



Welcome to the **February** edition of ACT News – Driving Insights. This complimentary service is provided by ACT Canada. Please feel free to forward this to your colleagues.

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## **ACT Canada Partners**

### **INGENICO** - *Payment Acceptance Solution Provider*

Ingenico Group is the global leader in seamless payment, providing smart, trusted and secure payment solutions to empower commerce across all channels, in-store, online and mobile. With the world's largest payment acceptance network, we deliver secure solutions with a local, national and international scope in 125 countries. For over 30 years, we have been the trusted world-class partner for financial institutions and for retailers, ranging in size from small merchants to several of the world's best known global brands. Our smart terminal and mobile solutions enable merchants to simplify payment and deliver their brand promise.

### **INTERAC** - *Payment Network Partner*

Interac Association is a recognized world leader in debit card services. Interac Association is responsible for the development and operations of the Interac network, a national payment network that allows Canadians to access their money through Interac Cash at 60,000 Automated Banking Machines and Interac Debit at 766,000 point-of-sale terminals across Canada. Interac Flash, a secure contactless enhancement of Interac Debit allows Canadians to pay for items instantly with their Interac chip debit card at a reader that supports Interac Flash.

## **New & Renewing members**

### **Principal Member**

Gemalto ~ member since 2005

### **General Member**

Accenture Strategy ~ member since 2015

Parkland Fuel Corporation ~ member since 2014

### **Associate Member**

Bennett Jones LLP ~ member since 2011



## Career Opportunities

Visit our career opportunities section for the latest opportunities - <http://www.actcda.com/information/careers/>

### Looking for good people?

There is a lot of movement in the market, so if you are looking for new employees, we are always aware of some great people. Please contact ACT Canada for more details - [postings@actcda.com](mailto:postings@actcda.com)

## Calendar of Events

### 2nd Internet of Things India Expo 2018

Mar 7-9, 2018

New Delhi, India

[www.iiotindiaexpo.com](http://www.iiotindiaexpo.com)

*ACT Canada Members receive a 20% discount*

### ACT Canada Forum (formerly Cardware)

Apr 30 - May 2, 2018

Niagara Falls, ON, Canada

[www.actcanadaforum.com](http://www.actcanadaforum.com)

*ACT Canada Members receive a 20-60% discount based on membership type*

### MoneyLIVE: Cards & Payments

Mar 12-14, 2018

Amsterdam, The Netherlands

<https://new.marketforce.eu.com/money-live/event/cards-payments/>

*ACT Canada Members receive a 15% discount*

### CardForum

May 7-9, 2018

Miami, FL, USA

[www.paymentssource.com/conference/cfe-2018](http://www.paymentssource.com/conference/cfe-2018)

*ACT Canada members receive a \$200 discount*

### Payments Summit, presented by the Secure Technology Alliance

Mar 26-29, 2018

Orlando, FL, USA

[www.stapayments.com](http://www.stapayments.com)

*ACT Canada Members receive a 20% discount*

### Loyalty Expo

May 15-17, 2018

Orlando, FL, USA

<https://loyaltyexpo.loyalty360.org/>

*ACT Canada Members receive a 20% discount*

### ATMIA Canada Conference 2018

Apr 24-25, 2018

Toronto, ON, Canada

[www.atmia.com/conferences/canada](http://www.atmia.com/conferences/canada)

### Money20/20 Europe

Jun 4-6, 2018

Amsterdam, the Netherlands

<https://europe.money2020.com/>

*ACT Canada Members receive a €200 discount*



## Articles

### 1. EDITORIAL - REVOLUTIONARY OR EVOLUTIONARY

*Source: Andrea McMullen, President, ACT Canada (02/27)*

In reviewing this month's news, I was struck with how familiar some of the stories seem – cryptocurrencies, wallets, new uses for QR codes, etc. It reminded me of a question posed when reviewing this year's speaker submissions, are the changes in our industry revolutionary or evolutionary?

Blockchain based cryptocurrencies and payments were all the rage when they were first introduced. Now we see the value of blockchain as underpinning credential and asset management rather than consumer payment.

In reviewing industry news, how do you know what will bring actual change? How do you determine how this will impact you? How soon do you need to know this? How does this impact all stakeholders? What are the questions we are not asking? And where do you go to find the answers?

The ACT Canada Forum explores the deeper questions. Join us in May as we bring together all stakeholders to exchange ideas, network and share insights on:

- Payments - Evolution or Revolution
- Fintech: After The Hype
- Digital Identity: Frictionless & Secure?
- Payments and Regulation
- Fighting Fraud & Securing the Ecosystem
- The Viability of Emerging Payments in the Canadian Market

*Additional themes and sessions will be released next week. Visit [www.actcanadaforum.com](http://www.actcanadaforum.com) for more details.*

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### 2. CANADA TO TEST INTERNATIONAL BLOCKCHAIN-BASED ID SYSTEM

*Source: Cryptovest (01/29)*

The Canadian government has become part of a digital ID and border security project in which travelers will share their digitized IDs with airports and authorities beforehand. The project, called Known Traveller Digital Identity, was



presented at recent meetings at the World Economic Forum (WEF) in Davos, Switzerland. Canada will work with the WEF and its partners.

Known Traveller Digital Identity aims to apply innovative technologies such as blockchain, artificial intelligence (AI), and biometrics to enhance security, simplify traveling procedures, and address efficiently cyber-terrorism threats, according to the WEF.

The Transport Canada state department is on the list of partners that also includes government agencies such as the US Department of Homeland Security and the Dutch Ministry of Security and Justice, as well as companies like Visa, Accenture, Google, and Hilton Worldwide. The International Criminal Police Organization (INTERPOL) will also take part in the project.

The system will work with an app where people can keep and share personal data with authorities before traveling. Canadian citizens could store their resident card, proof of different vaccinations, university degrees, a list of visited places, and more. Besides the app, the system will also use biometric data to help authorities streamline the screening process. All personal information will be held on the blockchain.

John Moavenzadeh, head of the WEF's Mobility System Initiative, was cited as saying: "With travellers providing access to verified personal biometric, biographic and historical travel data at their discretion, they can assist authorities to undertake risk assessments and pre-screening in advance: essentially verifying their identities and providing secure and seamless movement throughout their journey using biometric recognition technology."

The system is expected to undergo tests in more pilots, including one where Canada will be working together with the Netherlands to apply it in airports.

Canada's transportation minister Marc Garneau said the project would "provide opportunities to make security for air travel more efficient while improving the traveller experience."

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### **3. TD BANK HALTS ALLOWING CUSTOMERS TO USE CREDIT CARDS TO BUY CRYPTOCURRENCY**

*Source: CBC News (02/23)*

Toronto-Dominion Bank is halting the use of its credit cards to buy cryptocurrency as it conducts a review of the "evolving market." The recent decision follows moves by several U.S. banks to stop allowing credit card purchases of Bitcoin and other cryptocurrencies.



"At TD, we regularly evaluate our policies and security measures, in order to serve and protect our customers, as well as the bank," a TD spokesperson said in an emailed statement Friday.

The value of Bitcoin soared last year, trading for more than \$20,000 per Bitcoin. Since then, the value of the cryptocurrency has come off its all-time highs and trades for around \$13,000, but remains up significantly from where it was a year ago.

Royal Bank said Friday it does allow its credit and debit cards to be used for transactions involving cryptocurrency in limited circumstances. However, the lender also cautioned clients about the possibility of a sudden drop in the value of cryptocurrencies which "could expose them to substantially higher debt levels than they are able to repay."

