



31 August 2012

Tony Richards  
Head of Payments Policy Department  
Reserve Bank of Australia  
GPO Box 3947  
SYDNEY NSW 2001

Dear Tony

**Strategic Review of Innovation in the Payments System: Conclusions**

Thank you for the opportunity to provide a submission to the Reserve Bank of Australia (RBA) on the conclusions of the Bank's Strategic Review of Innovation in the Payments System.

Fundamentally, Cuscal supports a pro-competition, pro-consumer choice regulatory stance. In most cases this means a "light" approach to regulation. However Cuscal recognises the value of broad payment policy objectives to ensure innovation occurs in areas that require collaboration and cooperation of the industry for the benefit of the payments systems as a whole.

As such, Cuscal is supportive of the initial strategic objectives as outlined in the Conclusions Paper by the RBA. Cuscal is already a multi-institution payments processor and settler and is well placed to drive innovation forward.

Cuscal is also supportive of the RBA's preferred approach for the industry to engage collectively with the Bank. Cuscal broadly shares the views and approach of APCA as outlined in the APCA submission that draws upon the coordinated input of the industry.

Cuscal will work with APCA and the industry to define the mechanics of how the initial strategic objectives will be delivered. Cuscal will endeavour to be represented on the Committees and Working Groups as suggested by APCA to ensure our views are tabled and considered.

Finally, Cuscal welcomes any opportunity to engage directly with the RBA on innovation in the payments systems should the RBA wish to do so.

Kind regards,

**David Heine**  
General Manager  
Product and Business Development