

**Financial Transactions and
Reports Analysis Centre of
Canada**

2022–23

Departmental Plan

The Honourable Chrystia Freeland P.C, M.P.
Deputy Prime Minister and Minister of Finance

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From the Director and Chief Executive Officer

I am pleased to present to Parliament and Canadians the 2022–23 Departmental Plan for the Financial Transactions and Reports Analysis Centre of Canada (FINTRAC).

FINTRAC is Canada's Anti-Money Laundering and Anti-Terrorist Financing (AML/ATF) regulator and financial intelligence unit. In these uncertain times, the Centre's financial intelligence is more important than ever as criminals and terrorists are using increasingly sophisticated methods and seek to take advantage of any opportunity to enrich themselves and advance their illicit enterprises.

The challenges associated with the global pandemic, along with new advances in technology and the rapidly shifting nature of global financial systems, have changed the world in which we operate. Though these challenges are common throughout the world, we have to meet them head on and we can only do so together. This is why it is so important for us to broaden our collaboration with our many stakeholders — our international allies, regulatory partners, thousands of Canadian businesses, Canada's police, law enforcement and national security agencies — in order to improve our collective understanding of emerging threats, share information and best practices, and raise awareness of money laundering and terrorism financing risks.

In the year ahead, we will strengthen our commitment to share best practices internationally and learn from counterpart financial intelligence and regulatory agencies. Through my role as chair of the Egmont Group Information Exchange Working Group (IEWG), and supported by the knowledge and unique expertise of FINTRAC's staff, we will work closely with our international partners to contribute to the Government's broader efforts to understand shared and emerging threats in money laundering and terrorist financing activity globally.

We will also leverage the strong engagement within Canada's AML/ATF Regime to advance our successful public-private partnerships, which are aimed at more effectively combatting the laundering of proceeds of crime derived from predicate offences related to online child sexual exploitation, money laundering in British Columbia, the trafficking of illicit fentanyl, romance fraud and human trafficking in the sex trade. These innovative partnerships are led by several of Canada's banks, and the RCMP in the case of money laundering in British Columbia.

For example, since the launch of Project Athena in December 2019, aimed at combatting money laundering in British Columbia and across Canada involving bank drafts that are suspected to have roots in underground banking, FINTRAC has been able to generate over 100 proactive disclosures that have identified suspected proceeds of crime being laundered through various economic sectors, including automotive dealers, casinos, money services businesses (MSBs), and



real estate. These disclosures of actionable financial intelligence support numerous investigations of police and law enforcement agencies across the country.

In order to build upon these innovative partnerships, we created a new Public-Private Collaboration Steering Committee, which FINTRAC co-chairs. This committee consists of members from across Canada’s AML/ATF Regime and Canadian businesses. Working within existing legislative authorities, the committee is focused on establishing shared priorities, enhancing information sharing between businesses and between the public and private sectors, as well as leveraging technology to increase automation and strengthen analytical capabilities throughout the Regime.

As we seek to strengthen and expand our partnerships, FINTRAC will also enhance its emphasis on innovation and modernization to keep up with an ever-changing and increasingly challenging AML/ATF environment. To deliver our planned results, the Centre will focus on implementing its multi-year Digital Strategy, which is aimed at transforming FINTRAC into a leading digital organization. Our strategy is concentrated on delivering agile and client-centric solutions for both internal and external stakeholders based on the use of new and emerging digital technologies that add business value, improve performance, enhance digital services and enrich the user experience.

In Budget 2021, the Government enacted changes to the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act (PCMLTFA)* to strengthen Canada’s legislative framework to better protect Canadians and the financial system from money laundering and terrorist financing. The changes included introducing a cost-recovery model for FINTRAC’s compliance activities.

As we prepare for the implementation of that framework, the Centre has launched a modernization initiative with the goal of ensuring that our compliance activities are more targeted and agile in meeting the diverse needs, expectations and capacities of all business sectors. Our objective is to provide meaningful value to businesses in the form of support, services, tools and other efficiencies that make it easier to fulfil their responsibilities and obligations under the Act and its Regulations.

As we look to an ever-evolving future, the one thing that is clear is that we will continue to face a very challenging environment. I am excited to lead FINTRAC and its highly skilled and dedicated workforce in helping to protect the safety, security and prosperity of Canadians as we build on our achievements, work closely with our partners, and leverage the opportunities that lay ahead of us.

Sarah Paquet
Director and Chief Executive Officer

Plans at a glance

FINTRAC’s strategic priorities are built on a foundation of three pillars that, combined, promote its vision of contributing to the safety of Canadians and the security of the economy, as a trusted leader in the global fight against money laundering and terrorist activity financing.

Inside the overarching pillars of 1) Promote a culture of accountability; 2) Prepare FINTRAC for the future; and 3) Collaborate to strengthen results, FINTRAC’s Strategic Plan articulates six priorities that are summarized below, along with some of the key strategic actions that enable the Centre to realize its vision.

Pillar 1: Promote a culture of accountability

FINTRAC’s objective is to have a resilient, agile workforce accountable for achieving the Centre’s priorities within a culture that values diversity, collaboration, civility and ethical behaviour.

FINTRAC Priorities	Strategic Actions
Maximize the potential of our people	<ul style="list-style-type: none"> • Encourage a respectful, inclusive and performance-driven culture that is based on trust and promotes accountability, civility and ethical behaviour. • Maintain a high level of employee engagement that supports a culture of excellence. • Attract, recruit, retain, and manage our diverse talent effectively and strategically to ensure that our people have the technical and behavioural competencies, agility and mindset to position themselves and the Centre for success in the constantly evolving landscape.
Ensure transparency through results and performance	<ul style="list-style-type: none"> • Strengthen our performance measurement framework and regularly report on results. • Proactively engage with, and support, various government oversight bodies. • Enhance internal communications and encourage information sharing.

Pillar 2: Prepare FINTRAC for the future

FINTRAC’s objective is to maintain a work environment that promotes innovation and provides the support and tools, especially information and data, to deepen the Centre’s analysis and approaches.

FINTRAC Priorities	Strategic Actions
Modernize the workplace	<ul style="list-style-type: none"> • Implement a strategic, enterprise approach to managing FINTRAC’s infrastructure, applications, and data. • Implement tools and processes that will effectively enable collaboration, mobility and information sharing. • Leverage our information technology and systems to enhance outcomes.
Explore and implement innovative solutions	<ul style="list-style-type: none"> • Implement a FINTRAC-wide approach for innovation, which includes policy, technology, and processes. • Strive for continuous growth and excellence by implementing a FINTRAC-wide approach to learning, and training that supports all areas of organizational learning including corporate training, leadership development, executive training and business line training. • Embrace multiple perspectives and promote internal collaboration that leverages the Centre’s knowledge and expertise in identifying future trends and in addressing possible challenges. • Investigate and promote opportunities for private sector engagement and partnerships.

