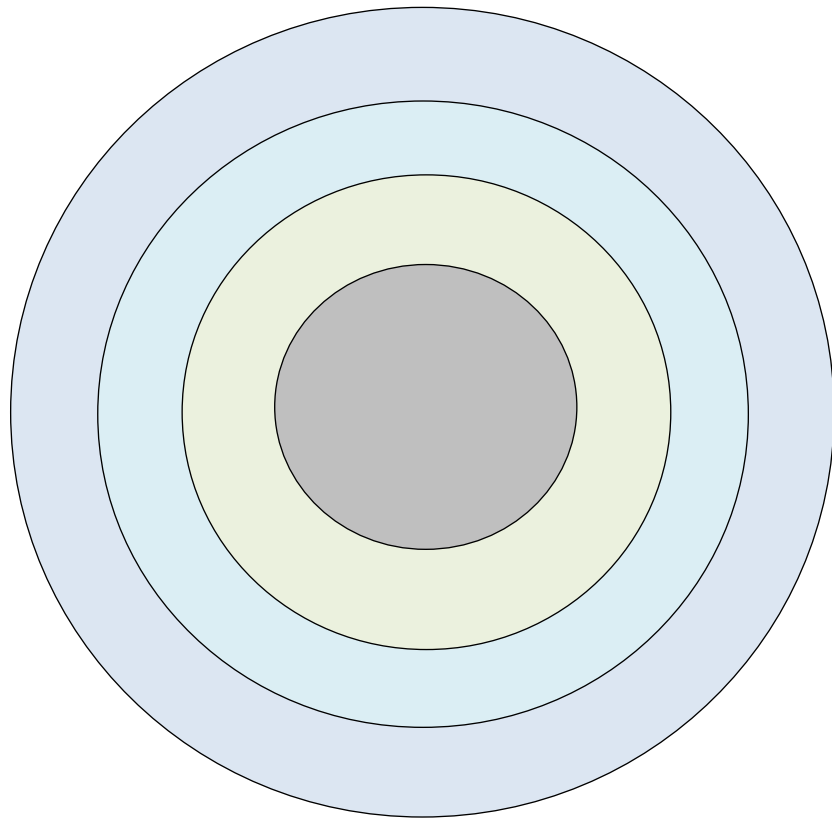


NZBA Priority	
	High
	Medium
	Low

- Current Priorities:**
- Financial Markets (Conduct of Institutions) Amendment Bill
  - Deposit Takers Act
  - Credit Contracts Legislation Amendment Act
  - Open data
  - Sustainability and climate change

# Regulatory Radar – Key



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 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
DIA	Department of Internal Affairs
MfE	Ministry for the Environment

Project	Priority	Lead agency	Comment	Next Steps
Financial Markets (Conduct of Institutions) Amendment Bill	High	MBIE/FMA	<p>In September 2019 Minister Faafoi <a href="#">announced</a> a new regime to regulate the conduct of financial institutions. The measures the Government is introducing include:</p> <ul style="list-style-type: none"> <li>• A new conduct licensing system for banks, insurers and non-bank deposit takers such as credit unions.</li> <li>• A new regime requiring these entities to meet high standards of customer treatment.</li> <li>• A ban on incentives which are based on meeting sales targets.</li> </ul> <p>In December 2019 the <a href="#">Financial Markets (Conduct of Institutions) Amendment Bill (CoFI)</a> was introduced into Parliament.</p> <p>In June 2020, NZBA appeared in front of the Finance and Expenditure Committee in support of its <a href="#">submission</a>.</p> <p>In August 2020, the Finance and Expenditure Committee published its <a href="#">report</a> on the Bill. The Committee recommended that the Bill be passed with amendments, many of which NZBA advocated for, including:</p> <ul style="list-style-type: none"> <li>• Providing for a maximum transition period of three years rather than two.</li> <li>• Providing for a statutory review of the regime to ensure that it does not create issues in its interaction with other regulatory regimes.</li> <li>• Providing more clarity about the fair conduct principle by inserting a list of factors that are relevant to the concept of fairness.</li> <li>• Amending the provision requiring that financial institutions make their fair conduct programme publicly available.</li> </ul> <p>MBIE released two discussion documents in March 2021, <a href="#">one</a> on the regulations to support the Bill, and the <a href="#">other</a> on the treatment of intermediaries under the Bill. NZBA's submission on these documents can be found <a href="#">here</a>.</p>	<p>NZBA is continuing to engage with relevant officials and regulators on this work, as the focus turns to the creation of regulations and guidance, and the licensing process.</p> <p>The FMA opened a consultation on the proposed standard conditions for licences granted under the COFI Act. This consultation closes on 7 September. NZBA's submission can be found <a href="#">here</a>.</p>

