



COVERSHEET

Minister	Hon Scott Simpson	Portfolio	Commerce and Consumer Affairs
Title of Cabinet paper	Customer and Product Data Fees and Levies Regulations	Date to be published	20 November 2025

List of documents that have been proactively released

Date	Title	Author
October 2025	Customer and Product Data Fees and Levies Regulations	Office of the Minister of Commerce and Consumer Affairs
23 October 2025	Customer and Product Data Fees and Levies Regulations LEG-25-MIN-0208 Minute	Cabinet Office

Information redacted

NO

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In Confidence

Office of the Minister of Commerce and Consumer Affairs

Chair, Cabinet Legislation Committee

Customer and Product Data Fees and Levies Regulations

Proposal

- 1 This paper seeks authorisation for submission to submit two sets of regulations (**the regulations**) to Executive Council:
 - 1.1 Customer and Product Data (Fees) Regulations 2025;
 - 1.2 Customer and Product Data (Levies) Regulations 2025.

Executive Summary

- 2 The Customer and Product Data Act 2025 (**the Act**) establishes a data portability framework that can be applied to different sectors of the economy. Once applied to a sector, certain businesses that hold data (**data holders**) will be required to provide data they hold about customers to trusted third parties (**accredited requestors**) and carry out actions on behalf of the customer, with the customer's authorisation. The Ministry of Business, Innovation, and Employment (**MBIE**) will manage the accreditation regime to ensure only trusted organisations can act as accredited requestors.
- 3 Cabinet has agreed to apply the Act to the banking sector to enable open banking [ECO-25-MIN-0039]. The five largest banks—and any other banks or non-bank deposit takers that voluntarily opt in—will be designated as data holders. These entities will be required to share customer data and initiate payments with customer consent. Customers of the five banks will be able to access their data and make payments using accredited requestors' services.
- 4 This paper seeks Cabinet Legislation Committee approval to submit the regulations to the Executive Council. The regulations implement Cabinet's decisions that the regime be fiscally neutral [ECO-25-MIN-0039], and the approach for the fee and levy framework [ECO-25-MIN-0136].
- 5 On 8 October 2025, the Economic Policy Committee considered a separate paper and regulations to apply the Act to the banking sector [ECO-25-MIN-0154]. The banking designation regulations designate data holders and enable the open banking framework to take effect. While closely related to the regulations proposed in this paper, I consider it appropriate to progress the papers independently. Separating the papers has enabled timely progression of the designation framework while allowing sufficient time to finalise the cost recovery settings.

- 6 I seek approval for the regulations to provide that a person applying for, or renewing accreditation, only be liable to pay the highest applicable fee.
- 7 The regulations will come into force on 1 December 2025, aligning with the regime's full launch on 1 December 2025. MBIE announced the policy settings for regulated open banking, including fees and levies, on 16 October.

Policy

- 8 The regulations give effect to Cabinet's decisions that the costs of implementing and operating the open banking framework under the Customer and Product Data Act 2025 will be fully recovered through fees and levies, ensuring fiscal neutrality for the Crown and the approach for doing so [ECO-25-MIN-0039, ECO-25-MIN-0136].
- 9 Following targeted consultation by MBIE with stakeholders, Cabinet approved:
 - 9.1 Accreditation fees to recover the cost of processing applications and renewals: \$2,000 for intermediaries and \$1,500 for non-intermediaries (initial), and \$1,700 and \$1,000 respectively (renewals), excluding GST.
 - 9.2 Annual levies for data holders (banks and non-bank deposit takers), commencing this financial year.
 - 9.3 Levies for accredited requestors, based on annual revenue.
 - 9.4 Tiered levy structure: Data holders will pay between \$63,400 and \$1,248,700 depending on asset size; accredited requestors will pay between \$1,300 and \$85,000 based on revenue.
 - 9.5 Single levy rule: Entities that are both data holders and accredited requestors will pay only the highest applicable levy [ECO-MIN-0136].
- 10 This framework ensures that those who benefit from the regime contribute fairly to its funding. The tiered structure supports equitable participation, particularly for smaller fintechs, and aligns with Treasury's guidelines for public sector charging. Fees for accreditation apply to fintechs seeking initial or renewed status, while levies are based on entity size and role in the regime.
- 11 To clarify the implementation timeline for levies, Kiwibank will not be subject to levies under the Customer and Product Data Act 2025 in the 2025/26 financial year. This reflects that levies for data holders will be due in March each year. Kiwibank will therefore be levied from March 2027 onwards. This timing was not clearly stated in the previous Cabinet paper on fees and levies and is now confirmed to ensure transparency and alignment with the phased designation approach.

