



COVERSHEET

Minister	Hon Dr Duncan Webb	Portfolio	Commerce and Consumer Affairs
Title of Cabinet paper	Credit Contracts and Consumer Finance (Buy Now Pay Later) Amendment Regulations 2023	Date to be published	9 October 2023

List of documents that have been proactively released		
Date	Title	Author
August 2023	Credit Contracts and Consumer Finance (Buy Now Pay Later) Amendment Regulations 2023	Office of Minister of Commerce and Consumer Affairs
24 August 2023	Credit Contracts and Consumer Finance (Buy Now Pay Later) Amendment Regulations 2023 LEG-23-MIN-0171 Minute	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 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.

Credit Contracts and Consumer Finance (Buy Now Pay Later) Amendment Regulations 2023

Portfolio **Commerce and Consumer Affairs**

On 24 August 2023, the Cabinet Legislation Committee:

- 1 In October 2022, the Cabinet Government Administration and Expenditure Review Committee agreed to declare buy now pay later contracts to be consumer credit contracts for the purposes of the Credit Contracts and Consumer Finance Act 2003 [GOV-22-MIN-0038];
- 1 **noted** that in August 2023, Cabinet agreed to exempt buy now pay later loans from requirements to conduct affordability and suitability assessments, and to disclose the borrower's right to cancel within five days, on conditions intended to protect the interests of consumers without creating excessive compliance costs or workability issues for these lenders [CAB-23-MIN-0348.01];
- 2 **noted** the Credit Contracts and Consumer Finance (Buy Now Pay Later) Amendment Regulations 2023 will give effect to the decisions referred to in paragraphs 1 and 2 above;
- 3 **authorised** the submission to the Executive Council of the Credit Contracts and Consumer Finance (Buy Now, Pay Later) Amendment Regulations 2023 [PCO 25065/8.0];
- 4 **noted** that the Credit Contracts and Consumer Finance (Buy Now Pay Later) Amendment Regulations 2023 come into force on 2 September 2024;
- 5 **noted** that section 137A of the Credit Contracts and Consumer Finance Act 2003 requires the responsible Minister, before recommending the making of an Order in Council, to be satisfied that the regulations are necessary or desirable in order to promote the purposes of the Act, have regard to the economic substance of the relevant arrangement, and consult with persons substantially affected by the regulations;
- 6 **noted** the advice of the Minister of Commerce and Consumer Affairs that these requirements have been met.

Rebecca Davies
Committee Secretary

Attendance: (see over)

Present:

Hon Grant Robertson (Chair)
Hon Damien O'Connor
Hon Andrew Little
Hon David Parker
Hon Barbara Edmonds
Hon Rachel Brooking
Hon Jo Luxton

Officials present from:

Office of the Prime Minister
Officials Committee for LEG