Project	Priority	Lead agency	Comment	Next Steps
			<p>In March 2022 MBIE released a cabinet paper <a href="#">Financial Markets (Conduct of Financial Institutions) Amendment Bill: Further Policy Decisions and Regulations</a>.</p> <p>The Bill was passed on 29 June 2022. MBIE expects all obligations in the Bill and regulations to be in force by the end of 2024.</p>	
Review of the RBNZ Act	High	Treasury	<p>In November 2017 the Government <a href="#">announced</a> 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>In December 2019 Finance Minister Grant Robertson <a href="#">announced</a> the following further Cabinet decisions:</p> <ul style="list-style-type: none"> <li>• Greater powers to monitor banks and hold directors and executives more accountable for their actions.</li> <li>• Introducing deposit insurance of \$50,000 per customer, per institution. We note that since these decisions were released, further Cabinet decisions have been made which amend the deposit insurance limit to \$100,000 per customer per institution (see further comment below).</li> <li>• A Governance Board to oversee financial stability matters.</li> <li>• A Financial Policy Remit will set out matters the Board must have regard to when pursuing RBNZ’s financial stability objectives.</li> <li>• Measures to increase transparency at RBNZ, including more oversight for the Auditor-General and the Ombudsman.</li> <li>• RBNZ will be given the ability to restore solvency or to recapitalise a failed deposit taker by writing down or converting to equity unsecured liabilities (statutory ‘bail-in’).</li> </ul>	<p>The Government is intending the deposit protection scheme to “go live” around mid-late 2023.</p> <p>NZBA will continue to work with the RBNZ on the development and implementation of the Bill. We understand the Bill will be introduced in late 2022.</p>

Project	Priority	Lead agency	Comment	Next Steps
			<p>The changes are being implemented through a Deposit Takers Bill (which will govern RBNZ’s regulatory powers) and the Reserve Bank of New Zealand Bill (which outlines how RBNZ is governed and how it operates).</p> <p>In April 2021, the government announced further details of the Deposit Takers Bill, including:</p> <ul style="list-style-type: none"> <li>• A deposit guarantee scheme which would protect deposits of up to \$100,000 per depositor, per financial institution, in the event of failure. This scheme will be fully funded by levies on member institutions.</li> <li>• A new process for setting lending restrictions such as loan-to-value ratios. This will give the Minister of Finance a role in determining which types of lending the Reserve Bank is able to directly restrict.</li> </ul> <p>The Reserve Bank of New Zealand Bill received Royal Assent on 16 August 2021.</p> <p>The Reserve Bank released an exposure draft of the Deposit Takers Bill on 6 December 2021, which can be found <a href="#">here</a>. NZBA made a submission on the Bill, which can be found <a href="#">here</a>. The Bill reflects the following policy developed since the April 2021 Cabinet decisions:</p> <ul style="list-style-type: none"> <li>• Substantial detail on resolution powers and ‘No Creditor Worse Off’ provisions,</li> <li>• A decision to not implement statutory bail-in at this time.</li> </ul>	
Credit Contracts Legislation Amendment Act	High	MBIE	<p>The first tranche of regulations relating to the Credit Contracts Legislation Amendment Act were made in August 2020 – the <a href="#">Credit Contracts and Consumer Finance Amendment Regulations 2020</a>. They relate to:</p> <ul style="list-style-type: none"> <li>• responsible advertising standards for lenders;</li> <li>• the information to be disclosed at the start of debt collection;</li> <li>• disclosure requirements when a contract has been varied; and</li> </ul>	NZBA is continuing to engage with MBIE and the Commerce Commission in relation to the implementation of this legislation.

