

# Hon Cameron Brewer

Minister of Commerce and Consumer Affairs  
Minister for Small Business and Manufacturing  
Associate Minister of Immigration



28 April 2026

Steven Bardy  
Acting Chair  
Financial Markets Authority  
PO Box 1179  
Wellington 6140

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Dear Mr Bardy

## **2026/27 Letter of Expectations for the Financial Markets Authority**

I would like to acknowledge the Financial Markets Authority's (FMA) continued hard work throughout the past year. The FMA plays an important role in promoting and facilitating the development of efficient and transparent financial markets and in promoting the confident and informed participation of businesses, investors and consumers in financial markets.

I am writing to convey my expectations for the FMA in 2026/27. This letter should be read in conjunction with the [Enduring Letter of Expectations to Statutory Crown Entity Boards](#) issued by the Minister of Finance and Minister for the Public Service. I may write a further letter later in the year to provide any additional expectations for the FMA.

### **Government priorities**

The Government is prioritising a stronger, more productive economy, delivering more efficient public services and restoring discipline to public spending.

Crown entities, through their operations, play an important role supporting the Government's work programme. The Government expects all Crown entities to provide value for money. Consistent with this, the FMA should maintain focus on improving the efficiency and effectiveness of its own activities. This includes the FMA having a good understanding of its cost drivers, what is being delivered with the funding it receives, and the impact of its work.

### **Entity-specific expectations for 2026/27**

During 2026/27, my overarching expectation is for the FMA to focus on enabling economic growth while strengthening its role as an effective, accountable and credible regulator. To achieve that, I expect the FMA to:

#### ***Ensure strong governance and organisational accountability***

As New Zealand's financial markets conduct regulator, it is critical that the FMA upholds public and industry confidence in its governance, accountability, and regulatory credibility. To support this, I expect the Board to undertake its annual Board self-review, to ensure the Board's performance continues to strengthen the FMA's governance effectiveness.

It is essential that the FMA is able to clearly demonstrate the impact of its activities on markets and is regarded as a transparent, efficient and impactful regulator. The FMA's

performance measures and reporting should clearly align with its strategic objectives, regulatory priorities and funding arrangements, ensuring transparent and effective accountability.

### ***Effectively implement changes to regulatory regimes***

I expect the FMA to continue implementing regulatory changes effectively. This includes ensuring a smooth transfer of regulatory functions under the Credit Contracts and Consumer Finance Act 2003 from the Commerce Commission, progressing the implementation of the Contracts of Insurance Act 2024, and preparing for the enactment of the Financial Markets Conduct Amendment Bill (including adjustments to the climate-related disclosures regime).

I also encourage the FMA to continue engaging with banks to review fees and profits on transaction accounts, as recommended by the Finance and Expenditure Committee's inquiry on banking competition.

### ***Focus on a proportionate and risk-based regulatory approach***

To support the Government's priorities for delivering fiscal savings, I expect the FMA to focus its regulatory approach on supporting capital-market innovation and economic growth. I congratulate the FMA on its successful launch of the regulatory sandbox pilot last year, and I am encouraged to see it incorporating lessons learnt from the pilot to support proportionate regulation where appropriate.

To ensure regulation remains proportionate and responsive, I also expect the FMA to balance strong consumer protection with the need for efficient and dynamic financial markets, proactively work with other financial markets regulators to remove regulatory duplication and reduce unnecessary regulatory burdens on market participants.

It is also important that the FMA maintain the capability and foresight to understand, monitor and respond effectively to evolving risks and opportunities across the financial markets regulatory system. This includes digital assets such as cryptocurrencies, the growing use of artificial intelligence within the financial services sector, and scams and financial fraud.

### ***Enhance sector engagement to support clear and effective regulation***

I expect the FMA to enhance its engagement with industry to develop, clearly communicate, and actively promote guidance materials. These materials should function as practical, accessible educational tools that build capability, support informed and compliant conduct and improve overall sector understanding of regulatory expectations.

### ***Preparation of accountability documents and reporting expectations***

In addition to accountability documents, I expect to receive more frequent updates on the FMA's delivery progress and key risks. The Public Service Commission's [Guidelines for Crown Entity Monitoring](#) and MBIE's [Monitoring arrangements for MBIE-monitored Crown entities](#) set out an expectation of quarterly reporting across all Crown Entities. Consistent with this, I request that the FMA work with my MBIE officials to structure the reporting format and provide the report to my Office one month after the end of each respective quarter, taking effect from the quarter ending June 2026.

Under the 'no surprises' principle, I also expect the FMA to inform me in a timely manner on any matters of significance within my portfolio responsibilities, or those of other interested Ministers. This includes issues that may be controversial, have reputational implications, or are likely to attract public or media interest.

**Response**

Your advice on how you propose to respond to the expectations set out in this letter would be appreciated.

Thank you in advance for your contribution to the successful operation of the FMA and for its contribution to the Government's wider objectives. Should you have any questions about any of the above, please do not hesitate to contact my officials at MBIE.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'C Brewer', is positioned above the typed name.

Hon Cameron Brewer  
**Minister of Commerce and Consumer Affairs**