Digital Currency in the Australian Context: An Update

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RESERVE BANK OF AUSTRALIA

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Contents

Executive Summary

Digital technologies are changing the way Australians make and receive payments. As new forms of money emerge around the world, policymakers are considering whether the forms of money currently available to households and businesses will continue to meet the needs of the community. In this context, the Reserve Bank of Australia (RBA) and Australian Treasury have continued to examine the potential role of a retail central bank digital currency (CBDC) in the Australian economy. Recent research indicates that Australians continue to be well served by the current retail payment system alongside ongoing innovation in digital finance. **The RBA and Treasury maintain that there is currently no clear public interest case for issuing a retail CBDC in Australia, reaffirming the assessment reached in the 2024 RBA–Treasury White Paper.**[1]

To help inform this updated assessment, the RBA conducted a structured consultation involving focus groups that was aimed at soliciting a range of new insights directly from the Australian public on the potential merits and challenges associated with the issuance of a retail CBDC. The RBA has also continued to closely monitor developments in the retail payments landscape in Australia and overseas. It frequently engages with international counterparts on a wide range of issues related to CBDC.

Key developments since 2024 are as follows:

- The RBA's public consultation revealed that the participants were broadly indifferent to a retail CBDC, with the current payments system largely meeting the day-to-day payment needs of Australians.
- Momentum in research and development in retail CBDC has slowed globally. In the limited number of jurisdictions the primary policy objectives for doing so are not currently relevant to the Australian context at continue to actively progress retail CBDC programs, such as in China and the euro area.
- Innovation in retail payments has not required new forms of central bank money. Australian households benefit from a wide range of payments products and services that are built upon the reliability of (private) commercial bank money. It remains an open question as to whether and how new 'tokenised' forms of private money, such as stablecoins and tokenised bank deposits, feature in the retail payment system of the future.[2]
- There have been no developments suggesting a need for a retail CBDC to address risks to confidence in domestic money or large-scale currency substitution away from the Australian dollar into foreign dollar denominated stablecoins. Australian dollar denominated deposits, and Australia's broader monetary arrangements, continue to be supported by a sound monetary framework and a strong and stable banking system. The RBA continues to monitor instances where currency substitution has begun to emerge internationally – mostly in emerging market countries where confidence in the stability of the domestic currency is low – but does not see those conditions as relevant in the Australian context.
- Recent analysis suggests that physical cash use in Australia has stabilised in recent years, after a substantial decline over the prior two decades. The public consultation also revealed that cash continues to be highly valued in the Australian community, particularly as an alternative to complex digital payments and as an essential back-up payment method during outages and other disruptions.

Collectively, the RBA, Treasury and industry are progressing a substantial agenda to support a safe, competitive and innovative payments ecosystem in Australia. This includes payments system modernisation, a review of payments system regulation, work on the future of account-to-account payments, and industry engagement on tokenised money and other tokenisation initiatives. While a number of opportunities exist to

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[1] RBA and Treasury (2024), 'Central Bank Digital Currency and the Future of Digital Money in Australia', White Paper, September.

[2] Tokenised money refers to a digital representation of money recorded on a programmable platform, often built using distributed ledger technology (DLT). This can enable funds and tokenised assets to be transferred and settled in a new and potentially more efficient way. Unless otherwise specified, the term is used in this paper to refer to both private and public forms of money, including existing and potential future forms.

address emerging public policy issues in retail payments, including through adjustments to regulation, improvements to payments infrastructure and settlement arrangements, and enhancements to the resilience of the payments system, these do not require a retail CBDC. At the same time, the Government and RBA remain committed to supporting the physical cash system for as long as Australians want or need it. The recently introduced Cash Distribution Framework will strengthen the long-term resilience of the cash system and preserve access to cash in Australia.[3]

The RBA will continue monitoring developments in retail payments, cash accessibility, tokenised money, consumer payment preferences and digital finance both domestically and internationally. This will ensure that the RBA remains well placed to reassess the case for a retail CBDC should circumstances (and the policy case) change in the future. In the meantime, and following on from Project Acacia, which was successfully delivered in May 2026, the RBA remains committed to progressing an ambitious range of initiatives in wholesale markets and money, including a coordinated work program on wholesale tokenised finance.[4]

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3 See Cash Distribution Framework Bill 2026.

