



COVERSHEET

Minister	Hon Cameron Brewer	Portfolio	Commerce and Consumer Affairs
Title of Cabinet paper	Customer and Product Data (General Requirements) Amendment Regulations (No 2) 2026	Date to be published	16 October 2026

List of documents that have been proactively released

Date	Title	Author
September 2026	Customer and Product Data (General Requirements) Amendment Regulations (No 2) 2026	Office of the Minister of Commerce and Consumer Affairs
3 September 2026	Customer and Product Data (General Requirements) Amendment Regulations (No 2) 2026 LEG-26-MIN-0187 Minute	Cabinet Office

Information redacted

NO

Any information redacted in this document is redacted in accordance with MBIE's policy on Proactive Release and is labelled with the reason for redaction. This may include information that would be redacted if this information was requested under Official Information Act 1982. Where this is the case, the reasons for withholding information are listed below. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

In Confidence

Office of the Minister of Commerce and Consumer Affairs

Chair, Cabinet Legislation Committee

Customer and Product Data (General Requirements) Amendment Regulations (No 2) 2026

Proposal

1. This paper seeks authorisation to submit to Executive Council the *Customer and Product Data (General Requirements) Amendment Regulations (No 2) 2026*. These amendment regulations remove requirements relating to how customers delegate permission to authorise open banking requests from the *Customer and Product Data (General Requirements) Regulations 2025*, so that their replacement can be inserted into the *Customer and Product Data (Banking and Other Deposit Taking) Standards 2025* (the open banking standards).

Policy

2. This is a technical adjustment that requires Cabinet approval. It will improve the flexibility of the open banking system, which is part of the Competitive Business Settings pillar of *Going for Growth*, and part of the Government's response to the Finance and Expenditure Committee's inquiry into banking competition.
3. In May, Cabinet agreed to amend regulations under the *Customer and Product Data Act 2025* (the Act) to set out the next phase of the regulated open banking system, which focuses on the benefits for business customers [LEG-26-MIN-0103 refers].
4. In response to this change, interested parties raised questions regarding a technical aspect of open banking requirements that will be within scope of the requirements from 1 June 2027. The questions related to the requirement that banks provide customers (such as businesses) a system to confirm which individuals (such as their staff or accountants) are able to authorise data-sharing via open banking.
5. MBIE conducted public consultation on this issue and has identified some adjustments to the requirements that will enable more seamless implementation of regulated open banking for business customers.
6. The enabling provisions of the Act allow these requirements to be set either in regulations (which must be approved by Cabinet) or in standards (which are approved by the Chief Executive of the Ministry of Business, Innovation and Employment). I consider that the best approach to these requirements will rely upon more technical detail than can be included in regulations, and will need to be more responsive to innovation than regulations allow for. Therefore, I propose removing the current requirements from regulations to allow inserting their replacement into the open banking standards.

IN CONFIDENCE

7. The process of amending standards under the Act is more flexible than amending regulations. Standards are amended by the MBIE Chief Executive, whereas changes to regulations are approved by Cabinet. Having the requirements in standards rather than regulations will enable more extensive consultation on draft wording with interested parties, and a more efficient process if requirements are adjusted later. Later adjustments may be desirable to align with emerging best practice overseas or to allow different requirements for smaller banks opting in. Placing these requirements in standards will also enable different requirements to be set for different sectors that are designated under the Act, such as the electricity sector, which Cabinet has agreed will be designated next year [EXP-25-MIN-0127 refers]. Any changes to these requirements in standards would not affect the policy intent.
8. As this is a minor and technical change, I am seeking agreement to the change directly from the Cabinet Legislation Committee, rather than first seeking agreement from the Cabinet Economic Policy Committee.

Timing and 28-day rule

9. The *Customer and Product Data (General Requirements) Amendment Regulations (No 2) 2026* will come into force on the 28th day after they are notified in the *New Zealand Gazette*.

