U.S. Move to Chip Cards on Track
Issuers from the Payments Security Task Force Confirm Nearly All U.S. Payment Cards to Feature Chip Technology by 2017

New York, September 30, 2015 -- The Payments Security Task Force (PST) today shared the latest in a series of updates from payment card issuers, acquirers, and merchants on the U.S. move to chip technology.

The PST's eight financial institutions reported that 30 percent of their U.S. consumer credit and debit cards contain EMV chips as of June 30. These issuers represent approximately 50 percent of U.S. payment card volume.

According to the forecast, the number of chip cards in the U.S. from these issuers will to grow to 60 percent by the end of this year, expanding to 98 percent by the end of 2017.

"The latest forecast demonstrates the tremendous progress made to make chip cards a reality in the U.S. Consumers are the winners, as issuers and merchants are both working to deliver greater protections when paying for a purchase," said Chris McWilton, president, North American Markets, MasterCard.

Chip technology protects in-store payments from counterfeit card fraud. A small computer chip in the payment card uses cryptography to generate a one-time use code for every transaction, making it virtually impossible to create counterfeit cards.

"This is a key milestone in a multi-year transition to chip technology in the U.S.," said Ryan McInerney, president of Visa Inc. "The speed at which merchants are installing chip-enabled terminals and financial institutions are issuing chip cards demonstrates the industry's commitment to investing in technology to protect consumers."

A survey of PST acquirers estimates that approximately 40 percent of their terminals will be capable of accepting chip cards by the end of the year.

These efforts are part of a long-term collaborative effort to implement technologies like chip, tokenization and point-to-point encryption to protect the payment ecosystem from fraud. Additional details are available in the PST's "U.S. Payments Security Evolution and Strategic Road Map." (http://www.pymnts.com/wp-content/uploads/2014/12/US-Payments-Security-Evolution-and-Strategic-Road-Map-for-Release.pdf)

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About the Payments Security Task Force
The Payments Security Task Force was formed in early 2014 to drive executive-level discussion for the purpose of enhancing payments system security. The Task Force includes a diverse group of participants in the U.S. electronic payments industry, including payment networks, banks of various sizes, credit unions, acquirers, retailers, point-of-sale device manufacturers and industry trade groups.

Among the Task Force participants are American Express, Bank of America, Capital One, Chase, Citi, Credit Union National Association, Discover, First Data, Global Payments Inc., Kroger, National Association of Federal Credit Unions, Marriott, MasterCard, Navy Federal Credit Union, Sheetz, Shell, Subway, U.S. Bank (Elavon), Vantiv, VeriFone, Visa Inc., Walgreens, and Wells Fargo & Company.