

Article Information

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The Digital Economy Council of Australia takes tokenisation policy proposals to Canberra

The Piper Alderman Blockchain team has contributed to a policy paper proposing legal reforms necessary to unlock the economic benefits of asset tokenisation for the Australian economy. The policy paper was led by the Digital Economy Council of Australia (DECA), the Digital Finance Cooperative Research Centre (DFCRC), and Ripple and a larger group of industry participants. Partner Steven Pettigrove joined the delegation to Canberra to deliver the report and participated in discussions with members of parliament and industry leaders on the proposals and steps necessary to overcome obstacles to reform.

Last week, the Digital Economy Council of Australia (DECA), the Digital Finance Cooperative Research Centre (DFCRC), and Ripple delivered to Canberra [a report on the policy reforms required to unlock the economic benefits of asset tokenisation](#). The report highlights key reforms needed to support the growth of real world asset (RWA) tokenisation and open up to AUD \$12 billion per year in potential economic gains.

Tokenising RWAs has the potential to create and diversify economic opportunity by enabling greater liquidity in, and access to, private assets. Tokenisation, where physical assets like securities, real estate, or commodities such as art, wine or cars are represented as digital tokens on a blockchain, can offer economic benefits by improving liquidity, transparency, and transactional efficiency. However, the current regulatory regime premised on paper or centralised ledgers and centralised intermediaries presents an obstacle to unlocking the ownership economy and allowing access to concentrated private markets.

The policy paper argues that a primary barrier to realising this potential is Australia's current regulatory framework. Without reform, the paper suggests that Australia risks falling behind other nations in the USD \$2 trillion global tokenisation market. The paper identifies three essential policy recommendations: (1) clear taxonomy for digital assets, (2) licensing reform, and (3) the introduction of regulatory sandboxes.

First, a clear taxonomy is essential to resolve ambiguity around how digital assets are classified, especially as different tokenisation methods could have varying legal implications. Defining these classifications would provide regulatory certainty, allowing tokenised markets to grow with confidence.

Second, the current licensing regimes are not fit for purpose. Existing financial market infrastructure separates trading, clearing, and settlement functions, but tokenised assets combine these processes into one. As such, a modernised licensing framework is necessary to reflect the unique characteristics of digital assets and enable more efficient market operations.

Finally, the implementation of regulatory sandboxes is vital to fostering innovation. These environments allow digital asset markets to operate under regulatory supervision, giving regulators the opportunity to observe and refine the rules in real-time. A well-structured sandbox would enable new markets to flourish under modified regulatory settings. The [UK and Singapore among other jurisdictions](#) have begun experimenting in this area by launching their own digital securities sandboxes that provide a pathway to full compliance. Just last week, one of Australia's largest banks, [ANZ, joined Singapore's Project Guardian](#) to explore tokenisation of commercial paper.

The report argues that to capitalise on the economic opportunities of RWA tokenisation, Australia must adapt. By adopting

these reforms, the nation can position itself as a leader in the digital transformation of financial markets and allow a new generation to access markets currently dominated by institutions and high net worth investors. The report calls for action to ensure that Australia does not miss out on this financial revolution.

A copy of the report can be downloaded [here](#).