

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 hereby gives notice that he has granted the following exemption from the Act:

Ministerial Exemption: Young Women’s Christian Association and Angel Fund of Dunedin

1. In my capacity as the Associate Minister of Justice and pursuant to section 157 of the Anti-Money Laundering and Countering Financing of Terrorism Act 2009 (“Act”), I exempt Young Women’s Christian Association (YWCA) and Angel Fund of Dunedin from all provisions of the Act.
2. The exemption has been granted for the following reasons:
 - a. There is a very low risk of money laundering and terrorist financing through the YWCA and Angel Fund of Dunedin as:
 - i. it is a not for profit organisation that charges no interest, nor pays any interest on the funds loaned to borrowers;
 - ii. it offers defined and limited services to specific customers (low-income female residents of Dunedin) and requires the borrowers to provide evidence of the purpose for which loans provided will be used;
 - iii. prospective borrowers go through an approval process that includes an interview and provision of comprehensive personal information; and
 - iv. it meets the criteria of a “low risk” financial inclusion institution under the Financial Action Task Force guidelines, making it suitable for a full exemption.
 - b. Due to the very low money laundering and terrorism financing risks raised by the YWCA and Angel Fund of Dunedin and the significant compliance costs that would arise from not granting this exemption, I consider that any benefits or requiring compliance with the Act are not justified by the associated costs.
 - c. This exemption is consistent with (and has no effect on the purpose or intent of) the Act, the Financial Transactions Reporting Act 1996 and New Zealand’s international obligations as a member of the Financial Action Task Force and the Asia Pacific Group on Money Laundering.
3. This exemption came into force on the day after the date I granted this exemption (**1 December 2015**).
4. This exemption will expire on **30 June 2018**.

Any person wishing to provide comment on this notice should contact the Criminal Law Team at the Ministry of Justice by emailing

international.crime@justice.govt.nz