

RESERVE BANK OF NEW ZEALAND

OFFICIAL INFORMATION ACT REQUEST:

**Extent of Legal, Constitutional and Democratic Governance Evaluation of
Digital Cash/CBDCs and Interoperable Digital Infrastructure**

‘We have assessed the case to introduce digital cash in New Zealand’.

J R BRUNING. OCTOBER 28, 2026.

OIA REQUEST TO THE RBNZ

Scope of request

This request is deliberately confined to formal, substantive evaluations, legal opinions, commissioned research, governance assessments and associated decision-making records. It does not seek routine correspondence, administrative emails, preliminary discussions or duplicate consultation documents.

The publicly released literature has not identified a substantial body of such evaluations. Accordingly, the request concerns a defined and potentially limited class of records that should be identifiable through the RBNZ's policy, legal, research and governance functions.

This request seeks to establish whether the RBNZ has undertaken substantive, independent evaluation of the democratic governance risks arising from CBDCs and their potential integration with other digital infrastructure, particularly concerning monetary authority, democratic accountability, constitutional constraints, privacy and informational autonomy, and the centralisation of institutional power.

Period covered by this request

This request covers records created, commissioned, received or substantively updated between 17 April 2024 and 28 October 2026, encompassing the publication of the RBNZ's 2024 Digital Cash consultation materials, subsequent responses, and the incorporation of CBDC work into payments modernisation.

The request also includes earlier substantive legal, constitutional or governance assessments where these were relied upon, reconsidered or incorporated into policy advice or decisions during this period, including records concerning the RBNZ's commitments arising from its 2022 Summary of Responses.

The request is confined to the substantive records identified above and does not extend to routine correspondence or administrative material.

Please provide the following information:

The RBNZ has recognised many risks, but what evidence exists that it has independently evaluated the legal and democratic legitimacy of the powers involved?

1. **Substantive evaluations, internal and independent:** Copies of all substantive internal and externally commissioned assessments, research, reports, briefings and decision papers examining these risks, including the cumulative implications of integrating CBDCs with real-time payments, digital identity, government information systems and third-party intermediaries. Please identify which assessments were undertaken independently of the RBNZ's CBDC programme.
2. **Legal and constitutional advice:** Copies of all legal advice, opinions and assessments concerning the statutory authority, constitutional implications, administrative-law obligations, human rights and democratic accountability associated with CBDCs, including the document withheld under section 9(2)(h) in the RBNZ's February 2026 response, OIA2526_140. Where information is withheld, please identify the document, its date, subject matter and the statutory grounds relied upon.
3. **Governance safeguards:** Copies of assessments identifying who may authorise or impose programmable payment conditions, transaction restrictions, access to funds, information sharing or third-party controls, including advice on enforceable safeguards against subsequent expansion of these powers.
4. **Public consultation and policy decisions:** Copies of substantive assessments undertaken or commissioned in response to the governance concerns raised in the 2021 and 2024 consultations, particularly those concerning government control, privacy, financial autonomy, institutional accountability and future misuse of CBDC capabilities. Please include records demonstrating how the RBNZ fulfilled its commitments in the 2022 and December 2024 responses to investigate these concerns, consider legislative safeguards, and incorporate the findings into subsequent CBDC and payments-modernisation decisions.
5. **Independent research and public funding:** Copies of records concerning any consideration, commissioning or funding of independent research by New Zealand legal scholars or public-law institutions into the constitutional and democratic implications of CBDCs. Please also identify any public funding schemes, research grants or programmes known to the RBNZ, or that it has considered as potential sources of support for such research, including substantive correspondence with universities, research funders or government agencies.

If no substantive assessment has been undertaken in any of these areas, please confirm whether the RBNZ holds records establishing that position or explaining why such evaluation was not commissioned.

I am not requesting further copies of these published consultation papers or summaries of submissions cited above. Rather, I seek the substantive assessments, research and decision-making records developed following those consultations.

SUPPORTING INFORMATION & THE RATIONALE FOR THE REQUEST

The following review examines publicly available RBNZ documents, consultation responses, commissioned research and relevant academic literature. It identifies the governance concerns already recognised, the commitments made by the RBNZ to investigate them, and the limitations of the subsequently published evidence. It is provided to explain the basis and public-interest significance of the preceding OIA request, rather than to expand its scope.

The Reserve Bank of New Zealand (RBNZ) regards work on central bank digital currencies (CBDCs) as an ongoing project, currently incorporated in the payments modernisation strategy.

From my research, I can ascertain that publicly available papers acknowledge significant risks concerning privacy, autonomy, programmability and institutional authority of CBDCs. However, they do not disclose that suitable comprehensive, independent evaluations of the constitutional, administrative-law and democratic governance implications of CBDCs have been undertaken by persons or institutions independent of the RBNZ's CBDC programme. The concerns extend to the integration with other national digital initiatives, such as Digital ID, Consumer Data Right¹ and real time payments through interoperability to, as the RBNZ and Accenture have noted, 'maximise synergies'. There is potential overlap with the Public Service Commission's Digital Target State policy that requires that digital investment or procurement must 'support a single view of the customer'.

This request seeks to establish whether such evaluations have been commissioned or undertaken, what they concluded, and how their findings have informed subsequent policy and infrastructure decisions. If the public can already receive, hold and spend digital New Zealand dollars through commercial banks, what sufficiently important public purpose justifies creating a new form of third-party programmable state-issued digital money that would be lodged on central bank ledgers?

The Digital Cash proposal is a multi-year, multi-stage exploration. Further design work, policy development and cost-benefit analysis are planned through 2025 - 2026.²

Please note that the RBNZ refers to digital cash when it communicates with the public, but can refer to CBDCs in formal policy briefings. In this OIA request I will refer to the central bank term, CBDCs.

