

Drug Trafficking and Organized Crimes (Amendment) Bill 2000

**Amendments to section 25 and section 25A of the
Drug Trafficking (Recovery of Proceeds) Ordinance and
Organized and Serious Crimes Ordinance**

This paper summarizes the previous discussions at the Bills Committee meetings on the Drug Trafficking and Organized Crimes (Amendment) Bill 2000 (the DTOC Bill) in respect of the proposed amendments to section 25 and section 25A of the Drug Trafficking (Recovery of Proceeds) Ordinance (Cap. 405) and the Organized and Serious Crimes Ordinance (Cap. 455). It also highlights recent developments internationally and locally which affirm the need for such amendments, and reports on the consultations conducted from June to December 2001 on the Administration's proposals.

Discussions at Bills Committee

2. Since the establishment of the Bills Committee on the DTOC Bill in November 2000, five meetings have been held and discussions have focused on the proposed changes to section 25 and section 25A of Cap. 405 and Cap. 455, which relate to money laundering offence and disclosure of suspicious transaction offence respectively.

3. In previous discussions, the Administration had explained at length the objectives and rationale behind the proposed amendments, which are to address the deficiencies in the existing legislation in prosecuting money launderers and to ensure that Hong Kong's anti-money laundering regime will keep up to the best international standards. The deficiencies of the legislation are reflected, to a large extent, in the huge number of money laundering investigations conducted in previous years (3358 cases from 1996 to end of November 2001) and the comparatively low numbers of prosecution and conviction (119 and 54 persons respectively during the same period). In its second mutual evaluation report on Hong Kong, the Financial Action Task Force on Money Laundering (FATF), a pre-eminent international organization recommending best practices in countering money laundering, identified the low numbers of prosecution and conviction as a problem in Hong Kong's anti-money laundering regime and requested that this be addressed.

4. In assessing the need for introducing the proposals in respect of sections 25 and 25A, one needs to take into account the status of Hong Kong as an important financial centre in the world, the vulnerability of Hong Kong for being used for money laundering and the need to safeguard the integrity of our financial systems against money laundering.

5. There has thus far been a general consensus that Hong Kong needs to improve continuously its anti-money laundering regime primarily through reviewing and improving the relevant legislation. Presently, the main concern is whether the proposed amendments under section 25 and section 25A in using the mental element of “having reasonable grounds to suspect” may cast the net too wide so that some innocent persons who genuinely did not harbour any suspicion that a property was linked with the proceeds of crime might be caught under the amended law.

Proposed Committee Stage Amendments

6. In view of the concerns expressed by the Bills Committee, the Administration has proposed a number of Committee Stage Amendments (CSAs) in respect of section 25 and section 25A. Such CSAs are shown in correction mode together with the existing section 25 and section 25A at Annex I.

7. Briefly, the proposed section 25(1A) (the new money laundering offence) places the onus of proof on the prosecution and requires the prosecution to prove beyond reasonable doubt. The CSAs proposed comprise a defence provision under section 25(1A) by those who genuinely did not suspect, and a provision under section 25A to the effect that adherence to anti-money laundering guidelines issued by an employer, a professional body or a regulatory body may be taken into account by the court in scrutinizing such cases. Apart from these, the CSAs also include one which aims to offer protection to disclosure of suspicious transactions made in good faith under section 25A.

8. The CSA in respect of section 25(1A) provides a subjective defence for those charged under that section. It does not require a defendant to prove that he did not suspect. It only requires him to prove that in all the circumstances of **his case**, it was reasonable that he did not suspect. That

means, a defendant needs to prove to the court, on balance of probabilities, that it was reasonable that he did not suspect given the subjective and objective circumstances. The defence places more emphasis on the particular circumstances of the defendant's case which may be different from the evidence of triggering the charge of section 25(1A) which states that "a person commits an offence if, having reasonable grounds to suspect that any property in whole or in part directly or indirectly represents any person's proceeds of drug trafficking, he deals with that property." It is clear that the requirement of "having reasonable grounds to suspect" will place more emphasis on the objective test of a reasonable man.

