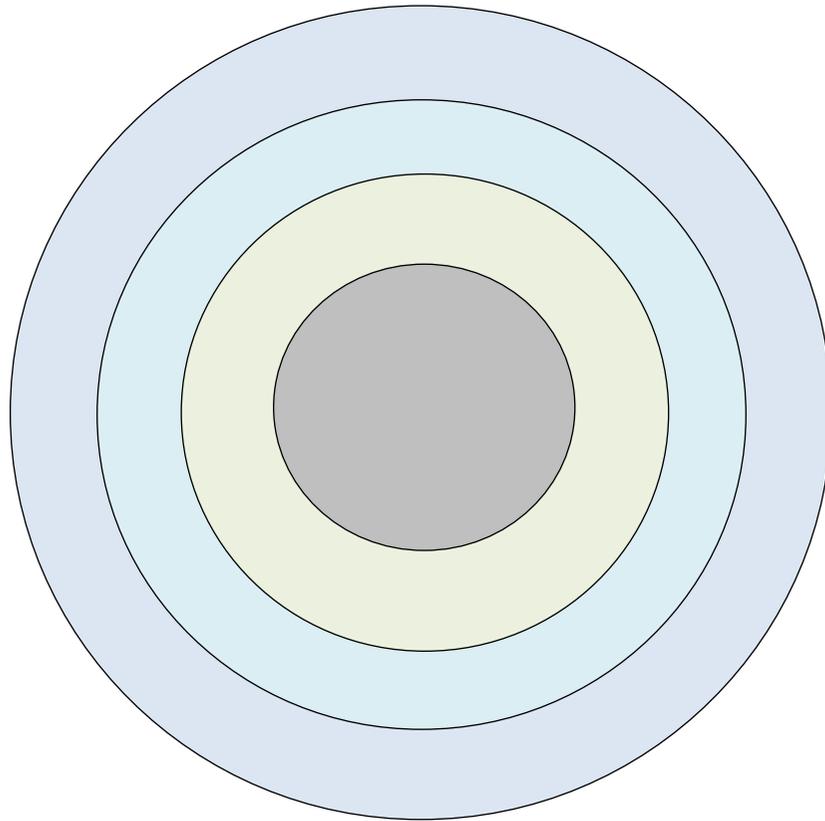


NZBA Priority	
	High
	Medium
	Low

- Current Key Priorities:**
- Conduct and Culture Review
 - Review of the RBNZ Act
 - Review of Capital Adequacy Framework
 - Credit Contracts Legislation Amendment Bill
 - Open Banking



The location of the item in the diagram indicates how far progressed the policy is. At the outer rim it indicates initial scoping. In the centre it indicates that it is being implemented.

NZBA Priority	
	High
	Medium
	Low

NZBA Priority measure is based on:

- the significance of the impact that the proposals would have on industry; and
- the priority accorded to the work by the Government or relevant agency.



Current Key Priorities:

- Conduct and Culture Review
- Review of the RBNZ Act
- Review of Capital Adequacy Framework
- Credit Contracts Legislation Amendment Bill
- Open Banking

Current Key Priorities lists the priority work areas for NZBA.



Relevant agencies	
MBIE	Ministry of Business, Innovation and Employment
RBNZ	Reserve Bank of New Zealand
IRD	Inland Revenue Department
MoJ	Ministry of Justice
FMA	Financial Markets Authority
LINZ	Land Information New Zealand
MSD	Ministry of Social Development

