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CASHLESS PAYMENT Multi-choice muddle

WHEN the Contactless e-Purse Application Standard (Cepas) was introduced in 2006, it promised a nationwide inter- operable micro-payment platform that bridges the transit and retail e-payment space.

Now, eight months after the introduction of Nets FlashPay, we see neither the extra convenience nor the seamless usage expected of this platform.

Top-ups have indeed been made more convenient by extending this mechanism to bank ATMs. However, other than ATMs operated by DBS, not all ATMs accept Cepas cards issued by both EZ-Link and Nets.

This exclusivity arrangement is also evident in the transit and retail landscape with taxis, premium bus services and merchants accepting either ez-link or Nets FlashPay.

Prior to the introduction of the Nets FlashPay, there was only one card to use when micro e-payments were accepted at retail outlets. Now I need to check if the merchant is using an ez-link or a Nets FlashPay reader.

It looks like our micro e-payment landscape has taken a step backwards. Instead of creating new value for consumers, we now need to carry three different cards - the ez-link, FlashPay and the older CashCard - to be sure that we are not inconvenienced unnecessarily, and if we want to enjoy the benefits bundled by merchants promoting the usage of one of them. For extra confusion, throw in the fourth micro e-payment mode into the mix - the Visa FlashPay.

I would like to hear from the relevant authorities and card issuers on how and when we will reap the benefits of having a nationwide e-payment platform.

The current situation presents itself only as a boon for issuers, with the possibility of locking merchants into using only one card reader. The competition introduced has brought little value to consumers and merchants who now have to deal with myriad cards, all using the same payment standard but non-substitutable for each other.

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