Reserve Bank of Australia
Payments Division
8 Chiefly Square
NSW, Australia, 2000

August 2026

Executive Summary:

Stripe welcomes the opportunity to provide a submission to the RBA issues paper as part of the *Review of Payments System Regulation.*

Payments remain a critical part of the Australian financial ecosystem. Each day millions of consumers around the country rely on the payments network to power their businesses, to engage with essential services and generate economic activity that supports jobs. Australia's payment landscape must remain competitive, accessible, and innovative to drive efficiency and productivity across the economy.

In providing a submission in response to the issues paper, Stripe's ambition is that in considering any future priorities, the RBA seeks to enhance competition, support innovation and ensure that merchants are sufficiently able to navigate this complex ecosystem without further operational burdens.

About Stripe:

Stripe has been operating in Australia for just over a decade. At the time we first entered the market, one of the biggest challenges for online businesses was accepting payments, which we sought to simplify through our technology. Since then, our platform has grown to provide a range of services including fraud detection, in-person payments, subscriptions, calculation of tax, and more. Stripe supports Australian businesses of all sizes.

Beyond this, we offer simplicity for businesses to get started and accept their first payment. Stripe's no-code 'payment links' (enabling a merchant to send a link to get paid) help businesses transact without the need to hire specialised experts. A new business can easily access new markets and offer local payments in each of those markets with optimisation, reliability, and fraud-reduction measures.

Stripe is regulated in jurisdictions around the world based on the products and services we offer in those jurisdictions. Agencies that supervise our regulated operations include ASIC, the Central Bank of Ireland, the UK Financial Conduct Authority, FinCEN, and the NYDFS, among many others.

Stripe was built for startups and small businesses and is now used by the world's largest enterprises. Our goal is to make it easy for businesses of all sizes to get started and accept payments. We make Stripe's platform easy to understand and our costs simple and predictable.

[DEBIT CARDS]

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?

Stripe offers no comment on this question.

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?

Stripe would welcome consideration from the RBA as it relates to extending 'least cost routing' (LCR) obligations. This, in our view, would include:

1. Mobile wallet-initiated transactions (Google Pay and Samsung Pay timelines to be mandated for LCR availability);
2. Online wallet and Click-to-Pay-initiated transactions.

In principle, LCR obligations should be technology-neutral and be attached at the payment processor level regardless of the consumer-facing interface. Moreover, such a standard should not be capable of circumvention through interface or tokenisation design.

If the RBA were to consider further action in this area, one option may include the requirement that wallet and online checkout providers should be required to publish LCR availability status and compliance rates in line with other LCR reporting requirements that are currently published on the RBA's website. This could, foreseeably, be achieved within 12 months.

[PLATFORMS]

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?

Stripe agrees that merchants should be able to use their preferred PSP, and should have transparency on fees, switching processes, and the benefits of integration. In our view, this already exists within the Australian ecosystem, which has robust competition within the acquiring market. Consistent with our approach to an open ecosystem, including our positive disposition towards multi-processor arrangements, Stripe welcomes the opportunity to work with the RBA to address any deficiencies.

Merchants are, unsurprisingly, increasingly choosing a "one-stop shop" SaaS platform that embeds or integrates their "back office" processes such as payments (but not limited to payments) to drive efficiency and growth dividends.

Building a modern business online:

Building a modern business in the online economy is akin to building a house: a business owner can contract directly with a series of specialty subcontractors, or they can contract with one general contractor, who then handles the work of coordinating with all of the requisite specialist subcontractors.

Stripe agrees that a business owner who opts for the "DIY" approach should have the ability to work with various subcontractors directly, as a way to save costs. But if the business owner instead seeks to go through a general contractor, it makes sense that the general contractor will charge a premium to cover the value that they've added by doing the work of selection, curation, coordination, and integration of those subcontractors.

Continuing with this example in mind, SaaS platform providers are providing significant value by serving as the "general contractors" in the ecosystem, abstracting away complexity that allows merchants to more easily start a business faster and with less friction. Such an arrangement is advancing competition as it removes barriers to entry for new market entrants, creating more challengers to incumbents. Historically, such an undertaking often required a business to speak to multiple providers in multiple locations. As we advanced in an earlier submission to the RBA:

> *For a merchant to begin accepting online payments, they had to make successful applications, more often than not, to both a gateway and a bank. Then they had to repeat this process for each geography that the merchant wanted to sell into. There were constraints around levels of understanding of online commerce and a level of complexity that was typically staggering for a small or medium enterprise.*[1]

Australian developed platforms like me&u, ServiceM8, and SiteMinder, along with other global platforms, have dramatically lowered the barriers to running a business by unlocking efficiencies through automation and access to new channels.

The challenges in switching providers:

Despite the benefits of integration, merchants using integrated platform providers can face practical hurdles that include:

1. The degree to which an integration between the platform's functionality and a PSP impacts the usefulness of the combined solution.

