

22 December 2003

Politicians pin down card fraud

- MPs and Peers briefed on chip and PIN, the new way to pay –

Representatives from the banking and retail industries briefed MPs and Peers about chip and PIN at the Houses of Parliament last week. Politicians attended demonstrations and question and answer sessions on the rollout of chip and PIN across the UK next year.

Chip and PIN is the biggest change to the way we pay for things since decimalisation. By the end of 2004, the majority of people in the UK will verify purchases with credit or debit cards by using a four-digit PIN (personal identification number) instead of a signature. This historic initiative, which has seen the banking and retail industries come together in an unprecedented way, is being introduced to combat card fraud which spiralled to record high of £424 million last year. Chip and PIN will directly tackle counterfeit fraud and fraud on lost and stolen cards.

Home Office Minister, Hazel Blears, who has responsibility for crime reduction, commented today:

“Last year card fraud cost the country £424 million. With that figure projected to grow to more than £800 million by 2005, it is important for all of us to embrace this initiative now. That includes us as MPs, who can help to promote chip and PIN and its benefits and answer any questions our constituents might have about this smart initiative. I welcome the joint approach the banking and retail industries have taken in helping to stamp out card fraud and thank them for briefing us this week.”

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