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# Anti-Money Laundering and Anti-Terrorist Financing Update and International Ethics Developments

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Members of CPANS, CPAPEI, CPANL and CPA Bermuda

Michele Wood-Tweel, FCPA, FCA, Vice-President, Regulatory Affairs

CPA Canada

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## ABOUT CPA CANADA

As a non-regulatory body comprised of individual CPA members, CPA Canada supports the profession and represents Canadian CPAs at the national and international levels.

Nationally, CPA Canada acts in the public interest to promote transparency in financial markets, prepares CPAs for a rapidly evolving business environment through extensive guidance and programming and contributes to standard setting and policy making. Globally, CPA Canada works together with international bodies to build a stronger accounting profession worldwide.

Our dedicated efforts help shape public policy, influence regulatory frameworks and establish high professional standards that reflect the evolving needs of the accounting industry.

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# Presentation Topics

1. Overview of Canada's AML/ATF Regime
2. What it means for CPAs and accounting firms
3. AML/ATF legislative and regulatory updates
4. AML/ATF resources and guidance
5. International ethics developments
6. Closing remarks
7. Questions

# Overview of Canada's AML/ATF Regime

# Canada's AML/ATF regime: context

- Money Laundering is global – “**professional**” launderers seek system gaps, stable economies and financial systems to exploit by leveraging the vulnerabilities that allow for anonymity and opacity in transactions
- Money launderers may involve other unwitting individuals, including professionals, or organizations in what may be a series of events or transactions designed to conceal the illicit intent
- **Accountants** and lawyers are seen as “**gatekeepers**”
- Money laundering activity is occurring in **every province** and has serious social and economic consequences



# Canada's AML/ATF regime: landscape

- The Criminal Intelligence Service Canada (CISC) estimates that between **\$45 billion and \$113 billion is laundered** in Canada per year
- [Canada's Assessment of Risks of ML/TF](#) (2025): **private corporations are inherently vulnerable to exploitation for ML/TF**, and according to FINTRAC, continue to feature frequently in money laundering case disclosures to law enforcement. Internationally, **70% of money laundering utilizes corporations!**
- [FINTRAC's 2024-2025 annual report](#) **Top Five Predicate Offences\*** Related to Case Disclosures: **fraud-25%, drugs-20%, tax evasion-12%, customs/excise-11%** and **crimes against persons** (mainly focused on human trafficking)-**16%**
- Canada's reputation at risk: [US State Department's Report on Money Laundering](#) (March 2025) continues to identify **Canada as a "Major Money Laundering Jurisdiction"** in 2024
- [Basel AML Index 2024](#): Independent ranking assessing the risk of ML/TF around the world. **Canada ranked 122/164** jurisdictions on a highest to lowest risk scale. Overall **risk score increased slightly to 4.47** (lowest risk– 2.96/ highest risk– 8.17)

\*Criminal offences, followed by the laundering of their proceeds, are known as "predicate offences"

# Canada's AML/ATF regime: strengthening the system

- The AML Regime has been in place in Canada since the 2000s and several times since then, the system has been strengthened
- There were a number of indicators around 2016 to 2018 that there were deficiencies in Canada's AML Regime and improvements were required to implement international standards under the Financial Action Task Force (FATF), with an aim to situate Canada positively for its recent mutual evaluation by the FATF in 2025/26 – from both the international review that took place by the [FATF](#) (2016) and the [parliamentary committee review](#) (2018), to eventually the release of the final [Commission of Inquiry into Money Laundering in British Columbia](#) report in 2022
- The government acted, and we saw sweeping sets of regulations that were brought in 2019 and 2020, with most of the changes becoming effective June 1, 2021
- The [changes that came into force in 2021](#) had significant implications for the updating of accountants' and accounting firms' compliance programs with changes to rules about “know your client”: “[know your client](#)” [AML/ATF rules for CPAs](#) and [New AML/ATF requirements](#) associated with [record-keeping](#) and reporting to FINTRAC, and Risky business: [non-compliance with AML/ATF requirements](#)
- **The exposure to risk for accountants and accounting firms becomes greater if there is failure to meet due diligence standards in meeting the AML/ATF legislation and *Criminal Code* requirements**

