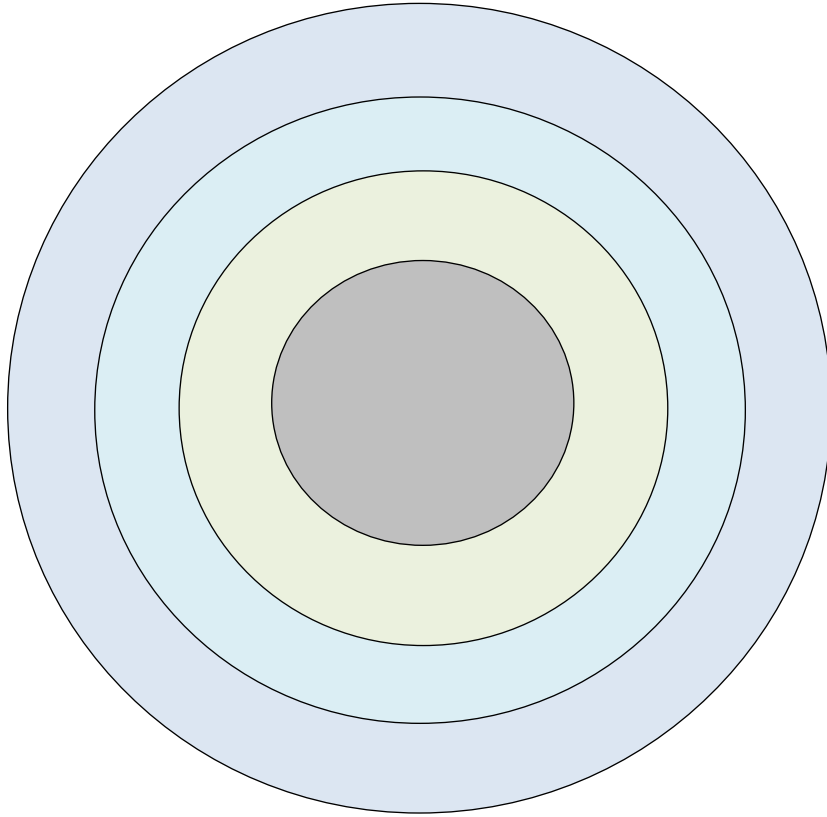


NZBA Priority	
	High
	Medium
	Low

- Current Priorities:**
- Commerce Commission market study
 - Joint Select Committee inquiry into banking competition
 - Financial Markets (Conduct of Institutions) Amendment Act
 - Deposit Takers Act
 - Credit Contracts Legislation Reform
 - 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
Market study to investigate banking competition	High	Commerce Commission	<p>On 20 June 2023, the previous Minister of Finance and Minister of Commerce and Consumer Affairs announced a market study into competition in the banking sector for personal banking services.</p> <p>On 21 March 2024, the Commerce Commission released a draft report, setting out its preliminary findings on the factors affecting competition for personal banking services, and setting out 16 draft recommendations.</p> <p>On 20 August 2024, the Commerce Commission released the final report, which sets out 14 recommendations on the Government, regulators and the banking industry.</p>	<p>NZBA will engage with relevant officials as and where appropriate.</p> <p>NZBA’s media release in response to the final report is available here.</p>
Joint Select Committee inquiry into banking competition	High	FEC	<p>On 13 June 2024, Minister of Finance Nicola Willis requested a Joint Select Committee inquiry into banking competition, with a focus on rural banking and lending. This inquiry is led by the Finance and Expenditure Committee (FEC) in conjunction with the Primary Production Committee.</p> <p>The terms of reference for the inquiry were published on 14 August 2024, and are available here. Submissions closed on 25 September 2024 and are available here.</p> <p>Initial hearings started on 23 October 2024 and ran through to 29 January 2025, with the 10 retail and agri banks appearing in person before the Committees.</p> <p>On 12 February 2025, the FEC announced its decision to invite ANZ, ASB, BNZ and Westpac to additional 90 minute hearings.</p>	<p>NZBA will engage with relevant officials as and where appropriate.</p>
Financial Markets (Conduct of Institutions) Amendment Act	High	MBIE/FMA	<p>The Financial Markets (Conduct of Financial Institutions) Amendment Act (CoFI) was passed on 29 June 2022. The CoFI regime regulates the conduct of financial institutions by introducing:</p> <ul style="list-style-type: none"> • A new conduct licensing system for banks, insurers and non-bank deposit takers such as credit unions. 	<p>NZBA is continuing to engage with relevant officials and regulators on this work, as the focus</p>

