



EXPLICIT SELECTION

Product Brief

Visa Pay

28-Jul-2025

Visa Pay
Discover partnership with
Bluecode

Visa Pay

LIVE
NEWS

Visa Pay

INNOVATION AT VISA

Explore the Visa 2025 Global Product Drop

Visa leaders just unveiled the latest product innovations. Covering topics like AI, stablecoin and more, the 2025 Global Product Drop revealed how Visa is defining the future of commerce. Learn more about the groundbreaking payment innovations that are unlocking new worlds of opportunity for everyone.

Introducing More Ways to Pay and Get Paid: Visa is also announcing more ways for consumers, merchants and partners to pay and get paid around the world.

- Visa Pay is a new service designed to connect any participating wallet to any Visa-accepting merchant, local or international, in-store or online. Visa Pay is set for beta release in select markets in Asia, Europe and Latin America.
- Visa Accept is a new offering to give micro-sellers a "way to get paid" to their eligible Visa debit card, from any NFC-capable smartphone with just a few clicks, providing access to billions of credentials with just one card in your pocket. Visa Accept is being released for Visa beta partners in July, with the first activations in Latin America and Asia.

Visa launches new products and partnerships for Asia-Pacific

June 05, 2025 | 10:50 ★★★★★ (0) user say

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Partners

LINE Pay

Taiwan

Zalopay

Vietnam

maya BANK

Philippines

WOORI CARD

South Korea

Open pay

Hong Kong

bluecode

Europe

What is the industry doing?

Discover Bluecode partnership

DISCOVER® GLOBAL NETWORK PARTNERS WITH BLUECODE

Publish date: 18th Dec 24

Similar initiative to Visa Pay



How is it used?

Visa Pay is designed to **allow consumers to use their local digital wallets** and account-to-account (A2A) payment apps **to make NFC payments at Visa-accepting merchants around the world**. The solution leverages the network provided Host Card Emulation (HCE) SDK. Potentially, other Visa transaction initiation methods may be used (e.g., in-app, EMV QR, Visa Direct, etc.) This is delivered as an addition to the original local digital wallet payment methods like scanning a QR or A2A transfers.

Use case examples

A user of Line Pay (Taiwan) enables the NFC functionality and travels to another country. When paying at a local merchant (not accepting Line Pay), they open their Line Pay app and tap their phone on the terminal, performing a Visa Pay NFC transaction.

How is the local digital wallet onboarded?

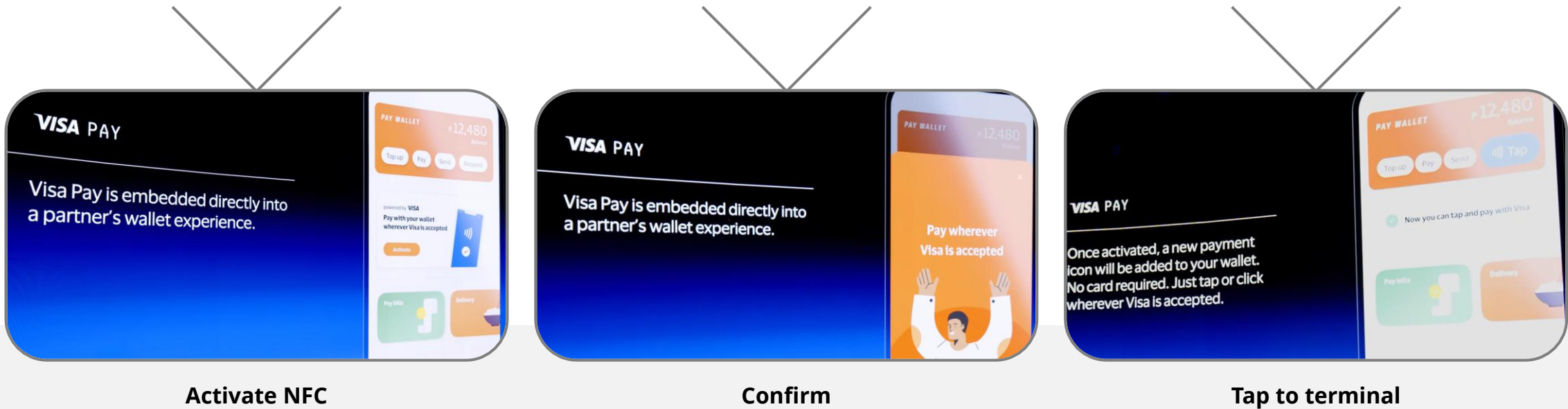
The **local digital wallet is onboarded as a “normal” Visa Issuer** with its own dedicated BIN. For each local digital wallet account, in which the consumer activated the “Visa Pay” functionality, the Issuer (Wallet-as-Issuer) will obtain a Visa Virtual Card Number (VCN) that is used to initiate in-store NFC transactions. Currently, the VCN is not shown to the user. Potentially, it may be shown and used to perform e-Commerce CNP transactions.

