



MERCHANT
PAYMENTS
ECOSYSTEM

PSD2 SCA: What is new in 3DS 2.2 and how to implement a seamless experience in merchant apps

Suzana Kordumova Nikolova

Product Manager Secure Digital Payments

Introductions



Alan Moss (Moderator), VP of Marketing @ Miura Systems Ltd

Alan Moss is currently working as VP of Marketing at Miura Systems, a leading global provider of secure mobile acceptance technology. In parallel, Alan is Head of Fintech and Payments at the consulting company, BluSpecs Innovation.

Alan has over 20 years' experience in the electronic payments business, working with industry leaders such as Hypercom, Thales and Verifone, in a variety of roles from business development and product marketing to global relationship management. Alan also worked in international sales for De La Rue's security holographics and security print divisions.

Prior to working for BluSpecs, Alan was VP of Business Development at Verifone, where he was responsible for the deployment of new value-add applications and services in Europe. Whilst at Verifone, Alan was also a board member and Chairman of the General Assembly of Nexo, a leading pan-European standardization initiative promoting the interoperability of card payments.

Alan holds an International MBA from Madrid's leading business school, Instituto de Empresa, as well as a bachelor's degree from the University of London.

Introductions



Suzana Kordumova Nikolova, Product Manager Secure Digital Payments @ netcetera

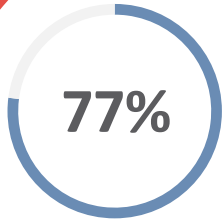
Suzana Kordumova Nilkolova is a Product Manager for Secure Digital Payments in Netcetera, leading Swiss software company. Until recently she was working as a Technical Coordinator and a Team Lead. She was a technical leader in the development of the Netcetera 3DS SDK, component of EMV 3D-Secure authentication protocol.

Suzana has 9 years of experience in developing mobile applications in different industries. She has worked on mobile ticketing applications for the Swiss transport; Swiss insurance and mobile banking applications, tablet application for the Lindt Company in Dubai and many more. Some of her projects have been awarded with the prestigious “Best of Swiss” award. Her experience is essential in creating a mobile payment solution that can be used in many different applications for secure payment.

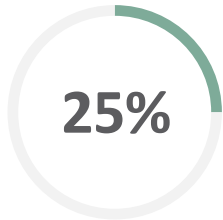
Before joining the Netcetera’s team she has worked in the Philips Research Center in Netherlands. Her work was published in the proceedings of the international Computer Science conference (UMAP) where she presented her research.

Suzana holds a Bachelor's degree in Information Technology, and is a Master of Science in Computer Engineering.

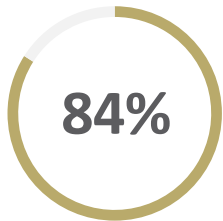
E-Commerce Payments



of internet users age to 54,
purchased online in 2019 *



of shoppers that avoid online shopping,
worry about payment security or privacy*



of fraud transactions are
with CNP in CEMEA**

COVID – 19 IMPACT

Shift from cash to card
and digital payment

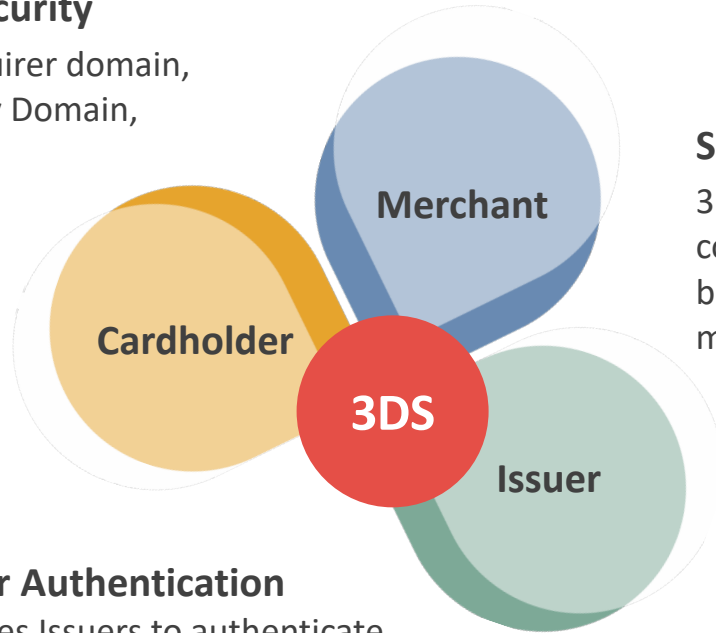
Changed personal
shopping habits

Globally, 18% of
consumers said that they
are now shopping online
for the first time

