



RESERVE BANK OF AUSTRALIA

Review of Payments System Regulation

Issues Paper

25 June 2026

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Executive Summary

The Reserve Bank of Australia (RBA) is commencing a review of payments system regulation (the Review). This Review comes at a time of significant innovation and structural change in the payments landscape, which is reshaping how payments are initiated, processed and settled. These developments have the potential to make payments more convenient and safer, facilitate the entry of new players and lower costs for end users. At the same time, they could give rise to potential concerns for competition, efficiency or financial safety in the payments system.

Reflecting these changes in the payments landscape, the *Payment Systems (Regulation) Act 1998* (PSRA) was amended in December 2025 to expand the coverage of the legislation to additional payment systems and their participants.

This Issues Paper seeks stakeholder views on the issues that should be prioritised to promote competition, efficiency and safety in payments. Stakeholders have raised with the RBA a wide range of issues that may fall within the scope of the amended PSRA and that were not considered in the recent Review of Merchant Card Payment Costs and Surcharging.¹ In this Issues Paper, the RBA is particularly interested in stakeholders' views on the following issues and whether there may be a case for the RBA to consider a regulatory response in the public interest:

- merchant choice of payment methods and payment providers, which may be impeded by emerging developments in technology and e-commerce, including the growing use of AI-enabled tools to initiate payments
- mobile wallets, non-designated card payment systems and buy now, pay later (BNPL) services
- account-to-account (A2A) payments, including promoting competition between card and A2A payments
- cryptography and overseas card payment fraud
- any other issues that may have implications for the design and implementation of the RBA's payments system regulation.

In prioritising issues for further consideration, the RBA will assess how its payments system policy can continue to promote competition, efficiency and financial safety. A well-functioning payments system is characterised by strong contestability, effective interoperability and appropriate standardisation. Together, these features support entry and expansion by participants, enable end users to choose and switch between providers, and facilitate innovation. They can improve price and service outcomes while also strengthening the system's resilience and its ability to withstand and recover from disruptions. Against a backdrop of ongoing changes in technology, business models and market structure, the Review will consider whether these underlying characteristics are being maintained and enhanced and, where necessary, whether regulatory action is warranted in the public interest.

Section 1 of this Issues Paper describes the background and process for this Review. Section 2 highlights issues relating to merchant choice in payments. Section 3 examines developments in card-based and other retail payment methods including mobile payments, non-designated card networks and BNPL services. Section 4 considers issues in A2A payments. Section 5 considers matters relating to the safety and resilience of the payments system including cryptography and fraud prevention and Section 6 invites stakeholders to raise any other relevant issues.

Interested stakeholders are invited to submit evidence in writing by 7 August 2026. Section 7 provides details on how to make a submission. The evidence gathered through this consultation will inform the RBA's

¹ For further details, see RBA (2026a), '[Review of Merchant Card Payment Costs and Surcharging](#)', Conclusions Paper, March.

assessment and prioritisation of issues, and assist the RBA in considering whether regulatory action may be warranted and, if so, what form that could take. The RBA intends to publish a list of regulatory priorities by the end of 2026 and commence further consultation on prioritised issues by mid-2027.

1. Background

The RBA has regulatory powers in respect of payment systems and their participants under the PSRA. Under the *Reserve Bank Act 1959*, the RBA's payments system policy is set by the Payments System Board (PSB) and aims to control risk in the financial system, promote the efficiency of the payments system and promote competition in the market for payment services consistent with the overall financial safety of its participants.

Recent amendments to the PSRA enable the RBA to consider a wider range of entities and activities within the payments ecosystem when assessing whether regulatory action may be warranted in the public interest. This comes at a time of significant innovation and structural change in the payments landscape, with new technologies and business models continuing to reshape how, and by whom, payments are initiated, processed and settled. Changes in user preferences, industry structure and new participants in the payments value chain can raise new policy or regulatory issues in ensuring the ongoing efficiency, competitiveness and safety of Australia's payments system.

Following the conclusion of the Review of Merchant Card Payment Costs and Surcharging, the RBA is commencing a broader review of payments system regulation under the amended PSRA. This Review focuses on issues including:

- merchant choice of payment methods and providers
- A2A payments and competition with card payments
- mobile wallets, non-designated card networks and BNPL services
- cryptography and fraud prevention.

There are some issues that are not intended to be within the scope of this Review. The RBA is not intending to revisit the issues that were addressed in the recent Review of Merchant Card Payment Costs and Surcharging (in the absence of substantial new or unanticipated developments) or that are the subject of current or recent reviews by other regulatory agencies. Issues relating to the availability of cash are also being considered separately, as part of the RBA's ongoing work to maintain the availability of cash for as long as Australians want or need to use it as a means of payment.²

Stakeholders are invited to submit evidence in writing on issues that they consider raise competition, efficiency or financial safety considerations that may warrant regulatory intervention by the RBA. The RBA will review submissions received and intends to engage with stakeholders in August and September 2026 to discuss their feedback in more detail. From October 2026, the RBA intends to focus on assessing the evidence submitted, engaging further with stakeholders only where clarification or additional information will assist the RBA or the RBA otherwise considers it appropriate to do so. The RBA intends to publish a list of regulatory priorities by the end of 2026 and commence further consultation on prioritised issues by mid-2027.

1.1. The Australian payments landscape

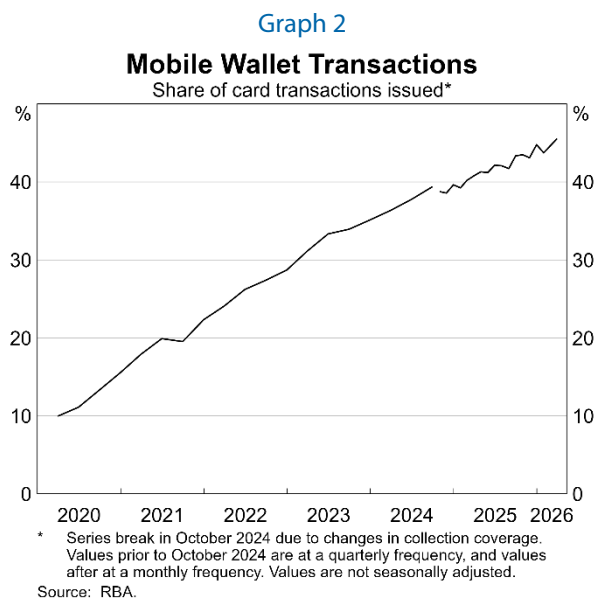
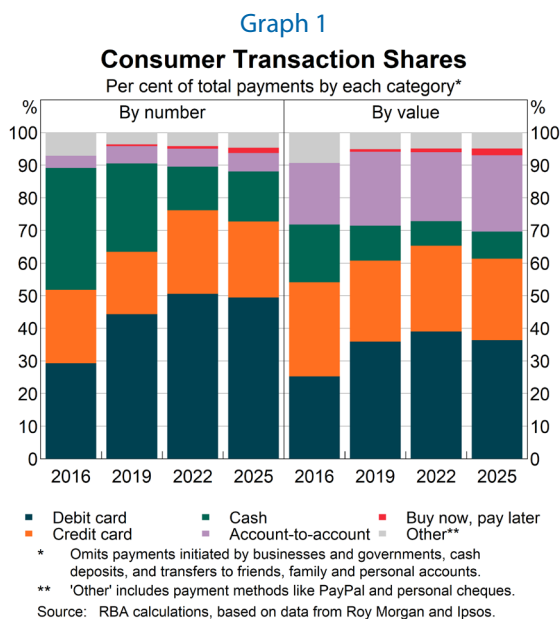
The ways in which Australians make and receive payments have changed significantly over the past decade.³ According to the RBA's 2025 Consumer Payments Survey, debit cards account for around half of all consumer payment transactions, up from around 30 per cent in 2016 (Graph 1). This increase reflects widespread acceptance of these cards and the reduced use of cash. Credit cards remain an important payment method for some consumers, particularly higher-income households, and they account for around one-quarter of all consumer transactions. BNPL services have grown rapidly over the past decade, although they still only account for a relatively small share of consumer payments. Australians have also been able to make real-time,

² See Bullock M (2026), '[Opening Statement to the House of Representatives Standing Committee on Economics](#)', Canberra, 6 February.

³ For further details, see Kim S and M Reschke (2026), '[Consumer Payment Behaviour in Australia](#)', RBA Bulletin, May.

24/7 A2A payments since the launch of the New Payments Platform (NPP) in 2018. A2A payments accounted for 6 per cent of consumer payments in 2025.

