



Kaunihera Kaiwhakarite Ahumoni
Council of Financial Regulators

Memorandum of Understanding

between

Reserve Bank of New Zealand

and

Financial Markets Authority

and

The Treasury

and

Ministry of Business, Innovation and Employment

and

Commerce Commission

Memorandum of Understanding dated 14 September 2021

between **Reserve Bank of New Zealand (the RBNZ)**
and **Financial Markets Authority (the FMA)**
and **The Treasury**
and **Ministry of Business, Innovation and Employment (MBIE)**
and **Commerce Commission (the Commission)**

1. Background

- 1.1. The Council of Financial Regulators (CoFR) contributes to maximising New Zealand's sustainable economic well-being through responsive and coordinated financial system regulation. The members of CoFR are the Commission, the FMA, the RBNZ, MBIE and the Treasury (together, the parties).
- 1.2. The parties have agreed to enter into this Memorandum of Understanding to facilitate consistent cooperation and mutual assistance between them.

2. Principles

- 2.1. The parties acknowledge that in carrying out their functions, powers and duties, the exchange of information, ideas and expertise between them will support the effective and efficient performance of each party's functions, particularly in respect of matters where the parties may have a mutual interest.
- 2.2. This Memorandum of Understanding is a statement of the intent of the parties to work together and cooperate in relation to the regulation of New Zealand's financial system by encouraging where appropriate:
 - a. the exchange of information between the parties including through bilateral agreements; and
 - b. the sharing of ideas and plans for regulation or emerging risks and trends within the CoFR forum.
- 2.3. This Memorandum of Understanding will complement but not otherwise affect existing arrangements between any two or more of the parties concerning cooperation in matters relating to the regulation of New Zealand's financial system.

3. Bilateral information sharing

- 3.1. To the extent appropriate, practicable, and permitted by law, the parties will seek to enter into bilateral agreements that provide a framework for formal cooperation and information sharing between them in respect of matters where they have a mutual interest.
- 3.2. The parties understand that how they collect and share information, including with appropriate confidentiality and privacy protections, is fundamental to fostering trust and

confidence in the public service. Bilateral agreements between parties will therefore aim to address the following matters:

- a. the nature of the assistance that can be requested;
- b. the process for making a request for assistance;
- c. the maintenance of the confidentiality of any information shared; and
- d. the scope of permitted use of any information shared.

4. CoFR joint interest matters

- 4.1. In addition to the bilateral information sharing provided for in paragraph 3.1, and to the extent appropriate, practicable and permitted by law, the parties will also share information with each other or within CoFR forums that is of joint interest and relates to the regulation of New Zealand's financial system (joint interest matters), including by:
 - a. exchanging information on the development of issues, policies and laws;
 - b. exchanging experience on advocacy and outreach, including to consumers, industry, and government;
 - c. developing the capacity and effectiveness of one or more parties by providing advice or training in areas of mutual interest, including through the exchange of officials and through experience-sharing events;
 - d. sharing best practices by exchanging information and experiences on matters of mutual interest, including supervision and enforcement methods and priorities; and
 - e. collaborating on projects of mutual interest, including via establishing working groups to consider specific issues.
- 4.2. Nothing in paragraph 4.1 will require any party to share information that is confidential or regulated information or which might unreasonably inhibit any party from carrying out its functions.
- 4.3. The parties agree that there is a presumption that policy areas covered by CoFR's objectives, priorities or work plans will be joint interest matters for the purposes of paragraph 4.1.
- 4.4. The parties may agree that any other matter is a joint interest matter for the purposes of this Memorandum of Understanding. Where necessary, the parties may agree information sharing operational protocols specific to any joint interest matter.

5. Communications

- 5.1. In line with CoFR's relationship charter, the parties expect that communications with each other will be clear: easily understood, with decisions explained, and timely: provided in good time and with no surprises.
- 5.2. The communications teams of each of the parties are encouraged to share external facing communication plans and relevant timings with each other where practicable regarding matters of common interest.
- 5.3. The parties agree to maintain and exchange contact details for staff in their agency expected to participate in regular interchange.

