



COVERSHEET

Minister	Hon Dr Duncan Webb	Portfolio	Commerce and Consumer Affairs
Title of Cabinet paper	Climate-related disclosures regulations: filing fee and technical matters	Date to be published	2 October 2023

List of documents that have been proactively released

Date	Title	Author
August 2023	Climate-related disclosures regulations: filing fee and technical matters	Office of the Minister of Commerce and Consumer Affairs
August 2023	Cost Recovery Impact Statement: Regulations to introduce a fee for lodging climate statements	MBIE
16 August 2023	Cabinet Economic Development Committee DEV-23-MIN-0179 Minute	Cabinet Office

Information redacted

YES

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.

Some information has been withheld for the reasons of Legal professional privilege and Confidential advice to Government.



Cabinet Economic Development 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.

Climate-Related Disclosures Regulations: Filing Fee and Technical Matters

Portfolio Commerce and Consumer Affairs

On 16 August 2023, the Cabinet Economic Development Committee:

Background

- 1 **noted** that the first climate statements will be lodged by climate reporting entities (CREs) between 1 January and 30 April 2024;
- 2 **noted** that regulations relating to the climate-related disclosures register (the Register) need to be introduced by January 2024 so that the fee and the other technical regulations relating to the Register are in place before the Register is operational and the first climate statements are lodged;
- 3 **noted** that section 549 of the Financial Markets Conduct Act 2013 (FMC Act) requires that the responsible Minister consult with the Financial Markets Authority before recommending regulations under section 548 of the FMC Act as proposed;
- 4 **noted** the advice of the Minister for Commerce and Consumer Affairs that the consultation requirement has been met;

Purpose to search the Register

- 5 **noted** that pursuant to clause 12 of Schedule 2 of the FMC Act, a search of the Register may only be carried out for a prescribed purpose;
- 6 **noted** that section 548(1)(k) of the FMC Act provides that regulations may be made prescribing procedures and requirements for registers kept under the FMC Act;
- 7 **agreed** that the Register may be searched:
 - 7.1 to obtain information displayed on the Register (e.g., in the climate statements or any notification of exempt status);
 - 7.2 to assist any person:
 - 7.2.1 in the exercise of the person's powers under the FMC Act or any other enactment; or

- 7.2.2 in the performance of the person's functions or duties under the FMC Act or any other enactment;

Search criteria for the Register

- 8 **noted** that clause 12 of Schedule 2 of the FMC Act provides that the Register may be searched by reference to prescribed criteria;
- 9 **noted** that section 548(1)(k) of the FMC Act allows regulations to be made prescribing search criteria for the Register;
- 10 **agreed** that the search criteria of the Register be:
- 10.1 CRE name;
 - 10.2 CRE New Zealand Business Number (NZBN);
 - 10.3 scheme name (if the CRE is an investment scheme manager);

Information to appear on the Register

- 11 **noted** that section 548(1)(k) of the FMC Act provides that regulations may be made prescribing information to be contained in the Register;
- 12 **agreed** that the information to be contained in the Register about each CRE is:
- 12.1 CRE legal name;
 - 12.2 CRE NZBN (if any);
 - 12.3 the climate statements or notification of exempt status lodged by the CRE;
 - 12.4 the assurance report on the climate statements (from October 2024);
 - 12.5 the CRE's balance date to which the climate statements or exemption relate;
 - 12.6 if the CRE is an investment scheme manager, the scheme or schemes managed by the investment scheme manager (managed investment scheme managers will either produce climate statements for each separate fund in a scheme or they will consolidate reporting at a scheme level);

Amendments to the Register

- 13 **noted** that section 548(1)(k) of the FMC Act provides that regulations may be made prescribing circumstances in which amendments must be made to the Register;
- 14 **agreed** that if a CRE that is not an issuer informs the Registrar of Financial Service Providers (the Registrar) of information that is different from the information entered on the Register, the Registrar must amend the Register in specified circumstances (where those circumstances put the CRE in a substantially similar position to an issuer);

New fee

- 15 **noted** that regulations may be made prescribing fees and charges payable in respect of the Register pursuant to section 548(o) of the FMC Act;

16 **agreed** to introduce a fee of \$340.00 (GST exclusive) charged to each CRE when they lodge their climate statements or notification of exempt status with the Registrar, for the cost of the Registrar providing the service to the CRE;

17 Confidential advice to Government

Financial implications

18 **agreed** to the increase in spending for costs to be incurred by the Registrar to establish and maintain a register of climate- related disclosure statements under the FMC Act;

19 **approved** the following changes to appropriations to give effect to the policy decisions in paragraphs 16 and 18 above with no corresponding impact on the operating balance and net debt:

Vote Business, Science and Innovation Minister of Commerce and Consumer Affairs	\$m – increase/(decrease)				
	2023/24	2024/25	2025/26	2026/27	2027/28 & Outyears
Departmental Output Expenses: Commerce and Consumer Affairs: Registration and Provision of Statutory Information (funded by revenue other)	0.169	0.123	0.123	0.123	0.123

20 **agreed** that the changes to appropriations for 2023/24 above be included in the 2023/24 Supplementary Estimates and that, in the interim, the increase be met from Imprest Supply;

Legislative implications

21 **authorised** the Minister of Commerce and Consumer Affairs to issue drafting instructions to the Parliamentary Counsel Office to give effect to the decisions above in paragraphs 7, 10, 12, 14 and 16;

22 **authorised** the Minister of Commerce and Consumer Affairs to make decisions consistent with the policy decisions in the paper under DEV-23-SUB-0179 on any matters that may arise during the drafting process, including transitional arrangements;

23 **noted** that the Minister of Commerce and Consumer Affairs will seek final approval of the regulations from Cabinet as soon as practicable.

Janine Harvey
Committee Secretary

Present: (see over)

Present:

Hon Dr Ayesha Verrall
Hon Damien O'Connor
Hon Andrew Little
Hon David Parker (Chair)
Hon Peeni Henare
Hon Kieran McAnulty
Hon Ginny Andersen
Hon Dr Deborah Russell
Hon Rachel Brooking
Hon Jo Luxton

Officials present from:

Office of the Prime Minister
Officials Committee for DEV