

Article Information

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Blockchain Bites: ASIC Corporate Plan backs tokenisation work; Tokenised Funds move closer to launch with Cayman Consultation; Project Acacia: Australia's leap into tokenised finance

Steven Pettigrove, Luke Higgins and Emma Assaf of the Piper Alderman Blockchain Group bring you the latest legal, regulatory and project updates in Blockchain and Digital Law.

ASIC Corporate Plan backs tokenisation work

The Australian Securities and Investments Commission (**ASIC**) has released its 2025-26 Corporate Plan, which outlines its strategic priorities to ensure a fair, strong and efficient financial system for Australians. Notably, ASIC has included tokenisation as a focus area under one of five strategic priorities that will guide its work.

(1) Improve consumer outcomes

ASIC is seeking to target issues such as credit and financial hardship, dispute resolution, scams, insurance practices and financial education through its Moneysmart platform. It will continue to disrupt investment scams, review insurance service standards and monitor compliance with internal dispute resolution obligations.

(2) Strengthen market disclosure and professional conduct

ASIC intends to enhance the quality of financial and sustainability reporting, audit practices and director conduct. It will also address greenwashing and ensure compliance with whistleblower protections and conflict-of-interest policies.

(3) Support better retirement outcomes and member services

With more Australians entering retirement, ASIC will review superannuation trustee practices, aim to improve member services and monitor advice on self-managed super funds. It will also lead consumer education campaigns to help Australians make informed retirement decisions.

(4) Strengthen operational digital and data resilience and safety

As technology, cyber and data-related risks arise, ASIC is looking to focus on building cyber resilience, AI governance and crisis preparedness. It seeks to review outsourcing arrangements, promote good practices for managing operational risks and support the development of a licensing regime for payment service providers (which is slated to include a framework for payment stablecoin issuers).

(5) Drive integrity and transparency across markets

ASIC is responding to structural changes in capital markets, including the rise of private markets and digital innovation.

ASIC identifies tokenisation as a focus area, which is the process of creating a digital representation of a real-world asset (which could take the form of intangible assets like shares or some other physical asset). The plan states:

Tokenisation is likely to have a broad impact on financial markets. We are working with other government

agencies, including overseas partners, to support these innovations.

ASIC is also seeking to support the transition to digital asset reform, including [plans to finalise updates to its guidance on digital assets](#), assist Treasury with law reform and support the Australian [central bank digital currency pilot for digital financial innovation \(Project Acacia\)](#).

ASIC will continue to look for opportunities to support responsible innovation in the financial sector, including through its Innovation Hub and administration of the Enhanced Regulatory Sandbox (**ERS**). The ERS was introduced in September 2020 to facilitate financial innovation in Australia by allowing individuals and businesses to test innovative financial services and credit activities without full licensing requirements. The Government has [embraced plans to review the ERS](#) to broaden its applicability to digital assets.

ASIC's commitment follows [major reform proposals led by the United States Securities and Exchange Commission, whose Chair Paul Atkinson](#) has laid out a bold plan to take Wall St "on chain" and implement a range of significant policy and regulatory reforms intended to unlock technology innovation and new efficiencies in financial markets. While the ASIC's Corporate Plan is light on detail, the inclusion of tokenisation is a signal that the regulator is paying attention to broader global trends.

You can read ASIC's 2025-26 Corporate Plan [here](#).

Written by Steven Pettigrove and Emma Assaf

Tokenised Funds move closer to launch with Cayman Consultation

The Cayman Islands, the home to most leading blockchain protocols, has taken another important step towards enabling fully tokenised funds with a consultation commencing for legislative changes which will enable on-chain funds and real-world asset tokenisation. The proposal builds on the existing well understood and robust regulatory regime and a significant depth of funds and digital assets talent to support this rapidly expanding area. [Earlier this year a key amendment was made](#) to ensure tokenised funds were not subject to double regulation, and these further amendments prepare Cayman for the launch of tokenized funds.

Cayman has a robust Virtual Asset Service Provider (VASP) regime which expanded in April 2025 to [require licensing of exchanges and custody providers](#).

