

22 April 2021

Helen Hardly

Email: fyi-request-15064-f5cb6489@requests.fyi.org.nz

Dear Helen

Thank you for the following request of 4 April 2021 under the Official Information Act 1982 (OIA):

- *“I would like to know the reason why Bank of China has not published its disclosure statement on time and have they apply for extension. If they did how long the extension has been granted for and can you share the communication between you and Bank of china about the reason why they need the extension?”*

Response

All registered banks operating in New Zealand are required by law to publish a twice-yearly disclosure statement. These disclosure requirements are set out in Orders in Council, but are administered by the Reserve Bank of New Zealand. You can find more information on the disclosure requirements for New Zealand registered banks here: <https://www.rbnz.govt.nz/regulation-and-supervision/banks/prudential-requirements/registered-banks-disclosure-reqime>.

On 30 March 2021 a representative for the Bank of China (New Zealand) Limited (BoCNZ) and Bank of China New Zealand Banking Group (BoC branch) contacted the Reserve Bank to advise that it would not be able to publish its disclosure statement for the year ending 31 December 2020, which was due to be published on 31 March 2021, and requested an extension of time in which to publish that statement. The Reserve Bank informed the representative that the timeframe set out in the Order in Council is prescriptive so no extension could be given and that failure to publish the disclosure statement by or on 31 March 2021 would be a breach of its legal obligations under The Disclosure Statements Orders in Council.

BoCNZ and BoC branch have subsequently published their disclosure statements for the year ending 31 December 2020 on their website: <https://www.bankofchina.com/nz/en/aboutus/>.

Throughout the process the Reserve Bank has been in regular contact with the BoCNZ and BoC branch to understand the reasons for the breach. While failure to publish a disclosure statement on time is unacceptable, it is important that banks and auditors have the necessary time to ensure that all information published in disclosure statements is materially correct. The Bank is currently reviewing the breach to determine whether any supervisory or enforcement action is necessary. Any decision taken will be outcomes-focussed with the goal of promoting the soundness and efficiency of the financial system.

The Reserve Bank is unable to release its correspondence with the representative for BoCNZ and BoC branch regarding this breach, as doing so would be contrary to the provisions of section 105 of the Reserve Bank Act of New Zealand 1989. Your request for this correspondence is therefore refused under section 18(c)(i) of the OIA.


The Official Information Act allows charges to be imposed for the preparation of information in response to requests. The Reserve Bank is resourced to meet disclosure obligations for a reasonable level of requests and the cost of providing free responses to Official Information requests is generally borne by taxpayers. However, the Reserve Bank believes that requesters should bear some of the costs, where allowable under the OIA, when requests are made for large amounts of information, where a response is particularly complex, or where individuals or organisations make frequent requests. In this instance, no charge is allowable under the OIA.

This response required approximately 3 hours to prepare.

You have the right to seek an investigation and review by the Ombudsman of this decision. Information about how to make a complaint is available at www.ombudsman.parliament.nz or freephone 0800 802 602.

Please note that we intend to publish a copy of this response (with personal information removed) on the Reserve Bank's website www.rbnz.govt.nz/research-and-publications/official-information-requests. Responses to requests are published in order to improve public transparency and provide an additional resource for anyone seeking information.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Andy Wood', with a long horizontal flourish extending to the right.

Andy Wood
Head of Supervision
Reserve Bank of New Zealand | Te Pūtea Matua