

FACT SHEET (November 2009)

Contactless POS Terminals Call-for-Collaboration (CFC)

Background

IDA issued the Contactless POS Terminals CFC from April to June 2009 to catalyse the deployment of contactless payment points across Singapore for the acceptance of multi-purpose stored value cards (MPSVC) beyond public transport.

The Contactless POS Terminals CFC is an initiative under the Next Generation e-Payment Programme administered by the Infocomm Development Authority of Singapore (IDA).

This CFC aims to:

- a) Accelerate e-payment adoption providing wide availability of contactless POS terminals to effect a change in consumer habits towards using CEPAS cards in high cash-based segments.
- b) Catalyze the deployment of Near Field Communication (NFC) mobile payments in the future by expediting the installation of more acceptance points for contactless e-payments.

Programme Benefits

Under this CFC, businesses and merchants who do not have any pre-installed POS terminals can deploy CEPAS-compliant contactless POS terminals to:

- Enable consumers to make payments using their CEPAS contactless cards
- Speed up checkout process and shorten customer queuing time
- Reduce the hassle of cash handling, and reduce risk of cash loss
- Improve hygiene, especially for business involving food handling
- Increase business by leveraging marketing programs driven by the acquirer

For businesses, this CFC lowers the cost barrier of deploying and operating contactless POS readers in business premises and merchant outlets, offering savings of between 15-50% compared to normal rates:

- Transaction fees are capped at 0.85%
- Setup fees and monthly rental fees are waived for at least a year
- Shorter 2-working day settlement period

Consumers will enjoy the ease and convenience of using a single card that can be used seamlessly for different payments, and removing the hassle of fumbling for notes and loose change. With just one card, consumers will be able to pay for public transport fares, carpark fees, taxi fare, ERP charges, retail purchases for items such as food and drinks, and also services charges at public libraries.

Programme Status

The CFC has been awarded to 5 companies – EZ-Link Pte Ltd, Nera Telecommunications Ltd, Network for Electronic Transfers (Singapore) Pte Ltd, PaymentLink Pte Ltd and Way Systems Pte Ltd – in November 2009.