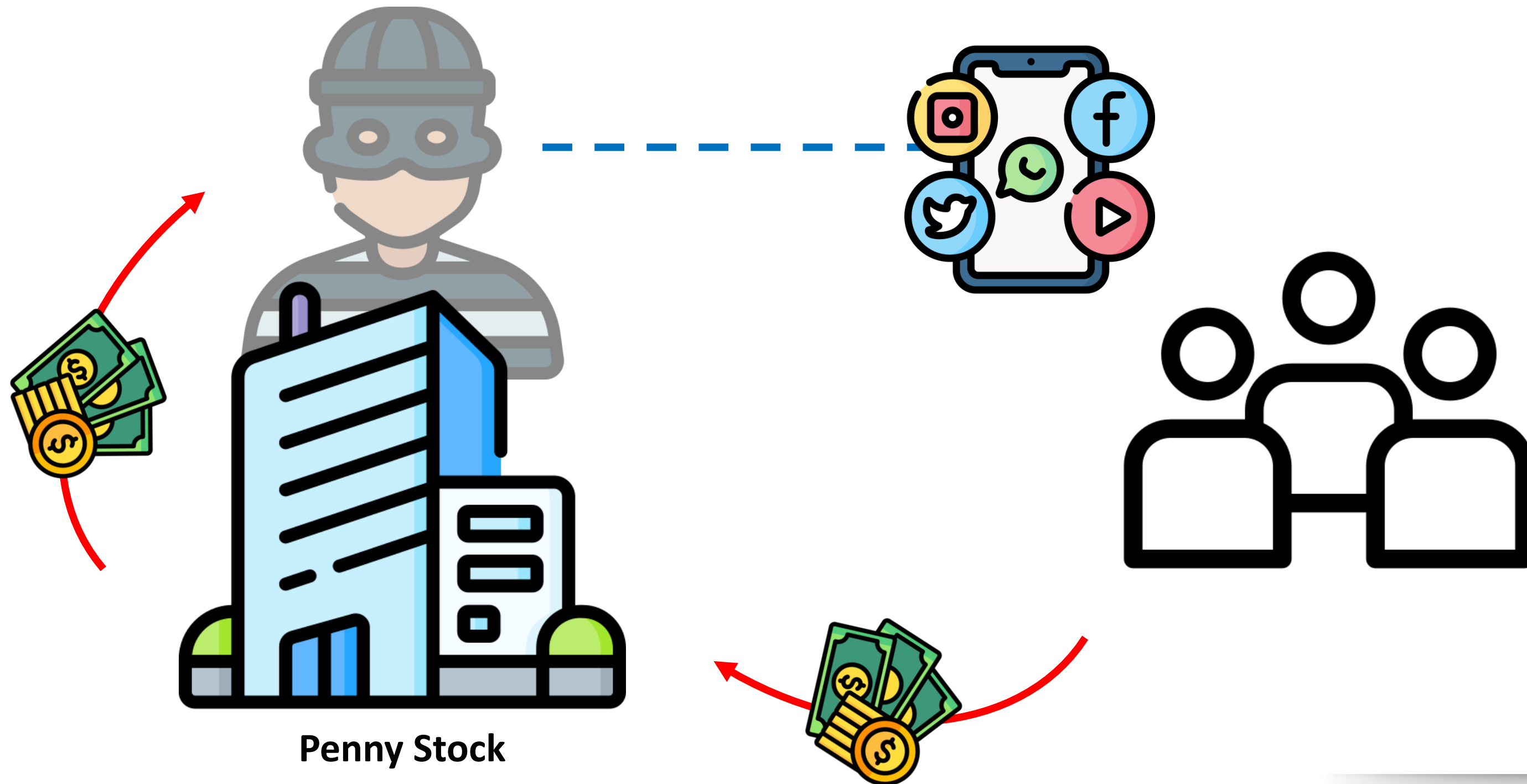
Wife

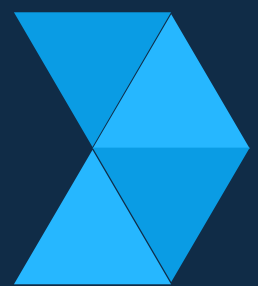


Securities
