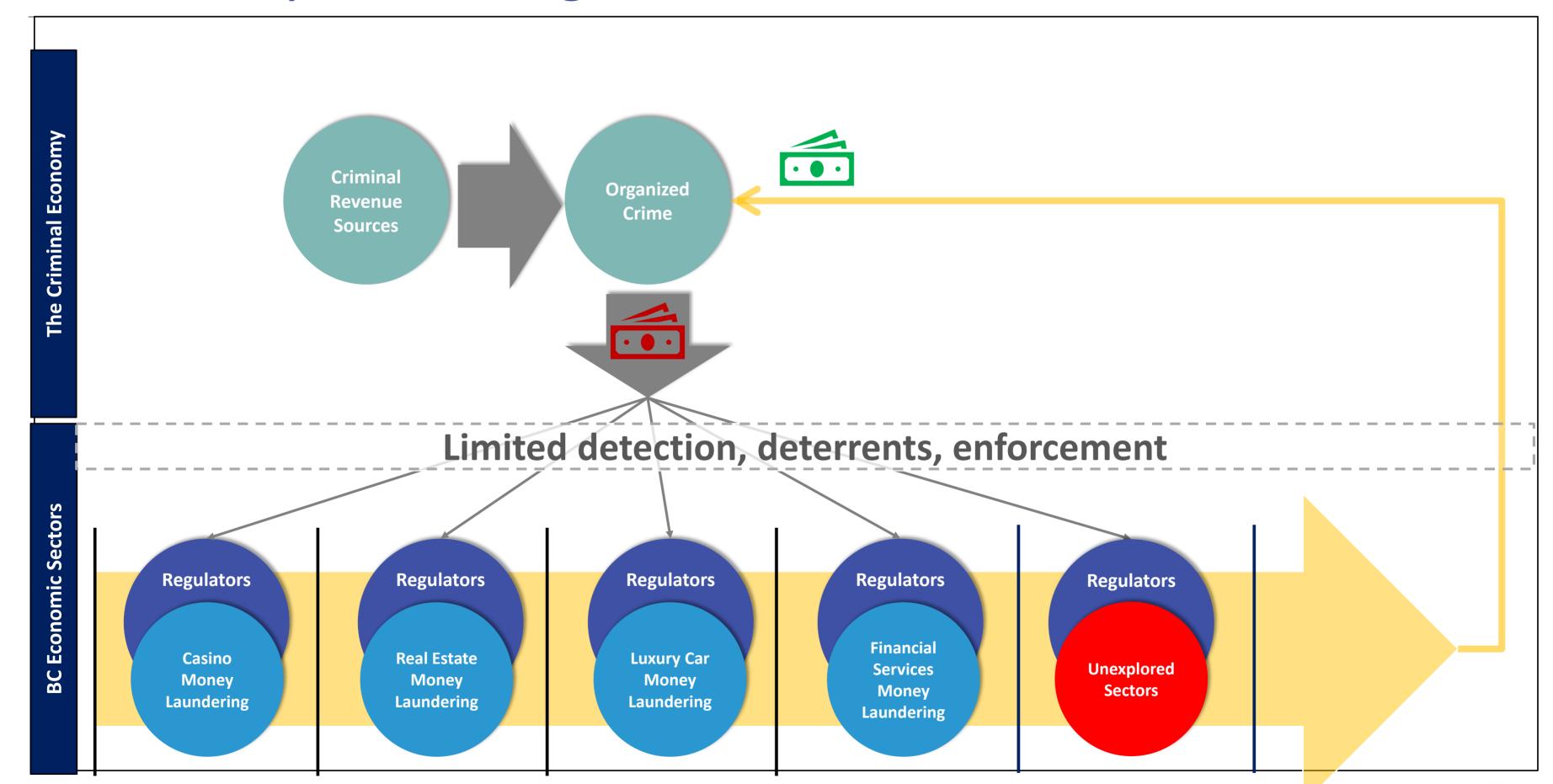


The Provincial Anti-Money Laundering Strategy

COMMISSION OF INQUIRY INTO MONEY LAUNDERING IN BRITISH COLUMBIA MAY 2020



The Money Laundering Problem





The Money Laundering Problem in British Columbia

Problem Statement: A thriving criminal economy that has infiltrated many sectors of the economy and an inadequate ability to identify and deter money laundering in the province.