Consumers increasingly make payments via mobile wallets and online. In 2016, nearly all in-person payments were made by inserting cards or tapping contactless cards. With the rapid adoption of mobile wallets by Australian consumers since then, around 45 per cent of all card payments in 2026 were made by consumers tapping devices through services like Apple Pay, Google Pay and Samsung Pay (Graph 2). By contrast, less than 5 per cent of consumer transactions are now made by consumers inserting cards. Online payments have also grown rapidly in recent years and now account for around 20 per cent of all consumer payments, up from around 14 per cent in 2016. The use of AI agents in e-commerce could accelerate changes in how payments are made.



The ways in which merchants accept and interact with payments have also evolved. New entrants in the acquiring segment have steadily gained market share, in part reflecting the increasing popularity among merchants of simplified payments plans bundled with other products and services. Notable examples include e-commerce platforms and point-of-sale platforms that integrate payment acceptance services with other non-payment services that assist merchants with running their business. These developments, alongside a growing diversity of consumer payment methods, may make it more difficult for merchants – and in particular small businesses – to understand and manage their payment costs.

Much like the broader environment in which it operates, the payments system has become increasingly complex. This is giving rise to new challenges for ensuring the payments system remains safe, and for controlling risk to the financial system. Advances in computing are increasing the need to strengthen cryptographic practices. At the same time, the growth of online commerce has been accompanied by an increase in card fraud, particularly at overseas merchants. The need to modernise the infrastructure underlying payments can also create transitional risks, as illustrated by the proposed decommissioning of the Bulk Electronic Clearing System (BECS).

Overall, the payments system has experienced significant growth and innovation in recent years. These developments have the potential to make payments more convenient and safer, facilitate the entry of new players and lower costs for end users. At the same time, they could raise issues for competition, efficiency and financial safety in the payments system. This underscores the need for the RBA to review payments system regulation to ensure it continues to promote the public interest.

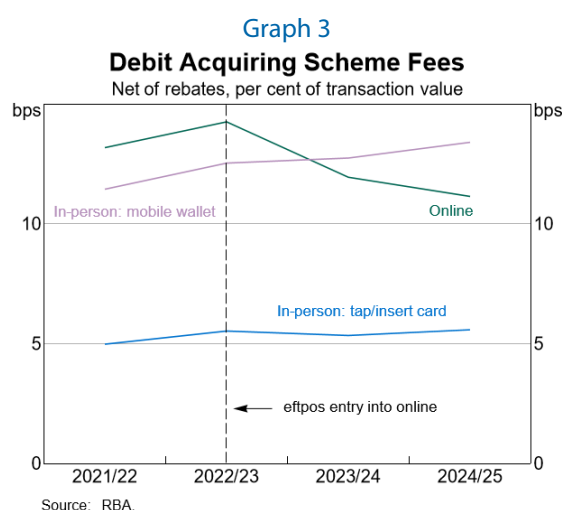
2. Merchant Choice in Payments

Merchant choice of payment methods and payment service providers (PSPs) connects to a number of issues relevant to competition, efficiency and safety in the payments system. When merchants can easily switch to alternative providers, payment system operators and PSPs face stronger incentives to innovate, improve their service offerings, build safer and more resilient systems and compete on price. However, if developments in payments technology and e-commerce were to constrain merchant choice, this could have adverse implications for competition, efficiency and financial safety in the payments system.

2.1. Competition across debit card networks

The RBA has sought to promote competition and efficiency across debit card networks by expecting large debit card issuers to issue dual-network debit cards (DNDCs) and acquirers to enable least-cost routing (LCR) for merchants. DNDCs allow domestic payments to be processed via two different debit networks (these include eftpos, Debit Mastercard or Visa Debit). As a result of this, around 92 per cent of debit cards issued in Australia are DNDCs. LCR should give merchants and their payments service providers the ability to route DNDC transactions via whichever of the two networks on the card costs less to accept.

LCR can reduce card payment costs for merchants by increasing the competitive pressure on debit networks to lower their wholesale fees, thereby putting downward pressure on payment costs across the economy. The RBA has found that, on average, merchants that enable LCR tend to have a lower cost of acceptance for debit card transactions.⁴ Potential cost savings were the largest for small merchants and those on plans that blend together prices for different card types. There is also evidence to suggest that the introduction of LCR can exert downward pressure on scheme fees. For example, the average net scheme fee declined across all networks for online debit acquiring following the introduction of eftpos online transaction functionality in 2022/23 (Graph 3). This occurred despite scheme fees for in-person transactions increasing.



The payments industry has made substantial progress on lifting take-up of LCR in the in-person environment (excluding mobile wallet transactions). As of December 2025, LCR for these transactions is available to 100 per cent of merchants and enabled for 84 per cent of merchants. The RBA's recent Review of Merchant Card Payment Costs and Surcharging concluded that there was not a strong case for a formal regulatory requirement to enable LCR for in-person transactions (excluding mobile wallets), given the additional costs involved and progress to date.⁵

⁴ See Dobie B and B Watson (2024), ['The Effect of Least-cost Routing on Merchant Payment Costs'](#), RBA Bulletin, April.

⁵ For further details, see RBA (2026a).

In this Review, the RBA is considering whether there is a case for further action on LCR to enhance the competition across debit networks in other environments. This includes the mobile and online environments, which account for a large and growing share of transactions.

In-person mobile wallet transactions

The industry has made material progress in recent years towards enabling merchants to choose their preferred routing network for in-person mobile wallet transactions, with issuers and wallet providers facilitating the provisioning of tokens from both networks on DNDCs in mobile wallets. As a result, the RBA estimates that LCR may now be technically possible for more than half of DNDCs provisioned into mobile wallets, and this is expected to continue rising. Nevertheless, there appear to be some barriers remaining: some issuers have been slower in enabling LCR for their cards that were already uploaded in mobile wallets; there are differences in LCR availability across mobile wallet providers; and there may be some technical issues at acquirers or terminals. The RBA is continuing to work with mobile wallet providers, debit card networks and issuers to encourage the prompt resolution of these remaining barriers that may be inhibiting LCR for mobile wallet transactions.

Online transactions (including via mobile wallets)

Progress has been slower in the online environment. This partly reflects that eftpos enabled online functionality later than Mastercard and Visa, by which time some participants had already built their online payment capabilities for just the two international card networks. For those participants, integrating an additional debit network to facilitate LCR required significant further system changes and investment.

There also remains a significant gap between LCR on online transactions being available and being enabled for merchants. Large acquirers reported that LCR for online transactions was available to 97 per cent of merchants as at end December 2025. However, only three out of 11 large providers have reported that LCR for online transactions is turned on for most of their merchants.⁶

The competition benefits of DNDCs therefore remain unavailable for many merchants for online DNDC transactions. There are a range of barriers to improving the effectiveness of LCR for online debit transactions:

- **The delivery of online LCR is reliant on a larger number of participants and intermediaries,** and complex integrations between them. In addition to acquirers and PSPs, enabling LCR for some merchants may require payment gateways to build functionality. In some cases, gateways may have limited incentives to develop this capability. Once functionality has been built, additional work is also required to integrate with acquirer/PSP and merchant systems to fully enable LCR.
- **New online payment methods have largely focused to date on solutions that enable transactions on DNDCs to be routed to a single debit network,** typically an international debit network. It can take some time after new payment methods are launched for functionality to be introduced for routing DNDCs via a second debit network, such as eftpos. For example, the RBA understands that online transactions initiated via mobile wallets and Click-to-Pay do not currently support LCR functionality. Such approaches may constrain competition between debit networks in new and fast-growing segments.

Some emerging payment use cases, such as agentic commerce, rely on technologies used for online payments. Some stakeholders are predicting that these use cases will be rapidly adopted by consumers and merchants. If this is the case, existing constraints on competition between debit networks for online payments will have a broader impact.

The RBA is interested in views on the key factors that currently limit competition between debit networks for DNDC transactions in the mobile and/or online environments. The RBA is also interested in views on whether further formal regulatory action might be required. In considering these issues, the RBA is mindful of the need

⁶ See RBA (2026b), '[Update on Availability and Enablement of Least-cost Routing for Merchants – Data as at December 2025](#)', March.

to balance the benefits of competition – such as lower costs and improved outcomes for end users – against the implementation costs and potential effects on efficiency and innovation in the payments system.

Q1: What are the impediments to competition between debit card networks for merchants' transactions on DNDCs across mobile and/or online environments? Are there practices by industry participants that limit competition, efficiency or financial safety in relation to debit card transactions?

