



COVERSHEET

Ministers	Hon Grant Robertson Hon Kris Faafoi	Portfolio	Finance Commerce and Consumer Affairs
Title of Cabinet paper	Extending COVID-19 related regulatory relief for businesses	Date to be published	No later than 3 November 2020

List of documents that have been proactively released		
Date	Title	Author
29 July 2020	<i>Extending COVID-19 related regulatory relief for businesses</i>	Offices of the Minister of Finance and of the Minister of Commerce and Consumer Affairs
29 July 2020	<i>CAB-20-MIN-0444 – Extending COVID-19 related regulatory relief for businesses: Orders in Council</i>	Cabinet Office

Information redacted

NO

Any information redacted in this document is redacted in accordance with MBIE's policy on Proactive Release and is labelled with the reason for redaction. This may include information that would be redacted if this information was requested under Official Information Act 1982. Where this is the case, the reasons for withholding information are listed below. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.



Cabinet

Minute of Decision

This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.

Extending COVID-19 Related Regulatory Relief for Businesses: Orders in Council

Portfolios **Finance / Commerce and Consumer Affairs**

On 21 September 2020, Cabinet:

Electronic meetings and exemptions from certain governance requirements

- 1 **noted** that the powers granted under Parts 2 and 3 of the COVID-19 Response (Requirements for Entities – Modifications and Exemptions) Act 2020 (M+E Act) are due to expire at the close of 30 November 2020;
- 2 **noted** that, under section 42 of the M+E Act, all or any of these powers can be extended up to 31 March 2021 by Order in Council made on the recommendation of the Minister of Finance and the Minister of Commerce and Consumer Affairs, provided that the Ministers are satisfied that:
 - 2.1 the order is necessary and desirable to address the effects of COVID-19;
 - 2.2 the period of the extension is no longer than is reasonably necessary to address the matters that gave rise to it;
- 3 **noted** that section 42 of the M+E Act also provides that, before making a decision on an extension recommendation, the Minister of Finance and the Minister of Commerce and Consumer Affairs must consult the Ministers responsible for the Acts the extension would concern;
- 4 **noted** the advice of the Minister of Finance and the Minister of Commerce and Consumer Affairs that:
 - 4.1 the consultation requirement referred to in paragraph 3 has been met;
 - 4.2 the criteria for extension referred to in paragraph 2 have been met;
- 5 **noted** the decision of the Minister of Finance and the Minister of Commerce and Consumer Affairs to extend the powers granted under Part 2 and Part 3 of the M+E Act, until the close of 31 March 2021;

Electronic transactions

- 6 **noted** that on 3 April 2020, the COVID-19 Ministerial Group agreed to amend the Contract and Commercial Law Act 2017 so that the provisions in that Act relating to electronic signatures apply to security agreements containing powers of attorney;

- 7 **noted** that the provisions providing this relief under the Contract and Commercial Law Act 2017 are due to expire at the close of 15 November 2020;
- 8 **noted** that under section 218B of the Contract and Commercial Law Act 2017 the Minister of Finance and the Minister of Commerce and Consumer Affairs are, acting jointly, able to extend by six months the ability to use electronic signatures to enter into security agreements;
- 9 **noted** that section 218C of the Contract and Commercial Law Act 2017 requires the Ministers to be satisfied that the extension is:
- 9.1 necessary or desirable to address the effects of COVID-19;
- 9.2 no longer than reasonably necessary to address those effects;
- 10 **noted** the advice of the Minister of Finance and the Minister of Commerce and Consumer Affairs that these criteria have been met;
- 11 **noted** the decision of the Minister of Finance and the Minister of Commerce and Consumer Affairs to extend the ability to use electronic signatures to enter into security agreements until the close of 15 May 2021;

Regulations

- 12 **noted** that the COVID-19 Response (Requirements For Entities—Modifications and Exemptions) (Extension) Order 2020 will give effect to the decision of the Minister of Finance and the Minister of Commerce and Consumer Affairs to extend the powers under the M+E Act;
- 13 **noted** that the Contract and Commercial Law (COVID-19—Extension of Modification Relating to Powers of Attorney) Order 2020 will give effect the decision of the Minister of Finance and the Minister of Commerce and Consumer Affairs to extend the ability to use electronic signatures to enter into security agreements under the Contract and Commercial Law Act 2017;
- 14 **authorised** the submission to the Executive Council of:
- 14.1 the COVID-19 Response (Requirements For Entities—Modifications and Exemptions) (Extension) Order 2020 [PCO 23140/5.0];
- 14.2 the Contract and Commercial Law (COVID-19—Extension of Modification Relating to Powers of Attorney) Order 2020 [PCO 23120/4.0];
- 15 **noted** that the COVID-19 Response (Requirements For Entities—Modifications and Exemptions) (Extension) Order 2020 will come into force on 30 November 2020;
- 16 **noted** that the Contract and Commercial Law (COVID-19—Extension of Modification Relating to Powers of Attorney) Order 2020 will come into force on 15 November 2020.

Michael Webster
Secretary of the Cabinet