4 Project Acacia explored how wholesale tokenised money and associated settlement infrastructure could enhance the functioning of wholesale asset markets through innovation in tokenised finance. For more information, see RBA (2026), 'In Brief: Project Acacia', May.

1. Introduction

The landscape for retail payments continues to evolve rapidly both in Australia and overseas, with digital payments becoming increasingly embedded in everyday life. As new technologies and services continue to emerge, policymakers must consider how to ensure the payments system remains accessible, secure, competitive and resilient for all Australians.

In Australia, as in many other countries, policymakers are assessing whether developments in tokenised money warrant policy intervention to preserve the efficiency, resilience and public interest characteristics of the monetary system. These assessments are often split along the lines of wholesale and retail money and payments. Wholesale refers to the money and payments exchanged between financial institutions and market participants. Retail refers to the money and payments used every day by households and businesses, such as cash and bank account balances. As the economy becomes increasingly digital, an important policy question is whether the retail forms of money currently available are meeting the needs of the community and wider economy. In this context, the RBA has continued to examine the potential merits of a retail CBDC, which would be available to households and businesses for everyday payments. Any potential benefits that might arise from a retail CBDC must also be considered against a range of risks, costs and challenges, including operational and implementation costs, cyber security and resilience implications, and the disruptive impact on the wider banking system. A more detailed overview of retail CBDC is provided below in Box A.

In 2024, the RBA and Treasury made a joint assessment that a clear public interest case for a retail CBDC had yet to emerge in Australia.[5] This assessment was based largely on the dynamics around cash use at the time and a judgement of the risks presented by new forms of tokenised money like stablecoins or deposit tokens. The potential for retail CBDC to support uniformity of money and monetary sovereignty were also considered, though the likelihood of risks in these areas was deemed to be low. However, the assessment concluded that further research was warranted, particularly direct engagement with the public to better understand whether Australians faced unmet needs regarding money and payments and how they viewed a potential retail CBDC in Australia in this context. This paper summarises the key findings from this public engagement. It also evaluates whether developments since 2024 have materially altered the public interest case for retail CBDC, including through impacts on consumer payment needs, payments innovation, monetary sovereignty, uniformity of money and access to central bank money.

[5] RBA and Treasury, n 1 above.

Box A: What is Retail CBDC

Retail CBDC would be a potential form of tokenised money that would be issued by the RBA and available for use by households and businesses in everyday payments, including in-store, online and person-to-person transactions. It would complement, not replace, physical banknotes which are also issued by the RBA.

Australians currently hold most of their money in the form of bank deposits via transaction and savings accounts. These deposits are issued by commercial banks and are a liability of those banks, rather than the RBA. While Australian banks are highly regulated and safe, bank deposits carry a small amount of credit risk because they depend on the creditworthiness of the issuing bank. A retail CBDC would offer Australians a form of tokenised public money for making digital payments.

A retail CBDC would also be different to unbacked crypto assets (also known as cryptocurrency), stablecoins and deposit tokens. Unbacked crypto assets, such as Bitcoin or Ether, are privately issued digital assets whose value can fluctuate significantly over short periods of time. They are not backed by a central bank, and their value is not guaranteed by any government, financial institution or real asset like gold. Stablecoins and deposit tokens are designed to maintain a stable value but are also privately issued. Stablecoins represent a claim on a private sector issuer, while tokenised deposits represent a claim on a (private) commercial bank rather than a central bank.

If one were ever to be issued in Australia, a retail CBDC would be denominated in Australian dollars (like current banknotes) and maintain a stable value backed by the central bank. It would also be exchangeable one-for-one with other forms of Australian money (i.e. A$1 of CBDC could be converted into A$1 in cash or A$1 in bank deposits).

