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\$71m illegal drug profits frozen

By Yusuf Karamdin

THE tough new law aimed at stripping drug traffickers of their profits has already resulted in \$71 million in cash and property being frozen.

Investigators applying the Drug Trafficking (Recovery of Proceeds) Ordinance, introduced in September, obtained 21 restraint orders.

The Narcotics Bureau's Chief Staff Officer, Mr Tsang Yam-pui, said enforcing section 25 of the ordinance, which makes "Assisting to retain the Benefit of Drug Trafficking" illegal, would help in the recovery of proceeds.

One man has already been charged under the ordinance and is awaiting trial.

Mr Tsang said the present work was limited to recovering proceeds locally because bilateral agreements had yet to be established.

He said that since the Narcotics Bureau's Financial Investigation Group (FIG) was formed it

had detected drug money from overseas being laundered through Hongkong.

He said a large portion of the money, amounting to "tens of millions" United States dollars, was from Columbia, but did not elaborate any further.

Replying to speculation that some bankers were involved in the scam to "clean" drug money, he said there was little evidence they were involved although there was a considerable amount of drug money banked or routed through Hongkong.

Mr Tsang said it would be in most cases the bankers were unwittingly drawn into activities which seemed transactions.

"So far through our three months' work we have not discovered any collaboration between bankers and drug traffickers," Mr Tsang said.

"In fact in our recent investigations the bankers have been exceedingly helpful."

He said overall enforcement action against drug abuse and trafficking had been maintained at a high level.

He added that the drug abuse problem in Hongkong "appears to be well contained".

"However, the problem of international heroin trafficking involving Hongkong people continues."

He said only with sustained and strong law enforcement action, coupled with high level liaison between law enforcement agencies in Hongkong and overseas, could this problem be properly addressed.

"As far as the Narcotics Bureau is concerned, we will capitalise on the positive results that have been achieved and will continue to deploy our resources."

The bureau has been successful in the past two years in breaking drug organisations by way of conspiracy prosecutions.

Sixteen prosecutions have been made this year and about 30 traffickers charged.

In addition, in conjunction with overseas enforcement agencies, 18 people were arrested in Hongkong for extradition to the United States, Australia and Canada for trial in connection with drug conspiracy offences.

"In respect of seizures, we have made the 1,000 kilogramme mark," said Mr Tsang.

"A total of 1,031 kilogrammes of heroin has been seized by the police and other local agencies this year compared with 879 kilogrammes last year.

"The seizure of No 4 heroin amounted to 597 kilogrammes, which is more than double the total for last years."

This total seizure included the record 420 kilogrammes seized in Sai Kung in September.