"We do recognize that regulatory, risk and other external environmental factors relating to cryptocurrency continues to evolve," an RBC spokesperson said in an emailed statement. "As such, we continue to review our policies to consider how we can best support clients."

The Bank of Nova Scotia is also looking closely at its cryptocurrency transaction policy.

"We understand that regulatory and risk factors related to cryptocurrency continue to evolve and as a result, we are closely reviewing our policies with respect to cryptocurrency transactions," a Scotiabank spokesperson said in an emailed statement.

The Canadian Imperial Bank of Commerce and the Bank of Montreal did not immediately respond to requests for comment.

*TD Bank is a sponsor at the ACT Canada Forum. TD Bank, RBC, Scotiabank, and CIBC are members of ACT Canada; please visit [www.td.com](http://www.td.com), [www.rbc.com](http://www.rbc.com), [www.scotiabank.com](http://www.scotiabank.com) and [www.cibc.com](http://www.cibc.com).*

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#### **4. INTERAC E-TRANSFER PLATFORM DELIVERS RECORD USAGE IN 2017**

*Source: Interac Corp (02/22)*

The popularity of the Interac e-Transfer service continues to grow dramatically, as consumers and businesses used the platform in record numbers in 2017, making more than 241 million transactions, worth a total of more than \$92 billion. Data released today by Interac Corp. show this is a 52-per-cent increase in volume and a 44-per-cent increase in total value over last year's figures. Interac Corp. says three-quarters of people using online banking in Canada are registered



to use its Interac e-Transfer service, with 7.4 million unique active users every month.

“The consistent year-over-year growth in usage of the Interac e-Transfer service is a testament to its convenience and reliability among consumers, businesses and financial institutions in Canada who are always looking for ways to send, request and receive money,” says Debbie Gamble, VP Digital Product and Platforms, Interac Corp. “We’re incredibly proud to deliver a fast, secure and trusted digital money movement service to Canadians. Seeing Interac e-Transfer used at record levels strengthens Canada’s position to deliver a faster, more modernized payments system domestically and around the world.”

Gamble notes that Canadians like the convenience of using Interac e-Transfer as an alternative to cash or cheque, and use it more than any other digital P2P service\*. In 2017, Interac e-Transfer introduced two new features, Autodeposit and Request Money, making the user experience more streamlined and easier to use. With Autodeposit, for example, users can register to receive money directly into their bank account without the need for a security question, while Request Money allows them to use online or mobile banking to easily request funds owed from anyone in Canada.

Additionally, approximately one in six Interac e-Transfer transactions are conducted by a business. To a business owner, the ability to immediately request, send and receive money from anyone in Canada, and to easily send and settle invoices simplifies accounting processes. Businesses choose the Interac e-Transfer service because it is easy to use and eliminates reliance on cheques, allows for invoices to be settled in real time, offers easily trackable data, and ultimately reduces costs.

“Over the years, we’ve worked to optimize the Interac e-Transfer service to make it easier for our customers to use. Canadians use the service for everyday needs, like paying a friend back for dinner, splitting vacation costs, or sending and settling invoices,” says Gamble.

Stats at a glance:

- The Interac e-Transfer service is used on average over 660,000 times a day.
- The average Interac e-Transfer value is \$382 with 62% of all transactions under \$200 and 47% under \$100.
- The average Interac e-Transfer user sends three or more transactions per month.
- 76% of Interac e-Transfer transactions are deposited on a mobile device.





*Interac Corp. is a member of ACT Canada and a sponsor at the ACT Canada Forum; please visit [www.interac.ca](http://www.interac.ca).*

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## **5. GOOGLE PAY OFFICIALLY DEBUTS**

*Source: Mobile Payments Today (02/20)*

Google has officially released the new Google Pay app for Android, which brings all of the company's payments platforms under one umbrella with a new name to replace Android Pay.

The new app is available in the Google Play store.

"We're currently working on bringing Google Pay to all Google products, so whether you're shopping on Chrome or with your Assistant, you'll have a consistent checkout experience using the cards saved to your Google Account," Google wrote in a company blog post. "We're also working with partners online and in stores, so you'll see Google Pay on sites, in apps, and at your favorite places around the world."

The new app will sport all of Android Pay's features, with some additions. "If you live in the U.S. or the U.K., you'll be able to use it to send and request money within the next few months," Google wrote in the blog. "In the meantime, the Wallet app is now called Google Pay Send, and we've given it a fresh coat of paint to go with the Google Pay brand."

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## **6. G+D MOBILE SECURITY ENSURES SECURE DATA PROCESSING AND PROTECTION AGAINST CLONING AND MISUSE FOR THE VERIMI IDENTITY MANAGEMENT SOLUTION**

*Source: G+D Mobile Security (02/23)*

G+D recently joined the European data alliance VERIMI with partners like Allianz, Daimler, Lufthansa and Deutsche Telekom. VERIMI is the new European identity and data platform. This includes a safe and easy-to-use single sign-on functionality, but also the management of personal information. Its secure identity management solution for private customers and service providers is scheduled to be launched in Germany in late spring 2018. It will be secured with a solution developed by G+D Mobile Security, the Trusted Application Kit (TAK). TAK is designed to protect mobile apps against data, identity and know-how theft, fraud, identity misuse and malware. TAK ensures privacy compliant and secure processing of data and the security of iOS and Android apps.





Once officially launched, users can trust VERIMI to let them manage their identity and data securely, while service providers and online vendors benefit from highly secure user identification and authentication. Such a solution has to be developed and designed according to the highest and most advanced security standards. G+D Mobile Security's Trusted Application Kit was benchmarked against various US and French security providers and outmatched them thanks to its superior security and anti-cloning functionality. TAK is offered as a managed service and software package for integration in mobile apps.

"VERIMI is a perfect use case for the TAK solution as it ensures the integrity of apps and processes in a sensitive environment while supporting General Data Protection Regulation (GDPR) compliance and fast adoption," said Christian Schläger, Head of Cyber Security Product Management at G+D Mobile Security. "With the TAK solution for anti-tampering and anti-cloning, G+D has a unique position in the market, as these ingredients are a must for identity management and secure business processes."

"VERIMI draws its strength from its partners and investors and is driven by the growing realization among users that identity, privacy and security are something to value and protect," said Donata Hopfen, CEO of VERIMI. "The partnership with G+D enables us to use the best security and protection available for our mobile offerings. We do that not only to secure our solution but most importantly to make the lives of our customers easier and more secure."

The TAK solution uses a simple software toolkit and strengthens the app's security by a connection to a secure G+D data center, thus preventing misuse and detecting fraud, regardless of vendor, model and OS. Services are all delivered out of Germany and are GDPR compliant, thereby helping app providers to be GDPR compliant as well. Reference use cases for TAK include transit, transport, banking, security and government.

*G+D Mobile Security is a member of ACT Canada and a sponsor at the ACT Canada Forum, please visit [www.gi-de.com/mobile-security/](http://www.gi-de.com/mobile-security/).*

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## **7. MASTERCARD ENGAGE EXPANDS TO HELP BUSINESSES CREATE NEW WAYS TO PAY**

*Source: Mastercard (02/26)*

People today are more connected, more technologically savvy and more mobile. As a result, issuers, merchants and device manufacturers seek to provide them more innovative ways to pay and be paid across all channels and devices. Bringing these solutions to life depends on an ability to find the right service provider who can work behind the scenes to integrate the technology. MasterCard unveiled the latest expansion of the MasterCard Engage platform to connect more



customers with service providers who are working to bring these products to market more easily.

Since its launch in February 2017, the platform has tripled the number of participating vendors. These vendors have indicated their capabilities include deploying digital wallets, enabling tokenization, facilitating instant payouts and launching mobile point of sale solutions, among others.

