



REVIEW OF PAYMENTS SYSTEM REGULATION

Response to Question 19

Transfer Integrity for
Digitally Transmitted Stored Value

A proportionate case for outcome observability, delivery accountability and coordinated regulatory consideration

Submitted by	MobileDigital Marketing Pty Ltd (ACN 614 170 357)
Date	7 August 2026
Contact	John Stuckey, Managing Director john@mobile.digital mobile.digital
Publication status	Public. Contact telephone supplied separately to the RBA.

CENTRAL PROPOSITION

Stored-value transfer should be held to regulatory and operational standards of transfer integrity comparable to those applying to the transfer of cash, funds or tokenised value. Issuance is not delivery, dispatch is not completion, and unredeemed value should not be presumed to be behavioural breakage unless availability has first been established.

Executive Summary

MobileDigital submits that the Reserve Bank of Australia should include transfer integrity for digitally transmitted stored value among the regulatory issues it prioritises under Question 19 of the Review of Payments System Regulation. **Question 19 expressly invites other payments-related issues, options outside the RBA's formal powers and matters in the broader payments system that affect regulatory design and implementation.**¹

Digitally transmitted stored value includes digital gift cards and similar prepaid instruments used for rewards, incentives, loyalty conversions, customer remediation, refunds, insurance-related disbursements, employee and customer payments and other forms of value distribution. The product label varies, but the functional sequence is consistent: money is paid or value is issued; a digital credential is transmitted; and the intended recipient must receive and obtain control of that value before the transfer can properly be regarded as complete.

Common systems provide strong evidence that value was issued and that an email, SMS or other message was dispatched. They do not consistently establish that the intended recipient received the value, recognised it as legitimate, could access it and had an active, ready-to-use instrument. Message transmission is not the same as value transfer. Sent does not mean delivered; delivered does not necessarily mean available.

Policy principle

Where stored-value instruments are used to distribute money-like value, the transfer should be treated with the same basic delivery logic as property. A parcel is not delivered because a dispatch event exists. Digital value should not receive a weaker standard merely because it is represented by a code, token, barcode, link or other credential.

This submission is confined to the pre-availability phase: the period between issuance and the point at which the intended recipient has effective control of active, usable value. It does not seek to regulate whether a recipient later chooses to redeem the value, how the value is marketed after delivery, or whether a particular wallet, application or communications channel is used.

MobileDigital has raised this issue repeatedly since November 2025 through Treasury consultations and parliamentary inquiries in both Houses, supported by a sustained series of primary and supplementary submissions. Apart from one administrative communication, there has been no substantive response to the central proposition. The House of Representatives Standing Committee report listed MobileDigital's submission and three supplementaries, while expressly stating that its inquiry did not consider stored-value or prepaid payment cards such as gift cards.⁴

We record our frustration because the issue has not been rejected on its merits; it has repeatedly fallen between institutional scopes. A cross-cutting payments issue should be accepted, rejected, deferred or actively referred. It should not remain without an accountable owner while the use of digital stored value for value distribution continues to expand.

The issue is relevant to the RBA's objectives because the absence of outcome observability can obscure operational failure and fraud, increase remediation and dispute costs, prevent meaningful comparison of provider performance and weaken incentives to invest in safer delivery. The amended Payment Systems (Regulation) Act 1998 now defines funds to include digital units of value and recognises systems and participants involved in messages that enable or facilitate payments or transfers of funds. This does not automatically bring every gift-card arrangement within the Act. It does, however, support a functional examination rather than exclusion based solely on a legacy product label.²

The scale and changing function of the market make this increasingly difficult to treat as a peripheral consumer issue. PayNXT360 estimates Australian gift-card load value at US\$6.66 billion in 2023 and forecasts US\$10.07 billion by 2028. It estimates digital gift-card load value at US\$2.37 billion in 2023, rising to US\$3.87 billion by 2028, after a reported 30.5% CAGR from 2019 to 2023. The corporate digital segment alone exceeded US\$1.05 billion in 2023 and includes employee incentives, sales/channel incentives and consumer incentives. PayNXT360 estimates 35.2 million digital gift cards in 2023, rising to 47.0 million by 2028.