Project	Priority	Lead agency	Comment	Next Steps
			<ul style="list-style-type: none"> <li>• amendments to existing regulations relating to disclosure of information about dispute resolution services and financial mentoring services.</li> </ul> <p>The second tranche of regulations were made in December 2020 – the <a href="#">Credit Contracts and Consumer Finance (Lender Inquiries into Suitability and Affordability) Amendment Regulations 2020</a>. They relate to:</p> <ul style="list-style-type: none"> <li>• requirements to keep records of affordability and suitability assessments, and how fees are calculated;</li> <li>• providing disclosure to borrowers in languages used in advertising language;</li> <li>• providing information about disputes resolution schemes and financial mentoring services;</li> <li>• requirement for creditors and mobile traders to be certified;</li> <li>• regulations setting minimum requirements for affordability, suitability, responsible advertising, debt collection disclosure; and</li> <li>• duties on directors and senior managers.</li> </ul> <p>The new regulations and most remaining provisions of the Credit Contracts Legislation Amendment Act came into force on 1 December 2021, as did most changes to the Responsible Lending Code. The changes to Chapter 12 of the Responsible Lending Code came into force on 1 February 2022.</p> <p>In the first quarter of 2022 the Minister of Commerce and Consumer Affairs announced initial changes to the CCCFA regulations and the Responsible Lending Code. MBIE opened a consultation on these changes which closed on 20 April. NZBA’s submission can be found <a href="#">here</a>.</p> <p>The initial changes to the CCCFA came into force on 7 July 2022. The updated Responsible Lending Code and Regulations can be found <a href="#">here</a>.</p>	<p>According to the Minister’s indicative timetable, the draft regulations will be released for public consultation on 22 September 2022, with the consultation open until 20 October 2022. The regulations are due to come into force in March 2023.</p>

Project	Priority	Lead agency	Comment	Next Steps
			<p>The Minister of Commerce and Consumer Affairs asked CoFR to investigate whether banks and lenders are implementing the new CCCFA regime as intended. <a href="#">CoFR's report</a> was released on 2 August 2022, along with the following <a href="#">proposed changes</a>:</p> <ul style="list-style-type: none"> <li>• narrowing the expenses considered by lenders</li> <li>• relaxing the assumptions that lenders were required to make about credit cards and BNPL schemes</li> <li>• helping make debt refinancing or debt consolidation more accessible if appropriate for borrowers.</li> </ul>	
Open data	High	MBIE	<p>In March 2018, Payments NZ (<b>PNZ</b>) <a href="#">announced</a> an API pilot involving banks, payment providers and large retailers. The pilot tested two API standards – Account Information and Payment Initiation – and provided valuable insights into the design of a shared API framework.</p> <p>Following the success of the pilot, an API standards service was launched to the industry in May 2019. The API standards service is an industry-led body responsible for defining roles, governance, minimum standards and API specifications. It has now been transitioned to the API Centre for ongoing management and governance.</p> <p>The API Centre coordinates the ongoing development, management and governance of payment-related API standards and provides supporting services. It is industry led and designed to respond to market needs. Further information regarding the API Centre can be found <a href="#">here</a>.</p> <p>The focus is now on banks continuing to make their APIs available to, and entering into the due diligence and commercial process with, users.</p> <p>In December 2019, the Minister of Commerce and Consumer Affairs wrote to the banks that are involved in the Payments NZ API project, setting out his views on the project and open banking generally. The</p>	<p>The Government is aiming to make a second round of policy decisions on the consumer data right framework in 2022 and will look to introduce legislation later in the year.</p>

Project	Priority	Lead agency	Comment	Next Steps
			<p>letter acknowledges progress to date, concerns about certain areas and outlines some expectations to ensure good progress is continued.</p> <p>On 5 August 2020, MBIE published a <a href="#">discussion document</a> seeking feedback on options for establishing a consumer data right in New Zealand. NZBA's submission on the discussion document is <a href="#">here</a>.</p> <p>In July 2021, the Minister of Commerce and Consumer Affairs announced the Government's decision to establish a consumer data right framework for New Zealand. The consumer data right will be rolled out on a sector-by-sector basis.</p>	
Sustainability and climate change	High	Multiple agencies	<p>Risks around sustainability and climate change are significant and evolving quickly. NZBA sees these as likely to have an effect on New Zealand's economy.</p> <p>RBNZ has published a climate change strategy <a href="#">here</a> and its 2021 report on its climate change strategy and related work <a href="#">here</a>.</p> <p>In September 2020, the Government announced that it will introduce mandatory climate-related financial disclosure requirements. The new disclosure regime will require annual disclosure of financially material climate-related risks and opportunities in mainstream financial reports, such as annual reports. It will apply to:</p> <ul style="list-style-type: none"> <li>• registered banks, credit unions, and building societies with total assets of more than \$1 billion;</li> <li>• managers of registered investment schemes with greater than \$1 billion in total assets under management;</li> <li>• licensed insurers with greater than \$1 billion in total assets under management or annual premium income greater than \$250 million</li> <li>• equity and debt issuers listed on the NZX with a combined market price or quoted debt exceeding \$60 million; and</li> </ul>	<p>NZBA will continue to engage with relevant officials on climate change matters throughout 2022.</p> <p>The XRB has released its final climate standards consultation, with submissions due 26 September. NZBA is preparing a submission.</p>



