

# Submission

to the

Ministry of Business,  
Innovation and Employment

on the

Discussion paper:  
Regulations to support  
measures to address the  
misuse of the Financial  
Service Providers Register

15 May 2018

## About NZBA

1. NZBA works on behalf of the New Zealand banking industry in conjunction with its member banks. NZBA develops and promotes policy outcomes that contribute to a strong and stable banking system that benefits New Zealanders and the New Zealand economy.
2. The following seventeen registered banks in New Zealand are members of NZBA:
  - ANZ Bank New Zealand Limited
  - ASB Bank Limited
  - Bank of China (NZ) Limited
  - Bank of New Zealand
  - MUFG Bank, Ltd
  - China Construction Bank
  - Citibank, N.A.
  - The Co-operative Bank Limited
  - Heartland Bank Limited
  - The Hongkong and Shanghai Banking Corporation Limited
  - Industrial and Commercial Bank of China (New Zealand) Limited
  - JPMorgan Chase Bank, N.A.
  - Kiwibank Limited
  - Rabobank New Zealand Limited
  - SBS Bank
  - TSB Bank Limited
  - Westpac New Zealand Limited

## Background

3. NZBA welcomes the opportunity to provide feedback to the Ministry of Business, Innovation and Employment (**MBIE**) on the discussion paper: Regulations to support measures to address the misuse of the Financial Service Providers Register (**Discussion Paper**) and commends the work that has gone into developing the Discussion Paper.
4. If you would like to discuss any aspect of the submission further, please contact:

Antony Buick-Constable  
Deputy Chief Executive & General Counsel  
04 802 3351 / 021 255 4043  
[antony.buick-constable@nzba.org.nz](mailto:antony.buick-constable@nzba.org.nz)

## NZBA supports measures to address misuse of the FSPR

5. NZBA supports measures to address misuse of the Financial Service Providers Register (**FSPR**). We consider that it is crucial to protect New Zealand's reputation as a well-regulated jurisdiction, and supports the measures proposed by MBIE to achieve that.
6. NZBA would like to take the opportunity to ensure that there is no intention, through the measures proposed, to capture financial product offerings by off-shore providers under the mutual recognition regime in part 9 of the Financial Markets Conduct Regulations 2014 (or an exemption provided by the Financial Markets Authority that is substantially similar). Given the way that regime operates, we consider it unlikely that a New Zealand customer would necessarily expect that class of providers to be subject to regulation in New Zealand or within the jurisdiction of a New Zealand dispute resolution scheme.