- A smart and nimble criminal economy
- A fractured response to money laundering
- A significant number of stakeholders in multiple sectors



Provincial AML Activities of Interest



Dr. German conducts review of AML policies and practices in gambling industry



Dr. German researches allegations of money laundering in real estate, luxury vehicles, and horse racing sectors



"Dirty Money – Part 2"
and "Combatting
Money Laundering in
BC Real Estate"
reports released



Provincial AML Strategy developed

Sept. 2017

Jun. 2018

Sept 2018 – Mar. 2019

May – June 2019 Aug. – Dec. 2019

Fall 2020 & Spring 2021



"Dirty Money" : reports large-scale, transnational money laundering in BC casinos



AML Deputy Ministers
Committee and Provincial
AML Secretariat
established to lead
government AML work



Cullen Commission established

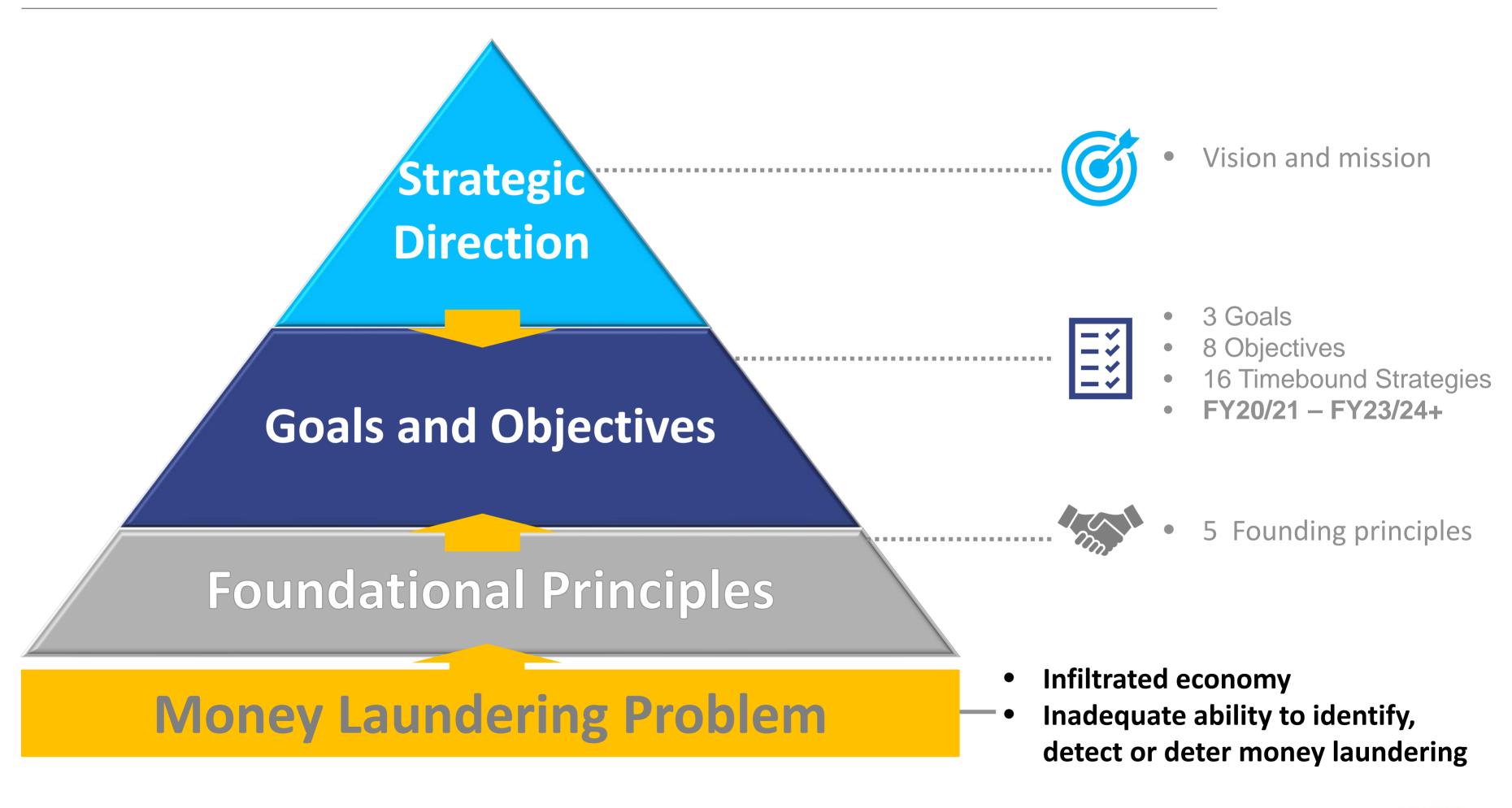
Min. of Finance's Expert Panel to identify risk in real estate and financial services sectors