The Proposed Changes

The proposal will make changes to three key pieces of Cayman legislation:

1. a) the [Mutual Funds Act](#);
2. b) the [Private Funds Act](#); and
3. c) the [Virtual Asset \(Service Providers\) Act](#).

The revisions are intended to introduce a regulatory regime for investment funds which have or intend to adopt a blockchain powered tokenization structure. Cayman is home to over 30,000 private and mutual funds and nearly half of all crypto hedge funds are domiciled there.

New Definitions

Bespoke definitions are proposed including for a "digital investment token" in the Private Funds and Mutual Funds law as a digital representation of an ownership or investment interest which provides the holder the rights to participate in the fund's profits and voting.

No doubling up

Amendments seek to make clear that a fund adopting a tokenized structure will not, only by doing so, become subject to registration or licensure under the VASP Act. This is a key clarification as previously there was uncertainty in whether a tokenized fund would be regulated under both fund laws and VASP laws, even with the same regulator covering both areas. Funds which engage in virtual asset services will still be required to register or gain a licence as a VASP.

Tokenized Fund Interests Must Carry Rights

The changes seek to capture not only tokens which carry rights, but ensure the tokens must convey the same rights and privileges as traditional equity or fund interests.

Bespoke Requirements

Records of the sale and transfer of tokenized fund interests and requirements for administrators to be suitably skilled in using blockchain technology will be required, as well as specific custody requirements to protect the interests of owners of tokens.

Enabling Secondary Transfers

The amendments are also intended to permit the trading and transfer of tokenized funds in secondary markets. These transfers are limited, in the case of the Private Funds Law to only be transferable among the tokenized private fund's existing digital investment token holders with prior approval of the fund manager and in accordance with a process set out in the offering document. This would permit greater transferability of tokenized fund interests but place a significant restriction on their use.

The consultation is open until 9 September 2025, and the Blockchain Association of the Cayman Islands (BACI) is gathering industry feedback.

Written by Steven Pettigrove

Project Acacia: Australia's leap into tokenised finance

Project Acacia, a collaborative initiative between the Reserve Bank of Australia (**RBA**) and the Digital Finance Cooperative Research Centre (**DFCRC**), [was announced in November 2024](#), with the aim of exploring the role of digital money in wholesale financial markets. Now, the project has reached a major milestone with the [conditional selection of more than 20 use cases designed to test real-world applications of tokenised assets and digital settlement models](#).

The use cases span a wide range of asset classes, including corporate bonds, trade receivables, carbon credits, and government securities. Settlement assets include stablecoins, bank deposit tokens, and a pilot wholesale central bank digital currency (**CBDC**), issued across platforms such as Hedera, Redbelly Network, R3 Corda, Canvas Connect, and other EVM-compatible chains.

Among the standout pilots:

1. **Australian Bond Exchange** will test secondary market transactions in tokenised corporate bonds, using smart contracts for lifecycle events like coupon payments.
2. **ANZ** is trialling tokenised trade payables settled with its A\$DC stablecoin and wholesale CBDC, comparing performance across private and public networks.
3. **Australian Payments Plus** is building a token interchange service on Hedera, enabling seamless exchange between stablecoins and deposit tokens, with CBDC as the bridge.
4. **Forte Tech Solutions** is tokenising Australian Government Bonds on Ethereum, backed by reserves in an Exchange Settlement Account.
5. **NotCentralised** is piloting a tokenised ABS backed by receivables, using zero-knowledge tech for on-chain confidentiality.

As DFCRC Chief Scientist Professor Talis Putnins stated in an update regarding the initiative in July this year:

The real money settlement models being tested... reflect another world-first for Australia in this rapidly evolving field.

He added that the project could unlock:

economic gains... in the order of AU \$19 billion per year.

With ASIC providing targeted regulatory relief, Project Acacia is more than a sandbox - it's a proving ground for blockchain innovation. The final report, expected in Q1 2026, could shape the next generation of Australia's financial