9. The Administration considers that these CSAs will provide sufficient safeguard to a person who genuinely did not suspect the property he had dealt with was the proceeds of drug trafficking or indictable offence, while balancing the objectives of the proposed section 25(1A) and section 25A.

Recent developments in the international arena

10. Recent developments in the international arena have affirmed that the direction of the current proposals in respect of section 25 and section 25A is appropriate. Some of these more major developments are highlighted below.

Adoption of lesser mental element in reporting requirement linked to terrorist financing

11. In response to the 11 September 2001 terrorist attacks in the US, the Financial Action Task Force on Money Laundering (FATF) met in Washington DC in October 2001. At the meeting, the FATF promulgated eight Special Recommendations to counter terrorist financing on top of its existing 40 Recommendations. These Special Recommendations generally call for tightening up of regulation and control over possible conduits used for money laundering. Specifically, there is a recommendation concerning the reporting of suspicious transactions which is as follows :-

"If financial institutions, or other businesses or entities subject to anti-money laundering obligations, suspect or have reasonable grounds to suspect that funds are linked or related to, or are to be used for terrorism, terrorist acts or by terrorist organizations, they should be required to

report promptly their suspicions to the competent authorities.”

12. The FATF has also mandated that all members (including Hong Kong) should conduct a self-assessment against the Special Recommendations, and bring their regimes into full compliance with such Recommendations by June 2002. The FATF will also outreach to non-member countries in the world and invite them to participate in the self-assessment on the same terms as FATF members, and initiate in June 2002 a process to identify jurisdictions that lack appropriate measures to comply with the Recommendations for counter measures.

13. As a member of the FATF, Hong Kong is duty bound to comply with the new Recommendations, i.e. to adopt the mental element in the relevant law as outlined in paragraph 11. This will also be in line with the general direction that the United Nations advocates in its Security Council Resolutions countering terrorism (e.g. UNSCR 1373) and the International Convention for the Suppression of the Financing Terrorism. At present, the Administration is considering legislative proposals to implement UNSCR 1373, the above mentioned Convention and the FATF Special Recommendations. The current proposed amendment to section 25A in the DTOC Bill would bring Hong Kong’s suspicious transactions reporting regime in line with international requirement.

Review of FATF’s 40 Recommendations

14. Promulgated in 1990 (and updated in 1996) for universal application, the FATF’s 40 Recommendations have been regarded as the most comprehensive international standards and best practices to counter money laundering. The FATF is currently reviewing the 40 Recommendations in the light of operational experience, the latest money laundering trend and impact of modern technology (e.g. e-banking) on money laundering which would likely open up more alternative routes for laundering criminal proceeds.

15. It is worth noting that Recommendation 5 currently states that :-

“As provided in the Vienna Convention, the offence of money laundering should apply at least to knowing money laundering activity, including the concept that knowledge may be inferred from objective factual circumstances.”

In the course of reviewing Recommendation 5, the FATF noted that many FATF members had adopted a lower mental element than knowledge and it suggested that further lowering of the level of mens rea should be considered if the money laundering offence is to be effectively prosecuted. The review is in progress but once it is completed, all FATF members will be required to comply with the revised Recommendations. The FATF will ensure such compliance through a process of annual self-assessment and detailed mutual evaluation on individual members' regimes with on-site examinations every four years. That said, the Administration's current proposal of "having reasonable ground to suspect" is in line with the direction the FATF is heading for in strengthening anti-money laundering legislation in member jurisdictions.

Overseas legislation

16. Apart from the above, the Council of Europe has recently concluded an evaluation of 22 European countries¹ based on the FATF's 40 Recommendations and the 1990 Council of Europe Convention on Laundering, Search, Seizure and Confiscation of the Proceeds from Crimes (the Strasbourg Convention). In its report on the evaluation exercise, the Council encouraged countries to adopt a lesser mental element such as suspicion (with lower penalties) as an alternative to the rigours of the knowledge standard in view of the difficulties that the latter had presented to prosecution and conviction. The Council also indicated that the issue of mental element in money laundering offence deserved revisiting in future consideration of a Protocol to the Strasbourg Convention. In particular, it may be worth considering whether the lesser standard of suspicion should be incorporated as an international standard, with lesser penalties attached. In addition, the Council noted that at present, at least six countries which had been evaluated had adopted a "negligence" standard, which is an even lower standard than "suspicion".

