



Intended for All Ministers
Speaker of the House
All Chief Executives
All Senior Private Secretaries
All Private Secretaries

New Zealand Business Number – Implementation Requirements

Introduction

- 1 The New Zealand Business Number (the NZBN) is a key initiative to achieve the *Result 9 Better for Business* commitment of reducing costs to businesses by reducing the effort required to work with government agencies by 25 per cent by the end of 2017. This circular sets out the requirements agreed to by Cabinet for agencies to implement the NZBN.
- 2 An agency must give effect to, or have regard to, some or all of the requirements set out in paragraph 7 below. Whether an agency must give effect to, or have regard to, a requirement and when it must do so is set out in Schedule 1 to this circular.
- 3 The NZBN has been created primarily to enable improved electronic delivery of services. As such, where an agency maintains electronic and paper-based systems, priority is to be given to electronic systems when implementing the requirements. This circular does not apply to an agency's policy processes.
- 4 Except in respect of Result 9 agencies, systems that are planned to be retired or replaced within the next three years are exempt from the requirements providing that any new or replacement systems comply with this circular.
- 5 Commentary elaborating the requirements is set out in paragraph 7. An example used in the commentary is only illustrative of the requirement to which it relates. The commentary does not limit any requirement. If commentary and the requirement to which it relates are inconsistent, the requirement prevails.

Definitions

- 6 In this circular:

Act means the New Zealand Business Number Act 2016;

agency means a department as defined in section 2 of the Public Finance Act 1989 but does not include the departments listed in Schedule 2;

NZBN entity means an entity eligible for a NZBN under the Act (pursuant to sections 10 to 12 of the Act, the definitions of “entity” and “government agency” in section 5 of the Act and the definitions of “corporate or public entity” and “unincorporated entity” in section 9 of the Act);

NZBN means New Zealand Business Number;

Result 9 agencies means the Ministry of Business, Innovation, and Employment; the Inland Revenue Department; the Ministry of Primary Industries; the New Zealand Customs Service; and Statistics New Zealand; and

identifier, primary business data, register and **Registrar** have the same meanings as in section 5 of the Act.

Requirements

7 The requirements for agencies to implement the NZBN are:

- 7.1 If a person or system provides the agency a valid NZBN, the agency must be able to identify the NZBN entity that the NZBN applies to (without requiring an additional identifier from the person or system).

Comment: this requirement does not prevent an agency seeking further information that is necessary as part of a transaction with the NZBN entity, that is required by law or that the agency is empowered by an enactment to require be provided to it.

- 7.2 The agency must access primary business data on the register that is relevant to the agency’s functions.

Comment: an agency may only access primary business data on the register if (pursuant to section 27(1) of the Act), the primary business data is public, an enactment, other than the Act, authorises the agency to collect that information, or the NZBN entity has consented to the agency accessing that primary business data.

- 7.3 To the extent permissible by the Act, the agency must ensure that the Registrar is provided with the (new or updated) primary business data it has been provided by NZBN entities.

Comment: an agency is not required to collect, or provide to the Registrar, primary business data of NZBN entities that the agency would not ordinarily collect for its own functions or purposes.

- 7.4 If an agency provides primary business data to the Registrar, the agency must first seek the NZBN entity’s consent to provide primary business data to the Registrar (where consent is required).

Comment: consent is required for an agency to provide primary business data to the Registrar about an unincorporated entity as defined in section 9(1)(b) of the Act.

- 7.5 If an agency provides to the Registrar primary business data that has been provided to the agency by a NZBN entity, the agency must take reasonable steps to ensure that a person or system is authorised by the NZBN entity to:

7.5.1 provide it with a NZBN entity’s primary business data, and

7.5.2 consent to the primary business data being provided to the Registrar (where consent is required).

Comment: this requirement includes taking reasonable steps to verify the identity of any person providing primary business data to the agency. An agency fails to comply with this requirement if, for example, the only step taken to verify the person's identity is to confirm their name.

7.6 A NZBN entity's NZBN must be included in any written outward communication from the agency to the NZBN entity, except for:

7.6.1 any communications which have no identifier other than the NZBN entity's name; and

7.6.2 the agency considers that having no identifier other than the NZBN entity's name in the communication is consistent with good administrative practice.

Comment: this requirement does not apply to generic mass communications that are sent from the agency to a group or groups of NZBN entities.

7.7 When changing its system or systems, the agency must consider phasing out identifiers that identify a legal entity (other than the NZBN entity's name) and replacing them with the NZBN.

Comment: this requirement does not apply to identifiers that are nominated by the NZBN entity itself, for example agencies are not expected to replace usernames used to access online services. However, consideration should be given to allowing a NZBN entity to use their NZBN as their self-nominated identifier.

This requirement does not apply in respect of identifiers that are established or required by agreement with an international jurisdiction if the international jurisdiction does not or will not recognise the NZBN in the context in which the identifier is used.

