

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 6 April 2020 that he has granted the following exemption from the Act:

Ministerial exemption: Provincial Growth Fund Limited

Exempting Provincial Growth Fund Limited (“PGFL”) from the following provisions of the Act:

- a. Sections 10–71 inclusive.

This exemption has been made subject to the following conditions:

- a. the exemption is limited to the activities of PGFL only; and
- b. PGFL must inform the Ministry of Justice of any changes that may affect the exemption within 14 days of when the change occurs.

This exemption has been granted for the following reasons:

- a. as a Crown owned company, PGFL is subject to a number of public accountability and transparency mechanisms as well as Ministerial oversight under the Public Finance Act 1989, the Crown Entities Act 2004, the Official Information Act 1982, the Public Audit Act 2001 and the Ombudsmen Act 1975;
- b. the risk of money laundering and terrorist financing associated with PGFL is low, as:
 - i. PGFL can only invest Crown money. PGFL does not invest funds belonging to or on behalf of a third party as it has no authority to do so; and
 - ii. PGFL’s activities are subject to legislative constraints and Ministerial oversight;
- a. PGFL is a Crown company created for a specific purpose, which has no competitors. Consequently, there are no issues of competitive advantage or disadvantage to address; and
- b. the obligations imposed on PGFL by the Act would be disproportionate, given the very low risk of money laundering or terrorist financing in the circumstances outlined in this exemption.

This exemption comes into force on 16 March 2020.

This exemption will expire on 28 February 2025.

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.