



**TRANSPARENCY  
INTERNATIONAL  
CANADA**

# **ANNUAL REPORT**

**JULY 2020 – JUNE 2021**

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# Message from the President and Executive Director

As Canada and the world continued to struggle through the COVID-19 pandemic in the past year, TI Canada’s work continued apace. In spite of a challenging work environment, we produced a record number of reports, op-eds, public engagements, all with the goal of fostering greater transparency and combating corruption in Canada.

Through the autumn and winter of 2020-2021, TI Canada released or contributed to nine reports on beneficial ownership transparency, anti-corruption enforcement and accountable mining. This would not have been possible without the incredible dedication of our staff, Board members, volunteers and partners at home and in the global TI movement. Our well-attended webinars, submissions to government consultations and presentations before committees, only a few of the activities in our growing portfolio, show that TI Canada is seen as the leading anti-corruption organization in Canada.

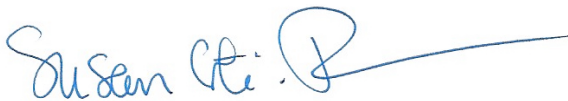
The biggest impact of TI Canada’s work came with the proposal for the establishment of a publicly accessible registry of beneficial ownership in the 2021 federal budget. TI Canada, with coalition partners, has campaigned for such a registry since 2016.

While the proposal was met with applause, there is still much work to be done. We need to ensure Canada implements a best-in-class registry that actually works to deter money laundering and helps expose criminals. As our research and public engagements also showed, there is much work to be done in other areas, such as improving Canada’ enforcement of the Corruption of Foreign Public Officials Act, increase transparency in environmental assessments, and put forward proposals on how to bolster Canada’s overall anti-corruption framework.

TI Canada will keep working on these challenges and more, guided by our new Strategic Plan, which emphasizes that Canada will advocate for change based on a solid analysis of systemic problems.

As Canada begins to see light at the end of the tunnel for COVID-19, Canadians have heard that the country needs to ‘build back better’. TI Canada will ensure that anti-corruption, transparency, accountability and integrity are pillars of this national reconstruction.

Sincerely,



Susan Côté-Freeman  
President and Chair  
Transparency International Canada



James Cohen  
Executive Director  
Transparency International Canada

## Organizational Updates

TI Canada's finances were very healthy at the end of 2020. At the end the year, TI Canada had a surplus of \$183,796 with unreserved funds of \$92,671. In 2020, TI Canada brought in revenue of \$358,700 with \$65,969 in core revenue and \$292,731 in project revenue. TI Canada spent \$277,147 in total expenses with \$79,176 in core expenses and \$197,971 in project expenses. TI Canada had excess revenue of \$81,553 in 2020.

The core revenue is broken down as follows:

- Memberships - \$13,693
- Donations and Supporters - \$52,276
- Event Revenue - \$0

TI Canada received \$94,761 in 2020 from Canadian Emergency Wage Subsidies (CEWS) provided by the federal government to support businesses and charities during COVID-19. The CEWS payments have been recorded as an offset of salaries.

On March 12, TI Canada updated its membership structure. In 2018 we expanded from one individual membership level at \$100 to five levels of \$25-149, \$150-\$499, \$500-\$999, \$1000 and above, and \$75 for students. TI Canada created these levels with the intention of delivering a variety of benefits to Members who wanted to engage TI Canada in different ways.

Upon review of the Membership levels in 2020, TI Canada's management and Board decided to streamline Membership into just two categories:

- \$150 for general individual Members
- \$75 for student Members

The reasons for this streamlining included:

- Clarity for new members;
- Clarity for voting status at Annual Membership Meetings;
- Improve consistency of Membership benefits being delivered;
- Simplify managing and tracking Members with limited organizational capacity;

With the streamlined membership levels, **all Members receive:**

- Voting privileges at the TI Canada Annual Member Meetings;
- E-mails on the latest news from TI Canada via our listserv;
- 30% discount off TI Canada in person events (special rates for students and some sectors);
- The opportunity to join certain TI Canada working groups and committees.