2. Commercial fee structures that make some integrated PSPs incur additional costs;

3. Integration complexity where the integration is a bespoke build by the merchant;

4. Token portability limitations.

We note that token portability is an area where standardisation has significantly improved the ability of a merchant to switch, enhancing competition within the payments sector.

[1] https://www.rba.gov.au/payments-and-infrastructure/review-of-retail-payments-regulation/2025-01/pdf/stripe-inc.pdf

What does 'switching' mean for a merchant?

When considering the challenges of switching, it is worth considering what this may entail for a merchant.

There are three ways a PSP is integrated into a software platform:

1. An integration maintained by the platform and with platform-controlled pricing. This is often - but not necessarily - "whitelabeled" where the Platform controls the branding.

2. An integration maintained by the platform but the pricing is determined by the PSP. Typically there is a commercial incentive between the PSP and the platform to incentivise the platform to continue to maintain and improve the depth of the integration.

3. Using payments off-platform where the platform does not maintain an official integration that automates workflows requiring payments, rather merchants set up their own processes to collect payment.

    a. We see this most clearly in F&B software where the cafe may use their POS system to record the transaction, but then manually input the amount to pay into the payment terminal rather than having it automatically flow through.

Platforms will be selective in what integrations they maintain: maintaining a PSP integration takes significant effort to deliver on reliability and security standards, and feature coverage. In the above context, merchants are always able to switch to their preferred PSP by using payments off-platform.

Disclosure based regulation:

Stripe supports disclosure-based regulation whereby a platform *should* be required to clearly disclose at the merchant onboarding stage:

1. Any fees applicable when using a PSP;

2. Any API restrictions that may impact merchants taking a DIY-approach to build their own integration vs. a preferred PSP's;

3. Process, timelines, and costs for exporting payment information where the platform controls it rather than the integrated PSP.

4. The switching process, timelines, and costs.

In addition, platforms should be required to provide a standardised switching package that would include token export, transaction history, and integration documentation upon merchant request.

Stripe's recommendation:

Stripe does not believe this area should be a priority area for the RBA when determining their 2027 priorities. That said, to the extent that the RBA identifies opportunities to enhance transparency around fees, switching processes, or the benefits of integration, Stripe welcomes the opportunity to further engage and support.

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?

In our view, the bundling of services does not present competition concerns and does not warrant regulatory intervention.

Stripe, in partnership with online commerce platforms, is enabling more businesses to start and grow. This is driving competition. Stripe is abstracting away online complexity for merchants and removing the barriers for the next wave of disruption in any industry to spin up a new business.

Stripe does not support mandatory unbundling as it would increase merchant complexity and remove genuine value from integrated offerings.

In addition, we make the following points:

1. Bundling of services is distinctly pro-merchant and pro-competition. In circumstances where Stripe partners with an online commerce provider, we offer a 'one-stop shop' for small business owners to set up businesses and sell to customers, rather than having to go to multiple vendors.

2. Online commerce platforms should be able to charge additional fees to capture the value that they are providing.

Stripe's Connect model does not impose exclusivity requirements or restrict merchants from using alternative PSPs. Further, Stripe's approach to payments infrastructure is grounded in openness and interoperability. Merchants should be free to use multiple PSPs or to move between them without technical or commercial barriers. Stripe has built tools to enable multi-processor arrangements precisely because we believe competition is underpinned by service quality[2].

If the RBA were to consider intervention in this area, one potential avenue would be to consider the requirement that platforms publicly disclose the following:

1. All per-transaction fees by PSP choice;

2. API access terms for competing PSPs; and

3. Switching process, timelines and documentation.

[2] https://stripe.com/au/guides/evaluating-and-managing-multiple-payment-providers

[TOKENISATION]

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?

Stripe commends the efforts already undertaken by the RBA to introduce standardisation around token migration with the ability to switch payment providers becoming even easier, generating more competition in the market.

In considering the prioritisation of this work, Stripe suggests three areas in which the RBA may warrant further consideration or intervention which include:

1. A requirement that token porting should be made available within a defined timeframe. For example, this could be 30 business days, at no cost and with standardised data format requirements. Such a measure would likely increase competition as merchants would have greater confidence that friction would be removed when switching providers.

2. Monitor whether the card networks' drive to "100% tokenisation" is being used to circumvent LCR obligations by routing DNDC transactions away from Eftpos.

3. What does tokenisation look like in the era of agentic commerce? For example, Stripe's *Shared Payment Tokens (SPTs)* are scope-limited and platform-agnostic by design, avoiding scheme-specific token fragmentation.

[AGENTIC COMMERCE]

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?