Project	Priority	Lead agency	Comment	Next Steps
Conduct and Culture Review	High	RBNZ/FMA	<p>On 30 April 2018 NZBA and members met with RBNZ and FMA (the regulators) to discuss the New Zealand banking industry response to the Australian Royal Commission into financial services.</p> <p>On 1 May 2018 NZBA followed up that meeting with a letter highlighting the regulatory differences between New Zealand and Australia, and setting out a number of actions the industry would take in response to the Royal Commission.</p> <p>On 3 May 2018 the regulators wrote to the chief executives of New Zealand's retail banks and NZBA requesting information on the systems and controls that banks use to identify and manage conduct risk. Eleven retail banks responded to that information request on 18 May 2018. The regulators then set up a joint working group to undertake a thorough review of the material provided (the Conduct and Culture Review).</p> <p>NZBA submitted to the Finance and Expenditure Committee regarding the Australian Royal Commission into financial services in July 2018 and appeared before the Committee in support of its submission in September 2018.</p> <p>The regulators released the findings of the Conduct and Culture Review on 5 November 2018. The Review found no evidence of widespread misconduct and culture issues across the industry, however, it identified weaknesses in the governance and management of conduct risks.</p> <p>All 11 banks involved in the Conduct and Culture Review responded with individual work plans. NZBA issued this media release on the Conduct and Culture work plans.</p>	<p>In June 2019 the FMA and Reserve Bank of New Zealand confirmed that all retail banks had committed to remove sales incentives for frontline staff and their managers no later than the first performance year beginning after 30 September 2019.</p> <p>Legislation to address gaps in the regulation of financial institutions is expected to be introduced before the end of the year.</p>

Project	Priority	Lead agency	Comment	Next Steps
			<p>In January 2019 the Ministers of Finance and Commerce and Consumer Affairs announced that Government would introduce a suite of measures to address gaps in the regulation of financial service providers' conduct.</p> <p>On 30 April 2019 MBIE published the options paper: Conduct of Financial Institutions. The paper considers a range of options to ensure that conduct and culture in the financial sector is delivering good outcomes for all customers. In June 2019 NZBA submitted on the options paper.</p>	
Review of the RBNZ Act	High	Treasury	<p>In November 2017 the Government announced it would undertake a review of the Reserve Bank of New Zealand Act 1989 to create a modern monetary and financial policy framework. The review is being undertaken in two phases.</p> <p>Phase One involved a review of monetary policy, culminating in the Reserve Bank of New Zealand (Monetary Policy) Amendment Act 2018.</p> <p>Phase Two involves a comprehensive review of the financial policy provisions of the Act that provide the legislative basis for prudential regulation and supervision. It is also reviewing the broader governance arrangements for RBNZ, including the respective roles of the Board and Governor.</p> <p>In March 2018 NZBA submitted to Treasury on the scope of Phase Two in support of a comprehensive review, with a focus on financial stability and current governance and accountability settings.</p> <p>The Terms of Reference for Phase Two were released by the Finance Minister in June 2018.</p>	<p>NZBA will submit on the second round of the Phase Two consultation in August 2019.</p> <p>A third round of the Phase Two consultation is planned before the end of 2019.</p>

Project	Priority	Lead agency	Comment	Next Steps
			<p>The first of the Phase Two consultations – Reserve Bank Act Review: Safeguarding the future of our financial system – was published in November 2018. In February 2019 NZBA submitted on that consultation.</p> <p>In February 2019 Treasury published a report summarising the key messages and themes emerging from the submissions received. That report can be found here.</p> <p>The second round of Phase Two consultations was published in June 2019. This includes a number of in-principle decisions:</p> <ul style="list-style-type: none"> • the RBNZ is to have a single high-level financial policy objective of protecting and enhancing financial stability; • the current dual regimes for banks and NBDTs will be consolidated into a single regime for regulating “licensed deposit takers” (similar to the Australian ADIs); • a depositor protection scheme will be introduced; • RBNZ will remain responsible for prudential regulation functions; and • RBNZ is to adopt the board governance model used by other Crown entities. <p>And topics for consultation:</p> <ul style="list-style-type: none"> • the nature of the prudential regulatory tools and powers RBNZ should have; • RBNZ's role in macro-economic policy; • RBNZ's approach to supervising and enforcing prudential regulation; • management of RBNZ's balance sheet; • RBNZ's crisis management powers; • how RBNZ should co-ordinate with other agencies; and 	

