



Transparency in Registers

An Update from Teranet on Combating
Fraud and Financial Crime in Canada

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Introduction and Recap



Teranet's [2022 Paper on Ownership Transparency in Registries](#) has played a crucial educational role in highlighting the importance of beneficial ownership transparency in combating financial crimes, such as money laundering, tax evasion, and fraud. We outlined how beneficial ownership registries—centralized databases identifying the true owners of companies, trusts, and properties—are essential for fostering investment, reducing transactional risks, and improving global competitiveness. The paper highlighted the global momentum toward transparency, with over 100 countries committing to reforms, and presented Canada's unique challenges and opportunities in this area.

The paper critiqued Canada's fragmented approach to corporate transparency, where provincial and territorial rules lacked consistency, enforcement mechanisms, and public accessibility. This earned Canada a reputation as a haven for "snow-washing," allowing bad actors to exploit opaque corporate structures. While federal (and now across multiple provinces) legislation requiring private corporations to maintain beneficial ownership registers is a step forward, we argue that these measures fall short of creating a robust, interoperable system. A national framework would integrate federal, provincial, and territorial data into a centralized platform using modern digital technologies.

The need for balancing transparency with privacy concerns and ensuring data accuracy through rigorous verification processes remains an imperative, as outlined across this paper. We continue to underscore British Columbia's Land Owner Transparency Registry (LOTR) as a pioneering but imperfect example of land ownership transparency in Canada—a "call-to-action" for other provinces to adopt similar reforms while learning from BC's challenges. Additionally, it highlights the urgency to address real estate sector vulnerabilities, where shell companies and trusts are often used to launder illicit funds.

Across these papers, we continue to advance our situational awareness and provide insights into the key steps for Canada to improve its standing: implementing adaptive policy reforms aligned with international standards and best practices like Open Ownership's Beneficial Ownership Data Standard (BODS)¹, and fostering collaboration among governments, private entities, and civil society. By achieving these goals, Canada can strengthen its business environment, enhance national security, and meet its global obligations on ownership transparency.





Overview of the continued importance of building transparency across registries

The landscape of money laundering, fraud, and tax evasion in Canada has evolved significantly, with several key developments and ongoing challenges:

- Increasing Sophistication and Scale - Money laundering and fraud schemes have become more complex and widespread. Financial intelligence has been used in various investigations linked to drug trafficking, fraud, human trafficking, and tax evasion.² The scale of illicit financial flows is substantial, with an estimated \$47 billion contributed to the global financial crime epidemic in Canada.³
- Persistent Challenges - Tax evasion and money laundering remain a significant issue within Canada. Each year, the Criminal Intelligence Service of Canada estimates that between \$45 to \$113 billion are laundered through Canada.⁴ For the sake of comparison, Canada's structural deficit is projected to be \$42.2 billion in 2025-26, while \$113 billion is the total amount of direct government spending.⁵ In other words, these are massive illicit financial flows that amount to about 3 to 6 percent of Canada's GDP.⁶

It turns out that billions are being laundered into our economy by organized criminals using large networks of anonymous shell companies. Secret companies are being used to hide the true ownership of assets, through opaque structures that obfuscate the actual owners that benefit from those flows of money.⁶

The real estate sector continues to be vulnerable to money laundering, with the ability to manipulate property prices and use opaque ownership structures facilitating tax evasion.

- Amendments to the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (PCMLTFA) to enhance the Canada Border Services Agency's authority in combating trade-based financial crime.²
- Implementation of Canada's Anti-Money Laundering and Anti-Terrorist Financing Regime Strategy 2023-2026, which focuses on increasing operational effectiveness, addressing legislative and regulatory gaps, improving regime governance, and contributing to international efforts.⁷
- Establishing a framework for reporting discrepancies between information provided to reporting entities and the beneficial ownership registry.³
- Extending AML/ATF obligations to factoring companies, financing and leasing companies, and cheque cashing businesses.³
- Strengthening information sharing abilities between and across private institutions.³

These developments and progressing initiatives underscore the continued importance of transparency in registers, as emphasized in the Teranet 2022 paper. The evolving landscape of financial crime in Canada demonstrates the need for robust, interoperable systems that can effectively combat sophisticated money laundering schemes, particularly in vulnerable sectors like real estate.⁸

The drivers in place to address transparency challenges include technological advancements, such as AI and machine learning for detecting suspicious patterns, enhanced customer due diligence processes, implementing digital registry platforms and acknowledging them as the "single source of truth", as well as provisioning for real-time monitoring systems.