# Canada's 2025 National Risk Assessment of Money Laundering and Terrorist Financing: key findings

- **Organized crime groups (OCGs) and third-party enablers** are the main money laundering (ML) threat actors
- **Illegal drug trafficking remains the highest ML threat in Canada**, followed by fraud, commercial trade fraud, trade-based ML, and tax crimes
- **Other substantial ML threats** include illegal gambling, human smuggling, robbery, theft, cross-border smuggling, corruption, ransomware, and other types of extortion
- Canada's **terrorist financing (TF) landscape overall remains "low volume and low value"**
- **Foreign-based threat actors with TF links to Canada are religiously and/or politically motivated** and use various funding sources, including crowdfunding, cryptocurrencies, informal value transfer systems (IVTS), state sponsorship, abuse of non-profit organizations (NPOs), and criminal activity
- Businesses that engage with **politically exposed persons, jurisdictions with weak AML/ATF frameworks, or where listed terrorist entities operate may be exposed to higher ML/TF risks** requiring enhanced due diligence

# Canada's 2025 NRA of ML/TF: accountants

- The **ML/TF vulnerabilities** of the accounting sector have been rated as a **medium risk**, consistent with 2023 and 2015 assessments
- Accountants have **specialized knowledge and expertise** that may be vulnerable to being exploited unwittingly or wittingly for illicit purposes; e.g., financial and tax advice, providing help and counsel around company and trust formation, etc.
- The profession offers **vulnerable services** to a range of individuals and businesses and can act as third parties in transactions, for example:
  - The profession is **well integrated with other complex and vulnerable sectors** of the economy, such as the banking, securities, and real estate sectors
  - **Unique expertise** relating to taxation, fiscal policies, and finance, enables members of the profession to **act as facilitators or ‘gatekeepers’ to other areas of the financial system**, which can present heightened vulnerability to being abused for illicit purposes
  - The **client profile of accountants** includes high net worth clients, politically exposed persons (PEPs), and cash intensive businesses
  - Accountants can engage in **activities associated with high-risk jurisdictions**, particularly those that are employed by large accounting firms that have international operations or linkages
- **Risk mitigations:** regulatory oversight (FINTRAC and CPA provincial & territorial bodies), adherence to the respective CPA professional code of conduct and the CPA Canada Handbook, and ongoing and direct relationships with clients (i.e., predominantly face-to-face, thereby minimizing anonymity)

# Money laundering in eastern Canada

- Project Hammertime, RCMP Southwest Nova Street Crime Enforcement Unit arrested four people engaged in drug trafficking, arson, threats and intimidation (Nova Scotia)
- N.S. lobster dealer accused of heading crime group (Nova Scotia)
- PEI investigation reveals money laundering, corruption, and elite capture by Chinese Communist Party through the Monastery Bliss and Wisdom – alleged foreign interference, organized crime and corruption
- Accused cocaine trafficker targeted by major N.S. RCMP investigation found guilty (Nova Scotia)
- Money laundering amongst latest charges laid in Project Bustle, a RCMP interprovincial drug-trafficking and organized crime investigation (Newfoundland and Labrador)
- 14 people and companies charged over alleged immigration scheme involving 2 P.E.I. farm operations
- Daniel Bard Facing 19 charges, including fraud, theft and money laundering (New Brunswick)
- Project Cobra: 3-year organized crime investigation into transnational drug importation, drug trafficking, and money laundering – \$55 million worth of drugs intercepted targeted a multitude of spaces, from residential homes and commercial businesses to vehicles and storage facilities, spanning across Canada (including Nova Scotia)

# What it Means for CPAs and Accounting Firms

# Recall: accounting products and services at elevated risk for money laundering activity

- Financial and tax advice; e.g., complex tax planning and tax structuring services, wealth management and corporate finance services
- Acting as an intermediary for financial transactions
- Acting as a proxy, allowing their client's name to not form part of due diligence practices of another reporting entity
- Ability to create documentation providing a supposed legitimate source of funds, or rationale for other subsequent financial transactions
- Ties to overseas jurisdictions for layering activities
- Engaging in fraudulent accounting practices of over/under invoicing, accounting treatment of subsidiaries or related companies, over/under valuing companies, hiding profits and losses, etc.