Accounts

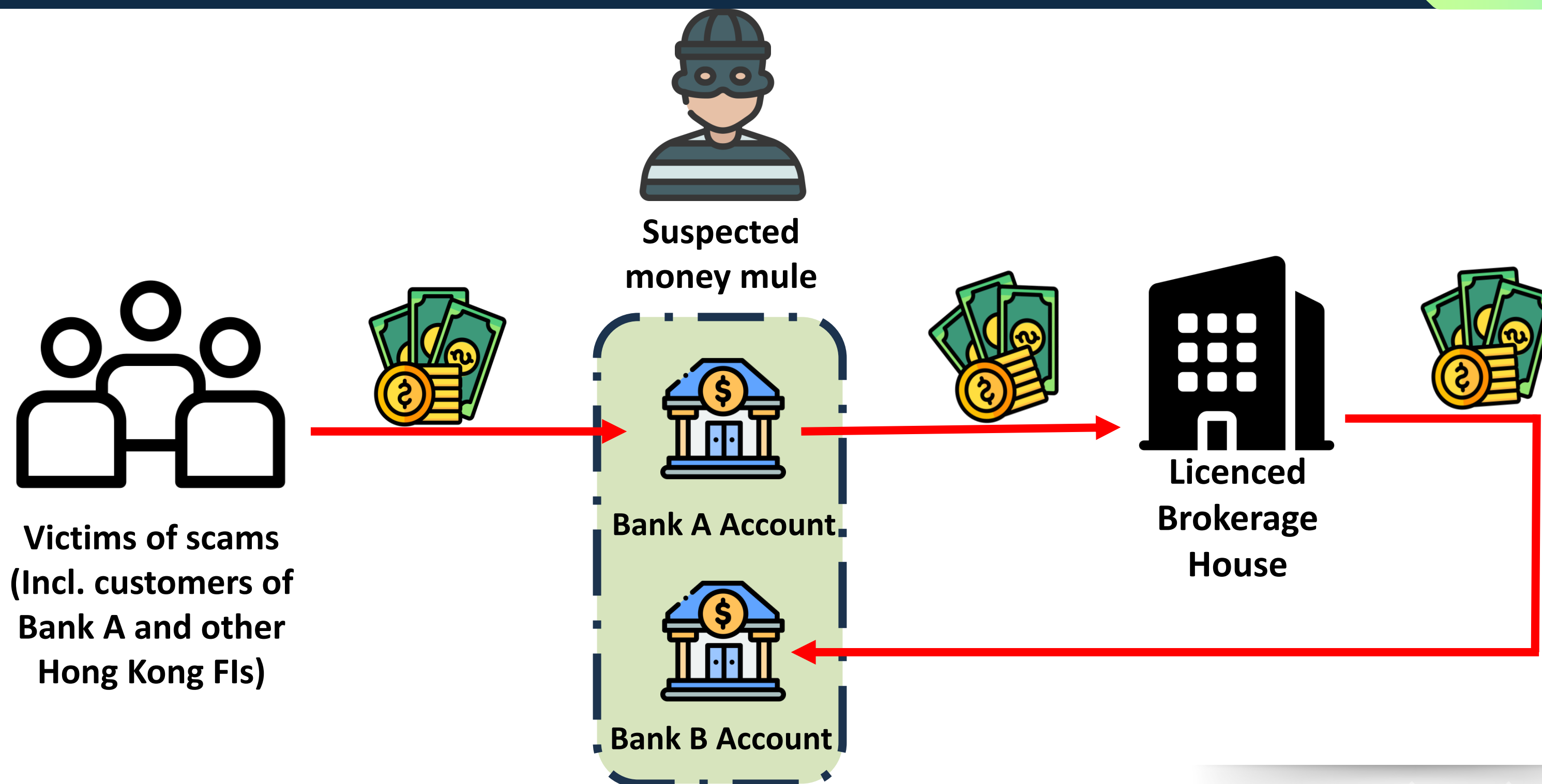


Case sharing (3) – “Ramp and dump scam”