The 2025/26 Annual Report confirms that the CBDC programme is ongoing³:

- *We have assessed the case to introduce digital cash in New Zealand.* (P.26)

¹ MBIE. Consumer Data Right. <https://www.mbie.govt.nz/business-and-employment/business/consumer-data-right>

² RBNZ (December 10, 2024). Responses to submissions on Digital Cash. P.10.

https://consultations.rbnz.govt.nz/money-and-cash/digital-cash-in-new-zealand/user_uploads/summary-responses-to-digital-cash-submissions-dec-2024-1.pdf

³ RBNZ (October 2026). Reserve Bank of New Zealand Annual Report and Financial Statements for the year ended 30 June 2026, The Reserve Bank of New Zealand ISSN 1177 9152 (Online). P.26, P.111

<https://www.rbnz.govt.nz/-/media/project/sites/rbnz/files/publications/annual-reports/2026/annual-report-2026.pdf>

- *Digital Cash is now being advanced as part of our work on Payments Modernisation (P.111)*⁴

Across the 2021 and 2024 consultations, respondents to the RBNZ consultation reflected public concerns about the necessity and costs of CBDCs, programmability and conditional payments, privacy, digital identity and biometric interoperability, surveillance capabilities, institutional conflicts, democratic accountability and the need for independent scrutiny.

Relatively few papers have been published, many following OIA requests. The Reserve Bank has disclosed little about the extent of its evaluation, the scope and depth of its current CBDC strategy, its future intentions, how CBDCs would couple onto real-time payment “rails”, or how quickly this could be enabled through retail banks. Significant questions of constitutional and administrative law, concerning monetary authority, democratic accountability, constitutional constraints, privacy and informational autonomy, and the centralisation of power, have remained unresolved since these consultations took place.

As of October 27 2026, there is no evidence broader consultation with constitutional and public law experts has been undertaken.

In early 2025 the RBNZ subsequently paused its digital cash programme to propose that it would lead New Zealand’s real-time payments strategy and by August 2025 the RBNZ had advanced proposals to widen the digital cash/CBDC programme into the payments modernisation programme.

The RBNZ's 2026 consultation presents payments modernisation principally as a response to existing inefficiencies, weak competition and insufficient strategic coordination. Yet the Bank's earlier commissioned research had already identified that a modernised retail payment system was strategically important for CBDCs, and that central banks and global consultancies recognise key synergies between CBDCs and other national digital initiatives, including digital ID systems, through interoperability.⁵

Earlier in 2024, the RBNZ and Accenture had stated that *‘Real-time payment systems are the foundation of any CBDC programme’*. Therefore, a modernised real-time payment system would likely form an underpinning digital infrastructure that would enable the roll-out of digital cash/CBDCs. Global consultancy Accenture, in its co-written report with the RBNZ consistently pointed to the interoperability potential. It provided examples of broader synergies, stating:

*‘Key takeaways include that NZ has an opportunity to develop world leading CBDC capability, addressing inclusion, resilience and monetary sovereignty, that maximises synergies with other national digital initiatives, such as Digital ID, CDR and Real Time Payments through interoperability.’*⁶

⁴ Also referred to here: RBNZ (September 28, 2026). Amended Statement of Intent 2024–2028. ISSN 1177-9144 <https://www.rbnz.govt.nz/about-us/corporate-publications/our-sois/amended-statement-of-intent-2024-2028>

⁵ PSGRNZ (2024) Stepping Back from the Brink: The Programmable Ledger. Four democratic risks that arise when Digital IDs are coupled to Central Bank Digital Currencies. Bruning, J.R., Physicians & Scientists for Global Responsibility New Zealand. ISBN 978-0-473-71618-9.

⁶ Accenture (2024) Central Bank Digital Currency - Strategic Design Insights Dossier. Published by the Reserve Bank of New Zealand and Accenture. Page 6/84. https://consultations.rbnz.govt.nz/money-and-cash/digital-cash-in-new-zealand/user_uploads/cbdc-insights-dossier-for-public-1.pdf

Hence, the 2025 pause of the digital cash programme to propose that it would lead New Zealand's real-time payments strategy perhaps should not be interpreted as signalling that the CBDC programme is formally on hold.

ARE TRICKY GOVERNANCE QUESTIONS BEING PUSHED OUT?

A retail CBDC would not simply digitise an otherwise analogue process. It would establish a new form of central-bank liability accessible to the public, potentially accompanied by new discretionary powers over the issuance, circulation, access and operation of a programmable technology.

While CBDC adoption is viewed as an outcome of coordinated institutional efforts, including trust building, embracing inclusion, public communication and education, the RBNZ's perspective has focussed on benefits and technical concerns, leaving many questions of oversight, governance and power unresolved relating to practical elements of democratic governance. Often the low-income and disenfranchised communities expected to benefit most from 'inclusion' may be the communities most likely to resist, having experienced the heavy hand of the State in the past.⁷

The potential of programmability is well understood by central banks and the fintech sector, yet once data is held by third parties, individuals essentially lose control over it.⁸

The potential for mission creep, by changing the infrastructure or expanding oversight and programmability functions once the technologies are in use, creates uncertainty about how power will be held in future.

The synergies enabled by CBDCs create a suite of governance risks:

- a) **Monetary authority and issuance.** Who would authorise the creation, issuance, withdrawal and potential expansion of digital central bank money? What constraints would govern these decisions and their implications for monetary policy, the Reserve Bank's balance sheet and public finances?
- b) **Democratic accountability.** How would decisions about digital cash be divided between the independent Reserve Bank, ministers accountable to Parliament, and Parliament itself? Which decisions would require legislative authorisation rather than internal RBNZ policy?
- c) **Constitutional constraints.** Who would determine the permissible limits of programmability, transaction restrictions, information sharing and government access? What safeguards would prevent future administrations from expanding these powers without adequate scrutiny?
- d) **Privacy and informational autonomy.** Who would be permitted to collect, access, combine and analyse information generated through digital cash transactions, particularly when linked to digital identity and existing government databases? How would privacy

⁷ PSGRNZ (2024) [Stepping Back from the Brink: The Programmable Ledger. Four democratic risks that arise when Digital IDs are coupled to Central Bank Digital Currencies](#). P.55.