Engage now has more than 150 participants across four digital business verticals, many of whom are actively serving the company's customers at the global and regional levels. Customers who decide to work with these vendors will likely eliminate the need to experiment with unfamiliar technologies on their own, reduce the risk of troubleshooting during projects and increase their speed to market.

"Today's digital world unlocks new opportunities for businesses, but they need the right resources to turn their ideas into reality," says Kiki Del Valle, SVP of Commerce for Every Device. "By expanding Engage to connect more customers with the right partners, they are able to independently assess those partners and focus on the bigger picture of making a positive impact around the world."

The expanded MasterCard Engage platform is now enabling a full payments ecosystem for issuers, merchants and IoT device manufacturers.

### Issuers

Issuers benefit from MasterCard Engage by identifying 22 vendors including Giesecke & Devrient who can more easily tokenize and digitize card portfolios and deploy their own Masterpass-enabled digital wallets. In addition, Inside Secure has expanded its participation in this directory to now integrate Masterpass QR APIs into digital wallets so they can also accept QR payments.

### Merchants

MasterCard Engage will now have a directory that provides merchants with access to 100 vendors who are self-certified for mobile point of sale solutions. The company also has plans to add vendors to a directory that will help merchants integrate MasterCard Send and MoneySend for instant payments.

### IoT Device Manufacturers

Manufacturers of IoT devices can work with MasterCard Engage partners to enable these devices with secure payments through the MasterCard Digital Enablement Service. Of the vendors in this directory, Fit Pay has indicated it



expects to payments-enable more than 9 million wearables in 2018 based on its relationships with device manufacturers.

MasterCard anticipates Engage will continue to expand in 2018 with the addition of more vendors and new directories to support a variety of payments innovations.

*MasterCard is a member of ACT Canada and a sponsor at the ACT Canada Forum; please visit [www.mastercard.com](http://www.mastercard.com).*

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## **8. ENSTREAM ANNOUNCES ENHANCED CONSUMER IDENTITY VERIFICATION SERVICES**

*Source: PR Newswire (02/22)*

EnStream, a joint venture of Bell, Rogers and TELUS, announced enhancements to its portfolio of identity verification and device authentication services that use real-time mobile network and account information to protect and confirm a consumer's online identity. The new services include enhanced analytics for name and address matching, mobile device authentication and mobile location services covering over 90% of the Canadian market, without requiring any pre-loaded software on mobile devices.

"Validating identity is perhaps one of the biggest challenges on the Internet today, especially with the move to mobile," said Robert Blumenthal, Chief Identity Officer at EnStream. "Unlike other threat detection systems, real-time information about mobile subscribers and their devices provides reliable and definitive information to improve the user experience while mitigating risk and fraud."

EnStream services are used today by a wide variety of customers and applications with end-user consent, including:

- Banking and Financial Services - As an independent data source for Anti-Money Laundering (AML) compliance, as well as device and contact number verification
- Retail and Payments - Instant credit card issuance and account opening
- Lotteries and Gaming - Location verification for service delivery
- Roadside Assistance - Enhanced vehicle tracking and dispatch
- Transportation & Logistics - Vehicle tracking and routing

EnStream's identity verification services are secure and private - no personally identifiable information is provided to third party companies without end-user consent. EnStream services are available directly from EnStream or in conjunction with enhanced services from trusted partners, including Infobip, LocationSmart, SecureFact, SecureKey, TransUnion, and Zumigo.



*EnStream, Rogers, and SecureKey are members of ACT Canada; please visit [www.enstream.com](http://www.enstream.com), [www.rogers.com](http://www.rogers.com) and [www.securekey.com](http://www.securekey.com).*

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## **9. MOBEEWAVE EXTENDS MPOS PRODUCT TO SAMSUNG DEVICES**

*Source: Mobile Payments Today (02/22)*

Montreal-based Mobeewave has signed a global partnership agreement with Samsung Electronics that will enable Mobeewave to offer its patented in-person contactless payment acceptance product on Samsung devices, according to a press release.

Mobeewave offers this technology to banks as a white-label product, a company spokesperson told Mobile Payments Today. It can then be offered to the banks' clients in one of two ways: either as an app they download onto a Samsung device or it can be integrated into a bank's existing app as an additional feature.

The product enables users to accept payments from a contactless card or mobile wallet using only their phone — essentially turning a smartphone into a payment terminal. Under the terms of the agreement, which came into effect on Jan. 1, Mobeewave's product will be available for commercial use on Samsung flagship devices in targeted markets around the world.

Designed with an emphasis on security, Mobeewave's patented technology encrypts personal user information and ensures no sensitive data is saved on the device. It will be available for commercial use on the Samsung Galaxy S7, S7 edge, S8, S8+ and Note8.

"We're delighted to partner with a true innovator like Samsung," Maxime de Nanclas, COO and co-founder of Mobeewave, said in the release. "Providing our patented contactless payment acceptance solution through Samsung's flagship devices will enable merchants in markets around the world to enter the digital economy."

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## **10. INGENICO DEPLOYS GOOGLE PAY SMART TAP**

*Source: Ingenico (02/16)*

Ingenico Group enrich consumer experience at the point of sale. With the deployment of Google Pay Smart Tap, mobile-connected shoppers can now transfer their loyalty information, coupons and more as they pay with their mobile phone.



Payment is at the heart of the purchasing experience. Google Pay's Smart Tap technology enhances the checkout process and makes it seamless for consumers. All Ingenico terminals natively support NFC wallets, and by simply holding their phones to NFC POS terminals, consumers can transmit loyalty cards, gift cards and offers - with Google Pay.

This solution will increase the use of loyalty programmes during the payment process, building on Ingenico's expertise in securing payment data and integrating loyalty operations into regular payment transactions. It will also increase brand loyalty and ease the opt-in process for consumers by limiting the opt-in information required via tap to enrol.

"We are pleased to enhance consumer experience at the point of sale with Google Pay Smart Tap. We are convinced of its relevance for merchants as it reduces the complexity of managing loyalty programmes. This illustrates our commitment to providing ever more value for merchants. We are excited to start integrating Google Pay Smart Tap in the UK, as a first step in an international deployment." Michel Léger, EVP Innovation, Ingenico Group.

"We're excited to work with Ingenico to enable brick and mortar merchants of all sizes to make payment smarter and more seamless for their mobile-connected customers." Pali Bhat, VP of Product Management at Google, Payments.

*Ingenico is a member of ACT Canada and a sponsor at the ACT Canada Forum; please visit [www.ingenico.com](http://www.ingenico.com).*

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## **11. PAYMENTS MODERNIZATION COULD SAVE BUSINESSES BILLIONS**

*Source: Payments Canada (02/06)*

The way Canadian businesses process payments costs them \$2.9 to \$6.5 billion annually, according to a new study by Payments Canada and Ernst and Young LLP (EY Canada).

According to the report, delays in payments processing and a lack of data and transparency in payment messaging create a number of inefficiencies for small, medium and large enterprises, including:

- Labour-intensive matching of customer payments to invoices.
- Poor visibility into supply chain and collections.
- Limited predictability of cash inflows and outflows.
- Difficulty tracking cross-border payments.
- Continued reliance on manual processes and legacy technology.



“The modernization of Canada’s payment systems – specifically the introduction of faster, safer and more data-rich payments – will bring highly efficient options to Canadian businesses that will lower operational costs and boost bottom line returns over time,” said Gerry Gaetz, President & CEO of Payments Canada. “Business leaders can prepare to take advantage of the changes now by paying more attention to the way they make and receive payments, examining the inefficiencies in their existing processes and becoming more informed about the coming changes to national payment systems.”