The same research estimates unused Australian gift-card value of US\$458.9 million in 2023, rising to US\$653.1 million by 2028. Its definition of unused value is simply value not used within 12 months after loading. It does not distinguish genuine behavioural breakage from value that was never successfully delivered, recognised or made available. MobileDigital does not contend that this unused value represents failed delivery. The inability to distinguish the causes is itself the point: breakage should be measured after availability, not used as a substitute for evidence of availability.

MobileDigital's concern is also informed by direct discussions with senior participants in Australia's stored-value and gift-card industry, including at the most senior levels. Those discussions reinforce our view that the distinction between message transmission and completed value transfer is understood within the industry. We do not attribute confidential discussions or motives to individual organisations. We do, however, consider it important that the RBA understand that this is not an abstract issue raised without industry context.

Importantly, this is not an unsolved technology problem. Technologies and system structures capable of substantially greater transfer integrity already exist. Contemporary systems can support recipient verification, delivery-state telemetry, activation controls, persistent storage of value credentials, wallet or device-based availability, remediation workflows and auditable event histories. The issue is not whether the outcome can be observed; it is whether providers transferring monetary value should be expected to observe and evidence it.

MobileDigital's position is ultimately straightforward: as stored-value instruments increasingly become mechanisms for the digital transfer of monetary value, their regulatory treatment should respond to economic function rather than historical label. If monetary value is being transferred, the integrity of that transfer should not depend upon the instrument used to carry it.

MobileDigital recommends that the RBA:

- 1. Prioritise the issue.** Include outcome observability and transfer integrity for digitally transmitted stored value in the RBA's end-of-2026 regulatory priorities.
- 2. Establish an accountable workstream.** Use the Inter-Agency Payments Forum or another formal mechanism to identify the lead agency and prevent further scope-based deferral.
- 3. Build the evidence base.** Undertake targeted, threshold-based information gathering from large issuers and platform intermediaries on delivery, availability, failure, recovery and diversion outcomes.
- 4. Develop minimum outcome standards.** Consult on a technology-neutral reporting and evidentiary framework that distinguishes message dispatch from completed transfer of usable value.
- 5. Clarify responsibility.** Recognise that responsibility for a remote value transfer persists until the intended recipient has effective control of the value, irrespective of the number of intermediaries involved.

6. Provide a reasoned disposition. State whether the issue is accepted, rejected, deferred or referred, and identify the responsible body. Further silence or scope exclusion should not be the endpoint of this consultation.

1. Direct response to Question 19

Yes. The RBA should prioritise a review of whether systems that remotely transmit prepaid value can evidence transfer completion, failure and recovery. The issue is best described as outcome observability and transfer integrity for digitally transmitted stored value.

1.1 The other payments-related issue

A growing category of payment-adjacent activity distributes prepaid value outside traditional account-to-account rails. The instruments may be described as gift cards, rewards, incentives, credits, vouchers or disbursements, but they are increasingly used to deliver money-like value to an intended recipient. The regulatory blind spot lies between issuance and use: systems can show that value was created and may later show that it was redeemed, while failing to establish whether the intended recipient ever obtained control of it.

1.2 Options outside the RBA's formal powers

If the RBA concludes that some aspects fall outside the PSRA, there are still viable regulatory options. These include referral through the Inter-Agency Payments Forum; incorporation into Treasury's payment service provider licensing reforms; minimum requirements under a revised mandatory ePayments Code; an industry standard developed with AusPayNet or another standards body; and coordination with ASIC or the ACCC on dispute evidence, consumer outcomes and scam-related failure states. Question 19 expressly contemplates options beyond the RBA's formal PSRA powers.¹

1.3 Implications for regulatory design

The broader design issue is whether a facility-level exemption or retail-product classification should remove all accountability for a distinct digital transfer layer. MobileDigital submits that it should not. Existing exemptions can remain proportionate while large-scale digital delivery platforms are required to observe and report whether value reached the intended recipient and became available.

2. History of engagement and the need for substantive consideration

MobileDigital first raised the structural differences between physical and digitally delivered stored value in its submission of 24 November 2025. Since then, it has provided detailed submissions and supplements to Treasury and parliamentary inquiries addressing classification, pre-availability responsibility, delivery failure, recipient accessibility, fraud and diversion, outcome reporting, exemption assumptions and evidentiary limitations.