⁸ Lie D, Austin LM, Sun PYP and Qiu W, "Automating Accountability? Privacy Policies, Data Transparency, and the Third Party Problem", In University of Toronto Law Journal, e20200136, 2021.

protections extend beyond individual consent and data security to safeguard citizens against surveillance, profiling and the expansion of state informational power?

- e) **Centralisation of institutional power.** To what extent would interconnected digital monetary infrastructure concentrate financial, informational and administrative authority within the Reserve Bank, central government and authorised intermediaries? What institutional checks, independent oversight and enforceable limits would prevent this concentration of power from undermining individual autonomy, democratic accountability and the separation of powers?

A modernised real-time payments system is required as the underpinning digital infrastructure that will enable the roll out of digital cash/CBDCs.

There is an absence of a public mandate⁹; broad lack of informed discussion in New Zealand's Parliament that would suggest that elected members are informed of the issues at stake; the socio-legal and economic considerations relating to the limits of the central bank's power remain undiscussed; there is extensive uncertainty relating to the extent of surveillance and capacity for programmability; and these are governance issues that are possibly better discussed outside of the RBNZ.

THE AVAILABLE DOCUMENTARY RECORD

The publicly available documentary record examined so far does not identify a completed, publicly available standalone digital cash/CBDC analysis preceding the incorporation of the digital cash/CBDC programme into payments modernisation that recognises these interconnected public-interest governance implications of the proposed infrastructure.

1. Accenture–RBNZ Strategic Design Insights Dossier (2024)

Section 08 of the Accenture-RBNZ Strategic Design Insights Dossier (2024) identified 17 questions concerning the technical design, functionality and implementation of a central bank digital currency. However, these questions did not concern the fundamental governance and constitutional implications of introducing a new form of state-issued digital money.

This paper does not disclose evidence that the RBNZ has undertaken a substantive, independent evaluation of the democratic governance risks arising from CBDCs, including their potential integration with wider digital infrastructure.

2. RBNZ Responses to 2021 and 2024 public consultations

The RBNZ has been working on the development of a CBDC since 2018/2019. However, the three major public consultations on CBDCs in 2021 and 2024 and 2026 did not substantively engage on the governance issues noted above:

⁹ RBNZ (December 10, 2024). Responses to submissions on Digital Cash. https://consultations.rbnz.govt.nz/money-and-cash/digital-cash-in-new-zealand/user_uploads/summary-responses-to-digital-cash-submissions-dec-2024-1.pdf

- 2021: Future of Money: Central Bank Digital Currency, issues paper¹⁰, and the subsequent summary of responses published in April 2022.¹¹
- 2024: Digital Cash in New Zealand, consultation paper and supporting consultation notes¹²^{13 14 15}, followed by *Responses to submissions on Digital Cash*, December 2024.¹⁶
- 2026: Modernising New Zealand's Retail Payment System, issues paper, with consultation currently underway.

These papers do not disclose evidence that the RBNZ has undertaken a substantive, independent evaluation of the democratic governance risks arising from CBDCs, including their potential integration with wider digital infrastructure.

The Issues Papers repeatedly emphasised the anticipated benefits of digital cash and payments modernisation without equally examining the technical capacity for conditional transactions, third-party functions, surveillance and integration with digital identity systems.

The consultation questions did not directly request views on these capabilities, or on the broader constitutional and governance implications. Responses outside the scope of questions could not be as easily assimilated as responses to the general questions.

The Reserve Bank's four April 2024 consultation notes reveal a significant gap between its recognition of privacy and autonomy concerns and the evaluation of governance arrangements for digital cash infrastructure capable of supporting programmable transactions and integration with other digital systems.

Importantly, these concerns had been raised by at least one regulated bank from the outset. In its December 2021 submission on the Future of Money, Bank of New Zealand (BNZ) warned of potential institutional conflicts of interest should the RBNZ become both a provider of financial services and the regulator of competing institutions (\$2.40).¹⁷

¹⁰ RBNZ December 6, 2021. The Future of Money - Central Bank Digital Currency. <https://www.rbnz.govt.nz/-/media/project/sites/rbnz/files/consultations/banks/future-of-money/cbdc-issues-paper.pdf>

¹¹ RBNZ April 2022. Future of Money -Te Moni Anamata: Summary of responses to our 2021 issues papers. <https://www.rbnz.govt.nz/-/media/project/sites/rbnz/files/consultations/future-of-money/future-of-money-summary-of-responses.pdf>

¹² RBNZ (April 17, 2024). Designing a digital cash ecosystem. Digital Cash Consultation Note, #1. https://consultations.rbnz.govt.nz/money-and-cash/digital-cash-in-new-zealand/user_uploads/ecosystem-design-note_final-1.pdf

¹³ RBNZ (April 17, 2024). Innovation and reliability opportunities for digital cash. Digital Cash Consultation Note, #2 https://consultations.rbnz.govt.nz/money-and-cash/digital-cash-in-new-zealand/user_uploads/innovation-and-reliability-opportunities-for-digital-cash_final-1.pdf

¹⁴ RBNZ (April 17, 2024). Inclusion opportunities for digital cash Digital Cash Consultation Note #3. https://consultations.rbnz.govt.nz/money-and-cash/digital-cash-in-new-zealand/user_uploads/inclusion-opportunities-for-digital-cash_final-1.pdf

