



Card not present drives card fraud

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The vast majority of credit and charge card transactions in Australia will be chip authenticated within three years, according to the chief executive of the Australian Payments Clearing Association.

Currently a negligible number of card transactions are chip authenticated.

"My guess is that somewhere between two thirds and three quarters of all Australians have a chip card now because all of the majors have chip credit cards," says Chris Hamilton.

"Chip terminals are being rolled out so it's just a matter of putting those two things together."

APCA released the latest payment fraud statistics on Friday. The rate of fraud on Australian payment instruments is up to 0.01 per cent of all transactions, driven up by a significant increase in "card not present" fraud and counterfeiting of cards.

The number of frauds perpetrated on debit cards fell in 2008, but is expected to go up in 2009 as a result of recent skimming events.

In total, there were 446,713 fraudulent transactions perpetrated on Australian issued payment instruments in the calendar year 2008.

On Friday the Australian Federal Police could not say how many payment instrument fraudsters had been charged or convicted.

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