17. In the UK, the Proceeds of Crime Bill which was introduced in the House of Commons on 18 October 2001 has already incorporated "reasonable grounds for knowing or suspecting" in its disclosure offence. The Bill is being scrutinized by the House but is expected to be passed in 2002. In Australia, section 82 of the Proceeds of Crime Act 1987 also uses the mental element of

¹ Albania, Andorra, Bulgaria, Croatia, Cyprus, Czech Republic, Estonia, Georgia, Hungary, Latvia, Liechtenstein, Lithuania, Malta, Moldova, Poland, Romania, Russian Federation, San Marino, Slovakia, Slovenia, "The Former Yugoslav Republic of Macedonia" and Ukraine.

“reasonably suspected of” for money laundering offence. In respect of reporting suspicious transaction, section 16 of the Financial Transaction Reports Act 1988 requires a cash dealer to report the transaction if he has reasonable grounds to suspect that information that he has concerning the transaction may be of assistance in the enforcement of the Proceeds of Crimes Act 1987 or the regulations made under the Act. In New Zealand, section 15 and section 22 of the Financial Transactions Reporting Act 1996 provide that the financial institution shall report any transaction which the institution suspects, on reasonable grounds, is or may be relevant to the investigation or prosecution of any person for a money laundering offence or to the enforcement of the Proceeds of Crime Act 1991. In Singapore, the reporting requirements of property related to drug trafficking or criminal conduct as specified in section 39(1) of the Corruption, Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act is based on the mental element of “knows or has reasonable grounds to suspect”. In the United States, under Regulations (31 Code of Federal Regulations s.103.21), banks and other depository institutions are required to report suspicious transactions base on the mental element of “knows, suspects, or has reasons to suspect”.

Local situation

Seriousness of money laundering offences

18. Locally, while the problem of money laundering is not very serious due mainly to the robust and comprehensive anti-money laundering regime which has been built up over the years through legislation and enforcement, as an important international financial centre, Hong Kong is still vulnerable to being used for money laundering and the amounts of proceeds involved in money laundering cases that came to light were very significant. The Commercial Crime Bureau which handles most major commercial fraud cases has reported the following figures :-

<u>Year</u>	<u>No. of Cases</u>	<u>Amount Reported Lost</u>
1998	144	HK\$3,800 million
1999	91	HK\$3,100 million
2000	92	HK\$2,300 million
2001 (Jan. to Nov.)	67	HK\$1,195 million

There are also significant proceeds arising from other commercial frauds, illegal bookmaking and soccer booking, extortion, loansharking, casino gambling, syndicated vice activities, human smuggling, vehicle theft, robberies, kidnappings and tax evasion, etc, all of which require laundering in one way or another. In addition, as at 30 November 2001, a total of HK\$ 1,803 million was under restraint, HK\$104 million ordered to be confiscated pending recovery and HK\$364 million recovered by Government under Cap. 405 and Cap. 455 since the implementation of the two Ordinances. All these illustrate that there is no room for complacency in the area of anti-money laundering.

Prosecutions which did not proceed due to ineffectiveness of the law

19. The Administration has previously submitted 10 cases to the Bills Committee to illustrate the present ineffectiveness of the law, meaning the difficulties in proving the mental element in section 25 and section 25A, which resulted in these cases not being able to be pursued following examination by the Department of Justice. It needs to be emphasized that these cases only constitute a portion of those which failed to proceed due to similar difficulties in proving the mental element. From May to November 2001, the Police investigated 498 money laundering cases, involving suspected criminal proceeds in excess of HK\$3,372 million. However, only 13 of those cases were taken to prosecution and four are under consideration for prosecution. Had the mental element in the present section 25 and section 25A been lowered, many of the cases investigated would have stood a much higher chance of being brought to trial.