Project	Priority	Lead agency	Comment	Next Steps
			<ul style="list-style-type: none"> <li>• crown financial institutions with assets greater than \$1 billion assets under management.</li> </ul> <p>The Bill was referred to the Economic Development, Science and Innovation Committee. NZBA made a written submission which can be found <a href="#">here</a>, which formed the basis of NZBA’s oral submission to the Committee on 24 June 2021.</p> <p>The Bill received Royal Assent on 27 October 2021.</p> <p>The XRB opened its first consultation on the climate reporting standards in October 2021. This consultation covered the “Governance” and “Risk Management” components of the standards. NZBA made an industry submission on this consultation, which can be found <a href="#">here</a>.</p> <p>NZBA made a submission on MfE’s Discussion Document: Transitioning to a low-emissions and climate-resilient future in November 2021. The submission can be found <a href="#">here</a>.</p> <p>MBIE opened a consultation on its “Te Ara Paerangi - Future Pathways” Green Paper. This consultation closed on 16 March 2022. NZBA made an <a href="#">industry submission</a> on this paper.</p> <p>NZBA made a <a href="#">submission</a> to the XRB in May 2022 on its “Strategy and Metrics and Targets” standards consultation.</p> <p>The Ministry for the Environment has consulted on its draft National Adaptation Plan to help Aotearoa New Zealand adapt to and minimise the harmful impacts of climate change. NZBA’s submission can be found <a href="#">here</a>. The final National Adaptation Plan was released on 6 August 2022.</p>	
RBNZ Macro-prudential Policy	Medium	RBNZ	Finance Minister Grant Robertson and the RBNZ have updated the Memorandum of Understanding on macro-prudential policy to add debt serviceability tools. The RBNZ has consulted on a proposal to further	The new LVR requirements applied from 1 November 2021.

Project	Priority	Lead agency	Comment	Next Steps
			<p>reduce the amount of high Loan-to-Value Ratio (<b>LVR</b>) lending to owner-occupiers. Following consultation, the RBNZ has decided to restrict the amount of lending banks do above an LVR of 80% to 10% of all new loans (down from the current 20%).</p> <p>The RBNZ opened a debt serviceability consultation on the implementation of:</p> <ul style="list-style-type: none"> <li>• Debt-to-Income (<b>DTI</b>) restrictions – which impose a cap on debt as a multiple of a borrower’s income, and</li> <li>• Interest rate floors - on the test interest rates used by banks in their serviceability assessments of borrowers.</li> </ul>	<p>The RBNZ’s debt serviceability consultation closed on 28 February. NZBA’s submission can be found <a href="#">here</a>. The RBNZ published a <a href="#">summary of submissions</a> in April.</p>
AML/CFT	Medium	MoJ	<p>Four sets of amendment regulations were made for the anti-money laundering and countering financing of terrorism (<b>AML/CFT</b>) regime on 8 June 2021. These came into force on 9 July 2021. The RBNZ, FMA and DIA have <a href="#">announced</a> a transitional compliance period from 9 July 2021 until 29 April 2022, during which their efforts will be focused on assisting compliance, and raising awareness and understanding of the new regulations.</p> <p>The key changes are:</p> <ul style="list-style-type: none"> <li>• Expanded customer due diligence (<b>CDD</b>) obligations where nominee directors, nominee shareholders or nominee general partners are involved (including enhanced CDD for companies with nominee directors).</li> <li>• Longer time periods for audits and risk assessments of AML/CFT programmes.</li> <li>• Amendments to a range of exemptions and definitions.</li> </ul> <p>The FMA, RBNZ and DIA recently issued new guidance regarding identity verification. The first is an updated <a href="#">explanatory note</a> to the</p>	<p>Submissions on the statutory review of the AML/CFT Act closed on 6 December 2021. NZBA’s submission can be found <a href="#">here</a>.</p> <p>The Minister of Justice has received a report on the review prepared by MoJ, and has noted she will table the report in the House in due course.</p>

