Device Lifecycle Framework

Consultation Feedback Summary

29 June 2026

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1. Purpose

The purpose of this document is to provide a summary of the feedback received as part of the consultation on the EFTPOS device lifecycle framework (the "framework").

The document outlines the key themes and insights raised by stakeholders and demonstrates how this feedback is being interpreted as part of the ongoing review of the framework. It does not make recommendations or set final lifecycle settings at this stage.

The document begins with an overview of the consultation, followed by the key feedback themes and overarching insights.

2. Overview of consultation

Payments NZ undertook consultation on proposed changes to the framework, which governs how EFTPOS devices are registered, maintained and retired from the network in Aotearoa New Zealand.

The consultation focused on proposed updates to how lifecycle dates are set, communicated and managed, including:

- Amendments to the current risk-based approach to setting sunset dates;
- Moving future lifecycle deadlines from April to August to make device replacements easier to plan and manage; and
- Establishing formal consultation and communication processes for future device standards.

The consultation opened in December 2025 and closed on 31 March 2026. Submissions were invited from all stakeholders across the industry, including acquirers, switches, device vendors, resellers, merchants, card schemes and other interested parties.

Nine submissions were received from organisations and stakeholders representing a range of perspectives across the payments ecosystem.

The objective of the consultation was to gather industry and public feedback to inform the development of a framework that supports a secure, fit for purpose EFTPOS environment with both global standards and domestic market conditions.

3. Summary of feedback themes

Feedback received through the consultation reflects a broad range of perspectives across the industry. While there is general support for the intent and direction of the proposed framework, views diverge on how key elements should be applied in practice.

Analysis of submissions identified a number of recurring themes, outlined below.

Key observations from submissions

- Strong support for maintaining a secure and resilient EFTPOS environment.
- Broad support for PCI standards as an important foundation for lifecycle decisions.
- Differing views on how much flexibility should be built into lifecycle settings and timeframes.
- A strong desire for transparent decision-making and clear communication of future lifecycle changes.

Theme 1: Balance between security risk and device value

A consistent theme across responses was the trade-off between managing security risk and maximising the value of devices over their lifecycle.

Some stakeholders emphasised a more conservative and security-first approach, favouring earlier retirement aligned closely to PCI timelines to minimise exposure to risk, including concerns about older devices remaining in use beyond supported timeframes.

Others considered that newer devices (particularly PCI 5.x and 6.x) have stronger security capabilities and therefore support longer lifecycles to better reflect their ongoing resilience.

This highlighted ongoing differences in views across stakeholders, particularly between prioritising security risk and enabling sufficient value recovery over the device lifecycle.

This resulted in differing views on whether the proposed framework strikes the right balance between these considerations.

Theme 2: Role of PCI standards in lifecycle decisions

There was strong and consistent support for PCI standards as the foundation for lifecycle decision-making, reflecting their status as a globally recognised security benchmark.

However, many stakeholders expressed the view that PCI alone is not sufficient to determine lifecycle dates across all stages of the lifecycle. Feedback highlighted the

need to complement PCI with additional considerations, including limits on introducing devices with only a short remaining approved lifespan into the market and greater flexibility in how lifecycle dates are applied in practice.

Theme 3: Risk-based approach and use of independent security assessments

Stakeholders broadly supported the use of a risk-based approach supported by independent security assessments.

Respondents called for greater transparency on how risks are assessed, clearer linkage between identified risks and lifecycle decisions, and greater clarity on how decisions are made. This includes the independence of assessments and a stronger focus on real-world, exploitable threats rather than theoretical vulnerabilities.

Some stakeholders also questioned whether additional assessments are needed where PCI may be viewed as already fulfilling this role.

Theme 4: Serviceable lifetime and lifecycle timeframes

There was broad acknowledgement that serviceable lifetime is a relevant consideration. However, there was limited support for applying it as a fixed rule across all devices.

In particular, the proposed five-year maximum timeframe beyond PCI expiry was widely viewed as either too rigid or not set appropriately to reflect differences in device capability and risk profile.

Stakeholders instead expressed a preference for more flexible approaches that reflect device specific characteristics or evolving risk.

Theme 5: Lifecycle settings for newer device standards (5.x and 6.x)

Feedback on extending lifecycle timeframes for newer PCI device standards was mixed.

