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First chip and PIN update shows steady progress
New chip and PIN technology starts to spread across the UK

The first chip and PIN 'barometer', issued today, shows that millions of people have received new chip and PIN cards and some 100,000 businesses which accept credit or debit cards are already switching over to chip and PIN.

The rollout of chip and PIN began in October 2003, backed by the UK's banking and retail industries. Eight million cards have been issued, which means that an estimated one in six cardholders have received a new, secure chip and PIN card.

One hundred thousand businesses accepting plastic card payments have also switched on, including restaurants and small shops. By the beginning of 2004, Safeway, which has completed its rollout, was accepting an average of 100,000 successful chip and PIN transactions a week across its 480 stores, including those as far afield as the Channel Islands and Gibraltar.

By the beginning of January 2004, five of the UK's biggest issuers had started issuing chip and PIN-enabled credit and debit cards.

Sandra Quinn, chip and PIN spokesperson, said: "We are pleased with the first weeks of the chip and PIN rollout. Cardholders and retailers across the UK are starting to benefit from this new fraud-busting technology. Cardholders don't need to do anything until they receive their new card. They should look out for literature from their banks as it could be their new chip and PIN card".

New chip and PIN cards will be issued and tills switched over according to the individual plans of the banks, building societies, merchants and retailers. Cardholders do not need

to do anything now as card companies will contact them when they are ready to issue new cards.

The UK Chip and PIN Programme is part of an international initiative to tackle counterfeit and lost and stolen plastic card fraud. The UK timescales are in line with those for Europe. A similar domestic PIN-based system for debit cards only in France has seen an 80 per cent reduction in fraud since its introduction ten years ago.

The chip and PIN barometer will be issued throughout the year providing an update on the rollout. To find the latest barometer please visit the chip and PIN website www.chipandpin.co.uk

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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 range from 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 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.