Pillar 3: Collaborate to strengthen results

FINTRAC’s objective is to leverage the knowledge and expertise of our domestic and international partners in influencing changes to the way we detect and deter money laundering and terrorist activity financing.

FINTRAC Priorities	Strategic Actions
Cultivate strategic relationships with key external stakeholders	<ul style="list-style-type: none"> • Regularly identify, review, and prioritize FINTRAC’s relationship with key domestic partners and international stakeholders to ensure alignment with the Centre’s compliance, intelligence, and corporate priorities, in line with FINTRAC’s requirement to be independent and operate at arm’s length. • Play a leadership role in international fora to support the government’s broader global efforts to combat money laundering and terrorist activity financing. • Work with external stakeholders to leverage existing efficiencies and explore new ways of doing business. • Enhance transparency and demonstrate progress with our external stakeholders.
Strengthen cross-government cooperation	<ul style="list-style-type: none"> • Proactively work with other Canadian government departments/agencies to enhance FINTRAC’s contribution to government policy making and decision making on matters related to money laundering and terrorist activity financing. • Work with the Bank of Canada and the Department of Finance Canada towards the implementation of the Retail Payments Activities Act (RPAA) and the registration of payment service providers.

As a small agency, FINTRAC embraces the concept of ‘experimentation’ through its enhanced commitment to innovate and evolve its operational programs and internal services activities. In 2022–23, FINTRAC is committed to exploring new collaboration and work arrangements within Canada’s AML/ATF Regime, and through public and private partnerships with its major reporting entities in the fight against money laundering and terrorist activity financing.

For more information on FINTRAC’s plans, see the “Core responsibilities: planned results and resources” section of this plan.

Core responsibilities: planned results and resources

This section contains information on the department’s planned results and resources for each of its core responsibilities. It also contains information on key risks related to achieving those results.

Compliance with Anti-Money Laundering and Anti-Terrorism Financing Legislation and Regulations

Description

FINTRAC is responsible for ensuring compliance with Part 1 and Part 1.1 of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (PCMLTFA) and its associated Regulations. This legal framework establishes obligations for reporting entities to develop and implement a compliance program in order to identify clients, monitor business relationships, keep records and report certain types of financial transactions. FINTRAC undertakes enabling and enforcement actions to ensure that the reporting entities operating within Canada's financial system fulfill their PCMLTFA obligations. These obligations provide important measures for countering patterns and behaviours observed in criminals and terrorists in order to deter them from operating within the legitimate channels of Canada's economy. FINTRAC also maintains a registry of money services businesses in Canada and foreign money services businesses that direct and provide services to persons and entities in Canada.

Planning highlights

FINTRAC’s compliance framework is based on three complementary pillars: assistance, assessment and enforcement. Collectively, they form a comprehensive, risk-based approach aimed at influencing compliance behaviour whereby entities subject to the PCMLTFA fulfill their obligations. Central to this are a host of activities aimed at ensuring that reporting entities understand and comply with their ‘know-your-client’ and record keeping requirements, and that they submit high quality and timely reports to FINTRAC.

Maintaining an effective compliance framework requires the right suite of policies, procedures, systems and training mechanisms to be in place, together with a capacity to evolve within a complex and dynamic operating environment. In 2022–23, FINTRAC will actively and holistically pursue the modernization of its compliance framework to further enhance its effectiveness in this challenging and ever-changing setting. To achieve the expected results, FINTRAC plans to undertake the following major activities:

- In the year ahead, FINTRAC will work with international partners and organizations to share best practices, support the global fight against money laundering and terrorist activity financing and learn from counterpart Financial Intelligence Units (FIUs) and regulatory agencies. Priorities will include supporting the work of the Financial Action Task Force (FATF), the Asia/Pacific Group (APG) of which Canada is a member, and the

Caribbean Financial Action Task Force (CFATF) of which Canada is a cooperating and supporting nation. This work will help improve international standards, knowledge of money laundering and terrorist activity financing, and policies for the future. The Centre will also take a leadership role as Chair of Egmont Group Information Exchange Working Group (IEWG) and the Global Coalition to Fight Financial Crime in sharing FINTRAC expertise and further engaging international partners.

- To enable ongoing collaboration and to establish innovative partnerships with domestic stakeholders, FINTRAC will seek to advance the work of the Public-Private Collaboration Steering Committee, which the Centre co-chairs. This committee consists of members from across Canada’s AML/ATF Regime and Canadian businesses and focuses on establishing shared priorities, enhancing information sharing between businesses and between the public and private sectors, as well as considering how technology can be leveraged to strengthen the Regime. The Public-Private Collaboration Steering Committee also serves as a forum to explore further opportunities for innovative collaboration and experimentation.
- As threats evolve and criminals seek opportunities to exploit vulnerabilities and circumvent existing controls, legal and policy settings must also evolve to remain effective in preventing criminal activities. In 2022–23, FINTRAC will continue implementation of the 2019 and 2020 regulatory amendments that came into force on June 1, 2021. The amendments included new requirements for reporting large virtual currency transactions; extending obligations to foreign money services businesses and businesses dealing in virtual currencies; and extending obligations related to beneficial ownership and politically exposed persons to all reporting entity sectors. These regulatory amendments also entail working with the Department of Finance Canada in consulting with armoured car companies and bringing them into the Regime fold. In 2022–23, FINTRAC will seek to ensure that the expected outcomes of the regulatory amendments are achieved by building internal capacity in emerging functional areas, supporting and guiding reporting entity sectors on the new regulatory amendments through outreach and publication of online materials, and by using advanced technology to streamline amendments of reporting forms.
- In addition to implementing the regulatory amendments, FINTRAC will also work closely with the Department of Finance Canada and other stakeholders to enable FINTRAC to implement a cost recovery approach to recover its compliance costs. This activity will entail substantial consultations with reporting entity sectors, as well as Canadian and international regulatory organizations, and a rigorous implementation plan to establish and administer a fair, transparent, and reasonable cost-recovery approach. As

part of the implementation plan, FINTRAC will examine the modernization of its financial management system as an interconnected Centre-wide solution.

