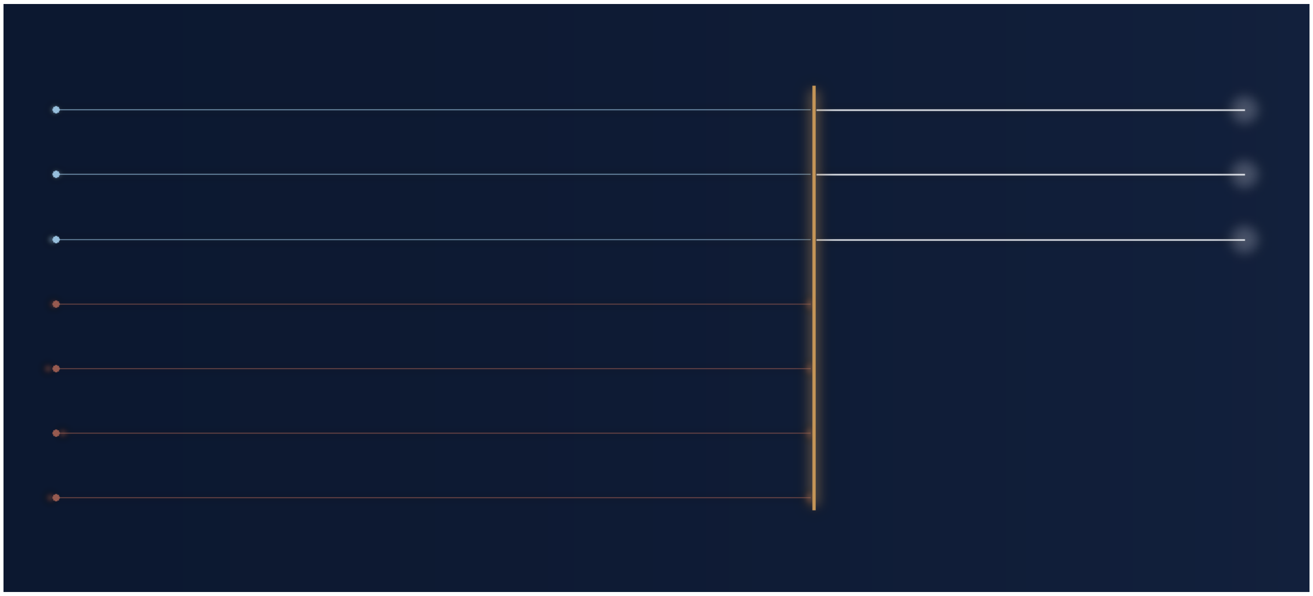

PAYMENTS AND FINTECH / CANADIAN MERGERS AND ACQUISITIONS

The Compliance Bar

Canada’s new Stablecoin Act is setting up a compliance-driven consolidation wave, well before the framework is fully in force.

By Diego Molina - Mediavertical

Canada’s new Stablecoin Act is setting up a compliance-driven consolidation wave in payments and financial technology, well before the framework is even fully in force. That’s the part worth sitting with: the deal-making pressure isn’t waiting for the rules to take effect in 2027 — it’s building right now, because the cost of clearing the bar is already reshaping who can afford to stay independent.

Three developments explain why, and what it means for platforms built on regulated rails.

Canada just built its own bank-grade stablecoin regime.

Bill C-15, the Stablecoin Act, received Royal Assent on March 26, 2026, designating the Bank of Canada as supervisor of stablecoin issuers — a first-of-its-kind regime for this asset class in Canada. It won’t take full effect until a Governor in Council order and supporting regulations are complete, expected around 2027. That timing matters: it gives incumbents and well-capitalized entrants 12 to 18 months to build compliance infrastructure before enforcement bites, and a much shorter runway for anyone still hoping to operate informally.

Regulators are already clearing the field ahead of the bar rising.

Enforcement didn't wait for the Stablecoin Act's effective date. Canada's financial intelligence regulator revoked more than 47 crypto-linked money-services-business registrations in the first quarter of 2026 alone, and companion legislation passed the same day raised maximum anti-money-laundering penalties from $500,000 to $20 million per violation. Federal regulators are also now formally sharing supervisory findings with each other, closing the information silos that let a weak compliance program stay a single regulator's problem. Put simply: the regulators are pre-clearing the market before the new licensing regime even opens.

The licensing bar rewards scale and partnership over solo compliance builds.

Every registered stablecoin issuer will need money-services-business registration, ongoing anti-money-laundering monitoring, and reserve attestation, alongside the Bank of Canada's public issuer registry — a services and compliance build, not just a software one. That's a materially heavier lift for a standalone financial technology company than for a platform that treats compliance as core infrastructure rather than a bolt-on. The practical effect mirrors the pattern playing out in the United States under the GENIUS Act and in the European Union under the Markets in Crypto-Assets regulation: the compliance bar becomes a competitive moat for whoever clears it early, and an acquisition trigger for whoever cannot.

Put together, these three threads point toward consolidation arriving well ahead of the 2027 effective date, as compliance cost becomes the deciding factor in who stays independent. For a payments platform built compliant from day one, that's the tailwind rather than the obstacle — the same bar the market is bracing for is the one the platform was designed to clear.

Do you think Canada's 12 to 18 month runway before enforcement is long enough for smaller financial technology companies to build real compliance infrastructure, or does it just set the clock on who gets acquired first? I'd be glad to compare notes.
