

# Visa, Samsung in global deal for mobile payments

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People walk in front of the Samsung stand at the 2013 Mobile World congress in Barcelona today. US credit card giant Visa has announced a global alliance with Samsung to let shoppers make payments by waving their smartphones near a special reader.

US credit card giant Visa announced Monday a global alliance with Samsung to let shoppers make payments by waving their smartphones near a special reader.

The deal could significantly boost the long-touted use of smartphones to pay for goods worldwide without any physical contact, and without the need either for credit cards or cash, it said.

The system could be used by owners of Samsung [smart phones](#) equipped with a technology known as Near Field Communication, or [NFC](#), which lets a phone transmit information to a nearby reader without touching it.

"A Samsung device equipped with the Visa contactless payment service is a powerful proposition and will allow us to make mobile payments a reality for people around the world," Visa Europe vice president Mariano Dima said in a statement.

The success of the new system agreed between Visa and Samsung, the world's leading [smartphone](#) manufacturer, will still depend on whether banks can be persuaded to use it.

Visa said the deal had the potential to "significantly accelerate" the availability of [mobile payments](#) globally, noting a forecast by ABI Research that 1.95 billion NFC-enabled devices will ship in 2017.

Visa revealed the agreement on the first day of the [Mobile World Congress](#) in Barcelona, which is trying to raise awareness of the advantages of NFC, including by letting participants use "NFC badges" on their mobiles to enter.

Some in the industry are sceptical about NFC's usefulness, however.

"I think NFC is just a technology in search of a problem to fix that does not exist because it is really easy to pay in the store," the president of [eBay](#) subsidiary PayPal, David Marcus, told journalists at the congress.

The agreement with Samsung is the first of its kind between a leading

manufacturer of NFC-enabled smartphones and a payment network, Visa said.

Under the deal, Samsung will equip the next generation of its mobile devices with Visa [payment technology](#), including by pre-loading Visa's contactless payment system—Visa payWave—in its mobiles in a mini-programme known as an applet.

Samsung will let banks send payment account information over the airwaves to a secure microchip embedded in its devices. Banks will use a secure system relying on Visa's so-called Mobile Provisioning Service and Samsung's key management system.

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