



EMV™ INTRODUCES COMMON CORE DEFINITIONS AND COMMON PAYMENT APPLICATION TO EASE CHIP MIGRATION

13 September 2004 - EMVCo, the EMV™ standards organisation, has released a set of common data definitions and processes, which standardises the data interface between EMV cards and issuers, resulting in simplified host processing and lower chip migration costs.

The EMV **Common Core Definitions (CCD)** have been incorporated into the recently released EMV Version 4.1, now available from www.emvco.com. CCD defines a common data element content and format for sending chip information between an EMV card and the issuer via the acquirer. When CCD is incorporated into a card specification, issuers of multiple branded cards can achieve benefits of a common issuer support system.

Thanks to this standardised approach, issuers of EMV CCD based cards will no longer need, at the data interface and host system cryptography support levels, to develop and maintain duplicate issuer host systems to support chip for different brands; they will be able to use common host transaction processing for cards from multiple payment systems.

Issuers and the wider industry are set to benefit from the new set of definitions. Once CCD is incorporated, the issuer will benefit through:

- Simplified issuer host processing, a reduction in development time and reduction in future system maintenance.
- Less likelihood of interoperability issues resulting from diversity in payment system implementations.
- Greater commonality for card development, masking and testing.
- When supplied by a single card manufacturer, issuers will have the ability to use a single chip application for multiple brands, a single personalisation system, and a single host transaction processing platform and back office.

However, since CCD is not a complete card application specification, EMVCo has undertaken the task of further simplifying and streamlining chip migration by creating an EMV **Common Payment Application (CPA)**. CPA will be a complete CCD-compliant application specification and is scheduled for completion by the first quarter 2005. CPA significantly adds to the benefits of CCD by completely defining the card risk management controls, all data elements and logic used by the card application, as well as support for EMV CPS card personalisation as an issuer option. The result is one common CCD-compliant payment application that can be personalised to support multiple payment brands. This will allow issuers to



support multiple payment brands and utilise the benefits of multiple vendors for their chip cards without impacting their card management systems, their risk management controls and personalisation systems. The end result is significant cost and time saving for multiple brand issuers. Both MasterCard International and Visa International have committed to endorse and accept the CPA specification as implemented in future chip card applications.

Art Kranzley, Executive Vice President and Chief e-business Officer at MasterCard International and Chair of the EMVCo Executive Committee, comments: "The release of the CCD marks a commitment from the EMVCo members to remain consistent over the long term in technology employed for chip implementations. This should give all issuers, acquirers and vendors confidence in the development of a common payment application which can be used as a basis for delivering common solutions for future functionality."

"The development of the Common Core Definitions was prompted by the increasing cost and complexity of implementing support for card issuance and processing transactions from multiple brands," adds Gaylon Howe, Executive Vice President of Consumer Product Platforms at Visa International, and member of the EMVCo Executive Committee. "There was an industry wide need for a solution to these issues, and EMVCo has responded accordingly. The implementation of CCD and CPA is optional for issuers but offers real benefits in terms of long term cost and time savings and standardised processes for those who choose to utilise the Definitions."

The new EMV 4.1 Specifications consolidate all updates to the EMV 4.0 Specifications (EMV 2000) introduced by means of Application Notes and Specification Update Bulletins posted on the EMVCo website since December 2000. EMV 4.1 has no impact on devices already tested and approved to EMV 4.0. Changes and additions to EMV 4.0 communicated through the bulletin process and included in EMV 4.1 have already been addressed by the Type Approval Process. The EMV 4.1 editorial update will ease the use of the global EMV standard in chip card programme development and implementation.

For further information on EMV 4.1 visit www.emvco.com

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Notes to editors:



EMVCo, LLC, was formed in February 1999 by Europay International (which later merged with MasterCard International in July of 2002), MasterCard International and Visa International to manage, maintain and enhance the EMV™ Integrated Circuit Card Specifications for Payment Systems. The primary role of the organisation is standards maintenance that ensures interoperability and acceptance of payment system integrated circuit cards and payment applications on a worldwide basis. EMVCo is also responsible for a type approval process that defines test requirements and test cases that are used for terminal compliance testing. Additional information can be found at www.emvco.com.