Accredited requestor fee

- 12 I propose one minor change to the accreditation fees to ensure cost to applicants remain proportional to the cost to deliver the accreditation service.
- 13 Cabinet's previous agreements distinguished between two types of accredited requestors:
 - 13.1 non-intermediaries - who request customer data or payments on behalf of customers in order to provide services directly to customers; and
 - 13.2 intermediaries - who can request customer data and initiate payments on behalf of customers in order to facilitate other unaccredited businesses to provide services to customers.
- 14 Intermediaries must meet an additional requirement to show how they manage any risks to customers from sharing customer data with other businesses and initiating payments requested by other businesses. As such, the intermediary application fees are higher.
- 15 To enable applicants to make a single application to become, or renew, both an intermediary and non-intermediary accreditation—and to avoid two separate fees where this is not warranted to recover associated costs—I propose that a person applying for, or renewing accreditation be liable only for the highest applicable fee.
- 16 This will ensure the fee structure remains fair, proportionate, and consistent with the regime's cost recovery principles. It reduces administrative burden for applicants, supports equitable participation—particularly for smaller fintechs—and aligns with Treasury's guidelines for public sector charging.

Minor and technical changes

- 17 I have made several minor and technical changes, as authorised by Cabinet, namely:
 - 17.1 where an initial or renewed accreditation is granted for a period other than one year, accredited requestors must report their gross annual revenue to MBIE and pay the relevant levy annually on 20 June, ensuring costs are adequately recovered;
 - 17.2 for the purpose of determining the appropriate levy, the annual revenue of an accredited requestor will include revenue earned by interconnected bodies corporate; and
 - 17.3 to ensure entities are not excluded from the levy framework, providing that if an accredited requestor's first accounting period has not ended at least four months before the leviable event, they will be charged the lowest tier levy rate of \$1,300.

Timing and 28-day rule

- 18 The Customer and Product Data (Fees) Regulations 2025 and Customer and Product Data (Levies) Regulations 2025 will come into force on 1 December 2025, following expected notification in the New Zealand Gazette on 30 October 2025. This complies with the 28-day rule and will enable MBIE to begin charging fees for accrediting data requestors on the date the regime comes into force on 1 December.

Compliance

- 19 These regulations comply with:
- 19.1 the principles of the Treaty of Waitangi;
 - 19.2 the rights and freedoms contained in the New Zealand Bill of Rights Act 1990 and the Human Rights Act 1993;
 - 19.3 the principles and guidelines set out in the Privacy Act 2020;
 - 19.4 relevant international standards and obligations; and
 - 19.5 the Legislation Guidelines (2021 edition), which are maintained by the Legislation Design and Advisory Committee.
- 20 Section 132 of the of the Act provides that, before recommending a reporting obligation, the Minister must have regard to the following:
- 20.1 the interests of customers, including Māori customers;
 - 20.2 any likely costs and benefits for data holders;
 - 20.3 whether the regulations facilitate secure, standardised and efficient regulated data services; and
 - 20.4 the likely benefits and risks associated with the proposed reporting obligation in relation to the security, privacy, confidentiality or other sensitivity of customer data and product data.
- 21 Section 137 of the Act provides that the Minister may only recommend fees and levies regulations be made after consulting with:
- 21.1 the person, or representatives of the persons, that the Minister considers will be substantially affected by the proposed regulations;
 - 21.2 the Privacy Commissioner; and
 - 21.3 1 or more people who have expert knowledge of te ao Māori approaches to data (for example, approaches to data access, use, or protection).
- 22 I am satisfied that these statutory conditions have been met.

Regulations Review Committee

- 23 There are no grounds for the Regulations Review Committee to draw these regulations to the attention of the House of Representatives under Standing Order 327.

Certification by Parliamentary Counsel

- 24 The Customer and Product Data (Fees) Regulations 2025 and Customer and Product Data (Levies) Regulations 2025 were certified by the Parliamentary Counsel Office (PCO) as being in order for submission to Cabinet.

