

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: Te Puni Kōkiri (Te Kupenga Trust)

1. The exemption is subject to the following conditions:
 - a. Funds from the Te Kupenga Trust (“Trust”) may only be distributed to mandated iwi organisations of the 57 iwi recognised under the Maori Fisheries Act 2004, and listed in Schedule 3 of that Act.
 - b. The trustee is required to notify its statutory supervisor, the Department of Internal Affairs, once it has made the final distribution to beneficiaries and closed down.
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 Trust as:
 - i. the 57 iwi beneficiaries of the Trust are listed in statute (the Maori Fisheries Act 2004) and the Trust does not participate in financial activities with any other or new customers;
 - ii. the funds held in the Trust originate from a Crown enterprise grant, and the beneficiaries have not been able to deposit or withdraw funds from the Trust at their discretion; and
 - iii. the Trust will close down after the distribution of the remaining funds to the mandated iwi organisations.
 - b. Due to the very low money laundering and terrorism financing risks raised by the Trust 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 (**22 September 2016**).
4. This exemption will expire on **30 June 2020**.

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.