Consultation

20. From June to December 2001, the Administration consulted a number of organizations on the proposed legislative amendments and CSAs. These organizations included the Hong Kong Association of Banks (HKAB), the Hong Kong Society of Accountants (HKSA), the Hong Kong Bar Association and the Law Society of Hong Kong. Meetings were held with HKAB, HKSA and the Bar Association, and a seminar involving over 100 insurance professionals were held in June 2001. In addition, two seminars attended by some 200 compliance officers (the frontline workers who will actually be affected by the proposed legislation) from 170 authorized banking institutions were held in June 2001.

21. HKAB, HKSA and the Law Society remained adamant in their disagreement to the proposed amendments to section 25 and section 25A. The Bar Association, which had changed its stance from no comments to opposed, tendered a revised defence provision in place of the proposed sections (3A) and (3AA) at Annex I, which is reproduced as follows :-

“It is a defence to prove that, in all the circumstances of his case, he did not suspect that the property he dealt with in whole or in part directly or indirectly represented any person’s proceeds of drug trafficking.”

22. As for the bank compliance officers, a total of 162 out of some 200 completed a questionnaire and returned it to the Security Bureau. 71.6 % of the respondents agreed to the proposed amendment to section 25(1), and 62.4% agreed to the proposed amendment to section 25A. Moreover, 66% of the respondents agreed to the CSAs at Annex I. A detailed analysis of the questionnaire is at Annex II (questions 5, 6, 7 and 8 of the questionnaire are relevant).

Consideration

23. Having regard to the objectives of building a sound and effective anti-money laundering regime for protecting not only the integrity of financial systems of Hong Kong, but also the interest of the community as a whole, as well as aligning Hong Kong’s anti-money laundering regime with the latest international requirements, the Bills Committee is requested to consider positively the proposed amendments to section 25 and section 25A of Cap. 405 and Cap. 455.

Security Bureau
January 2002

**Proposed changes to
Drug Trafficking (Recovery of Proceeds) Ordinance (Cap. 405)**

Section 25

(1) Subject to section 25A, a person commits an offence if, knowing or having reasonable grounds to believe that any property in whole or in part directly or indirectly represents any person's proceeds of drug trafficking, he deals with that property.

(1A) Subject to section 25A, a person commits an offence if, having reasonable grounds to suspect that any property in whole or in part directly or indirectly represents any person's proceeds of drug trafficking, he deals with that property.

(2) In proceedings against a person for an offence under subsection (1) or (1A), it is a defence to prove that-

- (a) he intended to disclose to an authorized officer such knowledge, suspicion or matter as is mentioned in section 25A(1) in relation to the act in contravention of subsection (1) or (1A), as the case may be, concerned; and
- (b) there is reasonable excuse for his failure to make disclosure in accordance with section 25A(2).

(3) A person who commits an offence under subsection (1) is liable-

- (a) on conviction upon indictment to a fine of \$5,000,000 and to imprisonment for 14 years; or
- (b) on summary conviction to a fine of \$500,000 and to imprisonment for 3 years.

(3A) In proceedings against a person for an offence under subsection (1A), it is a defence to prove that, in all the circumstances of his case, it was reasonable that he did not suspect that the property he dealt with in whole or in part directly or indirectly represented any person's proceeds of drug trafficking.

(4) A person who commits an offence under subsection (1A) is liable-

(a) on conviction upon indictment to a fine of \$1,000,000 and to imprisonment for 5 years; or

(b) on summary conviction to a fine of \$250,000 and to imprisonment for 2 years.

Section 25A

(1) Where a person knows or suspects has reasonable grounds to suspect that any property-

- (a) in whole or in part directly or indirectly represents any person's proceeds of;
- (b) was used in connection with; or
- (c) is intended to be used in connection with,

drug trafficking, he shall as soon as it is reasonable for him to do so disclose that knowledge or suspicion, together with any grounds and any other matter on which that knowledge or suspicion is based, to an authorized officer.