3-Domain Secure (3DS)

3-Domain Security

Merchant/Acquirer domain,
Interoperability Domain,
Issuer domain



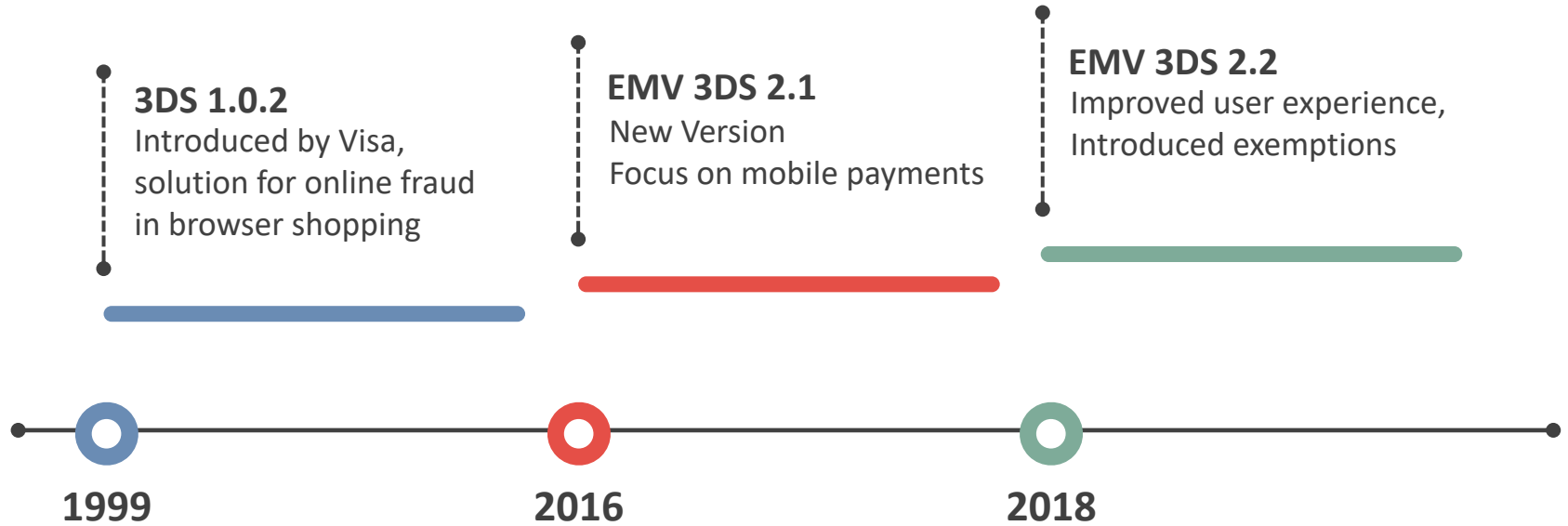
Secure communication

3DS provides secure communication channel between the cardholder, merchant and issuer.

Payer Authentication

Enables Issuers to authenticate their cardholder before transaction authorization

