



# Strengthening Canada's AML Regime:

## International Best Practices and Domestic Initiatives

April 23, 2021





# The Webinar Has Begun



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Please submit questions through the Q&A button to everyone on your screen, to avoid duplication of questions.



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As a reminder, members of the Chapter will earn one CAMS credit for participation in today's virtual event. Please allow 10 business days for credits to appear in your ACAMS profile.

# Welcome!

Warm welcome to our Chapter members,  
Montreal & Vancouver Chapter members and  
everyone else that has tuned joined us today!



# Welcome from the ACAMS Greater Toronto Chapter Board



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# Our Speakers

**Moderator**



**François Mathieu**

Financial Crimes Senior Manager, KPMG Canada



**Superintendent Peter Payne**

Director Financial Crime, RCMP



**Nick J. Maxwell**

Head of the Future of Financial  
Intelligence Sharing (FFIS) Programme, RUSI



**Stuart Davis, CAMS**

Executive Vice President, Financial  
Crimes Risk Management and  
Group CAMLO, Scotiabank



# ACAMS Toronto

- 23 June 2021
- ‘The case for policy reform in Canada: financial information sharing to detect economic crime’
- Extracts from FFIS submission to the Commission of Inquiry into Money Laundering in British Columbia

# The Royal United Services Institute Future of Financial Intelligence Sharing (FFIS) research programme



Understanding the role of public-private and private-private financial information-sharing to detect, disrupt and prevent crime.

[www.future-fis.com](http://www.future-fis.com)

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The aims of our briefing paper to the Cullen Commission:

- a) To describe recent international developments to enhance the effectiveness of national Anti-Money Laundering/Anti-Terror Financing (AML/ATF) regimes,
- b) To analyse Canada's current processes, regulatory regime and legislative provisions for information-sharing to detect money laundering and underlying crime;
- c) To identify both strengths and limitations of the Canadian AML/ATF regime to leverage public-private collaboration to address crime, relative to current practices in similar countries; and
- d) To raise key opportunities to enhance the Canadian national AML/ATF regime.

Overall findings...

# The Canadian AML/ATF regime...

1. is not producing substantial operational results, compared to the scale of economic crime threats, nor designed with a target operating model that could reasonably be expected do so;
2. encourages massive and continual risk-displacement in the name of 'preventative measures', without a convincing disruptive effect on underlying crime, nor as part of a credible approach to preventing criminal activity;
3. collectively costs public and private stakeholders many billions of Canadian dollars to implement annually; and
4. in - terms of privacy - is currently driving one of the most extensive AML/ATF data collection regimes in the world, encouraging massive volumes of reporting of Canadian transactions to FINTRAC.

# 4 strategic challenges in the Canadian AML/ATF information-sharing regime identified in this study are as follows:

- 1:** **Limited strategic vision** of how the Canadian AML/ATF system should develop to respond to the scale of economic crime threats facing Canada.
- 2:** **Insufficient public-private financial information sharing** to detect ML
- 3:** **Inadequate private-private financial information sharing** to detect ML
- 4:** A system which incentivises firm-level risk-management, **but exacerbates system-wide vulnerability, through 'de-marketing'**

