

A CARD MARKET WITHOUT BORDERS

SAFE AND SIMPLE

The history of credit cards is a story about safety and simplicity based on the idea to create a safe way to pay by eliminating the need to carry large amounts of cash. Today, people travel more and new technology along with exiting offers creates needs for immediate access to payment vehicles like cards. As the world changes through increasing globalisation, banking has to change with it in order to meet the customers' adaptation to integrated markets. It is against this background that the need for new international structures become apparent.

A COMMON EUROPEAN MARKET

In 2002, European banks and the EU Commission voiced a vision of a common market for payments – Single Euro Payment Area (SEPA) – across the European continent. The European cooperation organisation for banks, European Payment Council, will be in charge of the development of SEPA. They have presented a time-table stating that the SEPA card market will be reaching the goal of full establishment by the end of 2010. The main idea with a common payment area is to make it simpler for customers to move money around in Europe. Citizens in Sweden, Germany, Great Britain and other European countries will be able to pay across the whole region in a simple and secure way.

The goal is that payments on the pan-European market should be as easy, transparent, safe and convenient as on the national markets.

MODERN TIMES, MODERN SOLUTIONS

As Europe is becoming increasingly integrated, it is natural that payments markets also are being merged and integrated with each other. This is modern, efficient, and in the customer's interest. Before the end of this decade, European solutions should have replaced the many different versions of payment systems and the fragmented infrastructures that can be found in the 27 countries of the European Union.

If the common payment market is to develop properly, customers have to be offered European instruments and services for card usage. Also, systems for cross border credit transfers and direct debit services have to be added. There are already considerable opportunities for card payments across the continent, and the new European infrastructure invites to an increased card usage. At the same time, standards are being improved, with focus on improving security for the customers. Modern security solutions using chip technology, common account identification, and PIN codes are being given room on the new European payment market.

NEW GOALS

In the seventies, the first VISA card and Mastercard changed our methods of payment on a global scale. Then the goal was to make payments easier for the individual customers, both card users and merchants. National systems can become more functional by switching to a higher standard of electronic communication. Customers and businesses simply profit from the process where chip cards are replacing and improving the present national solutions.

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The card's history