To be direct, MobileDigital is frustrated by the absence of a substantive response. The concern is not that every recommendation must be adopted. It is that no responsible body has explained whether the central proposition is accepted, rejected, deferred or referred. Apart from one administrative communication, the analysis has generated no engagement on its merits.

The June 2026 House of Representatives Standing Committee report illustrates the problem. MobileDigital was listed as Submission 47, together with three supplementary submissions. The report nevertheless stated that the inquiry did not consider stored-value or prepaid payment cards such as gift cards.⁴

We accept that each consultation must establish boundaries. The cumulative result is nevertheless unsatisfactory. When Treasury, parliamentary inquiries and regulators each regard an issue as adjacent to someone else's remit, the issue receives no policy assessment at all. That is not a neutral outcome. It preserves a legacy gap by default.

The present RBA review is specifically intended to identify issues under the expanded PSRA remit that were not addressed in the recent merchant card review. It is therefore the appropriate process in which to decide whether transfer integrity should be prioritised, or to identify and activate the alternative regulatory pathway.¹

What MobileDigital is asking for at this stage

Not immediate licensing of every gift-card program, not the removal of all exemptions and not endorsement of a particular technology. We are asking for a reasoned policy assessment, an accountable owner and an evidence-gathering process capable of determining the scale and nature of the gap.

2A. Market scale and changing economic function

The term “gift card” can obscure the economic function now being performed. Digital stored-value instruments are used not only for interpersonal gifting but for employee rewards, customer incentives, sales and channel incentives, promotional value and loyalty-related programs.

PayNXT360's August 2024 Australia Gift Card and Incentive Card Market Intelligence and Future Growth Dynamics databook estimates total Australian gift-card load value of US\$6.662 billion in 2023 and forecasts US\$10.073 billion by 2028. It forecasts the number of gift cards purchased to rise from 92.0 million in 2023 to 118.0 million in 2028.

Digital value is growing faster than the underlying market. PayNXT360 reports digital gift-card load value of US\$816.4 million in 2019, US\$2.366 billion in 2023 and forecasts US\$3.866 billion by 2028. Digital penetration is forecast to reach 38.4% of gift-card load value in 2028.

The corporate digital segment is particularly relevant. PayNXT360 estimates corporate digital gift-card load value of US\$1.057 billion in 2023 and US\$1.628 billion by 2028. It defines corporate uses to include employee incentives, sales/channel incentives and consumer incentives, with consumer incentives directed toward driving sales and increasing loyalty. In 2023, sales/channel incentives accounted for US\$517.9 million of corporate digital value, consumer incentives US\$352.9 million and employee incentives US\$186.6 million.

These figures do not establish that every gift card or incentive card should be regulated as a conventional payment product. They do establish that digitally transmitted stored value is a substantial and growing mechanism for moving monetary value through the economy, including as an alternative non-cash mechanism for rewards and incentives.

3. Scope and terminology

3.1 Digitally transmitted stored value

For this submission, digitally transmitted stored value means prepaid monetary value that is created by an issuer and electronically delivered to an intended recipient through one or more platform

intermediaries for later use with a merchant or participating network. The credential may be a code, token, barcode, QR code, link, account entry or another digital representation of the underlying value.

3.2 Transfer integrity

Transfer integrity is the measurable assurance that the value has reached the intended recipient, has become visible and accessible, and is active and capable of immediate use. It is an outcome standard, not a prescription for a particular channel or technical architecture.

3.3 Availability and transfer completion

Availability is achieved when the intended recipient has effective control of active, usable value without needing discovery, remediation or intervention to make it accessible. In this submission, transfer completion means completion of the transfer to that point of availability. Redemption is a later, post-availability event and should not be used as a substitute for evidence that the correct recipient received the value.

3.4 Relevant roles

- Stored-value issuer: the entity that creates the redeemable value and carries the associated obligation.
- Platform intermediary: an entity that controls or operates the digital distribution, delivery, access or activation environment.
- Merchant redeemer: the merchant or network that accepts the value in exchange for goods or services.

Responsibility for measurement should sit primarily with the issuer and the platform intermediary, because those entities control the value and the delivery infrastructure. It should not be imposed on small merchants that merely accept the instrument.

