

Council of Financial Regulators

Regulatory initiatives affecting the financial sector – forward plan

Group	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021
All firms	<p>Consultation closes:</p> <ul style="list-style-type: none"> • Consumer Data Right (5 Oct) (MBIE) <p>Consultation starts:</p> <ul style="list-style-type: none"> • Principles-based guidance on cyber-resilience (RBNZ) 	<p>Consultations start:</p> <ul style="list-style-type: none"> • Review of Financial Strength dashboard (possible scope extensions) (RBNZ) • Standards for banknote-processing machines (RBNZ) 	<p>Consultation starts:</p> <ul style="list-style-type: none"> • Executive accountability regime (MBIE + RBNZ, FMA) 		
Banks	<p>Consultation closes:</p> <ul style="list-style-type: none"> • Review of the Reserve Bank Act – prudential regime for deposit takers and deposit insurance (23 Oct) (Treasury & RBNZ) • Select committee process likely to commence on the Reserve Bank of New Zealand Bill (Treasury) <p>Consultations start:</p> <ul style="list-style-type: none"> • Capital requirements for banks - Exposure draft on the capital review (RBNZ) • Standard terms for Residential Mortgage Obligations (RBNZ) • Restructure of Banking Supervision handbook (RBNZ) • Encumbrance policy (RBNZ) • Revised process for approving banks' internal capital adequacy models for credit risk (RBNZ) • Regulations for the Conduct of Financial Institutions regime (MBIE) <p>Implementation:</p> <ul style="list-style-type: none"> • Breach reporting and materiality (RBNZ): implementation work to be restarted in October 2020 – breach reporting to start from 1 January 2021 • Preparation for potential Negative OCR (RBNZ) – to be completed by 1 December 2020 	<p>Consultations start:</p> <ul style="list-style-type: none"> • Review of the Dual Registration and branch policy (RBNZ) • Standardised measurement approach to operational risk (RBNZ) 	<p>Consultation starts:</p> <ul style="list-style-type: none"> • Large exposures policy review (RBNZ) 		<p>Consultations start:</p> <ul style="list-style-type: none"> • Likely exposure draft of the legislation for deposit takers and deposit insurance (Treasury & RBNZ) • Counter-cyclical capital buffer (RBNZ)
Insurers	<p>Consultations start:</p> <ul style="list-style-type: none"> • Review of Earthquake Commission Act (Treasury) • Review of the Insurance (Prudential Supervision) Act 2010 (RBNZ) – consultation on scope and treatment of overseas insurers • Review of insurance solvency standards (RBNZ) • Availability of information on risk and insurance for consumers (Treasury) • Regulations for the Conduct of Financial Institutions regime (MBIE) 	<p>Consultation starts:</p> <ul style="list-style-type: none"> • Exposure draft of legislation for Insurance Contract Law review (MBIE) <p>Consultation continues:</p> <ul style="list-style-type: none"> • Review of Earthquake Commission Act (Treasury) 	<p>Consultation starts:</p> <ul style="list-style-type: none"> • Exposure draft of interim solvency standards (RBNZ) 		
Managed investment schemes / KiwiSaver providers	<p>Request for proposals:</p> <ul style="list-style-type: none"> • Review of KiwiSaver default providers (MBIE and the Treasury) 				

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Managed investment schemes / KiwiSaver providers	<p>Return to normal:</p> <ul style="list-style-type: none"> Restricted schemes member confirmation notice (FMA) - Usual requirements apply again from 1 November 2020 (after two month extension) <p>Industry survey:</p> <ul style="list-style-type: none"> Thematic review on liquidity management (FMA) – Two part industry survey. First released early August, second currently scheduled early November 				
Financial advisors	<p>Results of consultation:</p> <ul style="list-style-type: none"> Standard conditions/Application guide for full licensing (FMA) 	<p>Commencement:</p> <ul style="list-style-type: none"> New financial advice regime in force from 15 Mar 2021 (FMA) 			
Credit providers		<p>Expiry of temporary measure:</p> <ul style="list-style-type: none"> Addendum to Responsible Lending Code – expires 31 Mar 2021 (extended from 30 Nov 2020) <p>Consultation starts:</p> <ul style="list-style-type: none"> Further amendments to the Responsible Lending Code 	<p>Commencement:</p> <ul style="list-style-type: none"> Fit and proper certification: applications open – 1 June 2021 (ComCom) 		<p>Commencement:</p> <ul style="list-style-type: none"> New requirements under the CCLAA – 1 Oct 2021 New duties on directors and senior managers – 1 Oct 2021 Directors and senior managers to be certified by 1 Oct 2021
Auditors	<p>Return to normal:</p> <ul style="list-style-type: none"> Audit Quality Reviews - BAU, had been deferred (FMA) 				
Financial Market Infrastructures		<p>Consultation starts:</p> <p>Proposed Standards under the FMI Bill (RBNZ/FMA).</p>			

Initiatives where timing to be confirmed

Financial institutions

- Requirement to report annually on climate risks – due to come into force by 2023, subject to Parliamentary approval (FMA and External Reporting Board)

Banks

- Liquidity policy (BS13) – thematic and policy reviews (RBNZ)
- Review of stress-testing framework and conducting bank stress-tests (RBNZ)
- Residential Mortgage Backed Securities (RMBS): development of high grade RMBS standard to address shortages of high quality liquid assets (RBNZ)