¹⁵ RBNZ (April 17, 2024). Designing privacy into digital cash. Digital Cash Consultation Note #4. https://consultations.rbnz.govt.nz/money-and-cash/digital-cash-in-new-zealand/user_uploads/designing-privacy-into-digital-cash.pdf

¹⁶ RBNZ (December 10, 2024). Responses to submissions on Digital Cash. https://consultations.rbnz.govt.nz/money-and-cash/digital-cash-in-new-zealand/user_uploads/summary-responses-to-digital-cash-submissions-dec-2024-1.pdf

¹⁷ Bank of New Zealand Submission. 2021: Future of Money: Central Bank Digital Currency. https://www.rbnz.govt.nz/-/media/project/sites/rbnz/files/consultations/future-of-money/future-of-money---central-bank-digital-currency/126b-bank-of-new-zealand-cbdc_redacted.pdf

Its accompanying privacy assessment (Appendix 2) raised detailed questions concerning digital identity, transaction visibility, the collection and retention of personal information, re-identification, and disclosure to government agencies and third parties. The Bank of New Zealand (BNZ) specifically requested the RBNZ's Privacy Impact Assessment and called for further evaluation before the proposed infrastructure could be considered safe and effective.

The RBNZ's subsequent consultation notes demonstrate that these governance questions remained pertinent.

In Note #1, the Reserve Bank ruled out programmable money as a preliminary design preference while identifying programmable payments, smart contracts and conditional transactions as potential capabilities.¹⁸ Although programmable payments do not necessarily make the underlying currency programmable, they may nevertheless permit conditions to be imposed on the execution of transactions. The co-authored Accenture–RBNZ Strategic Design Insights Dossier also identified opportunities for interoperability between CBDCs, digital identity, the Consumer Data Right and real-time payments.¹⁹

Programmable payment arrangements will likely involve third-party authorisation or controls. Depending on their design, these could enable an authorised intermediary, government agency or other institution to influence whether and under what conditions a transaction proceeds. The question is therefore not simply whether the currency itself is programmable, but who may exercise authority over the surrounding payment infrastructure.

Note #3 provided evidence of contemplated integration with government information systems, including opportunities to facilitate debt collection.²⁰ The consultation material envisaged potential connections with digital identity and open banking, including a more integrated view of individuals' debts to government.

Although such capabilities may improve administrative efficiency, they also raise questions about whether public agencies or authorised intermediaries could impose conditions upon access to, or transfers of, funds.

Note #4, *Designing Privacy into Digital Cash*, developed a broader understanding of privacy, distinguishing information privacy, concerning the collection, use and sharing of personal data, from contextual privacy, encompassing autonomy, dignity, freedom from interference and control over personal choices.²¹

The note acknowledged five particularly relevant considerations:

1. **Legal protections are incomplete.** It recognised that New Zealanders lack an express statutory right to privacy and that the Privacy Act 2020 does not adequately protect contextual privacy (pp. 4–7).

¹⁸ RBNZ (April 17, 2024). [Designing a digital cash ecosystem. Digital Cash Consultation Note, #1.](#)

¹⁹ Accenture (2024) Central Bank Digital Currency - Strategic Design Insights Dossier. Published by the Reserve Bank of New Zealand and Accenture. Page 34. https://consultations.rbnz.govt.nz/money-and-cash/digital-cash-in-new-zealand/user_uploads/cbdc-insights-dossier-for-public-1.pdf

²⁰ RBNZ (April 17, 2024). [Inclusion opportunities for digital cash Digital Cash Consultation Note #3.](#)

²¹ RBNZ (April 17, 2024). [Designing privacy into digital cash. Digital Cash Consultation Note #4.](#)

2. **Government power is a recognised concern.** It identified public unease that transaction information could enable government surveillance, coercion or restrictions on spending (pp. 10–13).
3. **Privacy is a collective concern.** That acknowledged that aggregated transaction information can influence individuals and communities even without identifying particular people (pp. 10–12).
4. **Compliance with the Privacy Act is insufficient.** It expressly concluded that digital cash must protect autonomy and freedom beyond conventional information privacy (p. 16).
5. **Technical architecture creates opportunities.** It recommended minimising data collection and determining who can access transaction information, including the Reserve Bank and third-party providers (pp. 15–17).

RBNZ Responses to Submissions (December 2024)

The Reserve Bank's Responses to Submissions on Digital Cash (December 10, 2024) acknowledged substantial public concern following more than 18,000 survey responses and 500 written submissions. Approximately 82% of the 18,000 responses rejected the Bank's stated reasons for investigating digital cash (Appendix A, p. 11).²²

The RBNZ's December 2024 response also acknowledged that insufficient information about governance, infrastructure and technical standards had limited respondents' ability to provide meaningful feedback.

The RBNZ identified the following principal themes.

1. **Government control, privacy and autonomy.** The leading concern, identified by 90% of survey respondents, was the potential for government control. Respondents feared surveillance, transaction traceability, interference with spending and future social control, even if these capabilities were not originally intended.
2. **Preservation of physical cash.** More than 80% expressed concern about losing access to physical cash, while 63.5% feared digital cash could eventually displace it. Cash was valued for privacy, independence, accessibility and resilience during emergencies.
3. **Insufficient information for meaningful consultation.** Respondents sought substantially more detail on governance, technical architecture, infrastructure, operational arrangements and safeguards.
4. **Trust and potential abuse of institutional power.** The Bank recognised public distrust of government institutions and concerns that future authorities might misuse digital cash infrastructure. Some respondents argued that technical assurances could never provide absolute protection against future abuse.