3.5 Matters outside this submission

- Physical gift cards handed over in person, where possession establishes delivery and availability.
- A recipient's decision not to use value after it has been properly delivered and made available.
- Marketing, engagement, promotional prompts or commercial activity after availability.
- Mandatory use of a particular digital wallet, application, messaging channel or vendor solution.

4. The property-transfer principle

MobileDigital's central proposition is a policy analogy, not a contention that every stored-value credential has the same legal character as tangible property. The analogy concerns completion and responsibility.

When physical property is transferred through a delivery chain, the dispatch record is not treated as proof that the intended recipient received the property. The transfer remains incomplete until the item reaches the destination and the recipient obtains possession or control. Delivery services are expected to identify failure, misdirection, loss and recovery.

Traditional payment systems apply a comparable logic. A debit from the sender is not the only relevant event. The system records whether the recipient account was credited, whether the transaction failed and, in many cases, whether it was reversed or recovered. Funds availability to the recipient is an expected outcome.

Digitally transmitted stored value often falls between these models. Money is paid upfront and a value obligation is created, but the system may treat message dispatch as the completion event. The intended recipient may never receive the message, may not recognise it, may be unable to access the value, or may find that another party has intercepted and used it.

The principle in one sentence

Where money is paid or value is issued for transfer to another person, responsibility should persist until that person has effective control of the value. The value should not receive less delivery accountability because it is represented digitally.

This principle is particularly important where industry participants describe stored-value instruments as mechanisms for rewards, payouts, incentives, disbursements, settlements or other forms of value distribution. If the commercial function is the transfer of money-like value, the minimum integrity standard should follow that function rather than the historical label attached to the product.

5. The structural observability gap

Digital delivery separates events that occurred simultaneously in the physical model. Payment, issuance, dispatch, receipt, recognition, access, availability and use can occur at different times and through different systems. Each stage can fail independently.

Lifecycle event	What is commonly recorded	What remains unproven
Value issued	A value record or liability has been created.	That the intended recipient has received or can use it.
Message dispatched	An email, SMS or other message left a platform.	That it reached the intended endpoint or person.
Message accepted	A server, network or device accepted a message.	That the intended recipient saw, recognised or controlled the value.
Credential opened or activated	Someone accessed or changed the credential state.	That the person was the intended recipient unless the event is securely bound.
Value redeemed	The instrument was used in commerce.	That the intended recipient received it; redemption may follow diversion or interception.
Value unredeemed or expired	No redemption was recorded by a date.	Whether non-use was a choice, delivery failure, access failure, friction or fraud.

Email and SMS delivery receipts can be useful communications signals, but they generally relate to the transmission of a message. They are not, without additional controls, proof that usable value reached the intended recipient. Pointer-based delivery adds further failure points because the value remains behind a link, portal, account or activation step.

The gap creates two forms of false assurance. First, an issuer may treat dispatch as successful transfer when the value remains unavailable. Second, a later activation or redemption event may be treated as proof of successful delivery even where the credential was accessed by the wrong party. Current reporting often cannot distinguish these outcomes.

5A. Breakage may conceal structural transfer failure

Breakage is generally treated as a behavioural outcome: value was successfully provided to a recipient, but the recipient subsequently chose, forgot or failed to redeem it. That assumption is only valid if successful delivery and availability have first been established.

PayNXT360 estimates unused Australian gift-card value at US\$458.9 million in 2023, increasing to US\$653.1 million by 2028. PayNXT360 defines unused value as value not used within 12 months after the amount was loaded. That measure does not identify why the value remained unused.

In a digitally delivered environment, unused value may include genuine behavioural breakage. It may also include value that was never successfully delivered, was misdirected, was not recognised as legitimate, could not be accessed, was intercepted, or expired before the intended recipient obtained effective access.

MobileDigital does not suggest that PayNXT360's reported unused value represents failed delivery. The available evidence does not permit that conclusion. That inability to determine the cause is itself the regulatory issue.

Where issuance and redemption are observable but delivery and availability are not, structural failures between those points can disappear into a broad category of non-redemption. Regulators and industry cannot confidently characterise unused value as consumer behaviour unless they can first establish that the consumer received and had effective access to that value.

The relevant sequence is therefore: issued → dispatched → delivered → available → redeemed / unredeemed. Breakage should be measured after availability has been established.