# Accountants subject to the Act

- For the purposes of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (PCMLTFA, the Act), “[Accountants](#)” are defined as a chartered accountant (CA), a certified general accountant (CGA), a certified management accountant (CMA) or, if applicable, a chartered professional accountant (CPA); and an accounting firm is an entity engaged in the business of providing accounting services to the public and that has at least one partner, employee or administrator that is an accountant.
- Accountants and accounting firms must fulfill specific obligations as required by the PCMLTFA and associated Regulations to help combat ML/TF in Canada
- Accountants and accounting firms are **subject to the PCMLTFA when they engage in any of the following activities on behalf of a person or entity, or give instructions on behalf of a person or entity** in respect of:
  - receiving or paying funds or virtual currency;
  - purchasing or selling securities, real property or immovables or business assets or entities; or
  - transferring funds, virtual currency or securities by any means.

# Excluded activities under the Act



- Activities carried out in the course of an **audit, a review or a compilation** engagement within the meaning of the CPA Canada Handbook
- The receipt of **professional fees**
- Providing **advice** to clients, making recommendations or suggestions
- Authorized by law to carry on the business of, or to monitor the business or financial affairs of, an **insolvent or bankrupt** person or entity; or authorized to act under a security agreement
- Acting in the capacity of an **employee, with the exception of submitting suspicious transaction reports (STRs)** to FINTRAC if your employer is a reporting entity

# Triggering activities

- ✓ When you **give instructions** for any of the triggering activities, it means that you actually **direct the movement of funds**.
  - **Example:** "Based on my client's instructions, I request that you transfer \$15,000 from my client's account, account number XXX, to account number YYY at Bank X in Country Z."
- ✗ By contrast, when you **provide advice** to your clients, it means that you **make recommendations or suggestions** to them. Providing advice is not considered to be giving instructions.
  - **Example:** "For tax purposes, we recommend that you transfer your money into a certain investment vehicle."

# Triggering activities examples: dealing with client assets on their behalf

## 1. Receiving or paying funds or virtual currency

- a. Your accounting firm performs bookkeeping services and has signing authority over the account of a not-for-profit organization client and pays invoices from that account on its behalf.
- b. A client issues a cheque to you as a sole practitioner accountant in an amount equal to their income tax payable and your accounting fees. You then deposit the cheque and wire the income tax payable to the CRA from your account.
- c. A client instructs their vendor to settle their invoice by remitting funds to your accounting firm and then asks that your firm issues a cheque for the difference between the value of the wire and your outstanding fees.
- d. A client requests assistance in transferring funds from a sanctioned country into Canada, in respect of which an accountant arranges for Canadian accounts and wire transfers through intermediate countries.

# Triggering activities: dealing with client assets on their behalf...continued



2. **Purchasing or selling real property, or immovables or business assets, or entities**
  - a. The leader of the corporate finance group of your accounting firm travels to the U.S. to finalize the purchase of a business on behalf of their client.
  - b. Acting as the trustee for an estate, an accountant instructs a real estate broker to sell a piece of land owned by the estate.

# Triggering activities: dealing with client assets on their behalf...continued

## 3. Transferring funds, virtual currency or securities by any means

- a. An accountant within your accounting firm has been engaged by the lawyer of a client without capacity to manage their investments and exercises discretionary authority to buy and sell securities on their behalf.
- b. As part of a tax restructuring engagement, an accountant opens investment accounts in other countries on behalf of their clients and orders domestically held securities transferred there.
- c. In connection with a corporate reorganization, an accountant documents and executes share transfers in a minute book on behalf of their client.

## 4. Giving instructions in connection with any of the above (1,2 and 3)

- a. Acting as the trustee for an estate, an accountant instructs a real estate broker to sell a piece of land owned by the estate.

# Assess your client activities carefully

## To be, or not to be in the AML Regime, that is the question

- The compliance obligations under the PCMLTFA and its associated Regulations are quite substantial, and the quantitative and qualitative costs of noncompliance are high
- Clearly and explicitly documenting certain services (potential triggering activities) and any rationale and decisions (within internal policies and procedures, and client engagement letters, etc.) is key – especially for services such as business advisory, transaction support, trust-related services, etc.
- Identify and assess your risk exposure to make informed decisions
- Educate partners and staff on what activities could bring the firm into scope
- Weigh the costs vs benefits of undertaking a triggering activity
- When in doubt, seek a professional opinion!