3DS Versions



EMV 3DS 2.1



Improved User Experience

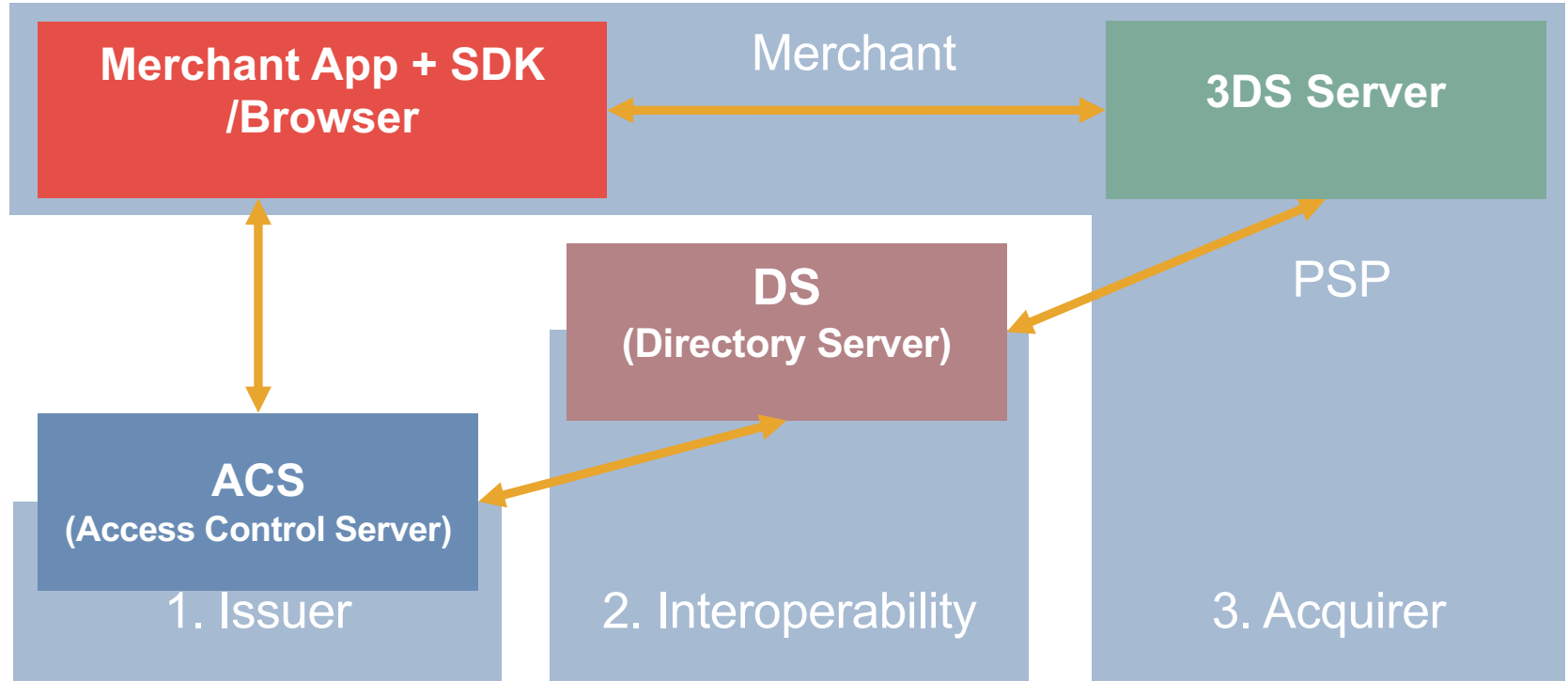
- No redirects
- Focus on mobile shopping
- In-app authentication
- Frictionless flow

Increased security in authentication

- Risk scoring based on more data
- Challenge flows with multiple options
- Advanced security features