Project	Priority	Lead agency	Comment	Next Steps
			<p>Amended Identity Verification Code of Practice 2013. The second is a <a href="#">factsheet</a> relating to birth certificates with redacted information.</p> <p>In early October, MoJ released a consultation paper on the statutory review of the Anti-Money Laundering and Countering Financing of Terrorism (<b>AML/CFT Act</b>). The paper covers a broad range of topics, and can be found <a href="#">here</a>.</p>	
Merchant service fees	Medium	MBIE	<p>In September 2020, the Labour Party committed to tightening regulations around merchant service fees charged by banks to retailers and other small businesses if re-elected. This was subsequently confirmed as a Government priority in the Speech from the Throne.</p> <p>In December 2020, MBIE released an <a href="#">issues paper</a> testing its understanding of the issues related to high merchant service fees in New Zealand and gathering information about possible options to remedy those issues.</p> <p>NZBA made a submission on MBIE's consultation in February 2021.</p> <p>On 12 May 2021 Commerce and Consumer Affairs Minister David Clark announced the Government's <a href="#">next steps</a> in relation to merchant service fees, including the development of a Retail Payment System Bill to:</p> <ul style="list-style-type: none"> <li>• Require reductions in interchange fees, including a 0.8% cap on interchange fees for credit card transactions and 0.6% for online debit card transactions.</li> <li>• Enable direct intervention by the Commerce Commission using a broad suite of powers to regulate different participants in the retail payments system.</li> <li>• Introduce a disclosure and reporting requirement to enable the Commerce Commission to monitor the retail payments system.</li> </ul>	The Select Committee report on the Retail Payment System Bill was released on 8 March and can be found <a href="#">here</a> . The Bill was passed on 13 May 2022.

Project	Priority	Lead agency	Comment	Next Steps
			<p>The Retail Payment System Bill was introduced to Parliament on 11 October 2021 and was referred to the Economic Development, Science and Innovation Select Committee. The Bill appears to be broadly as signalled by Minister Clark on 12 May 2021. NZBA made a written submission to the Select Committee in November 2021.</p> <p>The Commerce Commission has published <a href="#">draft guidance</a> for the initial pricing standard under the Retail Payment System Act 2022 for consultation. Submissions are due 5 October 2022.</p>	
Future of Money	Medium	RBNZ	<p>The Future of Money – Te Moni Anamata – is considering the implications for New Zealanders of falling cash use for every-day transactions, including the impacts on the system that supplies, moves and stores it.</p> <p>RBNZ consulted on the implications of a contracting cash network in the issues paper: <a href="#">The future of cash use – Te whakamahinga moni anamata</a>. <a href="#">Respondents</a> to the issues paper submitted that cash has an important role in society and, although cash use is declining, some New Zealanders are still heavily reliant on cash, and many want to maintain the option to use cash alongside other means of payment.</p> <p>Following that, RBNZ published a <a href="#">consultation paper</a> which proposed that the RBNZ take on a more active monitoring and coordination role in the cash system, and be given appropriate information-gathering powers to support this role.</p> <p>In November 2019 NZBA <a href="#">submitted</a> on RBNZ’s consultation paper: <i>The future of the cash system – Te pūnaha moni anamata</i>.</p> <p>In early October 2021, the RBNZ released two consultation papers under its Future of Money project, one focusing on Stewardship, and one focusing on a Central Bank Digital Currency. These consultations closed</p>	<p>NZBA prepared industry submissions on the Future of Money consultations which can be found <a href="#">here</a> and <a href="#">here</a>. The RBNZ published a <a href="#">summary of responses</a> to the Future of Money consultations in April 2022.</p>

