



12 DEC 2022

OIA22-0881

Nick Coyle
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Dear Nick Coyle

Thank you for your email of 14 November 2022 requesting information relating to the Farm Debt Mediation Act 2019. Your request has been considered under the Official Information Act 1982 (OIA).

The Farm Debt Mediation Scheme helps farmers and other primary producers struggling with debt. The scheme uses neutral and independent mediators to help farmers and their creditors work through debt issues. The mediation scheme aims to promote the long-term viability and resilience of farm businesses, helping farmers manage financial stress promotes positive mental health and resilience in rural communities. You can read more about this on the Ministry for Primary Industries' (MPI) website here:

<https://www.mpi.govt.nz/funding-rural-support/farming-funds-and-programmes/the-farm-debt-mediation-scheme-2/>.

The Farm Debt Mediation Act 2019 (the Act) was enacted on 13 December 2019 and came fully into force on 1 July 2020.

Under the Act, secured creditors must offer mediation before taking any debt enforcement action against farmers and eligible primary production businesses. Farmers can ask for mediation at any time. The parties have 60 days to complete mediation.

Following mediation, the Office of Farm Debt Mediation at the Ministry of Primary Industries (the Office) receives a mediation report. If the mediation did not result in a resolution between the parties, and the mediator confirms the mediation was carried out in good faith, creditors can request a certificate of enforcement from the Office to allow enforcement action of the secured debt. If a creditor fails to engage with mediation as required by the Act, the farmer can apply to the Office for a certificate of prohibition disallowing enforcement action of the secured debt.

I shall quote and respond to each part of your request below.

The number of applications made by creditors for enforcement certificates under s 34 of the Farm Debt Mediation Act 2019 ("the Act") along with details of the decisions made by the chief executive (i.e. approved or declined).

To date there have been a total of 86 requests made by creditors for enforcement certificates under section 34 of the Act. Of these seven were declined as the legislative criteria was not met and the application was invalid.

The number of applications made by farmers for prohibition certificates under s 35 of the Act along with details of the decisions made by the chief executive (i.e. approved or declined).

There has been two applications made by farmers for prohibition certificates under section 35 of the Act. Of these one was declined as it did not meet the legislative criteria and the application was invalid.

The number of applications made by persons for administrative review of the above decisions under s 51 of the Act along with details of the determinations made by the chief executive (i.e. confirming or withdrawing and/or substituting a decision).

There has been one request for review, however it was received outside of the 10 working day timeframe allowed for in the Act and therefore the request for review was declined.

Would you also, if possible, please provide a breakdown of on which grounds each of the applications were made (i.e. 5 applications under s 35 were made on grounds that the creditor did not participate in mediation in good faith and 1 was approved while 4 were declined).

MPI does not record the grounds on which each application was made. In order to provide this information, all applications MPI has received since the start of the Farm Debt Mediation Scheme would need to be manually reviewed to confirm which grounds may have been listed but this is not always included by the applicant.

Due to the fact this search would take a significant time to complete and may still not provide accurate information, we are refusing this part of your request pursuant to section 18(f) of the OIA - *that the information requested cannot be made available without substantial collation or research*

I trust the information provided is of assistance. Should you have any concerns with this response, I would encourage you to raise these with the Ministry for Primary Industries at Official.InformationAct@mpi.govt.nz. Alternatively, you are advised of your right to also raise any concerns with the Office of the Ombudsman. Contact details are: Office of the Ombudsman, PO Box 10152, Wellington 6143 or at info@ombudsman.parliament.nz.

Yours sincerely



Nick Story
Director, Rural Communities & Farming Support