



Reserve Bank
of New Zealand
Te Pūtea Matua

Summary of Submissions

ESAS Access Review: Proposed Access Criteria

April 2025



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Summary of submissions

Background

In 2022, the Reserve Bank of New Zealand (the Reserve Bank) commenced a review of its policy on access to the Exchange Settlement Account System (ESAS). The review aimed to ensure the access policy and criteria remain appropriate for promoting a real-time gross settlement system that:

- is efficient, open and flexible;
- has a high level of integrity; and
- is robust in the face of financial crises.

In October 2024, the Reserve Bank published a consultation paper titled *ESAS Access Review: Proposed Access Criteria*. Consultation was open for six weeks from 7 October through 18 November 2024. This was the second public consultation in the ESAS Access Review. The first public consultation occurred in mid-2023 and focused on the purposes and objectives for ESAS and our risk assessment framework underlying the approach to ESAS access.¹

This document provides a summary of the feedback we received on the *ESAS Access Review: Proposed Access Criteria* (second consultation).

Our consultation

We presented our draft ESAS access criteria and supporting policy settings and requested feedback on:

- whether the access criteria allow for opening participation in ESAS, and
- whether the access criteria are easy to follow and where additional guidance or explanation would be useful.

We received 21 submissions, including from individuals, banks, non-bank deposit takers, non-bank payment service providers, industry organisations and fintechs.

[You can read these submissions on the RBNZ website.](#)

Summary of feedback

The section summarises the main themes we heard in submissions on the consultation paper.

In our consultation paper we noted that **remuneration of accounts at the overnight deposit rate** would be restricted to prudentially regulated entities. Some submitters were concerned this position would undermine competitive neutrality and disadvantage non-bank payment service providers in relation to deposit takers that also offer payment services. Submitters sought clarification on the rationale for this distinction and raised potential competitive impacts of differential treatment of balances held in ESAS accounts overnight.

Our draft access criteria included a **net benefit test** allowing for consideration of entities not covered by the business activity eligibility criteria. Overall, we received support for building a flexible and future-proofed approach to accommodate applications from entities not currently

¹ The ESAS Access Review: Risk Assessment Framework for ESAS Consultation paper and Summary of Submissions are available on [the Reserve Bank's Website](#).

included in the business activity criteria. We also received feedback that the net benefit test was too ambiguous, complex and may be costly for an applicant to apply.

Several submitters indicated that the interaction between the listed business activities and the net benefit test was unclear. That is, whether applicants meeting one of the listed activities would also need to undertake a net benefit test.

We received some specific feedback on our **business activity eligibility** section. This included requests for clarifications and comments on perceived gaps in coverage. There was general support for the inclusion of payment services providers (entities engaged in directly settling payments) and deposit takers.

We received some general and some specific feedback on the **risk-related access requirements** (in the access criteria these are broken down into anti-money laundering compliance, prudential and governance, and operational), including where more clarity or guidance is needed. We received support for our approach to rely on regulated applicants' existing status as prudentially regulated to meet the prudential and governance criteria. We received some specific suggestions for amendments which we considered and, where appropriate, included in the final access criteria.

We also had feedback asking for more information on how the ongoing requirements will be monitored and managed by RBNZ as the ESAS operator.

The consultation also noted that we were looking to change the **fee structure**. Some submitters requested more clarity on the fees. There was recognition that the approach to charging fees was reasonable. Some submitters felt it important that a proportionality principle be applied, to ensure the fee structure did not unfairly impact smaller players and reflected the purpose for members using ESAS.

We also received feedback calling for **expedited access for NBDTs** seeking an ESAS account for the sole purpose of holding funds to meet their prudential liquidity requirements.

Our response

We considered all of the feedback, which helped inform revisions to the final access criteria and policy. The key changes are that we have:

- decided that all successful applicants will be eligible for remuneration at the overnight deposit rate
- removed the net benefit test from access criteria, instead relying on flexibility to update the access criteria as appropriate in response to enquiries from entities not currently eligible
- made clarifications to and streamlined the business activity and risk-related requirements
- worked to provide further guidance on requested areas
- confirmed an expedited application process for licensed NBDTs in New Zealand.

[You can read the new ESAS access policy and criteria on the RBNZ website.](#)