Case sharing (4) – Bank-securities firm-bank

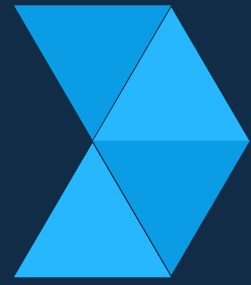




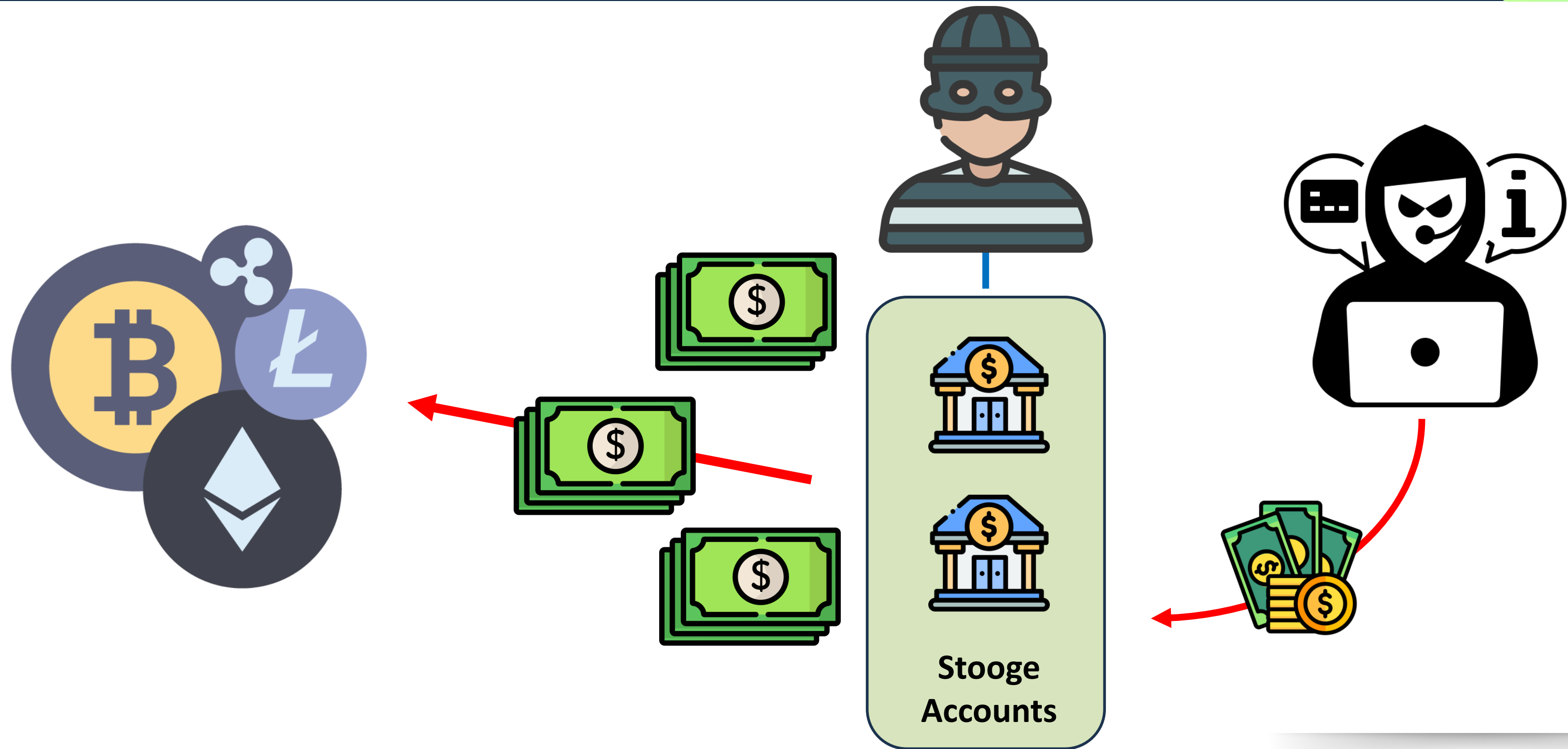
Financial Intelligence and Investigation Bureau
Hong Kong Police Force

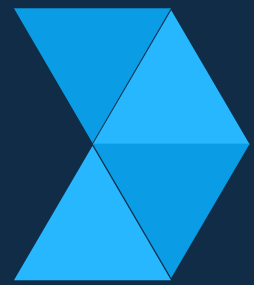
CASE SHARING (VASP)