7.8 Where an agency is uncertain or does not believe that this direction applies to a system or identifier, the agency must consult with the Registrar and abide by any determination of the Registrar in that respect.

7.9 The agency must provide the Registrar all reasonable assistance the Registrar requires to perform the Registrar's function of monitoring the State sector's implementation of the NZBN.

- 7.10 The agency must report on its progress implementing the requirements of this direction in its annual report required under section 43 of the Public Finance Act 1989.

Michael Webster
Secretary of the Cabinet

Enquiries:

Kara Isaac
Ministry of Business, Innovation and Employment
04 896 5662
nzbn@mbie.govt.nz

Schedule 1: Agencies subject to the requirements

- 1 The table below sets out three tiers to which each agency has been allocated and whether the agency must give effect to or have regard to a requirement.
- 2 In the table:
 - 2.1 “E” means “to give effect”;
 - 2.2 “R” means “to have regard”.
- 3 Tier One agencies must give effect to requirement 1:
 - 3.1 in respect of key business customer-facing systems, by 31 December 2017;
 - 3.2 in respect of finance and procurement systems, by 31 December 2018.
- 4 Tier Two agencies must give effect to requirement 1 by 31 December 2018.
- 5 Tier Three agencies must have regard to requirement 1 by 31 December 2018 and ongoing after that if not implemented.
- 6 Tier One agencies must give effect to requirements 2 to 6 by 31 December 2020.
- 7 Tier Two and Three agencies must have regard to requirements 2 to 6 by 31 December 2020 and ongoing after that if not implemented.
- 8 The requirement for all agencies to give effect to requirements 7 to 9 is ongoing from the date of this circular and applies as relevant i.e. when the agency changes a system or when assistance is sought by the Registrar.
- 9 The requirement for all agencies to give effect to requirement 10 commences with the annual report due in 2016 and is ongoing thereafter.

Type	Name	Requirements									
		1	2	3	4	5	6	7	8	9	10
Tier One											
	Inland Revenue Department	E	E	E	E	E	E	E	E	E	E
	Ministry for Primary Industries	E	E	E	E	E	E	E	E	E	E
	Ministry of Business, Innovation, and Employment	E	E	E	E	E	E	E	E	E	E
	New Zealand Customs Service	E	E	E	E	E	E	E	E	E	E
	Statistics New Zealand	E	E	E	E	E	E	E	E	E	E

Tier Two												
	Department of Conservation	E	R	R	R	R	R	R	E	E	E	E
	Department of Corrections	E	R	R	R	R	R	R	E	E	E	E
	Department of Internal Affairs	E	R	R	R	R	R	R	E	E	E	E
	Education Review Office	E	R	R	R	R	R	R	E	E	E	E
	Land Information New Zealand	E	R	R	R	R	R	R	E	E	E	E
	Ministry for Culture and Heritage	E	R	R	R	R	R	R	E	E	E	E
	Ministry of Defence	E	R	R	R	R	R	R	E	E	E	E
	Ministry of Education	E	R	R	R	R	R	R	E	E	E	E
	Ministry of Health	E	R	R	R	R	R	R	E	E	E	E
	Ministry of Justice	E	R	R	R	R	R	R	E	E	E	E
	Ministry of Social Development	E	R	R	R	R	R	R	E	E	E	E
	Ministry of Transport	E	R	R	R	R	R	R	E	E	E	E
	New Zealand Defence Force	E	R	R	R	R	R	R	E	E	E	E
	New Zealand Police	E	R	R	R	R	R	R	E	E	E	E
	Te Puni Kokiri - Ministry of Maori Development	E	R	R	R	R	R	R	E	E	E	E
	The Treasury	E	R	R	R	R	R	R	E	E	E	E
Tier Three												
	Ministry for Pacific Peoples	R	R	R	R	R	R	R	E	E	E	E
	Ministry for Women	R	R	R	R	R	R	R	E	E	E	E
	Ministry for the Environment	R	R	R	R	R	R	R	E	E	E	E
	Ministry of Civil Defence and Emergency Management	R	R	R	R	R	R	R	E	E	E	E
	Ministry of Foreign Affairs and Trade	R	R	R	R	R	R	R	E	E	E	E
	Serious Fraud Office	R	R	R	R	R	R	R	E	E	E	E
	State Services Commission	R	R	R	R	R	R	R	E	E	E	E

Schedule 2: Agencies not subject to the requirements

1 The following departments are not subject to this circular but may choose to give effect to some or all of its requirements:

1.1 Crown Law Office;

1.2 Department of Prime Minister and Cabinet (excluding the Ministry of Civil Defence and Emergency Management);

1.3 Government Communications Security Bureau;

1.4 New Zealand Security Intelligence Service;

1.5 Office of the Clerk of the House of Representatives;

1.6 Parliamentary Counsel Office; and

1.7 Parliamentary Service.