More detailed discussion of CBDC is set out in the 2024 RBA–Treasury White Paper.

2. Results from Direct Public Engagement

In 2024, the RBA and Treasury committed to engaging with the public to better understand how well the current payments system is meeting the needs of Australian households, and to examine community views on the potential benefits, concerns and use cases for a retail CBDC.[6] This engagement was aimed at ensuring that any consideration of a retail CBDC was informed by the needs and expectations of the Australian people. To support this work, the RBA partnered with Verian, an independent research agency, to undertake a program of public consultation.

The public consultation was conducted using focus groups, where participants took part in facilitated discussions in small groups. Focus groups allowed the RBA to hear a broad range of views across a diverse cross-section of Australians. In addition to mainstream representation, the consultation included dedicated sessions with groups that are often under-represented in public consultations, including Aboriginal and Torres Strait Islander peoples, Australians with disabilities, new migrants to Australia, and small business owners. The focus group format supported participant engagement with the topic, allowing exploration of nuanced themes and discussion of factors that shaped participants' perspectives. The decision to use focus groups was also informed by experiences in peer jurisdictions, which highlighted limitations of consultation papers and opt-in surveys, including low engagement with consultation materials and selection bias resulting in samples not reflective of the broader population.

The consultation program comprised 33 focus groups involving 239 participants from across Australia. Discussions were held between February and July 2026 in metropolitan, regional and remote locations, across all states and territories.[7]

The consultation revealed several consistent themes regarding Australians' experiences with the payments system and their views on a potential retail CBDC.

- **Australians generally viewed the payments system positively and felt it met their day-to-day payment needs.** Most participants felt that suitable payment options were available in the situations they encountered and that adequate alternatives were accessible. While some challenges were identified, participants generally did not see a retail CBDC as addressing these issues. Many viewed the prospect of managing an additional payment method to be burdensome and instead expressed a preference for improvements to existing payment options.
- **Cash continues to be important for meeting Australians' payment needs.** Cash remains highly valued as a simple and reliable payment option, particularly as an alternative to complex digital payments for some individuals. Cash was also widely viewed as an essential back-up payment method during emergencies, technology outages and climate events. Views on a potential offline capability for a retail CBDC, which would allow users to make digital payments without a network connection and thereby retain a core attribute of cash, were mixed. Regional Australians were more likely to feel it offered meaningful value, however, many continued to prefer cash, viewing it as a more reliable option. These views suggest that though offline payments could address some resilience concerns, it may not be sufficient to drive widespread adoption of a retail CBDC. Concerns that a retail CBDC might result in a decline in physical cash were common.

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6 Throughout the public consultation, the terms 'digital money' and 'digital cash' were used in relation to retail CBDC because of its stronger resonance with the public and non-expert audiences; however, they are interchangeable with 'tokenised money' (as defined in n 2 above).

7 For more information, see Verian (2026), 'Public Consultation – Unmet Payment Needs and Digital Money', Report, August.

- **Expectations around payment security were not always met.** Concerns about scams and unauthorised transactions were prominent in focus group discussions, particularly for online payments. Participants described using workarounds to manage perceived risks that added complexity and considerable friction to everyday transactions. These included using temporary or prepaid cards (e.g. gift cards), making payments from accounts that hold only small balances, relying on third-party payment services (e.g. PayPal) or choosing to forgo purchases altogether. These behaviours suggest that there are concerns about the ability of existing digital payment methods to adequately protect against unauthorised transactions. Further, participants did not view a government-issued digital payment method as safer or more reliable than existing private options. As a result, a retail CBDC appears unlikely to address these security concerns, at least in the near term.
- **Security concerns also extended to privacy and safety of personal data.** Participants generally had low awareness of how their data were being used and low perceived control over data collection. Privacy concerns were typically centred on identity theft and the secure storage of personal data rather than preserving anonymity. However, scepticism toward new technology and uncertainty about the security of a retail CBDC meant most participants did not believe a retail CBDC would provide greater privacy or security than existing digital payments.[8]
- **Most participants struggled to identify a clear personal benefit of a retail CBDC and were broadly indifferent to its potential introduction.** Many found it difficult to differentiate retail CBDC from existing forms of money. Around 30 per cent of participants indicated that they were indifferent toward the idea of a retail CBDC in Australia. Another 40 per cent reported they liked the idea in principle and could see a retail CBDC being useful to Australians. However, these views tended to reflect general openness to the concept, rather than seeing an immediate or obvious need for a retail CBDC today. For those participants with strong views, more expressed strong opposition to a retail CBDC than strong support, with more than twice as many participants indicating that it was 'definitely not for me' than saying they 'would love it'.