# Summary of requirements for accountants

## Compliance program

Must implement a strong compliance program, including conducting a risk assessment of your business activities to assess and document the risk of a ML/TF and sanctions evasion offences

## Know your client

Must verify the identity of persons and entities for certain activities and transactions and carry out other customer due diligence activities, including beneficial ownership discrepancy reporting

## Transaction Reporting

Must submit reports to FINTRAC on [Suspicious transactions](#) (STRs), [listed person or entity property](#) (LPEPR), [Large cash transaction](#) (LCTR), [Large virtual currency transaction](#) (LVCTR), [24-hour rule](#) (for LCT and LVCT), and [suspected sanctions evasion](#)

## Record Keeping

Must keep certain records, including records related to transactions and client identification

## Ministerial directives

Apply countermeasures to transactions coming from or going to designated foreign jurisdictions or entities, and restrictions from entering into a financial transaction coming from or going to designated foreign jurisdictions or entities

# AML compliance program: leveraging the NRA

- Under the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (PCMLTFA) and associated Regulations, businesses must establish and maintain a **comprehensive compliance program** to mitigate money laundering and terrorist financing (ML/TF) risks, which includes **conducting a risk assessment of their business** to assess and document the risk of a ML/TF offence occurring in the course of their activities
- The NRA helps businesses develop and refine their internal risk assessments and compliance programs by providing insight on current threats and vulnerabilities within Canada, to **inform their risk-based approach and implement mitigation measures to address threats and vulnerabilities**
- The NRA is a key resource for developing and maintaining effective compliance programs. It ensures the program remains current, risk-informed and aligned with regulatory expectations
- FINTRAC expects businesses to supplement the NRA with other available risk information, including **strategic intelligence** and **guidance** published by FINTRAC

# Reporting suspicious transactions to FINTRAC

- All reporting entities and their employees must report suspicious transactions
- You must submit the Suspicious Transaction Report ([STR](#)) to FINTRAC **as soon as practicable** after you have completed [measures](#) that enable you to establish that there are [reasonable grounds to suspect](#) (RGS) that the transaction or attempted transaction is related to the commission of a ML/TF or evasion of sanctions offence, regardless of the monetary amount
- RGS means that you considered:
  - facts and context
  - [ML/TF indicators](#)
  - [sanctions evasion characteristics](#) related to a financial transaction

# ML/TF indicators/red flags: accountants

- Client has cheques inconsistent with sales (i.e., unusual payments from unlikely sources)
- Client has a history of changing bookkeepers or accountants yearly
- Client is uncertain about location of company records
- Client carries non-existent or satisfied debt that is continually shown as current on financial statements
- Client has no employees, which is unusual for the type of business
- Client is paying unusual consultant fees to offshore companies
- Client's records consistently reflect sales at less than cost, thus putting them into a loss position, but they continue without reasonable explanation of the continued loss



# ML/TF indicators/red flags: accountants ...continued

- Client's shareholder loans are not consistent with business activity
- Examination of source documents shows misstatements of business activity that cannot be readily traced through the company books
- Client makes large payments to subsidiaries or similarly controlled companies that are not within the normal course of business
- Client acquires large personal and consumer assets (i.e., boats, luxury automobiles, personal residences and cottages) when this type of transaction is inconsistent with the ordinary business practice of the client or the practice of that particular industry
- Client is invoiced by organizations located in a country that does not have adequate ML laws and is known as a highly secretive banking and corporate tax haven

# AML/ATF Legislative and Regulatory Updates

# Regulations in force as of October 1, 2025:

*expanding reporting, verification, and oversight expectations across multiple sectors*

- Enhance corporate **beneficial ownership transparency** by requiring the reporting of material discrepancies;
- Strengthen the registration framework for **money services businesses**;
- Allow agents or mandataries to be used when **verifying the identity** of corporations and other entities;
- Create an **obligation for real estate sales representatives and brokers** to verify the identity of unrepresented parties, keep an information record and make the associated third-party determination for these parties in real estate transactions;
- Create **obligations for acquirers of private automated banking machines and title insurers**; and
- Require the **reporting of sanctioned property** related information under the *Special Economic Measures Act* and the *Justice for Victims of Corrupt Foreign Officials Act*.

