



Service and Enforcement Information

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Supervision of Dealers in Precious Metals and Stones

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Registration for Dealers in Precious Metals and Stones

Background

To enhance Hong Kong's regulatory regime for combating money laundering and terrorist financing (ML/TF) in fulfilment of Hong Kong's obligations under the Financial Action Task Force, a new two-tier registration regime for dealers in precious metals and stones has been introduced under [the Anti-Money Laundering and Counter-Terrorist Financing \(Amendment\) Ordinance 2022](#) for commencement on [1 April 2023](#). Customs and Excise Department (C&ED) would take charge of the regime and take enforcement actions against non-compliance cases.

Dealer in precious metals and stones

Any person carries on any of the following activities by way of business —

- a. trading in (including purchasing and selling), exporting or importing precious metals, precious stones or precious products;
- b. manufacturing, refining or carrying out any value adding work on precious metals, precious stones or precious products;
- c. issuing, redeeming or trading in precious-asset-backed instruments; or
- d. acting as an intermediary in respect of any of the activities in paragraph a, b or c.

Except the person carries on a logistics service business, only imports or exports precious metals, precious stones or precious products in the ordinary course of that business.

Articles covered in the regulatory regime

There are four types of articles:

- a. **Precious metal:** gold, silver, platinum, iridium, osmium, palladium, rhodium or ruthenium, in a manufactured or unmanufactured state;
- b. **Precious stone:** diamond, sapphire, ruby, emerald, jade or pearl, whether natural or otherwise;
- c. **Precious product:** any jewellery or watch that is made up of, containing or having attached to it, any precious metal or precious stone, or both;
- d. **Precious-asset-backed instrument:** any certificate or instrument backed by one or more precious metals, precious stones or precious products that entitles the holder to such assets (in entirety or in part); but does not include—
 - i. any securities, a futures contract, any interest in a collective investment scheme, a structured product or an OTC derivative product as defined by the Securities and Futures Ordinance (Cap. 571); or
 - ii. a virtual asset.

Two-tier registration

Category A registrant:

A dealer who carries out "Specified Transaction" [i.e. a transaction that involves non-cash payment(s) at least HK\$120,000 in total or an equivalent amount in another currency] but excludes "Specified Cash Transaction" [i.e. a transaction that involves cash payment(s) at least HK\$120,000 in total or an equivalent amount in another currency] in Hong Kong.

Category B registrant:

A dealer who carries out "Specified Transaction" and "Specified Cash Transaction" in Hong Kong.

- > To facilitate existing dealer's migration to the Regime, precious metals and stones dealers who have been in operation before commencement of the Regime are allowed to apply for registration within 9 months after commencement of the Regime (i.e. Apr – Dec 2023). Any person, who would like to start up a precious metals and stones business after commencement of the Regime and plan to carry out specified transactions and/or specified cash transactions, is required to register before carrying out any specified transactions and/or specified cash transactions.
 - > Any person, other than a registrant, carries out a specified transaction or a specified cash transaction, claims to be authorized to carry out a specified transaction or a specified cash transaction, or claims to be a registrant, commits an offence and is liable on conviction to a maximum fine of HK\$100,000 and imprisonment for 6 months.
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Non-Hong Kong Precious Metals and Stones Dealer

A non-Hong Kong precious metals and stones dealer is a person who deals in precious metals and stones in Hong Kong where—

- a. the person—
 - i. either—
 - A. is an individual who does not ordinarily reside in Hong Kong; or
 - B. is a legal person, other than an individual, that is incorporated or established outside Hong Kong and is not a registered non-Hong Kong company as defined by section 2(1) of the Companies Ordinance (Cap. 622); and
 - ii. does not have a place of business in Hong Kong; and
- b. the total number of days on which the person's precious metals and stones business is carried on in Hong Kong does not exceed 60 days in a calendar year.

Obligations of a non-Hong Kong precious metals and stones dealer

A non-Hong Kong precious metals and stones dealer must file a cash transaction report which shall include travel information and particulars of the dealer and/or the person acting on behalf of the dealer (as appropriate), particulars of the customer and transaction details to the Customs and Excise Department for any specified cash transactions carried out within 1 day after the transaction, or the earliest time when the dealer or the person acting on behalf of the dealer leaves Hong Kong, whichever is earlier.

> Penalty

Any non-Hong Kong precious metals and stones dealer fails to report a specified cash transaction commits an offence and is liable on conviction to a maximum fine of HK\$50,000 and imprisonment for 3 months.

FAQs

More information

Customs and Excise Department is now holding a series of seminars on Dealers in Precious and Stones Registration Regime. Several seminars are now open for application with details as follows.

Date	Venue	Time	Language	Total seats available	Online Application	Status
20.2.2023 (Mon)	Auditorium, 15/F, Customs Headquarters Building, North Point	15:00 - 17:00 hours	English	200	Apply	Open
23.2.2023 (Thu)	Henry G. Leong Yau Ma Tei Community Centre	15:00 - 17:00 hours	Cantonese	120	Apply	Open
24.2.2023 (Fri)	Auditorium, 15/F, Customs Headquarters Building, North Point	15:00 - 17:00 hours	Cantonese	200	Apply	Open
28.2.2023 (Tue)	Auditorium, 15/F, Customs Headquarters Building, North Point	15:00 - 17:00 hours	English	200	Apply	Open
2.3.2023 (Thu)	Henry G. Leong Yau Ma Tei Community Centre	15:00 - 17:00 hours	Cantonese	120	Apply	Open
3.3.2023 (Fri)	Yau Tong Community Hall	17:00 - 19:00 hours	Cantonese	120	Apply	Open
9.3.2023 (Thu)	Auditorium, 15/F,	15:00 -	Cantonese	200	-	To be opened

Date	Venue	Time	Language	Total seats available	Online Application	Status
	Customs Headquarters Building, North Point	17:00 hours				
14.3.2023 (Tue)	Auditorium, 15/F, Customs Headquarters Building, North Point	15:00 - 17:00 hours	Cantonese	200	-	To be opened
21.3.2023 (Tue)	Auditorium, 15/F, Customs Headquarters Building, North Point	15:00 - 17:00 hours	Cantonese	200	-	To be opened
23.3.2023 (Thu)	Yau Tong Community Hall	17:00 - 19:00 hours	Cantonese	120	-	To be opened
28.3.2023 (Tue)	Auditorium, 15/F, Customs Headquarters Building, North Point	15:00 - 17:00 hours	Cantonese	200	-	To be opened

Contact Us

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