

# Contents

	<b><u>Page</u></b>
<b>Chapter One: Introduction</b>	
Definition of Internet Banking Fraud	2
Incidence	5
The Global Context	11
Mainlandisation	12
Fears for the Erosion of the Rule of Law	16
The Political Environment	27
The Economic Environment	29
Banking	33
Policing and the Criminal Justice System	36
Summary	42
<b>Chapter Two: Literature and Methodology</b>	
Introduction	44
Literature on Economic Crime	45
Literature on Economic Crime in Hong Kong	47
Literature on Internet Crime	50
Literature on Internet Crime in Hong Kong	53
Literature on Banking Fraud	55
Literature on Banking Fraud in Hong Kong	57
Fieldwork	58
Interviews	59
The Case Sample	61
Access	62

Limitations	63
<b>Chapter Three: Technological and Financial Savviness</b>	
Introduction	65
Technological and Financial ‘Savviness’	66
Financial Savviness	75
<b>Chapter Four: The Bank’s Internal Processes of Detecting, Filtering and Reporting Crime</b>	
Introduction	79
How Banks Process Internet Banking Fraud	79
Internet Security	81
Customer Contracts	85
Examples of Automated Teller Machine (ATM) Fraud	89
Internet banking	97
Whistle-blowing	99
Internal Bank Audits	101
The Victim Reports Fraud Directly to the Bank	105
The Bank Rejects the Complaint	107
When the HKMA Reports a Case of Internet Fraud to the Police	108
Theory Vs Practice	110
Summary	116
<b>Chapter Five: The Investigation</b>	
Introduction	118
How the Hong Kong Police Process Internet Banking Fraud	119
Bank-Police Liaison	123
Summary	127

## **Chapter Six: The Law**

Introduction	129
What to Charge: How does the Law Shape Police Investigation and Prosecution?	129
i). Charging the Recorded Crime as Theft under the Theft Ordinance (Cap. 210)	130
ii). Charging a Recorded Crime under the Computer Crimes Ordinance 1993	135
(i). Section 27A of the Telecommunication Ordinance (Cap. 106)	137
(ii). Section 59 and 60 of the Crimes Ordinance (Cap. 200)	138
(iii). Section 85 of the Crimes Ordinance (Cap. 200)	139
(iv). Section 161 of the Crimes Ordinance (Cap. 200)	139
(v). Section 11 (3) of the Theft Ordinance (Cap.210)	140
(vi). Section 19 of the Theft Ordinance (Cap.210)	141
Summary	142

## **Chapter Seven: Police Investigatory Issues and Skills**

Introduction	144
Multi-jurisdictional Investigations	144
Specialist Units	150
Searching for Evidence	151
The Commercial Crime Bureau (CCB)	152
The Independent Commission Against Corruption (ICAC)	153
The Technology Crime Division (TCD)	161

Integrity of Evidence	165
Effectiveness	167
Summary	169

## **Chapter Eight: Police Strategy, Training and Recruitment**

Introduction	171
i) Strategy	173
ii) Training	176
iii) Police Recruitment	177
iv) Police Resources	180
v) Low Value and Trivial Internet Crimes	185
Summary	188

## **Chapter Nine: Sample of Hong Kong Cases**

Introduction	191
Computer Crime Ordinance 1993 (C C Ord. 1993): An Analysis of Cases	193
Common Features	197
Distinctive Features	198
(i) Complexity of the case	198
(ii) Trans-jurisdictional cases	203
(iii) The Mainland China- Hong Kong connection	205
(iv) Prosecuted under Computer Crimes Ordinance 1993 Together with other crimes	210
(v) Prosecuted originally under the Computer Crimes Ordinance 1993, but ended up at trial charged with other offences	211
(vi) Motive not always monetary gain	211
Other Observations	212

(i)	The Use of Custodial Sentences	212
(ii)	Prosecuting quite minor Internet crimes	219
(iii)	Mainlandisation	220
(iv)	Equal application of the law	220
(v)	Technological and Financial Knowhow ‘Savviness’	222
(vi)	Police Capability	223
(vii)	Bank/Police Liaison	224
	Summary	226

## **Chapter Ten: Conclusion**

	Hong Kong’s Economy	229
	Culture	230
	The Legal Environment and Rule of Law	233
	Mainlandisation	235
	Bank Regulations	238
	Political Environment	239

## **Appendix**

## **Bibliography**