The findings from the public consultation are largely in line with other research conducted by the RBA, including the Consumer Payments Survey,[9] and work that informed the 2024 policy assessment of retail CBDC.[10] Overall, the consultation did not identify material unmet payment needs that participants believed would be uniquely addressed by a retail CBDC. Some participants also raised concerns about the operational and implementation costs associated with retail CBDC and questioned whether this would be a good investment of public money.

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8 These views reflect participants' perceptions rather than any specific retail CBDC design. Were a retail CBDC to be considered in Australia, safety, security and operational resilience would be fundamental design principles.

9 MacGibbon K, M Royters and F Wang (2026), 'Cash Use in Australia: What the 2025 Consumer Payments Survey Tells Us', RBA *Bulletin*, April.

10 RBA and Treasury, n 1 above.

3. Relevant Retail Payment Developments Since 2024

The RBA continues to monitor key trends relevant to the analysis of retail CBDC. Domestically, this includes the use of cash and the emergence of alternative forms of retail tokenised money. The RBA has also been actively monitoring developments overseas, particularly in similar jurisdictions that have been considering or are approaching the issuance of a retail CBDC.

Research and development momentum in retail CBDC initiatives has slowed globally

In 2024, when the previous assessment of retail CBDC was undertaken, it remained unclear whether retail or wholesale applications of CBDC would offer the greatest benefit to the largest number of countries. Many central banks, including the Bank of Canada, Norges Bank and the South African Reserve Bank, have recently de-prioritised their research into retail CBDC, in favour of work on wholesale CBDC or broader payments issues. This shift has been driven by a range of factors, including the prioritisation of other initiatives to modernise retail payment systems and the absence of a compelling public policy case for issuing a retail CBDC. Further, consumer research in many jurisdictions has revealed low adoption potential for retail CBDC and in some cases negative public sentiment toward its introduction.

While some jurisdictions continue to advance retail CBDC projects, the primary drivers for doing so are not currently relevant in the Australian context. In emerging economies, retail CBDC is often a tool to promote financial inclusion in large unbanked populations and support the transition to a digital economy.[11] Among advanced economies, the euro area is furthest progressed in its consideration of a retail CBDC, the digital euro. However, the primary motivations in the euro area relate to overcoming the fragmentation in payment systems across individual countries, and efforts to reduce the reliance on foreign payment providers. By contrast, Australians have ready access to bank accounts, while Australia's payment system arrangements are harmonised across individual states and feature a competitive mix of both domestic and foreign payments system service providers. These differences suggest that the policy motivations underpinning retail CBDC in some other jurisdictions are not presently evident in Australia.

Retail payments innovation is ongoing

Retail CBDC has previously been contemplated as a possible option to promote payments innovation by providing a safe and trusted form of tokenised money to underpin new payment services and capabilities. Since 2024, the digital payments landscape has continued to evolve. Australians have access to a wide range of innovative retail payment products and services, while industry is increasingly exploring new forms of tokenised money and related payment capabilities. For the most part, innovation in retail payments has been supported by the reliability of existing forms of money issued by commercial banks. Current evidence suggests trust in existing payment options remains generally high, underpinned by confidence in the banking system and the broader financial system.

[11] At the time of writing, countries such as Ghana, Uganda and India are either approaching pilot or piloting retail CBDC.

