

Press Release

Publication of Hong Kong's Money Laundering and Terrorist Financing Risk Assessment Report

Monday, April 30, 2018

The Government today (April 30) published the Hong Kong's Money Laundering and Terrorist Financing (ML/TF) Risk Assessment Report.

Having regard to the recommendation of the Financial Action Task Force (FATF) for jurisdictions to identify and assess their ML/TF risks and to apply corresponding mitigating measures, the Report examines the ML/TF threats and vulnerabilities facing various sectors in Hong Kong and the city as a whole. The Report also identifies areas for further work and follow-up actions have been taken accordingly.

"The Government is committed to combating ML and TF together with the international community. Over the years, we have put in place a mature and robust anti-money laundering/counter-terrorist financing (AML/CTF) regime having regard to international standards. As part of our ongoing efforts to strengthen the regime, we have conducted this risk assessment to facilitate the formulation of more targeted responses. Our AML/CTF regime has been reinforced further with the enactment of four pieces of primary legislation in the past year to address the identified risks," a government spokesperson said.

Based on the risk assessment report, the Government has taken forward various enhancement measures over the past year. These include updating the legal and regulatory framework, reinforcing the adoption of a risk-based approach in preventive and supervisory measures, stepping up efforts to restrain and confiscate crime proceeds, and strengthening international co-operation. Notably, four pieces of primary legislation have been enacted to address the identified risks, namely the Anti-Money Laundering and Counter-Terrorist Financing (Financial Institutions) (Amendment) Ordinance 2018, the Companies (Amendment) Ordinance 2018, the United Nations (Anti-Terrorism Measures) (Amendment) Ordinance 2018, and the Cross-boundary Movement of Physical Currency and Bearer Negotiable

Instruments Ordinance.

The Government will continue to monitor and respond to ML/TF risks with vigilance amidst the fast-changing international security landscape. In this regard, risk assessment will be updated from time to time to continue with work to enhance the AML/CFT regime.

The FATF is an inter-governmental body that sets international standards on combating ML and TF. It is incumbent upon Hong Kong, as a member of the FATF since 1991, to observe the AML/CTF recommendations of the FATF.

The Risk Assessment Report is available at www.fstb.gov.hk/fsb/aml/en/risk-assessment.htm.

Ends