

Welcome to the International Smart Card Associations Network

International Smart Card Associations Network - ISCAN - is an international alliance of independent smart card associations combining manufacturers, systems integrators, issuers, potential issuers and economic or social actors involved in the smart card activities.

Goals of the Network

ISCAN's major purpose is to support the proliferation of smart card usage worldwide by promoting results of tasks and facilitating exchanges of views between participating national, continental and global member associations. By gathering their own experience worldwide, ISCAN will be a major forum to focus on strategic and technical issues and to form a global view of the smart card industry.

www.iscan.ca



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More than an industry, it is a world of news

Chairman's Letter

From Catherine Johnston, CEO ACT Canada

Every year ISCAN members meet in Q4 to discuss the state of the global market and how we can contribute to progress in the coming year.

2010, a year where everyone was nervous because of the global financial crisis, saw the shipment of the one billionth EMV card and China committing to EMV. In fact, Eurosmart announced that the overall growth in shipments of smart cards was 18% with financial services, loyalty and retail accounting for 880 million units shipped. The effect of China converting to EMV will see that number grow over the coming years. 2011 is expected to also see double digit growth.

The contactless market experienced significant growth in 2010 (40%) as well and is expected to continue that growth by another 28% in 2011. Who will benefit the most from this growth? Time will tell, but those who pair technology with consumer appeal will always do well.

I encourage you to visit the web sites of each of the ISCAN members to learn more about our local markets. All can be reached through www.iscan.ca. On behalf of all ISCAN members, we wish you a successful 2011. I hope the news we publish helps you achieve your goals.

Catherine Johnston
Chairman, ISCAN
President and CEO, ACT Canada

ISCAN NEWS



In Payments – The Canadian Task Force for the Payments System Review is well underway, identifying four payment landscape scenarios that could unfold over the next nine years.

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The Voice of the Smart Security Industry

- Eurosmart publishes smart cards shipments for 2010 and 2011 forecasts

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GLOBALPLATFORM

- GlobalPlatform has completed the validation of its first Card Specification v2.2 Test Suite.

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- China UnionPay signed a collaboration agreement of UnionPay card acceptance business with Hungary OPT bank in Budapest.

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GLOBALPLATFORM

It is designed to evaluate a product's compliance to the **GlobalPlatform UICC Configuration**, which supports the mobile services sector.

GlobalPlatform members participating in the association's compliance program can now expect the finalization of **GlobalPlatform test tools** qualification early in 2011. Five test tool suppliers – Galitt, FIME, Trusted Labs, Barnes International and Collis – have all committed extensive resources to the initiative and are working towards the launch of GlobalPlatform Qualified Test Tools. FIME and Trusted Labs also provide laboratory services and have additionally contributed this expertise, alongside card manufacturers Gemalto and Oberthur Technologies, which have both played an active role in the compliance program since the inception of the Test Fest process.

- GlobalPlatform has redefined its tagline to 'the standard for managing applications on secure chip technology'. The new positioning aligns the reality of GlobalPlatform's impact on the industry with the association's current and future roadmap for the marketplace. Previously positioned as 'the international specification body for smart card infrastructure', GlobalPlatform acknowledges its value proposition is now – and has been for quite some time - one that reaches far beyond the historic positioning of the smart card platform. The new wording accurately reflects the ability of GlobalPlatform's technology to enable the development of trusted end-to-end embedded chip solutions, which serve multiple actors and support several business models.

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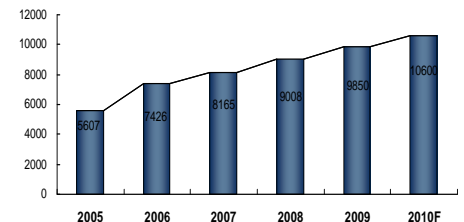


- The [2011 Mobile & Transit Payments Summit](#) brings together industry stakeholders in Salt Lake City, UT February 15-18, 2011 to discuss current U.S. and international trends in mobile payments and transit payments. Invited speakers and attendees include mobile operators, transit operators, mobile device manufacturers, mobile services providers, chip and card manufacturers, terminal manufacturers, payment brands, issuing banks, payments processors, and systems integrators.
- More signs that EMV chip cards are coming to the U.S. payments market, as Travelex announced in December the [Chip and Pin Cash Passport](#) card, a reloadable prepaid EMV debit card for U.S. travelers to Europe and the United Kingdom.
- The first NFC-enabled mobile handsets have reached the retail stores in the U.S. The [Google Android Nexus S](#) comes with an NFC chip inside and is being sold by retail giant Best Buy. Other announcements of NFC handsets by Research in Motion, Apple, and Nokia are anticipated in the next few months.
- The Alliance's Physical Access Council and Identity Council have jointly released a new white paper, **PIV I for Non-Federal Issuers: Trusted Identities for Citizens across States, Counties, Cities, and Businesses**. The white paper provides guidance for government and business to issue secure ID credentials that meet the federal standards for trust and interoperability.