²² RBNZ (December 10, 2024). Responses to submissions on Digital Cash. https://consultations.rbnz.govt.nz/money-and-cash/digital-cash-in-new-zealand/user_uploads/summary-responses-to-digital-cash-submissions-dec-2024-1.pdf

5. **Financial inclusion and accessibility.** Respondents identified unmet needs among disabled, elderly and financially vulnerable people. Some supported digital cash as a possible means of improving accessibility, affordability and payment choice.
6. **Uncertain benefits, costs and alternatives.** Banks, financial institutions and other stakeholders questioned whether retail digital cash was necessary, particularly given existing payment-modernisation initiatives. Concerns included financial stability, implementation costs, uncertain uptake and whether private-sector alternatives could deliver similar benefits.
7. **Coordination and governance.** Stakeholders called for better coordination between regulatory agencies and the private sector, clearer implementation sequencing and more comprehensive technical and operational planning.

In its response (pp. 9–10), the Bank undertook to:

- Preserve access to physical cash.
- Make privacy and autonomy central to its subsequent research, including consideration of legislative, technological and cultural protections.
- Investigate technical design options and their trade-offs.
- Undertake further cost-benefit analysis and develop alternatives and scenarios during 2025–2026.
- Continue stakeholder engagement and consider further public consultation before a government decision.

3. RBNZ: Pivot to lead 2025–2026 Payments Modernisation

Other documentation has been released, primarily via OIA requests. These do not discuss questions of governance.

- RBNZ (April 17, 2025). [Aide Memoire: Payments Infrastructure and Digital Cash. #6279](#). To Hon Nicola Willis. From Karen Silk, Assistant Governor.
- July 2025. [Treasury Meeting with the Reserve Bank of New Zealand Board](#). Reference: T2025/1755 CM-1-3-122-8-4-M120497. Treasury:5243551v1
- RBNZ (February 11, 2026). [Response to OIA2526_140: Information about CBDC \(Central Bank Digital Currency\) and Digital Payments](#).²³

These papers do not disclose evidence that the RBNZ has undertaken a substantive, independent evaluation of the democratic governance risks arising from CBDCs, including their potential integration with wider digital infrastructure.

²³ RBNZ (February 11, 2026). Response to OIA2526_140: Information about CBDC (Central Bank Digital Currency) and Digital Payments. https://www.rbnz.govt.nz/-/media/project/sites/rbnz/files/publications/oias/2026/mar-2026/oia2526_140--central-bank-digital-currency-and-digital-payments.pdf

The proposal for the RBNZ to lead the payments modernisation strategy was formalised in August 2025 in *Board Paper for Decision 2.3*. This paper outlined that Minister for Digitising Government and Minister for the Public Service Judith Collins would be informed of the policy developments.²⁴

Aide Memoire #6279, titled *Payments Infrastructure and Digital Cash*, discussed real time payments and the opportunity of New Zealand adopting a fast payment system similar to the Indian Unified Payments Interface scheme.²⁵ New Zealand has since signed a trade agreement with India.

Permission to lead the Payments Modernisation strategy followed an earlier proposal that recognised the interlocking role of modern payments systems, and the potential for digital cash/CBDCs to be interconnected to such a system. This proposal discussed the Accenture proof of concept project for the digital cash/CBDC programme, recognising ‘key design interdependencies and technical complexity’ and supported ‘the notion that a more integrated and holistic approach to codesigning Digital Cash and Payments Modernisation is beneficial’.²⁶

The August 2025 RBNZ Board paper and accompanying ministerial briefing (released under OIA2526_140) highlighted that the Bank's earlier digital cash programme was being broadened into a payments modernisation strategy, rather than definitively discontinued.

CBDCs were retained as a potential means of extending central-bank money into digital transactions, while fast payment systems, including India's Unified Payments Interface (UPI), were identified as alternative or complementary infrastructure models.

The RBNZ expressly anticipated drawing upon its earlier digital cash research, Accenture proof-of-concept findings and international fast-payment-system comparisons in developing a strategic proposal and indicative business case.

²⁴ RBNZ (February 11, 2026). [Response to OIA2526_140: Information about CBDC \(Central Bank Digital Currency\) and Digital Payments](#).

²⁵ RBNZ (April 17, 2025). Aide Memoire: Payments Infrastructure and Digital Cash. #6279. To Hon Nicola Willis. From Karen Silk, Assistant Governor. <https://www.rbnz.govt.nz/-/media/project/sites/rbnz/files/publications/information-releases/2026/payments-infrastructure-and-digital-cash-6279.pdf>

²⁶ RBNZ (February 11, 2026). [Response to OIA2526_140: Information about CBDC \(Central Bank Digital Currency\) and Digital Payments](#). Page 9/21.

This screenshot (page 14/21) features redacted content in the paragraph discussing India's UPI and CBDCs.²⁷

19. This suggests that a credible alternative, in the form of domestic infrastructure, will be necessary to complement regulatory interventions. To determine the best solution to address the market failures above, the Reserve Bank will lead an options analysis with input from partner agencies and industry participants. This analysis will include a fulsome exploration of options including ideas like 9(2)(b)(i) and improvements to existing infrastructures, alongside new.
20. The Reserve Bank has completed a significant amount of preparatory work for this already through our Future of Money and Payments work programme. This includes research to assess potential use cases for Digital Cash and a Fast Payment System like 9(2)(b)(i) which will be incorporated into a near-term strategic proposal and assessed against other options.

Treasury's July 2025 advice similarly recognised the potential benefits of a UPI-like system but acknowledged uncertainty about its costs and whether the benefits would outweigh them. The briefing identifies research assessing potential use cases for Digital Cash and a Fast Payment System, to be incorporated into a strategic proposal and assessed against other options.²⁸

The Treasury paper discloses that discussions with Unified Payments Interface (UPI) / National Payments Corporation of India (NPCI) are viewed as part of the Money and Payments Projects and acknowledges the discussions with stakeholders on 'enhanced, lower-cost, and more integrated services'.

