

Ministerial Exemptions Under the Anti-Money Laundering and Countering Financing of Terrorism Act 2009

In accordance with section 157(6)(b) of the Anti-Money Laundering and Countering Financing of Terrorism Act 2009 (“Act”), the Associate Minister of Justice gave notice on 20 February 2019 that he has granted the following exemption from the Act:

Ministerial Exemption: Nga Tangata Microfinance Limited

Exempting Nga Tangata Microfinance Limited (“NTML”) from the following provisions of the Act:

- a. Sections 10–71 inclusive.

This exemption is made subject to the following conditions:

- a. NTML must inform the Ministry of Justice of any changes that may affect the exemption within 10 working days of when the change occurs.

The exemption has been made for the following reasons:

- a. the risk of money laundering/terrorist financing associated with NTML’s business activities is low. NTML is a not-for-profit organisation that offers interest-free loans to a specific group of customers that meet strict eligibility criteria;
- b. granting this exemption would have little to no impact on the prevention, detection and prosecution of money laundering/terrorist financing offences;
- c. NTML, in the absence of an exemption, would be subject to an undue regulatory burden. The effect of this is likely to increase the risk of NTML ceasing to provide its services to members of financially disadvantaged communities; and
- d. granting this exemption is unlikely to affect third-party reporting entities since NTML offers distinct services and transactions compared with mainstream financial lenders. These mainstream financial lenders will not be detrimentally affected by NTML being granted an exemption.

This exemption comes into force on 22 January 2019.

This exemption will expire on 30 June 2023.

Any person wishing to provide comment on this notice should contact the Terrorism and Law Enforcement Stewardship Team at the Ministry of Justice by emailing amlcft.exemptions@justice.govt.nz.