The introduction of new systems, rules and standards as part of Payments Canada’s Modernization program will foster a faster, safer and more data-rich payments environment. Besides the introduction of new systems for high-value, batch retail and real-time payments – which will operate under an enhanced risk, regulatory and rules framework – the primary efficiency enhancement for businesses is anticipated to come from adopting the ISO 20022 data standard.

The ISO 20022 standard is being adopted by businesses and financial institutions around the world and is becoming the standard language for electronic funds transfers globally. The standard enables the transfer of rich data with payments, a change that has the potential to improve automation and efficiency, reducing many of the pain points in accounts payable and receivable, particularly for those organizations processing large volumes of payments.

In 2011, the Task Force for the Payments Systems Review found that a modernized payments system could save the Canadian economy up to \$7.7 billion annually. Supplementary research by Payments Canada in 2015 indicated the cost savings of adopting ISO 20022 could be upwards of \$1 billion annually simply from a reduction in the use of cheques. While the scope of these studies differed slightly in their measurements of payments modernization, together they point to significant benefits and opportunities on the part of Canadian businesses.

“The case for a modern payments infrastructure in Canada is strong,” said Ron Stokes, Partner and FinTech Leader at EY Canada. “There are many opportunities to deliver significant efficiency gains for the Canadian business community without compromising safety and security. By modernizing and building a scalable, future-oriented payments infrastructure, Canada will continue to promote innovation and strengthen its competitive position in the global economy.”

How will business and the economy as a whole gain from a new, more modernized payments infrastructure?

- Enhanced analytics and faster reconciliation from larger and richer data
- Simplification of accounting processes
- Increased productivity and re-deployed capacity
- Reduced operational risk
- Improved cross border capabilities





- Greater interoperability across platforms
- More flexible and open architecture to spark value-added innovations
- Increased adaptability to future technological innovations

Full details of the report, including best practices from other international jurisdictions, core supplemental benefits for business-to-consumer, business-to-business and consumer-to-business transactions, and innovation opportunities for PayTech and FinTech are available for download at [https://www.payments.ca/sites/default/files/report\\_costs\\_of\\_payments\\_processing\\_eng\\_final\\_2018.pdf](https://www.payments.ca/sites/default/files/report_costs_of_payments_processing_eng_final_2018.pdf).

The study was undertaken by EY Canada and Payments Canada in fall 2017 and involved both quantitative analysis from study participants and qualitative-based interviews with Canadian small, medium and large corporations, as well as payment professionals in Canada and globally.

*Payments Canada is a member of ACT Canada; please visit [www.payments.ca](http://www.payments.ca).*

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## **12. PAYMENT SOURCE NOW ALLOWS YOU TO PAY YOUR TAXES USING A QR CODE**

*Source: Betakit (02/22)*

Payment Source is partnering with the Canada Revenue Agency, allowing Canadians to make tax payments at 6,000 Canada Post locations across the country. Beginning this year, CRA remittance forms for T1 taxes will contain an embedded QR code, powered by Payment Source's Loadhub technology, which is integrated into Canada Post's system. When scanned, these codes allow Canadians to make their tax payments in-person using cash or debit at any Canada Post location.

"We are pleased to continue to support the CRA with their tax payments and are constantly looking for ways to improve the experience for the taxpayer," said Robert Hyde, VP of Payment Services for Payment Source. "In-person payment at Canada Post continues to be a great solution for those in more remote regions where traditional banking services are less accessible." In-person payments made at Canada Post locations through the use of these codes are immediately received by the CRA, making them an ideal option for last-minute taxpayers. Payment Source has been partnering with several companies to expand the use of its Loadhub tech, including Amazon, which now allows users to add money to their Amazon accounts at Canada Post; and Paytm Labs, India's largest mobile payments provider.

*Canada Post is a member of ACT Canada; please visit [www.canadapost.ca](http://www.canadapost.ca).*

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### **13. DOXIM AND COLLABRIA LAUNCH A PARTNERSHIP TO POWER INNOVATIVE PAYMENT SOLUTIONS FOR OVER 200 FINANCIAL INSTITUTIONS IN CANADA**

*Source: Collabria (02/12)*

Doxim announced that it has partnered with Collabria Financial Inc. (Collabria), a top provider of state-of-the-art, customized credit card solutions to Canadian financial institutions and their customers.

Doxim will initially support Collabria with the processing, fulfillment, e-presentation and archiving of business-critical statements for over 200 financial institutions. Collabria chose to collaborate with Doxim on this initiative because of the organization's successful track record of partnerships with 1,700+ financial services firms, and the flexibility of its modern, omnichannel statement solutions. The newly-forged partnership will allow Collabria to offer more personalized, enhanced cardholder statements to its financial institution clients, creating a better overall experience for their valued customers.

"Collabria is excited to partner with Doxim to further enhance the programs we deliver to our partners. Doxim has significant experience in the Canadian credit union and banking industry and partnering with them will allow Collabria to leverage their experience and their statement processing solution to provide a superior cardholder experience. By implementing the Doxim statement processing solution, cardholders will experience a more targeted and personalized statement experience that reflects their needs and reinforces the positive relationship they have with their credit union, bank or other partner."

"Collabria is well respected in the industry for the innovative solutions it offers to hundreds of Canadian financial institutions," said Doxim President and CEO Chris Rasmussen. "The Collabria team needed a partner to support their exponential growth and diverse client base with the ability to customize messaging and branding for each organization they serve, and Doxim's statement solutions fit the bill. We're excited to help Collabria provide easy to read, attractive and colorful statements and enable omnichannel delivery so each of its clients can make a great impression on their end customers."

"Long-term, the sky's the limit for this partnership" said Rasmussen. "Both Doxim and Collabria are fast-growing and innovative companies with deep expertise in the Canadian credit union and community finance system, and we see real opportunities for our organizations to collaborate in the future and bring best-in-class services to more credit unions and banks than ever before."

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*Collabria is a member of ACT Canada; please visit [www.collabriafinancial.ca](http://www.collabriafinancial.ca).*

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#### **14. FIT PAY INTRODUCES UNIQUE SPIN ON BITCOIN RETAIL PAYMENTS**

*Source: Mobile Payments Today (02/22)*

Fit Pay Inc., a wholly owned subsidiary of NXT-ID Inc., is now accepting preorders for Flip, a new contactless payment device that enables cryptocurrency holders to use the value of their currency to make purchases at millions of retail locations, according to a press release.

The device, announced earlier this month, uses value exchanged from cryptocurrency to make traditional payment transactions. "Flip represents an exciting expansion of the FitPay Payment Platform by connecting cryptocurrencies to the payment ecosystem," Michael Orlando, COO of NXT-ID and president of Fit Pay, said in the release. "We founded Fit Pay to fundamentally change the payment experience, and making contactless payments with cryptocurrency is a big step toward that goal." Flip's NFC antenna allows it to transact payments at any retail point of sale location that accepts contactless payments. Flip will store a preloaded amount of U.S. dollars that are exchanged from the user's existing cryptocurrency account. It includes a digital wallet that enables the user to set how much value they would like their Flip to hold and when they would like it to reload. Flip does not need to be charged. Initially, Flip will accept value exchanged from bitcoin and will potentially expand to other cryptocurrencies in the future, according to the release.

Consumers interested in purchasing Flip can preorder the device at [FliptoPay.com](http://FliptoPay.com). The retail price for Flip is \$29 with standard shipping included. There are account and exchange fees associated with maintaining a Flip digit wallet. Initial deliveries are expected in the second quarter of 2018. Customers will only be charged when the product is shipped to them. Flip is currently only available in the U.S.