## 8 proposed reform themes across three core pillars

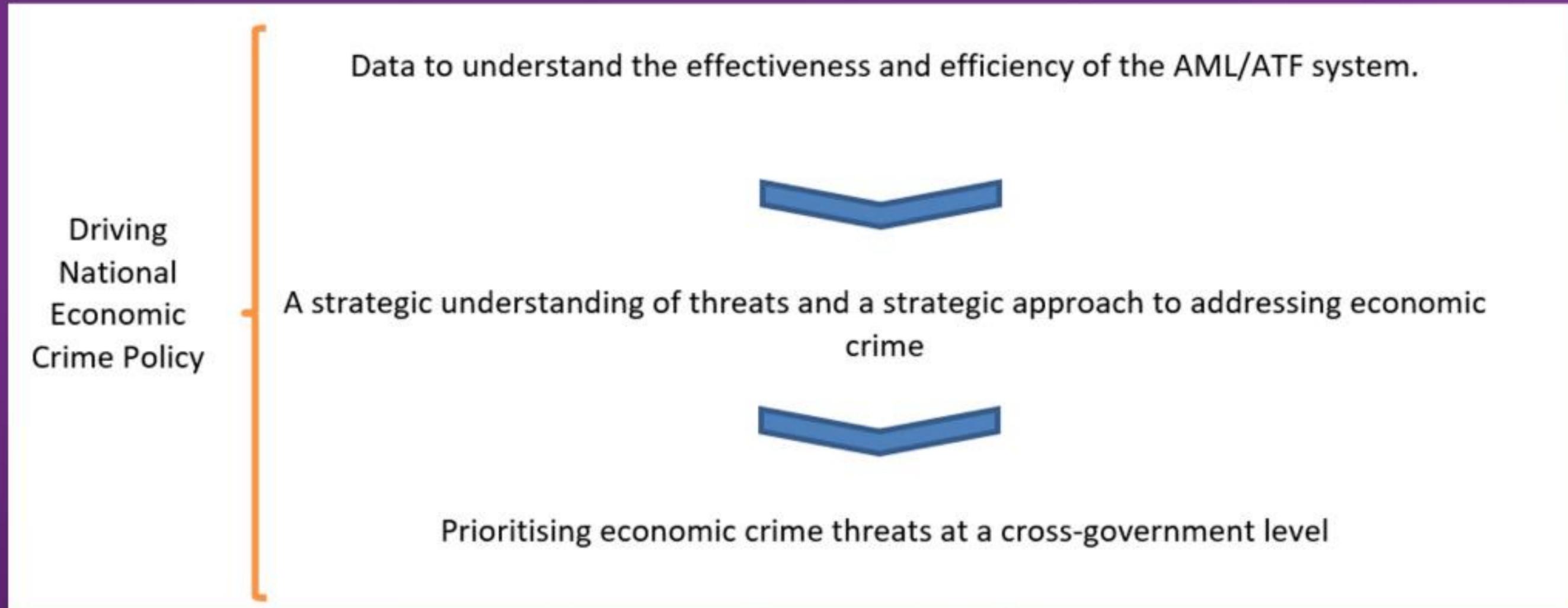
Driving Strategic National Economic  
Crime Policy

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graph TD; A[Driving Strategic National Economic Crime Policy] --> B[Leveraging collaboration in the development of financial intelligence to identify and disrupt crime]; B --> C[Supporting system wide-prevention and effectiveness outcomes through supervision];
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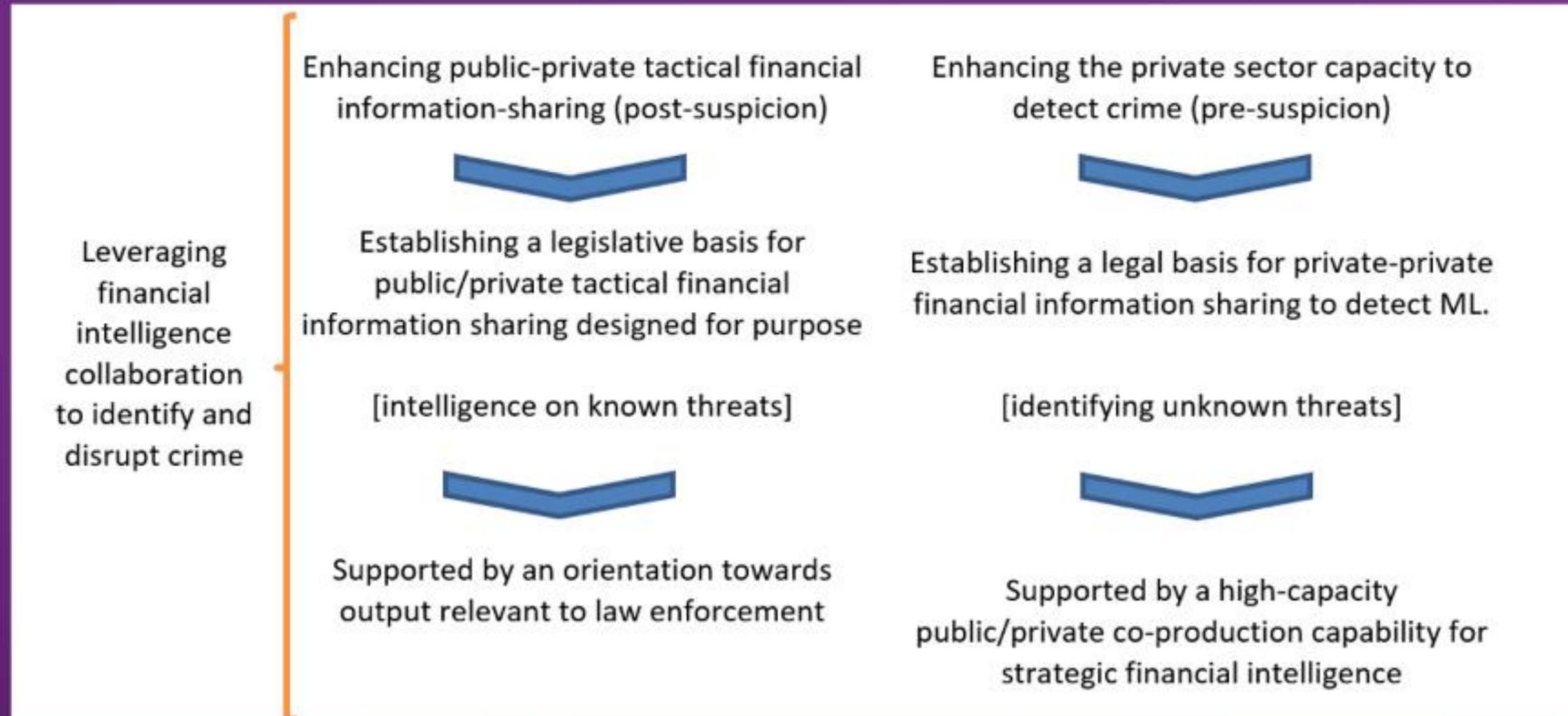
Leveraging collaboration in the  
development of financial intelligence  
to identify and disrupt crime

