

Project Acacia Industry Advisory Group (IAG) Meeting

8 September 2025

Agenda

1. Welcome (with competition law reminder)
2. Project update
3. Use case presentation (Catena Digital)
4. Presentation/discussion on Fnality Payment System model
5. Any other business/Next steps for the IAG

Competition law guidance

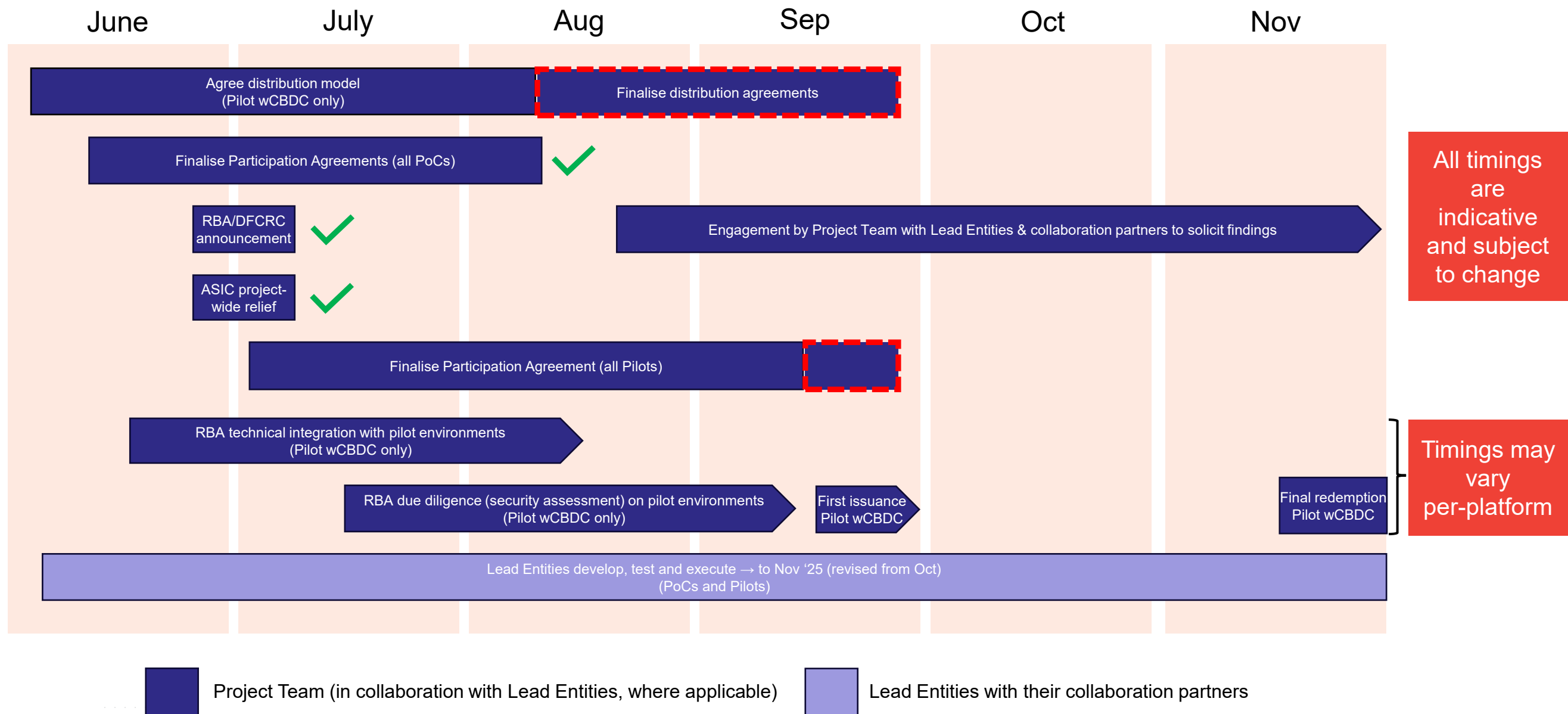
- This Industry Advisory Group meeting will be conducted in accordance with RBA Competition Law Guidance for RBA convened meetings.
- You should have received the Guidance via email and a hard copy is available upon request. You must ensure you are familiar with the Guidance.
- The RBA and DFCRC are committed to ensuring that all meetings are conducted in compliance with all applicable competition laws.
- If you have a concern about today's discussion from a competition law perspective, you should make your concerns known to the Chair of this meeting and the discussion giving rise to such concerns should cease.

Project update: progress to date

Since the last IAG meeting:

- 'Research Information Guidelines' distributed to Lead Entities and IAG in early August
- Project Update and Q&A webinar for Lead Entities held in early August
- Desktop research proponent (Oleksii Konashevych, PhD) confirmed as a project participant
- Deposit Token Working Group formally commenced
- Participation agreements (all Pilots) distributed to Lead Entities in w/c 1 Sep
- Progressively rolling out business process flow modelling templates for completion by Lead Entities
- Prepilot CBDC token deployed on 2 testnets
- External security assessment in progress

Project update: looking ahead



Reserves-backed digital currency

- Reserves-backed digital currency (RBDC): A tokenised form of money issued by a private-sector entity (possibly a special-purpose vehicle set up by an industry consortium), which is fully backed by funds held by the issuing entity in a pooled ('omnibus') account at the central bank.
- This form of money is sometimes referred to as a 'synthetic CBDC', especially if for retail use. However, an RBDC is not a liability of the central bank at which the reserves are held and accordingly is not 'central bank money'.
- Non-tokenised omnibus account type arrangements are quite common for settlement in fast payment systems: e.g., RT1 (Euro area), SNCE (Spain), BiR (Sweden), FPS (UK) and RTP (US).
- Project Acacia Consultation Paper suggested concept of RBDC as a settlement or interchange asset. However, none of the use case submissions proposed to trial RBDC

A discussion with Fnality Payment Systems

- Are RBDCs capable of playing a major role in the settlement of transactions in wholesale tokenised asset markets? Can they serve as a substitute for tokenised central bank money? What opportunities, risks and challenges might this approach have?
- How will Fnality interoperate with other ledgers—both asset ledgers (DVP) and other settlement (PVP) assets? Will transactions be truly atomic?
- Access: Who can be a Fnality participant? Who can hold tokens? Will tokens accrue interest?
- What are the liquidity benefits envisioned by Fnality? How might Fnality improve cross-border payments?
- How might RBDC coexist with other forms of tokenised private money (deposit tokens, stablecoins)?
- What general issues have arisen in Fnality's engagement with other central banks and financial regulators (access to central bank accounts, opening hours, PFMI, etc)?
- Is this something the Australian industry would be interested in exploring? Would AUD be a priority for Fnality? Should omnibus accounts be a priority for the RBA?

This project received grant funding from the Australian Government through the CRC Program



Australian Government
**Department of Industry,
Science and Resources**

Cooperative Research Centres Program