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#### **15. SUN LIFE ANNOUNCES ANOTHER INDUSTRY FIRST AND JOINS FORCES WITH A LEADER IN BLOCKCHAIN TECHNOLOGIES**

*Source: SecureKey (02/07)*

Sun Life is the first North American insurer to join forces with SecureKey for Verified.Me, using Blockchain technology to make it easier for Clients in Canada to instantly verify their credentials and enhance their digital experience. This collaboration will make it even easier for Clients to do business with Sun Life, enabling them to conveniently and securely share identity information using other trusted providers, such as banks, telcos and governments.

"As part of our relentless focus on making it easier for our Clients to do business with us through new digital capabilities, we are proud to team up with SecureKey to offer an even more simplified online experience," said Mark



Saunders, Executive Vice-President & Chief Information Officer, Sun Life Financial. “As we take the next step along our digital transformation journey, we’ll soon be able to streamline and simplify the onboarding process for new Clients by using SecureKey’s permission-based tools and Blockchain security to instantly verify personal information.”

Sun Life expects to introduce this technology to its Clients in Canada in the coming months. Some of the benefits include:

- Blockchain based solutions designed to make it easier for Clients to share their credentials in an efficient and secure way.
- Seamless and real-time identity verification process for new Clients to streamline digital offerings.
- Quick and easy data updates to information, enabling sharing of the most current, verified Client data.

“We are very excited for Sun Life to join the Verified.Me ecosystem,” said Greg Wolfond, Founder and CEO, SecureKey Technologies. “Through this strategic relationship, Sun Life is reinforcing its commitment to providing the best possible digital experience for its Clients.”

The new collaboration is the latest move by Sun Life as it continues to transform its business by advancing the company’s digital strategy and exploring innovation-led collaborations. Sun Life has developed the highest rated insurer mobile app for Clients in Canada and recently launched Ella, its digital coach, for Group Plan members and retail Clients.

*SecureKey is a member of ACT Canada, please visit [www.securekey.com](http://www.securekey.com).*

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## **16. FIME ACCREDITED TO DELIVER INTELLIGENT E-TICKETING TESTING AND CERTIFICATION SERVICES**

*Source: FIME (02/15)*

FIME’s EMEA laboratory has been accredited by CNA-Paycert in line with the Smart Ticketing Alliance (STA)<sup>1</sup> ticketing scheme to deliver ISO CEN 16794 testing and certification services for analogue and digital RF transit ticketing readers. The accreditation, delivered by CNA-Paycert<sup>2</sup>, enables public transport integrators, chip manufacturers and contactless reader vendors to validate the compliance of products (such as ticket machines, gates and validators) with STA’s latest transportation fare media standard, which defines the protocols for contactless communication.

Since 2008, FIME has been working with Île-de-France Mobilités (formerly STIF)<sup>3</sup>, the regional authority for transportation in Paris, as the exclusive lab



testing provider for its RCTIF 4.0 specification, which aims to achieve interoperability across the city's ticketing systems.

With this latest ISO/CEN 16794 for PCD accreditation, FIME has expanded its portfolio of EMEA lab services for the transit market. It can now support the ecosystem with conformance testing to drive adoption of the RCTIF standard and aid the market's transition to the new ISO standard both in Paris and across other European cities. As open payment solutions become increasingly popular in transit, FIME's services will also drive the integration of EMV open-loop ticketing, allowing travellers to simply use their contactless payment cards to access the transport network.

"Across Europe, buzz is growing around smart cities, with the move to more intelligent transportation systems at the heart of this vision to provide travellers with quicker, more convenient ticketing options," comments Myung-Hwa Calais, Head of Transport Sector, at FIME. "The ISO/CEN 16794 and RCTIF RF standards are driving the interoperability of validator devices like gates and vending machines. For European transport players like transport authorities and operators, this has the potential to harmonize automated fare collection systems across the continent."

"We're determined to support this exciting time for the industry, not only in the adoption of open standards, but to deliver services such as mobile ticketing and the acceptance of EMV open-loop payments. Upgrading systems to support these new services can be a costly and complex process. With our latest accreditation, we're able to offer a quick, one-stop-shop service to achieve ISO, RCTIF, NFC Forum and EMV certification for transit ticketing solutions."

*FIME is a member of ACT Canada; please visit [www.fime.com](http://www.fime.com).*

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## **17. ACTILITY AND IDEMIA ANNOUNCE THEIR COLLABORATION TO DELIVER SEAMLESS, SECURE CONNECTIVITY FOR LORAWAN AND LTE-BASED IOT**

*Source: IDEMIA (02/26)*

To achieve its full potential, IoT requires flexible deployment and seamless connectivity between multiple different networks. Actility's roaming aggregation of LoRaWAN networks combined with IDEMIA's M-Trust Secure Services platform, removes the complexities of connecting IoT devices and allows frictionless connectivity management.

The combination of solutions from Actility and IDEMIA allows Mobile Network Operators, IoT device manufacturers, IoT service providers and solution vendors to conveniently activate and secure devices and seamlessly move from



one IoT network to another, whilst ensuring the security between the device and the selected network.

This solution combines Actility's ThingPark IoT connectivity platform for LPWANs with both IDEMIA's M-Trust Secure Services platform for securing LTE and LoRaWAN credentials and communication, and IDEMIA's M-Connect, the industry leading subscription management platform to manage eSIM credentials.

"We want to simplify the production, supply chain and customer experience of globally deployed devices and bring always-on connectivity for both LoRaWAN and LTE IoT devices. This partnership helps solve all the major logistics pain points of OEMs looking at these two key wireless IoT technologies." Yves Portalier, Executive Vice-President for Connected objects activities at IDEMIA

"By bringing better performance, improved security and seamless scaling to managing thousands and ultimately millions of devices across rapidly-growing IoT networks, this partnership between IDEMIA and our company will accelerate the digital transformation of businesses and industries whilst providing unmatched performance and flexibility." Olivier Hersent, CEO of Actility

*IDEMIA is a member of ACT Canada; please visit [www.idemia.com](http://www.idemia.com).*

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## **18. ENTRUST DATACARD AND GEMALTO PARTNER TO DEPLOY EFFORTLESS AND AFFORDABLE INSTANT ISSUANCE**

*Source: Gemalto (02/07)*

Gemalto has joined forces with Entrust Datacard to provide a unique, SaaS-based instant issuance solution for U.S. financial institutions.

Instant issuance is a must-have for financial institutions. In 2006, instant issuance began to penetrate the payment card industry, and banks were presented with the opportunity to set themselves ahead of their competition by providing consumers with a higher level of service and differentiated products. With additional benefits to the solution, it has now become critical for financial institutions to integrate instant issuance into their portfolio. Aite Group's Tiffani Montez agrees: "The ability to instantly issue a card in a branch was a luxury in the past, but as more and more issuers implement this capability, it is slowly moving from a nice-to-have to a must-have."

Aite's research also shows that from 2017 to 2021, the number of North American financial institutions who have implemented instant issuance will jump from 3,312 to 5,483, representing 55% market adoption.



Strengthen customer relationships and accomplish business goals with optimized time, increased activation and cost savings. By coupling Entrust Datacard's industry-leading instant issuance solution and ease of deployment with Gemalto's SaaS platform, the barriers of entry are lowered so that financial institutions of any size can profit from the many benefits of a SaaS-based instant issuance solution.

