

5 November 2012

Office of the Privacy Commissioner
PO Box 446
AUCKLAND 1140

by email: code@privacy.org.nz

Proposed Amendment No 7 to Credit Reporting Privacy Code 2004

Thank you for the opportunity to comment on proposed Amendment No 7 to the Credit Reporting Privacy Code 2004.

NZBA¹ supports the proposal. In particular, we support the proposed amendment to Rule 11, which will assist our members to comply with their new obligations under the AML/CFT legislation by clarifying that it is permissible to use information held by credit reporters for identity verification.

We are pleased that the proposed amendment will align with the approach taken in Australia, which similarly allows for the use of credit reporting data in the manner suggested. NZBA understands that it has been a useful and convenient tool for reporting entities in Australia and members consider it would be equally beneficial in this jurisdiction.

We have two specific submissions to make on the proposed amendment.

First, we consider that the change to Rule 11 should be effective from the date of issue of the proposed amendment, rather than as at 30 June 2013. 30 June 2013 is the effective date under the AML/CFT Act, but credit providers will need to have access to credit reporting data prior to the effective date in order to meet obligations from 30 June 2013.

Secondly, we consider that the proposed amendment to Rule 11 should specify which credit information can be disclosed for identity verification.

¹ See Appendix "About NZBA".

“Credit information” is defined broadly in the Credit Reporting Code. It includes both personal identification information (paragraphs (a) to (c) of the definition) and credit history information (paragraphs (d) to (m)). In our view, the information contained in paragraphs (a) to (c) of the definition is all that is required for AML/CFT identity verification. We would suggest that the amendment is accordingly limited to credit information to credit information as defined in paragraphs (a) to (c).

Please contact me if you need any additional information.

Yours sincerely

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About NZBA

NZBA works on behalf of the New Zealand banking industry in conjunction with its member banks. NZBA develops and promotes policy outcomes which contribute to a safe and successful banking system that benefits New Zealanders and the New Zealand economy.

The following thirteen registered banks in New Zealand are members of NZBA:

- ANZ Bank New Zealand Limited
- ASB Bank Limited
- Bank of New Zealand
- Bank of Tokyo-Mitsubishi, UFJ
- Citibank, N.A.
- The Co-operative Bank Limited
- The Hongkong and Shanghai Banking Corporation Limited
- JPMorgan Chase Bank, N.A.
- Kiwibank Limited
- Rabobank New Zealand Limited
- SBS Bank
- TSB Bank Limited
- Westpac New Zealand Limited.