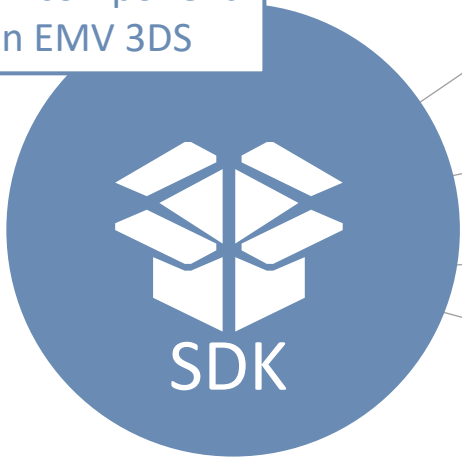


3-Domain Secure



EMV 3DS 2.1 – Mobile SDK

New component
in EMV 3DS



Mobile device side
of 3-D secure



Collects lots of device information
used for better risk scoring

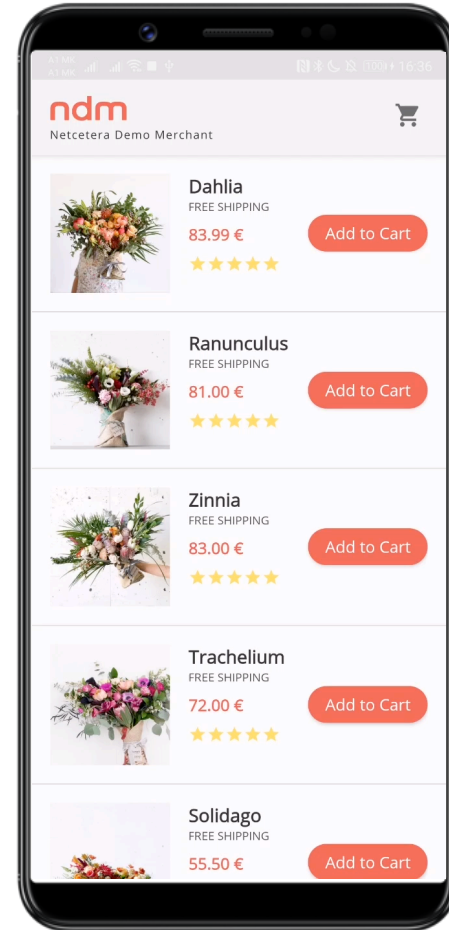


Native and HTML UI types
improved User Experience



Security features for more secure
payments from mobile phones

3DS SDK Seamless Experience



EMV 3DS 2.2 - Key benefits





Identification & Verification

- ● **Defined in initial 3DS Version**
- ● **Additional Non-Payment use cases**
 - Add card to wallet
 - Whitelist verification
 - Account creation without payment

Promotion of frictionless flow

Protocol extensions



Indicator that
Transaction Risk Analytics
(TRA) was performed



Indicator that
Strong Customer
Authentication (SCA)
was performed



Ability to send data to
Issuer as Information
only



Whitelisted
merchant



FIDO Authentication,
Token and Secure
Remote Commerce
(SRC) data



Promotion of frictionless flow

SCA Exemptions

One-click payments

○ Low Value Transactions

○ Transaction Risk Analytics (TRA)