With complete control over card delivery, the wait for a new card – whether for normal issuance cycle or because of loss or theft – is practically eliminated. Instead, banks can now use that gained time to focus on customer relationship, improve engagement and cross-sell additional products and services.

Furthermore, cards instantly issued in the branch have proved to increase activation rates by 82 percent and usage rates by 32 percent. Combined with the cost savings linked to reduced waste and postage, but also to IT overheads thanks to SaaS-based seamless implementation, financial institutions can see an uptick in profit.

Gemalto and Entrust Datacard's partnership brings together the industry's widest portfolio of issuance systems and a secure, future-proof, reliable solution to help financial institutions save money, maximize time and build stronger customer relationships.

A hosted end-to-end solution for easy, affordable and fast card issuance in the branch. With this combined solution, Entrust Datacard's instant issuance printers are installed and set up at the branch. State-of-the-art EMV cards can then be personalized and printed on-demand while the issuance software is hosted by and remotely managed from Gemalto's secure, cloud-based SaaS infrastructure.

*Gemalto is a member of ACT Canada and a sponsor at the ACT Canada Forum, please visit [www.gemalto.com](http://www.gemalto.com).*

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## **19. OTTAWA'S MOTION PAY BRINGS CHINESE PAYMENT GIANTS TO CANADA**

*Source: Ottawa Business Journal (02/15)*

An Ottawa fintech firm has brought China's two biggest payment platforms to more than a thousand Canadian merchants after just a year in business, with plans to expand to the U.S. next month.

Motion Pay allows merchants to accept payments in-store and online through Alipay and WeChat Pay, the two platforms dominating the mobile payments market in China. More than 1,000 businesses around Canada – including local clients such as the Westin Hotel and numerous retailers in the city





– have Motion Pay’s custom point-of-sale devices, which can process transactions in Chinese currency through QR code-based payment systems. The firm has processed C\$25 million worth of transactions in the past year.

Co-founder and CEO Riven Zhang tells Techopia that the opportunity for Motion Pay has come from the explosion in popularity of QR code-based payments in China. For the longest time, he says, cash was the default for transactions large and small in the country.

“Before 2016, everybody carried a lot of cash. I mean, loads of cash, like ten thousand dollars in the pocket. Unbelievable!” he says.

But when he returned home to the country for a visit in late 2016, he was shocked by the prevalence of QR codes. Even the small breakfast joints on the street corner were accepting payments this way, he says.

The popularity is easy to understand. WeChat Pay was born of Tencent’s WeChat, an already massively popular Chinese messaging platform; Alipay came from the Amazon-esque Alibaba, which runs a marketplace where many residents make regular purchases.

These companies are not just playing with pocket change: China’s mobile payment market is estimated to be worth up to US\$5.5 trillion, and together they hold roughly 90 per cent of that market share.

So when Zhang set out to bring this payment method back in Canada, he went right to the source. He managed to set up meetings with the creators of both Alipay and WeChat Pay, and by the end of 2016 – without a shred of functional technology – Zhang had signed deals to bring the two biggest payment platforms in China to Canada.

### Never hurts to ask

According to Statistics Canada, roughly 650,000 Chinese tourists visited Canada in 2017. Add to that the more-than-130,000 Chinese students attending Canadian universities – China is the largest sending market for Canadian education, according to ICEF Monitor – who are each staying four or more years, and that’s a sizeable market that retailers don’t want to miss.

There’s also the matter of recent restrictions from the Chinese government itself. At the end of last year, China put a US\$15,000 annual overseas withdrawal limit on its citizens travelling abroad. Additionally, Chinese nationals are limited to purchasing approximately US\$50,000 worth of foreign currency each year.





Motion Pay's system, which lets users pay directly in Chinese yuan, effectively skirts this issue.

When Zhang got back to Ottawa, jeweler Birks was the firm's first client. He says he walked into the store's Rideau Centre location in early 2017 and asked if they'd be interested in using the firm's product to process transactions for Chinese visitors.

"It's not just a product. It's basically a marketing tool to attract more Chinese customers," Zhang says.

That pitch got Zhang a meeting in Montreal with one of the firm's vice-presidents. He still didn't have a prototype yet, so during his first sales pitch, he was drawing on whiteboards to explain the concept.

### Staying in motion

Motion Pay did a press release after the Birks purchase, and Zhang says the phone calls "started to just fly in." Major brands such as Hugo Boss, Dior and Ecco Shoes have since joined.

It helps that the system has a security edge over traditional card payment systems. The QR codes on WeChat Pay and Alipay are scrambled every minute, so even if someone got a screengrab of one of your codes, it'd be useless a few seconds later. Passwords are also required for larger purchases, but aside from that, the system is as secure as your smartphone.

Zhang says the QR code technology "leapfrogged" credit cards in China, where tap-based payments haven't really caught on.

"This is much, much better than credit cards," he says.

Motion Pay is headquartered in Ottawa – its offices are on Hunt Club road in the same complex as the T&T Asian supermarket – and it has sales teams in Vancouver and Toronto. Zhang says he's gotten calls about bringing the technology to Middle Eastern countries as well, but the firm "doesn't have the manpower" at the moment to tackle that market.

By the end of March, however, Zhang expects Motion Pay will launch south of the border. Most of the preparation has been clearing the expansion with U.S. banks, but the due diligence process is wrapping up soon, he says. The fintech firm is now looking to raise money to build up its marketing budget.

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## **20. WORLDPAY LAUNCHES DATAEDGE FOR FINANCIAL INSTITUTIONS**

*Source: Worldpay (02/22)*

Vantiv, now Worldpay, Inc., announced the release of DataEdge for Financial Institutions (FIs), a data insights and analytics tool powered by Worldpay's Vivid Data Engine™. DataEdge for FIs is an advanced reporting solution that gives banking professionals convenient and immediate access to credit and debit card portfolios through a single dashboard. Through this offering, Worldpay's FI clients have access to a total picture of their credit and debit card issuing portfolio providing meaningful and actionable intelligence in a convenient web-based tool.

"DataEdge for FIs' analytics provides a great summary of your card platform with a few simple clicks of the mouse," said Heather Fleck, vice president of operations at Railway Credit Union. "The data is displayed in presentation-ready graphics that include your credit union-specific trends right alongside your current or future peer groups."

DataEdge for FIs is a secure, single sign-on web-based solution accessible through Worldpay's iQ portal. Within DataEdge for FIs, Worldpay's clients have access to two years of portfolio performance trends, as well as intelligent benchmarking that helps FIs understand how their performance compares to other issuers. For deeper analysis, DataEdge for FIs provides access to underlying details about key performance indicators allowing for extended research and customized reporting.

"Clients using DataEdge for FIs can easily see and manage their card portfolio and optimize growth strategies," said Brent Badger, vice president of data and insights products at Worldpay. "With an intuitive dashboard view and an easy export function, board-ready reports can be compiled efficiently, reducing a day's work to just a matter of minutes."

By combining Worldpay's unique market position, ecosystem connections, and business intelligence, the Vivid Data Engine has become the foundation for the company's line of data products. "Vivid will continue to deliver innovative solutions that enable partners and clients to use data as a strategic advantage to act on trends as they emerge," said Nicole Jass, vice president of data and fraud products at Worldpay.

*Worldpay, Inc. is a member of ACT Canada; please visit [www.worldpay.com](http://www.worldpay.com)*

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## **21. SHAKEPAY LAUNCHES PRIVATE BETA OF CRYPTOCURRENCY MOBILE WALLET FOR CANADIAN MARKET**

*Source: Mobile Payments Today (02/22)*

Shakepay, a Montreal-based fintech startup connecting users with their digital money, has announced the beta launch of its latest platform, a multi-currency, peer-to-peer mobile wallet that enables Canadians to buy and sell bitcoin and other cryptocurrencies, according to a press release.

