

Exemptions, other legislative notices, and unnecessary compliance costs

About this consultation

One of our objectives is to minimise unnecessary regulatory burden where the costs of compliance outweigh the intended benefits of the regulation. We have a number of ways to do this. They include issuing legislative notices such as exemptions, designations, frameworks or methodologies, and financial reporting level of accountability notices.

While these legislative notices have been carefully considered before being issued, it is possible that some notices might inadvertently fail to effectively minimise unnecessary compliance costs. This may become apparent only after participants have been operating under a notice for a period of time.

We seek feedback on any notice that:

- has not effectively minimised the compliance costs it aims to address
- causes unintended compliance cost
- could go further to address unnecessary compliance costs not identified when the notice was made.

We also seek your feedback on how the notice could be amended to address the unnecessary compliance costs you identify.

Please use the form attached to provide your feedback by **31 August 2018**.

Your feedback will be considered in our current review of the effectiveness of our legislative notices. Outside the scope of this particular review, we welcome feedback on any legislative notices granted by us.

This project is part of our ongoing efforts to ensure the burden imposed by regulation is proportionate and appropriate when considered against the benefits of regulation for fair, efficient, and transparent markets. This work also includes our annual Ease of Doing Business Survey which will be released shortly.

This consultation paper is for participants who rely on our legislative notices; legal advisers; and other interested parties.

It seeks feedback on whether any notice granted by us insufficiently addresses, or inadvertently creates, unnecessary compliance costs.

Exemptions, other legislative notices, and unnecessary compliance costs

One of our objectives is to minimise regulatory burden where the costs of compliance outweigh the intended benefits of the regulation. This reflects one of the purposes of the Financial Markets Conduct Act 2013 — to avoid unnecessary compliance costs. One of the ways we minimise regulatory burden is through issuing legislative notices such as exemptions, designations, frameworks or methodologies, and financial reporting level of accountability notices. More information on legislative notices, and how we make them, is available on our [website](#).

We carefully consider compliance costs when making a legislative notice (including the costs of any conditions imposed by the notice). However, it is possible that some notices might inadvertently fail to effectively minimise unnecessary compliance costs by either imposing, or not removing, requirements that are unnecessary to meet the objectives of the notice. This may become apparent only after participants have been operating under a notice for a period of time.

We would like your feedback on:

- any notice that fails to minimise unnecessary compliance costs
- any unintended consequences of our notices that have come to light since they were granted
- what amendments could be made to a notice that would minimise these unnecessary costs while still meeting the policy objectives of the original statutory requirement.

Please use the form attached to provide your feedback.

The development of our regulatory response to any issues raised will be prioritised against other FMA work based on the impact the policy response would have.

Feedback form: Exemptions, other legislative notices, and unnecessary compliance cost

Please submit this feedback form electronically in both PDF and MS Word formats and email it to us at consultation@fma.govt.nz with 'Exemptions, other legislative notices and unnecessary compliance cost: [your organisation's name]' in the subject line.

We welcome feedback on notices at any time. As we are currently reviewing the effectiveness of our legislative notices it would be a particularly useful if your feedback could be provided by **31 August 2018**.

Date: _____ Number of pages: _____

Name of submitter: _____

Company or entity: _____

Organisation type: _____

Contact name (if different): _____

Contact email and phone: _____

Response

Please note: Feedback received is subject to the Official Information Act 1982. We may make submissions available on our website, compile a summary of submissions, or draw attention to individual submissions in internal or external reports. If you want us to withhold any commercially sensitive or proprietary information in your submission, please clearly state this and note the specific section. We will consider your request in line with our obligations under the Official Information Act.

Thank you for your feedback – we appreciate your time and input.