6. Use, storage and retention of information

- 6.1. Any shared information will only be used by the receiving party for legitimate business purposes and in accordance with any confidentiality and privacy protections that the transferring party communicates to the receiving party to the extent those are consistent with the law and the receiving party's policies, processes and systems.

- 6.2. The party providing the information will indicate the level of sensitivity that applies to the information or any part of the information, where appropriate.
- 6.3. The parties agree that shared information will be stored with appropriate security measures, whether the information is in electronic form, hard copy documents or otherwise.

7. Legal

- 7.1. This Memorandum of Understanding is not intended to be legally binding.
- 7.2. Nothing in this Memorandum of Understanding shall make any party liable for the actions of another or constitute any legal relationship between the parties.
- 7.3. Nothing in this Memorandum of Understanding is intended to limit or affect the independence of any party or affect their statutory obligations.
- 7.4. The provisions in this Memorandum of Understanding are to be read subject to any Cabinet directives, and any enactment, regulations or rules.
- 7.5. Where there are changes to Government policy which affect the purpose or functions of this Memorandum of Understanding, each party agrees to inform the others of these changes at the earliest possible time thereafter and to re-negotiate any aspects of the Memorandum of Understanding if necessary.

8. Contacts

- 8.1. The parties' operational representatives for this Memorandum of Understanding are:

RBNZ

Simone Robbers, Assistant Governor / GM Governance, Strategy and Corporate Relations
Simone.robbers@rbnz.govt.nz
Telephone: 04 471 3850

FMA

Liam Mason, General Counsel
Liam.mason@fma.govt.nz
Telephone: 04 471 7657

The Treasury

Dasha Leonova, Manager, Financial Markets Team, Treasury
dasha.leonova@treasury.govt.nz
Telephone: 04 917 6117

MBIE

Tom Simcock, Manager, Financial Markets Policy
Tom.Simcock@mbie.govt.nz
Telephone: 04 901 8163

The Commission

Louise Unger, General Manager, Credit

Louise.unger@comcom.govt.nz

Telephone: 64 21 305 003

9. Costs

- 9.1. Unless the parties mutually determine otherwise, each party shall meet its own costs of meeting the commitments of this Memorandum of Understanding.

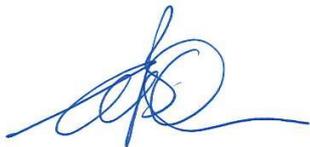
10. Issue or dispute resolution

- 10.1. All issues, disputes and differences between the parties about the interpretation or performance of this Memorandum of Understanding will be resolved at the earliest opportunity by the operational representatives, wherever possible.
- 10.2. Only when matters remain unresolved or require further adjudication should they be referred to the chief executives of the parties.

11. Review of MOU

- 11.1. The parties will review the operational effectiveness of this Memorandum of Understanding at least once a year, and a report will be provided to the chief executives of the parties.
- 11.2. Modification or termination of the Memorandum of Understanding may be undertaken by the mutual agreement of the parties.
- 11.3. Any party may discontinue its participation in the Memorandum of Understanding by giving three months' notice in writing to the other parties.

Signed by the Governor of the Reserve Bank of New Zealand



Adrian Orr

Date: 30 August 2021

Signed by the Chief Executive of the Financial Markets Authority



Rob Everett

Date: 01 September 2021

Signed by Treasury Secretary and Chief Executive of the **Treasury**



Dr Caralee McLiesh

Date: 10 September 2021

Signed by the Chief Executive of the **Ministry of Business, Innovation and Employment**



Carolyn Tremain

Date: 14 September 2021

Signed by the Chief Executive Officer of the **Commerce Commission**



Adrienne Meikle

Date: 6/9/21