Shakepay users can now purchase bitcoin directly from their phones with just one click. Built for mobile, the platform also enables users to send and request Canadian Dollars and bitcoin, directly on the app, to and from other Shakepay users.

Funds are added to Shakepay mobile wallets via Interac e-transfers. Users can also cash out their Canadian Dollar balances to their Canadian bank accounts, with their funds being deposited within 24 hours. Shakepay charges what it calls a competitive 1.75-percent fee on top of BTC-to-CAD and CAD-to-BTC market rates. There is no fee to send and receive Canadian Dollars and bitcoin to and from other Shakepay users. Additionally, Shakepay does not charge users a fee to transfer Canadian dollars to their mobile wallets.

"We're seeing a huge rate of adoption in the cryptocurrency space and we're excited to launch the new Shakepay product to the Canadian market, one that is severely underserved," Jean Amiouny, Shakepay co-founder and CEO, said in the release. "Shakepay is the fastest way for Canadians to buy and sell digital currencies directly from their mobile phones."

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## **22. INTERAC ASSOCIATION AND ACXSYS CORPORATION JOIN TO FORM INTERAC CORP.**

*Source: Interac Corp (02/05)*

Interac Association and Acxsys Corporation announced that they have completed a reorganization of their corporate structure resulting in an amalgamated entity called Interac Corp. Operating as a single corporate entity will give Interac Corp. the ability to better fund innovation and leverage resources, while at the same time reducing certain business, operating and legal complexities.

"This is an important milestone for Interac and a critical step in our continued success as one of Canada's leading, economical payments providers," says Mark O'Connell, President and CEO of Interac Corp. "Our new corporate structure will allow us to better invest in our innovation pipeline and potential, while continuing to provide the essential payment services that millions of Canadians, thousands of businesses and hundreds of financial institutions rely on every day."



Historically, there have been two providers of different Interac-branded products and services, Interac Association and Acxsys Corporation. Interac Corp. brings all these products and services together into one company with a single Board of Directors comprised of the CEO, four independent directors and eight directors nominated by financial institution shareholders.

A highly competitive and rapidly-changing payments space drives Interac's need to change its corporate structure. New and existing players and the growth of fintech are contributing to a thriving digital economy. New mobile and digital payments are demanding rapid technology changes and ongoing modernization efforts by government are further changing the landscape.

"It's a big moment for us at Interac – in our history and for our future" says O'Connell. "I'm proud of how the industry, from our members, shareholders, regulators and stakeholders, have supported the change. I'm confident that this change will further innovation that ultimately help move Canada's digital economy forward."

Interac Corp. will continue its commitment as an economical payment acceptance option for merchants and consumers and an alternative to the global credit card schemes. Most importantly, Interac Corp. will be well-poised to meet Canadian consumers' growing expectations to move their money, pay and be paid anywhere, anytime and however they want.

"Our innovations – including Interac e-Transfer and enabling mobile wallets for example – and our track record prove that we are a Canadian-made force in today's modern digital economy," says O'Connell. "Our company will no longer be constrained by a complex organizational structure, which means we can be more flexible, nimble and timely in how we invest in our products, partnerships and people."

Over the past several years, Interac and its shareholders have invested heavily in leading capabilities in the contactless, mobile and digital payments space. Interac was among the first domestic networks in the world to enable mobile payment solutions. The Interac e-Transfer platform was enhanced with new features that help Canadians send, request and receive their money quickly and conveniently. Interac Corp. will be better positioned to invest to stay at the forefront of payments technology trends under the new company structure.

*Interac Corp. is a member of ACT Canada and a sponsor at the ACT Canada Forum; please visit [www.interac.ca](http://www.interac.ca)*

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## **23. BIOMETRICS SWIFTLY BECOMING THE GLOBAL STANDARD FOR PAYMENTS**

*Source: Finextra (02/12)*

We're all aware of how readily available biometrics are by this point. If you aren't approving that purchase of a cup of coffee you just made with Face ID you probably unlocked your smartphone with a fingerprint, or use that fingerprint to log into your banking app. But consumers aren't the only ones with their eye on biometrics as a convenient way to secure access to the things they consider important. Many financial institutions and governments have already embraced biometric authentication as the standard for verifying the identity of customers opening accounts, requesting services, and making payments.

And we're not just talking about purchasing cups of coffee either.

### Goodbye Chip & PIN

It seems like just a year ago that we were heralding the benefits of Chip & PIN for securing our card-based transactions. But by the end of 2017, we saw statistics that financial fraud has actually risen since this technology was introduced in some areas. And now, some nations like India and China are already moving away from Chip & PIN in favor of mobile biometric authentication.

How this works is, whenever you may a purchase, your card issuer can send a push notification to your smartphone requesting authentication. You scan your fingerprint, face, or whichever biometric you prefer, and it's authenticated. This works seamlessly when using a mobile wallet, but seems trickier when using a card to make a purchase. It requires a POS system update and a robust back-end to communicate quickly with the shopper's device and back. And yet, in India the view is every payment should be mobile authenticated by the end of next year.

Both the ease with which purchases can be made with mobile wallets and the requirement to upgrade POS systems to continue supporting purchases made with cards highlight a key opportunity here to eliminate the need for plastic entirely.

### India Leading the Way for Mobile Payments

India is setting a star example for proximity mobile payments currently, with 30 percent of smartphone users expected to pay for goods with their smartphone, rather than a card, in 2018. This, combined with the push to embrace QR codes as the primary mode for digital payments, is expected to drive the Indian digital payments industry to grow to \$500 billion USD by 2020. The Indian government is furthering these efforts by creating a policy environment to make digital transactions easier, issuing licenses for payments banks that will help fintech firms launch digital wallets and digital-only banking services.



Paired with the Aadhaar project, this trend puts India at the forefront of secure biometric authenticated mobile payments.

### China Moving Beyond Cash & Cards

What India is beginning to do, however, urban China has already accomplished. Walking through shops or dining out, staff will ask if you're paying with WeChat or Alipay before they even mention cash or cards. Mobile payments and digital wallets have become a way of life in China, driven by availability of technology. Even street musicians can be seen with QR codes for those passing by to scan and give them a tip.

In fact, the two companies driving the majority of mobile payments in China, Ant Financial (Alipay) and Tencent (WeChat), are expected to surpass Visa and MasterCard in total global transactions this year.

The massive abandonment of cash and cards throughout urban China has put the Chinese on the cutting-edge of mobile payments and biometric authentication isn't far behind. Alipay users authenticate payments with facial recognition, and WeChat uses fingerprints.

### Europe Isn't Far Behind

The trend isn't isolated to Asian countries either. Sweden has been leading the mobile payment revolution as well, reported to be leading the race to being a "cashless society" as far back as 2015. Unsurprising, as Sweden was also the first European nation to introduce bank notes.

The nation has been driving the migration to cards, and now mobile payments for years, eliminating cash from shopping, public transit, and more. In fact, the majority of banks in Sweden simply stopped keeping cash on hand or accepting cash deposits, as there was no demand for it. This is in part because the banks have teamed up to provide Swede's with mobile payments in a joint app called Swish. Since, over half the Swedish population has adopted the app, many using it exclusively.

Of course, the technology that's helping drive adoption and secure payments – biometrics.