Project	Priority	Lead agency	Comment	Next Steps
			<ul style="list-style-type: none"> • A new regime requiring these entities to meet high standards of customer treatment. • A ban on incentives which are based on meeting sales targets. <p>Currently, the CoFI regime will commence on 31 March 2025, at which point financial institutions that provide services to consumers will need to hold a financial institution licence.</p> <p>On 31 January 2024, then-Minister of Commerce and Consumer Affairs Andrew Bayly announced plans to reform CoFI, noting that "it needs streamlining so financial institutions have certainty and flexibility to get on with the business of delivering for their customers."</p> <p>On 22 May 2024, MBIE released a consultation paper on financial services conduct regulation as part of its 'fit-for purpose' financial services reform. Submissions closed on 19 June 2024. NZBA's submission on this paper is available here.</p> <p>On 5 September 2024, the previous Minister announced decisions to simplify and financial services conduct legislation, including by requiring the FMA to issue a single licence covering different classes of market services, including for consumer credit where applicable.</p> <p>On 16 September 2024, the FMA released a consultation paper on the annual regulatory returns to be provided by licensed 'financial institutions' as part of compliance with the CoFI regime. NZBA's submission on this paper is available here.</p>	<p>turns to potential reforms and the licensing process.</p> <p>The FMA began accepting licensing applications for financial institution licenses on 25 July 2023. Financial institutions must have a financial institution licence by 31 March 2025.</p> <p>NZBA will monitor for further updates following the Minister's September 2024 announcement.</p>
Deposit Takers Act and Depositor Compensation Scheme	High	RBNZ	In November 2017 the previous 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.	NZBA is preparing a submission on the DCS product hierarchy consultation.

Project	Priority	Lead agency	Comment	Next Steps
			<p>As part of this review, the Deposit Takers Act (DTA) (which will govern RBNZ’s regulatory powers and establishes a Depositor Compensation Scheme (DCS)) was passed on 6 July 2023.</p> <p>The RBNZ released consultation documents on proportionality, the DCS levy framework and SoFA on 31 July 2023. NZBA made submissions on the DCS Levy Framework and SoFA consultations on 25 September 2023.</p> <p>On 11 March 2024, the RBNZ released a consultation document on DCS regulations. NZBA’s submission is available here.</p> <p>On 16 May 2024, the RBNZ released a consultation document on core prudential standards to be made under the DTA. NZBA’s submission is available here.</p> <p>On 21 August 2024, the RBNZ released consultation documents on DTA non-core standards and crisis management. NZBA’s submissions are available here and here, respectively.</p> <p>On 6 December 2024, the RBNZ released a consultation document on a draft DCS Transitional Standard. NZBA’s submission of 7 February 2025 is available here.</p> <p>On 28 January 2025, the Deposit Takers Regulations were published. The Regulations prescribe which products are covered by the DCS, how entitlement is calculated for complex arrangements and how to calculate each deposit taker’s levy.</p> <p>On 13 February 2025, the RBNZ released a consultation document on the DCS product hierarchy. Submissions are due by 28 March 2025.</p>	<p>The depositor compensation scheme (DCS) is now intended to “go live” in mid-2025.</p> <p>We will continue to work with the RBNZ on the development and implementation of the DTA.</p>