Supporters highlighted the stronger security features of these devices and the benefits of reducing disruption, cost and frequency of large-scale upgrade programmes. Others raised concerns that longer timeframes could result in ageing devices remaining in market for longer, increasing exposure to evolving threats and extending the period before device replacement is required.

Some stakeholders also noted the importance of alignment with international practice, particularly with comparable markets such as Australia.

Theme 6: Timing of lifecycle dates

There was moderate support for moving lifecycle deadlines away from April, primarily to improve planning and avoid peak trading periods. However, some respondents questioned whether a change was necessary, noting the importance of maintaining alignment with global timelines and avoiding unnecessary NZ-specific variation or complexity.

Support for alternative timing was generally driven by implementation considerations and constraints rather than a fundamental need to change the underlying framework.

Theme 7: Broader considerations influencing lifecycle decisions

A strong theme across submissions was that lifecycle decisions should reflect broader industry realities in addition to security considerations.

These include supply chain constraints, manufacturer support, merchant readiness, operational capacity, environmental impacts and the evolving relevance of payment technologies.

Some stakeholders also highlighted the need for pragmatic approaches to managing devices near or beyond expiry dates, particularly in limited or short-term use cases.

This reflects an expectation that lifecycle settings balance not only technical risk, but also practical implementation considerations across the industry.

Theme 8: Consultation and communication approach

Stakeholders generally supported the consultation and communication approach in principle.

However, feedback indicated that effectiveness would depend on how the process is implemented, including whether engagement is appropriately targeted, whether there is transparency in how feedback informs decision-making and whether communication provides clear, actionable guidance to support compliance.

4. Key takeouts

Submissions indicate broad support for the overall direction of the framework, alongside differing views on how key elements should be applied in practice. The feedback highlights several overarching insights that emerge across the themes.

Overall direction

There is general support for the direction of the proposed framework. However, there is no clear consensus on how key elements should be applied in practice, reinforcing that decisions will need to be made in the absence of a single preferred approach. At the same time, feedback indicated for maintaining strong security outcomes, using recognised industry standards and improving transparency around lifecycle decisions.

Divergence in stakeholder perspectives

A key feature of the feedback is the clear divergence in views. Some stakeholders prioritise a security-led approach, favouring conservative lifecycle settings and earlier retirement of devices. However, other stakeholders emphasise flexibility, cost efficiency, operational practicality and the improved capabilities of newer technologies.

These differing perspectives are often shaped by stakeholders' roles within the industry, reflecting varying exposures to risk, cost and the practical effort required to implement lifecycle decisions.

No single framework will meet all expectations

Feedback indicates that there is unlikely to be a framework that will fully satisfy all stakeholders.

Many responses acknowledge the natural tension between security, cost, operational complexity and market dynamics, including the need to balance risk with the long-term viability of the industry and practical implementation.

As a result, lifecycle settings need to consider trade-offs between competing priorities rather than achieving a single outcome.

Expectation of a more flexible and adaptable approach

There is a clear expectation among a number of stakeholders that the framework should be flexible and capable of adapting over time.

Stakeholders emphasised the need for the framework to respond to evolving risk and industry conditions.

This includes a preference for approaches that move away from fixed, one size fits-all settings towards more flexible approaches based on device risk and real-world conditions.

Importance of transparency and clarity

Across multiple themes, stakeholders emphasised the importance of transparency in how decisions are made.

This includes clearer articulation of decision rationale, greater transparency in decision-making processes and how feedback informs outcomes.

Confidence in the framework is closely linked to understanding the rationale behind decisions and the process used to reach them, particularly where trade-offs are required.

Stakeholders also emphasised the importance of clear communication on upcoming

lifecycle changes, including timeframes and compliance expectations to support planning and implementation.

Alignment with international practice

A recurring insight is the importance of aligning lifecycle settings with international benchmarks.

Stakeholders expressed a preference for consistency with comparable markets and global standards, while recognising that local factors still need to be considered.

5. Next steps

Following publication of this summary of submissions, Payments NZ will complete its review of the feedback to inform the finalisation of the framework.

Feedback received through the consultation will be considered alongside security, operational and industry factors as part of the final framework development process.

The proposed framework settings will be considered through CECS governance processes before being submitted to the Board for approval.

The finalised framework, including the policy for setting lifecycle dates and confirmed lifecycle dates for PCI 5.x and 6.x devices, is expected to be published by the end of September 2026.