Impact Analysis

- 25 A Stage 2 Cost Regulatory Impact Statement was prepared in accordance with the necessary requirements, and was submitted at the time Cabinet approval was sought for the policy settings for the regulations [ECO-25-MIN-0136 refers].

Publicity

- 26 A notice of the regulations will be published in the New Zealand Gazette on 30 October 2025. MBIE has also published information on its website about Cabinet's previous decisions on fees and levies [ECO-25-MIN-0136].

Proactive release

- 27 This paper will be published on MBIE's website, subject to withholdings as appropriate under the Official Information Act 1982.

Consultation

- 28 In July 2025, MBIE conducted targeted consultation on proposed fees and levies with banks, fintechs, and Payments NZ. The proposals were broadly supported among stakeholders.
- 29 The Commerce Commission, Department of Internal Affairs, Financial Markets Authority, Inland Revenue Department, Ministry for Regulation, Ministry of Education, Ministry of Justice, Ministry of Social Development, Office of the Privacy Commissioner, Public Service Commission, Reserve Bank of New Zealand, Serious Fraud Office, Statistics New Zealand, Te Arawhiti – Office for Māori Crown Relations, Te Puni Kōkiri, Te Tarai Whakatau – Office of Treaty Settlements and Takutai Moana, the Treasury were consulted on this paper.

Recommendations

I recommend that the Cabinet Legislation Committee:

1 **note** that on 10 September the Economic Cabinet Committee:

1.1 agreed that the following fees be set to recover the cost of the accreditation processing of applications and annual renewals:

Type of accreditation application:	Fee (excluding GST):
Application to become accredited	Intermediary: \$2,000
	Non-intermediary: \$1,500
Application to renew an existing accreditation	Intermediary: \$1,700
	Non-intermediary: \$1,000

1.2 agreed that data holders who are banks and non-bank deposit takers pay an annual levy starting this financial year;

1.3 agreed that accredited requestors pay a levy when making an application for annual renewal;

1.4 agreed that the following tiered levies be set to recover the regulatory functions, excluding the accreditation process, that are essential to the regime's operation:

Levy class: data holder (banks and non-bank deposit takers)	Annual Levy (excluding GST)
Data holder with assets exceeding \$100 billion	\$1,248,700
Data holder with assets exceeding \$20 billion, but not exceeding \$100 billion	\$578,000
Data holder with assets exceeding \$1 billion, but not exceeding \$20 billion	\$192,000
Data holder with assets not exceeding \$1 billion	\$63,400

Levy class: accredited requestor	Levy on renewal of accreditation (excluding GST)
Accredited requestor with annual revenue exceeding \$100 million	\$85,000
Accredited requestor with annual revenue exceeding \$10 million, but not exceeding \$100 million	\$32,000
Accredited requestor with annual revenue exceeding \$1 million, but not exceeding \$10 million	\$10,000
Accredited requestor with annual revenue of \$1 million or less.	\$1,300

I N C O N F I D E N C E

- 1.5 agreed that where a person is both a data holder and an accredited requestor, they only be required to pay a single levy at the highest applicable rate;
- 1.6 invited the Minister of Commerce and Consumer Affairs to issue drafting instructions to the Parliamentary Counsel Office to give effect to paragraphs 1.1 to 1.5 above [ECO-25-MIN-0136];
- 2 **agree** that a person applying for, or renewing accreditation, only be liable to pay the highest applicable fee;
- 3 **note** that I have made several minor and technical changes to the regulations, as described in paragraph 17;
- 4 **note** that the Customer and Product Data (Fees) Regulations 2025 and Customer and Product Data (Levies) Regulations 2025 will give effect to the decisions referred to in paragraphs 1 – 3 above;
- 5 **authorise** the submission to the Executive Council of the Customer and Product Data (Fees) Regulations 2025 and Customer and Product Data (Levies) Regulations 2025; and
- 6 **note** that the Customer and Product Data (Fees) Regulations 2025 and Customer and Product Data (Levies) Regulations 2025 come into force on 1 December 2025.

Authorised for lodgement

Hon Scott Simpson

Minister of Commerce and Consumer Affairs