(2) If a person who has made a disclosure referred to in subsection (1) does any act in contravention of section 25(1) or (1A) (whether before or after such disclosure), and the disclosure relates to that act, he does not commit an offence under that section if-

- (a) that disclosure is made before he does that act and he does that act with the consent of an authorized officer; or
- (b) that disclosure is made-
 - (i) after he does that act;
 - (ii) on his initiative; and
 - (iii) as soon as it is reasonable for him to make it.

(3) A disclosure referred to in subsection (1) (including a disclosure made in good faith and purporting to be a disclosure referred to that subsection)-

- (a) shall not be treated as a breach of any restriction upon the disclosure of information imposed by contract or by any enactment, rule of conduct or other provision;
- (b) shall not render the person who made it liable in damages for any loss arising out of-
 - (i) the disclosure;
 - (ii) any act done or omitted to be done in relation to the

property concerned in consequence of the disclosure.

(4) In the case of a person who was in employment at the relevant time, this section shall have effect in relation to disclosures to the appropriate person in accordance with the procedure established by his employer for the making of such disclosures as it has effect in relation to disclosures to an authorized officer.

(5) A person commits an offence if, knowing or suspecting having reasonable grounds to suspect that a disclosure has been made under subsection (1) or (4), he discloses to any other person any matter which is likely to prejudice any investigation which might be conducted following that first-mentioned disclosure.

(6) In proceedings against a person for an offence under subsection (5), it is a defence to prove-

(a) that he did not know or have reasonable grounds to suspect that the disclosure concerned was likely to be prejudicial in the way referred to in that subsection; or

(b) that he had lawful authority or reasonable excuse for making that disclosure.

(7) A person who contravenes subsection (1) commits an offence and is liable on conviction to a fine at level 5 and to imprisonment for 3 months.

(8) A person who commits an offence under subsection (5) is liable-

(a) on conviction upon indictment to a fine of \$500,000 and to imprisonment for 3 years; or

(b) on summary conviction to a fine at level 6 and to imprisonment for 1 year.

(9) In proceedings for an offence under this section-

(a) any provision of a guideline which-

(i) was issued or otherwise approved by-

(A) the defendant's employer at the material time;

(B) a body representing a profession to which the defendant belonged at the material time; or

(C) a regulatory body which pursuant to any enactment regulates the industry or other activity in which the defendant worked or was engaged at the material time;

(ii) applied to the defendant at the material time in his capacity as an employee of that employer, as a member

of that profession, or as a person working or engaged in that industry or activity, as the case may be; and
(iii) appears to a court to be relevant to a provision of this section alleged to have been contravened,
shall be admissible in evidence in the proceedings; and
(b) the court may give the defendant's observance or non-observance of the guideline such weight in the proceedings as the court thinks proper in the interests of justice.

(10) In subsection (9)-

“court”() includes a magistrate;

“guideline”() includes a code of practice.

**Proposed changes to
Organized and Serious Crimes Ordinance (Cap. 455)**

Section 25

(1) Subject to section 25A, a person commits an offence if, knowing or having reasonable grounds to believe that any property in whole or in part directly or indirectly represents any person's proceeds of an indictable offence, he deals with that property.

(1A) Subject to section 25A, a person commits an offence if, having reasonable grounds to suspect that any property in whole or in part directly or indirectly represents any person's proceeds of an indictable offence, he deals with that property.

(2) In proceedings against a person for an offence under subsection (1) or (1A), it is a defence to prove that-

- (a) he intended to disclose to an authorized officer such knowledge, suspicion or matter as is mentioned in section 25A(1) in relation to the act in contravention of subsection (1) or (1A), as the case may be, concerned; and
- (b) there is reasonable excuse for his failure to make disclosure in accordance with section 25A(2).

(3) A person who commits an offence under subsection (1) is liable-

- (a) on conviction upon indictment to a fine of \$5,000,000 and to imprisonment for 14 years; or
- (b) on summary conviction to a fine of \$500,000 and to imprisonment for 3 years.

(3AA) In proceedings against a person for an offence under subsection (1A), it is a defence to prove that, in all the circumstances of his case, it was reasonable that he did not suspect that the property he dealt with in whole or in part directly or indirectly represented any person's proceeds of an indictable offence.