○ Recurring transactions



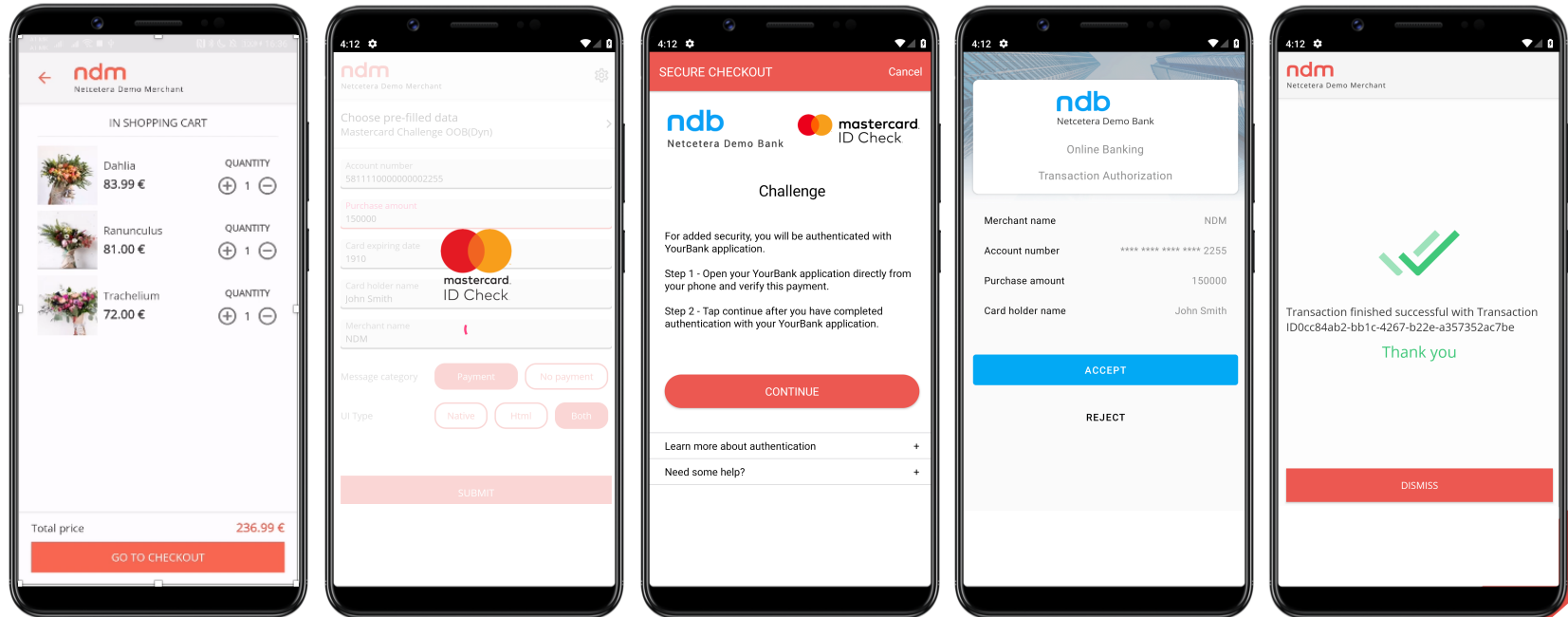
○ Whitelisted merchant

○ Delegated Authentication (SCA already performed)

Better User Experience In Challenge flow



New element - 3DS Requestor app URL
allows seamless transition from merchant to issuer app





Addition in 3DS Requestor Initiated (3RI) transactions

In 3DS 2.1 supported only for non-payment transactions

Partial or split payments

Agent model

Payments with unknown final amounts

Recurring Payments



New Authentication Channels

Support for MOTO

Decoupled transactions (new authentication method)

