Visa Business News

Chip Cards

19 December 2019

Processing Updates for Visa Chip Authenticate Service Participants

Global | *Acquirers, Issuers, Processors, Agents*

Visa, Interlink, Plus Networks; V PAY; Europe Processing

Overview: Visa will make changes to the processing of chip transactions for particpants in the Visa Chip Authenticate service.

Effective 23 February 2020, VisaNet will attempt to perform online card authentication on eligible chip transactions even when the Derivation Key Index (DKI) personalized on the chip card is not available at VisaNet or the issuer has not provided Visa with the Master Derivation Key (MDK). Currently, this scenario is flagged with a "blank" in VisaNet Integrated Payment (V.I.P.) System Field 44.8 for Full Chip Data Issuers[1] that participate in the Visa Chip Authenticate service with "Always" or "All Respond" settings.

Effective 23 February 2020, VisaNet will send a failure indication of '1' in Field 44.8 or decline on behalf of the issuer in this scenario. There is no new value or field associated with this processing change. There is also no change for Early Chip Data Issuers,[2] issuers that do not participate in the Visa Chip Authenticate service (with the "Never" option selected) or for those that participate only at the stand-in processing (STIP) level.

The change will remove ambiguity about the risk profile of transactions that Visa has not validated due to insufficient or incorrect data.

[1] Implementation option specified in Visa's Configuration Repository that the issuer is able to send and receive full chip data in transaction messages.

[2] Implementation option specified in Visa's Configuration Repository that designates that chip data is to be removed from transaction messages before they are sent to the issuer.

Issuer Impact

- For Full Chip Data Issuers that elect to have Visa validate[3] all of their chip transactions, before forwarding the authorization request to them for a decision (known as the "Always" option), VisaNet will send a value of "1" failure indicator in Field 44.8 when an unknown DKI was transmitted in Field 55 (Tag Number 9F10) or third bit map Field 134[4] instead of sending a blank in Field 44.8. There is no impact to Early Chip Issuers as VisaNet currently sends a "Q1" in Field 39, indicating online card authentication failed or was not performed.

- For Full Chip Data Issuers that elect to have Visa validate all of their chip transactions and decline those which fail validation (known as the "All Respond"option), VisaNet will send a decline response on behalf of the issuer when an unknown DKI was transmitted in Field 55 (Tag Number 9F10) or third bit map Field134 instead of receiving a blank in Field 44.8. There is no impact to Early Chip Issuers as VisaNet declines on their behalf when online card authentication failed or was not performed.

- Issuers are reminded to provide all valid MDKs with the correct associated DKIs personalized in their chip card portfolios as part of the implementation process to avoid unnecessary declines.
- Issuers are also reminded that Visa requires all chip transactions to be validated. Validation may be performed by the issuer, the issuer's processor or Visa (using the Visa Chip Authenticate service).

[3] Validation of a chip transaction is checking that the Authorization Request Cryptogram is valid. This is also known as online card authentication method (CAM).

[4] Acquirers are required to send chip data in Field 55 and not third bit map fields in some regions.

Acquirer Impact

Acquirers are reminded to send all required chip data in Field 55 or third bit map fields on authorization messages. Incomplete data could result in transaction declines and/or a poor cardholder experience.

As a reminder, issuers can contact their Visa Client Configuration Management analyst to verify their Visa Smart Debit / Credit (VSDC) online card authentication settings and VSDC STIP parameters.

For More Information

Merchants and third party agents should contact their acquirer.

© Visa. All Rights Reserved.