There has been no evidence of high adoption of tokenised private money, such as stablecoins, in Australia. However, they are gaining popularity in other jurisdictions, notably in some emerging market countries (as a store of value) and, to some extent, in the United States. Stablecoins are a type of tokenised money that are designed to maintain a stable value and are denominated in a national currency, most commonly USD.[12] Like other forms of money, they can be used to make payments but are typically issued by private companies rather than commercial banks. The public consultation demonstrated that participants had limited awareness of tokenised money options like stablecoins and expressed little interest in using them for retail payments. Similarly, participants struggled to identify reasons for which a retail CBDC would be needed to satisfy their day-to-day payment needs. This feedback could also reflect the fact that consumer payments habits are relatively persistent, meaning they do not change easily or quickly.[13]

Even though current evidence points to low stablecoin use today, it does not mean that they will not be adopted more broadly in the future. A number of initiatives are underway to address risks and improve the safety of new forms of money. For example, the Australian Government is implementing reforms that would establish clear, proportionate and risk-based regulatory frameworks for stablecoins and other digital payment products.[14] These reforms support innovation while continuing to ensure that new forms of money remain safe and resilient. The RBA is also consulting industry to understand whether providing stablecoin issuers with access to central bank reserves could support uniformity of money in the event that stablecoin usage grows in the future.

At the same time, deposit tokens, a tokenised form of money issued by commercial banks, are under active exploration in Australia and internationally to determine if they could offer new functionality while preserving the safety of the existing banking system. Domestically, deposit tokens were closely examined as part of Project Acacia and a new collaborative industry forum is in the process of being established to take forward some of this earlier work.[15] The RBA is also supporting deposit token experimentation, including by examining how existing interbank settlement infrastructure can support payments using deposit tokens issued by different banks, and by considering how they might feature in a future financial market infrastructure sandbox.

Current evidence does not suggest a need for retail CBDC to promote innovation or ensure safety in Australia's retail payment system. Australia's retail payment system has long been characterised by innovation and dynamism, and is being further supported at present by existing initiatives, including those advanced by the RBA in conjunction with industry and official sector partners. The RBA will continue to strive to ensure that payment services are competitive, efficient and meeting the evolving needs of consumers.

Risks to monetary sovereignty and uniformity of money do not warrant a retail CBDC

Retail CBDC is sometimes considered a potential policy response to risks to monetary sovereignty and uniformity of money arising from large-scale currency substitution. Monetary sovereignty refers to a country's ability to issue domestic currency and independently conduct monetary policy. Uniformity of money refers to the principle that different forms of money are exchangeable at par – such that one Australian dollar held in a bank account is equivalent in value to one Australian dollar in cash.[16] Some commentators have observed that central banks could cede monetary sovereignty if domestic households and businesses were to adopt forms of tokenised money that were denominated in foreign currency, such as USD-denominated stablecoins.

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[12] Hernández de Cos P (2026), 'Stablecoins: Framing the Debate', Speech at a Bank of Japan Seminar, Tokyo, 20 April.

[13] Waller CJ (2025), 'Reflections on a Maturing Stablecoin Market', Speech at A Very Stable Conference, San Francisco, 12 February.

[14] See Corporations Amendment (Digital Assets Framework) Bill 2025; and Treasury (2025), 'Ministerial Submission to the Treasurer: For Information – Australia's Approach and A Global/Key Jurisdiction Comparison', FOI 4080.

[15] RBA (2026), 'Call for Interest – Membership of Industry Groups Exploring Tokenisation'.

[16] RBA and Treasury, n 1 above.

The 2024 policy assessment concluded that risks to monetary sovereignty and uniformity of money did not present a compelling case for the issuance of retail CBDC in Australia, but identified three possible scenarios in which large-scale currency substitution could emerge:

- Persistently high inflation, reducing confidence in the value of the Australian dollar and encouraging the use of alternative stores of value and payment instruments (this channel has been most evident in low-income emerging market countries).
- Superior payment functionality offered by a foreign digital monetary system, creating incentives for users to transact in non-AUD forms of money.
- Access to a valuable commercial platform requiring the use of a particular non-AUD form of tokenised money, resulting in widespread adoption driven by network effects and platform participation.

