



MSSB/MIS_2/2014

21 March 2014

Circular to Money Service Operators
Anti-Money Laundering/Counter-Terrorist Financing
Money Laundering and Terrorist Financing Risks
Associated with Virtual Commodities

Further to our circular issued on 30 January 2014 giving guidance to Money Service Operators (MSOs) on measures to mitigate the money laundering and terrorist financing (“ML/TF”) risks associated with virtual commodities such as “Bitcoin”, we would like to draw the attention of MSOs to the press statement released by the Hong Kong Government on 14 March 2014 warning the public of various risks associated with any trading or dealing in virtual commodities. The press statement can be accessed at the Government’s website (<http://www.info.gov.hk/gia/general/201403/14/P201403140751.htm>).

The Customs and Excise Department would like to remind MSOs again to exercise increased vigilance commensurate with ML/TF risks associated with virtual commodities.

In particular, MSOs should exercise caution in assessing relevant ML/TF risks when establishing or maintaining business relationships with potential or existing customers who are operators of schemes or businesses related to virtual commodities, and take additional customer due diligence measures and perform enhanced ongoing monitoring of activities for the account of any such customer to detect suspicious transactions. MSOs are also reminded of their statutory duty to report suspicious transactions to the Joint Financial Intelligence Unit.

Should you have any queries regarding the contents of this circular, please contact us on 3759 3755.

Money Service Supervision Bureau
Customs and Excise Department

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