Project	Priority	Lead agency	Comment	Next Steps
Credit Contracts Legislation Reform	High	MBIE	<p>On 31 January 2024, the previous Minister of Commerce and Consumer Affairs announced plans to reform the Credit Contracts and Consumer Finance Act (CCCFA).</p> <p>The announcement notes that “over-prescriptive lending laws have led to Kiwis missing out on loans,” with reforms intended to ensure vulnerable customers are protected without preventing customers from accessing credit that they can afford.</p> <p>The Government is working through a two-phase process to amend the CCCFA:</p> <ul style="list-style-type: none"> Phase 1 included a review of prescriptive affordability regulations (repealed under the CCCF Amendment Regulations (No 2) 2024) and subsequent amendments to the Responsible Lending Code. NZBA’s submission on MBIE’s consultation on the Responsible Lending Code is available here. Phase 2 has involved a wider review of financial services through MBIE’s ‘fit for purpose’ financial services review. NZBA’s submission on MBIE’s consumer credit legislation paper is available here. <p>On 2 July 2024, MBIE published an updated Chapter 5 of the Responsible Lending Code. The updated Chapter 5 and CCCF Amendment Regulations came into force on 31 July 2024.</p> <p>On 5 August 2024, the Minister announced further reforms to financial services to improve access to credit, including the removal of personal liability for directors and senior managers of financial institutions, and a transition to a licensing model for consumer lending. A Cabinet paper on these decisions was published on 5 September 2024.</p>	NZBA will continue to engage with the Government, policy-makers and regulators in relation to any proposed changes to the legislation and regulations.

Project	Priority	Lead agency	Comment	Next Steps
Open data	High	MBIE	<p>In March 2018, Payments NZ (PNZ) announced 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. Following the success of the pilot, an API standards service was launched to the industry in May 2019. As at 30 May 2024, most participants were expected to have standardised APIs technically and operationally ready for use by the API Centre’s third parties. Updated versions of the APIs are expected to be operational in 2025.</p> <p>On 22 June 2023, MBIE released an exposure draft of the Customer and Product Data Bill. The Bill will set a regulatory framework for a consumer data right in New Zealand. NZBA’s submission on the exposure draft is here.</p> <p>On 16 May 2024, a revised Customer and Product Data Bill was introduced to Parliament. Submissions on the Bill closed on 5 September 2024. NZBA’s submission is available here.</p> <p>In its August 2024 final report, the Commerce Commission recommended that industry and the Government should commit to ensuring open banking is fully operational by June 2026. It also recommends that the Government should support open banking by being an early adopter.</p> <p>On 29 August 2024, MBIE released a discussion paper to seek feedback on proposals to designate the banking industry under the Customer and Product Data Bill, once it is passed. NZBA’s submission on the discussion paper is available here.</p>	NZBA will continue to engage with Government, policy-makers and regulators in relation to further developments on open banking standards.
Sustainability and climate change	High	Multiple agencies	<p>In August 2023, the Environment Committee initiated an inquiry into climate adaptation. NZBA’s submission on the inquiry can be found here.</p>	NZBA will continue to engage with relevant officials on climate

Project	Priority	Lead agency	Comment	Next Steps
			<p>In September 2023, MfE released a discussion document on its proposed <i>National Policy Statement for Natural Hazard Decision-making</i>. NZBA's submission on the consultation can be found here.</p> <p>On 23 May 2024, the Finance and Expenditure Committee opened an inquiry into climate adaptation (including community/managed retreat). This inquiry considered submissions provided to the Environment Committee as part of its 2023 inquiry.</p> <p>Submissions on this consultation closed on 16 June 2024. NZBA appeared in front of the Committee on 16 July to provide additional oral submissions. The FEC published its report in September 2024. The Government responded to the report on 29 January 2025.</p> <p>On 22 August 2024, Minister Bishop announced a decision to bring the previous National Policy Statement for Natural Hazard Decision-making into a new, comprehensive National Direction for Natural Hazards.</p> <p>On 8 October 2024, the XRB released a consultation on proposed 2024 amendments to Climate and Assurance Standards. NZBA's submission is available here.</p> <p>On 13 December 2024, MBIE released a consultation on proposed adjustments to the climate-related disclosures regime. NZBA's submission is available here.</p>	<p>change matters throughout 2025, particularly in relation to a potential Climate Adaptation Bill.</p>
AML/CFT	Medium	MoJ	<p>In March 2023, MoJ opened a consultation on 'early' changes to the AML/CFT regime, which includes an exposure draft and a consultation document. This consultation closed on 14 April 2023. NZBA's submission can be found here.</p> <p>In August 2023, MoJ opened a consultation on a review of the AML/CFT (Class Exemptions) Notice 2018. This consultation closed on 15</p>	<p>NZBA is preparing a submission on the AML/CFT Amendment Bill.</p>

