



Circular

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Circular to Money Service Operators
Anti-Money Laundering / Counter-Terrorist Financing
Publication of Hong Kong's Money Laundering and Terrorist Financing
Risk Assessment Report

The Government published the latest Money Laundering and Terrorist Financing (“ML/TF”) Risk Assessment Report of Hong Kong (“the Report”) on 8 July 2022. The Report is a regular review by the Government to examine the ML/TF threats and vulnerabilities faced by various sectors in Hong Kong and the city as a whole, as well as assesses the risk of proliferation financing faced by Hong Kong.

The Report can be found on the Financial Services and Treasury Bureau’s website (<https://www.fstb.gov.hk/fsb/aml/en/risk-assessment.htm>) or the Departmental website (<https://eservices.customs.gov.hk/MSOS/common/notices>).

The Report concluded that **both the ML threat and vulnerability of the Money Service Operators (“MSOs”) sector are medium-high**. MSOs are required to identify and assess ML/TF risks to which they are exposed, so as to establish systems to implement effective anti-money laundering and counter-financing of terrorism (“AML/CFT”) policies, procedures and controls for mitigation of ML/TF risks identified ^{Note 1}.

MSOs should give due consideration to the ML/TF threats and vulnerabilities identified in the Report, in particular its Chapter 5.4 on the assessment of ML risks and trends of the MSOs sector, that are relevant to their own circumstances ^{Note 2} in their risk assessment process.

Should you have any queries regarding the contents of this circular, please contact us at 2707 7800

Money Service Supervision Bureau

Customs and Excise Department

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^{Note1} Please see Chapters 2 & 3 of the Guideline on Anti-Money Laundering and Counter-Terrorist Financing (“AML Guideline”).

^{Note2} Taking into account all relevant risk factors such as those in respect of services offered, delivery and distribution channels, types of customers, countries and geographical locations involved.