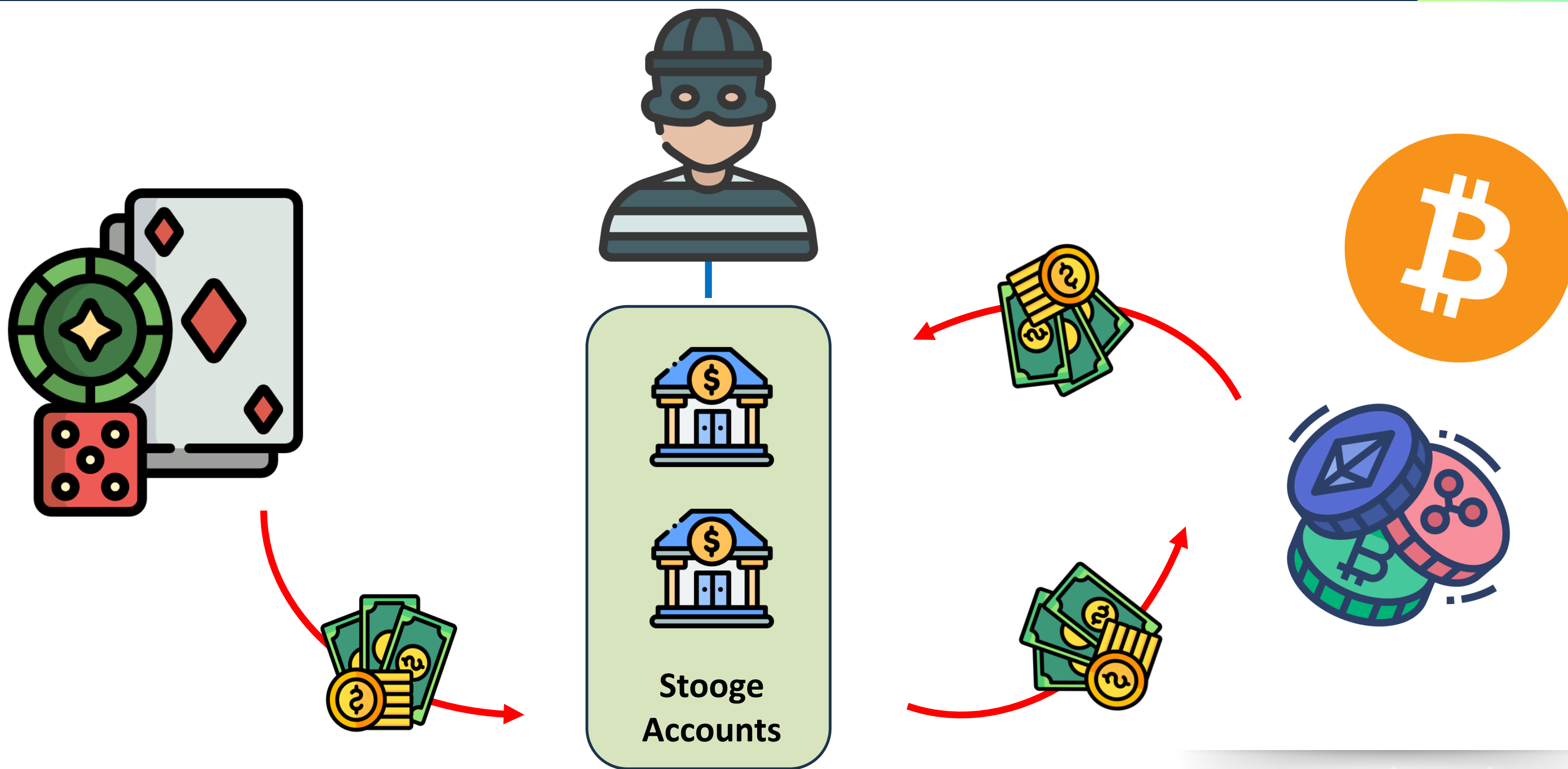


Case sharing (1) – Laundering of Crime Proceeds via Cryptocurrency





Case sharing (2) – Laundering of Illegal Bets





Financial Intelligence and Investigation Bureau
Hong Kong Police Force

THANK YOU
FOR YOUR ATTENTION

