



23 August 2023

Commerce Commission
PO Box 2351
Wellington 6140

By email: competition@comcom.govt.nz

Dear Sir or Madam

Bank of New Zealand's submission on the Commerce Commission's draft Collaboration and Sustainability Guidelines

Introduction

1. Bank of New Zealand (**BNZ**) welcomes the opportunity to provide a submission on the draft Collaboration and Sustainability Guidelines (**Guidelines**). BNZ's submission is based on our industry experience in working with banks and other segments on sustainability-related issues.
2. Its widely recognised that co-operation within and across industries is an important aspect of delivering system change necessary to transition to a more sustainable economy and society in future. BNZ therefore supports the intended purpose of the Guidelines - to assist businesses to understand when collaboration with competitors for sustainability objectives may raise competition issues, and if so, what steps are required to comply with the law.

BNZ's general comments on the Guidelines

3. As stated within the Guidelines, industry collaboration is likely to be necessary to meet New Zealand's international commitment to reducing greenhouse gas emissions by 2050.¹ It is helpful to note that the Commission does not wish to unnecessarily deter businesses from lawfully collaborating to promote sustainability out of fear of breaching competition law.
4. In order to deliver on that outcome of not unnecessarily deterring appropriate collaboration, BNZ submits that there should be extensive use of examples in the Guidelines to provide as much certainty as possible for entities. For participants in highly regulated industries, such as the financial services sector, there will be no appetite for potential non-compliance with laws as significant as those related to competition. As a result, those entities will want as much confidence as can be provided about the fact that they are engaging in activity that has them on the right side of the compliance line.

¹ Climate Change Response (Zero Carbon) Amendment Act 2019.



5. Specific examples of acceptable (or unacceptable) activities are essential in BNZ's view, for each market segment to have the appropriate levels of confidence. BNZ notes that the practical examples in the Guidelines do not specifically address any co-operation between banks on sustainability initiatives at a local or global level and we submit that the Guidelines would be ideally expanded to include this additional content.

BNZ would welcome the opportunity to meet with officials involved in the Guidelines if that would be helpful. Please direct any enquiries to [REDACTED]

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Yours sincerely

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