# Other recent regulations and legislation in force

- **New sectors** brought into the AML Regime, with requirements applicable **as of April 1<sup>st</sup>: factoring businesses, cheque cashers and financing or leasing entities**. New sectors included in 2024: **Mortgage administrators, brokers and lenders; and Armoured cars**
- **Voluntary private-to-private information sharing between reporting entities:**
  - To engage, a code of practice must be submitted to FINTRAC for possible review and comment, as well as the Office of the Privacy Commissioner of Canada for approval
  - FINTRAC [Guidance: Private-to-private information sharing](#), a [Model Code of practice](#), and [Submit a code of practice under the Proceeds of Crime \(Money Laundering\) and Terrorist Financing Regulations](#) (Office of the Privacy Commissioner of Canada)
- For more information on new initiatives that FINTRAC is implementing, which impact reporting entities (businesses and individuals), visit: [Modernization and upcoming changes](#)

# KYC: beneficial ownership information

**Greater transparency over who owns and controls Canadian businesses helps law enforcement agencies expose activities like money laundering and tax evasion**

- Under the PCMLTFA, reporting entities (REs) are required to obtain and verify corporate beneficial ownership information (BOI) when they verify the identity of an entity
- Since June 2019, most corporations created under the Canada Business Corporations Act (CBCA) have been required to keep a register of **Individuals with Significant Control (ISCs)**
- As of Dec. 31, 2023, express trusts and certain non-resident trusts must report additional BOI in a new schedule in the [trust tax return](#)
- Since Jan. 22, 2024, corporations created under the CBCA are required to file information on their [ISCs](#) with Corporations Canada. Some of the ISC information will be made available to the public
- Effective Oct. 1, 2025, REs are to [report any material discrepancies within 30 days](#) between their records and a company's registry filings with Corporations Canada when a [RE determines that there is a high risk of a ML/TF offence](#)



# Canadian sanctions

*Helping maintain and restore international peace and security, combatting corruption, and promoting respect for human rights*



- Russia's invasion of Ukraine has prompted the Canadian government to issue a number of [sanctions, prohibitions and restrictions](#). There is increased potential for money laundering to avoid economic sanctions relating to everything from financial services to certain types of exports
- And, whether CPAs work in public practice or in industry, it's important to be aware of these measures, as well as any related sanctions evasion, ML/TF or other financial crime risk
- CPAs can face substantial penalties and/or imprisonment, or reputational risk for failing to comply with these regulations – it's a criminal offence to contravene sanctions and prohibitions. **Sanctions must be complied with by persons in Canada and Canadians abroad**

# Sanctions evasion and sanctioned property

- Reporting entities (REs) must **report financial transactions suspected to be related to sanctions evasion** (completed or attempted) to the FINTRAC, including financial transactions associated with **suspected evasion of counter proliferation-related sanctions** – this is in addition to obligations to report transactions where there are **reasonable grounds to suspect that they are related to ML/TF offences**
- REs must also **report sanctioned property-related information** for sanctions imposed under the United Nations Act; and the Special Economic Measures Act, and the Justice for Victims of Corrupt Foreign Officials Act



# Canadian sanctions – more information and guidance

Sector-specific guidance, red flags, and best practices to help organizations implement a compliance program and strengthen their due diligence related to sanctions

- **Essential information**: sanctions legislation, measures, exceptions, permits and certificates, due diligence practices, and enforcement
- **Compliance program implementation**: guidance to support an organization's compliance approach to help prevent sanctions contraventions
- **Due diligence – Red flags**: a non-exhaustive list of red flags that may help to detect suspicious transactions

# The perils of noncompliance: AMP

- The [revised administrative monetary penalty \(AMP\) policy](#) in August 2025, together with the recent rise in both the frequency and number of AMPs issued by FINTRAC, reflects a clear shift toward stricter enforcement
- In the 2024-25 fiscal year, FINTRAC handed out **23 Notices of Violation** to businesses, the largest number in a year in FINTRAC's history that led to **\$25M in penalties to businesses**
- In October, [FINTRAC imposed an AMP on Xeltox Enterprises Ltd.](#) (operating as Cryptomus and previously known as Certa Payments Ltd.), a money services business incorporated in BC for **\$176,960,190**. FINTRAC found that Cryptomus failed to submit suspicious transaction reports for transactions where there were reasonable grounds to suspect that they were related to the **laundering of proceeds connected to trafficking in child sexual abuse material, fraud, ransomware payments and sanctions evasion**
- **FINTRAC makes public**, the name of the person or entity that committed the violation(s), the nature of the violation(s), and the amount of the applicable penalty – including **details on the nature of violations in public notices for all penalties imposed**