These tools, combined with legislative reforms and increased collaboration between public and private sectors, aim to strengthen Canada's ability to combat financial crimes and improve the transparency of ownership across registries.

Current State of Beneficial Ownership Transparency within Canada



As an update to the 2022 paper on Transparency in Registers, several key developments and ongoing challenges need to be addressed:

Federal Progress on Beneficial Ownership Transparency

The Canada Business Corporations Act (CBCA) has implemented new transparency requirements effective January 22, 2024.^{9,10} These changes include:

- Mandatory reporting of additional information on Individuals with Significant Control (ISCs) to Corporations Canada
- Creation of a public registry accessible through Corporations Canada's website, disclosing certain ISC information
- Broader application of offences and additional compliance powers for the Director

While the CBCA's new transparency requirements represent a significant step forward, they still fall short of international best practices in several key areas. The public accessibility of beneficial ownership information is limited, and with only certain details being made available through Corporations Canada's website.

The verification process for the accuracy of submitted information appears to be inadequate, potentially allowing for the submission of false or misleading data. Additionally, the annual filing requirement may not be frequent enough to capture real-time changes in ownership structures, potentially leaving gaps in transparency.

The lack of a centralized, fully public beneficial ownership registry accessible to law enforcement, financial institutions, and the public hampers the effectiveness of these measures in combating financial crimes information.

Key Provincial Initiatives

1. British Columbia's work in combatting ownership transparency sets a benchmark:

British Columbia has made significant strides in ownership transparency over the past three years, particularly with the implementation and enhancement of the Land Owner Transparency Registry (LOTR). Launched in November 2020 and opened to public search in April 2021, LOTR is the first of its kind in Canada¹¹, providing a publicly searchable database of beneficial land ownership information. The registry requires transparency declarations for land transfers and transparency reports for reporting bodies, capturing information about individuals with indirect interests in land through corporations, trusts, and partnerships.

BC's efforts extend beyond land ownership transparency. The province has also approved changes to the British Columbia Business Corporations Act (BCBCA) to create a central corporate beneficial ownership registry, expected to launch in 2025. This registry will require private companies to submit information from their Transparency Registers to the BC Registrar of Companies for publication. These initiatives set BC apart as a benchmark for other provinces, demonstrating a comprehensive approach to combating financial crimes and improving corporate transparency.

The combination of land and corporate ownership registries, along with their public accessibility, positions BC as a leader in beneficial ownership transparency in Canada, providing a model for other provinces to follow in their efforts to enhance financial transparency and combat money laundering.



2. Ontario responded to concerns about being marketed as a secrecy jurisdiction:

Ontario implemented new transparency requirements for corporations. Effective January 1, 2023, Ontario enacted amendments to its Business Corporations Act (OBCA) requiring private corporations to maintain a Transparency Register of Individuals with Significant Control (ISCs) over the corporation.¹²

While Ontario has taken some steps towards transparency, it has yet to move forward with a comprehensive public BO registry for several reasons:

- Limited scope: Ontario's current approach, implemented on January 1, 2023, requires privately held corporations to maintain a register of ISCs. However, this information is not publicly accessible and is only available to certain governmental bodies and officials.¹³
- Lack of centralization: Unlike BC's Land Owner Transparency Registry, Ontario has not yet created a centralized database for beneficial ownership information. This decentralized approach makes it more challenging to effectively combat money laundering and tax evasion.

- Compliance burden: There may be concerns about the potential administrative burden on businesses, particularly given the existing requirements for maintaining ISC registers.
- Privacy considerations: The balance between transparency and privacy protection may be a factor in Ontario's hesitation to implement a fully public registry.

Despite these challenges, Ontario should move forward with implementing its own BO registry to:

- Enhance transparency: A public BO registry would significantly improve corporate transparency and help combat financial crimes.
- Align with global trends: Many jurisdictions are moving towards public BO registries, and Ontario risks falling behind in terms of financial transparency.
- Improve enforcement: A centralized, public registry would provide law enforcement and tax authorities with better tools to investigate and prevent financial crimes.

