



For Immediate Release
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ESTA urges the Portuguese Presidency to address the 22.8 million Europeans victimized by card fraud and ID theft

As the Portuguese Presidency concludes a conference on identity theft today in Tomar, Portugal, leading international trade organisation ESTA recalls that 22.8 million people are victims of card fraud each year. According to its new pan-European consumer survey, 11% of adults polled across eight key European countries, or equivalent to around 22.8 million people, have had their card details stolen or used without their permission. Of those, 32% of credit card fraud victims are never reimbursed¹.

The findings come just as the European Union has adopted the Payment Services Directive, which aims to promote the use of electronic payments across Europe and right before a proposal is released to amend the e-money Directive. And yet even the European Commission's own EuroBarometer, reveals that consumers continue to suffer from the electronic payment system, with **25% of fraud victims losing less than 150 Euros, 33% losing between 150 and 500 Euros and 33% losing more than 500 Euros.**

Today's Presidency Conference on *Identity Fraud/Theft: the logistics for organised crime* brings together representatives of law enforcement, intelligence and judicial authorities and aims to complement initiatives in the EU framework and further harmonise measures and approaches in this field.

ESTA believes that consumer choice and financial security is under threat as Europe pushes for greater use of electronic payments in place of cash. It warns that consumers are gradually being forced to pay electronically, but that there are insufficient safeguards in place to protect consumers from electronic fraud.

Table 1: Proportion of the population that has been a victim of electronic card fraud

	Belgium	France	Germany	GB	Italy	Holland	Spain	Sweden	All
Yes	9%	10%	9%	19%	8%	9%	10%	8%	11%
No	90%	88%	90%	78%	90%	89%	89%	90%	87%
Don't know	1%	2%	1%	3%	2%	1%	1%	2%	2%

Source: European Security Transport Association

¹ . EU EuroBarometer Research 2005 stated that 32% of victims of credit card fraud did not receive their money back

Secretary-General of ESTA, Francis Ravez, said, “Card fraud is a major risk. Fraudulent card abuse methods such as ID theft and phishing mean that every user is concerned when using electronic payment systems.” He went on to reference a separate study by the European Commission which has found that almost a third of card fraud victims are never reimbursed for their losses by their card provider, despite claims to the contrary. “These findings come amid an ongoing campaign by the electronic payments industry to see credit and debit cards used as the preferred method of payment and as the European Commission debates ways to reduce the use of cash. Consumers should have the freedom to choose how they pay and should not be dictated to by policies and regulators looking to promote electronic payments. We hope the EU presidency conference will address these risks”

The research also found that as a result of card fraud, **33% of European adults polled said the experience has made them favour cash as a payment method instead of electronic means.**

Table 2: Proportion of people who return to using cash once they have been a victim of card fraud

	Belgium	France	Germany	GB	Italy	Holland	Spain	Sweden	All
Yes	27%	22%	43%	24%	45%	31%	46%	31%	33%
No	71%	77%	53%	73%	50%	68%	52%	62%	64%
Don't know	2%	1%	4%	3%	5%	1%	2%	7%	3%

Source: European Security Transport Association

The European Commission’s EuroBarometer of consumers across 25 Member States revealed that **49% of consumers selected cash as their preferred payment method**, whilst research from ESTA found that almost two thirds of Europeans (62%) strongly support the retention of cash as a payment method.

Ravez states; “Our survey reinforces that cash still has an integral role to play in the financial transaction market across the EU. Consumers want to retain cash and welcome the choice it offers. At ESTA we believe that a world in which electronic payments and cash continue to co-exist is essential and desirable to maintain competition and consumer choice. We think that such a system would likewise serve the needs of businesses of all sizes across the EU.”

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About ESTA

ESTA is a non profit organisation which represents cash industry logistics businesses throughout Europe and 90% of the European CIT industry. Formed in 1974, the purpose of ESTA is to represent the interests of its members who provide transportation and cash handling services in Europe. The Association seeks to define and promote the joint positions of its members with regard to European policy concerning their sector of activity and to increase the quality level of the entire industry. ESTA has 121 members. ESTA's dedicated "Cash Forum" is made up of Brinks, Group 4 Securicor, Prosegur, Securitas and three technology partners, De La Rue, Giesecke & Devrient and SCAN COIN.