Supporting system wide-prevention  
and effectiveness outcomes through  
supervision

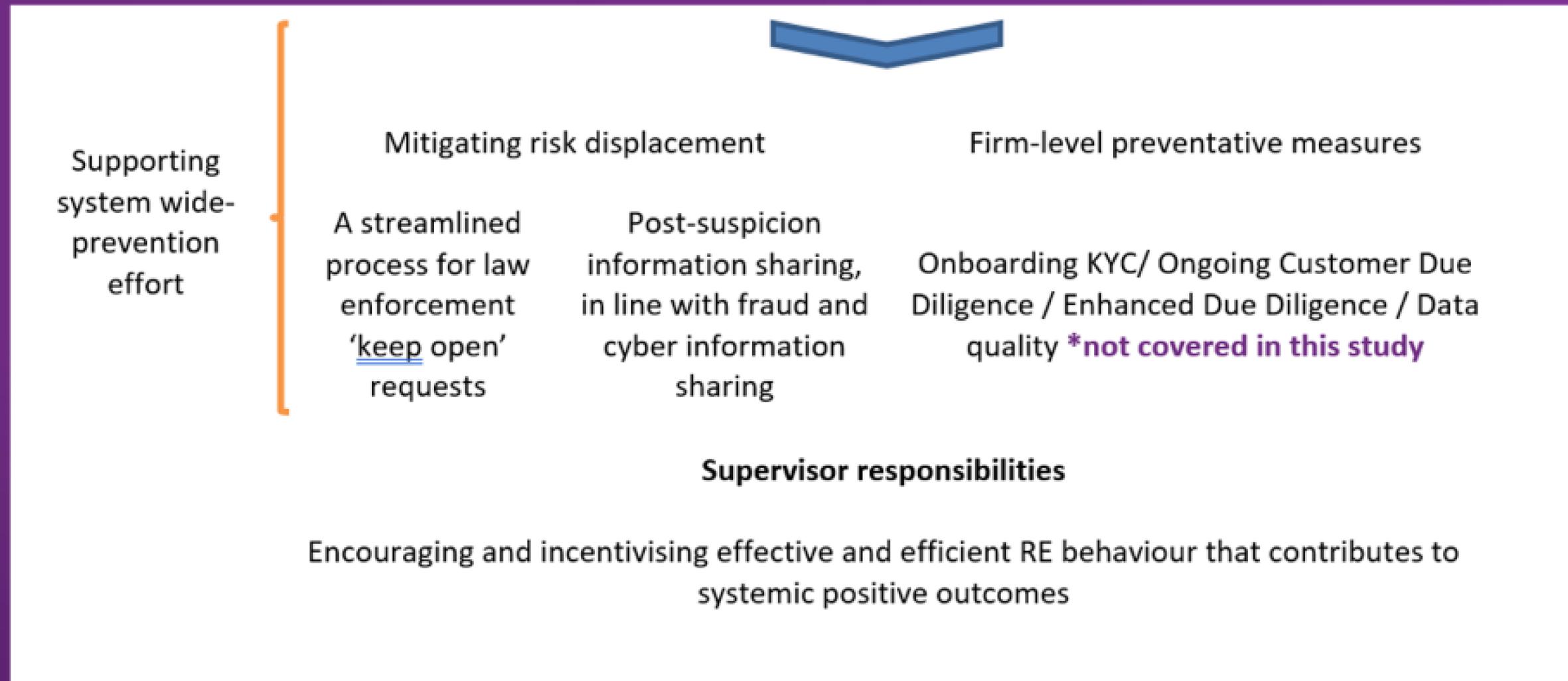
# Reform themes:



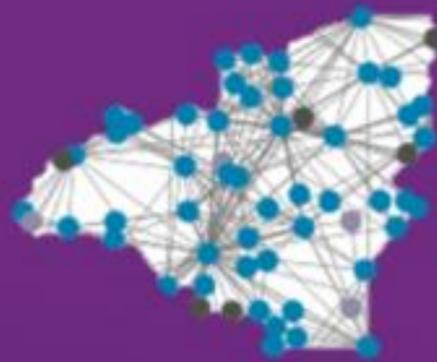
# Reform themes:



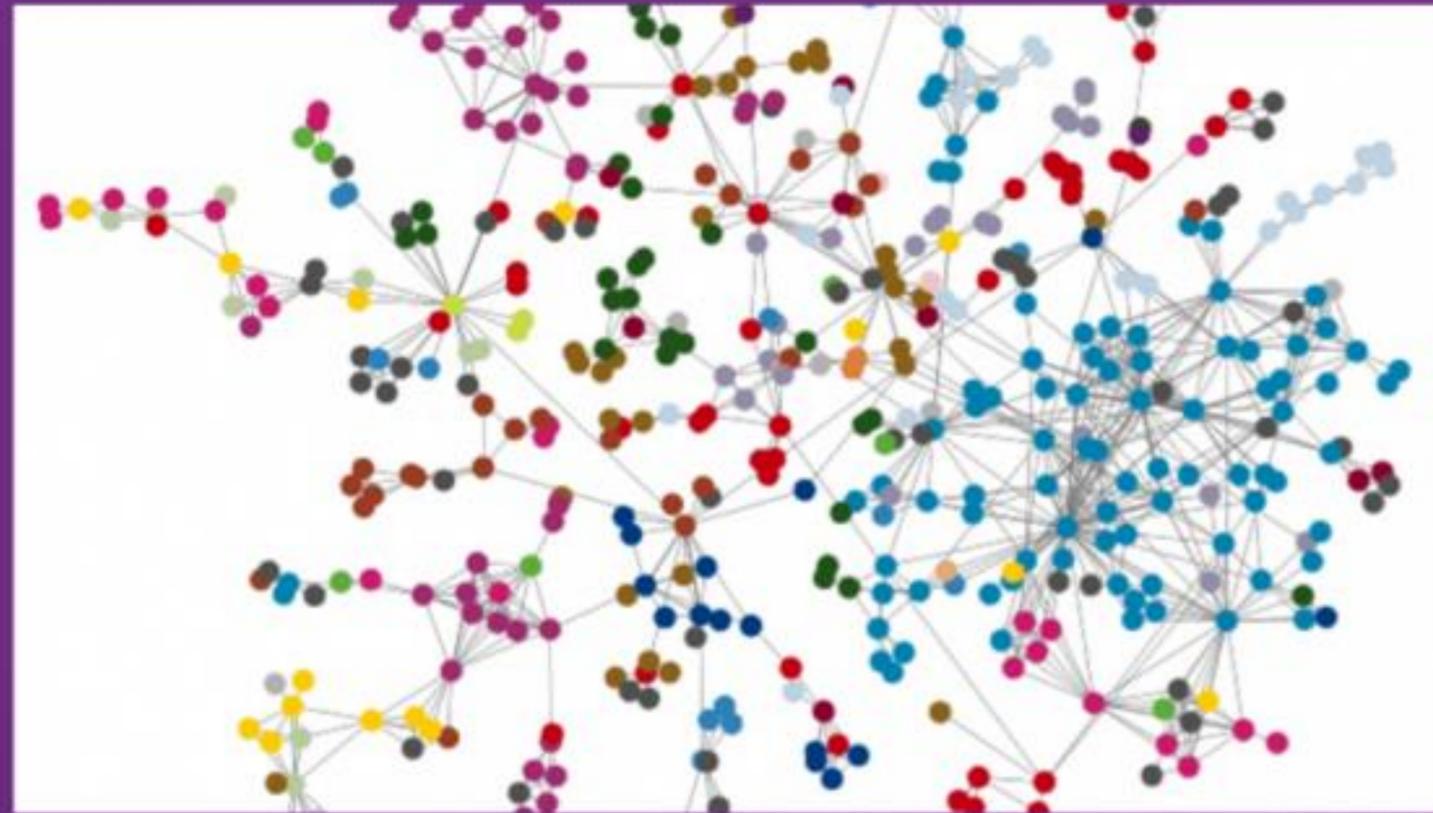
# Reform themes:



An individual reporting entity will have only a small picture of any organised crime activity network



Analytics in silos



Analytics on networks

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