Project	Priority	Lead agency	Comment	Next Steps
			<ul style="list-style-type: none"> how RBNZ should be funded and resourced. 	
Review of Capital Adequacy Framework	High	RBNZ	<p>The aim of the review is to ensure that New Zealand has a capital regime that provides a high level of confidence in the solvency of the banking system, while avoiding unnecessary economic inefficiency.</p> <p>In May 2017 RBNZ released an issues paper to provide stakeholders with the opportunity to provide initial feedback on the intended scope of the review, and issues that might warrant attention.</p> <p>In June 2017 NZBA submitted on the issues paper.</p> <p>In July 2017 RBNZ opened consultation on what type of financial instruments should qualify as bank capital. The issues and options paper set out proposed reforms, with the aim of reducing the complexity of the regulatory regime, providing greater certainty about the quality of capital that banks hold, and reducing the scope for regulatory arbitrage.</p> <p>In September 2017 NZBA submitted on the issues and options paper commenting on the contextual basis for the reform and the reform proposals.</p> <p>In November 2017 NZBA published an analysis of the international comparability of the capital ratios of New Zealand's major banks.</p> <p>In December 2017 RBNZ sought feedback on the options for calculating risk weighted assets: Calculation of Risk Weighted Assets.</p> <p>In March 2018 NZBA submitted on the consultation paper reiterating the view that New Zealand's capital framework is conservative compared to overseas jurisdictions.</p> <p>In July 2018 RBNZ published its response to submissions on the calculation of risk weighted assets.</p>	<p>In June 2019 RBNZ published the submissions received on Capital Review Paper 4.</p> <p>RBNZ expects to make final decisions in November 2019.</p>

Project	Priority	Lead agency	Comment	Next Steps
			<p>On 14 December 2018 RBNZ published Capital Review Paper 4: How much capital is enough?</p> <p>In May 2019 NZBA submitted on Capital Review Paper 4, recommending that RBNZ:</p> <ul style="list-style-type: none"> • reduce the total capital requirement; • allow a more diverse range of capital instruments; and • create a more realistic transitional framework. <p>NZBA also commissioned two pieces of research:</p> <ul style="list-style-type: none"> • An independent economic review, undertaken by former Treasury secretary Dr Graham Scott. • An updated review of the international comparability of the capital ratios of New Zealand's major banks, undertaken by PwC. <p>As part of the next stage of the capital review, RBNZ has commissioned three external experts to independently review the analysis and advice underpinning the capital review proposals. The Terms of Reference for that review can be found here. In June and July 2019 NZBA and Dr Graham Scott met with two of the external experts as part of their independent reviews.</p>	
Credit Contracts Legislation Amendment Bill	High	MBIE	<p>MBIE was asked by Hon Kris Faafoi, Minister of Commerce and Consumer Affairs, to conduct a review of the 2015 amendments to the Credit Contracts and Consumer Finance Act 2003 (CCCFA) (relating to responsible lending, penalties and enforcement, repossession and other lender responsibilities).</p> <p>In June 2018 MBIE released a discussion document seeking feedback on a review of New Zealand's consumer credit regulation. On 1 August 2018 NZBA submitted on MBIE's discussion document.</p>	<p>In June 2019 NZBA made a submission to the Finance and Expenditure Committee on the Bill.</p> <p>Concurrently, NZBA is working with MBIE on the development of regulations around affordability and</p>

