

Ministerial Exemptions Under the Anti-Money Laundering and Countering Financing of Terrorism Act 2009

In accordance with section 157(6)(b) of the Anti-Money Laundering and Countering Financing of Terrorism Act 2009 (“Act”), the Associate Minister of Justice on 9 November 2021 that he has granted the following exemption from the Act.

Ministerial Exemption: Auckland Council Retrofit Your Home Programme

Exempting Auckland Council from sections 10–71 of the Act in relation to its Retrofit Your Home programme (“RYH”).

This exemption is made subject to the condition that Auckland Council must inform the Ministry of Justice of any changes that may affect the exemption within 10 working days of when the change occurs.

The exemption has been made for the following reasons:

- a. The risk of money laundering/terrorism financing associated with RYH is low since Auckland Council is a local government body, and is subject to public accountability mechanisms. Further, the financial activities of RYH are both restrictive and tightly controlled;
- b. This exemption would have little to no impact on the prevention, detection, investigation and prosecution of money laundering/terrorism financing offences;
- c. The maximum value of the loans within this scheme are \$5,000.00 and the loans can only be used for approved home improvement products, through suppliers approved by Auckland Council. In addition, loans are only available to Auckland homeowners and are repaid through targeted rates;
- d. In the absence of an exemption, Auckland Council would be subject to an undue regulatory burden, since the extensive compliance requirements imposed under the Act are likely to be disproportionate to the low level of money laundering/terrorism financing risk; and
- e. Granting this exemption is unlikely to affect third-party reporting entities since RYH has no business competitors. RYH is a unique not-for-profit programme and is used only for specific housing purposes.

This exemption comes into force on 8 October 2021.

This exemption will expire on 8 October 2026.

Any person wishing to provide comment on this notice should contact the Terrorism and Law Enforcement Stewardship Team at the Ministry of Justice by emailing amlcft.exemptions@justice.govt.nz.