

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 25 July 2018 that he has granted the following exemption from the Act:

Ministerial exemption: Guardians of New Zealand Superannuation

Exempting Guardians of New Zealand Superannuation (“Guardians”) from all provisions of the Act.

This exemption is made subject to the condition that Guardians must inform the Ministry of Justice of any changes that may affect the exemption within 14 days of when the change occurs.

The exemption has been made for the following reasons:

- a. Guardians is subject to a number of public accountability and transparency mechanisms, including the New Zealand Superannuation and Retirement Income Act 2001, the Crown Entities Act 2004, the Official Information Act 1982, the Public Audit Act 2001, and the Public Records Act 2005 and its financial statements are subject to review by a Parliamentary Select Committee. In addition, Guardians must respond to Parliamentary Questions.
- b. The risk of money laundering/terrorist financing through Guardians is low as:
 - i. Guardian’s sole function is to invest the New Zealand Superannuation Fund, being a pool of assets owned by the Crown, pursuant to a statutory mandate. Guardian’s sole customer for the purposes of the Act is the Crown;
 - ii. Guardians does not manage or administer funds for third parties (nor is it empowered to do so), receive any funds directly from the public or pay any funds directly to the public or provide any account or arrangement through which third parties can conduct transactions;
 - iii. payments into and out of the New Zealand Superannuation Fund are prescribed by statute; and
 - iv. the Crown is the sole recipient of capital payments out of the New Zealand Superannuation Fund.

The obligations imposed on Guardians by the Act would be disproportionate given the low risk of money laundering or terrorist financing outlined in this exemption.

This exemption comes into force on 23 July 2018.

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.