



## Smart Card Alliance Technology and Market Council Proposal

Type of Council (Choose one): \_\_\_\_ Technology-focused     Market-focused

Proposed Council Name: **SCALA Financial Payments Council**

Proposal Date: September 1<sup>st</sup>, 2008

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### Council Goals and Objectives

- To facilitate the adoption of smart cards for payments in the Latin American region by:
  - educating the industry on the consumer, merchant and issuer value propositions
  - providing an industry response to media requests
  - assisting in the merchant sell-in process by ensuring the implementation process is easily understood
  - publishing market opportunity studies of payment systems
  - proactively addressing the privacy and security concerns of the merchants and consumers
  - making the ROI of implementing smart cards for financial payment more tangible for merchants
  - interfacing with regulators and other organizations involved in the public policy debate around magnetic stripe and educating them on the difference between smart card payments
  - Promote regional liability shift for merchants to be liable for fraud that result from transactions on systems that are not EMV capable.
  - Send invitation to key industry organization such as issuers and acquirers to participate in the council

### Industry Issue or Market Need

- Merchant reluctance/hesitation to implement a new proven technology
- Need for business case and ROI for merchants
- Security concerns among consumers
- Lack of clear understanding on value of products
- Education for merchants, ISOs, processors and acquirers
- Confusion about Magnetic stripe vs. smart card payments
- Solutions in the market such as magnetic print solutions

## **Benefits to the Industry and Market**

- Premier educational authority on smart card payments
- Concentrated voice of the industry in regards to addressing security and privacy concerns
- Single organization where merchants, vendors, issuers and acquirers can network, share implementation experiences, and discuss add-on applications
- The sharing of ideas and experiences will help improve smart card payment technology
- A central source of information and promotion of smart card payments for the industry
- Neutral venue where standards and interoperability issues can be discussed

## **Benefits to the Smart Card Alliance Latin America (SCALA)**

- Leadership position/perception among other associations
- Ability to discuss smart card payments with other industry leaders
- New memberships
- More exposure in mainstream
- Expanded financial vertical market for smart cards
- Visibility in the financial markets
- Increased membership through reaching a new marketplace

## **Council Sponsoring Members**

### 1<sup>st</sup> Meeting Attendees

Sagem Orga

Visa

Banrisul

Oberthur

G&D Burti

Cathy Medich – U.S. SCA

### 2nd meeting attendees

Datacard

Visa

Gemalto

### Other Council members:

Rede Ban Multicolor

Intelcav

## **Smart Card Alliance Member Participation**

- Card manufacturers
- Financial payment processors
- Financial card issuers

## **Planned Council Activities**

(In this section include the types of activities you would like the SCALA financial council to achieve and develop. Please specify them by level of importance)

### Example:

Council activities would be primarily focused on marketing, communications and education. The Council may also define and approve projects that are more technical in nature, with members providing the appropriate technical resources as needed.

Possible projects are listed below. The Council will prioritize these projects and develop the first year plan (including projects and resources required).

- Identify and conduct web briefings on smart card payments
- Identify and conduct workshop opportunities at trade shows
- Identify opportunities and collaboration with other industries such as retail, entertainment, petroleum, transit
- Seek partnership opportunities and collaboration with other industry organizations
- Conduct press briefings and public relations activities. Provide focused attention on media outlets that reach consumers to ensure that the technology is presented accurately.
- Create a communications and education program to educate regulators and other organizations involved in the public policy debate on the differences between magnetic stripe and smart cards payment technologies.
- Identify and produce whitepapers (including benefits statement, terminology and contact and contactless payment 101), demos, and case studies. Use member technical resources in these projects as needed.
- Develop and promote smart card payments resource pages on the Alliance site as the go-to resource for information on smart card payments. All smart card resources and projects would be posted to these pages, including:
  - Assembling available research on consumer benefits and acceptance
  - Assembling available research on merchant benefits and acceptance
  - Providing links to articles cover contact payments in the region
  - Providing links to articles cover contactless payments in the region
  - Providing access to Alliance contact and contactless payments resources
- Create an ROI for smart card payments by market segment.
- Create a smart card payments security technology brief for media education.
- Identify privacy advocates and consumer groups and educate them on smart cards payments as issues arise.
- Develop resources (or make available to existing resources) that describe the infrastructure changes that are needed to support smart card payments.

### **Planned Council Activities for 2008/2009**

- MasterCard Vendors Meeting (August 21<sup>st</sup>, 2008)
- Cards & Payments Latin America (September 22-24, 2008)
- Bannisul Case Study
- Bannisul's 80 year anniversary Ceremony (October 26, 2008)
- Latin American Congress on Smart Technologies

## **Planned Council Organization**

### **Council Chair:**

Diego Rodriguez – Visa Smart

### **Industry Leadership:**

Jorge Krug – Bannisul

**Other Participants:**

Marcelo Bellini – Sagem Orga  
Karina Prado – G&D Burti  
Daniela – G&D Burti  
Samia Bounaira – Oberthur  
Ian Walmsley - Oberthur  
Vanessa Gordilho – Gemalto  
Natalia Da Silva Fakhri – Gemalto  
Marcelo de Oliveira – Visa Smart  
Ismael Dykman - DataCard  
Valentin Echeverry Buitrago – Rede Ban Multicolor  
Marcus Vinicius - IntelCav

**Proposed Council Budget**

TBD once Council is approved and Council Steering Committee agrees on the priority projects. Initial activities are expected to be primarily communications and development of white papers, web resources and briefing documents. Potential revenue sources are: new Alliance members, member sponsorship of projects.

*All Council proposals and formation must be approved by the Smart Card Alliance Latin America Advisory Board of Directors. For additional information, please contact Edgar Betts (954-922-1564, [ebetts@smartcardalliance.org](mailto:ebetts@smartcardalliance.org)).*