- With innovation across the financial sector challenging traditional regulatory models, it is imperative that FINTRAC continues to move forward with the modernization of its compliance activities to ensure that they are targeted and agile in meeting the diverse needs, expectations and capacities of all reporting entity sectors. In 2022–23, FINTRAC will explore and pursue additional measures and activities that will increase the added value of its compliance framework, as well as better meet the needs of reporting entity sectors, including in relation to its guidance and other educational products.
- In 2022–23, FINTRAC will select and conduct examinations using its risk-based approach. Furthermore, the Centre will explore conducting some thematic/specified examinations focusing on areas that pose the most risk. Given the ongoing global pandemic, FINTRAC’s examinations will be conducted remotely, although onsite examinations, where required, will be explored and executed while adhering to local public health advisories. The Centre will undertake examinations of Federally Regulated Financial Institutions (FRFI), which were previously done by the Office of the Superintendent of Financial Institutions (OSFI). In the year ahead, FINTRAC will also begin to implement new business processes and enhance the understanding of the FRFI community to ensure supervisory effectiveness.
- To enable reporting entities in meeting their obligations, FINTRAC will provide ongoing guidance and support through conferences, working groups, training sessions, new online educational products for the Real Estate sector and other sectors, policy interpretations, and collaboration with industry associations and other regulators. FINTRAC is also experimenting with new ways to provide strategic guidance to its reporting entities.

Experimentation

To effectively and efficiently deliver the outcomes identified in the FINTRAC Digital Strategy and progress further through automation of the Centre’s Core Business and Digital Office, FINTRAC is embracing Product Management. In 2022–23, FINTRAC will adopt a Product Management approach to deliver the complete agile lifecycle management of the Centre’s products and services, with the goal of building business value, reducing pain points and addressing the needs of specific target segments. The implementation of a Product Management approach will better support the agile development of new business tools, reduce risk of failure through iterative prototyping, help define FINTRAC’s product development roadmap and achieve faster delivery of enterprise capabilities.

Planned results for Compliance with Anti-Money Laundering and Anti-Terrorism Financing Legislation and Regulations

For Compliance with Anti-Money Laundering and Anti-Terrorism Financing Legislation and Regulations, the following table shows the planned results, the result indicators, the targets and the target dates for 2022–23, and the actual results for the three most recent fiscal years for which actual results are available.

Departmental result	Departmental result indicator	Target	Date to achieve target	2018–19 actual result	2019–20 actual result	2020–21 actual result
Reporting entities are compliant with Anti-Money Laundering and Anti-Terrorist Financing obligations and requirements	Percentage of assessed reporting entities not requiring enforcement action ¹	90%	March 31, 2023	Not applicable ²	Not applicable ²	94%
	Percentage of financial transaction reports submitted to FINTRAC that meet validation rules as an indicator of quality	90%	March 31, 2023	91.7% Percentage of Financial Transaction Reports submitted to FINTRAC that meet quality requirements	88.1% Percentage of Financial Transaction Reports submitted to FINTRAC that meet quality requirements	88%

The financial, human resources and performance information for FINTRAC’s program inventory is available on [GC InfoBase](#).¹

¹ Enforcement actions include an enforcement meeting, an administrative monetary penalty, or a public disclosure of non-compliance.

² FINTRAC added this result indicator to its Departmental Results Framework in 2020–21.

Planned budgetary spending for Compliance with Anti-Money Laundering and Anti-Terrorism Financing Legislation and Regulations

For Compliance with Anti-Money Laundering and Anti-Terrorism Financing Legislation and Regulations, the following table shows budgetary spending for 2022–23, as well as planned spending for that year and for each of the next two fiscal years.

2022–23 budgetary spending (as indicated in Main Estimates)	2022–23 planned spending	2023–24 planned spending	2024–25 planned spending
\$23,907,929	\$25,206,629	\$24,227,649	\$31,701,926

Financial, human resources and performance information for FINTRAC’s program inventory is available on [GC InfoBase](#).ⁱⁱ

Planned human resources for Compliance with Anti-Money Laundering and Anti-Terrorism Financing Legislation and Regulations

The following table shows, in full-time equivalents, the human resources required by the department to fulfill this core responsibility for 2022–23 and for each of the next two fiscal years.

2022–23 planned full-time equivalents	2023–24 planned full-time equivalents	2024–25 planned full-time equivalents
146	146	146

Financial, human resources and performance information for FINTRAC’s program inventory is available on [GC InfoBase](#).ⁱⁱⁱ

Production and Dissemination of Financial Intelligence

Description

FINTRAC is mandated by the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (PCMLTFA) to produce actionable financial intelligence that assists Canada's police, law enforcement, national security and other international and domestic partner agencies in combatting money laundering, terrorism financing and threats to the security of Canada, while protecting the personal information entrusted to FINTRAC. The Centre also produces strategic financial intelligence for federal policy and decision-makers, the security and intelligence community, reporting entities across the country, international partners and other stakeholders. FINTRAC's strategic intelligence provides a wide analytical perspective on the nature, scope and threat posed by money laundering and terrorism financing.

Planning highlights

FINTRAC provides actionable financial intelligence to Canada's police, law enforcement and national security agencies, domestic securities regulators or international financial investigators and Financial Intelligence Units (FIUs) to help them combat money laundering, terrorism financing and threats to the security of Canada.

Often based on hundreds or even thousands of financial transactions, FINTRAC's financial intelligence disclosures may show links between individuals and businesses that have not been identified in an investigation, and may help investigators refine the scope of their cases or shift their sights to different targets. A disclosure can pertain to an individual or a wider criminal network, and can also be used by police and law enforcement to put together affidavits to obtain search warrants and production orders. FINTRAC's financial intelligence is used in a wide variety of criminal investigations related to the funding of terrorist activities and the laundering of proceeds originating from such crimes as drug trafficking, fraud, tax evasion, corruption and human trafficking.

FINTRAC's financial intelligence also plays a role in advancing and supporting innovative public-private sector partnerships. These partnerships are currently aimed at more effectively combatting money laundering in British Columbia and across Canada, human trafficking in the sex trade, romance fraud, the trafficking of illicit fentanyl, and child sexual abuse material on the Internet. By partnering with Canadian businesses, police and law enforcement agencies across Canada, FINTRAC has been effective in following the money to identify potential subjects, uncovering broader financial connections and providing intelligence to advance national project-level investigations.