Q2: Is there a public interest case for the RBA to take further action to support competition across debit card networks in mobile and/or online environments?

2.2. Integrated platforms and bundling of payment services

Payment services are increasingly being integrated with other products and services. Merchants and consumers can benefit from the convenience of having a range of services, including payments processing, integrated and supplied together by one provider. For example:

- **E-commerce platforms** provide services that allow merchants to sell their products online, including the essentials for a merchant to get started – from website development to checkout and payments processing, as well as postage and delivery services. E-commerce platforms help to match merchants with suppliers of those different individual services in an integrated and automated way. E-commerce platforms can also provide some of those individual services in-house through their own product or service offerings.
- **Point-of-sale (POS) platforms** have evolved significantly over the past decade, shifting from standalone checkout terminals into integrated platforms at the core of merchants' physical business operations. What were once systems focused primarily on processing in-store payments now typically combine payments, software, hardware and a growing suite of operational services into a single integrated offering.

These platforms do not solely compete for merchants based on their processing of payments. Rather, they also compete on the range of services they offer that help the merchant to run their business (e.g. e-commerce, POS facilities, accounting, payroll) and integrate these services with payments processing.

Some stakeholders have argued that, in some cases, the way payments processing services are provided by large integrated platforms can create potential competition and efficiency issues for the payments system:

- **Potential constraints on competition in payments processing:** The RBA understands large integrated e-commerce platforms can have a 'preferred' payments provider and some may engage in 'self-preferencing'. These platforms may limit the ability of their merchant customers to integrate with competing or non-preferred PSPs or charge them higher fees for doing so. While some of these practices may be related to costs associated with the platform integrating additional providers, it can also make it uneconomic for merchant customers of these platforms to use competing PSPs. An example that many stakeholders have raised with the RBA is the widely used e-commerce platform Shopify, which appears to charge their merchant customers a third-party transaction fee for using a PSP other than Shopify Payments.
- **Barriers to switching PSPs:** Some merchant customers may choose to continue using such integrated platforms and forego access to cheaper or more innovative payments processing, because of the high cost of switching. Merchants that move away from an integrated platform can lose access to services that are core to running their business, which increases the cost of switching platforms. These barriers reduce competition in payments processing for merchants.

As small and medium-sized merchants are the predominant users of integrated platforms, these competition or efficiency concerns may have greater impact on these merchants.

The RBA is seeking views on whether the bundling of payment services with non-payment services, including in integrated platforms, is raising competition, efficiency or financial safety concerns in the payments system. For example, the RBA is interested in whether bundling practices detrimentally limit or influence merchant choice, pricing outcomes or the ability of other PSPs to compete effectively.

The RBA is also seeking views on whether regulatory action may be warranted to address any identified concerns, such as measures to provide merchants with greater choice of PSPs on integrated platforms.

Q3: How difficult is it for merchants to switch away from their existing integrated platform services provider to access their preferred PSP? To what extent do merchants receive clear and sufficient information from integrated platform providers prior to joining about potential challenges in switching PSPs, and are there areas where greater transparency could help them better understand potential costs and risks?

Q4: Does the bundling of payments with other services, such as in integrated platforms, raise competition, efficiency and/or financial safety issues in the payments system? If so, should regulatory action be considered and what form should it take?

2.3. Tokenisation of card information

Tokenisation of card payments involves replacing sensitive information – the cardholder’s primary account number (PAN) – with a unique token that contains less critical information than the PAN and can be restricted for use on a particular device and/or at a specific merchant.

This process reduces the risk that cardholders’ payments information is stolen and used for fraud, scams or other criminal activity such as identity theft.⁷ An increasing number of merchants and PSPs have adopted the use of tokens instead of the cardholder’s PAN for recurring payments (such as subscriptions) and other use cases where card information is stored. To support the enhancement of card security, the RBA issued a set of expectations for the tokenisation of payment cards and storage of PANs in May 2024.⁸ The expectations require merchants and PSPs to meet card industry security requirements when storing card information or use tokens instead of PANs, conditional upon token portability and token synchronisation.

The RBA understands that, at present, token portability presents challenges for merchants looking to switch between PSPs.

- **Portability:** Currently, most tokens (including network tokens) are specific to a particular merchant, while proprietary tokens created by PSPs or gateways are also typically specific to that PSP or gateway. This can create difficulties when a merchant seeks to change their PSP. Different practices for network token migration across networks can also complicate switching.
- **Other switching constraints:** Where PSPs instead rely on PANs to simplify migration processes, the re-tokenisation process can fail once those PANs have been migrated to the new PSP if the PAN has already expired.

These issues can create barriers to merchants changing PSPs and reduce competition for acquiring services. For example, the merchant may need to ask their existing customer base to re-enter card details for future transactions, adding frictions to customer retention and relationship management.

⁷ For more details on tokenisation of card payments, see RBA (2023) [‘The Australian Debit Card Market: Default Settings and Tokenisation’](#) Conclusions Paper, September.

⁸ See RBA (2024), [‘Expectations for the Tokenisation of Payment Cards and Storage of PANs’](#), May.

AusPayNet has released a technical Standard with a common set of requirements for the transfer of data between PSPs to support merchant switching.⁹ The RBA expects industry participants to comply with the Standard by 1 July 2026.¹⁰ The RBA notes that the Standard focuses on providing a standardised process for porting merchant payment-related data, rather than addressing the portability of tokens themselves. Stakeholders continue to report difficulty porting tokens across PSPs.

There are also broader operational issues associated with tokenisation. For example, network tokens can remain valid after a card expires or is replaced, which supports continuity of payments. However, following card lifecycle events (such as card replacement), the two network tokens on a DNDC may not be updated simultaneously. This can limit merchants' ability to choose a debit network to route online payments made with the DNDC.

Collectively, these issues may affect the adoption of tokenisation by merchants and PSPs. As a result, there continues to be extensive retention of PANs by merchants and PSPs. This means the full security benefits of tokenisation, including fraud reduction, are yet to be realised.

The RBA is interested in views on whether there is a case for further action to promote the portability of tokens for payment cards, or other competition, efficiency or financial safety issues associated with implementing tokenisation across card payment systems.

Q5: How do stakeholders assess the functioning and effectiveness to date of the RBA's tokenisation expectations? Is further regulatory intervention needed to promote the portability of tokens for payment cards, or to address other competition, efficiency or financial safety issues associated with implementing tokenisation across card payment systems? If so, what regulatory actions should be considered?

2.4. Use of AI agents for payments in e-commerce

The use of AI agents in e-commerce is a rapidly developing area. AI agents are already used in e-commerce to help consumers find and compare options. A small number of industry trials are underway with international technology firms or international networks where AI agents are used to finalise a purchase and make a payment with a 'human in the loop' (i.e. the consumer reviews and confirms the purchase before a payment is made).

Consumer decisions about whether to use an AI agent for making payments in e-commerce may be influenced by convenience and the agent's ability to bundle payments processing with other services.

Developments in the use cases, rules and protocols for agentic commerce, including their acceptance of payment methods, are currently led by the international technology companies and payment networks. This highlights potential competition, efficiency and financial safety issues for the payments system:

- **Merchant choice of payments:** Payments processing using AI agents may initially be limited to international card networks, and it is not yet clear how and when merchants may be given a choice of debit networks for processing debit payments. Depending on how they are configured, AI agents may choose a payment method for processing payments based on factors such as incentive programs rather than lowest cost. These factors can limit merchants' ability to choose a lower cost debit network for payments processed using an AI agent.
- **Costs for merchants if AI agents become more widely adopted:** While these services may offer convenience and automation benefits for consumers, the RBA is aware that some payments processed using an AI agent can incur an additional fee for merchants. If AI agents become more widely adopted by consumers and payments users, such fees can add to the cost of accepting payments for merchants.

⁹ See AusPayNet (Australian Payments Network) (2025a), '[Standard for Payment Service Provider Porting of Merchant Payment-Related Data](#)', 1 July.

¹⁰ See RBA (2025b), '[Payments System Board Update](#)', Media Release No 2015-14, 5 June.

- **Disputes and liability:** In the future, consumers may also use AI agents to make more autonomous payments decisions. This use case creates a risk of disputed transactions over questions such as the consumer's intent to make a payment, whether the purchase meets the consumer's expectations, and new categories of fraud, which can create operational complexity and add costs for merchants and payments system participants.

The RBA is interested in views on whether these developments in the use of AI agents for processing payments raise issues for competition, efficiency or financial safety for payment systems that interact with agents or in the broader payments system.