Authentications when cardholder is offline

Authentication is separated from the payment transaction

Maximum waiting time for authentication

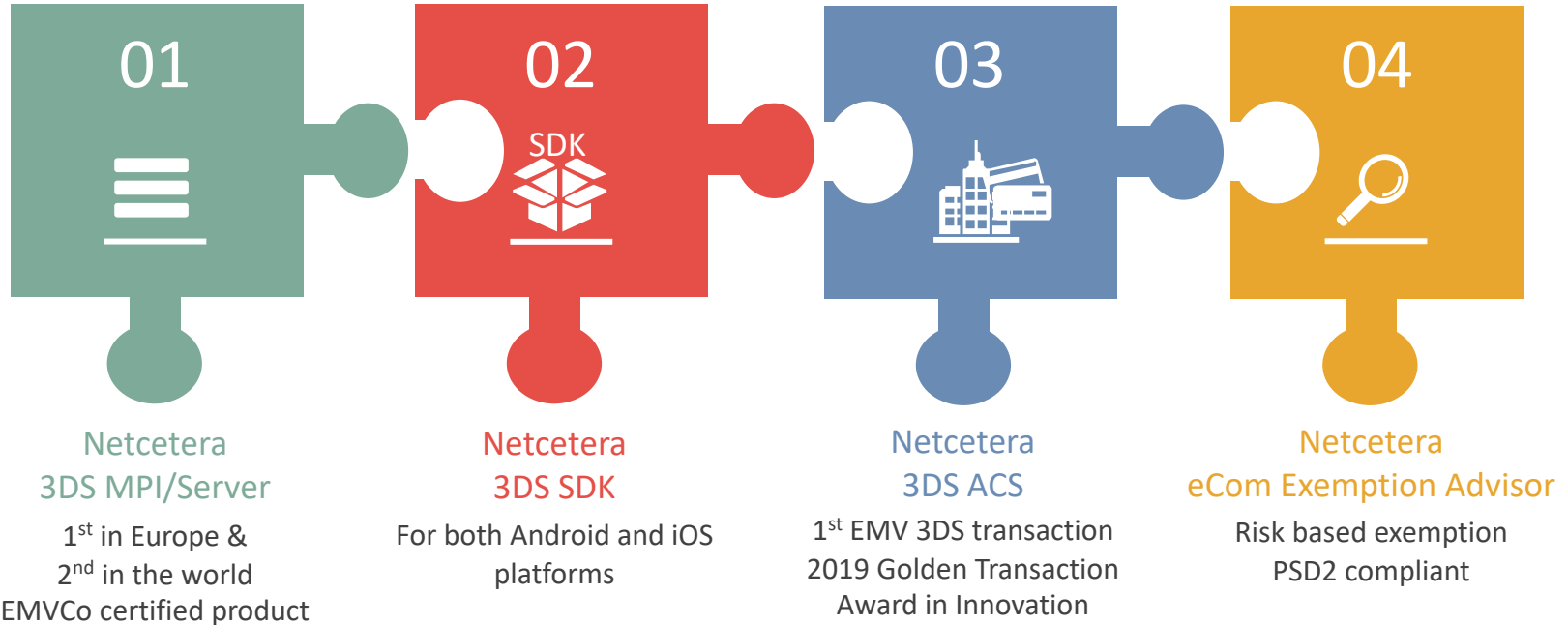




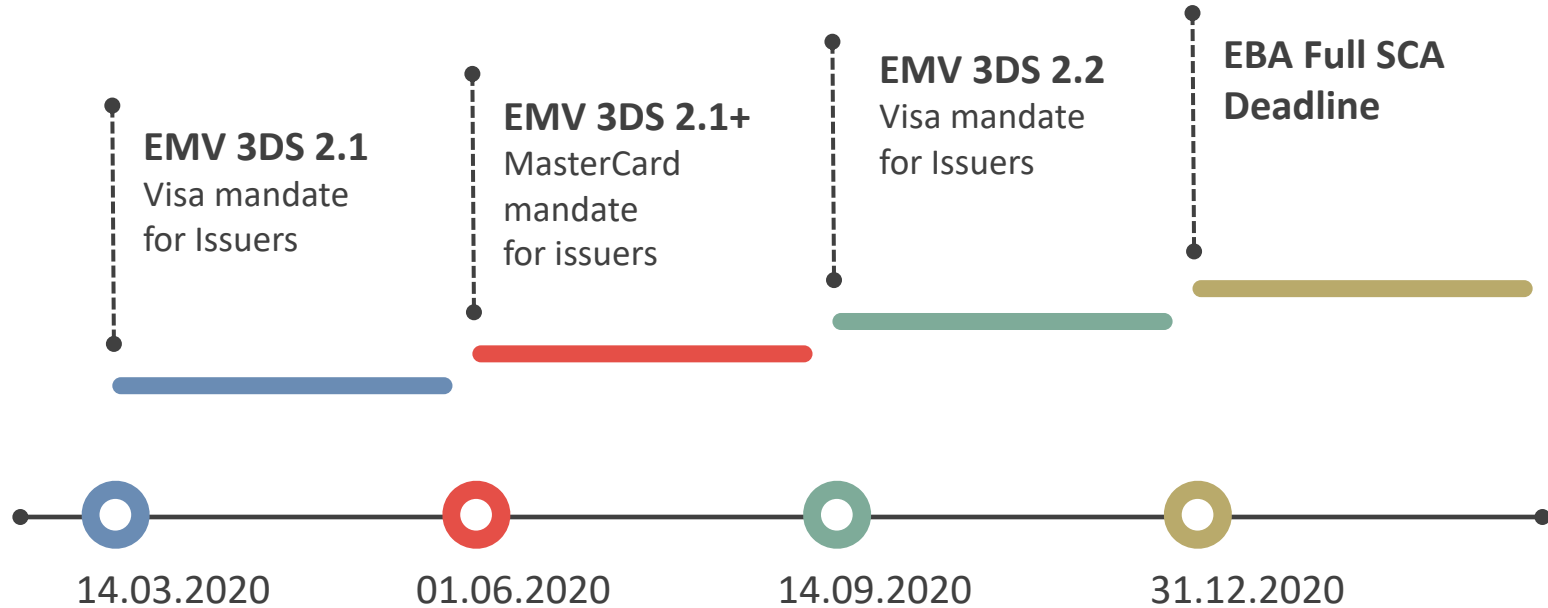
Better communication across all domains

- ● Better version management and response time
- ● New data field allows ACS to communicate it's capabilities
- ● DS can send only modified data

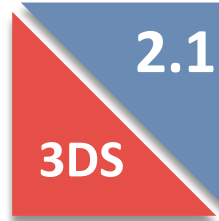
Netcetera 3DS products and services



EMV 3DS Mandates



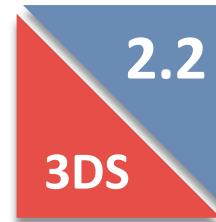
EMV 3DS 2.2 - Recap



2.1

Seamless experience
Mobile shopping
Better risk scoring

SCA Exemptions
New authentication channels
Promotion of frictionless flow
Better user experience



2.2

3DS



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The slide features decorative curved lines in blue and red. A blue arc is in the top-left corner, and a red arc is in the bottom-right corner. A white space separates the two arcs, creating a partial circular shape.

QUESTIONS?

THANK YOU FOR ATTENDING!

netcetera



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THE RECORDING WILL BE AVAILABLE TOMORROW!