

China predicted to become 1st cash-free society

China is marking its third “Cashless Day” on Tuesday, August 8, 2017. With the country predicted to become the world’s first cash-free society in a decade, new calls are being made to create legislation to make online payments safer, reports the Legal Daily.

“Cashless Day” was proposed in 2015 by Tencent, which runs a payment service through its WeChat application. In attempting to promote “cashless day,” Tencent argues a life free from physical currency is smarter, lower-carbon and more convenient.

The use of physical cash as a form of payment is dwindling in China. A recent report from the China Internet Network Information Center shows just over half – 50.3% – of all payments made at brick-and-mortar shops were mobile payments as of December, 2016.

However, the growing trend toward online payments has also aroused security concerns, including potential privacy invasions, identity theft risk and payment platform loopholes.

Experts quoted by the Legal Daily suggest the Chinese government is obliged to build a safe payment environment through legislation.

“Legislative studies related to a cashless society are going to be a major subject in the years to come,” said Zhu Wei, deputy director of the Research Center on Communication Laws at the China University of Political Science and Law.