

GOVERNMENT OF BC
Anti-Money Laundering Deputy Minister Committee
Terms of Reference
June 2019

1. Re-establishment of the AML DMC

Under these terms of reference, the Anti-Money Laundering Deputy Ministers' Committee (AML DMC) formed in July 2018, is re-established with an expanded mandate and updated membership and roles, as described below. This mandate expansion ensures a coordinated, government multi-sectoral approach to anti-money laundering, responds to three reports government has received on money laundering in BC, and the implementation plan required during the time of a public inquiry.

2. Purpose/Scope

An effective regulatory and enforcement response to money laundering in BC must have the flexibility to respond across sectors and recruit the expertise required to understand and identify vulnerabilities, in addition to making recommendations to remedy these challenges.

The objective of the AML DMC is to lead in the development of a provincial multi-sectoral strategic response to anti-money laundering including the review and implementation of findings and recommendations from the following reports (collectively referred to as the AML reports):

- *Dirty Money: An Independent Review of Money Laundering in Lower Mainland Casinos*, Peter M. German, Q.C., March 31, 2018;
- *Dirty Money – Part 2—Turning the Tide—An Independent Review of Money Laundering in B.C. Real Estate, Luxury Vehicle Sales & Horse Racing*, Peter M. German, Q.C., March 31, 2019;
- *Combatting Money Laundering in BC Real Estate*, Maureen Maloney, Tsur Somerville and Brigitte Unger, March 31, 2019

The success of a provincial multi-sectoral anti-money laundering strategy is linked to federal anti-money laundering strategies and initiatives. To achieve success the AML DMC and Anti-Money Laundering Secretariat (AMLS) will review ongoing federal AML initiatives and engage in meaningful conversations with federal counterparts.

3. Structure

The AML DMC is created to oversee, guide and direct the development of a provincial multi-sectoral anti-money laundering strategy and implementation of recommendations and findings from the reports listed above.

It is responsible to the Attorney General, Minister of Finance, and Solicitor General as lead ministers on the AML file.

The AML DMC is supported by the AMLS, the Ministry of Finance's policy and legislation division (Finance) and Public Safety and Solicitor General's Policing and Security Branch (PSSG-PSB) as well as indirectly by branches within each ministry and associated Crown Agencies and regulators. This may include the Gaming Policy and Enforcement Branch (GPEB), and BC Lottery Corporation (BCLC).

The governance structure is detailed in Appendix A.

4. Roles

The AML DMC has overall responsibility to identify ownership, direct, guide and deliver on the work arising from the development of the provincial multi-sectoral anti-money laundering strategy and AML reports that will have a positive impact on reducing or eliminating money laundering in British Columbia's gaming establishments.

The AML DMC is responsible for providing public briefings and appearing before the public inquiry Commissioner Justice Austin F. Cullen as required.

The AML DMC will engage with their federal counterparts to explore potential AML strategies of mutual interest and benefit.

The AMLS was established to lead the implementation of recommendations from Dr. German's first report that cross ministries/agencies/industries and will continue to do so regarding both German reports. In coordination with Finance and PSSG-PSB, the AMLS will also be responsible for the development of the provincial multi-sectoral anti-money laundering strategy and implementation plan, and the AMLS will provide oversight and tracking of overall project implementation work for the AML reports. The AMLS will report directly through the Associate Deputy Minister of MAG to the AML DMC.

The AMLS will lead the implementation of Dr. German's 2018 report with support from Finance, PSSG-PSB, BCLC, and GPEB where they have been identified as having responsibility. In those instances, the responsible ADM/CEO will report directly through their respective Deputies or Associate Deputy Minister to the AML DMC.

The AMLS will lead the review of Dr. German's 2019 report and will provide the AML DMC with recommendations for consideration and implementation. As recommendations are identified, the AMLS will work with the responsible entities in a manner similar to above.

Finance will lead all work related to the Maloney report in coordination with the AMLS. The ADM for Finance Policy and Legislation will report directly through the Deputy Minister of Finance to the AML DMC.

PSSG-PSB will lead all work related to public safety and enforcement in coordination with the AMLS. The ADM and Director of PSB will report directly through the Deputy Solicitor General to the AML DMC. To ensure the independence of policing, PSSG-PSB's role is linked to strategies and recommendations that involve police, and any proposed initiatives of collaboration between police and regulators.