The paragraphs on progressing discussions about India's UPI also refer to digital cash. As with the earlier paper, they are partly redacted.

The publicly available documents therefore establish continuing strategic consideration of CBDCs alongside payments modernisation, without disclosing a completed comparative evaluation establishing the necessity, costs, benefits or governance implications of the respective options.

United Payments Interface (UPI) / National Payments Corporation of India (NPCI)

35. In March 2025, Professor Neil Quigley met with the National Payments Corporation of India (NPCI) as part of Prime Minister Luxon's Trade Delegation to India. The NPCI developed United Payments Interface (UPI) was identified as an area of mutual benefit between New Zealand and India.
36. The UPI is widely considered the world's leading modern payments system, providing digital infrastructure that enables real-time payments and instant money transfers between bank accounts using mobile devices. If adopted in New Zealand, it could improve efficiency, competition, innovation and financial inclusion.
37. The NPCI offered to visit New Zealand to progress discussions on UPI, including what would be involved in adopting the solution in New Zealand. [33]

Digital cash is a proposed digital form of New Zealand currency that would be issued and backed by the government and available to the public.
38. Discussions so far between the Reserve Bank and key stakeholders indicate the potential for significant efficiency gains for the government and citizens through enhanced, lower-cost, and more integrated services. However, there is currently limited clarity around the associated costs or whether the benefits would ultimately outweigh these costs.

²⁷ RBNZ (February 11, 2026). [Response to OIA2526 140: Information about CBDC \(Central Bank Digital Currency\) and Digital Payments](#).

²⁸ The Treasury (February 2026). In: Treasury Reports on RBNZ 2025 Review of Key Capital Settings for Deposit Takers Information Release. P. 6/10. <https://www.treasury.govt.nz/sites/default/files/2026-02/rbnz25-review-5185337.pdf>

4. RBNZ: Other Assorted Documents

6 Dec 2024. [Reserve Bank of New Zealand Memo #6245](#): Responses to submissions on Digital Cash 2024 consultation

Oct 2026. [Reserve Bank of New Zealand Annual Report and Financial Statements for the year ended 30 June 2026](#)²⁹

These papers do not disclose evidence that the RBNZ has undertaken a substantive, independent evaluation of the democratic governance risks arising from CBDCs, including their potential integration with wider digital infrastructure.

CONTEXT: ALIGNING THE DIGITAL TARGET STATE WITH A ‘SINGLE VIEW OF THE CUSTOMER’

New Zealand’s adoption of government-wide policies that require officials to ‘*Treat data as a strategic asset*’, and permit a ‘single view of the customer’ in order to achieve a theorised ‘digital target state’ should not be considered in isolation from Treasury and Reserve Bank policies that integrate digital cash and payments modernisation which potentially hold the technical capacity for conditional transactions, third-party restrictions, surveillance and integration with digital identity systems.

The [Digital Investment and Procurement Principles](#) embedded in Collins policy, require agencies to ‘*treat data as a strategic asset*’, support connected data flows, enable access to services through trusted third-party providers and ensure investments ‘*support a single view of the customer*’.

Collins held the Digitising Government and Public Service portfolios when the [Government Digital Delivery Agency \(GDDA\)](#) was transferred to the Public Service Commission.

Collins was privy to the subsequent RBNZ work to secure responsibility for oversight of the Payments Modernisation strategy. The April 2025 Aide Memoire #6279, from Karen Silk, Assistant Governor, recognising the confluence between payments modernisation and a public sector role sought the Minister of Finance’s position to:

‘Jointly draft a briefing with the Public Services [sic] Commission, for you and Minister of the Public Service and Minister for Digitising Government Hon. Judith Collins on public sector opportunities from payments modernisation and Digital Cash.’³⁰

Therefore, a wider perspective of the digital potential of CBDCs is required when New Zealand’s digital target state and the government’s ‘single view of the customer’ policies are considered.

For context, Minister for Digitising Government Judith Collins led the development of the Government’s Digital Government Target State policy, the intended future direction of government’s digital architecture.

²⁹ RBNZ (October 2026). Reserve Bank of New Zealand Annual Report and Financial Statements for the year ended 30 June 2026, The Reserve Bank of New Zealand ISSN 1177 9152 (Online). <https://www.rbnz.govt.nz/-/media/project/sites/rbnz/files/publications/annual-reports/2026/annual-report-2026.pdf>

³⁰ RBNZ (April 17, 2025). [Aide Memoire: Payments Infrastructure and Digital Cash. #6279](#). To Hon Nicola Willis. From Karen Silk, Assistant Governor. Page 1/21.

The Cabinet paper [Driving Down the Cost of Digital in Government – Implementation](#), released on 11 February 2026, stated that agencies are required to align their approaches towards the *Target State*, which is intended to create more joined-up digital services and a smaller, consolidated government digital footprint. It proposed progressively grouping agencies into digital clusters that share categories of ICT platforms and systems, rather than agencies maintaining separate systems.

Global consultancies PwC and Deloitte provided pro bono support in developing the Target State, while Deloitte also provided paid support for development and assurance of the implementation plan. The paper says a wide range of public agencies and Crown entities were involved. That section does not identify comparable participation by constitutional/public-law, civil-liberties or independent public-interest experts.

As the Physicians and Scientists for Global Responsibility New Zealand (PSGRNZ) identified in its *Stepping Back from the Brink* paper, global consultancies, including PwC, Deloitte and Accenture, have worked for years with Fintech, the global banks and central banks to develop policy papers that can be utilised as recommendations by domestic governments.³¹

PRIVACY CONCERNS: AUTONOMY, DIGNITY & FREEDOM FROM CONTROL

The RBNZ has downplayed the full range of programmability and control capabilities that CBDC architectures could enable, and the released materials I could identify have not adequately assessed how such infrastructure could intersect with existing statutory information-sharing powers or how future governments might expand their use.