Project	Priority	Lead agency	Comment	Next Steps
			<p>In June 2018 Cabinet issued its decision on s 99(1A) of the CCCFA and recommended that changes be included in the legislation resulting from the CCCFA review.</p> <p>In October 2018 the Minister for Commerce and Consumer Affairs released his policy decisions on the CCCFA review.</p> <p>In April 2019 the Credit Contracts Legislation Amendment Bill was introduced into Parliament and referred to the Finance and Expenditure Committee.</p> <p>NZBA is also a member of the Responsible Lending Code Advisory Group, facilitated by MBIE. The Responsible Lending Code Advisory Group will continue to meet and NZBA will continue to participate in this forum. The purpose of these meetings is to monitor the impact of the Responsible Lending Code and the relevant legislative amendments.</p>	suitability assessments, and responsible advertising.
Open Banking	High	MBIE	<p>On 8 September 2017 MBIE published the cabinet paper – Retail payment systems: update on next steps – which formed the basis of the Minister of Commerce and Consumer Affairs’ (then, Hon Jacqui Dean) letter to industry participants setting out her expectations regarding the future directions of the payments system.</p> <p>The cabinet paper identifies open banking as being a key issue internationally, and considers that industry-led open banking initiatives would be likely to result in favourable competitive pressures and reduce the need for regulatory action.</p> <p>In March 2018, Payments NZ (PNZ) launched an API pilot involving banks, payment providers and large retailers. The pilot will provide valuable insights into the design of a shared API framework and will inform the debate around what open banking means for New Zealand. Further details about the pilot can be found here.</p>	<p>The API service was successfully launched to the industry on 23 May 2019. The Minister for Commerce and Consumer Affairs spoke at the launch and, in his address to attendees, congratulated the industry for reaching this milestone but reiterated in the coming months his expectations for the industry:</p> <ul style="list-style-type: none"> • all major banks participating in the API

Project	Priority	Lead agency	Comment	Next Steps
			<p>On 26 June 2018 the Minister of Commerce and Consumer Affairs gave a speech at the Payments NZ Conference in which he encouraged the progression of the API framework (in particular, with respect to access and use by third-parties) within the next year.</p> <p>In September 2018 the Minister for Commerce and Consumer Affairs travelled to Sydney and Canberra to explore how open banking is being implemented in Australia. The Minister met with Scott Farrell (chair of the Australian Government’s open banking review), Katharine Kemp (an academic specialising in open banking), and staff at Macquarie Bank (which has pioneered open banking in Australia). The trip was to help inform the Minister on issues such as privacy, data security, and consumer empowerment.</p>	<p>Centre and working with third parties;</p> <ul style="list-style-type: none"> • broad participation from across the ecosystem, with transparent and affordable commercial terms; and • as much standardisation as possible in terms of APIs used and access to them. <p>Following the launch, the API service is being transitioned to the API Centre for ongoing management and governance. Further information regarding the API Centre can be found here.</p>
Financial Markets (Derivatives Margin and Benchmarking) Reform Bill	Medium	MBIE / RBNZ	<p>On 13 July 2017 RBNZ and MBIE opened public consultation on foreign margin requirements for derivatives. The consultation paper identified specific impediments in New Zealand insolvency laws and proposed a number of targeted legislative amendments to address them.</p> <p>In August 2017 NZBA submitted on the consultation.</p>	<p>The Bill passed its second reading on 30 July 2019 and will now proceed to the Committee of whole House.</p> <p>It is expected to be passed in September 2019.</p>

Project	Priority	Lead agency	Comment	Next Steps
			<p>In 2018 Cabinet agreed to amend legislation to remove the legal impediments to New Zealand entities complying with margining requirements. The amendments will mean that derivatives counterparties can enforce their security interest over margin immediately and rank ahead of other creditors in the event that the other counterparty defaults. More specifically, the amendments:</p> <ul style="list-style-type: none"> • will carve out these derivative-related claims from general moratoria on claims that apply in statutory management and voluntary administration; and • will ensure that when these derivatives counterparties enforce their security interest over posted margin, their claim ranks ahead of other potential claims under the Companies Act 1993 and the Personal Property Security Act 1999. <p>In February 2019 the Financial Markets (Derivatives Margin and Benchmarking) Reform Amendment Bill was introduced into Parliament. The Bill implements earlier decisions made by Cabinet on amendments to, among other things, address impediments to compliance with foreign margin rules for derivatives.</p> <p>The Bill also establishes a new licensing regime for administrators of financial benchmarks so that New Zealand can comply with the requirements of the European Union Benchmarks Regulation.</p> <p>In April NZBA submitted to the Finance and Expenditure Committee on the Bill.</p>	
Financial Services Legislation Amendment Act and Regulations	Medium	MBIE	A Financial Advice Code Working Group (CWG) was appointed in June 2017 to prepare a new code of conduct, and officially commenced on 1 August 2017.	In July 2019 NZBA submitted on FMA's consultation paper on two proposed standard conditions for transitional