# FINTRAC imposes an AMP on an accounting firm

- In October, FINTRAC announced that it had imposed an AMP on **DMCL Chartered Professional Accountants**
- Following a compliance examination, this accounting firm with locations in Vancouver, Surrey, Port Coquitlam, and Victoria, BC, was imposed an **AMP of \$72,750** on July 25, 2025, for non-compliance with Part 1 of the PCMLTFA and associated Regulations
- **News release:** <https://fintrac-canafe.canada.ca/new-neuf/nr/2025-10-09-eng>
- **Public notice:** <https://fintrac-canafe.canada.ca/pen/amps/pen-2025-10-09-eng>



# The perils on noncompliance: penalties and violations

- FINTRAC may issue an administrative monetary penalty (AMP) and serve a notice of violation when it has **reasonable grounds to believe** that a reporting entity has violated a requirement of the Act and associated Regulations
- AMPs are a key enforcement tool to encourage compliance, not to punish (non-punitive)
- The AMP Regulations categorize violations by degree of importance and assign penalty ranges. The limits apply to each violation, and multiple violations can result in a total amount that exceeds these limits:

Degree of importance	Penalty range
Minor violation	\$1 to \$1,000 per violation
Serious violation	\$1 to \$100,000 per violation
Very serious violation	\$1 to \$100,000 per violation for an individual \$1 to \$500,000 per violation for an entity

- **Common trends in violations: failure to submit STRs, incomplete or outdated policies & procedures, inadequate risk assessments, training and awareness deficiencies and ineffective compliance oversight**

# The perils of noncompliance: criminal offences

- The PCMLTFA also identifies **criminal-type offences for persons or entities that knowingly contravene** the prescribed sections of the legislation, which can include fines or imprisonment
- In addition, [Section 462.31](#) of the [Criminal Code](#) criminalizes the act of money laundering, which includes dealing with proceeds with the intent to conceal or convert them, **knowing or believing or being reckless** they were obtained through the commission of a designated offence
- This lowers the threshold of an accountant's involvement in money laundering required to lay criminal charges, using the concept of **recklessness**, thus facilitating law enforcement's efforts to investigate and for prosecutors to charge and pursue a conviction for money laundering
- If an accountant is aware there is a risk that proceeds may have been obtained or derived from money laundering and deals with the proceeds in any manner, the **accountant could be charged with a criminal offence – resulting in severe reputational harm and professional conduct issues!**



# Looking ahead

Proposed financial crime measures in [Budget 2025](#) and Bills [C-2](#) and [C-12](#): reinforcing borders, cracking down on organized crime and illegal trafficking, and protecting Canadians

- **Investment in the borders** (enhancing the CBSA) and **expansion of RCMP** policing capacity and strengthening federal enforcement, supporting Bill C-12, Strengthening Canada's Immigration System and Borders Act
- Launch of a **National Anti-Fraud Strategy to combat financial crime** – a whole-of government strategy and enhancing Bank Act consumer protections to address consumer-targeted fraud, bringing together financial institutions, technology, and telecommunication companies to develop a cross-sectoral approach to protect Canadians from evolving and highly complex fraud schemes
- Creation of a new **Financial Crimes Agency**, a lead enforcement agency on complex financial crimes, including fraud and money laundering (new legislation Spring 2026)
- **Amendments to the PCMLTFA and PIPEDA** to restrict the acceptance of: cash deposits from one person into the account of another person; and a cash payment donation or **deposit of \$10K or more**; and to clarify **public to private information sharing** provisions to help better detect and deter money laundering and support the **Integrated Money Laundering Intelligence Partnership (IMLIP)** between banks and law enforcement
- Under the **Strong Borders Act (Bill C-2)** and the **Strengthening Canada's Immigration System and Borders Act (Bill C-12)**, the government proposed **stronger FINTRAC AMPs to strengthen compliance (up to 40x)**

