



EMV® 3-D Secure (EMV 3DS) helps payment card issuers and merchants around the world prevent card-not-present (CNP) fraud and increase the security of e-commerce payments.





# The next generation of 3DS brings significant benefits to merchants

## Yesterday: 3DS 1.0

## Today: EMV 3DS 2.0



### Background

- 15-year old technology
- Specs defined by Visa
- Web browsers only

- **Yearly** input
- Specs defined **with industry input**
- New channels, including **in-app**



### Stop

- Activation during Shopping (ADS)
- Static passwords



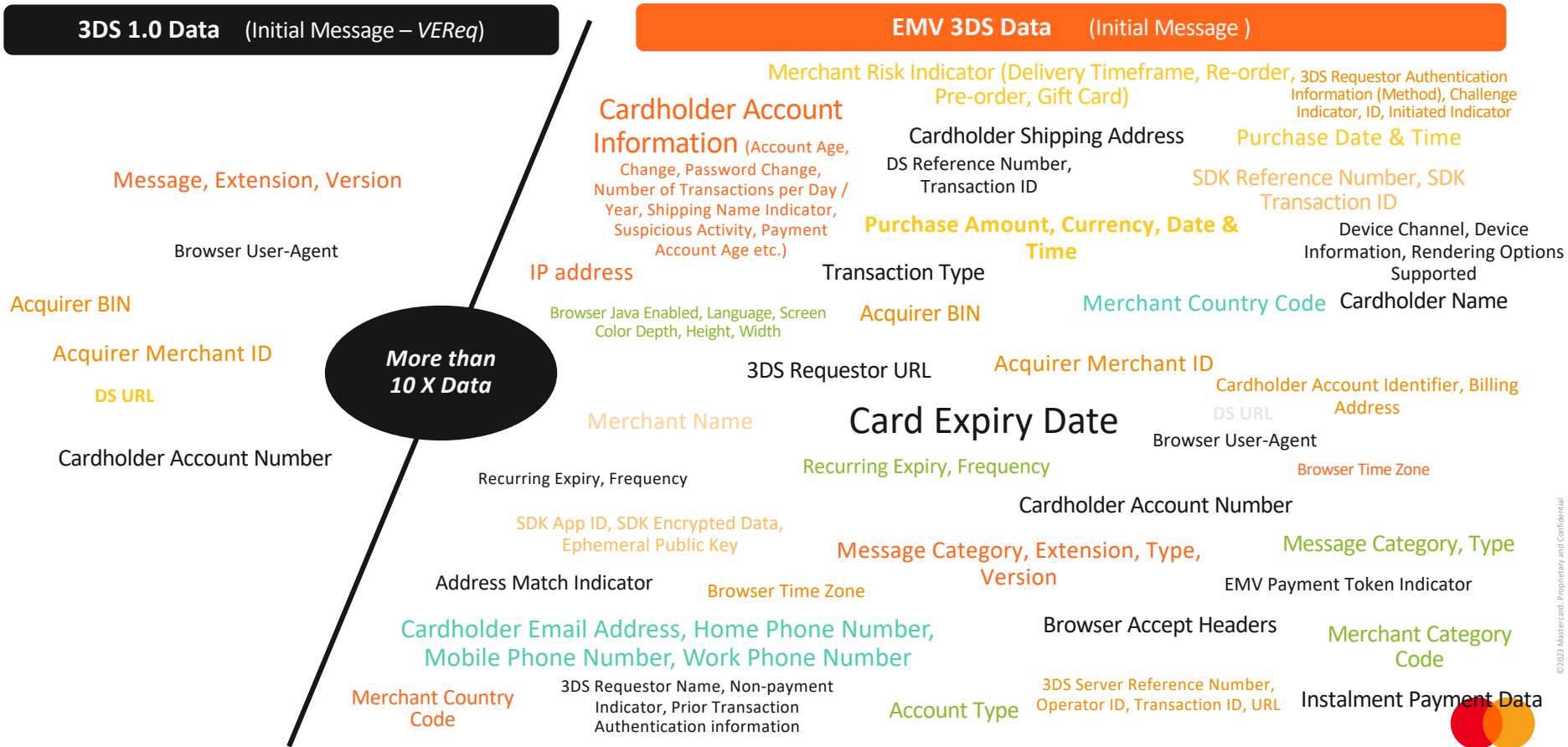
### Improvements

- Limited risk-based authentication
- No enhanced data to issuers
- Only 15 data elements available

- **Risk-based authentication** with 10 x more data providing better data insights
- Smoother process leads to **less abandonment**
- **Consistent & clear process for cardholders** when we do need step-up
- Integrates directly with **your app** and **website**



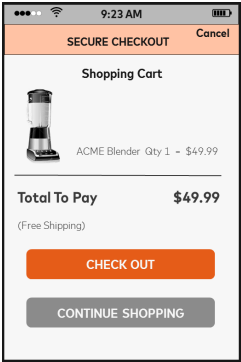
# How much more data is in EMV 3DS versus 3DS 1.0?