In addition to the Centre's financial intelligence disclosures, FINTRAC also produces valuable strategic financial intelligence, which provide a broader perspective on the nature, scope and threat posed by money laundering and terrorist activity financing. Produced for government

decision-makers, reporting entities across the country, international partners and other stakeholders, the Centre's strategic intelligence is critical in strengthening Canada's ability to prevent, detect, and deter the methods and techniques used by criminals to launder money or fund terrorist activities.

In 2022–23, the following activities will be undertaken:

- FINTRAC will generate and disclose actionable financial intelligence to support major, resource intensive investigations, and hundreds of other individual investigations at the municipal, provincial and federal levels, including those conducted by law enforcement, national security agencies as well as other agencies designated to receive intelligence such as Revenue Québec and the Competition Bureau.
- As FINTRAC looks to strengthen collaboration and build innovative partnerships with stakeholders, priority will be given to supporting FINTRAC's highly successful, industry-led, public-private partnerships (PPPs), and to advancing new collaborations aimed at addressing Government of Canada priorities, such as combatting the laundering of proceeds of crime derived from human trafficking.
- In addition, FINTRAC will engage actively with the Financial Crime Coordination Centre (FC3), which brings together dedicated experts from across intelligence and law enforcement agencies to strengthen inter-agency coordination and cooperation and to identify and address significant money laundering and financial crime threats. FINTRAC will also contribute its expertise and insight to the Canada Border Services Agency led multi-disciplinary Trade Fraud and Trade-Based Money Laundering Centre of Expertise.
- FINTRAC will develop and disseminate strategic intelligence assessment products to inform the public, reporting entities, authorities engaged in the investigation and prosecution of money laundering offences and terrorist activity financing offences, and other stakeholders of specific areas of money laundering and terrorist financing risks. This includes, where appropriate, sectoral and geographic advisories, special bulletins and operational briefs and alerts, that provide indicator-based information on money laundering and terrorism financing issues, with a focus on methods, threats, and vulnerabilities.
- Effective management of FINTRAC's data assets is critical to the production of actionable financial intelligence. In 2022–23, FINTRAC will explore new analytical methods to maximize the use of existing data holdings and will seek to augment data sources to enhance its strategic intelligence products. This will include identifying data acquisition priorities and development of data acquisition methodology for researching, discovering, and assessing new external data sources being considered for data

acquisition, and onboarding and testing data linking and sharing with priority sources of relevant information.

- To realize the strategic value of FINTRAC’s financial intelligence and to support improved regime-wide operational outcomes in the fight against money laundering and terrorist activity financing, the Centre will deepen its efforts to understand and explore opportunities for enhanced information sharing within the federal AML/ATF Regime that also support the continued robust protection of Canadians’ personal information.
- FINTRAC will operationalize its International Strategy through active engagement with strategic international partners to assist in the development and establishment of standards related to money laundering and terrorist financing. The approach will enable the assessment of emerging issues and their implications for Canada and facilitate stronger relationships with key international partners.

Experimentation

To effectively and efficiently realize the outcomes identified in the FINTRAC Digital Strategy and progress the automation of the Centre’s Core Business and Digital Office, FINTRAC will advance targeted investment projects to enrich the toolkit available to enhance the quality of financial intelligence output. Two key aspects of these projects will be the use of synthetic data and the establishment of a vendor portal. Together, these new elements will allow FINTRAC to invite vendors into the portal using agile procurement processes for an opportunity to demonstrate how they may be able to respond to FINTRAC’s business needs using data that is representational of the Centre’s actual data. The approach will strengthen FINTRAC’s ability to assess vendor capabilities and allow for the adoption of modular solutions that will better integrate with FINTRAC’s analytical system, reduce risk of failure, and achieve faster delivery of enterprise capabilities.

Planned results for Production and Dissemination of Financial Intelligence

For Production and Dissemination of Financial Intelligence the planned results, the following table shows the result indicators, the targets and the target dates for 2022–23, and the actual results for the three most recent fiscal years for which actual results are available.

Departmental result	Departmental result indicator	Target	Date to achieve target	2018–19 actual result	2019–20 actual result	2020–21 actual result
FINTRAC's tactical financial intelligence disclosures inform investigative actions	Percentage of feedback from disclosure recipients that indicates that FINTRAC's financial intelligence disclosure was actionable	85%	March 31, 2023	90%	97%	96%
FINTRAC's strategic financial intelligence informs policy and decision-making	Percentage of Regime partners using FINTRAC products to inform activities ³	70%	March 31, 2023	Not applicable ⁴	Not applicable ⁴	70%

The financial, human resources and performance information for FINTRAC's program inventory is available on [GC InfoBase](#).^{iv}

Planned budgetary spending for Production and Dissemination of Financial Intelligence

For Production and Dissemination of Financial Intelligence, the following table shows budgetary spending for 2022–23, as well as planned spending for that year and for each of the next two fiscal years.

2022–23 budgetary spending (as indicated in Main Estimates)	2022–23 planned spending	2023–24 planned spending	2024–25 planned spending
\$19,587,477	\$20,662,132	\$20,798,909	\$25,010,680

³ There are 13 federal AML/ATF Regime Partners including OSFI and RCMP. Examples of products include operational alerts, environmental scans and financial intelligence reports.

⁴ FINTRAC added this result indicator to its Departmental Results Framework in 2020–21.

Financial, human resources and performance information for FINTRAC’s program inventory is available on [GC InfoBase](#).^v

Planned human resources for Production and Dissemination of Financial Intelligence

The following table shows, in full-time equivalents, the human resources the department will need to fulfill this core responsibility for 2022–23 and for each of the next two fiscal years.

2022–23 planned full-time equivalents	2023–24 planned full-time equivalents	2024–25 planned full-time equivalents
133	133	133

Financial, human resources and performance information for FINTRAC’s program inventory is available on [GC InfoBase](#).^{vi}

Internal Services: planned results

Description

Internal services are the services that are provided within a department so that it can meet its corporate obligations and deliver its programs. There are 10 categories of internal services:

- ▶ Management and oversight services
- ▶ Communications services
- ▶ Legal services
- ▶ Human resources management services
- ▶ Financial management services
- ▶ Information management services
- ▶ Information technology services
- ▶ Real property management services
- ▶ Materiel management services
- ▶ Acquisition management services

Planning highlights

FINTRAC's Internal Services support the Centre's core responsibilities and programs. A key priority is ensuring the protection of personal information entrusted to the Centre. All facets of FINTRAC's operations are subject to rigorous security measures that ensure the safeguarding of the Centre's physical premises and IT systems, including the handling, storage and retention of all personal and other sensitive information under its control. Internal Services also support the development and delivery of effective and integrated services, policies, advice and guidance in the fields of finance, human resources, culture and change management, security, communication, procurement, administration, information management, and information technology. The overall objective is to ensure that FINTRAC has the proper capacity and corporate infrastructure to allow its workforce to achieve operational success.

