

F CANADA - BANQUE DU CANADA

CINQ 5 FIVE
DOLLARS

CANADA

INO 5 FIVE

The Fight Against Money Laundering



Why is the fight against money laundering so important?

- Size and scope of money laundering
- Motivation for laundering money pre and post terrorists activities, drug money, corrupt money, tax evasion
- Corruption and money laundering threats to international security
- proceeds of crime



Why is the fight against money laundering so important?

- Linkage of money laundering with corruption
- Role of offshore banking centers
- Domestic and exported laundered money
- Global Organization of Parliamentarians Against Corruption (GOPAC)



Policy and Legislative Design

- Must be tailored to specific needs of each jurisdiction
- Financial intelligence is essential to detect and deter money laundering and terrorist financing
- International standards set by Financial Action Task Force (F.A.T.F.)
- F.A.T.F. sets AML standards
 - 40 Recommendations on Money Laundering
 - 9 Special Recommendations on Terrorist Financing

A close-up, slightly blurred image of a Canadian five-dollar banknote, showing the word 'CANADA' at the top, the number '5' in the center, and 'FIVE' at the bottom. The background of the slide is a solid blue color.

Policy and Legislative Design

- Regular mutual evaluation exercises assess compliance
- Setting a big net
- Privacy issues
- Defining 'suspicious transactions'
- Solicitor/client privilege
- Financial intermediaries



Policy and Legislative Design

- Monetary instruments
- Onus - burden of proof re: seizures
- Telegraphic transfers and internet banking
- Domestic/offshore money laundering
- Asset recovery



Organization structures

- Financial Intelligence Unit (FIU)
- Department/agency
- Responsible Minister
- Agency independence
- Need for rules, regulations and guidelines especially for financial intermediaries



Implementation

- Political will
- Adequate resources for competent agencies
- The role of parliamentarians and parliamentary committees
- GOPAC anti-money laundering initiatives
- Inter-agency and international cooperation
- Awareness training

The top left corner of the slide features a decorative background of Canadian currency, including a five-dollar banknote and a five-cent coin, with the word 'CANADA' and the number '5' visible.

Implementation

- Financial resources
- Risk management
- Transparency & accountability
- Financial sector - 'know your customer'
- Reporting compliance by financial intermediaries



FINTRAC

- Canada's Financial Intelligence Unit
 - Collecting, analyzing and disclosing financial intelligence
- Legislation
 - *Proceeds of Crime (Money Laundering) and Terrorist Financing Act*
 - *Client ID, Record Keeping and Reporting*
 - *Cross-Border Movement of Currency and Monetary Instruments*
 - *Terrorist Listing*