

**Bills Committee on Cross-boundary Movement of Physical Currency
and Bearer Negotiable Instruments Bill**

**List of follow-up actions arising from the discussion
at the meeting on 28 March 2017**

The Administration was requested to:

- (a) explain the considerations for determining that a person was in possession of currency and bearer negotiable instruments ("CBNIs") over HK\$120,000 and was thus required to make a declaration when arriving in Hong Kong via specified control points, in particular whether such person was required to make a declaration when accompanying a young person under the age of 16 and also knowing that the young person was in possession of a large quantity of CBNIs. In that connection, in a hypothetical scenario where an adult was accompanying a young person and they each had CBNIs of a total value of HK\$100,000, whether the adult, who was carrying the CBNIs (totaling HK\$200,000) for himself and on behalf of the young person, would be required to make a declaration and further, whether the adult could avoid having to make a declaration by, for instance, placing CBNIs of a total value of HK\$100,000 on the young person (e.g. an infant), such that the young person was arguably "in possession" of such CBNIs;
- (b) advise on the legal liability of a person who had made a declaration or disclosure to an authorized officer, but the details of such declaration or disclosure were found to be inaccurate, for example, where the total value of CBNIs in his possession was higher than the total value specified in the declaration or disclosure because of exchange rate fluctuation;
- (c) consider the proposal of allowing a frequent traveller to make a declaration on the total value of CBNIs in his possession, if it exceeded HK\$120,000, prior to arriving in Hong Kong and/or to consider whether there were means of allowing frequent travellers who often carried CBNIs over the total value of HK\$120,000 to be exempted from having to make a declaration each time they arrived at a specified control point;

- (d) clarify whether the particulars of persons and information collected pursuant to the declaration and disclosure requirements under the Bill would be used for law enforcement purposes other than those provided under the Bill, and further, whether and under what circumstances would such information be provided to other member jurisdictions of the Financial Action Task Force;
- (e) explain the policy intent of providing the power to exempt under clause 28 of the Bill and provide illustrating examples of the power being exercised by the Commissioner of Customs and Excise pursuant to clause 28;
- (f) consider the need to substitute the references to "a large quantity of CBNIs" with "specified amount of CBNIs" in the Bill; and
- (g) consider whether the term "traveller" was appropriate or whether it was liable to give rise to confusion for Hong Kong residents who might not be aware that the declaration and disclosure requirements also applied to them.

Council Business Division 2
Legislative Council Secretariat
20 April 2017