Interim and final Cullen reports expected



Building Blocks for a Provincial AML Strategy





Founding Principles for a Successful AML Strategy in BC

Money laundering in British Columbia is identified

Money laundering in British Columbia is deterred through disruption

Regulatory and criminal anti-money laundering sanctions are **enforced**

Anti-money laundering activities are measurable

Anti-money
laundering
activities will have
reasonable impact
on law-abiding
British Columbians
and the economy

Criminal economy

BC citizens



Strategic Approach for the Safety and Security of BC





VISION

BC has a strong and sustainable anti-money laundering regime, effectively using targeted actions and tools to identify, prevent, and disrupt this illicit activity

MISSION



To reduce money laundering in BC to the greatest degree possible for the safety and security of British Columbians, and the protection and integrity of our economy



Goal #1 for a Successful Future State

GOAL 1: A coherent and agile approach to the **identification and prevention** of money laundering

Objective 1.1: Implement a strong regulatory structure in BC for consistent, comprehensive, and coordinated monitoring and oversight of AML in the Province. **(Yr0-Yr4+)**

Objective 1.2: Develop a baseline understanding of the problem in BC and continue to identify, analyze, map, and estimate money laundering impacts on all sectors in BC leading to improved detection, prevention, and enforcement (Yr0 – Yr4+)

Objective 1.3: Money laundering activities in high-risk industries in BC are prevented, detected and deterred through better information sharing and a strong regulatory framework **(Yr1-Yr4+)**

Objective 1.4: Work with the federal government, key stakeholders and industry partners to improve reporting of information to prevent, detect and deter money laundering activities in unregulated industries (Yr0 – Yr4+)





Goal #2 for a Successful Future State

GOAL 2: Implementation of a coordinated **compliance and enforcement regime** to make BC the most difficult jurisdiction in Canada in which to launder money

Objective 2.1: Disrupt the criminal economy and subsequent money laundering activities through coordinated enforcement efforts (Yr2-Yr3)

Objective 2.2: Develop innovative tools and techniques and enhance expertise to support better enforcement and regulatory compliance (Yr0-Yr2)





Goal #3 for a Successful Future State

GOAL 3: Government, partners, and **stakeholders prioritize AML** efforts and take an integrated and coordinated approach to combat money laundering

Objective 3.1: Stakeholders, in partnership with government, are motivated to take targeted action to address money laundering (Yr0-Yr4+)

Objective 3.2: The public and stakeholders are informed about the identification and prevention of money laundering and are aware of the efforts being taken to disrupt the activity **(Yr1-Yr4+)**



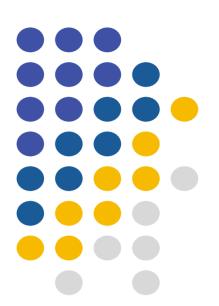


AML Strategic Milestones



^{*} Work on 8 of 16 strategies began in FY19/20 | 15 actions in total





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