

## PRESS RELEASE

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# Chip and PIN Countdown to Christmas

- *Programme provides guidance on liability shift*
- *Christmas shoppers will boost chip and PIN transactions*

The Chip and PIN Programme today (7 December 2004) issues seasonal advice to retailers and other businesses accepting card sales as the countdown to both Christmas, and the liability shift, continues.

Businesses that accept card payments are reminded that the liability shift comes into force from 1 January 2005. After this date, fraudulent transactions on chip and PIN cards at the point-of-sale that could have been prevented using chip and PIN technology will become the responsibility of the outlet where the fraud took place; banks will no longer pick up the bill. There is no change at all in liability for cardholders, who remain fully protected from the fraudsters by the terms of The Banking Code.

Sandra Quinn, spokesperson for chip and PIN, says:

“The key fact for businesses to remember is that by installing chip and PIN and following on-screen prompts when processing card sales, they’re completely protected from the cost of card fraud on chip and PIN cards. For any business yet to upgrade, it’s worth noting that bank system accreditation times have been substantially reduced, and the process can now take as little as six or seven weeks.”

Boosted by additional card sales as shoppers gear up for the festive season, the Programme is also issuing advice for businesses focused on helping customers through their first chip and PIN transactions, and providing guidance for staff at the point-of-sale.



[www.chipandpin.co.uk](http://www.chipandpin.co.uk)

Sandra goes on to say:

“With more people and more outlets now using chip and PIN, Christmas shoppers can feel safe in the knowledge that their card purchases will be more secure than ever before. As shops get busy with seasonal shoppers it’s good to know that once people get used to chip and PIN, transactions times are quicker. However, in a minority of cases, some customers will need help and guidance from staff at the till, especially if it’s their first chip and PIN purchase. With this in mind, the Programme is focusing its efforts on providing advice for retail staff with a whole range of advice and materials now available online.”

Materials are available at [www.chipandpin.co.uk/business/card\\_payments/retail\\_toolkit.html](http://www.chipandpin.co.uk/business/card_payments/retail_toolkit.html)

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**Notes to editors:**

- Banks, building societies, retailers, card schemes 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 entering 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 the chip and PIN system, which is built to an international standard.
- The consumer will continue to be protected from card fraud losses by the commitment in 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 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 disabled cardholders.
- UK plastic card fraud facts and figures can be downloaded from [www.cardwatch.org.uk](http://www.cardwatch.org.uk)