Project	Priority	Lead agency	Comment	Next Steps
			<p>The Financial Services Legislation Amendment Bill (FSLAB) was introduced into Parliament on 3 August 2017.</p> <p>On 23 February 2018 NZBA submitted to the Economic Development, Science and Innovation Committee on the Bill.</p> <p>In March, CWG published a consultation paper seeking submissions on the new Code of Conduct for Financial Advice Services. NZBA's submission on the draft code can be found here.</p> <p>NZBA also submitted on two discussion papers in relation to regulations to support the Bill:</p> <ul style="list-style-type: none"> • The first paper sought feedback on the new disclosure requirements for those providing financial advice. A copy of NZBA's submission can be found here. • The second paper sought feedback on regulations to support measures in the Bill relating to misuse of the Financial Service Providers Register. A copy of NZBA's submission can be found here. <p>NZBA presented its submission to the Committee on 11 May 2018. At the hearing, NZBA also submitted that FSLAB should include a means by which banks can more effectively monitor and report individual employee conduct that falls below community standards. NZBA's supplemental submission on that point can be found here.</p> <p>The Economic Development, Science and Innovation Committee reported back to the House on 31 July 2018.</p> <p>In October, CWG published a draft Code of Professional Conduct Financial Advice Services for consultation. The draft Code sets out 12 proposed standards and supporting commentary. In October NZBA</p>	<p>licensees under the new financial advice regime – the maintenance of financial advice service records and the requirement to have an internal process for resolving customer complaints.</p> <p>FMA will start accepting transitional licence applications from 4 November 2019.</p> <p>Supporting regulations relating to disclosure requirements, licensing fees and industry levies, and registration requirements are yet to be finalised.</p>

Project	Priority	Lead agency	Comment	Next Steps
			<p>submitted on the draft Code of Conduct in support of the principles-based approach adopted by CWG.</p> <p>In December 2018 MBIE released the discussion paper: Financial advice provider licensing fees and changes to the FMA levy. In February 2019 NZBA submitted on that discussion paper.</p> <p>In April 2019, the Financial Services Legislation Amendment Act 2019 passed its third reading and received Royal Assent.</p> <p>In May 2019 the Code of Professional Conduct for Financial Advice Services was approved by the Minister for Commerce and Consumer Affairs.</p>	
Complaints Dashboard	Medium	Banking Ombudsman Scheme	<p>RBNZ and FMA, in the findings of their review of banks' conduct and culture in November 2018, noted that banks, regulators and the wider industry should have a view of the issues that cause complaints, and how widespread these are, including the insights from complaints that can improve customer outcomes.</p> <p>The Banking Ombudsman Scheme (BOS) has since begun development of an industry-wide complaints dashboard.</p> <p>BOS' members have agreed in-principle for it to collect anonymised complaints data to create a central repository of information. That data will be aggregated and published on a Dashboard that displays details about types of complaints, number of complaints, resolution timeframes and outcomes.</p> <p>All members involved in the Conduct and Culture Review have agreed with, and are contributing to, this initiative and it is being carried out in consultation with FMA and RBNZ.</p>	<p>The intention is to release the Dashboard in three stages over six months:</p> <ul style="list-style-type: none"> • Stage 1, December 2019: an initial Dashboard based on 12 data items. • Stage 2, February 2020: add a further 10 data items. • Stage 3, May 2020: add a further 12 data items. <p>BOS is currently working with banks to define key terms underpinning the dashboard.</p>