### But Where's the United States?

The one question we should be asking in all of this is where is the United States? The US was slow to embrace Chip & PIN, so perhaps it shouldn't be a surprise that it's only now adopting it as other nations are already replacing it with





mobile payments authenticated with biometrics. Why, though, has the US been so hellbent on remaining behind the times? It isn't regulatory – the EU has already begun adopting strong regulations to protect consumer privacy that the US could adapt for its own needs. Perhaps it's because other financial challenges, such as reducing money laundering, come first? Or perhaps it's a mistrust in the technology that has been key to securing this trend in other nations – biometrics.

As the mobile payments wave continues to sweep from east to west, the United States might just be the last bastion of cash and plastic payments, but luckily, the rest of the world is already setting global standards for adoption, deployment, security, and privacy that the US will be able to adapt and, hopefully, improve upon.

*MasterCard is a member of ACT Canada; please visit [www.mastercard.com](http://www.mastercard.com)*

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## **24. PAYTM CANADA PARTNERS PAYMENT SOURCE**

*Source: Payment Source (02/05)*

Paytm Canada, a payments and financial services company that offers a mobile payments and commerce platform, has partnered with Payment Source an alternative payments provider.

Using Payment Source's proprietary Loadhub in-person payment network, Canadians can walk into any of the 6,000 Canada Post locations and directly deposit cash into their Paytm app without incurring any transaction costs. Paytm Canada is a subsidiary of Paytm, India's largest mobile payments provider with more than 200 million users and is registered with FINTRAK. This new feature furthers Paytm Canada's continued effort to provide a convenient solution to make the bill payment experience an instant one for Canadians.

With the Payment Source partnership, Paytm Canada's mobile bill pay application now offers Canadians, who prefer dealing in cash the ability to top-up the Paytm app with cash in order to pay their bills. Paytm Canada allows Canadians to pay their bills at more than 5000 billers instantly through their cell phones and earn rewards and cashback offers for doing so. Canadians can add money to the Paytm app from their bank account, debit card or via cash with no transaction fees

"We are very excited to partner with Payment Source to add the Canada Post network to our platform, and to open doors to Canadians who otherwise would not be able to add cash to their Paytm account," said Harinder Takhar, CEO Paytm Labs. "Paytm Canada is tenaciously revolutionizing the bill payment experience to provide all Canadians a seamless, instant and cost-free mobile account to manage their bill payments."





"Payment Source is committed to providing Canadians with financially inclusive solutions that reduce the friction and improve the speed of their payments," said Trevor Cook, CEO of Payment Source. "We have great respect for Paytm and the international success they've had, and are excited to support their Canadian growth with our Loadhub technology."

*Canada Post is a member of ACT Canada; please visit [www.canadapost.ca](http://www.canadapost.ca)*

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## **25. FAZOLI'S BRINGS ALEXA VOICE-ORDERING TO SELECT LOCATIONS**

*Source: Mobile Payments Today (02/22)*

Fazoli's customers can now order meals via Alexa at some locations, thanks to its partnership with Orderscape, an order automation and voice technology software company, CEO Carl Howard said in an interview with FastCasual, a Mobile Payments Today sister publication.

"Our investment was mainly the time of our team to collaborate with Orderscape and some small soft cost," he said. "The ordering availability is only available at select company locations while we work through all of the dynamics of this new technology."

Howard said although he doesn't view voice ordering as a significant part of the brand's business in the near term, he recognizes the growing need to offer every ordering channel possibility for guests.

"We are moving to an on-demand and stay-at-home economy, and we will work to provide our guest with every ordering option available and furthermore provide our guest with every option to receive our great tasting Italian dishes," he said.

Orderscape offers automation using voice technology on a number of conversation channels, including Alexa and soon, Google Assistant and Google Home, Michael L. Atkinson, CEO and co-founder of Orderscape, said in a press release. With full-menu voice ordering, restaurants using leading food ordering platforms like Olo and Onosys, can extend their reach and provide a seamless conversational food ordering experience to their customers, creating another revenue stream while significantly improving the customer experience.

"Conversational commerce, or the fourth pillar of online ordering, coupled with artificial intelligence is set to revolutionize digital ordering for restaurants," Atkinson said. "Voice makes it easy to interface with technology into one, familiar



action: speaking. Conversational food ordering technology drives revenue and improves the guest experience at the same time."

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## **26. THE WILD WEST OF MOBILE SECURITY**

*Source: UL (02/21)*

Security breaches and cyber-attack are big news. Organisations that hit the headlines take a long time to recover. Yet, 95% of Banking Applications lack the security required. With increased pressure on banks to ensure that they Know Their Customer and GDPR looming on the horizon, this is a topic that should be high priority at every bank.

UL and Inside Secure have undertaken joint research to assess the market – analyzing publicly available m-banking applications with the aim of bringing clarity on the state of security within mobile banking applications available today. The results of the research should be a wake-up call to every bank.

The research provides a measure of where the mobile banking applications stand compared to the mobile payment applications. Only 5% of the applications analysed came close to this standard. Discover how you can protect applications by reading the research paper - <https://www.ul-ts.com/media/8661/the-wild-west-of-mobile-security.pdf>

*UL is a member of ACT Canada; please visit [www.ul-ts.com](http://www.ul-ts.com).*

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## **27. CINEPLEX CURRENTLY TESTING MOBILE ORDERS ON CONCESSION ITEMS**

*Source: Mobilesyrup (02/22)*

Canadians can already use the Cineplex mobile app to purchase movie tickets before heading to theatres. Soon, however, they may also be able to use their phones to pre-order concession items like popcorn and drinks as well.

"We are testing it and we are looking at it, especially in the VIP cinemas, where you can basically walk in and have everything ready to go," president and CEO Ellis Jacob told The Canadian Press.

Cineplex's interest in increasing concession stand sales makes sense, given the company's recently revealed fourth-quarter earnings. According to the report, Cineplex brought in \$28.8 million in profit last quarter, up from \$23.3 million a year earlier — a number that was boosted by concession stand sales.



In the fourth quarter, Cineplex says concession revenue per patron rose 9.4 percent to a record \$6.29, compared to \$5.75-per-year in the year prior.

It's worth noting that Cineplex already uses its TimePlay mobile app to help drive ticket sales as well. With the app, Canadians who arrive to the theatres early can participate in various games to earn SCENE points, which can be redeemed for free movie tickets and discounts on concession items.

Outside of these potential new mobile services, Jacob said Cineplex also aims to diversify its offerings by opening up additional Rec Rooms across the country. The first of the dining and entertainment centres has been in business in Edmonton since September 2016, and Cineplex plans to open at least 10-15 other locations in the coming years, including one in Mississauga's Square One shopping centre.

Cineplex also recently announced a partnership with sports entertainment company Topgolf to add digital golf games to dining complexes across Canadian, following a successful launch in the U.S.

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ACT Canada helps members understand complex issues and filter truth from market noise for current and emerging commerce trends. Through a consultative approach with all stakeholder groups, the association provides knowledge and expertise to help members leverage opportunities, confront challenges and advance their businesses. Please visit [www.actcda.com](http://www.actcda.com) or contact our office at 1 (905) 426-6360.

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Please forward any comments, suggestions, questions or articles to [andrea.mcmullen@actcda.com](mailto:andrea.mcmullen@actcda.com). Please note that articles contained in this newsletter have been edited for length, and are for information purposes only. If you would like to be removed from our newsletter distribution list please follow the unsubscribe instructions at the bottom of the email.

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**ACT Canada helps members to:**

**Engage** - Grow the commerce community via stakeholder contributions, collaboration and networking

**Enable** - Provide access to the expertise of the member community to gain insights that will help strategic decision-making

**Evolove** - Drive positive change in the increasingly complex commerce environment