What funding source is used?

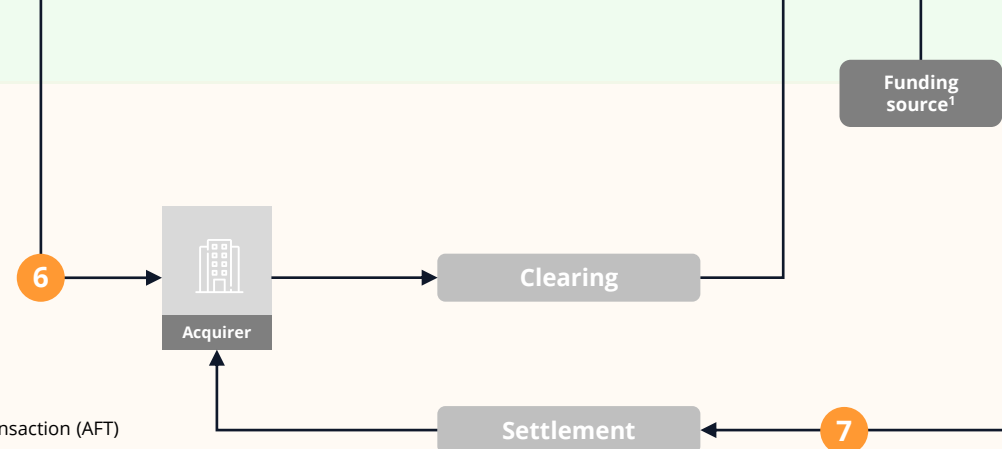
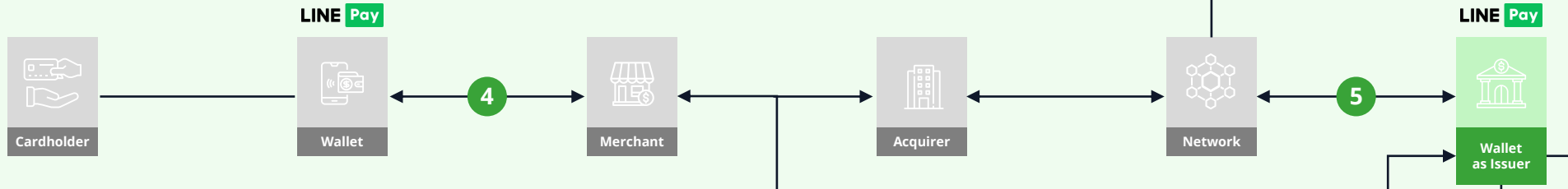
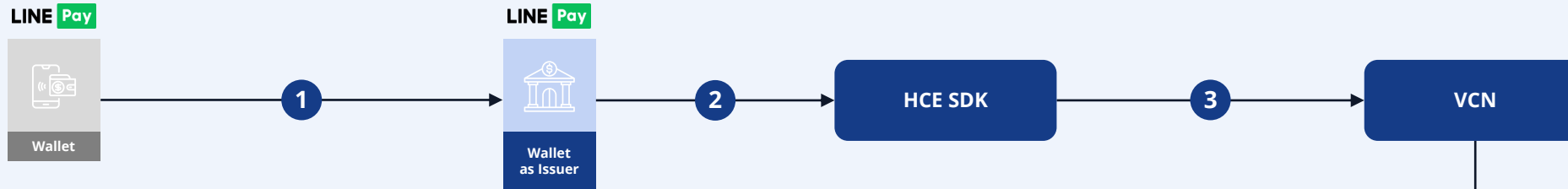
The **normal local digital wallet funding sources can be used**. Visa **does not require wallet users to hold a Visa card**. The in-store Visa Pay transaction is made using the VCN (and the local digital wallet balance) after/during which the local digital wallet may initiate an account funding transaction (AFT) with the actual funding source (e.g., American Express, A2A, etc.)

