



Weekly Report

Week ending:	20 September 2024	Priority:	Medium
Security classification:	In confidence	Tracking number:	MFR2024-123

Recipient	Action sought
Hon David Seymour MINISTER FOR REGULATION	Note the contents of this report

Aisling Risdon
Contact: s9(2)(a)
Ministry for Regulation

Minister's comments:

Actions

Action	Due date	Status update
A2024-021	s9(2)(f)(iv)	
A2024-041	Update consultation A3 following feedback	17 Sept Completed and closed.
A2024-038	s9(2)(f)(iv)	
A2024-032	Include in future advice how MfR plans to raise RIA standards prior to the enactment of the RSB	8 October In progress. Decisions will be sought in MFR2024-110 due 8 October 2024
A2024-016	s9(2)(f)(iv)	
A2024-039	s9(2)(f)(iv)	

Briefings & Aides-mémoire

Papers delivered to the Minister for Regulation		Date Delivered
MFR2024-106	September update on Agricultural and Horticultural Products Regulatory Review for 24 September Joint Ministers Meeting	20 September
MFR2024-118	Visit to Ministry for Regulation on 23 September 2024	20 September
MFR2024-121	Early Childhood Education Regulatory System Review: Themes from direct engagement	20 September
MFR2024-124	Meeting with Leader of the House and Attorney-General on 24 September	20 September

Papers under development		Due date
MFR2024-122	Crown Law advice on current version of the Regulatory Standards Bill	27 September
MFR2024-110	Draft Cabinet paper for Consultation: Improving Regulatory Policy Making	8 October
MFR2024-125	Options for next regulatory review	11 October

Upcoming events/announcements

Date	Location	Event	Opportunity
23 September	Ministry for Regulation office, Wellington	Informal meet and greet with the team to acknowledge the Ministry is six months old	

Contact: Jade Lock, Acting Communications and Engagement Lead. Ph. s9(2)(a)

Updates

Regulatory Response Team

For information

The team has received five new matters this week.

RRT #	Issue	Description
RRT2024-026	Proposed standard for flour dust & AML regulation of gift cards	A business wrote to MfR to raise concerns about two regulatory issues. They are concerned that WorkSafe's proposed standard for size of flour dust is more rigorous than US and Australian standards, and will be difficult for the industry, including small bakeries, to comply with. They are also concerned that AML regulations for gift card sales impose unnecessary compliance costs, as exemptions for low-value cards are limited in scope and poorly drafted.
RRT2024-027	Request for review of clinical trials sector	A clinical research organisation wrote to MfR asking that we consider a regulatory review of the clinical trials sector, as they see a need for clearer, proportionate, and better-quality regulation.
RRT2024-028	Lack of regulation of ACC's third-party administrator system	s9(2)(ba) has written to the Minister to ask for intervention in ACC's system for provision of care through third-party administrators (TPA). They have raised concerns with a particular TPA, which they believe the Minister can intervene in through enhanced oversight, improvements to TPA training and enforced adoption of ISO standards for managing psychological health in the workplace.
RRT2024-029	Alcohol licensing regulations affecting local restaurant business	An individual has written to the Minister to support a local restaurant business which is not yet able to serve alcohol in the recently extended part of its premises due to some unexpected paperwork with the local council.
RRT2024-030	Requirement for AML verification on property vendors	A real estate agent has written to MfR to advise that the requirement for real estate agents to complete AML verification of property vendors is unnecessary and creates compliance costs.

Two matters have been updated.

RRT #	Issue	Updates
RRT2024-005	Anti-Money Laundering (AML) Regulations	As discussed at the most recent meeting with you, we will be engaging with the relevant agencies to assist with this work programme
RRT2024-025	Medicines Exemption for Authorised Prescribers	s9(2)(f)(iv)

Contact: Tony Clark, Manager, Regulatory Reviews. Ph. s9(2)(a)

Visiting the Ministry for Regulation

For information

On Monday, 23 September you will visit the Ministry to mark the Ministry's six-month post-establishment milestone. The regular Agency meeting will be held at the Ministry during the first half of your visit. Further details of the visit are outlined in *MFR2024-118*.