Furthermore, the RBNZ's 2021, 2024 and 2026 consultations have been delimited by the line of questioning. Where material capabilities and their associated risks are not clearly disclosed, nor questions asked that directly address these issues, the public cannot provide meaningfully informed consent or opposition.

The resulting consultation outcomes then risk producing a distorted account of public preferences and cannot safely be treated as evidence of informed support for the proposed direction of reform. The 2022 and 2024 responses also suggest that future work would have a similarly restricted scope.

The RBNZ's April 2022 *Summary of Responses* acknowledged public concerns about privacy, autonomy, institutional accountability and meaningful participation. It undertook to investigate relevant regulatory frameworks (s4.2.2), develop a stewardship accountability framework (s4.4.3), and undertake further policy work and technical testing concerning privacy and autonomy (s4.5.2).³²

These commitments provide some basis for expecting subsequent legal and governance assessments. However, they were principally directed to technical design, regulatory compliance and stakeholder engagement. The response did not expressly commit to independent evaluation

³¹ PSGRNZ (2024) [Stepping Back from the Brink: The Programmable Ledger. Four democratic risks that arise when Digital IDs are coupled to Central Bank Digital Currencies](#).

³² RBNZ April 2022. [Future of Money – Te Moni Anamata :Summary of responses to our 2021 issues papers](#). P.31.

of the constitutional limits of monetary authority, the distribution of institutional power, enforceable restrictions on future government access or control, or the democratic legitimacy of programmable payment infrastructure.

Some two years later, the RBNZ's December 2024 Responses to Submissions on Digital Cash revealed a significant disparity between the depth of public concern and the scope of its proposed response. The Bank reported that 90% of survey respondents were concerned about potential government control, including surveillance, restrictions on financial autonomy and future uses beyond the original design. It also acknowledged that insufficient technical and governance information had constrained meaningful public participation.³³

In 2024 the RBNZ had acknowledged that privacy, autonomy and the potential for government control are fundamental public concerns, and that respondents lacked sufficient information to assess the proposal meaningfully.

Although the RBNZ proposed further work on privacy, autonomy, legislative safeguards, technical design and cost-benefit analysis, its published commitments did not expressly include independent evaluation of the constitutional limits of state authority, the cumulative powers of government and private intermediaries, or enforceable protections against the future expansion of those powers.

The responses therefore leave unresolved whether concerns about democratic governance were treated as fundamental questions of public authority requiring independent scrutiny, or primarily as matters of system design, public trust and stakeholder engagement.

The RBNZ is yet to address the risks that arise from the power of oversight of transaction information at scale. Clicking 'I agree' does not create the same kind of voluntary relationship that might exist when choosing whether to use a commercial service. Individual consent is neither necessary nor sufficient for adequate privacy protection.³⁴

A twenty-first century privacy perspective directly concerns the distribution and constraint of digital and informational power, not simply individual choice. A growing number of legal scholars are highlighting that informational autonomy should operate as a living constitutional principle guiding digital transformation rather than remaining an abstract legal concept.

The distinction between information and contextual privacy is particularly important when considering the third-party accountability problem which can concern potential control over a programmable CBDC or the information tied to it. Three-party locks can be programmed whereby a third party can issue directions.³⁵ The third party could be a government, corporation or a central bank, or a contractor to these parties.

Substantive limits on what constitutes reasonable collection, use or disclosure of data may provide stronger protection than a consent-based approach. Canadian legal scholar Lisa Austin

³³ RBNZ (December 10, 2024). [Responses to submissions on Digital Cash](#). P. 9-10.

³⁴ Austin LM, Is Consent the Foundation of Fair Information Practices? Canada's Experience Under PIPEDA (2006), University of Toronto Law Journal 56:181-215.

³⁵ PSGRNZ (2024) [Stepping Back from the Brink: The Programmable Ledger. Four democratic risks that arise when Digital IDs are coupled to Central Bank Digital Currencies](#). P.49.

has argued that this is because privacy ‘self-management’ under which individuals supposedly protect themselves by exercising choices about collection, use and disclosure is fundamentally inadequate as it cannot take account of power differentials, such as the requirement to acquiesce to certain agreements in order to participate in society.³⁶

Digital applications and payment platforms routinely incorporate third-party software for analytics, advertising, verification and other services. These arrangements may involve information collection and disclosure that users cannot readily identify or control.

A fundamental accountability problem sits at the heart of data management. A person may ostensibly consent to joining a government initiative or sign on to an app's privacy terms while having little ability to know which third parties control the systems and receive their data, what those parties subsequently do with it, or how those relationships change.

Research by Lie et al. found that 59.5% of applications examined collected personal information not disclosed in their privacy policies, with 85.3% of these undisclosed collections involving third parties.³⁷

The researchers also identified ambiguity in descriptions of third-party information sharing, illustrating the practical limitations of privacy notices and individual consent.

These findings are relevant to CBDCs because interoperability with digital identity, banking platforms and government information systems may create additional pathways for information collection, linkage, disclosure and re-identification.

Privacy therefore cannot be evaluated solely by examining the RBNZ's own data-handling practices or the security of the CBDC ledger.

It requires examination of the wider institutional and technical architecture, including who may access, combine, disclose or act upon transaction information, the purposes for which those powers may be exercised, and the enforceable safeguards preventing their subsequent expansion.

There has been little domestic scholarship on this issue. For context, academics require funding to undertake substantial research, but none may be set aside for independent research.

