

23 August 2004

**Chip and PIN roll-out on course to meet end of year target
- New TV advertising campaign to educate cardholders -**

The latest barometer published today (23 August) by the Chip and PIN Programme shows that the roll-out is on track and fast approaching the 2004 target. Nearly 50 million chip and PIN cards have been issued to over 25 million cardholders - well over half of the UK's 42 million cardholders.

With millions of cardholders receiving chip and PIN cards each month, Britain's biggest retailers are now increasingly switching on the new, more secure technology across their stores. Tesco, Homebase and PC World are just some of the big high street names starting to use chip and PIN technology at their checkouts.

Small and medium-sized businesses up and down the high street are also switching to chip and PIN. Almost half of all tills in the UK have now installed chip and PIN with 396,000 tills at shops, restaurants, and bars switched over. This means that customers are increasingly being asked to enter their four-digit PIN, rather than a signature, when they go shopping.

The release of these statistics coincides with the Chip and PIN Programme's latest research that shows that the public are overwhelmingly positive towards the new technology.

Ninety-four per cent of consumers questioned are aware of the new chip and PIN technology and already three in five chip and PIN cardholders expect their next transaction to be using chip and PIN.

The second phase of the national chip and PIN advertising campaign breaks today (Monday, 23 August) with TV, radio and press adverts. The first TV ad runs during Coronation Street to reach a maximum audience. The campaign, which runs for 13 weeks, aims to ensure cardholders are ready to use their PIN, with specific messages

about how to unlock their PIN, remind them they can change their PIN to something they can remember easily and to encourage them to keep their PIN a secret.

Sandra Quinn, chip and PIN spokesperson, said: "We have now reached a turning point in the chip and PIN rollout. Everyday more shops are switching on and cards are being issued so the number of people who may well be asked for a PIN perhaps for the very first time is higher than ever. Once you have your card, make sure you know your PIN because the sooner you start using it the sooner it will protect your card from fraud".

The roll-out of chip and PIN began in October 2003 and is backed by the UK's banking and retail industries. The UK Chip and PIN Programme is part of an international initiative to tackle counterfeit and lost and stolen plastic card fraud. A similar domestic PIN-based system in France saw an 80 per cent reduction in fraud when it was introduced twelve years ago.

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For more information contact the chip and PIN press office
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Notes to editors:

- Banks, retailers, building societies and card issuers have joined forces to combat the problem of credit and debit card fraud through the UK Chip and PIN Programme.
- The Chip and PIN Programme will see smart chips on credit and debit cards, and by 2005 the majority of plastic card transactions will be verified by cardholders keying in a secret four-digit PIN (Personal Identification Number) rather than signing a receipt.
- This simple new system is part of a global initiative to cut fraud. Many other countries in Europe and around the world are planning to implement chip and PIN, which is built to an international standard.
- 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 fraud made over the phone and internet; production of training manuals; multi-sector working groups to address practical solutions and research into hand-held PIN readers that could be used in the future for card-not-present payments.
- The Chip and PIN Programme continues to consult with the Disability Rights Commission and other groups to consider the needs of cardholders with disabilities.
- UK plastic card fraud facts and figures can be downloaded from www.cardwatch.org.uk