6. Relevance to the RBA's mandate and the amended PSRA

The RBA's Issues Paper states that its payments policy aims to control risk in the financial system and promote efficiency and competition consistent with financial safety. It also recognises that the amended PSRA permits consideration of a wider range of entities and activities in the payments ecosystem.¹

6.1 The amended statutory perimeter supports functional examination

The 2025 amendments define funds to include digital units of value. They also define a payment system to include arrangements for the transfer of funds and the transmission or receipt of messages that effect, enable, facilitate or sequence payments or transfers. Providers of enabling or facilitating services may be participants.²

MobileDigital does not assert that these provisions automatically determine the status of every digital gift card or reward. The point is narrower: the legislation no longer supports a categorical assumption that a message-enabled transfer of digital units of value is outside payments-system analysis merely because the instrument originated as a retail product.

6.2 Efficiency

- Value can be paid for and issued but remain unavailable, creating wasted expenditure and delayed benefit.
- Purchasers, recipients, issuers and distributors incur support, investigation, reissue and dispute costs.
- Without outcome data, regulators cannot distinguish behavioural non-use from system failure or evaluate whether existing settings remain proportionate.
- Fragmented evidence prolongs dispute resolution and makes recovery slower and less predictable.

6.3 Financial safety and control of risk

- Digital credentials can be intercepted, diverted, misdirected or accessed through compromised accounts or links.
- A system may record activation or redemption while the intended recipient remains unaware that value was issued.

- The absence of common outcome states limits detection, attribution and aggregate measurement of fraud and operational failure.
- A lack of recorded failure is not evidence that failure does not occur; it may simply show that the relevant outcome is not measured.

6.4 Competition and innovation

- Providers are commonly compared on issuance capability, distribution reach and message cost, rather than verified recipient outcomes.
- A provider investing in recipient binding, active-on-arrival value, recovery controls and lifecycle observability may carry additional cost without any standard metric by which its performance can be recognised.
- Legacy classification and exemption settings can entrench incumbents where newer providers offer better outcome assurance but the market has no common reporting basis.
- Greater observability would allow issuers and program sponsors to choose providers on demonstrated delivery and recovery performance, supporting contestability and safer innovation.

6.5 Alignment with the Government's stated payments principles

The Government's Strategic Plan states that a payment system enables the transfer of value and that safe, efficient and effective transfer is fundamental. Its principles include trustworthiness, accessibility, innovation and efficiency, with efficient payments described as timely, seamless and predictable and users appropriately informed about where a payment is going and when it will arrive.³

The same basic principles should apply when prepaid value is delivered through digital credentials. The form of the instrument should not remove the need for reliable arrival, accessibility and an evidentiary pathway when the transfer fails.

7. The evidence gap and a minimum outcome dataset

The RBA publishes useful data on prepaid scheme cards. However, its published methodology has historically excluded store cards and closed-loop gift cards, and transaction statistics do not provide delivery, recipient-access or transfer-completion outcomes.⁶

This distinction matters. Transaction and redemption data describe use after value has become available, but they cannot establish whether non-use arose from consumer choice or from non-delivery, low visibility, inaccessibility, activation failure, interception or expiry before access.

Complaint data are also inadequate as a system measure. They capture only cases that are recognised and pursued, often after responsibility has become disputed. Silent failure, deletion, filtering and recipient unawareness may never generate a complaint.

A proportionate minimum dataset for large-scale digital programs could include:

Outcome field	Purpose
Issued value and instrument count	Establish the volume and value entering the delivery process.
Dispatch attempted and channel	Record the communications step without treating it as completed transfer.
Confirmed delivery to an attributable endpoint	Identify whether the credential reached the endpoint designated for the intended recipient.
Availability / active-ready-to-use state	Establish whether the intended recipient could access and immediately use the value.
Transfer failure category	Distinguish non-delivery, incorrect delivery, inaccessibility, expiry before access and technical failure.

Outcome field	Purpose
Reissue, recovery or remediation	Measure whether failed transfers were detected and resolved.
Suspected interception or diversion	Provide a consistent signal for fraud analysis and control improvement.
Redemption and expiry after availability	Measure post-availability outcomes separately from transfer completion.

Reporting need not expose personal information or require universal identity verification. Events can be linked through pseudonymous instrument identifiers and reported in aggregate. Requirements can be threshold-based and directed to large issuers and platform intermediaries rather than small merchants. Any identity or verification controls should be proportionate to value, risk and existing AML/CTF obligations.