(3A) A person who commits an offence under subsection (1A) is liable-

- (a) on conviction upon indictment to a fine of \$1,000,000 and to imprisonment for 5 years; or

(b) on summary conviction to a fine of \$250,000 and to imprisonment for 2 years.

(4) In this section and section 25A, references to an indictable offence include a reference to conduct which would constitute an indictable offence if it had occurred in Hong Kong.

Section 25A

(1) Where a person knows or suspects has reasonable grounds to suspect that any property-

- (a) in whole or in part directly or indirectly represents any person's proceeds of;
- (b) was used in connection with; or
- (c) is intended to be used in connection with,

an indictable offence, he shall as soon as it is reasonable for him to do so disclose that knowledge or suspicion, together with any grounds and any other matter on which that knowledge or suspicion is based, to an authorized officer.

(2) If a person who has made a disclosure referred to in subsection (1) does any act in contravention of section 25(1) or (1A) (whether before or after such disclosure), and the disclosure relates to that act, he does not commit an offence under that section if-

- (a) that disclosure is made before he does that act and he does that act with the consent of an authorized officer; or
- (b) that disclosure is made-
 - (i) after he does that act;
 - (ii) on his initiative; and
 - (iii) as soon as it is reasonable for him to make it.

(3) A disclosure referred to in subsection (1) (including a disclosure made in good faith and purporting to be a disclosure referred to in that subsection)-

- (a) shall not be treated as a breach of any restriction upon the disclosure of information imposed by contract or by any enactment, rule of conduct or other provision;
- (b) shall not render the person who made it liable in damages for any loss arising out of-
 - (i) the disclosure;

- (ii) any act done or omitted to be done in relation to the property concerned in consequence of the disclosure.
- (4) In the case of a person who was in employment at the relevant time, this section shall have effect in relation to disclosures to the appropriate person in accordance with the procedure established by his employer for the making of such disclosures as it has effect in relation to disclosures to an authorized officer.
- (5) A person commits an offence if, knowing or suspecting having reasonable grounds to suspect that a disclosure has been made under subsection (1) or (4), he discloses to any other person any matter which is likely to prejudice any investigation which might be conducted following that first-mentioned disclosure.
- (6) In proceedings against a person for an offence under subsection (5), it is a defence to prove-
- (a) that he did not know or have reasonable grounds to suspect that the disclosure concerned was likely to be prejudicial in the way referred to in that subsection; or
 - (b) that he had lawful authority or reasonable excuse for making that disclosure.
- (7) A person who contravenes subsection (1) commits an offence and is liable on conviction to a fine at level 5 and to imprisonment for 3 months.
- (8) A person who commits an offence under subsection (5) is liable-
- (a) on conviction upon indictment to a fine of \$500,000 and to imprisonment for 3 years; or
 - (b) on summary conviction to a fine at level 6 and to imprisonment for 1 year.

(9) In proceedings for an offence under this section-

(a) any provision of a guideline which-

(i) was issued or otherwise approved by-

(A) the defendant's employer at the material time;

(B) a body representing a profession to which the defendant belonged at the material time; or

(C) a regulatory body which pursuant to any enactment regulates the industry or other activity in which the defendant worked or was engaged at the material time;

(ii) applied to the defendant at the material time in his

capacity as an employee of that employer, as a member of that profession, or as a person working or engaged in that industry or activity, as the case may be; and
(iii) appears to a court to be relevant to a provision of this section alleged to have been contravened,
shall be admissible in evidence in the proceedings; and
(b) the court may give the defendant's observance or non-observance of the guideline such weight in the proceedings as the court thinks proper in the interests of justice.

(10) In subsection (9)-

“court”() includes a magistrate;

“guideline”() includes a code of practice.