Project	Priority	Lead agency	Comment	Next Steps
			<p>September 2023. NZBA’s submission on the AML/CFT (Class Exemptions) Notice 2018 is available here.</p> <p>In May 2024, the RBNZ, FMA and DIA published a joint statement on the New Zealand supervisory approach for the various Amendment Regulations that came into force on 1 June 2024.</p> <p>On 23 October 2024, Associate Minister McKee announced an “overhaul” of the anti-money laundering regime, which will introduce a single supervisor and new funding model.</p> <p>On 23 September 2024, the Statutes Amendment Bill was introduced to Parliament. The Bill proposed amendments to the identity verification requirements set out in the AML/CFT Act. NZBA’s submission on the Bill is available here. The Governance and Administration Committee is due to report back on the Bill on 17 April 2025.</p> <p>On 18 December 2024, the AML/CFT Amendment Bill was introduced to Parliament. The Bill is before Select Committee, with submissions due on 28 March 2025.</p>	
CoFI Amendment Bill	Medium		<p>On 20 February, the Financial Markets (Conduct of Institutions) Amendment (Duty to Provide Financial Services) Amendment Bill was drawn from the Parliamentary ballot.</p> <p>The Bill proposes to limit the ability for financial institutions to refuse to provide services to a consumer. Under the Bill, a financial institution may only withdraw or refuse to provide services for a valid and verifiable commercial reason, or as required or permitted by another enactment.</p>	NZBA will engage as and where appropriate as the Bill progresses.
Future of Money	Medium	RBNZ	The Future of Money – Te Moni Anamata – is considering the implications for New Zealanders of falling cash use for every-day	

Project	Priority	Lead agency	Comment	Next Steps
			<p>transactions, including the impacts on the system that supplies, moves and stores it.</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 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.</p> <p>NZBA prepared industry submissions on the Future of Money consultations which can be found here and here. The RBNZ published a summary of responses to the Future of Money consultations in April 2022.</p> <p>On 17 April 2024, the RBNZ released a consultation paper on digital cash in New Zealand. NZBA’s submission is available here.</p>	
RBNZ Other	Medium	RBNZ	<p><i>RBNZ Branch Review Consultation</i></p> <p>The RBNZ has reviewed its policy for branches of overseas banks. It released its key decisions of that review in November 2023, which included restricting all branches in New Zealand to engaging in wholesale business, and limiting the maximum size of an NZ branch to NZ\$15 billion in total assets. The RBNZ published its final decisions, accompanied by a Regulatory Impact Statement, in November 2024. Key decisions include the restriction of branch operations to wholesale business, and limiting the maximum size of a branch to NZ\$15 billion in total assets. RBNZ expects a Branch Standard to come into effect in 2028.</p> <p><i>RBNZ Liquidity Policy Review</i></p> <p>The RBNZ has consulted on its Liquidity Policy Review. The consultation paper can be found here, and NZBA’s submission here. The RBNZ has published a summary of the submissions it received and noted a further</p>	NZBA is continuing to engage with the RBNZ on related matters through the ongoing DTA-related consultations – see “Review of the RBNZ Act” above.

Project	Priority	Lead agency	Comment	Next Steps
			consultation is expected during 2023. The RBNZ has opened a further consultation on its Liquidity Policy Review, which closed on 12 May 2023. NZBA's submission can be found here . On 5 December 2023, the RBNZ released a Summary of Submissions and Key Decisions .	
Digital Identity Trust Framework	Medium	DIA	<p>In July 2020, the previous Cabinet agreed to establish the Digital Identity Trust Framework in legislation. In February 2021, that 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 report published 19 April 2022. NZBA's submission on the Bill can be found here. The Bill was passed on 30 March 2023, and commenced on 1 July 2024.</p> <p>On 6 November, Minister Collins announced that the Digital Identity Trust Framework rules will come into effect on 8 November 2024.</p>	