

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 12 January 2022 that he has granted the following exemption from the Act:

Ministerial Exemption: Taitokerau Education Trust

Exempting Taitokerau Education Trust (TET) from sections 10–71 of the Act in relation to the provision of laptops to students.

This exemption is made subject to the condition that TET must inform the Ministry of Justice of any changes that may affect the exemption within 10 working days from which the change affecting the exemption occurs.

The exemption has been made for the following reasons:

- a. The risk of money laundering/terrorism financing associated with TET is low. TET only operates to provide Chromebooks to students, train teachers and gather research data on the Trust’s education programme. The lending that TET carries out is on a small scale, with a small customer base – the loans are limited to the price of \$530.00 (the cost of a Chromebook).
- b. This exemption would have little to no impact on the prevention, detection, investigation and prosecution of money laundering/terrorism financing offences. The lenders are selected from the Northland region based on needs. A relationship between TET and the family continues throughout the lending process, which allows TET to identify any suspicious activity;
- c. In the absence of an exemption, the costs of compliance for TET would be considerable compared to the low level of money-laundering and terrorism financing risk. TET relies on volunteers and operates with minimal staff. Funds used to comply with the regime would ultimately reduce the funds available to carry out charitable community education.
- d. The exemption does not create an unfair advantage. TET does not compete with other entities in the sector that it operates in. Similar exemptions have been granted to third party reporting entities with a comparable charitable purpose.
- e. The exemption would not adversely affect the integrity of and compliance with, the AML/CFT regime. This is because TET poses a low ML/TF risk, as its purpose is to provide educational services to communities in need in the Northland region.

This exemption comes into force on 17 December 2021.

This exemption will expire on 17 December 2026.

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.