



## COVERSHEET

<b>Minister</b>	Hon Dr David Clark	<b>Portfolio</b>	Commerce and Consumer Affairs
<b>Title of Cabinet paper</b>	Regulations to facilitate the operation of a 'stepping-stone' financial product market	<b>Date to be published</b>	By 29 June 2021

<b>List of documents that have been proactively released</b>		
<b>Date</b>	<b>Title</b>	<b>Author</b>
November 2020	Agreement to regulations for a 'stepping-stone' financial product market	Office of the Minister of Commerce and Consumer Affairs
20 November 2020	Proposed Regulations for a 'stepping-stone' Financial Product Market DEV-19-MIN-0313	Cabinet Office
May 2021	Regulations to facilitate the operation of a 'stepping-stone' financial product market	Office of the Minister of Commerce and Consumer Affairs
13 May 2021	Regulations to facilitate the operation of a 'stepping-stone' financial product market LEG-21-MIN-0059	Cabinet Office
May 2020	Impact Summary: Assessment of regulations under the Financial Markets Conduct Act 2013 for 'MyCap Markets'	MBIE

### **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 Legislation Committee

## 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.*

---

### Regulations to Facilitate the Operation of a 'Stepping-stone' Financial Product Market

**Portfolio** Commerce and Consumer Affairs

On 13 May 2021, the Cabinet Legislation Committee:

- 1 **noted** that the Minister of Commerce and Consumer Affairs received an application from Catalist Markets Limited for a licence to operate a financial product market, and previously advised Cabinet of his intention to issue the licence, subject to conditions [DEV-19-MIN-0313];
- 2 **noted** that in November 2019, the Cabinet Economic Development Committee agreed that regulations be made to facilitate the operation of a 'stepping-stone' financial product market, specifically to set the alternative disclosure and reporting requirements [DEV-19-MIN-0313];
- 3 **noted** that the Financial Markets Conduct (Catalist Public Market) Regulations 2021 and the Financial Markets Conduct (Approval of Catalist Electronic Transfer System) Order 2021 give effect to the decision in paragraph 2 above;
- 4 **authorised** the submission to the Executive Council of the Financial Markets Conduct (Catalist Public Market) Regulations 2021 [PCO 22755/5.0];
- 5 **noted** that in November 2019, the Cabinet Economic Development Committee agreed that regulations be made approving the electronic transfer system proposed by Catalist Markets Limited under section 376 of the Act [DEV-19-MIN-0313];
- 6 **noted** that the Financial Markets Conduct (Approval of Catalist Electronic Transfer System) Order 2021 gives effect to the decision in paragraph 5 above;
- 7 **authorised** the submission to the Executive Council of the Financial Markets Conduct (Approval of Catalist Electronic Transfer System) Order 2021 [PCO 22782/7.0];
- 8 **noted** that once regulations and Order have been made, the Minister of Commerce and Consumer Affairs will issue the licence and announce that he has issued a licence and that the regulations to allow that market to operate have been made;

- 9 **noted** that the Minister of Commerce and Consumer Affairs may delay the proactive release of the paper under LEG-21-SUB-0059 beyond 30 business days, if necessary, until the regulations are in place and a licence to operate a financial product markets has been issued, to minimise any potential commercial risks.

Rebecca Davies  
Committee Secretary

---

**Present:**

Hon Chris Hipkins (Chair)  
Hon Andrew Little  
Hon David Parker  
Hon Damien O'Connor  
Hon Poto Williams  
Hon Kris Faafoi  
Hon Jan Tinetti  
Hon Michael Wood (Deputy Chair)  
Hon Dr David Clark  
Keiran McAnulty, MP (Senior Government Whip)

**Officials present from:**

Office of the Prime Minister  
Officials Committee for LEG

**Hard-copy distribution:**

Minister of Commerce and Consumer Affairs