By implementing a public BO registry regime (i.e. for corporations and land ownership), Ontario could address its reputation as a potential secrecy jurisdiction and contribute to a more transparent and accountable business environment across Canada.





3. Quebec's commitment to combating financial crimes and improving corporate transparency:

Quebec has made significant strides in ownership transparency over the past three years, positioning itself at the forefront of corporate transparency in Canada.

On March 31, 2023, Quebec implemented new ownership transparency requirements through Bill 78, "An Act Mainly to Improve the Transparency of Enterprises".¹⁴ This legislation requires most businesses operating in Quebec, including corporations, partnerships, and commercial trusts, to disclose information about their ultimate beneficiaries to the Quebec Enterprise Registrar (QER).

Unlike other Canadian jurisdictions, Quebec's approach makes this information publicly accessible, applying to all entities required to register with the QER, not just those formed under Quebec laws.¹⁵ A key development is the planned searchability of the registry. As of July 31st, 2024, the QER allows for public searches by a natural person's first and last name. This search will reveal a list of businesses where that person is an officer, director, ultimate beneficiary, or one of the top three shareholders. become searchable using the names and addresses of individuals, further enhancing transparency. This move makes Quebec the first Canadian jurisdiction to implement such a comprehensive and publicly accessible beneficial ownership registry.¹⁵ The scope of information required is extensive, including names, addresses, dates of birth, and percentages of ownership for ultimate beneficiaries.

These measures significantly exceed the requirements of the federal Canada Business Corporations Act and other provinces, demonstrating Quebec's commitment to combating financial crimes and improving corporate transparency.¹⁶

Beneficial ownership registers alone are no silver bullet, but they make it much easier for law enforcement to uncover and disrupt criminal networks, and thereby help protect vulnerable people. Rather than the current fragmented system of separated provincial and federal records, Canada needs a centralized register that collects, stores, and exchanges high-quality data on beneficial ownership that covers all jurisdictions.⁶

These updates reflect the evolving landscape of corporate transparency in key Canadian frameworks since 2022, highlighting both the progress made and the challenges that remain in combating financial crimes through enhanced registry transparency.



Leveraging Technology Platforms and Data Solutions



Technological advancements and solutions are playing a crucial role in addressing ownership transparency in registries:

Leverage New Technologies and Digital Platforms that provide:

- Advanced data analytics and artificial intelligence to enhance registry transparency and security.
- Detection of suspicious patterns and anomalies in ownership structures.
- Improved verification processes for submitted information.
- Enablement of real-time monitoring of changes in beneficial ownership and improve data integrity.

Conduct a comprehensive assessment of emerging technologies, focusing on their potential to improve transparency and security, and ability to facilitate real-time monitoring of ownership changes.

Interoperability between different registries is becoming increasingly important:

- A connected landscape of registries (land, corporate, vehicle, etc.) can provide a more comprehensive view of ownership structures.
- Standardized data formats and APIs are crucial for enabling seamless data exchange between registries.
- Base registers interconnected ensure a Single Source of Truth (SSOT) providing accurate and current source data driving efficiencies, cross-analytics and risk profiling, transparency, and improved decision-making across transactions
- Legislation often governs interoperability, highlighting the need for regulatory alignment across different registry types.

It is critical to prioritize interoperability between different registries to provide a more comprehensive view of ownership structures. When evaluating interoperability solutions, consider the legislative framework governing each registry, as this often dictates the extent of possible integration.

As registries continue to mature, the integration of these technological advancements will be key to improving ownership transparency and combating financial crimes.

The globally compliant [Beneficial Ownership Register from Foster Moore](#) (a Teranet company) offers powerful capabilities and tools for government to provide accurate, timely, and trusted data to ensure corporate transparency.

The Real Estate Sector: A Continued Vulnerability



The real estate sector remains a significant vulnerability in Canada's efforts to combat financial crimes and ensure ownership transparency. This updated section of the Teranet paper explores ongoing challenges, recent developments, and emerging issues in this critical area.

