



Paris, 29 April 2004

**EMV:
125,800 cards, 6600 ATMs, 4650 EFTPOS and 2500 retailers have
already migrated to this standard**

This deployment of the EMV* standard, which is a major operation for the CB banking community, launched in January 2004, will make it possible to extend the security associated with smart cards to the other countries within the European Union, and eventually to the rest of the world. The operation is now gathering speed. This technology, based on a corresponding secret code, is ten times more secure than the technology involving magnetic strip retail cards with a signature panel.

Thanks to the memorandum of agreement signed by the Groupement CB and the monetary system professionals (manufacturers of terminals and cash dispensers, chip card manufacturers and customizers, installation/maintenance companies), represented by the AFPC** and CONCERT***, migration to the EMV standard is taking place in a concerted manner.

The year 2003 represented a "pilot" phase in which to check that the new combined (B0' / EMV) CB cards and foreign cards equipped with an EMV chip were functioning correctly in the EMV terminals installed in a number of pilot retail shops. Transactions were accordingly carried out in real life situations over a period of several months. In this way confidence in the whole of the new electronic banking system and its ability to handle CB and international cards was built up gradually prior to its general introduction to retailers and cardholders as a whole.

Since the beginning of 2004, CB banks, in conjunction with all the players in the electronic banking sector (manufacturers, maintenance companies retailers) have been progressively introducing the new EMV machines, software and cards. By mid-April 2004, some 125,800 cards, 6600 cash dispensers, 4650 terminals in local shops and tills in 2500 major chain stores were already operating under the new EMV standard.

The operation is now gathering pace:

- CB banks have begun the gradual deployment of stand-alone terminals in retail outlets affiliated to the system and by the end of this first half-year all their cash dispensers will be EMV-compliant.
- by the end of June 2004 most of the major chain stores will have finished adapting their tills to the new standard.

All holders of CB cards will have an EMV card with a chip that can not only be processed by the terminals of all retailers who accept CB bank cards but also in neighbouring countries that have migrated to this new standard. All retailers within the CB system will be able to read the EMV chips in the cards of foreign cardholders.



Following France's example some twelve years back, the European countries are now adopting the chip via the EMV international standard, thus confirming the choice made by the CB banking community.

The EMV standard is being introduced by:

- the manufacturers of cards and equipment for electronic banking systems,
- the banks, which are marketing the new cards and adapting their cash dispensers and the servers installed in the banks.
- maintenance firms, which are adapting the equipment installed by their clients,
- retailers, who are having their electronic payment terminals adapted.

For the CB banking community and the retail sector, adoption of the EMV standard is a totally unprecedented operation, involving the whole system: 47,6 million CB bank cards, 40,780 cash dispensers and 1 million terminals.

In Europe, England has been the pioneer in terms of migration to EMV. There, too, the adoption of this new standard has been a major operation: the installation of 860,000 new electronic payment terminals, the issuing of 130 million new smart cards to replace the traditional bank cards with a magnetic strip, and the conversion of 41,000 cash dispensers. More than half the machines to handle payments and withdrawals and more than a third of all cards have already been converted to EMV.

Germany has already opted for migration to EMV, with inputting of secret codes and dynamic authentication. The country's 1 million debit cards are being given priority, and nearly 20% of the 90 million payment cards are already EMV cards.

In Belgium, the migration, managed by Banksys, began at the end of 2003 and should be completed early in 2005. Belgium's 1200 cash dispensers have been operational under EMV since June 2003.

All the countries of Europe plan to convert all their systems over the next few years.

** EMV: international smart card standard enabling chip cards to be used worldwide.*

*** AFPC: Association of card manufacturers and customizers (www.afpc-cards.com)*

**** CONCERT: Commission for the standardization and certification of terminals, the association for the operators of electronic banking and payment transactions.*