

# VISA, MASTERCARD ANNOUNCE EMV DELAY

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The card companies have changed the U.S. domestic EMV activation deadline for automated fuel dispensers until 2020.

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SAN FRANCISCO and PURCHASE, N.Y. – Both Visa and MasterCard announced they are delaying the EMV liability shift for U.S. fuel dispensers from October 2017 to October 2020.

Visa noted in a statement that the fuel segment has its own unique challenges, which the card company says it recognized when it first set the chip activation date for automated fuel dispensers/pumps (AFDs) to October 2017. “We knew that the AFD segment would need more time to upgrade to chip because of the complicated infrastructure and specialized technology required for fuel pumps. For instance, in some cases, older pumps may need to be replaced before adding chip readers, requiring specialized vendors and breaking into concrete. Furthermore, five years after announcing our liability shift, there are still issues with a sufficient supply of regulatory-compliant EMV hardware and software to enable most upgrades by 2017.”

Visa continued that it had been engaging with participants throughout the payment system. “Given our discussions with merchants, clients and partners, Visa has decided to delay the U.S. domestic AFD EMV activation date from October 1, 2017 to October 1, 2020. The EMV liability shift at ATMs will not change and will take effect as planned on October 1, 2017. We believe we have reached a balanced conclusion for providing needed, additional time to merchants while continuing to push forward with the migration to chip.”

“Conexus and NACS have worked diligently over the past two years with the stakeholders to identify the very real challenges facing fuel retailers as they work to avoid liability shift and comply with EMV. I believe that the card brands have come to understand that these challenges are not of retailer creation, but a result of late specifications, certification complexity and supply chain constraints, rather than a lack of resolve to adopt EMV,” said Gray Taylor, executive director of Conexus.

“We are still sifting through the details, but the announcement appears to not clearly delay liability in retailers who experience higher fraud rates or those accepting foreign issued cards, so we don’t see this announcement as a true game delay, but a bit of breathing room to work out the challenges,” Taylor said.

In addition to Visa, MasterCard made a similar announcement, saying that it too is modifying the automatic fuel dispenser liability shift date from October 2017 to October 2020. “This decision applies only to automated fuel pumps,” the card company said, adding, “We will be working closely with our fuel partners, station owners, industry associations and third-party vendors to ensure a smooth transition to EMV.”