# AML/ATF Resources and Guidance

# Legislation, regulations and resources

- **Proceeds of Crime (Money Laundering) and Terrorist Financing Act and associated Regulations:** <https://laws-lois.justice.gc.ca/eng/acts/P-24.501/>; <https://laws-lois.justice.gc.ca/eng/regulations/SOR-2002-184/>
- **Finance Canada's 2025 Assessment of Money Laundering and Terrorist Financing Risks in Canada (National Risk Assessment):** <https://www.canada.ca/en/department-finance/programs/financial-sector-policy/nira-neri/2025/report.html>; **FINTRAC** – how to use the National Risk Assessment to maintain effective compliance programs: <https://fintrac-canafe.canada.ca/businesses-entreprises/assessment-evaluation-eng>
- **FINTRAC guidance and resources for business:** <https://www.fintrac-canafe.gc.ca/guidance-directives/1-eng>
- **FINTRAC strategic intelligence** – identifying methods, techniques, and vulnerabilities related to ML/TF and sanctions evasion: <https://fintrac-canafe.canada.ca/intel/sintel-eng>
- **FINTRAC news** – What's new, News releases, Notices and advisories: <https://fintrac-canafe.canada.ca/new-neuf/1-eng>
- **Global Affairs Canada sanctions lists:** [https://www.international.gc.ca/world-monde/international\\_relations-relations\\_internationales/sanctions/index.aspx?lang=eng](https://www.international.gc.ca/world-monde/international_relations-relations_internationales/sanctions/index.aspx?lang=eng)
- **Public Safety Canada listed terrorist entities:** <https://www.publicsafety.gc.ca/cnt/ntnl-scrt/cntr-trrrsm/lstd-ntts/crrnt-lstd-ntts-en.aspx>
- **Corporations Canada & FINTRAC (beneficial ownership):** <https://ised-isde.canada.ca/site/corporations-canada/en/beneficial-ownership-discrepancy-reporting>; <https://fintrac-canafe.canada.ca/guidance-directives/client-clientele/bor-eng>
- **FATF Guidance for a Risk Based Approach Accounting Profession:** <https://www.fatf-gafi.org/en/publications/Fatfrecommendations/Rba-accounting-profession.html>

# CPA Canada AML resources and advocacy

Visit our webpages: [AML resources](#) and [AML policy](#)



- [Anti-Money Laundering and Anti-Terrorist Financing Guide](#)
- [AML/ATF requirements associated with record-keeping and reporting to FINTRAC](#)
- [Risky business: Non-compliance with anti-money laundering requirements](#)
- [AML/ATF developments: “know your client” rules for CPAs](#)
- [A governance framework for anti-corruption and responsible business](#)
- [COVID-19 and Evolving Risks for Money Laundering, Terrorist Financing and Cybercrime \(CPA Canada and IESBA\)](#)

# CPA Canada and other AML resources

## Impact on business and the role for CPAs

- CPA Connects webinar on January 15<sup>th</sup>, 2026 ([registration opening soon](#)): The evolving landscape of Canadian sanctions and implications for businesses and the economy
- CPA Connects webinar on October 29, 2025 ([Watch the on-demand recording](#)): Evolving money laundering risks and enhancing business integrity
- [Pivot Magazine](#), Tough on Crime. Integrity, compliance and ethics remain foundational for good business amid global uncertainty (Winter 2025 edition)
- International anti-corruption and national risk insights. A look at evolving money laundering threats and how to enhance business integrity (*coming soon*)
- [Canada undergoes an international review of its financial crime defences](#)
- [Inside Canada's battle against money laundering and terrorist financing](#)
- The ONE National Conference 2025: [Anti-money laundering and anti-terrorist financing: Risk assessments, developments and ethical considerations](#)
- CPANS, NOVA CPA; [CPAs: The guardians of integrity. Our role is evolving, when it comes to Canada's anti-money laundering regime, and we need to keep up](#) (Issue 17, Summer 2025)
- [How to tackle global financial crime](#)