Developments since 2024 do not warrant deeper consideration of the case for a retail CBDC. The Australian economy continues to be supported by a stable monetary and financial system; indeed the public consultation confirmed that participants generally expressed confidence in the safety and stability of the financial system. Similarly, there is limited evidence that Australian consumers face material unmet payment needs that would encourage substitution into non-AUD forms of tokenised money. Australians continue to benefit from a modern payments' ecosystem, including real-time payments via the New Payments Platform. Focus group participants generally reported satisfaction with existing payment options.

The scenario where a commercial platform required large-scale use of non-AUD tokenised money remains more plausible in the years ahead, particularly as new forms of money become increasingly integrated in overseas innovation ecosystems. However, adoption of tokenised money in this context would likely be driven by network effects and the commercial incentives of the platform provider, not a lack of alternative tokenised money options. In this scenario, the effectiveness of a retail CBDC as a mitigation tool may be limited.

Nevertheless, the RBA will continue to monitor developments in private tokenised money adoption and consumer payment behaviour to assess whether the likelihood of these scenarios' changes over time.

Cash use in Australia has stabilised

Another argument for retail CBDC has been that it would provide direct access to central bank money in digital form, as cash becomes less usable in the digital economy. While developments since 2024 continue to show a shift towards e-commerce, cash remains a highly relevant payment instrument and store of value in Australia. Consistent with this, findings from the public consultation reinforced that cash continues to be valued for a range of purposes by Australians.

Like many similar jurisdictions, Australia experienced a steady downward trend in cash usage, which accelerated during the COVID-19 pandemic. However, the most recent results from the RBA's Consumer Payments Survey show that the use of cash has stabilised following a multi-year decline (Graph 1).[17] For example, 50 per cent of Australians reported using cash at least once per week in 2025, up from 47 per cent in 2022. Similarly, 15 per cent of payments (by number) were made in cash in 2025, whereas 13 per cent were made in cash in 2022.

As the RBA continues to closely monitor trends in cash use, both the Government and RBA remain committed to ensuring cash continues to be available for those Australians who wish to use it. These efforts should be supported by the recently introduced Cash Distribution Framework, which is designed to support the long-term resilience of the cash system[18] and is consistent with similar initiatives in a number of peer jurisdictions.[19]

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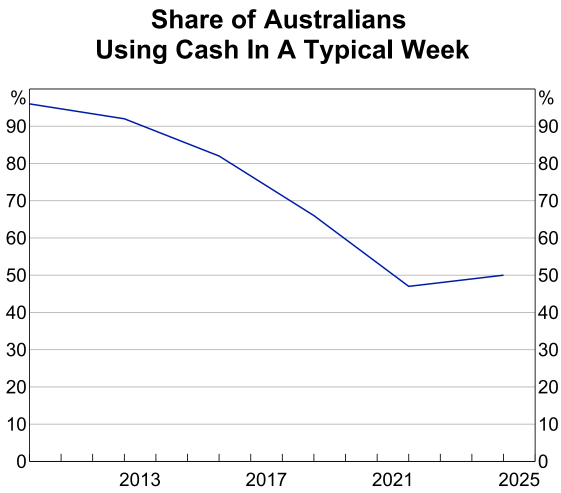
[17] MacGibbon, Royters and Wang, n 9 above.

[18] See Cash Distribution Framework Bill 2026.

[19] The United Kingdom, Ireland, New Zealand, Hungary and Sweden have introduced policy measure to support continued access to cash.

Graph 1



Source: RBA Calculations, based on data from Colmar Brunton, Ipsos and Roy Morgan Research.