Q6: Are there competition, efficiency and/or financial safety issues relating to the use of AI agents for payments in e-commerce? If so, are there any regulatory actions that the RBA should consider?

3. Mobile Payments, Non-designated Card Networks and Buy Now Pay Later

Stakeholders have raised with the RBA a range of other issues that could have implications for competition efficiency and/or financial safety in the payments system. These relate to mobile wallets, non-designated card payment systems and BNPL providers.

3.1. Mobile payments

Consumer use of mobile wallets to make payments has increased strongly in recent years. By the end of 2025, Apple Pay, Google Pay and Samsung Pay transactions collectively accounted for around 45 per cent of all card payments (by number). Most of these transactions were made in the in-person environment.

Mobile wallets offer a range of benefits for consumers and merchants, including the convenience of contactless payments without needing to carry physical cards and enhanced security (through ‘tokenisation’ and biometric authentication). In the online environment, mobile wallets also serve a pre-fill function, allowing consumers to securely transact with merchants through tokenisation without having to re-enter their credentials for their preferred payment method.

Some stakeholders have raised concerns that practices by some large mobile wallet providers may adversely affect competition and efficiency in the payments system. For example:

- **Access to near field communication (NFC) technology:** Not all operating systems allow fee-free direct access to NFC technology (which is used to make contactless in-person payments) on terms equivalent to the native mobile wallet for third-party apps in Australia. Such policies might limit the amount of competition faced by the native mobile wallet on devices that use these operating systems, as well as limiting opportunities for innovation or competition across payment rails. An example that many stakeholders have raised with the RBA is the limited degree of competition faced by the Apple Pay wallet on iOS devices.
- **Costs associated with mobile wallets:** Using a recent survey of Australian issuers by the RBA, issuer costs when a transaction is initiated via a mobile wallet are estimated to be around 2 cents per debit transaction and 0.06 per cent of transaction value for credit transactions on average.¹¹ Some stakeholders have raised concerns that these costs could rise as consumer demand for mobile wallet payment services increases or if mobile wallet providers were to increase the fees they levy when transactions are initiated through a mobile wallet.
- **Contract terms:** Some mobile wallet providers contractually prevent issuers from disclosing the fees associated with mobile wallet transactions, which may limit competitive pressure on those fees. Some industry participants have also raised concerns that mobile wallet providers contractually restrict the ability of participants to develop, support and steer customers to alternative payment methods that could compete with mobile wallets. This may limit competition and innovation in the payments system.

¹¹ Estimates of mobile wallet transaction costs are approximated by scaling the issuer cost data using 2024/25 RBA Retail Payments Statistics data by the share of debit and credit card transactions conducted via mobile wallets. See RBA (2026a).

On the other hand, given the growing consumer use of mobile wallets, mobile wallet providers have an opportunity to play a role in promoting innovation and competition in the payments system. Mobile wallet providers have made progress in enabling LCR, which supports competition between debit card networks. Wallet functionality could extend further to enable competition between cards and alternative payment methods. For example, the RBA is aware that wallet-based payment methods are being developed in other jurisdictions that would allow consumers to make in-person A2A payments and offer consumers an alternative to cards at the point of sale with a similar user experience to cards. These payment methods may involve different frameworks for consumer protections compared with card payments, including in areas such as fraud, chargebacks and liability allocation.

The RBA is interested in views on whether the practices of mobile wallet providers raise issues for competition, efficiency or financial safety in the payments system. The RBA is also seeking views on whether regulatory action may be warranted to address any identified concerns.

Q7: Are there competition, efficiency and/or financial safety issues relating to mobile payments? If so, are there any regulatory actions that the RBA should consider?

3.2. Non-designated card networks

3.2.1. Three-party networks

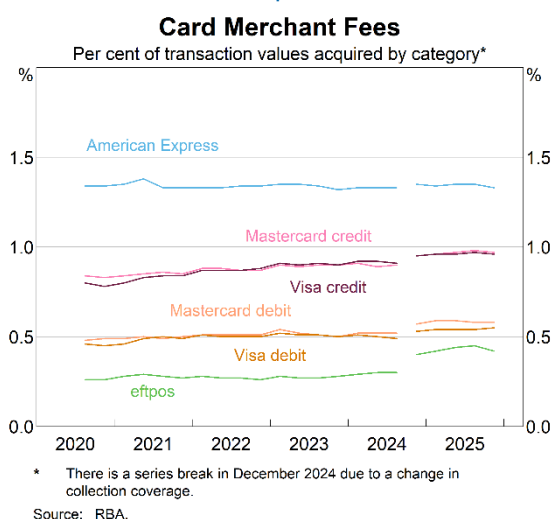
Three-party card networks involve direct relationships between the merchant, the cardholder and card network, with the card network fulfilling the role of card issuer and acquirer. For merchants, the network provides card acceptance services and charges merchant service fees. For cardholders, it collects card balances, fees and interest (if applicable), and offers incentives to encourage card use.

American Express is the most prominent example of a three-party network in Australia. American Express offers a broad range of credit and charge card products that primarily target businesses and affluent consumers. American Express typically offers rewards and other incentives for cardholders to use their cards. Unlike designated, four-party networks, three-party networks such as American Express do not charge interchange fees – as they are both the issuer and acquirer – and so are not subject to the RBA’s interchange regulation.

Some stakeholders have highlighted to the RBA the regulatory asymmetry between American Express and designated systems, including during the Review of Merchant Card Payment Costs and Surcharging. These stakeholders have raised the following competition, efficiency and safety concerns:

- **Card-use incentives:** American Express charges merchant fees that are, on average, higher than those associated with Visa and Mastercard credit cards (Graph 4). This in turn can help fund benefits and privileges that may incentivise consumers to use American Express cards at the expense of lower cost payment methods. Over time, this may result in the cross-subsidisation of American Express cardholders by users of cheaper payment methods.

Graph 4



- **Merchant steering and price signals:** Some stakeholders have raised with the RBA examples of practices by American Express that they argued may disincentivise merchants from leveraging steering options, like surcharging and discounting, and weaken effective price signals. These concerns are likely to be most relevant for industries like travel where acceptance of American Express cards is strongly expected by cardholders.
- **Commercial card market share:** American Express accounts for a large share of the commercial card transactions in Australia. As American Express is not subject to interchange regulation, American Express retains the flexibility to fund benefits and privileges that incentivise businesses to use American Express commercial cards. Some stakeholders have argued this can make it more difficult for other card networks and issuers to compete and, over time, could contribute to higher payment costs for merchants.
- **Competitive dynamics in other segments:** Stakeholders have raised concerns that American Express fees could rise as acceptance and use of American Express cards grows more widespread and merchants become more constrained in their ability to stop accepting American Express cards.

The RBA is seeking views on whether there is a case to consider regulatory action in relation to three-party networks.

Q8: Are there competition, efficiency and/or financial safety issues relating to three-party networks? If so, what regulatory action should the RBA consider?

3.2.2. Other non-designated card networks

Australian merchants also accept cards issued by card networks such as JCB and UnionPay that are not designated by the RBA. These networks account for a much smaller share of card payments in Australia than the designated card networks or American Express, and acceptance of these cards is typically concentrated in tourism-related sectors and among merchants servicing overseas cardholders.

Some stakeholders have suggested that competition and efficiency concerns could arise as a result of these card networks remaining outside of the RBA's regulation. Cards issued on non-designated networks may cost merchants more to accept than designated network cards, including on cross-border transactions, as they are not subject to the RBA's interchange caps. This could be keeping payment costs inefficiently high for merchants, particularly in industries that service foreign cardholders frequently and where merchants may feel greater pressure to accept these cards.

The RBA is interested in views on whether non-designated networks that account for a small share of card payments in Australia (such as JCB and UnionPay) pose competition, efficiency or financial safety issues for the payments system and whether there may be a case for formal regulation. In considering this, the RBA is

mindful of the need to balance the potential competition benefits that smaller or emerging networks can provide against the importance of maintaining a regulatory framework that supports competition, efficiency and financial safety across the card payment systems.

Q9: Does the current regulatory treatment of non-designated card networks such as JCB and UnionPay remain appropriate given their limited scale in Australia, or would formal regulation of these networks by the RBA better support competition, efficiency and financial safety in the payments system?

