



# **Draft Vision for Account-to-Account Payments in Australia**

**June 2026**

**Westpac Submission**



## **Introduction**

Westpac welcomes the opportunity to provide feedback on the draft vision for account-to-account (A2A) payments in Australia.

Westpac supports the Australian Banking Association (ABA) submission to this consultation and the positions outlined in that submission. This response is intended to complement the ABA submission by setting out additional considerations from Westpac's perspective.

A2A payments are a foundational element of Australia's financial system, enabling the efficient movement of wages, welfare, business payments and government transactions across the economy. As recognised in the consultation paper, A2A payments underpin essential economic activity and are increasingly embedded within Australia's digital economy.

Westpac broadly supports the direction of the proposed Vision, including its focus on trust, resilience, innovation and competition, as well as articulation of end-user objectives and system characteristics.

However, to ensure the Vision is durable and capable of guiding the next phase of reform, it should be more firmly anchored in a set of clear principles, particularly in relation to national interest, governance, funding, system integrity and future-readiness.

## **National interest and sovereignty**

The Vision appropriately centres on end-user outcomes. However, it would benefit from more explicitly recognising the broader national significance of the A2A system as critical economic infrastructure.

Payments infrastructure is fundamental to economic activity, financial stability, and overall productivity. The Vision should make clear that the A2A system must support Australia's long-term national interest, including economic resilience, efficiency and global competitiveness.

A central component of this is sovereignty. As payments become increasingly integrated with global technology platforms, digital wallets and emerging financial infrastructure, there is a growing risk that control and economic value could shift beyond Australia's domestic system. The Vision should therefore articulate that Australia must retain effective control over the operation of its A2A system and the key decisions that shape it, including governance, standards and economic arrangements. This includes ensuring that, as the system integrates with global platforms and technologies, the terms of that integration, particularly at the customer interface and overlay service layers, support sustainable economic outcomes for core infrastructure and do not result in a structural shift of value away from participants that fund and operate the system. Preserving this level of control is



important to maintaining Australia's capacity to make sovereign decisions regarding payments architecture and policy settings over time.

Embedding this principle at the outset will ensure that future decisions on technology, integration and governance are made in a way that supports Australia's long-term strategic and economic interests. To support this, the Vision should provide greater clarity on what is meant by 'national interest' in the context of A2A payments, including how it applies to economic sustainability, system resilience, governance and the allocation of value across the ecosystem.

## **Governance and decision-making**

The Vision recognises the importance of effective governance but requires greater clarity on how decision-making will operate in the roadmap and delivery phase.

In particular, there should be an explicit principle that decision-making authority should reflect the level of financial contribution and risk assumed by participants. While broad stakeholder consultation is essential for setting direction, decisions relating to shared infrastructure, standards and capability development will involve significant capital commitments and long-term obligations. In these cases, it is appropriate that those underwriting these commitments have a commensurate role in determining outcomes.

The Vision would also benefit from clearer delineation of roles between the public and private sectors. Public sector agencies have an important role in oversight, policy direction and safeguarding the public interest. Industry participants are responsible for design, funding and delivery. Greater clarity in this balance will support more effective and accountable decision-making

Establishing these governance principles upfront will provide certainty to participants and reduce the risk of misalignment during the roadmap phase.

## **Funding and the economic model**

Clarity on funding is fundamental to the success of the A2A Vision. The current draft leaves this question open, creating uncertainty and potential risks to delivery.

The Vision should be underpinned by a clear principle that the A2A system operates on a commercially sustainable, user-funded basis across the ecosystem. The costs of building, operating, maintaining and upgrading the system should be borne by those who use and benefit from it.

This principle should apply across all participants in the ecosystem, including banks, payment service providers, fintechs, and overlay providers. Funding arrangements should be transparent, proportionate and aligned with usage, benefit and risk.



It is important that the Vision does not imply that incumbent institutions, and especially the major banks, will bear system-wide costs by default. A sustainable model requires that funding responsibility is not concentrated within a small subset of participants but is instead distributed across the ecosystem in line with participation and value derived.

Experience from broader infrastructure initiatives, such as the Consumer Data Right, highlights the challenges that can arise where investment is largely borne by incumbent participants while benefits are more widely distributed across the ecosystem. This reinforces the importance of ensuring that the A2A system is supported by sustainable commercial arrangements that align costs with usage and value, and that provide appropriate incentives for ongoing investment in core infrastructure, security and innovation. International approaches also underscore this point, with the *United Kingdom's National Payments Vision* explicitly recognising the importance of commercially sustainable models to support ongoing investment and innovation.

The A2A system is increasingly multi-layered, with a distinction between core infrastructure and value-added services. The economic model should reflect this structure. Without a coherent approach, there is a risk that incentives for investment in core infrastructure weaken over time as value accrues elsewhere in the ecosystem, while costs remain concentrated in the core, which would undermine long-term investment in resilience, security and innovation.

Establishing a sustainable, whole-of-ecosystem funding framework at the Vision stage is therefore critical.

## **Designing for technological change**

The consultation paper recognises that the payments environment is evolving rapidly, driven by technological developments including artificial intelligence, digital identity and digital assets.

The A2A Vision should more explicitly embed a forward-looking principle that the system is designed to accommodate and enable these developments.

This requires a system architecture that is modular, scalable and adaptable over time. It should support emerging use cases, including automated and event-driven payments, integration with digital identity frameworks, and interoperability with new forms of value such as tokenised assets.

The Vision does not need to prescribe specific technologies. However, it should ensure that the system is capable of evolving efficiently as technologies mature. As the pace of change accelerates, Australia will be best served by a payments system that enables rapid adoption of new capabilities, rather than one that requires significant retrofitting.



## **System integrity and participant obligations**

A trusted A2A system depends on the integrity of all participants. While the Vision appropriately emphasises security and protection, it should go further in recognising the responsibilities that each participant has to preserve the integrity of the system.

All participants, regardless of size or business model, should be subject to robust and enforceable obligations in areas such as customer due diligence, fraud and scam prevention, AML/CTF compliance and operational risk management. The system is only as strong as its weakest link, and failures by individual participants can have broader implications for financial stability, consumer trust and system resilience.

The Vision should also recognise that these obligations must be supported by clear accountability and meaningful consequences where standards are not met. Where a participant introduces unacceptable risk into the system through inadequate controls or governance, there must be mechanisms to address that risk, including the ability to impose restrictions or remove access where appropriate.

At the same time, the Vision should continue to support broad participation and competition. Access frameworks should remain risk-based and proportionate, ensuring that obligations reflect the nature and scale of activity undertaken by each participant.

## **Allocation and ongoing costs**

As the A2A system evolves, the costs associated with maintenance, regulatory compliance, security enhancements and ongoing capability development will continue to grow.

The Vision should establish a clear principle that the cost of system change and ongoing maintenance is shared across the ecosystem on a user-pays basis. These costs should not be assumed to fall on incumbent participants by default, but instead allocated in a way that reflects participation, usage, and benefit.

Applying this principle will support fair competition, maintain incentives for investment, and ensure that the system remains commercially sustainable over time.

## **Conclusion**

Westpac supports the ambition of the A2A Vision and its role in shaping the future of Australia's payments system.

To be effective, the Vision must do more than articulate desired outcomes. It must establish the principles that will guide the investment, governance and delivery decisions required in the roadmap phase. In particular, greater clarity is required on how the system will serve the national



interest, how it will be governed and funded, and how integrity will be maintained across all participants.

Embedding these principles at the outset will provide the certainty and discipline needed to deliver a payments system that is resilient, secure, commercially sustainable and capable of adapting to rapid technological change.

