

USA: Gas stations rushing to meet EMV compliance deadline

Beginning 1 October 2020, the liability shifts to the party in the payment chain with the least secure payment solution.

Gas stations in the United States are rushing to upgrade payment equipments that accept chip debit and credit cards. As the clock counts down to meet the EMV compliance deadline, the gas station industry appears to be "massively under-prepared", according to Joshua Smith, CEO of Gas Pos, a POS systems seller.

The 1 October 2020 deadline seems to be set in stone after Visa Inc. and Mastercard Inc. rejected a extension for the beginning of the new EMV payment policy, reports Bloomberg.

"The payment networks have made it clear that they are not moving the deadline, and the resultant spike in chargebacks starting next October may drive some retailers out of business," said last month Laura Townsend, senior vice president of the Merchant Advisory Group (MAG).

MAG requested another two-year delay after the deadline for gas stations had been already extended from 1 October 2017 to 1 October 2019.

20% of c-store retailers declare they have not started yet the EMV compliance process at the forecourt, according to the 2019 Convenience Store News Technology Study. "There's not enough technicians to do the installments," corroborate Joshua Smith. "There's not enough inventory. Even if there were enough contractors, there's not enough dispensers available."

Fuel retailers who are not compliant with the new technology could face fines of as much as \$201,000 per store over the next seven years, estimated Bloomberg following a study by Conexus. In total, the fuel industry could suffer \$451 million of card fraud this year alone, according to Conexus.

The industry regrets that Visa and Mastercard did not consult them when setting the deadlines.