Contact: Jade Lock, Acting Communications and Engagement Lead. Ph. s9(2)(a)

s9(2)(f)(iv)



Agricultural and Horticultural Products Regulatory Review

For information

The Ag/Hort review team continues to focus on developing advice to support the joint ministers meeting on 24 September. The briefing will include an outline of the initial issues raised, preliminary economic analysis, proposed criteria to be used for assessing options, and seek decisions on the approach to Cabinet decisions. The draft briefing has been consulted on with Ministry for Primary Industries (including New Zealand Food Safety), Environmental Protection Authority (EPA), and Ministry for the Environment. We have made substantive changes to address their feedback.

Senior Officials Advisory Group met on Wednesday 18 September. The main topic of discussion was advice to ministers. Feedback centred on the need to further verify and contextualise stakeholders' comments. Officials were supportive of a phased approach to Cabinet consideration and decision-making.

We met with a representative of s9(2)(ba)(i) on Wednesday 18 September which provided useful insights for the review. They supported focusing New Zealand regulator resources on New Zealand risks and using international expertise and assessments where they were applicable. They shared the concerns of other stakeholders on the outdated ecotoxicity models that EPA uses.

We are currently testing high-level initial opportunities for improvement with agencies, and agency secondees are contributing to further developing our analysis to ensure any options are robust.

This week the team have met with several economic consultancy firms to discuss the Request for Quote we sent out for targeted quantitative economic advice. Quotes are due Monday, and we look forward to seeing what they provide us.

Contact: Tony Clark, Acting Agriculture and Horticulture Products Review Lead. Ph: s9(2)(a)

Early Childhood Education Regulatory Review

For information

Following the advice we provided last week, the ECE team will deliver a series of outputs outlined below to keep you informed of the progress on the review.

- Direct engagement update (20 September)
- Summary of all engagement -direct and indirect (October)
- Initial findings on licencing criteria (October)
- Initial findings and recommendations (November)
- Draft report (December)

Analysis of direct engagement on the ECE review is complete and an update has been provided to you in a briefing. Analysis of indirect engagement is continuing, and we will provide a summary of themes to you in early October.

The Review is continuing its lines of inquiry on issues identified with the current regulatory system, preparing initial findings and recommendations to be tested with the Ministry of Education and Education Review Office.

Contact: Justine Fitzmaurice, Project Manager, Early Childhood Education Review. Ph: s9(2)(a)

Fast Track Approvals Bill – listed projects

For information

Minister Bishop, Minister for RMA Reform, is preparing a paper to seek Cabinet agreement to the projects to be listed in the Fast Track Approvals Bill. We understand the paper is scheduled to be considered at Cabinet Economic Policy Committee on 25 September.

An advisory group has prepared a report which analyses which projects should be listed in Schedules 2A and 2B of the Bill through an amendment paper. Projects listed in Schedule 2A are subject to an expedited fast track process, as they are automatically referred to the Expert Advisory Group for consideration (rather than needing to be referred by Ministers). In comparison, Schedule 2B projects are those which are determined to have significant national or regional benefits, and still require referral by Ministers. Listing in either schedule does not mean that the proposal will ultimately be approved for fast tracking, as for example, expert panel(s) would still need to assess whether the project should be approved.

As the listed projects are being included in primary legislation, Cabinet's impact analysis requirements are triggered. We explored whether the Advisory Group's report substantively duplicated the material in a RIS. However, we determined the report did not contain sufficient information (comparable with a RIS) on the costs, benefits, and risks of listing the projects either at a high level (across all the projects) or a more specific level (for each category of project). Likewise, we determined that the earlier supplementary analysis report which was prepared on the overall Fast Track Approvals Bill did not substitute for impact analysis to support this paper.

The Ministry of Business, Innovation and Employment and the Ministry for the Environment have been unable to prepare impact analysis in the time available. Therefore, the Cabinet paper will not be compliant with the impact analysis requirements. We have waived the normal requirement for supplementary analysis, on the basis that it will not support future Cabinet decisions and the listed projects would soon progress to the next stage of the fast-tracking process. However, we are exploring with the two agencies whether a post-implementation review could be undertaken on the wider Fast Track Approvals regime in future.

Contact: Andrew Royle, Policy Lead. Ph. s9(2)(a)

Proactively Released

Draft Cabinet paper consultations

S9(2)(f)(iv)



Proactively Released

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