Project	Priority	Lead agency	Comment	Next Steps
Trusts Bill	Medium	MoJ	<p>The Trusts Bill was introduced into Parliament on 1 August 2017. The Bill is largely based on 48 of the Law Commission’s 51 recommendations, as set out in its 2013 report <i>Review of the Law of Trusts: A Trusts Act for New Zealand</i>.</p> <p>NZBA submitted to the Justice Committee on the Bill on 5 March 2018 and made an oral submission on 20 April 2018.</p> <p>On 8 May 2018 NZBA made a supplemental submission to the Committee regarding certain trusts that should not be captured by the Bill.</p> <p>The Committee reported back to the House in October 2018 recommending some amendments to the definition of ‘specified commercial trust’.</p>	<p>The Bill passed its third reading on 24 July 2019 and received Royal Assent on 30 July 2019. There will be a transition period of 18 months from its enactment.</p>
Privacy Bill	Medium	MoJ	<p>The Privacy Bill was introduced into Parliament on 20 March 2018 and had its first reading on 11 April 2018, following which it was referred to the Justice Committee.</p> <p>NZBA submitted to the Justice Committee on 7 June 2018 and appeared before the Committee in support of its submission on 6 September 2018.</p> <p>The Committee reported back to the House on 13 March 2019. The final report can be found here.</p> <p>The Committee made four key recommendations:</p> <ul style="list-style-type: none"> • That the Bill applies to any actions taken by (i) a New Zealand agency (whether inside or outside New Zealand); and/or (ii) an overseas agency carrying on business in New Zealand, in respect of all personal information collected or held by that agency in the course of carrying on business in New Zealand. 	<p>The second reading of the Bill continued on 30 July with debate around the mandatory reporting requirements. The reading was interrupted with eight speeches still remaining.</p> <p>It is currently scheduled to take effect from 1 March 2020 (with regulations relating to prescribed binding schemes and prescribed countries able to be introduced earlier).</p>

Project	Priority	Lead agency	Comment	Next Steps
			<ul style="list-style-type: none"> Retention of the requirement that agencies remain accountable for personal information, where that information is subsequently held by another agency for safe custody or processing. Increasing the reporting threshold from “harm” to “serious harm” to help reduce the risk of over reporting, provide more certainty to agencies and better align the Bill with overseas jurisdictions. A requirement that the Commissioner publishes details of compliance notices (including the identity of the agency), unless it would cause the agency undue harm that outweighs the public interest. 	
Farm Debt Mediation Bill	Medium	Ministry for Primary Industries	<p>In December 2018 Cabinet gave policy approval to establish a statutory scheme for the mediation of farm debt in New Zealand. The proposed scheme would require secured creditors to farm businesses to offer statutory mediation before taking any enforcement action in relation to debt held over that business. It would also allow for farmers to initiate statutory mediation with a secured creditor.</p> <p>In May 2019, NZBA provided feedback to MPI as part of a targeted consultation on the proposed Government Bill.</p> <p>The Farm Debt Mediation Bill (No.2) was introduced into Parliament on 18 June 2019 and had its first reading on 27 June 2019.</p>	In August 2019 NZBA will make a submission to the Primary Production Committee on the Bill.
Financial Action Task Force Mutual Evaluation (AML/CFT)	Medium	RBNZ	<p>In March 2020, New Zealand will be subject to an international review (the Mutual Evaluation) to assess its level of compliance against international anti-money laundering and countering financing of terrorism (AML/CFT) standards (more commonly known as the Financial Action Task Force Recommendations).</p> <p>The Mutual Evaluation will have two primary focuses, firstly, does New Zealand’s legal framework meet the international AML/CFT standards</p>	Members and RBNZ will continue to work closely to prepare for the evaluation.

