

From: Kristen Ross [<mailto:Kristen.Ross@fma.govt.nz>]

Sent: Tuesday, 22 March 2022 7:13 AM

To: [REDACTED]

Cc: [REDACTED]

Subject: RE: Official Information Request: Review of credit card repayment insurance products dated 23 September 2021

Morena [REDACTED]

We have received your most recent Official Information Act 1982 Request (OIA) request dated 11 March 2022 in relation to the FMA's Review of Credit Card Repayment Insurance Products Report (CCRI Report). We note the request is almost identical in its nature and seeks the same information as in your original OIA request dated 4 February 2022, being information provided by insurance underwriters and distributors to the FMA, and material derived from that information, which informed the CCRI Report. Given the very similar nature of this request to your original request, I called your office to clarify our understanding of your further request. I understand you were particularly interested to check if the FMA could provide any of the material requested with redactions to preserve confidentiality of the information there is good reason to withhold under the OIA.

Our position remains the same as that taken in our letter of response to you dated 2 March 2022. To reiterate, your request relates to information, or material derived from information, that was supplied or disclosed to the FMA under financial markets legislation. The FMA is prohibited from publishing or disclosing this information, pursuant to section 59 of the Financial Markets Authority Act 2011, unless one of the exceptions that permit publication or disclosure apply. Relevant to your request is the exception in section 59(3)(a) that information may be disclosed if it may be made available to the public under any enactment. This can include the OIA. We have therefore considered your request pursuant to the OIA and have decided there is good reason to withhold the information.

The key reason is under section 9(2)(ba), namely to protect information which is subject to an obligation of confidence, where the making available of the information would negatively impact the continuing supply of similar information to the FMA in the future, and it is in the public interest that such information should continue to be supplied. As noted, the information requested was provided to the FMA, or is derived from information provided to the FMA, by insurance underwriters and distributors. It is important that the FMA can engage with these persons in confidence to encourage them to be frank with us. This type of information is critical to the FMA's regulatory role, and to prejudice its supply would negatively impact the FMA's regulatory effectiveness. There is a public interest in terms of section 9(2)(ba)(i) in the continued supply of such information to enable the FMA to fully and effectively carry out its regulatory functions.

There is also good reason to withhold some of the information you have requested under section 9(2)(b)(ii) on the basis that it is commercially sensitive to the insurers and distributors who provided it. We consider disclosure of this information would likely unreasonably prejudice the commercial position of the relevant insurers and distributors.

We have particularly considered again if the FMA could provide any of the material requested with redactions to preserve confidentiality of the information there is good reason to withhold under the OIA, and have determined the material requested cannot be redacted or anonymised in a way that preserves the confidential and commercially sensitive material.

We have not identified any considerations that outweigh these OIA grounds and so render it desirable, in the public interest, to make the information available.

If you have any questions about this OIA please contact me in the first instance.

We also note that you have a right, by way of complaint under section 28 of the OIA to the Ombudsman, to seek an investigation and review of FMA's decision. Information about how to make a complaint is available at www.ombudsman.parliament.nz or phone 0800 802 602.

Ngā mihi
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