5. Membership and Responsibilities

Voting members of the AML DMC are:

- Deputy Minister Lori Wanamaker, Ministry of Finance;
- Deputy Solicitor General Mark Sieben, Ministry of Public Safety and Solicitor General; and
- Associate Deputy Minister Crown Agencies Douglas S. Scott, Ministry of Attorney General.

Non-voting members include:

- Brenda Butterworth-Carr, ADM and Director of Police Services, PSSG-PSB.
- Chris Dawkins, A/ADM, policy and legislation, Ministry of Finance;
- Megan Harris, Executive Director and AMLS lead, Ministry of Attorney General; and

Responsibilities of the AML DMC are to:

- Develop a cross-government approach and strategy for a Provincial response to money laundering;
- Provide strategic direction and guidance for AML activities to ensure alignment with the AML objectives and AML report recommendations;
- Provide scheduled update reports to the Attorney General, Finance Minister, and Solicitor General on an as-needed basis;
- Provide public briefings before Commissioner Justice Austin F. Cullen as required.
- Monitor the project progress, timelines, and deliverables;
- Manage critical issues, resolve any issues raised to the Committee and minimize barriers and impediments to achieving the AML objectives; and
- Maintain alignment, coordination and integration across all government AML activities.

6. Meetings and Decision Making

The AML DMC shall meet monthly, unless otherwise requested by a member. As needed, members can call an ad hoc meeting of the Committee with sufficient notice (at least 72 hours).

Meetings may be in person, by telephone, video conference, or other electronic means and a quorum will be achieved with two (2) voting members in attendance. Each voting member or designate will hold a single vote and members may appoint a proxy to attend meetings on their behalf.

All representatives, whenever reasonably possible, shall make it a priority to approve matters on a consensus basis.

If Committee members determine at the meeting that additional information is required for decision-making, the members will agree to (and assign to the ADM or AMLS, as appropriate) all actions required to support the decision. The ADM or AMLS is to obtain and distribute the additional information to members and the decision must be finalized within a mutually agreed to number of days of receiving the additional information.

Separately, the ADM and AMLS will also meet regularly.

7. Meeting Administration

Meeting notices will be circulated to members at least five (5) business days prior to the meeting and will indicate mandatory and optional invitees. Meeting attendance is mandatory for permanently appointed members of the committee. Meeting invitees must indicate their ability to attend at least two (2) business days prior to the meeting and, if unable to attend, to send an appropriate designate with decision-making authority.

Agendas and other meeting materials will be prepared by AMLS and will be circulated via SharePoint three (3) business days prior to the meeting.

8. Reporting and Accountability

A record of each meeting will be produced as follows:

- Minutes will be prepared by the AMLS, including a record of key decisions and discussions;
- Draft minutes shall be distributed to committee members in advance of the next meeting for subsequent ratification;
- The AMLS shall resolve any conflicting feedback, in consultation with AML DMC members as required; and
- Finalized minutes of the proceedings shall be posted to the AML DMC SharePoint.

A member of the Associate Deputy Minister's Office at the Ministry of the Attorney General will:

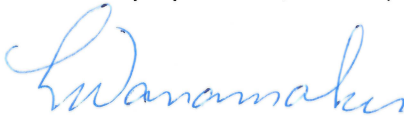
- Set up and manage the AML DMC SharePoint site for members to access materials;
- Arrange meeting invitations for regularly scheduled and ad hoc meetings of the AML DMC;
- Work with the AMLS to distribute the agenda for each meeting;
- Work with the AMLS to distribute meeting materials; and
- Attend all AML DMC meetings as scribe, record meeting proceedings and distribute a record of decisions and action items, incorporate feedback and distribute final record.



Douglas S. Scott
Associate Deputy Minister, Attorney General

DATE:

July 2, 2019



Lori Wanamaker
Deputy Minister, Finance

DATE:

July 8/19



Elenore Arend
Acting Deputy Solicitor General, Public Safety and Solicitor
General

DATE:

July 3, 2019

Prepared by:

Megan Harris
Executive Director
Corporate Priorities & Strategic
Engagement Associate Deputy Minister's
Office
778-974-5965

Appendix A: ANTI-MONEY LAUNDERING (AML) GOVERNANCE STRUCTURE