Project	Priority	Lead agency	Comment	Next Steps
			and secondly, how well does New Zealand's AML/CFT system operate in practice. The banking sector will be a major component of the Mutual Evaluation. The final report and ratings are expected to be published by the end of 2020.	
Overseas Investment Act Review	Medium	Treasury	<p>In October 2018 Treasury announced that the Government would undertake a further review of the Overseas Investment Act 2005. The Terms of Reference can be found here.</p> <p>In April Treasury launched its public consultation document on the second phase of its Overseas Investment Act 2005 reforms. It is focused on ensuring New Zealand remains an attractive destination for high-quality productive overseas investment and ensuring such investments are in the national interest.</p>	On 24 May 2019 NZBA submitted on Treasury's consultation document, with a focus on ensuring that 'overseas person' is defined in a way that does not capture banks providing financing.
Protecting Business and Consumers from Unfair Commercial Practices	Medium	MBIE	<p>On 10 December 2018, MBIE released a discussion paper seeking feedback on whether there is a need for additional protections for businesses and consumers against unfair commercial practices: Protecting businesses and consumers from unfair commercial practices.</p>	MBIE has published the submissions received on the consultation here . Ministers are currently considering policy options and any policy decisions will be announced later in 2019.
Beneficial Ownership of New Zealand Companies and Limited Partnerships	Medium	MBIE	<p>On 19 June 2018, MBIE released a discussion document seeking feedback on what requirements there should be on New Zealand companies and limited partnerships to hold and disclose information about their beneficial owners: Increasing the transparency of the beneficial ownership of New Zealand Companies and Limited Partnerships.</p>	Decisions from the Government are expected by the end of 2019.

Project	Priority	Lead agency	Comment	Next Steps
			On 2 August 2018 NZBA submitted on MBIE's discussion paper on beneficial ownership.	
Automatic Exchange of Information/ Common Reporting Standard (AEOI/CRS)	Medium	IRD	In June 2018 NZBA issued media releases on the freezing/closure of bank accounts, in line with AEOI requirements. Those media releases can be found here and here .	NZBA will continue to engage with IRD during the reporting periods to help ensure industry concerns and suggestions on implementation are taken on-board.
Public disclosure of bank breaches of regulatory requirements	Medium	RBNZ	In October 2018 RBNZ published a consultation paper proposing changes to the reporting and publishing of regulatory breaches by banks: Public and private reporting by banks of breaches of regulatory requirements, with consideration of materiality . One of the conclusions of the Regulatory Stocktake, and following the development of the Bank Financial Strength Dashboard, was that banks should be formally required to notify RBNZ of any breaches of their conditions of registration, and that RBNZ should draw on that reporting to publish collated information on bank breaches on a dedicated new page on its website. This consultation paper sought views on the proposed mechanism for putting that conclusion into effect, as well as the option of applying a materiality threshold to the publication of breaches.	NZBA submitted on RBNZ's consultation in December 2018. RBNZ has published the submissions received on the consultation here . In June 2019 industry participated in an RBNZ workshop on the proposals.
Review of Mortgage Bond Collateral Standards	Medium	RBNZ	On 17 November 2017 RBNZ published a consultation paper proposing an enhanced mortgage bond standard aimed at supporting confidence and liquidity in the financial system. The consultation paper can be found here . A summary of submission can be found here .	The consultation closed on Friday 8 March 2019. Submissions and a response to submissions is expected to be published

Project	Priority	Lead agency	Comment	Next Steps
			<p>On 13 November 2018 RBNZ published an exposure draft of its policy Residential Mortgage Obligations (RMO) - Introducing a high grade residential mortgage backed securities framework for New Zealand. This followed an initial consultation in November 2017 and ongoing discussion with issuers and investors over 2018.</p>	<p>shortly and the timeline for implementation will be updated when final decisions have been made. RBNZ is proposing a five-year implementation timeline.</p>
Debt-to-Income Ratios (DTI)	Medium	RBNZ	<p>RBNZ noted in the consultation paper: Adjustments to Restrictions on High-LVR Residential Mortgage Lending that it is progressing its work on potential limits to high DTI ratio lending, which would be a potential complement to LVR restrictions.</p> <p>RBNZ continues to gather information about the DTI levels of borrowers and assess the potential case for the use of DTI limits.</p> <p>On 8 June 2017 RBNZ released a consultation paper seeking feedback on the addition of DTI limits to its macro prudential toolkit. NZBA's submission on the consultation document can be found here.</p>	<p>RBNZ has published the submissions received on the consultation and a short response here.</p> <p>Macro-prudential policy is within the scope of Phase Two of the Review of the RBNZ Act.</p>
Review of s 36 of the Commerce Act	Low	MBIE	<p>In January 2019 MBIE released a discussion paper seeking feedback on a proposal to amend the Commerce Act's prohibition against anti-competitive unilateral conduct (s 36) in line with Australian reforms: Review of Section 36 of the Commerce Act and other matters.</p> <p>That discussion paper follows MBIE's targeted review and cross-submission consultation on the same issue in November 2015 and July 2016, respectively.</p>	<p>In March 2019 NZBA submitted on MBIE's discussion paper.</p>
Changes to KiwiSaver Annual Statements	Low	MBIE	<p>In October 2016, as a result of collaborative work between MBIE, FMA and the Commission for Financial Capability, MBIE released a</p>	<p>In June 2019, the Minister of Commerce and Consumer Affairs</p>

