

Press release

LCQ8: Sale of illicit cigarettes

Wednesday, February 8, 2012

Following is a question by the Hon Wong Ting-kwong and a written reply by the Secretary for Financial Services and the Treasury, Professor K C Chan, in the Legislative Council today (February 8):

Question:

It has been reported that quite a number of traders are suspected of selling duty-not-paid cigarettes (illicit cigarettes) through a major shopping web site on the Mainland; as the retail price of these illicit cigarettes is 60% lower than that of genuine duty-paid cigarettes, and traders can deliver the illicit cigarettes through courier companies to the buyers' residences in three days, thus quite a number of young people in Hong Kong are attracted to place orders. In this connection, will the Government inform this Council:

- (a) whether it knows the details of the aforesaid online selling of illicit cigarettes (including the operation of online selling of illicit cigarettes, the monthly average sales volume, the number of local buyers and their main age groups, etc); if not, of the reasons for that;
- (b) whether it had seized any illicit cigarettes smuggled to Hong Kong through courier service last year; if it had, of the quantity of illicit cigarettes seized, and the number of cases in which prosecutions were instituted; and
- (c) what measures are in place to combat shopping web sites selling illicit cigarettes to Hong Kong people, and how enforcement will be stepped up to combat the smuggling of illicit cigarettes by couriers?

Reply:

President,

(a) The Customs and Excise Department (C&ED) has been closely monitoring illicit cigarette activities. Intelligence reveals that the sale of illicit cigarettes via internet is not common. Last year, C&ED received only a single complaint regarding such activities in the local market. C&ED will continue to monitor the situation so as to prevent such illegal activities.

(b) In 2011, C&ED effected one case on the sale of illicit cigarettes via internet. One male offender was prosecuted with 600 sticks of illicit cigarettes seized. There is so far no case on the sale of illicit cigarettes via Mainland shopping web site and delivered to Hong Kong by couriers.

(c) C&ED will take stringent enforcement actions against illicit cigarette activities. If the illicit cigarette activities involve Mainland websites, as these websites are operated outside Hong Kong, C&ED would refer such cases to the Mainland authorities for follow-up actions or appropriate preventive measures. Having regard to the mode of delivery adopted by such activities, C&ED will also step up inspection on import cargoes to prevent the smuggling of illegal commodities into Hong Kong.

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