New Zealand research illustrated how the framing of research questions can limit the issues examined. Student fieldwork conducted in 2024 investigating public perceptions, adoption drivers and barriers to CBDC uptake found that 35 of 49 respondents (71.4%) were undecided about using CBDCs, four (8.2%) said they would use CBDCs, and the remaining 10 of 49 (20.4%) said they would not use a CBDC.

Although the subsequent academic paper by Ferreira et al. (2025)³⁸ acknowledged that digital central-bank money could reshape institutional power, expand access to transaction data,

³⁶ Austin, LM., Enough About Me: Why Privacy is About Power, Not Consent (or Harm) (January 1, 2014). Austin Sarat, ed., *A World Without Privacy?: What Can/Should Law Do.*, Available at SSRN: <https://ssrn.com/abstract=2524512>

³⁷ Lie D, Austin LM, Sun PYP and Qiu W, “Automating Accountability? Privacy Policies, Data Transparency, and the Third Party Problem”, In *University of Toronto Law Journal*, e20200136, 2021.

³⁸ Ferreira J, Chartier C, Cluett M et al. (2025) Making Cents of CBDC: Perceptions, Drivers, and Barriers to CBDC Adoption in New Zealand. *OZCHI '25*, November 29–December 03, 2025, Sydney, Australia

facilitate surveillance and introduce programmable controls, these concerns were principally examined in relation to user trust, acceptance and system design.

The statutory, constitutional or democratic legitimacy of these capabilities was not explored.

Professor Ananish Chaudhuri's 2024 article, *Reserve Bank digital cash: social safety net, or Big Brother in your wallet?*, acknowledged potential benefits such as financial inclusion and more efficient payments, but also identified risks to civil liberties and the need for safeguards to balance financial efficiency against the protection of fundamental rights.³⁹

A recent New Zealand paper by Buchan and Üngör (2026) reinforces the need to distinguish technological design from democratic governance. Writing in the *International Journal of Political Economy*, the Otago authors explicitly frame CBDCs as instruments through which states can preserve and reassert monetary sovereignty.⁴⁰

While acknowledging risks of surveillance, punitive restrictions on funds and excessive centralisation, they favour an intermediated CBDC architecture as a means of distributing operational responsibilities and strengthening accountability. The authors also identify holding limits, transaction restrictions and programmability as potential instruments of financial-stability management.

The authors situate CBDCs as a defence against the loss of monetary sovereignty to private digital currencies, reflecting commonly cited central bank concerns.⁴¹ Yet preserving state monetary sovereignty does not necessarily preserve individual monetary autonomy. The governance issue concerns not whether programmable financial controls are unique to CBDCs, as comparable capabilities already exist in privately issued stablecoins, but whether the integration of such capabilities with sovereign monetary authority and government information systems creates additional risks to individual autonomy, democratic accountability and the lawful exercise of public power.

The paper does not resolve the constitutional and administrative-law implications of that allocation of power, particularly where digital cash may become interoperable with wider financial and government information systems (and of course, this was not the aim of the authors).

Returning to the student fieldwork, public willingness, or even ambivalence, about whether to adopt a technology cannot substitute for independent evaluation of whether the powers enabled by that technology are lawful, justified and subject to enforceable democratic constraints.

BNZ's 2021 submission, the RBNZ's 2024 consultation notes and the third-party accountability literature establish that extensive concerns involving governance and democratic legitimacy were recognised well before the CBDC programme was incorporated into payments modernisation.

³⁹ Chaudhuri A. Reserve Bank digital cash: social safety net, or Big Brother in your wallet? <https://www.auckland.ac.nz/en/news/2024/05/22/reserve-bank-digital-cash--social-safety-net--or-big-brother-in-.html?>

⁴⁰ Buchan, J., & Üngör, M. (2026). Monetary Sovereignty in the Digital Age: The Role of Central Bank Digital Currencies. *International Journal of Political Economy*, 55(1), 88–108. <https://doi.org/10.1080/08911916.2026.2624900>

⁴¹ PSGRNZ (2024) [Stepping Back from the Brink: The Programmable Ledger. Four democratic risks that arise when Digital IDs are coupled to Central Bank Digital Currencies](#). P. 52-54.

These concerns, expressed to and acknowledged by the RBNZ itself, do not appear to be resolved or addressed in further papers that have been released to the public.

The publicly available record, including a brief review of the legal and scientific literature, has not revealed such information. Therefore, I cannot establish whether the cumulative constitutional, administrative-law and democratic governance implications have subsequently been subject to substantive, independent evaluation.

CONCLUDING COMMENTS

In 2024, Physicians and Scientists for Global Responsibility New Zealand (PSGRNZ) identified ten potential pathways of harm arising from CBDCs and their integration with wider digital infrastructure. These concerned the expansion and concentration of RBNZ authority; the influence of international monetary institutions; the inability of early adopters to anticipate long-term risks; industry influence over policy and legislation; opaque smart-contract arrangements; the combined capabilities of digital identity and programmable payments; inadequate democratic safeguards; threats to civil, constitutional and human rights; unresolved constitutional and administrative-law obligations; and the consequences of longstanding weaknesses in fiscal governance. Collectively, these concerns raise questions about who would exercise financial and informational power, under what authority, and subject to which enforceable constraints.⁴²

Yet the technical capabilities of a CBDC, including those that might be enabled through future infrastructure changes, are central to assessing its constitutional, democratic and public-interest implications.

The publicly available record does not establish whether these cumulative risks have been subject to substantive, independent evaluation. This OIA request therefore seeks to ascertain whether such deliberations have taken place.

⁴² PSGRNZ (2024) [Stepping Back from the Brink: The Programmable Ledger. Four democratic risks that arise when Digital IDs are coupled to Central Bank Digital Currencies](#). P.6.