The purpose is not to establish a perfect measure on day one. It is to create minimum viable visibility so regulators can identify failure patterns, compare provider performance and decide whether existing exemptions and obligations remain appropriate.

8. Existing exemptions should not mean no outcome accountability

The RBA's current declarations and exemptions page continues to list loyalty schemes and gift-card facilities under Declaration No 1 of 2006. Those settings reflect a long-standing policy decision not to subject every limited-purpose facility to the full prudential framework.⁵

MobileDigital is not asking the RBA to withdraw that relief wholesale. The issue is whether an exemption directed to the facility or stored-value holder should also mean that no participant is expected to evidence the outcome of a remote digital transfer.

Physical and digital instruments can remain in the same broad commercial category while carrying different operational obligations. Physical delivery completes through possession. Digital delivery requires a system-mediated transfer and therefore creates outcome states that can and should be observed.

A proportionate approach would preserve relief for small and limited-purpose programs while applying outcome reporting to large digital issuers and distribution platforms above defined thresholds. This separates prudential intensity from basic transfer accountability.

8A. Industry awareness and the regulatory architecture

MobileDigital's concern is not based solely on theoretical analysis. Through direct discussions with senior participants in Australia's stored-value and gift-card industry, including discussions at the most senior levels, MobileDigital has repeatedly raised the distinction between successful transmission of a digital communication and successful delivery and availability of the monetary value represented by that communication.

Those discussions reinforce MobileDigital's view that the issue is understood within the industry. We do not seek to attribute confidential discussions, statements or motives to individual organisations. We consider it important, however, that the RBA understand that the delivery-integrity issue is not an abstract concern raised without industry context.

MobileDigital is concerned that the present regulatory architecture has the effect, whether intended or not, of leaving this issue largely unsurfaced. The industry has historically sought and obtained exemptions or specialised treatment for many gift-card and stored-value products, while consumer detriment has principally been addressed through downstream consumer-protection mechanisms.

Consumer regulation and payments-system integrity answer different questions. Consumer protection can provide remedies after a person identifies a problem. Transfer integrity asks an earlier system-level question: can the infrastructure demonstrate that the monetary value reached the intended recipient and became available for use?

As the instruments become digital mechanisms for transferring monetary value across rewards, incentives and other programmatic uses, continued reliance principally on downstream consumer remedies should not substitute for examination of upstream transfer integrity.

9. Why market forces have not corrected the gap

MobileDigital has worked in mobile-first stored-value delivery since 2015. Across engagements with issuers, processors, distributors, retailers and program operators, delivery failure, low visibility, activation friction and recipient confusion have generally been recognised. Adoption of outcome-based controls has nevertheless remained limited.

The reason is structural rather than necessarily intentional:

- The purchaser and recipient are often different people. The recipient bears the delivery risk but may have no direct contractual relationship with the seller or program sponsor.
- Multiple intermediaries divide control of issuance, communications, activation and redemption, allowing each party to point to its own successful system event.
- Dispatch metrics are inexpensive and readily available, so they are used as proxies for outcomes they do not prove.
- Where unredeemed value creates a commercial benefit or no direct penalty attaches to failed delivery, the incentive to invest in recipient-outcome assurance may be weak.
- There is no public benchmark requiring providers to compete on confirmed delivery, availability, failure detection or recovery.

We do not allege uniform bad faith. The problem is that the commercial structure does not make transfer integrity a non-discretionary outcome. A basic reporting standard would change incentives without prescribing a single technology or business model.

9A. The technology and structures already exist

The transfer-integrity gap is not a consequence of technological impossibility. Technologies and system architectures capable of substantially improving transfer integrity are already available.

Contemporary digital delivery environments can support recipient and destination verification, delivery-state telemetry, activation controls, persistent storage of value credentials, device or digital-wallet availability, auditable event histories, automated reminders and remediation workflows. Different providers may implement these capabilities in different ways.

MobileDigital does not propose that the RBA prescribe one delivery channel, one wallet platform or one technical architecture. The appropriate standard should remain technology-neutral and outcome-based.

The relevant regulatory expectation is simpler: a provider transferring monetary value should be able to demonstrate, to an appropriate standard, that the value reached the intended recipient and became available for use, or identify that it did not and support an appropriate recovery or remediation process.