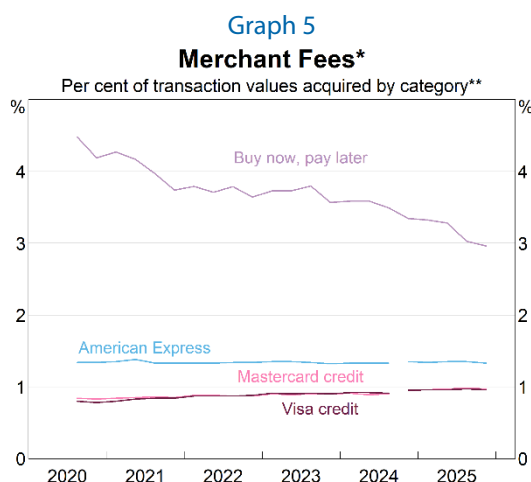
3.3. BNPL providers

BNPL services generally offer consumers the ability to make payments in several instalments that gives them access to short-term credit and budgeting flexibility, while allowing merchants to receive payment upfront and potentially gain higher sales. The BNPL sector has grown rapidly in recent years, with transactions more than doubling in the past five years, but remains a small share of retail payments at 2 per cent in 2025 (see Graph 1).

The regulation of BNPL providers has evolved over time. In 2021, the RBA concluded that requiring BNPL providers to allow surcharging on BNPL transactions would promote competition and efficiency in the payments system. However, the RBA did not introduce regulations to prohibit such rules given uncertainty at the time over whether BNPL providers fell within the scope of the RBA’s powers under the PSRA. Since 2025, BNPL has been regulated as a form of consumer credit under the *National Consumer Credit Protection Act 2009* which is administered by the Australian Securities and Investments Commission.

Stakeholders have previously raised the following potential competition and efficiency issues in relation to BNPL:

- **Higher merchant fees:** The cost of accepting BNPL transactions has declined in recent years but remains materially higher on average than for card payments (Graph 5). Stakeholders have suggested this may be particularly concerning in industries where accepting BNPL services is viewed as necessary to remain competitive. This is because merchants in these industries likely lack the ability to exert downward pressure on fees with BNPL providers or to steer customers towards lower-cost payment methods. In combination with no-surcharge rules imposed by some BNPL providers, this could raise potential efficiency concerns where users of lower-cost payments can cross-subsidise users of higher-cost payments like BNPL.



* Values for 'Buy now, pay later' reflect weighted averages.
 ** There is a series break in December 2024 due to a change in collection coverage.

Source: RBA.

- **Market concentration:** The BNPL market has become more concentrated over time, which could result in decreasing competition in the space, ultimately limiting merchants' ability to negotiate fees and terms with BNPL providers. The RBA also notes the withdrawal of smaller providers from segments of the BNPL market in recent years.
- **Fee transparency:** BNPL providers typically do not publish the fees that they charge merchants, limiting visibility of acceptance costs and reducing merchants' ability to benchmark their costs with their peers to assist in their price negotiations.

The RBA is seeking views on whether there is a case to consider regulatory action in relation to BNPL providers.

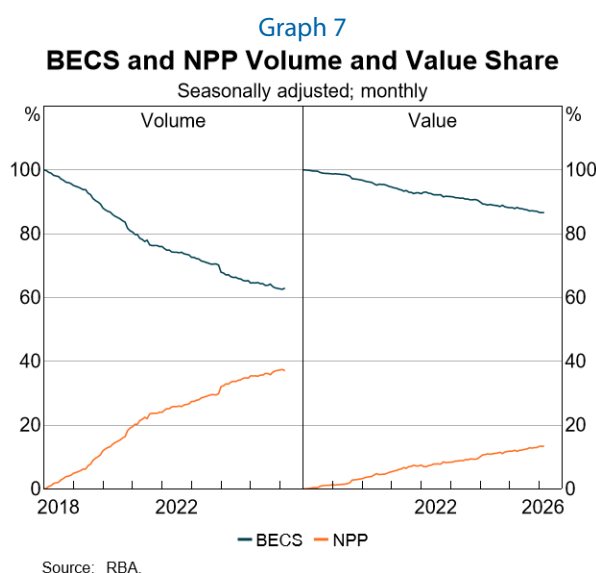
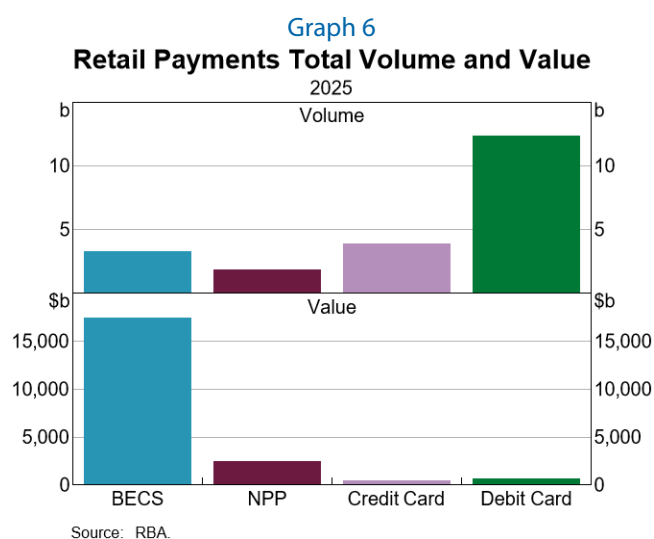
Q10: Are there competition, efficiency and/or financial safety issues relating to BNPL services? If so, what regulatory action should the RBA consider?

4. Account-to-account Payments

Account-to-account (A2A) payments involve the transfer of funds between accounts held at authorised financial institutions (authorised deposit-taking institutions and certain providers of purchased payment facilities). A2A payments are commonly used for the payment of wages, superannuation, welfare and bills, as well as transfers of money to family and friends.

There are currently two clearing streams for payments between accounts held by Australian consumers, businesses and government agencies: BECS, which is administered by the Australian Payments Network (AusPayNet); and the NPP, which is operated by Australian Payments Plus (AP+).¹² For both of these clearing systems, settlement (the movement of funds between the paying and receiving financial institution) occurs through the RBA's settlement system.

Australians use A2A payments less frequently than cards, but the total value of transactions processed via BECS and the NPP far exceeds the total value of card payments each year. BECS is Australia's largest retail payment system by value, facilitating most salary, welfare and pension payments and recurring bill payments such as insurance premiums or utility bills (Graph 6). The NPP is Australia's fast payments system, which processes transactions on a 24/7, near real-time basis. The NPP's share of retail A2A payments has grown steadily since it was launched in 2018 (Graph 7), although it is still primarily used for lower value payments.



4.1. Future of A2A payments

In 2023, AusPayNet communicated an intention to decommission the BECS framework by 2030, contingent on the successful migration of all BECS payments to safe and reliable alternatives. The RBA publicly identified a number of risks with this plan in March 2025. In December 2025, AusPayNet announced that it was removing the target end date of June 2030 after the industry determined that it was unable to achieve it. It indicated that it would not set a new target date until after a clear roadmap has been developed for the future of A2A payments in Australia.¹³

In August 2025, an A2A Payments Roundtable was established to shape a shared vision for the future of A2A payments in Australia and define a roadmap of deliverables and timelines to achieve that vision. The intention

¹² A2A payments can also be processed through the High Value Clearing System, which is primarily a wholesale payment system used for large interbank payments (where financial institutions are the ultimate beneficiary of the payment). Cheques are another method of making A2A payments. However, a wind-down of the cheques system is currently underway via the Australian Government's Cheques Transition Plan. For further details, see Treasury (2024), '[Australia's Cheques Transition Plan](#)', November.

