



SIMalliance Public Statement

These last days, we have seen in the Press numerous articles mentioning a new way to distribute smart phones that would be activated on selected Mobile Network Operators using a remote download on an embedded (U)SIM. As this would change dramatically the business model, SIMalliance would like to remind end-users and the ecosystem **the Key Benefits of a User Removable (U)SIM Card in Personal Mobile Communications.**

Global interoperability and portability leading to a large adoption by the mobile communications community

- In line with international telecommunication standards and regulations, the (U)SIM Card has been endorsed as a key element to facilitate an open and interoperable mobile communications market place with choice for the end users between numerous local operators⁽¹⁾, handset brands and models⁽²⁾. This open and interoperable approach has enabled affordable mobile communications for the masses and therefore worldwide adoption⁽³⁾ and a source of extra economic growth for developing countries.

Privacy allowing the consumer to protect key personal data

- A User Removable (U)SIM Card format allows the physical ownership and protection of personal information and services access rights for added-value applications such as phonebook, banking, payment, ticketing, TV, electronic signature, digital identity over a wireless network or future usages like NFC.

Freedom of choice for the consumers

- With a User Removable (U)SIM, any end user has the freedom to select a new handset whilst remaining with the same operator. It also has the freedom to select a new operator whilst keeping his handset, benefiting from new market offers, improved features or better coverage.

Strong proven security for all stakeholders

- Utmost security is only obtained via a unique combination of software and hardware within the (U)SIM Card, both processed in secured, controlled and certified manufacturing sites. This cannot be considered secured if separated. This strong security benefits from a highly proven track record. No relevant fraud has been recorded over a period of almost 20 years and over more than 18 billion (U)SIM Cards delivered in the open field.

In order to maintain the aforementioned key benefits, the SIMalliance considers that (U)SIM Card removability and accessibility by the end user is mandatory for personal mobile communications usage. In the case of non personal mobile communications, such as Machine to Machine, such requirements could be adapted. SIMalliance is in a unique position to debate and contribute to (U)SIM developments with all the stakeholders (Industry, Associations, Standard Bodies, Regulators, etc...).

SIMalliance is a non-profit industry association made up of the world's leading SIM card manufacturers responsible for nine in every ten SIM cards sold worldwide. Members are Datang, Eastcompeace, Gemalto, Giesecke & Devrient, Incard, Inkript, KEBT, Microelectronica, Morpho, Oberthur Technologies, Prism, Watchdata & Wuhan Tianyu. Strategic Partners are Comprion, FCI and Movenda.

⁽¹⁾ More than 800 Mobile Network Operators are on air across 212 countries. Analyst and Industry estimates

⁽²⁾ More than 60 handset brands and 3500 models are compatible with GSM standards and (U)SIM Cards. Analyst and Industry estimates

⁽³⁾ As a result, 72%* of the worldwide population is equipped with a (U)SIM Card. Analyst and Industry estimates