



## **EUROSMART supports the position of the European Members of the Parliament on the European New Legal Framework for payment (NLF)**

The Smart Card industry in Europe, represented by the international association Eurosmart, is involved in the discussion on the European New Legal Framework for payments (NLF) since the beginning of the consultation process. Eurosmart gave its contribution to the debate launched by the European Commission in December 2003. The idea of the Commission was to foster the development of electronic payments and the implementation of efficient, secure and trustful products.

Eurosmart line of action meets the objectives of the text on the NLF that aims at implementing efficient and less expensive infrastructures and means of payments, free competition and at strengthening the fight against fraud. In this perspective, the smart card industry has recommended that the text takes into account the level of security of payment product and systems but was not followed by the Commission's proposal (see our press release dated April 2006).

**NLF proposal is now being discussed inside the European Parliament** and the rapporteur, Mr Jean-Paul Gauzes, has put in place a tremendous consultation process before drafting his report. The smart card industry was heard in March 2006 and insisted on the need for Europe to adopt common standards that reflect a high level of security whereas this is a condition to the implementation of the Single Euro Payment Area (SEPA).

More than 600 amendments have been presented on the text and will be voted on 12 September in the ECON parliamentary committee and in October in plenary session.

**The industry therefore supports actively the new article 23a) proposed by the rapporteur Jean-Paul Gauzes: *Mutual recognition of security certification of cards and accepting devices (amendment 367)***

The amendment, if adopted by the ECON committee and voted in plenary will create the common framework for security evaluation.

Such improvement means:

- Certainty on the security requirements of payment products and systems
- Adopting the same security language
- Better assurance of security and quality for the issuers and consumers
- Avoidance of multiple security evaluation for the same device
- Preventing useless costs because of redundancy of systems
- Transparency of certificate

EUROSMART is the Brussels based international association representing the Smart Card Industry for multi-sector applications. Through its activities, Eurosmart act as a catalyst and forum for the smart card stakeholders. In a global environment, Eurosmart encourages interoperability through international cooperation. Eurosmart achievements have been acknowledged by the smart card community as "the voice of the experts".

**ASK, Aspects, Atmel, Austria Card, Axalto, Bundesdruckerei, DataCard, FNMT, Galitt, Gemplus, GIE Cartes Bancaires, Giesecke & Devrient, Infineon Technology, Ingenico, MasterCard, Moneyline, Nedcard, Oberthur Card Systems, Philips Semiconductors, Renesas, SagemOrga, Samsung, Saqqarah Int, Sharp, SST Company, STMicroelectronics, Watchdata, Wave**