Technology neutrality should not be confused with outcome neutrality. The question is no longer whether transfer integrity can technically be achieved; it is whether the regulatory framework should expect the transfer outcome to be observable.

10. A proportionate regulatory pathway

Phase 1 - prioritisation and ownership

- Include transfer integrity for digitally transmitted stored value in the RBA's published end-of-2026 priorities.
- Convene a focused RBA / Inter-Agency Payments Forum workstream involving Treasury, ASIC, ACCC, APRA and AUSTRAC as appropriate.
- Identify a lead agency and publish the boundary between RBA, Treasury, ASIC and consumer-law responsibilities.
- Engage issuers, platform intermediaries, merchants, consumer representatives and technical providers during the RBA's August-September stakeholder phase.

Phase 2 - evidence gathering

- Develop a common taxonomy for issuance, dispatch, delivery, availability, failure, recovery, diversion, redemption and expiry.
- Run a time-limited pilot with large digital stored-value programs and distributors, using thresholds based on annual load value, instrument count or recipient count.
- Collect de-identified aggregate data and publish a system-level analysis of failure and recovery outcomes.
- Use the results to test whether existing exemption assumptions remain consistent with current scale, value and delivery models.

Phase 3 - standards and calibration

- Consult on a minimum outcome-reporting standard and consistent evidentiary requirements for disputes involving non-receipt or inaccessibility.
- Clarify that responsibility persists until value is available to the intended recipient, regardless of intermediary structure.
- Determine whether implementation should occur through PSRA regulation, Treasury's PSP licensing framework, a mandatory ePayments Code, an industry standard or a combination of measures.
- Retain proportional thresholds and exclusions for genuinely small or low-risk programs, while avoiding a blanket exemption from transfer-outcome accountability.

This staged approach is deliberately cautious. It begins with evidence rather than a predetermined regulatory conclusion. It allows the RBA and other agencies to calibrate obligations according to observed risk and avoids imposing full payments regulation on small retail programs.

11. Recommendations

Recommendation	Requested action
Recognise transfer integrity as a payments policy issue.	The RBA should recognise the pre-availability transfer of digital stored value as a legitimate issue under Question 19 and the amended functional perimeter.

Recommendation	Requested action
Prioritise outcome observability.	The RBA should include delivery, availability, failure and recovery visibility for digitally transmitted stored value in its end-of-2026 priorities.
Assign accountable ownership.	The RBA should use inter-agency coordination to identify a lead body and ensure the issue is not again left outside the active scope of each regulator.
Gather data before imposing broad obligations.	The RBA or the appropriate agency should conduct a threshold-based information-gathering pilot covering large issuers and platform intermediaries.
Define transfer completion by recipient availability.	A remote transfer should be treated as complete when the intended recipient has effective control of active, usable value, not when a message is dispatched.
Develop a minimum outcome and evidence standard.	Participants should be able to distinguish and report issuance, dispatch, confirmed delivery, availability, failure, recovery, suspected diversion and post-availability use.
Preserve proportionality.	Physical instruments, small programs and post-availability consumer choice should remain outside the proposed minimum framework unless separate risks justify intervention.
Publish a reasoned response.	The RBA should state whether this issue is accepted, rejected, deferred or referred and identify the responsible agency and next step.

12. Conclusion

MobileDigital is not asking the RBA to regulate a communications channel or endorse a commercial solution. We are asking it to determine whether systems that remotely transmit prepaid monetary value should be capable of evidencing completion, failure and recovery.

The issue has now been raised in depth through repeated Treasury and parliamentary submissions. It has not been substantively answered. At this point, leaving it unexamined would not be neutral; it would preserve a known observability gap while stored-value instruments are used more broadly to distribute money-like value.

The underlying principle is simple: stored-value transfer should be held to regulatory and operational standards of transfer integrity comparable to those applying to the transfer of cash, funds or tokenised value. The system should be able to demonstrate arrival and availability, or identify failure and support recovery. Issuance is not delivery, dispatch is not completion, and unredeemed value should not be presumed to be behavioural breakage unless availability has first been established.

The technology and structures needed to support this outcome already exist. The regulatory question is whether an increasingly significant mechanism for transferring monetary value should continue to operate without a common expectation that completion of the transfer can be evidenced.