¹³ See RBA (2025a), RBA (2026c) and AusPayNet (2025c).

of this work is to provide certainty to stakeholders on the long-term strategic direction for A2A payments, and anchor the industry's development of A2A payments products, services and underlying infrastructure. The Roundtable is made up of AusPayNet, AP+, the RBA and the Australian Treasury. This Roundtable process has been authorised with conditions by the Australian Competition and Consumer Commission under competition law to run until 31 January 2027.¹⁴

On 30 April 2026, the A2A Payments Roundtable released a draft vision for the future of A2A payments for public consultation.¹⁵ The draft vision sets out the desired long-term outcomes for Australia's A2A payments system – that it remains safe, reliable, low cost, easy to use and inclusive for consumers, businesses and government agencies. It also defines the qualities that the system (encompassing A2A payments infrastructure, product and services) needs to demonstrate to consistently deliver these outcomes.¹⁶

Some industry participants and end-users have raised concerns about aspects of A2A payments that may adversely affect competition, efficiency and financial safety in the broader payments system. For example:

- **Access to A2A payment systems:** A2A payment systems in Australia are characterised by a relatively small group of direct participants providing access to a larger number of indirectly connected entities. This model is often the most efficient and secure way for payments providers to arrange access to network infrastructure. However, there are cases where indirect access does not meet providers' needs. Eligibility criteria for directly accessing A2A payment systems generally favour authorised deposit-taking institutions, and there are limited options for small institutions and non-bank PSPs to participate directly. Further, the process for obtaining access to A2A payment systems can often be lengthy, challenging and uncertain, involving substantial entry and ongoing costs. There may also be barriers and challenges for some providers – such as new entrants and those with low payments volumes – in indirectly accessing A2A payments. These could relate to the fees charged by intermediary financial institutions and technology providers as well as product, operational and technical connectivity requirements. Barriers to accessing payment systems can result in gaps in payment capabilities within the A2A system and significant variation in end-users' payments experience.
- **Standardisation within and across A2A payment systems:** Standardisation can promote efficiency, competition and innovation by reducing complexity in the supply of payments, lowering entry costs for providers and platforms, improving the consistency of services provided to end users, enabling user choice of payment rails and facilitating the switching of providers. Appropriate standardisation can also help to control risk to the financial system by facilitating interoperability. In disruptions, interoperability may allow PSPs to reroute and failover payments between systems. This enables PSPs to preserve service continuity to end users and enhance certainty regarding the outcome and timing of payments. Without standardisation and interoperability, the payments system – and the broader financial system – is less able to absorb shocks to its components. A2A payment rails tend to be less compatible with each other than other aspects of the payments system due to a combination of technical, procedural and coordination challenges. Although standardisation has many benefits for payment systems, excessive standardisation may be counterproductive; it can constrain competition and innovation by limiting payment service providers' ability to offer differentiated products and services.

The RBA is seeking views on whether there is a role for the RBA to take action to address any existing or emerging issues in the A2A payments system that may impact efficiency, competition or financial safety, or pose risks to the financial system.

¹⁴ The authorisation extends to reaching an in-principle agreement on how the desired future state of A2A payments should be achieved. Implementation of any agreement would require a separate application for authorisation. See ACCC (Australian Competition and Consumer Commission) (2025) '[Australian Payments Network Limited and Ors](#)', 1 August.

¹⁵ See RBA (2026d), '[Roundtable Opens Public Consultation on Draft Vision for Account-to-Account Payments in Australia](#)', Media Release No 2026-11, 30 April.

¹⁶ The draft vision is consistent with the RBA's Public Interest Framework for a Successful Account-to-Account Payments System. See RBA (2025c), '[Public Interest Framework for a Successful Account-to-Account Payments System](#)', July.

Q11: What are the challenges faced by participants and end-users in the A2A payments system? Do these limit efficiency, competition or financial safety in relation to A2A transactions?

Q12: Is there a case for the RBA to take any regulatory action in relation to A2A payments to support efficiency, competition or financial safety, or control risk to the financial system? If so, what regulatory actions should be considered?

4.2. Competition between cards and A2A payments

Payment methods such as cards and A2A payments largely operate on distinct payment rails with limited scope for direct competition at the point-of-sale, particularly in the in-person environment. Innovation in the payments ecosystem, including the growth of digital wallets and overlay services, may enable such payment methods that use different rails to coexist and compete more seamlessly at the point of transaction. Examples include PSPs that offer services that make customer choice between A2A and card payments seamless for online transactions, and mobile wallets, which could leverage NFC technology to enable a similar frictionless experience particularly for in-person payments.

Increasing competition across payment methods that use different underlying payment rails – such as card networks and the NPP for A2A payments – can deliver:

- **Competition and efficiency benefits:** Greater adoption of A2A payments in in-person and online retail settings could enhance competition with card payments. Developments such as mobile devices and digital wallets could facilitate more seamless consumer use of A2A payments, supporting their use in a wider range of retail payment contexts and lowering frictions at the point of sale. Greater competition across payment rails could place additional downward pressure on merchant payment costs, contributing to improved efficiency outcomes across the payments system. These potential benefits would need to be considered alongside any implications arising from functionality or other differences across payment methods.
- **Better control of risk:** Greater consumer use of payment methods operating on different rails could allow for continued payments activity if one system experiences substantial outages, delays or disruptions, maintaining confidence in the payments system and controlling risk to the financial system.

The RBA is interested in views on whether there is a role for the RBA to take action to facilitate the development of such competition between card and A2A payments, consistent with its mandate to promote efficiency, competition and safety in the payments system. For these different payment methods to meaningfully compete across rails, the underlying market incentives and infrastructure supporting those payment rails may need to continue to evolve to support broader retail use.

Q13: What are the barriers to more seamlessly enabling A2A payments in the in-person and online environments through, for example, digital wallets, and do they warrant the RBA taking action to address them?

Q14: What regulatory action, if any, should the RBA take to promote more standardisation and interoperability across cards and A2A payments?

5. Cryptography and Fraud Prevention

The payments system and the environment in which it operates continue to become more complex. Issues affecting financial safety in the payments system and/or controlling risk to the financial system include the need to strengthen cryptography in response to advances in computing and addressing rising rates of card fraud particularly on online transactions at overseas merchants.

5.1. Cryptography in the payments system

Cryptography is a discipline concerned with protecting sensitive information as it is stored or transmitted between parties. In many digital contexts – including, but not limited to, electronic payments – the data involved may include details that could be misused if disclosed, modified, or falsely attributed. Cryptographic techniques are therefore designed to uphold three core security principles:

- **Confidentiality** ensures that information is accessible only to authorised parties, protecting it from unauthorised access even if communications are intercepted.
- **Integrity** safeguards the accuracy and completeness of data by enabling recipients to detect whether information has been altered, either accidentally or maliciously, during transmission or storage.
- **Authenticity** supports trust in digital interactions by allowing parties to verify the origin of data and confirm that it was generated or sent by a legitimate source.

These three principles are critical in payment systems, with cryptography helping to ensure that transaction information, payment credentials, and authorisation messages can be exchanged securely, protecting consumers, merchants, and financial institutions from fraud and misuse.

In practice, cryptography does not guarantee absolute security. Rather, it makes unauthorised access difficult by making the time and resources required to compromise cryptographic protections exceed the useful lifetime and the perceived value of the information being protected. For example, data that remains sensitive for 10 years should be encrypted in a way that would take an attacker at least that long to decrypt it. As ongoing improvements in classical computing continue to reduce the time required to undermine existing cryptographic standards, cryptography must be continuously strengthened to remain effective.

Looking further ahead, the anticipated emergence of cryptographically relevant quantum computers (CRQCs) represents a fundamental shift in the threat landscape. Quantum computing is expected to outperform classical systems for certain cryptographic tasks, rendering some widely used encryption methods ineffective altogether. While views differ on the likely timeframe, the Australian Signals Directorate¹⁷ assesses that CRQCs could emerge as early as 2030 and become increasingly likely toward 2040.

For organisations participating in payment systems, significant work is underway globally and domestically to strengthen cryptographic practices in response to the evolving threat environment. Much of this effort is focused on identifying where investment delivers the greatest reduction in risk, particularly in the context of finite resources and competing security priorities. In this setting, more future-focused risks such as quantum can be difficult to prioritise, due to uncertainty around both when they may arise and how best they should be addressed.

The challenge of uplifting cryptographic practices is compounded in highly networked industries such as payments, where decisions must be coordinated across multiple participants and systems to be effective. Industry bodies, payment networks, and individual organisations draw on advice from a wide range of

¹⁷ See Australian Signals Directorate (2025), '[Planning for Post-quantum Cryptography](#)', September.

sources, including cybersecurity agencies, global standard-setting bodies and regulators, both domestic and international. While this breadth of guidance reflects the complexity of the threat environment, it can also result in differing emphasis, time horizons and recommended approaches, making coordinated and timely action more difficult.

5.1.1. The card payments system

The industry-led Advanced Encryption Standard (AES) Migration Program aims to uplift cryptography across the Australian card payments system. The program brings together three distinct sources of guidance:

- **International and domestic standards**, including those developed by the International Standards Organization, National Institute of Standards and Technology, Internet Engineering Task Force and Standards Australia, which serve as the foundation for the industry's target cryptographic state.
- **Requirements and guidance from the Payments Card Industry Security Standards Council**,¹⁸ which are international in nature and developed specifically for card payment systems. The requirements address current cyber threats facing the global card payments ecosystem, while the guidance encourages industry participants to prepare for emerging risks.
- **Guidance from the Australian Signals Directorate**, which is Australian-focused and provides generic, cross-industry advice on cryptographic uplift and cryptographic risk management, rather than sector-specific mandates.