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- This is the first time that China UnionPay cooperates with a local financial institution in Hungary, which will lay an important foundation for expanding UnionPay card acceptance network in Hungary and Central Europe markets. China UnionPay and representatives of some Chinese banks attended the signing ceremony. Zsolt Becsey, Secretary of Hungarian Economy Ministry and Economic and Ren Hongbin, Commercial Counselor of Chinese Embassy in Hungary attended the meeting for the congratulation. For more, please visit : www.e-cts.net
- The development of China IC Card market : Because of the competition of China IC card market in recent years, prices fell, especially the SIM card prices fell year after year caused reduced growth in shipment value, but it passes one hundred million of 2010 for the first time.



Unit : Million RMB

- China Mobile Hangzhou Branch announced the commercial launch of the Hangzhou Citizen Card for mobile phone based on Watchdata's 13.56MHz SIMpass™ technology. In early March 2010, China Mobile, Hangzhou Citizen Card Co., Ltd. and Hangzhou City Pass Card Co., Ltd started the pilot program of Hangzhou citizen card on mobile phone and issued 50,000 SIMpass™ dual-interface SIM cards.

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It is chaired by Pat Meredith, FCA. Next steps include an identification of barriers, as well as timelines for change. This supports the development of implementation options and next steps resulting in final recommendations to the Minister of Finance. The timing of this broad payment landscape review is critical as Canada finalizes our move to EMV and prepares for mobile payment and NFC.

- **Cardware 2011: Payment Insights** in June is scheduled for June 14th and 15th. Canada's premiere conference for stakeholders draws together issuers, acquirers, regulators, retailers, the supply industry and others to gain insights into the future of the payment landscape and to influence change.
- **Contactless debit:** Interac Association announced that Interac Flash will debut in summer 2011.
- **Visa Canada:** launched their debit product in Canada
- **MasterCard Worldwide:** announced the appointment of Betty K. DeVita, president, MasterCard Canada.
- **Contactless:** continues to roll out across Canada, with payment brands, issuers and merchant participation.

In Retail:

- Canadian Tire launched a free mobile application (app) for iPhone, BlackBerry and Android smartphones allowing customers to scan product barcodes in stores and instantly access product information including price, reviews and availability. Customers can also locate the nearest Canadian Tire store, based on their current location, search for products on canadiantire.ca and browse the Canadian Tire flyer on their smartphones.

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- AFPC is a member of the CSG / EPC Group (www.europeanpaymentscouncil.eu) which supports and promotes the creation of the Single Euro Payments Area (SEPA).
- The European Payments Council (EPC) is the decision-making e European Payments Council (EPC) is the decision-making and coordination body of the European banking industry in relation to payments. The EPC develops the payment schemes and frameworks necessary to realize the Single Euro Payments Area (SEPA). SEPA is an EU integration initiative in the area of payments designed to achieve the completion of the EU internal market and monetary union.
- **During 2010**, AFPC have shared with other stakeholders the definition and the maintenance of the Volume-Book of Requirements. The last points developed by the working group are :
 - An agreement on the CSG's ToR and on Labelling
 - All sectors agreed on the new version of the Volume (except on chapters 5 and 6)
 - Some innovative concepts have been introduced and are under discussion : basic payment services, EMV weak implementations phasing out...
 - Items to be addressed in 2011 are identified, priorities are fixed and a roadmap is defined and agreed

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This marked a new mobile payment trend for the people of Hangzhou. After 7 months trial, users fully accepted this new trend in lifestyle, carrying Hangzhou citizen card and the city transit card in their mobile phones. For more, please visit: www.scfc.org.cn



- **The 2nd World IC Cards Summit — Macao 2011** will take place at the Venetian Macao-Resort-Hotel Convention Center, Macao on October 27-28, 2011. Currently held is 13th RFID ASIA 2011, the new expansion of RFID China brand (www.RFIDasia-expo.com). For more, please visit : www.scfc.org.cn



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- **The major steps must happen in 2011**
 - Reach as soon as possible a consensus on Security Requirements (chapter 5) and Certification Framework (chapter 6)
 - Set up the independent certification management body and make the "one stop shopping" concept a reality
 - Include mobile payments within the Volume and introduce some enhancements related to security of contactless and remote payments
 - Clarify relationships (and IPR) with EMVCo and PCI SSC
 - Help to pilot SEPA compliant solutions or components