Real estate transactions continue to face persistent challenges, including the use of complex ownership structures that obscure beneficial owners. Hidden ownership through intricate corporate entities and trusts makes it difficult to identify true property owners, particularly when foreign ownership is involved. This opacity not only facilitates potential money laundering activities but also contributes to affordability issues in the housing market. Verifying the source of funds for large transactions remains a significant hurdle, further complicating efforts to ensure transparency and prevent illicit activities.

As outlined in previous sections, but worth recapping here, recent years have seen notable efforts to increase transparency in property ownership. British Columbia's Land Owner Transparency Registry (LOTR) stands as a pioneering initiative in Canada. This public registry requires disclosure of indirect interests in land held through corporations, trusts, and partnerships. The implementation of LOTR has provided valuable lessons for other jurisdictions considering similar measures, highlighting the complexity of drafting comprehensive legislation and the administrative challenges of implementation.

Teranet's PurView® product:
A fraud detection and automated valuation solution that uses authoritative property and land title data (i.e. the "Single Source or Truth") to enable lenders and insurers to make confident decisions. It enhances due diligence through owner and property searches, improving risk mitigation.

Mortgage fraud remains a persistent issue within the real estate sector. Common types of fraud include identity theft, misrepresentation, straw buyer schemes, and property value inflation. The opacity of certain ownership structures continues to facilitate these fraudulent activities. In response, there have been significant advancements in fraud detection and prevention technologies, including the application of AI and machine learning to identify suspicious patterns. Enhanced due diligence processes and tools for agents/brokers and lenders across the value-chain have also been developed.

Regulatory responses to combat mortgage fraud have included stricter verification requirements for borrowers and property values, as well as increased collaboration between financial institutions and law enforcement agencies. However, prosecuting mortgage fraud cases remains challenging due to the complexity of investigations, especially when they involve multiple jurisdictions, and resource limitations for enforcement agencies.

As Canada continues to grapple with these issues, the real estate sector remains a critical focus area for enhancing transparency and combating financial crimes. The ongoing efforts to implement and improve beneficial ownership registries, coupled with technological advancements in fraud detection, represent significant steps forward. However, the persistent challenges underscore the need for continued vigilance, innovation, and collaboration across all levels of government and the private sector to effectively address vulnerabilities in the real estate market.

Teranet's GeoWarehouse® product
can be leveraged by law enforcement officials to identify patterns that may indicate fraudulent behaviour, perform asset searches, and confirm current and past owners of a property of interest.

International Comparison and Best Practices



Several jurisdictions have made significant strides in enhancing transparency of real estate ownership, providing valuable lessons for Canada. The United Kingdom has emerged as a leader in this area, implementing a multi-faceted approach to combat illicit financial flows in the property sector.

The UK's strategy includes the Register of Overseas Entities, which requires foreign companies owning UK property to disclose their beneficial owners. This public register, operational from 2022, has improved transparency and accountability in the real estate market. Additionally, the UK government is considering expanding transparency requirements for trusts involved in land ownership, recognizing that trusts can be used to obscure true ownership.¹⁷

Lessons learned from international experiences highlight the importance of a comprehensive approach. The OECD's work on enhancing international tax transparency on real estate emphasizes the need for standardized information exchange mechanisms and common due diligence rules. Countries have found that implementing robust beneficial ownership registers, coupled with efficient information sharing between jurisdictions, is crucial for effective oversight.¹⁸

Countries should ensure that there is adequate, accurate and up-to-date information on the beneficial ownership and control of legal persons that can be obtained or accessed rapidly and efficiently by competent authorities, through either a register of beneficial ownership or an alternative mechanism.¹⁹

Additionally, global best practices recommend:

- Establishing centralized, publicly accessible beneficial ownership registers for both companies and trusts involved in real estate transactions.

- Implementing standardized reporting requirements and due diligence procedures for real estate transactions.
- Enhancing international cooperation through automatic exchange of information on real estate ownership and transactions.
- Leveraging technology for real-time access to ownership information across interconnected registers.

For Canada, adopting these practices would involve strengthening existing transparency measures, potentially including the creation of a national beneficial ownership registry for real estate. Harmonizing provincial and federal efforts, like British Columbia's Land Owner Transparency Registry, could provide a model for nationwide implementation.

