

## **Anti-Money Laundering Legislation - Canadian Department of Finance Review**

February 23, 2012 by [Janice Lao](#)

In December 2011, the federal government launched a consultation aimed at updating Canada's regime for combating money laundering and terrorist financing. The Department of Finance released a [consultation paper](#) setting out proposals to strengthen Canada's anti-money laundering and anti-terrorist financing legislative framework, which is administered through the PCMLTFA. Comments on the consultation paper are requested by March 1, 2012.

The proposals in the paper are organized around the following key areas:

- strengthening client due diligence standards;
- closing gaps in Canada's regime;
- improving compliance, monitoring and enforcement;
- strengthening information sharing in the regime;
- introducing a list of potential countermeasures; and
- updating reporting requirements.

Some interesting proposals include:

- expanding the customer due diligence requirements and cross-border currency reporting requirements to prepaid access;
- revising non-face-to-face identification measures for credit cards;
- amending the definition of 'politically exposed foreign person' to include close associates of such person;
- eliminating the threshold of \$10,000 for reporting electronic fund transfers to FINTRAC, and requiring financial entities, casinos and money service businesses to report all electronic fund transfers entering or leaving Canada;
- expanding the application of client identification and record-keeping requirements to life insurance companies and brokers beyond current requirements for certain annuities and policies;
- clarify the exclusion of reporting requirements for accounting firms when acting as trustees in bankruptcy; and
- expanding the list of designated information FINTRAC can give to law enforcement.

Tags: [Regulation](#)