Canada’s legislative measures against terrorist financing, and against financial dealings with certain sanctioned individuals and entities, are contained in various Canadian statutes and regulations.

These statutes, such as the *Criminal Code* (Canada), and other regulations set out prohibitions and impose compliance and disclosure obligations relating to specific individuals and entities and their financial activities.

The *Criminal Code* (Canada) and any current or future legislative provisions relating to the suppression of terrorism or Canadian sanctions are referred to in this guide as **Federal Provisions**. These legislative measures apply to all Canadians including Canadians resident outside Canada, and more particularly to all financial institutions.

In some cases, registrants, exempt dealers and exempt advisers are required to file monthly Suppression of Terrorism or Canadian sanctions reports (**Monthly STCS Reports**).

**Overview of certain duties**

*Duty to determine: Designated Persons*

Entities that are subject to Federal Provisions are required to determine on a continuing basis whether they are in possession or control of property owned or controlled by or on behalf of an entity or person listed or designated in a particular Federal Provision (each a **Designated Person**).

Each Federal Provision includes a list of Designated Persons. Not all Federal Provisions use the same defined term when referring to such persons or entities.

Examples of the defined terms used in various Federal Provisions include: “designated person” “listed entity”, “listed person”, “person associated with Al-Qaida”, “person associated with the Taliban”, and “foreign national”. These terms are often used interchangeably when discussing sanctions, although regulations are specific in their usage of the terms.

*List of Designated Persons*

Since Designated Persons are defined and identified in more than one Federal Provisions, there are multiple lists which financial entities must search to identify Designated Persons.

In some cases, consolidated lists have been created.

• the Consolidated Canadian Autonomous Sanctions List includes the names of any listed persons (both individuals and entities) in the schedules of regulations made under the Special Economic Measures Act and the Justice for Victims of Corrupt Foreign Officials Act: https://www.international.gc.ca/world-monde/international_relations-relations_internationales/sanctions/consolidated-consolide.aspx?lang=eng

• regulations made under Canada’s United Nations Act refer to Designated Persons as listed by the relevant United Nation’s Security Council Committee. The Consolidated United Nations Security Council Sanctions List is also available on the United Nations web site: https://www.un.org/securitycouncil/

In other cases, stand alone lists are provided.

As part of the review process the Government of Canada’s Economic Sanction Page may be helpful: https://www.international.gc.ca/world-monde/international_relations-relations_internationales/sanctions/index.aspx?lang=eng.

In particular the Listed Person subsection may be particularly relevant: https://www.international.gc.ca/world-monde/international_relations-relations_internationales/sanctions/listed_persons-personnes_inscrites.aspx?lang=eng.

Please note that there are other Federal Provisions for which the Government of Canada does not provide up to date lists and for which financial entities will need to have procedures in place to ensure they are monitoring for all applicable Designated Entities.

Federal Provisions are updated frequently.

Therefore, it is important that registrants, exempt dealers, and exempt advisers review their procedures and this guide periodically. CSA staff recommends that this be done monthly.

Duty to disclose – supervising and regulating agencies

Some Federal Provisions may require you to report your findings with respect to Designated Persons on a monthly basis, including the reporting of a Nil response if you determine that none of your clients are Designated Persons.

Currently the Criminal Code (Canada) and the Justice for Victims of Corrupt Foreign Officials Act require filing Monthly STCS Reports.
Reports are usually required to be provided on the 14th day of each month, to your principal regulator. A senior officer of the firm, preferably the Chief Compliance Officer, should sign the monthly report.

**Freezing property**

Federal Provisions will usually contain a prohibition on any person in Canada and any Canadian outside Canada to knowingly:

- deal, directly or indirectly, with property of a Designated Person,
- enter into or facilitate, directly or indirectly, any transaction in respect of such property, or
- provide any financial or other services for or for the benefit of a Designated Person.

Please refer to the text of a specific Federal Provision for clarity on prohibited dealings and activities.

**Duty to disclose – RCMP and CSIS**

Federal Provisions will usually contain a reporting requirement applicable to any person in Canada and any Canadian outside Canada to forthwith report to either the Royal Canadian Mounted Police (RCMP) or the Canadian Security Intelligence Service (CSIS) or both (depending on the Federal Provision) and any property held for any Designated Person and any information about transactions or proposed transactions with respect to that property.

You may provide information to these organizations as follows:

**RCMP**

Anti-terrorist Financing Team

Unclassified fax: 613-825-7030

**CSIS**

Financing Unit

Unclassified fax: 613-369-2303

There are also additional reporting requirements under the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act*, which require the submission of a terrorist property report to the Financial Transactions and Reports Analysis Centre of Canada (FINTRAC).

For instructions relating to the preparation and submission of this report, reporting entities should visit the FINTRAC website at: [http://www.fintrac-canafe.gc.ca](http://www.fintrac-canafe.gc.ca).