As FINTRAC's responsibilities and operations continue to grow in scope and complexity, its ability to deliver on its mandate remains directly tied to its adaptability, the skills and dedication of its employees, and the tools and resources available for them to do their work. As an organization committed to excellence, FINTRAC is focused on the effective management of its human, technological and financial resources.

To achieve its Internal Services objectives, FINTRAC will undertake the following activities in 2022–23:

- FINTRAC will focus on enhancing flexible and inclusive work practices and will adopt a culture of flexible by design in its workplace policies and guidelines. In 2022–23, the Centre will advance the Future of Work concept by moving forward with flexible work policies, revalidating business requirements for its headquarters relocation and future delivery plans,

investing in the modernization of a human resources system, and transitioning towards flexible workstations in accordance with Central Agency and Health Authority guidance.

- FINTRAC will continue to implement its People and Culture Strategy 2019–24 with a focus on the areas of talent acquisition, talent management, enterprise learning, functional architecture and organizational design, and total compensation. Activities in support of the People and Culture Strategy that are planned for 2022–23 include:
 - Finalizing a comprehensive compensation philosophy review to ensure the organization is optimally positioned to attract and retain the talent and corresponding skillsets required.
 - Continuing with targeted and proactive talent acquisition/recruitment strategies and initiatives such as virtual career fairs, targeted recruitment campaigns, as well as enhanced strategies to maximize student recruitment.
 - Implementing the Workplace Wellness and Culture Action Plan to support and sustain a healthy and resilient workplace and the physical and psychological health and safety of employees, including the prevention and resolution of harassment and discrimination.
 - Focusing on leadership development and learning through targeted support and resources, such as the implementation of a FINTRAC learning academy and language school.
 - Implementing the newly modernized talent management approach that is anchored around guiding principles that support agility, flexibility, increased accountability, and is outcome centric.
 - Nurturing a culture of diversity, civility and inclusion through continuous engagement and communications.
- The Centre will take meaningful action to increase the diversity of the workforce and foster a culture of inclusiveness in line with existing initiatives and taking into account the vast work and guidance provided by the Call to Action on anti-racism, equity, and inclusion in the Federal Public Service, *Many Voices One Mind: A pathway to Reconciliation*, and the Accessibility Strategy for the Public Service. FINTRAC advance progress against the 50-30 challenge and Pledge 2.0 to increase the representation of women at the senior management level and the representation of other equity seeking groups in various internal and external committees to enable more direct influence on decision-making.
- A key focus for 2022–23 will be the targeted investment projects identified in FINTRAC’s three-year Digital Strategy aimed at using new and emerging digital technologies to add business value, improve operational performance, enhance digital services, and explore new ways to deliver the Centre’s mandate. In 2021–22, FINTRAC began to put in place some essential digital foundational elements required for future transformation, took the first steps

in automating some of its highest priority business processes and began creating a better work experience for all FINTRAC employees by building a digital office. This fiscal year, the Centre will build on its digital foundations by establishing greater digital capacity and stabilizing the Centre’s IM/IT critical infrastructure and legacy IM/IT systems. Key stabilization initiatives for 2022–23 include data centre and cloud transformation as well as the continuous enhancement of its digital security and privacy programs.

- In addition, FINTRAC will advance the automation of its core business by implementing new agile, product-driven processes and adopting user-centred product delivery approaches for its operational functions of Intelligence, Compliance and Advanced Analytics. This will include providing the Centre’s Reporting Entities with modernized reporting forms and guidance to comply with the PCMLTFA and its associated regulations thereby enhancing the quality of data received by FINTRAC. The Centre also seeks to reduce the time and effort required to conduct Intelligence activities by beginning the modernization of its suite of intelligence products and making better use of all available data and knowledge assets. A key automation initiative for 2022–23 includes the launching FINTRAC’s vendor portal to prototype artificial intelligence products aimed at solving critical intelligence challenges.
- FINTRAC will also invest in technology to support the future of work and address ongoing COVID-related challenges by enhancing the digital office, which will provide advanced applications to allow all employees to collaborate and communicate more effectively.
- In December 2021, the Office of the Privacy Commissioner (OPC) completed and published its fourth review of the measures taken by FINTRAC to protect the information it receives and collects. FINTRAC accepted all of the OPC’s recommendations for improvement and had already taken a number of concrete measures to implement them in order to further strengthen its robust and comprehensive approach to safeguarding the personal information of Canadians. In 2022–23, FINTRAC will implement additional measures to address the recommendations to further strengthen its comprehensive approach to safeguarding the personal information of Canadians.
- In 2022–23, FINTRAC will operationalize its communications strategy, including the use of additional social media vehicles, as a tool to strengthen domestic and international collaboration and engagement as well as Canadians’ understanding of money laundering and terrorist financing.

Planned budgetary spending for Internal Services

For Internal Services, the following table shows budgetary spending for 2022–23, as well as planned spending for that year and for each of the next two fiscal years.

2022–23 budgetary spending (as indicated in Main Estimates)	2022–23 planned spending	2023–24 planned spending	2024–25 planned spending
\$31,492,123	\$32,916,135	\$32,196,891	\$40,622,799

Planned human resources for Internal Services

The following table shows, in full-time equivalents, the human resources the department will need to carry out its Internal Services for 2022–23 and for each of the next two fiscal years.

