

## EMVCo Expands Scope To Develop Tokenisation Specifications

*New payment specification will enable industry efficiencies and security enhancements for digital commerce*

**16 January 2014** – The global technical body EMVCo will expand its scope to lead the payments industry in its work to standardise payment tokenisation. The new specification will help provide the payments community with a consistent, secure and interoperable environment to make digital payments when using a mobile handset, tablet, personal computer or other smart device.

Tokenisation is the process of replacing a traditional card account number with a unique payment token that is restricted in how it can be used with a specific device, merchant, transaction type or channel. When using tokenisation, merchants and digital wallet operators do not need to store card account numbers; instead they are able to store payment tokens that can only be used for their designated purpose. The tokenisation process happens in the background in a manner that is expected to be invisible to the consumer.

EMVCo – which is collectively owned by American Express, Discover, JCB, MasterCard, UnionPay and Visa – will increase its focus from chip-based payments to include tokenisation. The new specification will complement the existing EMV® Specifications to deliver a cohesive global payments framework that supports an evolving range of secure payment methods, technologies and acceptance environments in both card-present and card-not-present ecosystems.

“The payments landscape is undergoing significant change, as new types of payments devices and experiences are developed to address the blurring of the physical and digital worlds,” explains Dave Meadon, current EMVCo Executive Committee Chair. “EMVCo’s continued work to define specifications for the payment industry will establish a reliable, interoperable and secure framework to enable ‘digital commerce’ to achieve its full potential.”

EMVCo will consider existing standards where appropriate to create the tokenisation specification. This will not only promote industry interoperability but also leverage current infrastructure established by the wider payments ecosystem. Key elements of EMVCo’s work include adding new data fields to provide richer industry information about the transaction, which will improve transaction efficiency and enhance the consumer and merchant payment experience by helping to prevent fraudulent card account use. EMVCo will also create a consistent approach to identify and verify the valid use of a token during payment processing including authorisation, capture, clearing and settlement.

Christina Hulka, current EMVCo Board of Managers Chair, adds: “EMVCo has developed and evolved global payment specifications that have supported fraud protection measures typically used in the card-present environment.

Tokenisation is the next step in the evolution of payment specifications, consistent with EMVCo’s mission to

facilitate secure and interoperable payments globally. We recognise that applying EMVCo's expertise in identifying and implementing a common infrastructure in this area will make online and mobile transactions simpler and safer for all payment stakeholders."

EMVCo will advance its work on the tokenisation specification in 2014. Interested stakeholders can engage via EMVCo's [Associates Programme](#), an initiative that enables payment stakeholders to contribute to the activities of the technical body.

EMVCo's announcement to advance the tokenisation specifications follows the joint communication from MasterCard, Visa and American Express which proposed an initial framework for industry collaboration to standardise payment tokenisation. EMVCo will now build on this framework with collective input from all its members and the industry as a whole.

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**About EMVCo:**

EMVCo is the global technical body that facilitates the worldwide interoperability and acceptance of secure payment transactions by managing and evolving the EMV Specifications and related testing processes. Adoption of EMV Specifications and associated approval and certification processes promotes a unified international payments framework, which supports an advancing range of payment methods, technologies and acceptance environments. The specifications are designed to be flexible and can be adapted regionally to meet national payment requirements and accommodate local regulations.

EMVCo is collectively owned by American Express, Discover, JCB, MasterCard, UnionPay and Visa, and focuses on the technical advancement of the EMV Specifications. To provide all payment stakeholders with a platform to engage in its strategic and technical direction, EMVCo operates an [Associates Programme](#) and encourages all interested parties to get involved.

Visit [www.emvco.com](http://www.emvco.com) for further information and join EMVCo on [LinkedIn](#).