

#endsnowwashing



Canada deals a massive blow to money launderers with strong legislation for a publicly accessible corporate beneficial ownership registry.

Canada tables legislation for a publicly accessible corporate beneficial ownership registry which includes scalability for provinces and territories, data verification and validation.

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OTTAWA: Today, Canada's federal government tabled long-awaited legislation for a corporate beneficial ownership registry. This is a massive blow against money laundering, corruption, tax evasion, and terrorist financing, and is enthusiastically applauded by a coalition of civil society organizations – Publish What You Pay Canada, Transparency International Canada, and Canadians For Tax Fairness.

“We applaud Minister Champagne for introducing critical legislation as a publicly accessible and searchable registry can potentially deter billions of dollars of illicit funds from entering Canada through federal companies each year,” says Sasha Caldera, Beneficial Ownership Campaign Manager at Publish What You Pay Canada. “Publicly accessible registries are a powerful tool for law enforcement, competent authorities, businesses, civil society, and journalists. In essence, Canada will be strengthening the integrity of its economy with this legislation.”

The legislation contains many positive elements which the Coalition has been advocating for, including:

- Publicly accessible
- Searchable
- Free to access
- Mechanism for whistle-blowers to flag errors
- Data verification and validation
- Back-end for law enforcement and competent authorities
- Capacity to be scaled-out to provinces

“The Canadian secrecy that money laundering enablers around the world have been marketing as ‘snow washing’ to their clients is coming to an end.” said James Cohen, Executive Director of Transparency International Canada. “But if we really want to end snow washing, this federal registry needs to be bolstered. The provinces and territories must get on board with this. No one wants to be Canada’s hold-out secrecy jurisdiction.”

Canada’s announcement for a publicly accessible registry brings it in line with G7/G20 and Five Eyes’ strategies to advance national security goals and surpasses the new Financial Action Task Force standard on beneficial ownership registries. These registries have become more urgent as transnational criminal networks and foreign state actors seek to exploit liberal democracies to hide dirty money. Currently, 108 countries have made commitments to publicly

accessible registries, and Canada can begin next steps in ensuring that all registry data is secure and useful to all FINTRAC reporting entities and law enforcement.

“Tax dodging and money laundering cost the public billions every year,” said Dr. DT Cochrane, economist with Canadians for Tax Fairness. “A publicly accessible registry will significantly improve tax compliance and enforcement for all levels of government.”

As a key next step, the Coalition urges the federal government to reach an agreement with provinces and territories and to permit registered provincial and territorial entities to send beneficial ownership information directly into a central registry that is managed by the federal government. A pan-Canadian agreement will ensure that the registry will comprehensively cover all of Canada so there are no weak spots which can be exploited by criminals.

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About us: *The End Snow-Washing Coalition is composed of three civil society organizations, who advocate for a publicly accessible, pan-Canadian, company registry of beneficial owners. Members include Publish What You Pay Canada, Transparency International Canada, and Canadians For Tax Fairness. Learn more at www.endsnowwashing.ca.*