2022–23 planned full-time equivalents	2023–24 planned full-time equivalents	2024–25 planned full-time equivalents
189	186	186

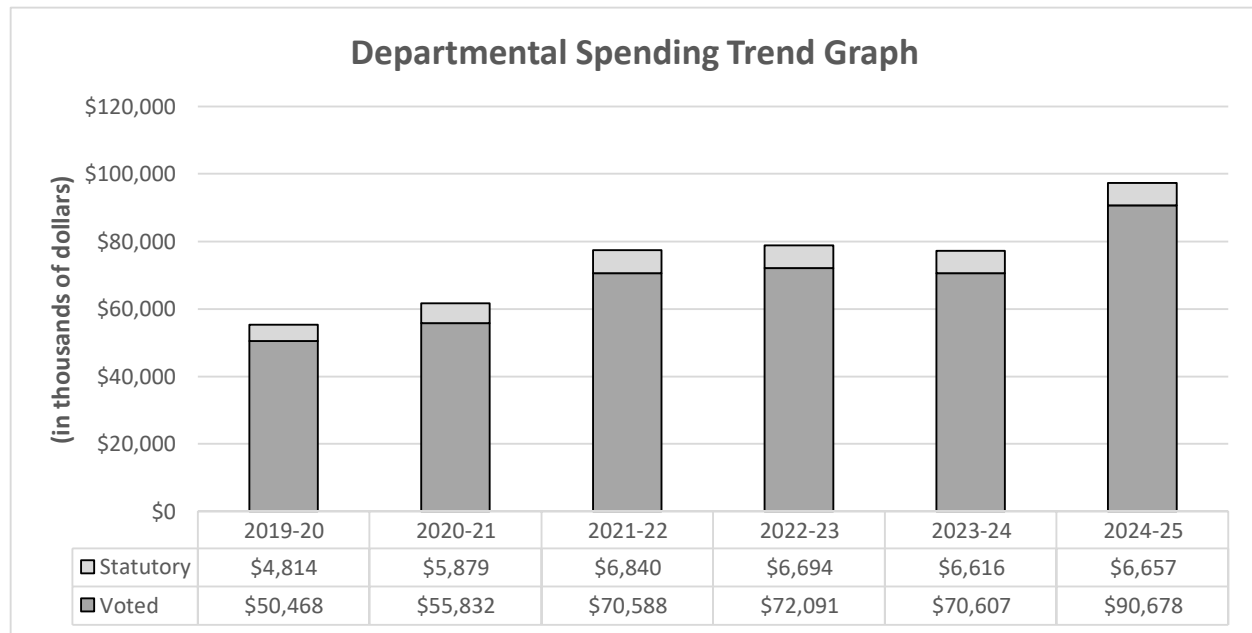
Planned spending and human resources

This section provides an overview of the department’s planned spending and human resources for the next three fiscal years and compares planned spending for 2022–23 with actual spending for the current year and the previous year.

Planned spending

Departmental spending 2019–20 to 2024–25

The following graph presents planned spending (voted and statutory expenditures) over time.



Actual Spending (2019–20 and 2020–21)

The resources available for spending in 2019–20 and 2020–21 were \$60.2M and \$80.3M respectively. Resources available for spending increased by \$20.1M from 2019–20 to 2020–21 primarily due to the funding announced in the July 2020 Economic and Fiscal Snapshot for fighting financial crime, relocation of FINTRAC's office space and modernizing the cross-border currency reporting framework.

Actual spending was \$55.3M in 2019–20 and \$61.7M in 2020–21, an increase of \$6.4M (12%). Spending increased in the following expenditure categories:

- Personnel expenditures increased by \$5.4M in 2020–21 following an increase in the number of full-time equivalents.

- Professional and special services expenses increased by \$0.9M due to an increase in costs for project management services.
- Increases in spending for the acquisition of machinery and equipment, information and rentals were offset by decreases in expenses related to purchases, repair and maintenance, transportation and telecommunications, and utilities.

Forecasted Spending (2021–22)

Total authorities available for use in 2021–22 are anticipated to be \$80.8M. This is an increase of \$0.5M (1%) over the \$80.3M in authorities available for use in 2020–21.

Forecast spending is anticipated to be \$77.4M in 2021–22, consisting of \$70.6M in voted authorities and \$6.8M in statutory authorities. This is an increase of \$15.7M (25%) compared to the actual spending of \$61.7M in 2020–21. FINTRAC's expenditures increased from the prior year following the receipt of new funding announced in the July 2020 Economic and Fiscal Snapshot to fight financial crime, support the relocation of the National Capital Region headquarters in Ottawa, and modernize the cross-border currency reporting framework.

Planned Spending (2022–23 to 2024–25)

Planned spending is expected to increase from \$77.4M in 2021–22 to \$78.8M in 2022–23, an increase in projected expenditures of \$1.8M (2%). The following year, expenditures are anticipated to decrease by \$1.6M (-2%) to \$77.2M in 2023–24. Subsequent spending is expected to increase by \$20.1M (26%) to a peak of \$97.3M in projected expenditures for 2024–25. The variance in planned spending between 2022–23 to 2024–25 is largely based on the funding profile of funds announced in the July 2020 Economic and Fiscal Snapshot for fighting financial crime, relocation of FINTRAC's office space and modernization the cross-border currency reporting framework. The profile of funds announced in Budget 2019 also has an impact on projected spending trends.

The following table shows actual, forecast and planned spending for each of FINTRAC's core responsibilities and to Internal Services for the years relevant to the current planning year.

Budgetary planning summary for core responsibilities and internal services (dollars)

The following table shows information on spending for each of FINTRAC’s core responsibilities and for its internal services for 2022–23 and other relevant fiscal years.

Core responsibilities and internal services	2019–20 actual expenditures	2020–21 actual expenditures	2021–22 forecast spending	2022–23 budgetary spending (as indicated in Main Estimates)	2022–23 planned spending	2023–24 planned spending	2024–25 planned spending
Compliance with Anti-Money Laundering and Anti-Terrorism Financing Legislation and Regulations	\$18,774,766	\$19,944,414	\$25,593,365	\$23,907,929	\$25,206,629	\$24,227,649	\$31,701,926
Production and Dissemination of Financial Intelligence	\$15,765,038	\$17,373,037	\$18,851,946	\$19,587,477	\$20,662,132	\$20,798,909	\$25,010,680
Subtotal	\$34,539,804	\$37,317,451	\$44,445,311	\$43,495,406	\$45,868,761	\$45,026,558	\$56,712,606
Internal services	\$20,742,962	\$24,393,503	\$32,983,217	\$31,492,123	\$32,916,135	\$32,196,891	\$40,622,799
Total	\$55,282,766	\$61,710,954	\$77,428,528	\$74,987,529	\$78,784,896	\$77,223,449	\$97,335,405

Planned human resources

The following table shows information on human resources, in full-time equivalents (FTEs), for each of FINTRAC’s core responsibilities and for its internal services for 2022–23 and the other relevant years.