### *Strategic Plan 2021-2024*

On March 30, 2021, TI Canada released its new *Strategic Plan 2021-2024: Driving Change for Transparency and Accountability in Canada*. A focus of the strategy is that TI Canada must

identify the transparency and accountability challenges facing Canada and offer concrete solutions to address them.

The Strategy reaffirms that TI Canada works as a multi-stakeholder platform. That carries out our work by being:

1. Collaborative
2. Evidence-based
3. Solutions-based

To tackle corruption and increase transparency and accountability, TI Canada's four strategic priorities are:

1. Drive Systemic Change
2. Grow Our Influence
3. Expand Our Reach and Educate and Mobilize Canadians
4. Enhance Our Capacity

### *Response to COVID-19*

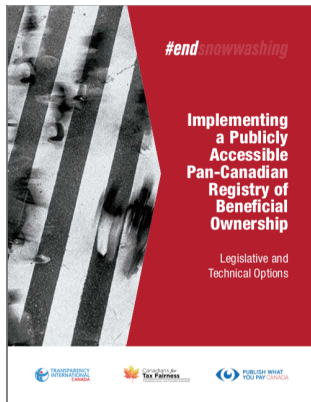
As COVID-19 continued and amplified in waves through 2020 and 2021, TI Canada continues to operate remotely. TI Canada has continued to focus on key thematic work areas such as beneficial ownership transparency, anti-corruption law enforcement, and accountable mining during this time, integrating the impacts of COVID-19 into these topics.

## Programming Updates

### Beneficial Ownership

The 2021 federal budget delivered the biggest win to date for the campaign to establish a publicly accessible registry of beneficial ownership in Canada in order to fight money laundering ('snow washing'). The federal budget proposes \$2.1 million through 2022 for Innovation, Science, and Economic Development Canada to study a publicly accessible registry and come up with recommendations in order to have such a registry running by 2025.

TI Canada and 'End Snow Washing' Coalition partners, Publish What You Pay Canada and Canadians for Tax Fairness enthusiastically welcomed the announcement. A month earlier the Coalition had campaigned for the federal government to release the findings of the 2020 public study on establishing a registry. The report was released two weeks before the federal budget. It indicates that many stakeholders in Canada want a beneficial ownership registry, but according to the report, there is not a clear consensus as to whether Canada should have a public or private registry.



The conversation now moves from ‘should Canada have a publicly accessible registry’ to how can Canada implement a best-in-class registry that builds on lessons from other jurisdictions. On June 2<sup>nd</sup> and 3<sup>rd</sup> TI Canada hosted webinars in English and French on this subject. These webinars built on the Coalition publication that was led by TI Canada and released in September, 2020, ‘Implementing a Publicly Accessible Pan-Canadian Registry of Beneficial Ownership: Legislative and Technical Options’.

There was also beneficial ownership transparency momentum at the provincial level. The Québec Government tabled Bill C-78 that will make beneficial ownership information publicly available on the provincial corporate registrar. The Coalition endorsed this proposal.

In British Columbia, the Coalition continued to participate in the Commission of Inquiry into Money Laundering in British Columbia through 2020 to 2021. In autumn 2020, TI Canada retained the counsel of Gratl & Company to represent the Coalition for examination of witnesses.

## Accountable Mining Program

In November 2020, TI Canada released our Accountable Mining National Report, along with three technical reports for Ontario, British Columbia, and Yukon. The goal of the Accountable Mining Program was to analyze transparency and accountability risks in mining license and awards processes. The program and was run in over 20 TI chapters around the world.

TI Canada’s National Report uncovers 38 risks that may hinder transparency and accountability in Environmental Assessment (EA) processes. Two risks found in all three studied jurisdictions are issues related to consultations with affected communities and the dual roles of government departments in both promoting and regulating mining leads to possible conflicts of interest.