Project	Priority	Lead agency	Comment	Next Steps
			on 6 December 2021. RBNZ released a further consultation on 30 November 2021 outlining options for cash system reform, which closed on 7 March 2022.	
RBNZ Other	Medium	RBNZ	<p><i>RBNZ Enforcement Framework Consultation</i> The RBNZ released a consultation paper on its proposed enforcement framework in October 2021. NZBA's submission can be found <a href="#">here</a>.</p> <p><i>RBNZ Branch Review Consultation</i> The RBNZ is reviewing its policy for branches of overseas banks. It released a consultation paper in October 2021, with submissions due on 2 March 2022. The paper can be found <a href="#">here</a>. The RBNZ has released a <a href="#">second and final consultation paper</a>, with submissions due 16 November.</p> <p><i>RBNZ Review of Connected Exposures Policy (BS8) for Banks</i> The RBNZ is reviewing its Connected Exposures Policy for locally incorporated banks. The key proposals are to align the Connected Exposures Policy with the existing capital adequacy framework and to respond to a recommendation from the International Monetary Fund's Financial Sector Assessment Programme review in 2017. Submissions are due on 31 March 2022. The consultation paper can be found <a href="#">here</a> and <a href="#">NZBA's submission here</a>.</p> <p><i>RBNZ Liquidity Policy Review</i> The RBNZ has consulted on its Liquidity Policy Review. The consultation paper can be found <a href="#">here</a>, and NZBA's submission <a href="#">here</a>. The RBNZ has published a summary of the submissions it received and noted a further consultation is expected later this year.</p> <p><i>RBNZ Improving Māori access to capital</i> The RBNZ has released an issues paper <a href="#">Improving Māori Access to Capital</a>. The RBNZ notes that "the issues paper outlines some of the</p>	

Project	Priority	Lead agency	Comment	Next Steps
			factors that may act as barriers between Māori and specific forms of capital in the financial system, and identifies potential pathways for access”.	
Digital Identity Trust Framework	Medium	DIA	<p>In July 2020, Cabinet agreed to establish the Digital Identity Trust Framework in legislation. In February 2021, Cabinet approved policy proposals that underpin the Digital Identity Trust Framework, including the establishment of an Accreditation Authority and Governance Board.</p> <p>In September 2021, the Digital Identity Services Trust Framework Bill was introduced to Parliament. It was referred to Economic Development, Science and Innovation Committee, with submissions to the Select Committee due 2 December, with a <a href="#">report</a> published 19 April. NZBA’s submission on the Bill can be found <a href="#">here</a>.</p>	
Modern Slavery	Medium	MBIE	In April 2022, MBIE released a consultation paper on a legislative framework for addressing modern slavery and worker exploitation. NZBA made a submission on this paper, which can be found <a href="#">here</a> .	MBIE will consider the submissions it has received and report back to the Minister for Workplace Relations and Safety,
Covid-19 response	Low	n/a	In March 2020, NZBA <a href="#">announced</a> that its retail members had offered to defer repayments on residential mortgages for up to six months for customers financially affected by Covid-19. This meant that affected customers did not have to make principal and interest payments on their loans. Banks also offered affected customers the option to go interest only, or to extend the term of their loan. Their credit rating was not affected by the deferral, provided they were not in arrears before the pandemic. This scheme was in addition to what banks are doing individually to assist affected customers.	<p>In 2022, NZBA will continue to work with key stakeholders to support New Zealanders financially affected by Covid-19.</p> <p>NZBA is also working with government on its various Covid-related initiatives</p>

Project	Priority	Lead agency	Comment	Next Steps
			<p>In August 2020, NZBA worked with MBIE and RBNZ on an extension to the scheme, meaning that some customers were eligible for a new loan deferral for up to six months or an extension to their existing loan deferral (up to 31 March 2021). NZBA's media release is <a href="#">here</a>.</p> <p>In April 2020, NZBA <a href="#">announced</a> \$6.25 billion in new lending available to Covid-19 affected businesses through the Business Finance Guarantee Scheme (<b>BFGS</b>). NZBA worked with Treasury on <a href="#">significant changes to the BFGS</a>, including extending the maximum loan amount from \$500,000 to \$5 million, and the loan term from three to five years.</p> <p>In December 2020, the Minister of Finance <a href="#">announced</a> that the BFGS had been extended to June 2021. Applications for new loans under the scheme ended on 30 June 2021.</p> <p>The loan deferral scheme ended on 31 March 2021.</p>	as they impact the banking industry, and will continue to monitor developments relating to the Omicron and any future variants.
Review of Capital Adequacy Framework	Low	RBNZ	<p>The aim of the review was 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 December 2019 RBNZ <a href="#">announced</a> its <a href="#">final decisions</a> on the capital review, which included:</p> <ul style="list-style-type: none"> <li>total capital increasing from a minimum of 10.5% now, to 18% for the four large banks and 16% for the remaining smaller banks;</li> <li>the inclusion of AT1 instruments as part of the capital stack; and</li> <li>a transition period of 7 years (rather than 5 years).</li> </ul> <p>NZBA's media release on RBNZ's decisions is <a href="#">here</a>.</p> <p>In November 2020, RBNZ announced a further delay in the start of increases in bank capital until 2022 to allow banks continued headroom to respond to the effects of the COVID-19 pandemic and to support</p>	RBNZ has released an updated <a href="#">Capital Review Implementation Timeline</a> . Implementation of new capital rules began on 1 October 2021, and increases in minimum requirements started on 1 July 2022.