How is the interchange calculated?

Because local digital wallets often operate on low processing cost, Visa, most likely, has a **custom interchange tier**. **Processing fees and other fees are likely negotiated** with the Wallet(-as-Issuer).



Presentation: Visa Product Drop 2025 (1:14:00 onwards).



¹ Depending on the funding source configured by the cardholder, the Wallet may initiate an account funding transaction (AFT) with the funding network

Functional steps

- 1 Network Onboarding**
Local digital wallet (e.g., Line Pay) onboards the network as a "network" Issuer (with their own BIN).
- 2 Enabling NFC**
Wallet-as-Issuer (e.g., Line Pay) embeds the network's HCE SDK in their app to enable NFC functionality.
- 3 Virtual Card Number (VCN)**
Wallet-as-Issuer obtains a VCN from the network for each digital wallet account that enabled NFC.
- 4 Payment Initiation**
Cardholder initiates (in-store) payment at a merchant using their wallet app over NFC interface. Authorization follows normal processing with VCN.
- 5 Issuer Decision**
Wallet-as-Issuer approves or declines and responds as normal. Depending on the funding source configured by the cardholder, the Wallet may initiate an account funding transaction with the funding network (e.g., Line Pay → American Express).
- 6 Clearing**
Transaction is cleared via the normal clearing process using VCN.
- 7 Settlement**
Network applies custom processing fees according to their agreement with the Wallet-as-Issuer.



Relevance

Essentially, with similar wallet-enablement programs, a global payment network can open its acceptance network to local digital wallets. This is especially relevant in markets and merchant verticals where NFC payments are more dominant than QR (e.g., regions in North America and Europe, some transit systems, etc.).

Potential benefits

Depending on the difference in the strength of Visa's and a payment network acceptance networks, a similar offering feels like relatively low-hanging fruit. Obvious direct benefits of such a program are related to the growth of issuers (including brand recognition, network volume growth, etc.)

Buy vs. build

If a payment network decides to develop a Visa Pay-like service, assess the commercial and technical feasibility of the following options:

1. Building a proprietary HCE network SDK with integration into the network TSP.
2. Partnering with vendors (e.g., IDEMIA) to license their compatible HCE SDKs along with their TSP infrastructure.
3. Pursuing a hybrid approach, licensing an existing HCE SDK while integrating it with the networks TSP platform.

Business model

Investigate the commercial agreements between Visa and its partners (e.g., Line Pay) to evaluate whether a payment network can offer a similar or more competitive economic model (custom interchange tier, processing fees, branding fees, etc.) Additionally, assess whether the payment network could differentiate its solution by providing added value, such as rewards points, cashback, merchant partnerships, etc.

Market Signals

- Visa Pay was recently announced, yet it has already secured key partnerships across Asia. These include Line Pay (Taiwan, 13M users); ZaloPay (Vietnam, 14M users); Maya (Philippines, 5.4M users); Woori Card (South Korea, 3.5M users), and OpenRice Pay (Hong Kong, 8M users).
- Discover Global Network has partnered with Bluecode (an interoperability layer for EU mobile wallets, a party partnering with and comparable to AliPay+) to enable the acceptance of local digital wallets across Europe.

Threats

- ..

Opportunities

EXPLICIT SELECTION

“We are here to fill in the blanks together”

About us

EXPLICIT SELECTION

Explicit Selection helps clients with their digital products to pay, borrow, or invest – while being compliant with the rules.

ES supports large financial institutions and payment networks in the US and Europe with the definition and implementation of their digital payment strategy and go-to-market activities.



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