Together, these resources can be used to help ensure that the approach adopted by the Australian card payments system is consistent with global card-payment standards, tailored to the Australian context. The program represents an important first step toward improving the quantum resilience of Australia's card payment infrastructure.

Although there is broad industry support for the program and some participants have made strong progress, many organisations remain uncertain about their ability to complete the program within the targeted timeframes. These concerns are driven by:

- Competing internal investment priorities, with immediate and well-understood cyber threats often taking precedence over the more future-focused initiatives.
- The operational complexity of large-scale device replacement, with approximately 970,000 point-of-sale terminals and 25,000 ATMs requiring replacement or upgrade.¹⁹
- Differing requirements and guidance, where industry context and implementation considerations have led them to favour an incremental, hybrid approach to quantum readiness, while broader national security guidance promotes a comprehensive cryptographic uplift over shorter timeframes to achieve full quantum resilience.

Australia's challenges are widely shared internationally. While a small number of jurisdictions have begun to make tangible progress, most face challenges with sequencing cryptographic uplifts in an environment where guidance, standards and threat horizons continue to evolve. Many jurisdictions remain in the planning stage and, as in Australia, face ongoing uncertainty about longer-term approaches and timing needed to achieve a genuinely quantum-safe card payments system.

The RBA is seeking views on how it could support and facilitate industry-led cryptographic uplifts for the card payments system and other payment systems operating in Australia.

¹⁸ The Payments Card Industry Security Standards Council is a global forum that brings together payments industry stakeholders to develop and drive adoption of data security standards. Its founding members include major card networks.

¹⁹ See AusPayNet (2026), '[Advanced Encryption Standard \(AES\) Migration](#)', May.

Q15: How is the payments industry strengthening its cryptographic practices in response to evolving cyber threats? What initiatives or uplift programs are underway, whether led by individual participants, industry bodies, or international standard-setting groups, and how effective are these initiatives likely to be in delivering an appropriate and sustainable level of cyber security?

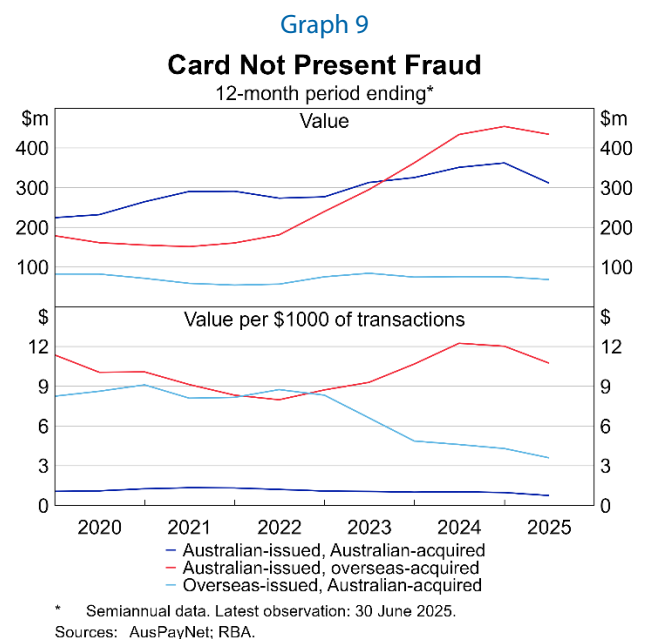
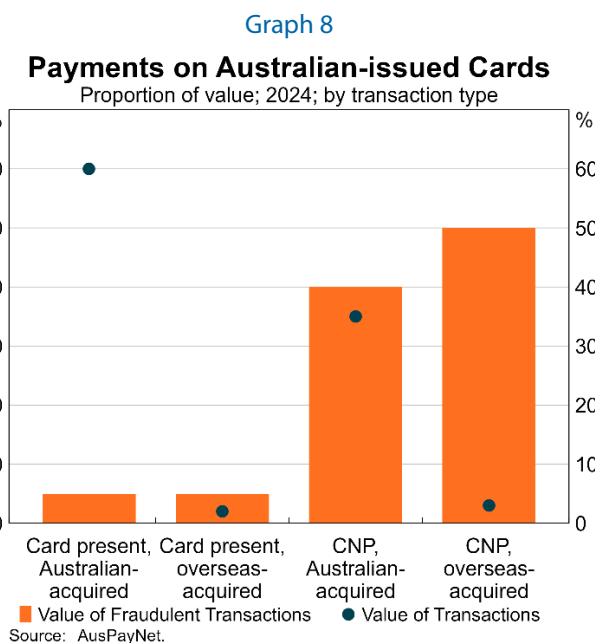
Q16: What key barriers or challenges are participants facing in uplifting cryptography and broader cyber security practices within the payments system?

Q17: What role could the RBA play in supporting and coordinating industry-wide cryptographic uplifts in the payments system, while avoiding both duplication and undermining existing domestic and international standards, regulatory frameworks or industry-led initiatives?

5.2. Card payments fraud overseas

Card payments fraud involves the unauthorised use of card details to make purchases, withdraw funds or gain financial benefits without the cardholder’s consent. In 2024, the value of fraud on Australian-issued cards was \$913 million, a rate of 78.8 cents per \$1,000 spent.²⁰ This represented a 37 per cent increase on the 2022 rate.

Card not present (CNP) fraud represents approximately 90 per cent of the value of fraud on Australian-issued cards (Graph 8). CNP fraud occurs when valid card details are stolen or otherwise fraudulently obtained and used to make payments via a remote channel. CNP fraud is primarily perpetrated online via a web browser or by phone.



In response to these high and growing fraud levels, the payments industry developed the CNP Framework to reduce fraud on Australian cards used at Australian merchants in online channels. The CNP Framework is enforced through AusPayNet’s Issuers and Acquirers Community (IAC) Code Set. Under the IAC Code Set, AusPayNet may place sanctions on issuing or acquiring participants for breaching fraudulent transaction thresholds. Sanctions may include a requirement to implement Strong Customer Authentication (SCA), a form of multifactor authentication. Since the inception of the CNP Framework in 2019, the rate of CNP fraud at Australian merchants has declined (Graph 9).

²⁰ See AusPayNet (2025b), [‘2025 Australian Payment Fraud Report’](#), August.

However, the CNP Framework does not apply to CNP fraud occurring at overseas merchants, which has increased rapidly in recent years (Graph 9). Unlike domestic merchants and acquirers, overseas merchants and acquirers fall outside the regulatory reach of the IAC Code Set and cannot be sanctioned by AusPayNet for breaching fraud thresholds. In 2024, CNP transactions at overseas merchants accounted for half of all card fraud on Australian-issued cards despite those transactions only representing around 3 per cent of the total value of all transactions on these cards.

To address CNP fraud at overseas merchants, some stakeholders have suggested requiring Australian card issuers to implement additional verifications such as SCA for these transactions. The RBA understands that stakeholder views on this approach are mixed, although some issuers have independently adopted multifactor authentication processes in the absence of a formal requirement.

Stakeholders have suggested that continued growth in CNP card payments fraud overseas could raise efficiency and financial safety concerns:

- **The costs of card fraud must be absorbed by participants** in the ecosystem and are ultimately borne by Australian merchants and consumers through the pricing of payment services. Administrative costs related to managing consumer dispute and chargeback processes must also be borne by consumers and card issuers.
- **A high prevalence of card fraud could erode trust in cards** as a payment method and, in the extreme, push consumers towards more expensive or less secure ways of paying.

The RBA is seeking views on whether measures to address fraud on Australian-issued cards used at overseas merchants, for example requiring issuers to implement SCA, would be in the public interest.

Q18: Do current arrangements for addressing overseas card not present fraud raise competition, efficiency and/or financial safety issues? Should the RBA consider a regulatory response to these issues, and if so, what form should this response take?

6. Other Issues

The RBA welcomes views from stakeholders on other payments-related issues as well as alternative regulatory options to address the issues outlined in this paper. Stakeholders are invited to consider whether a combination of regulatory actions could assist in achieving the RBA's objectives of promoting competition, efficiency and financial safety in the payments system and controlling risk to the financial system. Stakeholders are also invited to raise issues in the broader payments system that have implications for the design and implementation of the RBA's payments system regulation.

Q19: Are there any other issues relating to payments that the RBA should consider prioritising to promote competition, efficiency and financial safety in the payments system? Are there regulatory options outside of the RBA's formal powers under the PSRA to address the issues outlined in this paper? Are there issues in the broader payments system that have implications for the design and implementation of the RBA's payments system regulation?

