



**Embargoed until 00.01 Friday 13 January 2006**

## **The countdown begins!**

- **Four weeks left to chip and PIN deadline –**
- **Retailers urged to follow the terminal prompts -**
- 770,000 tills in shops and businesses accepting PIN verified transactions
- 99% of all cardholders have at least one chip and PIN card
- Retailers take 2.85 billion PIN verified transactions in 2005

The Chip and PIN Programme today (13 January 2006) announced that the countdown has begun to 14 February 2006. To help prevent card fraud after this date retailers should only accept a PIN on a chip and PIN card transaction.

Today the Programme is reminding all retailers to make sure they and their staff are ready for after 14 February and that they follow the terminal prompts for every transaction. This follows stories of retailers turning away customers who do not have a chip and PIN card or have a card from overseas. The Programme is reminding retailers that after 14 February they should still accept signatures from the following groups:

- cardholders with old style cards whose card has yet to be upgraded to chip and PIN
- cardholders from overseas who do not have a chip and PIN card
- disabled cardholders who have a chip and signature card

The Programme is advising all retailers that to avoid any confusion simply insert the card into the terminal and follow the prompts on the screen. The terminal will always indicate whether a PIN or a signature is needed.

The Programme also released the latest chip and PIN rollout figures. The figures show that by the end of 2005 more than 80 per cent of shops and card accepting businesses had upgraded their point of sale equipment to accept chip and PIN. By the end of 2005 770,000 tills were accepting PIN verified transactions.



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By the end of 2005 99 per cent of cardholders in the UK (41.5 million cardholders) had at least one chip and PIN card in their wallet. In total 127 million chip and PIN cards have been issued since the beginning of the rollout in October 2003.

During 2005 businesses accepted more than 2.85 billion PIN verified transactions. In December alone 98 per cent of all chip and PIN debit card transactions and 92 per cent of chip and PIN credit card transactions were made using a PIN. This equates to 125 PIN verified transactions taking place every second in shops and business during December.

Sandra Quinn, from the Chip and PIN Programme urged all retailers to continue to encourage chip and PIN customers to use their PIN and to reassure non-chip and PIN customers that they will be able to continue to sign,

“The figures released today show that the overwhelming majority of cardholders are using PIN in shops and businesses every day. Over the next four weeks the Programme is urging every retailer to continue to request a PIN from chip and PIN cardholders and to remind their customers of the important date of 14 February.”

Paul Smith from the British Retail Consortium reminded all retailers that there are important exemptions before and after 14 February

“We want to strongly dispel the myth that old style cards should not be accepted after 14 February. We believe there have been some isolated incidents where a small number of customers have been turned away because they have old style cards. This should not happen as there will still be instances where a retailer should accept a signature from a cardholder.

“Both on the run up to, and even after 14 February, cards that have yet to be upgraded, cards from overseas and chip and signature cards for disabled cardholders should always be accepted. If any customer with a signature-only card has an issue they should urge the member of staff to insert the card into the terminal and follow the prompts. The machine will automatically request a signature.”

- Ends -



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**Notes to editors:**

- Banks, building societies, retailers, card schemes and card companies have joined forces to combat credit and debit card fraud through the UK Chip and PIN Programme.
- The Chip and PIN Programme sees smart chips on credit and debit cards, coupled with the use of a secret four-digit PIN (personal identification number) to verify the transaction rather than signing a receipt.
- This simple system is part of a global initiative to cut fraud. Many other countries in Europe and around the world are implementing, or planning to implement, the chip and PIN system, which is built to an international standard.
- All card companies are committed to ensuring that the small number of disabled customers who are not able to use a chip and PIN card are able to use an alternative such as a chip and signature card which will enable them to continue using their cards now and after 14 February 2006.
- The Chip and PIN Programme continues to consult with the Disability Rights Commission and other groups to consider the needs of disabled cardholders.
- The consumer will continue to be protected from card fraud losses by The Banking Code. Nothing changes for the consumer. Just as now, cardholders do need to be responsible in protecting their cards and keep their PIN a secret.
- Other types of card fraud, such as identity fraud and card-not-present fraud, are being tackled by retailers and banks through a number of initiatives. These include verifying the cardholder's address and cross-checking a card security code to combat fraudulent transactions made over the phone and internet; production of training manuals; multi-sector working groups to address practical solutions and research into hand-held card readers that could be used in the future for card-not-present payments.
- UK plastic card fraud facts and figures can be downloaded from [www.cardwatch.org.uk](http://www.cardwatch.org.uk)



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