Project	Priority	Lead agency	Comment	Next Steps
			<p>economic recovery. The changes mean the increase in the Prudential Capital Buffer will not begin until July 2022. In November 2020, RBNZ began <a href="#">consulting</a> on the details for implementing the final capital review decisions. NZBA's submission on the consultation can be found <a href="#">here</a>.</p> <p>Some of the most significant changes in the consultation include implementing the new rules for capital instruments, and consulting about the RBNZ's response if a bank does not meet capital buffer requirements.</p> <p>The Reserve Bank published its finalised bank capital adequacy requirements on 17 June 2021, outlined in the <a href="#">Banking Prudential Requirements documents</a>.</p>	
Financial Services Legislation Amendment Act and Regulations	Low	MBIE	<p>The <a href="#">Financial Services Legislation Amendment Act 2019</a> passed its third reading and received Royal Assent in April 2019.</p> <p>In May 2019 the <a href="#">Code of Professional Conduct for Financial Advice Services</a> was approved by the Minister for Commerce and Consumer Affairs.</p> <p>The <a href="#">Financial Markets Conduct (Regulated Financial Advice Disclosure) Amendment Regulations 2020</a> were made in June 2020.</p> <p>In November 2020, the FMA confirmed the <a href="#">standard conditions</a> for full Financial Advice Provider (<b>FAP</b>) licences, and the <a href="#">three classes of service</a>.</p> <p>The new financial advice regime started on 15 March 2021. The new Code of Professional Conduct for Financial Advice Services also came into force on 15 March 2021.</p>	As of 16 March 2021, anyone applying for a FAP licence must apply for a full licence. The FMA has released target application dates for each class of FAP licence. Applications for Class 3 FAP licences closed on 30 June 2022.
Mortgage Bond Collateral Standards Review	Low	RBNZ	<p>On 17 November 2017 RBNZ published a consultation paper proposing an enhanced mortgage bond standard aimed at supporting confidence</p>	As a result of Covid-19, the Mortgage Bond Collateral Standards



Project	Priority	Lead agency	Comment	Next Steps
			<p>and liquidity in the financial system. The consultation paper can be found <a href="#">here</a>. A summary of submission can be found <a href="#">here</a>.</p> <p>On 13 November 2018 RBNZ published an exposure draft of its policy <a href="#">Residential Mortgage Obligations (RMO) - Introducing a high grade residential mortgage backed securities framework for New Zealand</a>. This followed an initial consultation in November 2017 and ongoing discussion with issuers and investors over 2018.</p> <p>RBNZ has published a <a href="#">summary of submissions</a>, on its website. RBNZ is working to finalise the policy framework and will agree an implementation plan for the RMO standard through working groups covering three key areas – loan level data, operational implementation and legislative processes.</p>	Review has been deferred.
Beneficial Ownership of New Zealand Companies and Limited Partnerships	Low	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: <a href="#">Increasing the transparency of the beneficial ownership of New Zealand Companies and Limited Partnerships</a>.</p> <p>On 2 August 2018 NZBA <a href="#">submitted</a> on MBIE’s discussion paper on beneficial ownership.</p> <p>On 22 March 2022, the Minister of Commerce and Consumer Affairs announced the Government’s proposal to introduce a new beneficial ownership register for limited partnerships and companies.</p>	MBIE expects a draft Bill containing the proposed amendments will be made available for public consultation around mid-late 2022.