



10<sup>th</sup> June 2016

Hon. Chan Kam-lam  
Chairman of the Subcommittee on Road Traffic (Parking) (Approved Cards) (Amendment)  
Notice 2016  
The Legislative Council, HKSAR

Dear Chairman,

Thanks for your invitation.

On behalf of the HK Retail Technology Industry Association, we totally support the Legco to approve new cards or devices (including “MasterCard Contactless”, “UnionPay QuickPass” and “Visa PayWave” that are enabled with a contactless payment function and support offline transaction as payment means for card operated parking meters or pay and display machines specified in Road Traffic (Parking) (Approved Cards) for the following reasons :

- The contactless payment technologies especially NFC (Near Field Communications) have been developed for couple of years and is well designed for Micro Payment, which suits the need for applications such as parking meters;
- As Hong Kong is a vibrant international city, our adoption of technologies was high in many areas, however, the adoption of digital payments was relatively behind when comparing with other international cities in the last couple of years, therefore, the adoption of additional contactless payment players could uplift and diversify the payment solutions (contactless payment), thus lessen the monopolistic situation by Octopus in the market;
- MasterCard PayPass; Visa PayWave are well developed NFC (Near Field Communications) solutions, as opposed to NFC, UnionPay QuickPass provides the solutions where the bank account can be directly accessed. They all are the market leaders although the total penetrations are not very high for the time being, it is believed that the adoption of “Road Traffic (Parking) could trigger more usage of contactless payment, thus escalate more contactless payment solutions in Hong Kong.

As “FinTech” is a fast development area in technology especially with the development of payment technologies, it is inevitable that there will be more significant players engaged in the market such as Apple Pay, Samsung Pay, therefore, it is suggested that the Legco should develop a mechanism to review and update related Ordinances from time to time, in order to uphold and align with the international payment solution standards.

Please feel free to contact us for any queries or discussion.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'Joseph Leung', written in a cursive style.

Dr. Joseph Leung  
Vice Chairman  
Hong Kong Retail Technology Industry Association