



Regulatory Initiatives Calendar

Q3 2022

CoFR agencies are committed to providing industry and their representatives with certainty about the significant pipeline of regulatory change in the financial services sector.

The aim of the calendar is to set out significant pieces of work which involve CoFR agencies and to consider the best ways to manage the pipeline. It also includes selected other initiatives from other agencies which directly relate to CoFR's work (for example the work by the External Reporting Board on climate-related disclosure).

New additions to this quarter's Regulatory Initiatives Calendar include the following:

Consultations on:

- Consumer remediation guidance for businesses (Commerce Commission)
- Solvency stress test results (RBNZ)
- Climate change risk assessment (RBNZ)
- Finalisation of the interim solvency standards for insurers (RBNZ)
- Life insurance stress tests (RBNZ)
- Guidance on keeping proper accounting records for FMC reporting entities (FMA)
- Work on implementation of amendments to the Fair Trading Act on unfair contract terms and unconscionable conduct (Commerce Commission)

In addition, a number of items have been deferred compared to the timetable set out in the Q2 Calendar, including the following:

- Engagement on the Deposit Takers Bill through the select committee process (Treasury/RBNZ)
- Consultation on key officers, governance and disclosure as part of the IPSA review (RBNZ)
- Consultation on CoFI licensing fee and sales incentives – now in Q4 (MBIE)
- Consultation of FMI standards and guidance – now in Q4 (RBNZ/FMA)
- Consultation on liquidity risk management guidance for managed funds – now in Q4 (FMA)

We are continuing to work on improving and developing the Regulatory Initiatives Calendar and would welcome any feedback on how it is used, or what enhancements would be welcomed.

Council of Financial Regulators



Group	Q3 2022	Q4 2022	Q1 2023 and beyond
All firms	<p>Consultation</p> <ul style="list-style-type: none"> Exposure draft of climate statements (XRB) NEW: Consumer remediation guidance for businesses (Commerce Commission) <p>Compliance monitoring and review</p> <ul style="list-style-type: none"> Governance thematic review – completion of Phase 1 of the onsite visits (RBNZ & FMA) Commencement of Phase 2 of the offsite review of information and onsite visits (RBNZ & FMA) <p>Implementation</p> <ul style="list-style-type: none"> NEW: Amendments to Fair Trading Act - Unfair contract terms and unconscionable conduct (Commerce Commission) 	<p>Consultation</p> <ul style="list-style-type: none"> Options for changes to the operational framework for monetary policy (RBNZ) NEW: Issues related to cryptoassets as forms of money (RBNZ) <p>Implementation</p> <ul style="list-style-type: none"> Cyber data collection plan (RBNZ) <p>Compliance monitoring and review</p> <ul style="list-style-type: none"> Governance thematic review – completion of Phase 2 of the onsite visits. Review and analysis of information gathered onsite. Drafting of feedback letters and thematic report (RBNZ & FMA) 	<ul style="list-style-type: none"> Updated guide to good conduct (FMA)
Banks and non- bank deposit takers	<p>Consultation</p> <ul style="list-style-type: none"> Liquidity policy (B313) – policy review: second consultation (RBNZ) CoFI licensing fee and sales incentives consultation - TBC (MBIE) Deposit Takers Bill – opportunity for the sector to engage through select committee process. (Bill likely to be introduced in Aug 2022) (RBNZ/ Treasury) Intermediated distribution forums under the Financial Markets (Conduct of Institutions) Amendment Act (FMA) Licensing Standard Conditions for Financial Markets (Conduct of Institutions) Amendment Act (FMA) 	<p>Consultation</p> <ul style="list-style-type: none"> NEW: Proportionality approach for deposit takers (RBNZ) NEW: Intermediated distribution forums under the Financial Markets (Conduct of Institutions) Amendment Act (FMA) CoFI licensing fee and sales incentives consultation - TBC (MBIE) 	<p>Consultation</p> <ul style="list-style-type: none"> NEW: Intermediated distribution guidance under the Financial Markets (Conduct of Institutions) Amendment Act (FMA) NEW: Climate-related Disclosures guidance for record-keeping (FMA)