Annex II

Summary statistics of feedback from the Compliance Officers of Authorized Institutions towards Anti-money Laundering Seminar

Overall

Total no. of questionnaires analysed : 162

<u>Subject</u>	<u>Number</u>	<u>%</u>
1. The content of the topics is relevant and useful:		
a) Know your customer principle		
(i) Strongly agreed	58	35.8
(ii) Agreed	95	58.6
(iii) No comment	4	2.5
(iv) Disagreed	2	1.2
(v) Strongly disagreed	0	0.0
(vi) No answer	3	1.9
b) Non co-operative Countries/Territories exercise		
(i) Strongly agreed	48	29.6
(ii) Agreed	95	58.6
(iii) No comment	15	9.3
(iv) Disagreed	1	0.6
(v) Strongly disagreed	0	0.0
(vi) No answer	3	1.9
c) Hong Kong's latest proposal to enhance the anti-money laundering regime		
(i) Strongly agreed	55	34.0
(ii) Agreed	93	57.4
(iii) No comment	10	6.2
(iv) Disagreed	0	0.0
(v) Strongly disagreed	0	0.0
(vi) No answer	4	2.5
2. The handout is useful.		
(i) Strongly agreed	46	28.4
(ii) Agreed	106	65.4
(iii) No comment	6	3.7
(iv) Disagreed	0	0.0
(v) Strongly disagreed	0	0.0
(vi) No answer	4	2.5

**Summary statistics of feedback from the Compliance Officers of
Authorized Institutions towards Anti-money Laundering Seminar**

Overall

Total no. of questionnaires analysed : 162

Subject	Number	%
3. The seminar is of the right length.		
(i) Strongly agreed	48	29.6
(ii) Agreed	97	59.9
(iii) No comment	14	8.6
(iv) Disagreed	1	0.6
(v) Strongly disagreed	0	0.0
(vi) No answer	2	1.2
4. The content of the seminar is of the appropriate depth.		
(i) Strongly agreed	34	21.0
(ii) Agreed	113	69.8
(iii) No comment	12	7.4
(iv) Disagreed	1	0.6
(v) Strongly disagreed	0	0.0
(vi) No answer	2	1.2
5. Hong Kong's anti-money laundering regime can be further improved.		
(i) Strongly agreed	50	30.9
(ii) Agreed	91	56.2
(iii) No comment	19	11.7
(iv) Disagreed	0	0.0
(v) Strongly disagreed	0	0.0
(vi) No answer	2	1.2
6. The anti-money laundering legislative proposals in respect of money laundering offence (s.25(1)) of the Drug Trafficking and Organized Crimes (Amendment) Bill 2000 are acceptable to me.		
(i) Strongly agreed	27	16.7
(ii) Agreed	89	54.9
(iii) No comment	35	21.6
(iv) Disagreed	3	1.9
(v) Strongly disagreed	4	2.5
(vi) No answer	4	2.5

**Summary statistics of feedback from the Compliance Officers of
Authorized Institutions towards Anti-money Laundering Seminar**

Overall

Total no. of questionnaires analysed : 162

Subject	Number	%
7. The proposals in respect of disclosure offence (s.25A) of the same Bill are acceptable to me.		
(i) Strongly agreed	22	13.6
(ii) Agreed	79	48.8
(iii) No comment	45	27.8
(iv) Disagreed	7	4.3
(v) Strongly disagreed	4	2.5
(vi) No answer	5	3.1
8. The proposed Committee Stage Amendments which provide additional protection are acceptable to me.		
(i) Strongly agreed	25	15.4
(ii) Agreed	82	50.6
(iii) No comment	40	24.7
(iv) Disagreed	4	2.5
(v) Strongly disagreed	3	1.9
(vi) No answer	8	4.9
9. Similar seminar should be held regularly.		
(i) Strongly agreed	65	40.1
(ii) Agreed	87	53.7
(iii) No comment	3	1.9
(iv) Disagreed	0	0.0
(v) Strongly disagreed	0	0.0
(vi) No answer	7	4.3
If agree, the frequency of holding seminar should be:		
(i) Once a year	68	42.0
(ii) Twice a year	53	32.7
(iii) Three times a year	1	0.6
(iv) Four times a year	8	4.9
(v) Similar seminar should be held depending on the necessity	5	3.1
(vi) No answer	27	16.7