



COVERSHEET

Minister	Hon Kris Faafoi	Portfolio	Commerce and Consumer Affairs
Title of Cabinet paper	Regulations to Implement the Asia Region Funds Passports Regime	Date to be published	June 2019

List of documents that have been proactively released

Date	Title	Author
May 2019	Cabinet paper: Regulations to Implement the Asia Region Funds Passports Regime	Office of Minister Commerce and Consumer Affairs
May 2019	Cabinet minute: Regulations to Implement the Asia Region Funds Passports Regime	Cabinet Office

Information redacted

NO (*please select*)

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Cabinet Legislation Committee

Minute of Decision

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Regulations to Implement the Asia Region Funds Passports Regime

Portfolio Commerce and Consumer Affairs

On 7 May 2019, the Cabinet Legislation Committee:

- 1 **noted** that in April 2016, the previous government agreed that New Zealand should join the Asia Region Funds Passport initiative and authorised the Financial Markets Authority to enter into the Memorandum of Cooperation on the Establishment and Implementation of the initiative on behalf of the New Zealand Government [EGI-16-MIN-0080];
- 2 **noted** that the following give effect to the decision referred to in paragraph 1:
 - 2.1 Financial Markets Conduct (Asia Region Funds Passport) Amendment Regulations 2019;
 - 2.2 Financial Markets Conduct (Asia Region Funds Passports) Regulations 2019; and
 - 2.3 Financial Markets Conduct (Fees) Amendment Regulations 2019;
- 3 **noted** that the Memorandum of Cooperation contemplates that fees would be applicable in relation to applications to regulators under the Funds Passport initiative and the Financial Markets Conduct (Fees) Amendment Regulations 2019 provide for those fees to be charged based on the Financial Markets Authority's hourly rate;
- 4 **authorised** the submission to the Executive Council of the:
 - 4.1 Financial Markets Conduct (Asia Region Funds Passport) Amendment Regulations 2019 [PCO 20696/4.0];
 - 4.2 Financial Markets Conduct (Asia Region Funds Passports) Regulations 2019 [PCO 20712/4.0];
 - 4.3 Financial Markets Conduct (Fees) Amendment Regulations 2019 [PCO 22068/3.0];
- 5 **noted** that the regulations referred to in paragraph 4 come into force on 14 June 2019;

- 6 **noted** that before making the above regulations, the Minister of Commerce and Consumer Affairs is required under the Financial Markets Conduct Act 2013 to:
- 6.1 consult the Financial Markets Authority;
 - 6.2 be satisfied that it is appropriate for certain New Zealand laws to apply to financial products offered to persons in other member countries; and
 - 6.3 be satisfied that it is in the public interest to exempt foreign passport funds from certain requirements in New Zealand law after having regard to the securities laws of the foreign member country and the interests of New Zealand investors;
- 7 **noted** the advice of the Minister of Commerce and Consumer Affairs that the requirements in paragraph 6 above have been met;
- 8 **noted** that after the regulations are made, the Financial Markets Authority will, at the appropriate time, notify the Joint Committee of member countries overseeing the implementation of the Funds Passport initiative that New Zealand has completed implementation.

Vivien Meek
Committee Secretary

Present:

Rt Hon Winston Peters
Hon Chris Hipkins (Chair)
Hon Andrew Little
Hon David Parker
Hon Stuart Nash
Hon Iain Lees-Galloway
Hon Tracey Martin
Hon Kris Faafoi
Hon Eugenie Sage
Hon Ruth Dyson (Senior Government Whip)

Officials present from:

Officials Committee for LEG

Hard-copy distribution:

Minister of Commerce and Consumer Affairs