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Banks	<p>Consultation</p> <ul style="list-style-type: none"> Operational framework for the countercyclical capital buffer (RBNZ) Policy settings for branches of overseas banks – consultation closes 16 November 2022 (RBNZ) NEW: Solvency stress test results (RBNZ) NEW: Climate change risk assessment (RBNZ) <p>Compliance monitoring and review</p> <ul style="list-style-type: none"> Regulatory returns for Derivative Issuers (DI) Discretionary Investment Management Services (DIMS) & Managed Investment Schemes (MIS) due September 2022 (FMA) Bilateral discussions / industry workshops on framework for DSRs (RBNZ) 	<p>Consultation</p> <ul style="list-style-type: none"> Bilateral discussions / industry workshops on framework for DSRs (RBNZ). Possible follow-up consultation on detailed design of DSRs (RBNZ). 	<p>Consultation</p> <ul style="list-style-type: none"> NEW: Standardised operational risk (RBNZ)
Insurers	<p>Consultation</p> <ul style="list-style-type: none"> CoFI licensing fee and sales incentives consultation - TBC (MBIE) IPSA review – key officers, governance and disclosure (RBNZ) (Q3-4) NEW: Finalisation of interim solvency standard (RBNZ) NEW: Life Insurance stress test (RBNZ) NEW: Intermediated distribution forums under the Financial Markets (Conduct of Institutions) Amendment Act (FMA) NEW: Licensing Standard Conditions for Financial Markets (Conduct of Institutions) Amendment Act (FMA) <p>Compliance monitoring and review</p> <ul style="list-style-type: none"> Conduct and Culture follow up, six monthly (FMA/RBNZ) 	<p>Consultation</p> <ul style="list-style-type: none"> NEW: Intermediated distribution forums under the Financial Markets (Conduct of Institutions) Amendment Act (FMA) CoFI licensing fee and sales incentives consultation - TBC (MBIE) <p>Implementation</p> <ul style="list-style-type: none"> NEW: Commence issuance of new solvency license conditions to insurers (RBNZ) 	<p>Consultation</p> <ul style="list-style-type: none"> NEW: 3 consultation cycles leading to the final solvency standard (RBNZ) NEW: Intermediated distribution guidance under the Financial Markets (Conduct of Institutions) Amendment Act (FMA) NEW: Climate-related Disclosures consultation on guidance for record-keeping (FMA)



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Financial Market Infrastructures		Consultation <ul style="list-style-type: none"> FMI Standards and guidance (RBNZ and FMA) 	Compliance monitoring and review <ul style="list-style-type: none"> Making of FMI Standards and issuing of guidance (RBNZ and FMA) NEW: Designation notices and equivalence assessments
Managed investment schemes / KiwiSaver providers	Compliance monitoring and review <ul style="list-style-type: none"> Reg returns MIS due Sep 2022 (FMA) 	Consultation <ul style="list-style-type: none"> Liquidity Risk Management guidance (FMA) 	Consultation <ul style="list-style-type: none"> NEW: Climate-related Disclosures consultation on guidance for record-keeping (FMA)
Discretionary Investment Management Services (DIMS)	Compliance monitoring and review <ul style="list-style-type: none"> NEW: Sector Risk Assessment responses due 31 August (FMA) 		
Financial Advice Providers	Consultation <ul style="list-style-type: none"> Regulatory returns – financial advice providers (FMA) Intermediated distribution forums under the Financial Markets (Conduct of Institutions) Act (FMA) 	Consultation <ul style="list-style-type: none"> NEW: Intermediated distribution forums under the Financial Markets (Conduct of Institutions) Amendment Act (FMA) 	
Supervisors		Consultation <ul style="list-style-type: none"> Liquidity Risk Management guidance for managed funds (FMA) 	
Client money and property service providers and custodians		Consultation <ul style="list-style-type: none"> NEW: Draft client money and property services providers and custodians guidance following FSLAA implementation (FMA) 	
Credit providers		Consultation <ul style="list-style-type: none"> NEW: Annual Returns guidance (Commerce Commission) 	Implementation <ul style="list-style-type: none"> NEW: Regulations specify Annual Return content (to be provided to Commerce Commission by consumer credit providers by 30 June 2024)
Cash system operators			Consultation <ul style="list-style-type: none"> Banknote processing machine standards (RBNZ) (Banks, cash in transit industry, independent ATM operators, business equipment manufacturers, retailers)



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FMC reporting entities	Consultation <ul style="list-style-type: none"> Keeping proper accounting records guidance (FMA) 		
Retail Payment Network Participants	Consultation <ul style="list-style-type: none"> Retail payment system regime implementation, initial pricing standard guidance and compliance approach (Commerce Commission) 	Implementation <ul style="list-style-type: none"> Retail payment system regime implementation, initial pricing standard guidance and compliance approach (Commerce Commission) 	

Upcoming initiatives – timing still to be confirmed

All firms

- Consultation on Cyber data collection plan (RBNZ)
- Money and Cash Stewardship Accountability Framework, CBDC design and policy, and Cash system redesign consultation (RBNZ)
- Consumer data right – exposure draft to be released no earlier than Q4 2022 (MBIE)

Banks

- Review of stress-testing framework (RBNZ)
- Residential Mortgage Backed Securities (RBNZ)
 - Development of high grade RMBS standard to address shortages of high quality liquid assets
- Future of Payments: review of New Zealand's electronic payment systems (RBNZ)
 - This review has been established to assess the capabilities and performance of New Zealand's electronic payments systems relative to the public's needs, international peers, and global benchmarks. The output from the review is a bulletin article (targeted for Q2/3 2022) detailing our findings and potential areas of further investigation (RBNZ)

Insurers

- Insurance contract law review (MBIE)

Work currently on hold

Banks

- Review of the Bank Financial Strength Dashboard (RBNZ)

Banks, non-bank deposit takers and insurers

- Executive accountability regime (RBNZ, MBIE and FMA)

Notes

- **Consultation** includes planned engagement with the financial sector, whether informally or via the release of discussion documents or consultation papers. It also includes the passage of legislation through Parliament, where further input from the sector may be requested during the select committee stage.
- **Implementation** includes timetables and deadlines for implementation of different phases of a project, plus any additional consultation required to implement policy decisions that have already been taken
- **Compliance monitoring and review** includes material information requests and assessments, thematic reviews and post-implementation reviews.