Background on agentic commerce:

Stripe takes a broad view of agentic commerce, also commonly referred to as AI-enabled commerce. It manifests in several closely linked ways. First, autonomous agents conducting purchases on behalf of buyers, navigating merchant systems and executing transactions programmatically. Second, commerce occurring within AI interfaces themselves, particularly in chat environments, where a human buyer remains in control but discovery, checkout, and payment all take place inside the AI interface rather than on a conventional website or application. Finally, machine payments allow AI agents to pay for digital resources, such as API calls, data, or services, programmatically and autonomously, without a human manually completing a transaction.

A useful framework is to think about agentic commerce across five levels of increasing autonomy:

- *Level 1 — Eliminating web forms: The buyer researches and decides what to purchase; the agent simply fills in payment and shipping details and completes the transaction. The system makes no decisions.*

- *Level 2 — Descriptive search: The buyer stops searching for specific products and instead describes situations. The agent reasons across attributes such as weather, materials, reviews, and delivery timelines.*

- *Level 3 — Persistence: The system remembers preferences from previous conversations and purchases. The buyer still decides, but chooses from a pre-filtered set that already reflects their taste and budget.*

- *Level 4 — Delegation: The buyer stops choosing altogether. The agent handles search, evaluation, and purchase on the buyer's behalf, within a budget the buyer sets. This is what most people mean today when they talk about agentic commerce.*

- *Level 5 — Anticipation: There is no prompt. The system already knows the relevant context and acts before being asked, notifying the buyer after the fact.*[3]

Stripe's role in developing agentic commerce tools:

To facilitate seamless transactions between autonomous agents and merchants, Stripe has developed specialised infrastructure to address technical fragmentation and security concerns.

- *Agentic Commerce Protocol (ACP):* A standardised framework, co-developed by Stripe and OpenAI, for sellers and AI platforms to handle payments that will enable programmatic commerce flows between buyers, AI agents, and businesses. ACP provides a blueprint for how businesses can make their checkouts "agent-ready" so that customers using AI agents such as ChatGPT can buy products directly from where they are discovering them.

- *Machine Payments Protocol (MPP):* Complementing the ACP, this was launched March 2026. LCR-compatible via Stripe's PaymentIntents API, enabling eftpos routing for agent-initiated transactions.

- *Shared Payment Token (SPT):* A new payment primitive for securely passing payment information from agents to merchants, without exposing the buyer's payment credentials. Tokens can be scoped to a specific merchant and configured to dictate transaction limits, expiry periods, and other usage parameters, ensuring the ultimate payment corresponds exactly to what the customer consented to. Merchants can process the transaction through Stripe or, if preferred, another payment provider. The protocol is open and processor-agnostic.

Regulatory considerations for agentic commerce:

The emergence of agentic commerce requires a coordinated effort between policymakers, regulators, and the payments ecosystem. The overarching policy goal should be to adopt a regulatory framework that enables growth and innovation while maintaining necessary consumer protections.

Several distinct areas require regulatory consideration:

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[3] https://stripe.com/au/annual-updates/2025

1. *Authentication:* Regulatory requirements must evolve to support novel agentic use cases while maintaining security. This is particularly important in the context of "truly agentic" flows, where an AI agent initiates purchases - within a set mandate - using a customer's payment credentials rather than a human authenticating each individual transaction. The existing arrangements for merchant-initiated transactions (MIT) should be leveraged and built upon to enable agentic use cases. The human, granting an agent a cryptographically encoded and auditable mandate, is the meaningful consent event constituting the authentication of a payment with per-transaction friction requirements would make autonomous commerce operationally unworkable.

2. *Fraud and liability:* There is a need to address novel fraud risks and the allocation of liability between ecosystem participants. New tools like Shared Payment Tokens can help: SPTs allow for the specification of a maximum amount and expiration window, and the agent sets the maximum amount to match the total amount of the transaction. These tokens create a clear record of what a customer has authorised and this technical and contractual clarity is what will help the ecosystem distinguish between valid agent actions and fraud events. The simplistic notion that bots are bad is obsolete: legitimate automation is now an essential part of commerce, and the regulatory framework must distinguish between good and bad bots.

3. *Open architecture:* In order for autonomous payment flows not to break, agents need to identify themselves with a cryptographically verifiable identity. There should be open, decentralised identity standards for agentic commerce, rather than proprietary agent registries as the authentication authority for agent identity. Closed registries would create fragmentation, raise barriers to entry and place control over which agents are authorised to act in commerce with a small group of players.

4. *Micropayment infrastructure:* Payment infrastructure must be able to support the high-frequency, low-value micropayment needs inherent in some agentic transaction use cases. It is often expensive for high-volume, low-value autonomous transactions to operate on existing card rails. Stablecoins are uniquely attuned to the micropayment needs of AI agents. The regulatory environment must enable the adoption of stablecoins for these specific transaction flows and Australia's emerging stablecoin framework, within the payments licensing legislation, should assist in delivering this use case.