# International Ethics Developments

# International Ethics and Standards Board for Accountants

## Consultations: Collective Investment Vehicles and Pension Funds

- IESBA reviewed feedback from 59 respondents in September 2025
  - 4 from North America (1 from Canada)
- Most respondents, including CCE response, said the definition of Related Entity, **in conjunction with the Conceptual Framework (CF)** or jurisdictional laws and regulations, is sufficient to identify Connected Parties of investment schemes
- Some respondents expressed concern that the CF may not be applied **consistently** in assessing auditor independence from Connected Parties of investment schemes
- Only 7 respondents suggested changes to the IESBA Code
- Project team will issue report and recommendations to IESBA in December 2025
- CPA Canada's view is that it will be important to monitor IESBA's work on this project, because:
  - Strong interest and feedback from Canadian stakeholders on this topic
  - Changes to the IESBA definition of a Related Entity or to the Conceptual Framework could have consequences in Canada
  - IESBA may be conducting further outreach, such as field testing, to determine the way forward, and it will be important to have Canadian representation

# Presentation to the IESBA-Jurisdictional Standard Setters

## Role of international ethics in mitigating financial crime risks and vulnerabilities for the accounting profession

- The **global crime landscape continues to evolve, and emerging threats and risks are on the rise** – the stakes are high for the accounting profession
- **Accountants are exposed to increasing risks and vulnerabilities** – awareness, understanding and assessment of risks are key to applying appropriate risk mitigation and prevention measures, and complying with applicable laws and regulations
- By serving the public interest, and as advisors to business, the public sector and members of society, the **profession is well placed to help combat corruption and support the anti-financial crime ecosystem**
- The IESBA Code **Fundamental Principles and Conceptual Framework** are important tools to be used to identify threats to compliance with the fundamental principles, evaluate the threats identified, and address threats that are not at an acceptable level
- Fundamental principles that address **financial risks**: integrity, professional behaviour, objectivity, and professional competence and due care
- **Call to Action for IESBA** to share role of ethics in mitigating financial crime risks and vulnerabilities
- **Canadian profession taking a leadership role** in raising awareness and influencing internationally

# IESBA Ethics & Independence Conference 2025

## Accountants at a Crossroads: Ethics and the Fight Against Financial Crime

### IESBA's key takeaways ([watch here](#)):

- **Trust and Judgment:** Every professional decision shapes financial integrity. No rulebook covers all situations, so ethical courage and skepticism are essential to sustain trust.
- **Gatekeepers of Integrity:** Accountants and auditors act as early-warning systems, documenting judgments, escalating concerns, and ensuring transparency.
- **True Value:** True value aligns profit with ethical advice. When tension appears, risk follows.
- **Collective Action:** Tackling financial crime demands coordination across regulators, firms, and professionals. Ethics is everyone's responsibility.



# Representation on Business 20 South Africa 2025 Integrity & Compliance Task Force



- The [B20 ICTF](#) advanced emerging **recommendations to the G20** that help embed responsible business conduct and fight corruption across global markets and value chains
- The recommendations of the [Paper](#) highlight the risks corruption poses to inclusive growth, especially amid new challenges such as AI-enabled fraud and opaque climate finance
- The Paper focuses on harnessing technology for anti-corruption, strengthening transparency in sustainability finance through global standards, and expanding collective action initiative
- Together, these efforts aim to embed integrity and trust into global markets
- [Watch the on-demand CPA Canada Connects recording: “Evolving money laundering risks and enhancing business integrity”](#)

# AML Capacity-Building and Community of Practice

- The [International Bar Association \(IBA\)](#) and the [International Federation of Accountants \(IFAC\)](#) launched an **AML capacity-building initiative** to support legal and accountancy professional bodies in combating money laundering, and strengthening the integrity of the global financial system
- Project launched at Caribbean conference, 3-day event attended by more than 70 delegates from bar associations and professional accountancy bodies across 22 Caribbean jurisdictions
- Pilot workshop featured panel discussions, lectures, including presentations by **CPA Canada**, and collaborative breakout sessions
- Initiative was supported by the independent intergovernmental body and AML standard-setter, the **Financial Action Task Force (FATF)**, and the Caribbean FATF, its regional affiliate
- **Pan African Federation of Accountants (PAFA)** launched the [AML Community of Practice webinar series](#). Theme: “Advancing AML Compliance to Safeguard Transparency, Trust, and Sustainable Economic Growth in Africa”
- **CPA Canada** participated on PAFA’s panel discussion on aligning Global AML/CFT Frameworks with Regional Realities: How Professional Accountancy Organizations and Regulators Can Bridge the Gap

# Closing Remarks

**Thank you!**

**Questions?**