Human resources planning summary for core responsibilities and internal services

Core responsibilities and internal services	2019–20 actual full-time equivalents	2020–21 actual full-time equivalents	2021–22 forecast full-time equivalents	2022–23 planned full-time equivalents	2023–24 planned full-time equivalents	2024–25 planned full-time equivalents
Compliance with Anti-Money Laundering and Anti-Terrorism Financing Legislation and Regulations	127	138	156	146	146	146
Production and Dissemination of Financial Intelligence	102	111	133	133	133	133
Subtotal	229	249	289	279	279	279
Internal services	123	141	182	189	186	186
Total	352	390	471	468	465	465

Between 2019–20 and 2020–21, FTEs increased from 352 to 390. In 2021–22, FTEs are forecast to increase to 471. Vacant positions have been filled throughout the current fiscal year. New FTEs funded by Budget 2019, and the July 2020 Economic and Fiscal Snapshot have also been filled. The July 2020 Economic and Fiscal Snapshot provided funding for new FTEs to fight financial crime, support the relocation of the National Capital Region headquarters in Ottawa, and modernize the cross-border currency reporting framework. Based on the profile of funding announced in Budget 2019, the July 2020 Economic and Fiscal Snapshot and some temporary funding subsequently ending, FTEs are projected to decrease slightly to 468 in 2022–23, 465 in 2023–24 and 465 in 2024–25.

Estimates by vote

Information on FINTRAC’s organizational appropriations is available in the [2022–23 Main Estimates](#).^{vii}

Future-oriented condensed statement of operations

The future-oriented condensed statement of operations provides an overview of FINTRAC's operations for 2021–22 to 2022–23.

The forecast and planned amounts in this statement of operations were prepared on an accrual basis. The forecast and planned amounts presented in other sections of the Departmental Plan were prepared on an expenditure basis. Amounts may therefore differ.

A more detailed future-oriented statement of operations and associated notes, including a reconciliation of the net cost of operations with the requested authorities, are available on FINTRAC's [website](#).^{viii}

Future-oriented condensed statement of operations for the year ending March 31, 2023 (dollars)

Financial information	2021–22 forecast results	2022–23 planned results	Difference (2022–23 planned results minus 2021–22 forecast results)
Total expenses	80,313,223	82,045,334	1,732,111
Total revenues	0	0	0
Net cost of operations before government funding and transfers	80,313,223	82,045,334	1,732,111

Corporate information

Organizational profile

Appropriate minister: The Honourable Chrystia Freeland, Deputy Prime Minister and Minister of Finance

Institutional head: Sarah Paquet, Director and Chief Executive Officer

Ministerial portfolio: Finance

Enabling instrument(s): [Proceeds of Crime \(Money Laundering\) and Terrorist Financing Act, S.C. 2000, c. 17. \(PCMLTFA\)^{ix}](#)

Year of incorporation / commencement: 2000

Raison d’être, mandate and role: who we are and what we do

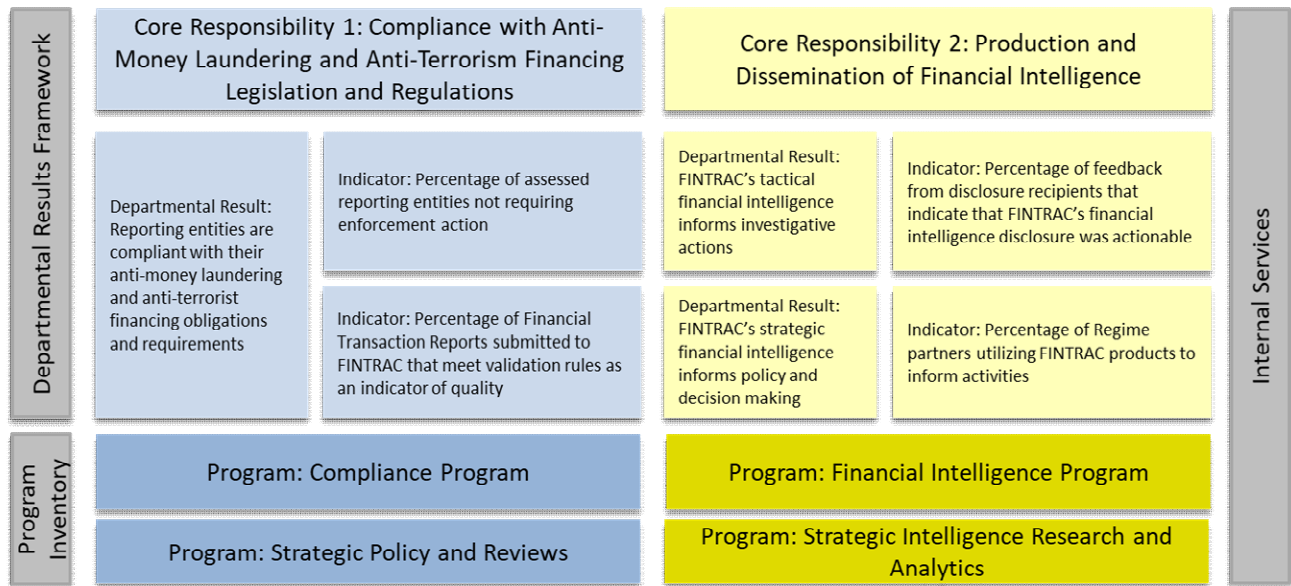
Information on FINTRAC’s raison d’être, mandate and role is available on [FINTRAC’s website^x](#).

Operating context

Information on the operating context is available on [FINTRAC’s website^{xi}](#).

Reporting framework

FINTRAC’s approved departmental results framework and program inventory for 2022–23 are as follows.



Supporting information on the program inventory

Supporting information on planned expenditures, human resources, and results related to FINTRAC's program inventory is available on [GC InfoBase](#).^{xii}

Supplementary information tables

The following supplementary information tables are available on FINTRAC's [website](#):^{xiii}

- ▶ Reporting on Green Procurement
- ▶ Gender-based analysis plus

Federal tax expenditures

FINTRAC's Departmental Plan does not include information on tax expenditures.

Tax expenditures are the responsibility of the Minister of Finance. The Department of Finance Canada publishes cost estimates and projections for government-wide tax expenditures each year in the [Report on Federal Tax Expenditures](#).^{xiv} This report provides detailed information on tax expenditures, including objectives, historical background and references to related federal spending programs, as well as evaluations, research papers and gender-based analysis plus.

