

# FSTC Completes First Phase of Mobile Payments Project

Second Project Phase Launches in November to Target Security Issues and Mobile Payments Infrastructure

New York, NY – September 29, 2008 – The Financial Services Technology Consortium (FSTC) announces the completion of the initial phase of its Mobile Payments Technology Project. The group is examining various technology models supporting mobile payments today and expects to make recommendations that will facilitate an interoperable mobile payments infrastructure in the near future.

Over thirty organizations including banks, technology providers, government agencies, clearing houses, and major industry ‘think-tank’ groups joined forces during this 4 ½ month start up phase with a team roster of eighty plus individuals. This beginning effort focused on researching, documenting and organizing current technology and evolving capabilities in today’s mobile payments arena. To accomplish this, the team divided itself into four functional work groups to cover key disciplines making up the broader framework.

The Network/Handsets Work Group researched the top wireless carriers and handset manufacturers. This unit also compiled a broader spectrum of industry background information and materials.

An Architecture Group conducted research on regulatory and compliance matters along with a review of related patents and intellectual property. This group also conducted a technology survey and profiled a significant cross section of technology providers.

The Application Team documented 18 mobile payment use case summaries it identified as top considerations relative to the progressing mobile payment framework or infrastructure.

A Security Work Group reviewed the use case summaries developed by the Applications Team against the backdrop of current security methodologies in practice today.

Jim Pitts, Managing Executive of the FSTC’s Payments Standing Committee states, “We’ve amassed and assessed a significant amount of data during the first project phase. We will compile, streamline and organize this information on our interactive project management web site as a reference library for second and third phase project teams and FSTC members.” Jim is responsible for project oversight.

Phase II of the initiative will be a four month exercise targeting security and architecture priorities. The security team will be tasked with drilling down into top use cases and principles to insure security around mobile initiated payments and authentication challenges. The Architecture team will map out the flows associated with an interoperable infrastructure.

The second phase efforts will lead into a third phase where the FSTC project series will develop standards recommendations for transaction formats and security aimed at supporting interoperability and facilitating adoption. "Our desire is to develop standards to ultimately aid the process of integrating essential wireless and financial services technology to assure a healthy, interoperable and secure mobile payments system; one which is good for both industries (mobile communications and financial) and the users they serve," said Dan Schutzer, FSTC Executive Director. "The vision is for anyone to be able to securely and conveniently pay anyone else from any financial account to any financial account, using any mobile device, any carrier and any technology complying with approved standards."

The FSTC is working closely with official industry standards bodies including participation of overlapping team members working on both the FSTC project and mobile payments standards committees. The project series is expected to continue into 2009. The final phase is targeted to complete in the third quarter with recommendations submitted to the 18 month ANSI initiative for setting standards around mobile payments.

## **About FSTC**

FSTC brings together diverse, and often competitive financial institutions, industry service providers, government agencies and others to collaborate and find solutions to key industry challenges. Project topics come from member financial institution and are driven by participating members with the support of FSTC staff.

For more information on the mobile payments initiative, FSTC, or other projects, contact [John.Fricke@fstc.org](mailto:John.Fricke@fstc.org) or [JimPitts@FSTC.org](mailto:JimPitts@FSTC.org) or visit [www.fstc.org](http://www.fstc.org)