5. *Least cost routing obligation:* should expressly extend to agent-initiated transactions where the mandate attaches at the processing layer regardless of whether the interface is a human, wallet, or AI agent. Moreover, on routing transparency: disclosure requirements (agents must disclose commercial relationships affecting payment method selection) are preferred over prescriptive routing mandates.

In summary, Stripe recommends the RBA focus on the following priorities in relation to agentic commerce:

1. Confirm LCR applies to agent-initiated payments;

2. Support open protocols over proprietary network infrastructure for agent verification;

3. Mandate routing and commercial relationship disclosure for agents;

4. Treat every agent transaction within a set mandate as a pre-authorised action, not a novel authentication problem;

5. Ensure payment infrastructure can support high-frequency, low-value, 'micropayment' needs inherent in some agentic transaction use cases, e.g. through stablecoin rails.

[MOBILE PAYMENTS]

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?

NFC access and mobile wallet competition

Apple's restriction of iPhone NFC functionality exclusively to Apple Pay is, in Stripe's view, the most significant structural barrier to competition in mobile payments in Australia. Stripe supports the RBA taking regulatory action to mandate non-discriminatory NFC access on iOS on terms set or approved by the RBA. The RBA, may, of course, wish to exercise such a change under the newly minted powers granted under the PSRA amendments which extend regulatory coverage to digital wallets.

The international examples:

By way of example, in July 2024, the European Commission[4] made legally binding commitments requiring Apple to provide eligible third-party mobile-wallet providers with access to iPhone NFC functionality in the EEA. Since this time a number of noteworthy developments have occurred including:

- Vipps MobilePay launched the first alternative contactless wallet on iPhone in December 2024.
- Visa subsequently announced HCE-wallet initiatives with Vipps MobilePay, Klarna and BBVA, and BBVA Pay became progressively available in Spain in October 2025.

What the RBA should do

Stripe submits that the RBA should use its expanded PSRA wallet powers to designate Apple Pay and require Apple to provide non-discriminatory NFC access to third-party payment applications on iOS on terms approved or set by the RBA.

Access terms, including pricing, certification requirements, approval timelines, and technical specifications should be non-discriminatory, transparent, and cost-reflective. The RBA should establish a clear implementation deadline, notwithstanding the current action being undertaken by the ACCC in respect of Epic Games v Apple relief proceedings.

Least-cost routing and wallet fees

The RBA should establish mandatory timelines for full LCR enablement across all major mobile wallets. Wallet fees remain opaque; contractual terms prevent disclosure to merchants. The RBA should require

[4] https://digital-markets-act.ec.europa.eu/index_en

wallet providers to publish transparent, comparable merchant-facing fee schedules. The RBA should extend LCR compliance monitoring and public reporting to cover wallet-initiated transactions.

[THREE PARTY NETWORKS]

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

Stripe does not offer any comment in this area.

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?

Stripe does not offer any comment in this area.

[BNPL]

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

Given that BNPL services are now regulated, Stripe does not see an immediate need to examine this area as a priority issue for 2027.

One area where the RBA may wish to consider, and one that Stripe would support, would be consistent merchant and consumer transparency requirements across BNPL products, aligned with those applying to card payments.

[ACCOUNT TO ACCOUNT]

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?

Stripe welcomes the recent collaborative work done in this area that has resulted in the 'Account to Account Vision' for payments in Australia.

Stripe believes that continuing work in the area should remain a priority for the RBA. Moreover, there are a number of areas which we believe warrant further work to ensure account to account payments remain efficient, reliable and competitive which are set out in the answers below.

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?

In considering what intervention may be required to further stimulate the growth of PayTo, Stripe proposes the following options, which it considers central to addressing barriers to user and merchant adoption.

1. Mandate the standardisation of risk limits and control across major banking entities to ensure merchants can operate with a greater degree of confidence that payments will be successful. Equally, the RBA could explore transparency measures to ensure consumers and merchants better understand the expected PayTo payment experience.

2. Standardise A2A checkout integration requirements so merchants can surface PayTo alongside card payments through common APIs, reducing integration friction.

3. Ensure consumer dispute and error resolution frameworks apply consistently across A2A and card transactions as consumers should not have materially weaker protections for A2A payments.

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?

Please see the aforementioned response under question 12.

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

Please see the aforementioned response under question 12.

[CYBER SECURITY]

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?

Stripe offers no view on questions 15, 16, 17 for the purposes of this consultation response. In time, and as the RBA advances further work as a result of industry feedback, we would be happy to make the relevant experts within our broader global team available for discussion as may be required.

[FRAUD]

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?

Stripe does not offer any comment in this area.

[OTHER]

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?

Stripe does not offer any comment in this area.

We thank you for the opportunity to make a submission and would welcome the opportunity to meet with you in due course.

Stripe Australia