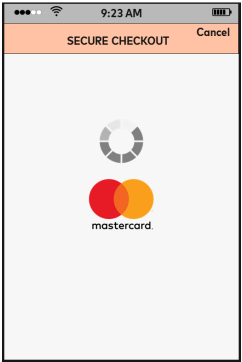
# EVM 3DS 2.0 also leads to a much smoother experience for your customers, even in the instance they need a step-up challenge



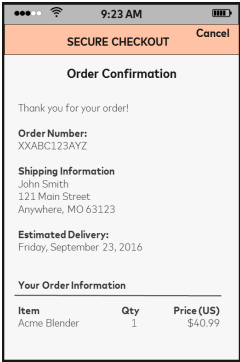
“Frictionless Flow” using EMV 3DS 2.0



Customer proceeds to checkout and provides payment details



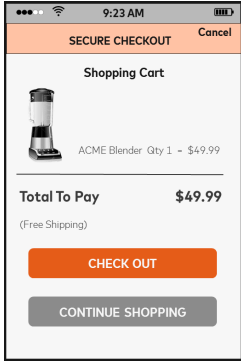
Enhanced data is passed on to issuer for authentication



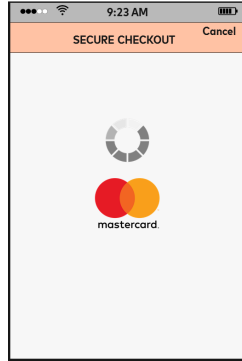
Issuer was able to approve the transaction.  
**Cardholder is authenticated passively.**



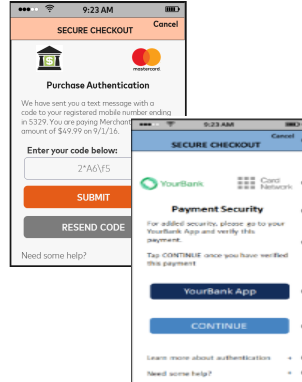
# EVM 3DS 2.0 also leads to a much smoother experience for your customers, even in the instance they need a step-up challenge



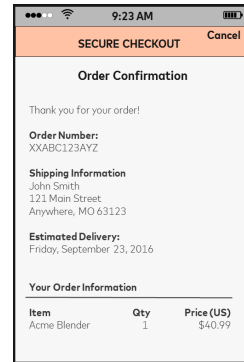
Customer proceeds to checkout and provides payment details



Enhanced data is passed on to issuer for authentication



Issuer is not confident in submitted data, and verifies the customer's identity using either a **OTP or biometric authentication**



The issuer is able to authenticate the customer, and the **transaction is approved.**



## What does all this this mean?



- If an eCommerce merchant is 3DS enabled the liability shift for unauthorized transactions sits with the card issuer
- A reduction in cart abandonment
- More transactions will be approved, meaning more sales
- Fulfilment processes need to meet demand



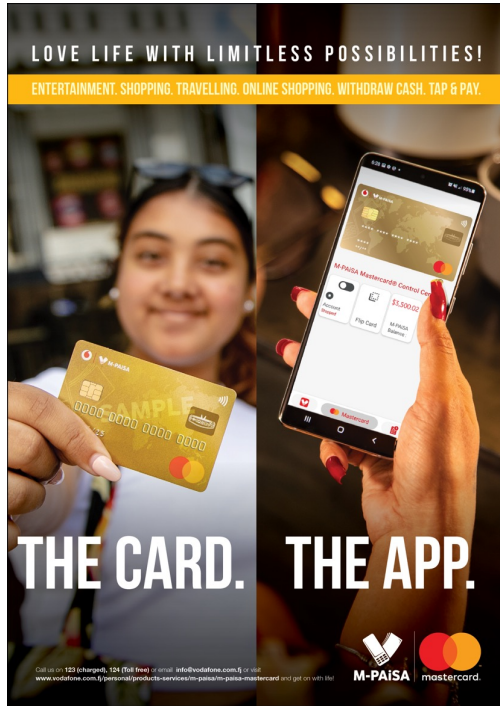
# Digital Wallets

Key point of contact between FIs and their customers

## Acquisition

- Promote via the app
- Apply via the app
- Card is provisioned into the app
- No need to attend a branch
- Digital provisioning allows faster access

The addition of the debit card allows for global usage



## In Summary



- Global payment innovation is within relatively easy reach of Pacific Island merchants and consumers
- Providers need to understand and appreciate that the innovation present less risk than previously thought
- The payment industry will continue to innovate
- We need to educate and advocate!





# Payment Innovation

(with a Pacific Lense)