Compliance

10. These regulations comply with:
 - 10.1. The principles of Te Tiriti o Waitangi | The Treaty of Waitangi
 - 10.2. The rights and freedoms contained in the New Zealand Bill of Rights Act 1990 and the Human Rights Act 1993
 - 10.3. The principles and guidelines set out in the Privacy Act
 - 10.4. Relevant international standards and obligations
 - 10.5. The Legislation Guidelines (2021 edition).
11. Section 132 of the Act provides that, before recommending that regulations be made, I must have regard to the following:
 - 11.1. the interests of customers, including Māori customers;
 - 11.2. any likely costs and benefits for data holders;
 - 11.3. whether the regulations facilitate secure, standardised and efficient regulated data services; and
 - 11.4. the benefits and risks associated with the proposed designation regulations in relation to the security, privacy, confidentiality or other sensitivity of customer data and product data, and any intellectual property rights that may exist in relation to customer data or product data.

IN CONFIDENCE

12. Section 137 of the Act requires that I may only recommend that regulations be made after consulting with:
 - 12.1. the person, or representatives of the persons, that I consider will be substantially affected by the proposed regulations;
 - 12.2. the Privacy Commissioner; and
 - 12.3. one or more people who have expert knowledge of te ao Māori approaches to data (for example, approaches to data access, use or protection).
13. These statutory prerequisites have been met.

Regulations Review Committee

14. 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

15. The Customer and Product Data (General Requirements) Amendment Regulations (No 2) 2026 were certified by the Parliamentary Counsel Office as being in order for submission to Cabinet.

Regulatory Analysis

16. The Ministry for Regulation has determined that this proposal is exempt from the requirement to provide a Regulatory Impact Statement on the grounds that it has no or only minor economic, social or environmental impacts.

Consistency with principles of responsible regulation

17. These amendment regulations are excluded from the requirement to provide a CAS and Summary of Underpinning Analysis on the grounds that they are secondary legislation that primarily relates to the revocation of secondary legislation identified as redundant, spent, ceased to have effect, or no longer required. This exclusion provision is set out in clause 4(2)(d) of the *Regulatory Standards (Excluded Legislation) Notice 2026*.

Publicity and proactive release

18. My officials will contact interested parties to inform them of Cabinet's decision. This paper will be proactively published on MBIE's website, subject to withholdings as appropriate under the *Official Information Act 1982*.

Consultation

19. The Ministry of Business, Innovation and Employment consulted the following agencies on this paper: Commerce Commission, Department of Internal Affairs, Department of the Prime Minister and Cabinet, Financial Markets Authority, Inland Revenue, Ministry of Justice, Ministry for Regulation, Office of the Privacy

IN CONFIDENCE

Commissioner, Reserve Bank of New Zealand, the Serious Fraud Office, Statistics New Zealand, and the Treasury.

20. My officials conducted public consultation in June on these requirements. Feedback from that consultation will inform the development of the requirements that will be inserted into the relevant standards.

Recommendations

I recommend that the Committee:

1. **note** that in May 2026, the Government amended regulations under the *Customer and Product Data Act 2025* (the Act) to set out the pathway for extending regulated open banking to a wider range of customers, including nearly all business customers, from 1 June 2027;
2. **note** that in response to this change, interested parties suggested some adjustments to the requirements regarding how banks' customers (such as businesses) delegate permission to individuals associated with their account (such as staff and accountants) to authorise open banking requests;
3. **note** that the Act allows these requirements to be set within either regulations or Ministry-drafted standards;
4. **agree** that these requirements should be removed from the *Customer and Product Data (General Requirements) Regulations 2025* so that their replacement can be contained within the *Customer and Product Data (Banking and Other Deposit Taking) Standards 2025*;
5. **authorise** the submission to the Executive Council of the *Customer and Product Data (General Requirements) Amendment Regulations (No 2) 2026* which give effect to the decision at paragraph 4;
6. **note** that the *Customer and Product Data (General Requirements) Amendment Regulations (No 2) 2026* will come into force on the 28th day after they are notified in the *New Zealand Gazette*.
7. **note** that sections 132 and 137 of the Act require that before recommending that regulations be made under the Act, the responsible Minister must have regard to certain matters and consult certain parties.
8. **Note** that the Minister of Commerce and Consumer Affairs advises that the requirements at paragraph 7 have been met.

Authorised for lodgement

Hon Cameron Brewer

Minister of Commerce and Consumer Affairs