MobileDigital asks the RBA to include transfer integrity in its regulatory priorities, establish an accountable inter-agency pathway and commence proportionate evidence gathering. We would welcome the opportunity to discuss the submission during the RBA's August and September stakeholder engagement period.

Appendix A - Summary of MobileDigital's prior engagement

The following is a non-exhaustive summary of the written material through which MobileDigital has developed the same core argument. A related submission was also made to a parliamentary inquiry in the Senate.

Date	Forum / document	Central proposition
24 November 2025	Treasury - Payments System Modernisation exposure draft	Digital delivery creates recipient-side delivery, activation and usability risks that physical product assumptions do not address.
15 January 2026	Treasury submission on reclassification	Digitally delivered gift cards should be treated as stored-value instruments for delivery and availability during the pre-availability phase.
15 January 2026	House Standing Committee submission	Payment and recipient possession are decoupled in digital delivery; sent, delivered and usable are distinct outcomes.
27 January 2026	House Standing Committee supplementary submission	Responsibility and outcome obligations should attach before availability, without regulating post-availability behaviour.
19 February 2026	House Standing Committee addendum	A narrow reporting requirement could address non-arrival and diversion without altering prudential or licensing frameworks.
17 March 2026	House Standing Committee further addendum	Digitally delivered stored value was missing from the inquiry's public examination despite links to fraud, consumer loss and accountability.
April 2026	Treasury - Regulation of Payment Service Providers, Tranche 1	Introduce technology-neutral outcome reporting for delivery, accessibility and transfer completion.
12 May 2026	Treasury supplementary submission	Compromised email and SMS environments can create silent failure and false completion signals; current data cannot separate behaviour from structural failure.

Appendix B - A minimum transfer integrity test

A digital stored-value arrangement should be able to answer the following questions in an auditable form:

- 1. Intended destination.** Was the value assigned to a clearly nominated recipient or recipient endpoint?
- 2. Delivery.** Can the system distinguish message dispatch from delivery to that endpoint?
- 3. Availability.** Did the intended recipient obtain access to active, ready-to-use value without remediation?
- 4. Failure.** Can the system identify non-delivery, incorrect delivery, inaccessibility or expiry before availability?
- 5. Integrity.** Can access or use be reasonably attributed to the intended recipient rather than an unintended party?
- 6. Recovery.** Can the issuer or platform identify, suspend, reissue or recover value when transfer fails or diversion is suspected?

7. Reporting. Can aggregate outcomes be reported without exposing unnecessary personal information?

A system that cannot answer these questions may still issue and redeem value, but it cannot reliably demonstrate that the value transfer to the intended recipient was completed.

References

1. Reserve Bank of Australia, Review of Payments System Regulation - Issues Paper, 25 June 2026, especially Executive Summary, sections 1, 6 and 7.
2. Treasury Laws Amendment (Payments System Modernisation) Act 2025 (Cth), Schedule 1, amendments to sections 7 and 7A of the Payment Systems (Regulation) Act 1998; commenced 19 December 2025.
3. Australian Government, A Strategic Plan for Australia's Payments System: Building a modern and resilient payments system, June 2023.
4. House of Representatives Standing Committee on Economics, A Level Playing Field, June 2026, including the statement that the inquiry did not consider stored-value/prepaid payment cards such as gift cards, and Appendix A listing MobileDigital Submission 47 and three supplementaries.
5. Reserve Bank of Australia, Declarations and Exemptions for Purchased Payment Facilities, listing loyalty schemes and gift-card facilities under Declaration No 1 of 2006.
6. Reserve Bank of Australia, "New Payments Insights from the Updated Retail Payments Statistics Collection", Bulletin, March 2019. The published prepaid scheme-card series excludes store cards and closed-loop gift cards; the collection does not provide recipient delivery and availability outcomes.
7. PayNXT360, Australia Gift Card and Incentive Card Market Intelligence and Future Growth Dynamics (Databook), August 2024, especially pp 107-131.
8. MobileDigital submissions and supplementary submissions dated 24 November 2025; 15 January 2026; 27 January 2026; 19 February 2026; 17 March 2026; April 2026; and 12 May 2026.

John Stuckey | Managing Director | MobileDigital

john@mobile.digital | mobile.digital