By aligning with global best practices, Canada can significantly enhance its ability to combat money laundering and tax evasion in the real estate sector, while also improving overall market integrity and transparency.²⁰





The landscape of financial crime in Canada continues to evolve significantly with money laundering and fraud schemes becoming increasingly complex and widespread, and it underscores the urgent need for continued action and vigilance.

Recent initiatives, such as amendments to the Proceeds of Crime (Money Laundering) and Terrorist Financing Act and the implementation of Canada's Anti-Money Laundering and Anti-Terrorist Financing Regime Strategy 2023-2026, represent important steps forward. However, the fragmented approach to corporate transparency across provinces and territories continues to hinder effective action against financial crimes.

The implementation of beneficial ownership registries, while progressing, still falls short of international best practices in terms of public accessibility, data verification, and real-time updating.

To address these challenges, a multi-faceted approach involving government, private sector, and civil society is crucial. Key actions include:

- Accelerating the implementation of a national, publicly accessible beneficial ownership registry that integrates federal, provincial, and territorial data.
- Enhancing cooperation between different levels of government to standardize data formats and ensure interoperability between registries.
- Leveraging technological advancements such as AI and machine learning for detecting suspicious patterns and improving due diligence processes.
- Strengthening enforcement mechanisms and penalties for non-compliance with transparency requirements.
- Expanding anti-money laundering regulations to cover a broader range of real estate-related businesses.
- Fostering collaboration between public and private sectors to share information and best practices.

By reaffirming our commitment to transparency and taking decisive action, we can create a more secure and trustworthy financial ecosystem in Canada. This vision requires the collective effort of all stakeholders to implement robust, interoperable systems that effectively combat sophisticated financial crimes while balancing transparency with privacy concerns. Through these concerted efforts, Canada, both federal and provincial, can strengthen its position in the global fight against financial crimes and uphold its reputation as a secure and transparent jurisdiction for business and investment.

This updated paper effectively outlines the global momentum towards transparency and Canada's unique challenges and opportunities in this area. By assessing Canada's fragmented approach to corporate transparency and emphasizing the need for a robust, interoperable system, Teranet continues to contribute to raising awareness among stakeholders about the urgency of addressing these issues.

Through the design and delivery of key solutions like Purview® and GeoWarehouse®, support for digital registry-aware platforms like Verne®, Teranet is providing essential capabilities to assist in the ongoing battle against fraud and to ensure transparency across Canada in the registry domain. These solutions leverage advanced technologies to assist governments and industry in detecting suspicious patterns, enhance customer due diligence processes, and enable timely monitoring of ownership changes.

Teranet is directly addressing the need for robust, interoperable systems that can effectively combat sophisticated money laundering schemes, particularly in vulnerable sectors like real estate. These capabilities, combined with our educational efforts with [Teranet Insights](#) and White Papers, are contributing significantly to strengthening Canada's insights and ability to combat financial crimes and improve the transparency of ownership across registries.

Endnotes



- ¹ <https://standard.openownership.org/en/0.4.0/>
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- ³ <https://verafin.com/2025/01/canadian-financial-crime-trends-technology-reflecting-for-2025/>
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- ⁶ <https://thehub.ca/2025/03/05/canada-has-a-dirty-money-and-organized-crime-problem-heres-how-to-fix-it/>
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- ⁸ <https://fintrac-canafe.canada.ca/intel/operation/tax-fiscale-eng>
- ⁹ <https://www.torys.com/en/our-latest-thinking/publications/2023/12/what-cbca-corporations-need-to-know-for-2024>
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- ¹¹ <https://www.stikeman.com/en-ca/kh/canadian-ma-law/british-columbias-beneficial-ownership-transparency-register>
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- ²⁰ <https://www.jll.ca/en/trends-and-insights/research/global-real-estate-transparency-index>



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Teranet[®] is Canada's leader in the delivery and transformation of statutory registry services with extensive expertise in land and corporate and personal property registries.

For more than three decades Teranet has been a trusted partner to governments and businesses in building stronger communities and economies. Teranet developed and currently operates Ontario's Electronic Land Registration System and Writs System as well as Manitoba's Land Titles and Personal Property.

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