7. Next Steps

7.1. Consultation process and future phases of the Review

Following the release of this Issues Paper, stakeholders will have six weeks to submit evidence in writing on the issues raised in this paper and which issues should be prioritised (see Sections 7.2 to 7.6 for further details). The RBA may reach out to those who make a submission to discuss it in further detail in August and September 2026. From October 2026, the RBA intends to focus on assessing the evidence submitted, engaging with stakeholders only where clarifications or additional information would assist the RBA or the RBA otherwise considers it appropriate to do so.

The RBA will consider stakeholder views from evidence submitted and discussions in developing a set of regulatory priorities, which the RBA expects to publish by the end of 2026. The RBA intends to commence a public consultation process by mid-2027 on the prioritised issues and any proposed regulatory action to address those issues. The final phase is expected to involve a conclusions paper that outlines the decisions made by the PSB and any regulatory reforms that the RBA intends to implement stemming from these decisions.

Table 1 outlines the indicative timeline for the Review. The RBA may choose to adjust this timeline, including by progressing issues independently of the Review, where doing so would be in the public interest.

Table 1: Indicative timeline for the Review

Milestone	Timeline
Evidence in writing due to the RBA	7 August 2026
RBA publishes non-confidential submissions	By the end of August 2026
RBA may reach out to stakeholders that made a submission	August and September 2026
RBA publishes regulatory priorities	By the end of 2026
RBA commences consultation on prioritised issues	By mid-2027
RBA announces conclusions on prioritised issues	2028

7.2. Making a submission

The RBA is seeking views from interested stakeholders on the issues raised in this paper. Evidence in writing on the issues discussed in Sections 2–6 should be provided by 7 August 2026 to:

pysubmissions@rba.gov.au

or

Head of Payments Policy Department

Reserve Bank of Australia

GPO Box 3947

Sydney NSW 2001

The RBA asks that, where it is practicable to do so, submissions are provided by email.

Submissions provided by email should be in a separate document, in Word or equivalent format. Submissions in PDF format must be accompanied by a version in an accessible format such as .rtf or .doc.

7.3. What happens to submissions

Your submission will be read by RBA staff working on, or involved with, the relevant consultation process to which your submission relates.

In the interests of informed public debate, the RBA is committed to transparency in its processes and open access to information. Accordingly, the RBA aims to publish submissions on its website where it is appropriate to do so. However, the RBA reserves the right to redact (e.g. remove defamatory material or, where appropriate, de-identify personal or sensitive information), publish or not publish submissions on its website at its own discretion. The RBA's publication of a submission is not an indication of the RBA's endorsement of any views or comments contained in that submission.

Most submissions that are published on the RBA website will include the name of the submitter (unless requested otherwise – see Section 7.5). If a submission is published, the information in it, including the submitter's name and any contact details, can be searched for on the internet. You cannot withdraw or alter your submission once the RBA has published it.

Please note that any submission provided to the RBA (including any submission considered to be confidential or containing confidential information) may be shared with the Treasury for the purposes of Treasury carrying out its functions and responsibilities in connection with matters raised in this Issues Paper, unless specifically requested otherwise – see Section 7.4.

7.4. Requests for submissions not to be published

If you do not want some or all of your submission to be published by the RBA, you should clearly indicate this (e.g. by including the word *confidential* prominently on the front of your submission) and provide reasons for your request. Similarly, please also clearly indicate if you do not want some or all of your submission to be shared with the Treasury (see Section 7.3). Automatically generated confidentiality statements in emails are not sufficient for these purposes.

Where some parts of your submission are considered to be confidential, the RBA requests that you provide two versions of the submission at the same time prior to the closing date – one for consideration by the RBA and one, with confidential information removed, for publication (this latter version may also have contact details or other personal information removed – see Section 7.5).

Please also note that any submission provided to the RBA may be the subject of a request under the *Freedom of Information Act 1982*. Any request for access to a confidential submission will be determined by the RBA in accordance with that Act, including any applicable exemptions (e.g. those relating to material obtained in confidence or involving an unreasonable disclosure of personal information).

7.5. Privacy

Unless requested otherwise, published submissions will usually include contact details and any other personal information contained in those documents. Where you provide a separate version of your submission for publication with contact details or other personal information redacted or removed, this will be taken as a request for the RBA not to publish such personal information.

For information about the RBA's collection of personal information and approach to privacy, please refer to the Personal Information Collection Notice for Website Visitors and the RBA's Privacy Policy, which are both available at <http://www.rba.gov.au/privacy>.

7.6. Intellectual property rights

In making a submission to the RBA, you grant a permanent, irrevocable, royalty-free licence to allow the RBA to use, reproduce, publish, adapt and communicate to the public your submission on the RBA's website (except to the extent that you have specifically requested that all or part of your submission is kept confidential), including converting your submission into a different format to that submitted for the purposes of meeting relevant accessibility requirements.

To the extent that your submission contains material that is owned by a third party, you warrant that you have obtained all necessary licences and consents required for the use of those materials (including for the RBA to use, reproduce, publish, adapt or communicate to the public such material), and have made arrangements for the payment of any royalties or other fees payable in respect of the use of such material.

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- Treasury (2024), '[Australia's Cheques Transition Plan](#)', November.

Appendix: Questions for Stakeholders

1. What are the impediments to competition between debit card networks for merchants' transactions on DNDCs across mobile and/or online environments? Are there practices by industry participants that limit competition, efficiency or financial safety in relation to debit card transactions?
2. Is there a public interest case for the RBA to take further action to support competition across debit card networks in mobile and/or online environments?
3. How difficult is it for merchants to switch away from their existing integrated platform services provider to access their preferred PSP? To what extent do merchants receive clear and sufficient information from integrated platform providers prior to joining about potential challenges in switching PSPs, and are there areas where greater transparency could help them better understand potential costs and risks?
4. Does the bundling of payments with other services, such as in integrated platforms, raise competition, efficiency and/or financial safety issues in the payments system? If so, should regulatory action be considered and what form should it take?
5. How do stakeholders assess the functioning and effectiveness to date of the RBA's tokenisation expectations? Is further regulatory intervention needed to promote the portability of tokens for payment cards, or to address other competition, efficiency or financial safety issues associated with implementing tokenisation across card payment systems? If so, what regulatory actions should be considered?
6. Are there competition, efficiency and/or financial safety issues relating to the use of AI agents for payments in e-commerce? If so, are there any regulatory actions that the RBA should consider?
7. Are there competition, efficiency and/or financial safety issues relating to mobile payments? If so, are there any regulatory actions that the RBA should consider?
8. Are there competition, efficiency and/or financial safety issues relating to three-party networks? If so, what regulatory action should the RBA consider?
9. Does the current regulatory treatment of non-designated card networks such as JCB and UnionPay remain appropriate given their limited scale in Australia, or would formal regulation of these networks by the RBA better support competition, efficiency and financial safety in the payments system?
10. Are there competition, efficiency and/or financial safety issues relating to BNPL services? If so, what regulatory action should the RBA consider?
11. What are the challenges faced by participants and end-users in the A2A payments system? Do these limit efficiency, competition or financial safety in relation to A2A transactions?
12. Is there a case for the RBA to take any regulatory action in relation to A2A payments to support efficiency, competition or financial safety, or control risk to the financial system? If so, what regulatory actions should be considered?
13. What are the barriers to more seamlessly enabling A2A payments in the in-person and online environments through, for example, digital wallets, and do they warrant the RBA taking action to address them?
14. What regulatory action, if any, should the RBA take to promote more standardisation and interoperability across cards and A2A payments?
15. How is the payments industry strengthening its cryptographic practices in response to evolving cyber threats? What initiatives or uplift programs are underway, whether led by individual participants, industry bodies, or international standard-setting groups, and how effective are these initiatives likely to be in delivering an appropriate and sustainable level of cyber security?
16. What key barriers or challenges are participants facing in uplifting cryptography and broader cyber security practices within the payments system?

17. What role could the RBA play in supporting and coordinating industry-wide cryptographic uplifts in the payments system, while avoiding both duplication and undermining existing domestic and international standards, regulatory frameworks or industry-led initiatives?
18. Do current arrangements for addressing overseas card not present fraud raise competition, efficiency and/or financial safety issues? Should the RBA consider a regulatory response to these issues, and if so, what form should this response take?
19. Are there any other issues relating to payments that the RBA should consider prioritising to promote competition, efficiency and financial safety in the payments system? Are there regulatory options outside of the RBA's formal powers under the PSRA to address the issues outlined in this paper? Are there issues in the broader payments system that have implications for the design and implementation of the RBA's payments system regulation?