



Financial Market Infrastructures Regulations 2023

Cindy Kiro, Governor-General

Order in Council

At Wellington this 22nd day of May 2023

Present:

Her Excellency the Governor-General in Council

These regulations are made under section 153 of the Financial Market Infrastructures Act 2021—

- (a) on the advice and with the consent of the Executive Council; and
- (b) on the advice of the Minister of Finance and the Minister of Commerce and Consumer Affairs given in accordance with the recommendation of the Reserve Bank of New Zealand and the Financial Markets Authority.

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Regulations

1 Title

These regulations are the Financial Market Infrastructures Regulations 2023.

2 Commencement

These regulations come into force on 3 July 2023.

3 Interpretation

In these regulations, unless the context otherwise requires, **Act** means the Financial Market Infrastructures Act 2021.

4 Transitional, savings, and related provisions

The transitional, savings, and related provisions (if any) set out in Schedule 1 have effect according to their terms.

Part 1

Fees

5 Fee for application for issue of designation notice

- (1) An operator of an FMI who applies for the issue of a designation notice under section 25(1) or (2) of the Act must pay an application fee to the regulator of \$39,130.
- (2) The fee is exclusive of any GST payable.
- (3) The fee is payable in accordance with an invoice from the regulator.

6 Refunds or waivers of fees

- (1) The regulator may refund or waive, in whole or in part, payment of any fee that is payable under these regulations in relation to any person or class of persons.

Example

The regulator may refund or waive a fee if satisfied that the FMI in respect of which an application was made has been designated on the regulator's own initiative in accordance with section 26 of the Act on the basis that the FMI is systemically important.

- (2) An instrument by which the regulator grants a refund or waiver is secondary legislation (*see* Part 3 of the Legislation Act 2019 for publication requirements), unless it applies only to 1 or more named persons.

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| Legislation Act 2019 requirements for secondary legislation made under this regulation | | |
| Publication | The maker must publish it in accordance with the Legislation (Publication) Regulations 2021 | LA19 s 74(1)(aa) |
| Presentation | The Minister must present it to the House of Representatives | LA19 s 114 |
| Disallowance | It may be disallowed by the House of Representatives | LA19 ss 115, 116 |

This note is not part of the secondary legislation.

Part 2

Overseas FMIs

7 Standards for overseas FMIs

- (1) This regulation applies for the purpose of section 34(3)(c) of the Act.
- (2) A standard may require an operator of an overseas FMI to give to the regulator reports relating to contraventions of regulatory requirements imposed by or under the law of their home jurisdiction.

Schedule 1

Transitional, savings, and related provisions

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There are no transitional, savings, or related provisions in these regulations as made.

Rachel Hayward,
Clerk of the Executive Council.

Explanatory note

This note is not part of the regulations, but is intended to indicate their general effect.

These regulations, which come into force on 3 July 2023, are made under the Financial Market Infrastructures Act 2021 (the **Act**). Financial market infrastructures (**FMI**s) are systems such as multilateral systems for the clearing, settling, or recording of payments, personal property, or transactions within the financial system.

The regulations prescribe a fee for an FMI that is payable to the regulator, authorise the regulator to refund or waive a fee, and extend the matters about which standards can be made in relation to overseas FMIs. The regulator is the Reserve Bank of New Zealand and the Financial Markets Authority acting jointly (*see* section 9 of the Act) unless section 10(1) or (3) of the Act applies.

Regulation 5 prescribes a fee of \$39,130 for an application for the issue of a designation notice under section 25(1) or (2) of the Act.

Regulation 6 authorises the regulator to refund or waive (in whole or in part) a fee payable under these regulations.

Regulation 7 provides that a standard may require an operator of an overseas FMI to give to the regulator reports relating to contraventions of regulatory requirements imposed by or under the law of their home jurisdiction.

Regulatory impact statement

The Reserve Bank of New Zealand and the Financial Markets Authority produced a regulatory impact statement on 13 September 2022 to help inform the decisions taken by the Government relating to the contents of these regulations.

A copy of this regulatory impact statement can be found at—

- <https://www.rbnz.govt.nz/regulation-and-supervision/our-oversight-of-financial-market-infrastructures/developing-the-legislative-framework-for-financial-market-infrastructures>
- <https://treasury.govt.nz/publications/informationreleases/ris>

Issued under the authority of the Legislation Act 2019.

Date of notification in *Gazette*: 25 May 2023.

These regulations are administered by the Reserve Bank of New Zealand.