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2008: The industry benefited from a sustained growth in its three main segments: Telecoms, Financial Services and Public Sector, as well as from the emergence of new Smart Secure Devices for contactless applications

For the year 2008, EUROSMART increased its forecast for Telecom microprocessor cards to reflect a strong year due to two main factors: a strong growth in the GSM subscribers base in emerging countries (with a net addition of users at a pace of 50,000 per hour), and a stronger role of the SIM as a Service platform in mature markets.

Financial Services continued to benefit from both the wide spread of EMV cards and the adoption, beyond the US, of contactless payment solutions (cards and key fobs).

The Public Sector delivered a strong growth in 2008 thanks mainly to Government and ID and despite some delays in some major Healthcare programs.

EUROSMART FIGURES
Cards (Millions of Units - Mu)

	2008 Global forecast November 2008		Forecast 2009		
	Memory	Microprocessor	Memory	Microprocessor	
					Growth vs 2008
Telecom	380	3 200	300	3 600	12.5%
Financial services- Retail- Loyalty	30	610	30	700	14.8%
Government- Healthcare	250	140	170	160	14.3%
Transport	160	30	160	30	-
Pay TV	-	100	-	100	-
Others (including Corp. ID)	80	65	80	70	7.7%
Total	900	4 145	740	4 660	12.4%
TOTAL	5 045		5 400		

2008 Secure Contactless market overview

(excluding access control and ticketing)

	Secure Memory Contactless (Mu)	Secure Microprocessor Contactless (Mu)
Financial Services	-	80
Government – Health care	200	60
Transport	160	30
Others	50	30
TOTAL	410	200

The table above mainly represents cards and keyfobs used for Payment, Government ID and Transport applications. Moving forward, a significant portion of Mobile NFC Services will be accounted for inside the SIM card figures. The SIM card is now a standardized secure element for service provisioning and for applications hosting in the mobile phone. Multiple pilot trials of Mobile Payment and Mobile Mass Transit services will materialize in mass deployments over the next few years.

Trends per market segments for 2009

Telecoms

The net addition of users of 2/3GSM services will continue to grow and will pass the 4 billion mark mid-2009. It will ensure a growth in SIM card volumes to an estimated figure of 3 600 Million units. In parallel, new services such as Mobile TV, NFC payment and Multimedia will support the market in both units and value in mature markets such as Western Europe and Asia.

Financial services

Eurosmart estimates that the growth of contactless cards was 33% in 2008 (up from 60 to 80 Million units). This trend should continue in 2009 and will be strengthened by the emergence of Mobile Services with a small portion of SIM cards becoming Secure Contactless-support cards.

EMV Migration will continue to deliver a double digit growth. Financial Operators are also intending to leverage on their EMV infrastructure to become Identity Management Operators, giving our Industry a unique opportunity to develop a new Service offering.

eGovernment and Health

Despite the uncertainty of the economy, ePassport shipments should continue to grow to reach 70 Million units in 2009. Several new eID programs should start next year, some in volume deployment, some still in pilot phases but overall all contributing to the general growth trend.

The Voice of the Smart Security Industry

EUROSMART is an international association located in Brussels representing the Voice of the Smart Security Industry for multi-sector applications. Founded in 1995, it gathers major companies representing today 65% of the world's smart card production and covering the whole industry chain. Through its activities, Eurosmart actively supports the development of the Smart Secure Devices market and acts as a catalyst and forum for Smart Secure Devices stakeholders.

Our expertise

Eurosmart brings its expertise at the European and international levels. The Association delivers smart card shipments every six months and position papers and recommendations on major issues such as security into electronic identity documents, security evaluation and certification.

In 2007, Eurosmart presented its vision of the Smart and Secure World in 2020. Smart cards will evolve into a broader family of devices. Smart Secure Devices will help our life be easier, safer and more enjoyable while protecting our privacy.

An international actor

In a global environment, Eurosmart builds relationships with industry representatives in other regions to promote mutual understanding and develops links with other associations within ISCAN.

25 Members: Atmel, Austria Card, FNMT, Gemalto, GIE Cartes Bancaires, Giesecke & Devrient, Infineon Technologies, Ingenico, Inside Contactless, MasterCard, NedCard, NXP Semiconductors, Oberthur Technologies, Precise Biometrics, Renesas, Sagem Orga, Samsung, Saqqarah International, Sitronics, Solicore, SST, STMicroelectronics, Texas Instruments, Toshiba, and Zetes.

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