



# **Submission on Anti-Money Laundering and Countering the Financing of Terrorism**

**Third Discussion Document**

**Submission to  
Ministry of Justice  
30 November 2006  
by Institute of Financial Advisers**

# **Anti-Money Laundering and Countering the Financing of Terrorism**

## **Third Discussion Document**

The Institute of Financial Advisers make the following submission.

We appreciate that submissions may be the subject of a request under the Official Information Act. There is no part of our submission that needs to be withheld under the Act. We are happy to have our submission posted on the Ministry of Justice website.

The Institute wishes to be involved in any consultation process. Our contact person is David Hutton, Chief Executive Officer. David takes over this role from Ross Butler, with effect from 4 December 2006.

### **Background**

The Institute of Financial Advisers is New Zealand's largest professional body for Financial Intermediaries, representing over 1400 financial advisers nationwide.

The Institute's primary focus is to improve and enhance the professional status of financial planners, insurance and investment advisers, and to advance the interests of members and their clients.

The Institute aims to:

- Increase the awareness by consumers of the role of financial advisers
- Increase the level of confidence that consumers have in advisers
- Increase the level of usage of financial advisers by consumers
- Raise advisory standards in ethics and professional conduct
- Provide education standards designed to inspire greater confidence and trust between advisers and the public
- Identify and serve the needs and interests of members.

### **SUBMISSION**

The Institute made detailed submissions on the second discussion document, recognising that the coverage of that document included those aspects likely to have the most significant direct impact on our membership.

This third discussion document, focused on the requirements for a supervisory regime, has less direct impact on our membership. Consequently, this submission does not address the detailed questions. Instead, the Institute simply notes and expresses support for existing government regulators, principally the Securities Commission and the Reserve Bank, assuming AML/CFT supervisory functions for the businesses within their sectors, as outlined in the document.

The Institute also notes the reference to potentially using self regulatory organisations where practical and appropriate. The proposed development of a co-regulatory regime involving Approved Professional Bodies subject to Securities Commission oversight may provide an opportunity for the AML/CFT supervisory regime to be integrated into that structure, further reducing the potential for duplicate or multiple regulatory requirements. The Institute submits that this opportunity should be fully explored.

For further comment, please contact:

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