
CPA Success Story Germany

In Germany payment card issuers are operating since years in a multi-application environment, where chipcards are expected to support an ever increasing number of applications whereas innovation cycles are permanently becoming shorter. Banks therefore require a manufacturer-independent multi-application platform, which supports the high security requirements of banking applications, which guarantees technical interoperability and a high quality of the products of different manufacturers and which at the same time offers maximum flexibility in application development.

With SECCOS, a common specification of a multi-application platform together with a comprehensive certification procedure, the German banking industry has put in place its own platform strategy already since years. Although it had been designed originally for debit cards, it became clear quite early that it is necessary to support various payment applications – debit and credit – on the same platform.

Thus the German banking industry was one of the first to decide on the support of the Common Payment Application (CPA) to allow the flexible use of the same platform for domestic payment applications, MasterCard- or Visa-applications. Issuers have now the flexibility to benefit from using the same card platform for all their EMV cards. This has not only helped to simplify the development of new card products, but it also has contributed to a standardization of back-end systems across different payment brands.

Until end of 2010 more than 40 million CPA cards will be in issuance in Germany. During the coming years all of the more than 100 million payment cards are expected to be CPA-based.

Since the start of the mass roll-out, no interoperability issues with CPA-cards have been reported. Instead, CPA has proven to be a stable basis for the issuance of EMV-cards.

Based on the positive experiences with CPA, the German banking industry is heavily engaged also in coming to similar standards for contactless payments, since it is regarded as beneficial for the banks, if they can rely on a scheme- and manufacturer-neutral standard.