Project	Priority	Lead agency	Comment	Next Steps
			<p>discussion document: Changes to Annual Statements for KiwiSaver, Superannuation, and Workplace Savings Schemes.</p> <p>The discussion document's key proposals included changes to annual member statements to show:</p> <ul style="list-style-type: none"> • a dollar figure for the total fees the investor has paid; and • a projected retirement balance lump sum, and projected retirement income. <p>In December 2016 MBIE released Cabinet's policy decisions on the new requirements.</p> <p>In April 2017 the FMA released a consultation paper on the proposed methodology and guidance for calculating total annual fees charged to each KiwiSaver investor.</p> <p>In July 2017 the FMA issued a methodology notice which helps KiwiSaver scheme providers calculate the total fees charged to each investor. The methodology notice, regulatory impact statement, and amended guidance note for managed funds can be found here.</p> <p>On 11 July 2018 NZBA submitted on MBIE's discussion document <i>Changes to annual statements for KiwiSaver investors</i>.</p>	<p>announced changes to KiwiSaver annual statements requiring the inclusion of retirement savings projections and associated information.</p>
Payment Systems Replacement Project	Low	RBNZ	<p>The Payment Systems Replacement Project (formally known as the Strategic Review of RBNZ's Payment and Settlement System) continues, and steady progress has been made. The first stream of work, the RTGS System, is now in delivery mode and tracking to schedule. Functional testing is underway and attention is turning to the documentation of functional fact sheets for account holders so that they can better understand the end-to-end solution for RTGS.</p>	<p>Industry acceptance testing commenced on 10 June 2019 and will run to the end of August 2019. Following the successful completion of industry testing RBNZ will be able to confirm a go-live date.</p>

Project	Priority	Lead agency	Comment	Next Steps
			The second stream of work, the CSD System, is at the tail-end of the clarification and planning phase. The projection for a joint system 'go live' is to be confirmed (was February 2019).	
RBNZ Payments Oversight Review	Low	RBNZ	<p>RBNZ consulted in 2013 on its statutory oversight powers for payments and settlement systems which it considered were insufficient and need to be strengthened.</p> <p>In April 2015, RBNZ issued a consultation paper on its proposals to modify the statutory framework for the oversight of Financial Market Infrastructures (FMIs). The paper proposed that the designation regime be modified to better support RBNZ's risk-based supervisory approach, in particular, that:</p> <ul style="list-style-type: none"> • there be mandatory designation of FMIs that are considered systemically important; • the joint regulators have crisis management powers for designated FMIs; and • the joint regulators have a more graduated set of business-as-usual oversight powers, including enforcement and investigation powers for designated FMIs. <p>In December 2015, RBNZ released a summary of the submission feedback it received on its consultation on a proposed new regulatory framework for designated FMIs.</p> <p>In March 2016, RBNZ issued a consultation paper on proposed crisis management powers for systemically important financial market infrastructures (SIFMIs). The proposed crisis management powers form the final part of proposals for a new oversight regime for designated FMIs. A summary of responses was published in August 2016.</p>	<p>On 1 August RBNZ published an exposure draft of the Financial Market Infrastructures Bill. Submissions on the Bill close on 26 September 2019.</p>

Project	Priority	Lead agency	Comment	Next Steps
			RBNZ has now finalised its overall proposal for enhanced oversight framework for financial market infrastructures. The relevant papers can be found here .	