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Hon CHAN Kam-lam
Chairman of Subcommittee on
Road Traffic (Parking) (Approved Cards) (Amendment) Notice 2016
Legislative Council
Hong Kong SAR

**Subcommittee on Road Traffic (Parking) (Approved Cards)
(Amendment) Notice 2016**

Dear Chairman,

Visa appreciates the opportunity to give our views on the Road Traffic (Parking) (Approved Cards) (Amendment) Notice 2016. Visa values the role of the Subcommittee in reviewing the use of new payment technologies in next generation parking meters. As a global payments technology company, Visa helps shape the ongoing development of a safe, efficient and stable electronic payment system. We believe this is essential to the growth and stability of the Hong Kong economy.

Electronic payments have a meaningful impact on economic growth. According to a study by Moody's Analytics¹, increased electronic payment usage added US\$0.92 billion in GDP growth between 2011 and 2015 in Hong Kong, and supported the equivalent of 3,290 jobs on average in each year during the same period.

Visa is pleased to see that the New Parking Meter System Trial Scheme ("Trial Scheme") of the Transport Department (TD) has included new types of contactless payments such as Visa payWave. Adopting global contactless standards will further enhance interoperable payments in Hong Kong, delivering a future proof acceptance footprint that consumers value. This will improve convenience not only for domestic users, but also foreigners visiting Hong Kong who may use parking services. Visa is strongly committed to providing our partners with solutions which are built on global standard security and are interoperable across channel, interface and geography.

Furthermore, payment innovation is happening rapidly across the world. With a tech-savvy population and world-leading smartphone penetration, Hong Kong is in a strong position to adopt new methods of digital payments. One in ten Visa transactions in Hong Kong are already using Visa payWave. We expect contactless payments to increase further with the growing popularity of mobile payments. The solutions built by the TD are forward-looking as

¹ Moody's Analytics study, 'The Impact of Electronic Payments on Economic Growth' (2016)

they will be able to adapt to mobile NFC contactless technologies for fast and convenient payments.

Looking ahead, we believe there are ample opportunities for the Hong Kong transit and transportation sector to adopt global contactless payment technologies. A modern, innovative, and interoperable payments infrastructure will help Hong Kong's transit achieve competitiveness in the world. A number of global cities have already moved ahead. For example, London has adopted global contactless standards in its underground trains and buses. In Asia Pacific, Sydney and Singapore are both in the planning phase to pilot global contactless payments for transit. This is not an area that Hong Kong can stand still, and Visa would be pleased to partner with the government and relevant stakeholders on this transformation.

Visa is strongly committed to Hong Kong and we look forward to working with the government as well as the broader payments ecosystem to ensure the maximum benefits of modern, innovative and inclusive electronic payments flow to local consumers, merchants and the wider business community.

Yours sincerely,



Caroline Ada
Country Manager
Visa Hong Kong and Macau