4. Implications

While the payments landscape has evolved further in recent years, Australians continue to be well served by a retail payment system that is competitive, efficient and safe (Table 1). Some of the arguments that have been made internationally in support of a retail CBDC – such as to facilitate more harmonised markets for payment services (a particular issue in the euro area), support financial inclusion, and preserve monetary sovereignty and the uniformity of money – are not relevant in the Australian context. The recent stabilisation in cash use in Australia also appears to reflect, at least in part, a strong desire of Australian households to maintain access to cash, consisted with sentiment expressed in the public consultation reported in this paper. In this context, the RBA and Treasury's position remains unchanged from the 2024 assessment – **a compelling public interest case to issue a retail CBDC in Australia has yet to emerge.**

Table 1: Summary of Considerations

Key considerations	2024 assessment	2026 update
Unmet consumer payment needs	Australians are well served by the retail payments system, but input from public engagement is required.	Public engagement has reaffirmed that Australians remain well served by the retail payments system.
Retail payments innovation	There is substantial innovation in the retail payment system and high use of digital payments.	Innovation in the payments system continues at pace, supported by regulation that promotes efficiency, competition, safety and resilience.
Risks to monetary sovereignty and uniformity of money	Risks posed by potential currency substitution do not warrant issuance of a retail CBDC.	There is no evidence of currency substitution becoming a realistic prospect in Australia.
Cash use	The use of physical cash as a means of payment is at record lows following many years of steady decline.	The use of physical cash has stabilised in recent years and, in line with similar initiatives internationally, industry and government are now working to put the cash distribution sector on a more sustainable long-term footing.

As noted in the 2024 paper, issuing a retail CBDC could involve significant cost and/or risks for both the RBA and the private sector. These could include the costs and risks associated with the introduction of new infrastructure and those associated with the possible displacement of private money and payment services that could have spillover effects across the financial system. These challenges are difficult to quantify, as they are heavily dependent on the design features of a retail CBDC. Given the assessment that a retail CBDC offers limited benefits in Australia at this stage and that a specific design has not been established, a detailed quantification of the costs and risks that a retail CBDC could give rise to was not warranted for the purposes of this assessment. However, these would receive deeper analysis and become important considerations should closer interrogation of the case for a retail CBDC be required in the future.

Although there is no policy case for the issuance of a retail CBDC at the current juncture, shaping the future of money in Australia remains a strategic priority for the RBA and the Payments System Board, as does modernising the retail payments system to ensure it remains efficient, competitive and safe long into the future. Related initiatives include the payments system modernisation program, the review of payments system regulation, work on the future of account-to-account payments, deeper analysis of cross border payments, initiatives aimed at ensuring access to cash is maintained, and industry engagement on tokenised money, assets and related infrastructure upgrades. Similarly, the Government is progressing a broader work program to support a modern, resilient and efficient financial system, including payments infrastructure, that is safe, trusted and accessible, while promoting competition, innovation and productivity. This includes initiatives to support financial innovation, including digital assets[20] and tokenisation, as well as an upcoming strategic plan for Australia's payments system. The plan is intended to provide greater certainty and clarity for industry, support long-term investment, and help position Australia to benefit from emerging technologies and business models.

Insights from the public consultation reported in this paper have also yielded a deeper understanding of consumer payment behaviour and frictions in the payments system. And while the RBA continues to prioritise work on wholesale rather than retail applications of CBDC, it will remain closely engaged on domestic and international developments that could be relevant to the case for retail CBDC. This includes trends in cash usage, indications that private money and payment services are failing to meet the needs of the Australian public, and relevant lessons from peer jurisdictions. The RBA and Treasury acknowledge that trends in money and payments can evolve rapidly and the need for new forms of central bank money may change in the future.

The RBA’s principle focus on new forms of money continues to be directed toward wholesale initiatives, where the potential benefits are larger. Project Acacia explored how tokenised money and associated settlement infrastructure could enhance the functioning of wholesale asset markets through innovation in tokenised finance. The project demonstrated the potential for tokenisation-based innovation to make issuance, trading and settlement in Australia more efficient and enhance the ability of assets to move around our financial system. To this end, the RBA has committed to a coordinated work program, bringing together regulators and industry to help realise these potential benefits in a manner consistent with financial system stability.[21]

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[20] See Corporations Amendment (Digital Assets Framework) Bill 2025.

[21] RBA, n 4 above.