Each jurisdiction also has its own specific risks:

## Ontario

Ontario is the only Canadian jurisdiction where an EA is not mandatory for private sector projects, with a few exemptions. Often, a mining project is only subject to class EAs, which are limited in scope and largely preapproved. Proponents can make voluntary agreements to conduct an individual EA, which evaluates a project as a whole, but that does not happen frequently.

## British Columbia

It is the responsibility of the proponent to complete a self-assessment and determine if the project meets EA thresholds. Interviewees raised concerns about the practice of project-splitting and staggering expansions over time to avoid EAs.

## Yukon Territory

Yukon authorities produce a decision document that determines whether a proposed project should be carried out. The creation of this document was viewed as a “black box” by research interviewees and potentially subject to external or political influences.

## Recommendations

To address the identified risks, TI Canada recommended in its report that:

- Each jurisdiction transfer responsibility for mining promotion to government agencies working with economic development to ensure the unbiased assessment of projects.
- Each jurisdiction create guidelines to publicly disclose the rationale for EA-related decisions with substantive justifications.
- All three jurisdictions develop criteria to assess public consultations and create procedural guidance for meaningful consultations in the EA process.
- Ontario and Yukon adopt the concept of Free, Prior and Informed Consent (FPIC) for EA consultations with Indigenous communities.
- All jurisdictions develop guidelines on how to integrate FPIC in EA consultations.
- British Columbia close project-splitting loopholes.
- Ontario require EAs for private enterprises and determine clear thresholds for individual assessments.
- The Yukon Territory strengthen disclosures of the EA decision-making process.

TI Canada produced further follow up reports focusing on gender and transparency and accountability in EA, and the impact of COVID-19 on EA consultations.



TI Canada hosted multiple online presentations about the reports to the general public and specific stakeholders and rights holders. In particular, TI Canada held presentations with Indigenous communities where members shared their knowledge as part of our research. TI Canada also used the findings from the reports to provide submissions to public consultations on EA processes in Ontario and the Yukon, as well as on the for the Office of the Canadian Ombudsperson for Responsible Enterprise.

Programmatic funding for the Accountable Mining Program ended on March 31, 2021.

## Additional Programming and Initiatives

### Week of Dialogue

As the risk of COVID-19 continued through 2020, TI Canada held the annual Day of Dialogue as a virtual event with The Week of Dialogue from October 26 to 30 with the theme of ‘What’s Wrong With Canada --Are we taking anti-corruption seriously enough’. There were over 850 sign-ins during the week, with four of the five days reaching over 100 sign-ins.

The Week of Dialogue received praise from attendees for the content. Of note, the week’s discussion highlighted the need to review the capacity and structure of Canada’s anti-corruption and anti-money laundering law enforcement units.

### Additional Activities



In October 2020, Transparency International published the report ‘Exporting Corruption 2020’, which assesses G20 countries’ adherence to the Anti-Bribery convention. Canada received a poor grade of ‘limited enforcement’ of the Corruption of Foreign Public Officials Act. TI Canada Member Jennifer Quaid and TI Canada Board Member, Ameer Sandhu led the Canadian research of the report.

### Webinars

TI Canada continued to hold a number of well-attended webinars in the past year, including the monthly series organized with the Anti-Corruption Law Program partners UBC Allard School of Law, the UBC Centre for Business Law, and the International Centre for Criminal Law Reform & Criminal Justice Policy.

[www.transparencycanada.ca](http://www.transparencycanada.ca)

77 Bloor Street West  
Suite 1600  
Toronto, Ontario, M5S 1M2

416-488-3939  
[Twitter @TI Canada](https://twitter.com/TI_Canada)  
[Facebook /TransparencyInternationalCanada](https://www.facebook.com/TransparencyInternationalCanada)  
[LinkedIn /company/transparency-intl-canada](https://www.linkedin.com/company/transparency-intl-canada)