EUROSMART

The Voice of the Smart Security Industry

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- As every year, Eurosmart chairman, Marc Bertin, [presented](#) at Cartes Eurosmart market analysis and vision of the Smart Security market worldwide. The Smart Security Industry has confirmed its dynamism in 2010 and will pass the 5 billion microcontroller based Smart Secure Devices this year. 4.5 billion units of Smart Secure Devices were shipped in 2009, and we anticipate that number to grow by 18% in 2010 to exceed 5.3 billion units. Over 4 billion SIM cards have been shipped in 2010 and over 1 billion payment cards are expected in 2011. The proportion of Contactless cards is growing, especially dual card combining both contact and contactless.
- **Eurosmart live-demos at Cartes 2010.** Eurosmart experts presented live-demos at Cartes Exhibition in two areas: **Smart M2M**, in the Internet of Things zone: demos included eCall, smart metering, hardware enabling M2M applications, M2M SIM-centric services and M2M innovation services for end-users. **Biometrics uses cases**, in the Identification zone : demos included mobile and fixed enrolment stations, biometrics for ID verification, authentication and signature, applications on Match-on-Card, and mobile terminals for card authentication.
- **New Eurosmart White Paper on Biometrics.** The [White Paper on biometrics](#) covers biometric technology state of the art and best use cases and technical choices of implementation when in combination with smart card technology. The study involves also the concept of creating biometric characteristics for physical documents, identification of use cases and techniques, and finally the benefits of putting together human and physical document biometric characteristics. It also makes recommendations on the use of biometrics for cases of identification and authentication of individuals and goods.

GLOBALPLATFORM

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- GlobalPlatform will host a half-day workshop on Wednesday, 30 March at Cartes in Asia, in Hong Kong. The workshop titled 'Managing a Multi-Modality and Multiple Ticketing Scheme in One Universal eTicket with GlobalPlatform' will expose delegates to GlobalPlatform's existing technology and demonstrate how it meets the current and future needs of the transport ticketing sector. The workshop will address the role of GlobalPlatform Specifications as a standard framework for deploying contactless services in smart cards, NFC mobiles and USB fobs in a secure and interoperable manner. It will also concentrate on the benefits of multi-application media to strengthen and extend the use of public transport beyond the current boundaries of transport networks, by enabling co-existence of multiple transport applications on the same media.



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- The Alliance's Payments Council will release a comprehensive paper about EMV migration options for the U.S. payments market in January, called **Card Payments Roadmap in the United States: How Will EMV Impact the Future Payments Infrastructure.** The report will detail how EMV options impact card issuers, POS terminal manufacturers, acquirers, and merchants.
- The Smart Card Alliance web site (www.smartcardalliance.org) has added new informative slide shows and videotaped interviews with industry experts to expand the resources available to visitors to the industry's more comprehensive web site. Over 1.3 million web site visits occurred in 2010.

ISCAN SMART CARD INDUSTRY EVENT CALENDAR

Security Document World 2011, London, UK, 4-6 April 2010
Eurosmart supported event

2011 Payments Summit – Salt Lake city, Utah, February 15 – 17, 2011
A Smart Card Alliance event

2011 Smart Card Alliance Annual Conference – Chicago, IL, May 2 – 5, 2011
A Smart Card Alliance event

Cardware 2011: Payment Insights – Niagara Falls, Canada, June 14 – 15, 2011
An ACT Canada event

EUROSMART
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- identification and authentication of individuals and goods.
- **Eurosmart vision on the Smart M2M and the Internet of Things.** Jean-Pierre Delesse, convener of Eurosmart New Form Factors Working Group, made a [presentation](#) on "Security, which challenges for the Internet of Things ?", on Tuesday 7 December 2010, at the session "Internet of things - state of the art", at Cartes & IDentification.



- **EESTEL has launched the label EETS (Expert in E-Transactions Systems).** E-Transactions have a stronger and stronger impact on everyday life, whether in payment, transports and ticketing, health, telecommunications. This domain uses more and more complex and abounding technologies, and involves everybody's identity and authentication. Services Operators and vendors hold a growing space in the economical concert. Experts' role is essential to enable the whole Society to progress and to control the power of such or such System. To find one's way in the jungle of specialties and skills, **EESTEL**, the E-Transactions European Experts Association, implements a label approach, based on individuals evaluation assessing E-Transactions Experts. The label bears on six functional and five technical specialties. It is open to anybody willing his or her skills in E-Transactions be acknowledged and promoted. On the operational hand, EESTEL leans on an independent institution, the COREF (www.coref.asso.fr), which provides for this process, its auditors and the rigor of its procedures. So far, several experts have received the EETS label.

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Changing the Market:

ACT Canada and our members continue to influence the market through Strategic Leadership teams. The 2011 SLTs will include: Mobile, Merchant, CyberSecurity (new), Prepaid (new) and Identity Management. Participation is a member benefit and fees apply for non-members.

The Issues Alert team also influences the market through the early identification of emerging issues and sharing information to mitigate risks. This team is open only to members.

For more information on these and other Canadian stories, please visit www.actcda.com and view our monthly newsletter under the resources tab.



EESTEL's objective is to attribute an EETS label to dozens of experts in 2011, in order set links with the world of higher education and with our European and overseas partners.

- **EESTEL and ADEN to organize a seminar on E-Payment at the French Parliament.** EESTEL works together with ADEN (French Agency to develop the Digital Economy) to organize a seminar on E-Payment at the French Parliament in June and issue a common white paper in November.
- **EESTEL**, the E-Transactions European Experts Association, is a club where its members exchange, on a monthly basis, information on technical, marketing and business issues linked to E-Transactions. EESTEL counts today 23 members representing more than 200 Engineers and Experts. EESTEL is member of ISCAN. For more information, please visit www.eestel.com.



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