Organizational contact information

Mailing address

Financial Transactions and Reports Analysis Centre of Canada
234 Laurier Avenue West
Ottawa, Ontario K1P 1H7
Canada

Telephone: 1-866-346-8722 (toll free)

Fax: 613-943-7931

Email: guidelines-lignesdirectrices@fintrac-canafe.gc.ca

Website: <https://www.fintrac-canafe.gc.ca/intro-eng>

Appendix: definitions

appropriation (crédit)

Any authority of Parliament to pay money out of the Consolidated Revenue Fund.

budgetary expenditures (dépenses budgétaires)

Operating and capital expenditures; transfer payments to other levels of government, organizations or individuals; and payments to Crown corporations.

core responsibility (responsabilité essentielle)

An enduring function or role performed by a department. The intentions of the department with respect to a core responsibility are reflected in one or more related departmental results that the department seeks to contribute to or influence.

Departmental Plan (plan ministériel)

A document that sets out a department's priorities, programs, expected results and associated resource requirements, covering a three-year period beginning with the year indicated in the title of the report. Departmental Plans are tabled in Parliament each spring.

departmental result (résultat ministériel)

A change that a department seeks to influence. A departmental result is often outside departments' immediate control, but it should be influenced by program-level outcomes.

departmental result indicator (indicateur de résultat ministériel)

A factor or variable that provides a valid and reliable means to measure or describe progress on a departmental result.

departmental results framework (cadre ministériel des résultats)

A framework that consists of the department's core responsibilities, departmental results and departmental result indicators.

Departmental Results Report (rapport sur les résultats ministériels)

A report on a department's actual performance in a fiscal year against its plans, priorities and expected results set out in its Departmental Plan for that year. Departmental Results Reports are usually tabled in Parliament each fall.

experimentation (expérimentation)

The conducting of activities that explore, test and compare the effects and impacts of policies and interventions in order to inform decision-making and improve outcomes for Canadians. Experimentation is related to, but distinct from, innovation. Innovation is the trying of something new; experimentation involves a rigorous comparison of results. For example, introducing a new

mobile application to communicate with Canadians can be an innovation; systematically testing the new application and comparing it against an existing website or other tools to see which one reaches more people, is experimentation.

full-time equivalent (équivalent temps plein)

A measure of the extent to which an employee represents a full person-year charge against a departmental budget. Full-time equivalents are calculated as a ratio of assigned hours of work to scheduled hours of work. Scheduled hours of work are set out in collective agreements.

gender-based analysis plus (GBA Plus) (analyse comparative entre les sexes plus [ACS Plus])

An analytical process used to assess how diverse groups of women, men and gender-diverse people experience policies, programs and services based on multiple factors including race, ethnicity, religion, age, and mental or physical disability.

government-wide priorities (priorités pangouvernementales)

For the purpose of the 2022–23 Departmental Plan, government-wide priorities are the high-level themes outlining the government’s agenda in the 2021 Speech from the Throne: protecting Canadians from COVID-19; helping Canadians through the pandemic; building back better – a resiliency agenda for the middle class; the Canada we’re fighting for.

horizontal initiative (initiative horizontale)

An initiative in which two or more federal organizations are given funding to pursue a shared outcome, often linked to a government priority.

non-budgetary expenditures (dépenses non budgétaires)

Net outlays and receipts related to loans, investments and advances, which change the composition of the financial assets of the Government of Canada.

performance (rendement)

What an organization did with its resources to achieve its results, how well those results compare to what the organization intended to achieve, and how well lessons learned have been identified.

plan (plan)

The articulation of strategic choices, which provides information on how an organization intends to achieve its priorities and associated results. Generally, a plan will explain the logic behind the strategies chosen and tend to focus on actions that lead up to the expected result.

planned spending (dépenses prévues)

For Departmental Plans and Departmental Results Reports, planned spending refers to those amounts presented in the Main Estimates.

A department is expected to be aware of the authorities that it has sought and received. The determination of planned spending is a departmental responsibility, and departments must be able to defend the expenditure and accrual numbers presented in their Departmental Plans and Departmental Results Reports.

program (programme)

Individual or groups of services, activities or combinations thereof that are managed together within a department and that focus on a specific set of outputs, outcomes or service levels.

program inventory (répertoire des programmes)

An inventory of a department's programs that describes how resources are organized to carry out the department's core responsibilities and achieve its planned results.

result (résultat)

An external consequence attributed, in part, to an organization, policy, program or initiative. Results are not within the control of a single organization, policy, program or initiative; instead, they are within the area of the organization's influence.

statutory expenditures (dépenses législatives)

Expenditures that Parliament has approved through legislation other than appropriation acts. The legislation sets out the purpose of the expenditures and the terms and conditions under which they may be made.

target (cible)

A measurable performance or success level that an organization, program or initiative plans to achieve within a specified time period. Targets can be either quantitative or qualitative.

voted expenditures (dépenses votées)

Expenditures that Parliament approves annually through an Appropriation Act. The vote wording becomes the governing conditions under which these expenditures may be made.

Endnotes

- i. GC InfoBase, <https://www.tbs-sct.gc.ca/ems-sgd/edb-bdd/index-eng.html#start>
- ii. GC InfoBase, <https://www.tbs-sct.gc.ca/ems-sgd/edb-bdd/index-eng.html#start>
- iii. GC InfoBase, <https://www.tbs-sct.gc.ca/ems-sgd/edb-bdd/index-eng.html#start>
- iv. GC InfoBase, <https://www.tbs-sct.gc.ca/ems-sgd/edb-bdd/index-eng.html#start>
- v. GC InfoBase, <https://www.tbs-sct.gc.ca/ems-sgd/edb-bdd/index-eng.html#start>
- vi. GC InfoBase, <https://www.tbs-sct.gc.ca/ems-sgd/edb-bdd/index-eng.html#start>
- vii. 2022–23 Main Estimates, <https://www.canada.ca/en/treasury-board-secretariat/services/planned-government-spending/government-expenditure-plan-main-estimates.html>
- viii. FINTRAC Publications, <https://www.fintrac-canafe.gc.ca/publications/pub-eng>
- ix. Proceeds of Crime (Money Laundering) and Terrorist Financing Act, <https://lawslois.justice.gc.ca/eng/acts/p24.501/>
- x. About FINTRAC, <https://www.fintrac-canafe.gc.ca/intro-eng>
- xi. FINTRAC Publications, <https://www.fintrac-canafe.gc.ca/publications/pub-eng>
- xii. GC InfoBase, <https://www.tbs-sct.gc.ca/ems-sgd/edb-bdd/index-eng.html#start>
- xiii. FINTRAC Publications, <https://www.fintrac-canafe.gc.ca/publications/pub-eng>
- xiv. Report on Federal Tax Expenditures, <https://www.canada.ca/en/department-finance/services/publications/federal-tax-expenditures.html>