



Global Open Network Japan Inc. releases whitepaper with Mastercard :

How IoT will shape the future of payments

Observation on the merits of IoT to consumers, merchants and the payment industry and the challenges of the payment market.

Global Open Network Japan, Inc. (GO-NET Japan, Location: Chuo-ku, Tokyo, Representative Director and CEO: Shinji Tokunaga), in collaboration with Mastercard (Mastercard, Location: Purchase, New York, USA, President of the Japan region: Yunsok Chang) released a whitepaper based on the joint observation on how IoT could impact future payment.

It is said that over 30 billion devices are already connected to the internet which will grow to be 44 billion by the end of 2021¹. The advent of 5G and its ability to connect millions of IoT devices will drive consumers become hyper-connected and digital first, which in turn invites development of innovative products and services.

GO-NET Japan, in collaboration with Mastercard jointly has observed the possible benefits that IoT payment could bring to our consumers and also the challenges lying ahead.

This whitepaper focuses on the merits to consumers, merchants and the payment industry as well as the challenges that today's payment market face and introduces the basic concept of payment platform for IoT use cases using the technology solutions that both provide.

1. Ministry of Internal Affairs and Communications "Special Theme : Evolving Digital Economy towards Society 5.0"

[Whitepaper outline]

■ Merits of IoT

- Pay-per-consumption model using connected IoT devices can enable consumers to participate and enjoy the service more easily.
- Improvements on merchant services by purchase data utilization through connected devices.
- Integration of IoT and payment is expected to bring more benefit to the payment industry.

■ IoT related challenges in the payment industry

- Increase of IoT related services and decline in unit prices puts pressure to payment processors' business.
- Capacity and scalability : two challenges facing the new IoT payment era with large transaction volume.
- Sophistication of cyber threats in IoT payment.
- Rising necessity of security measures for protecting personal information.

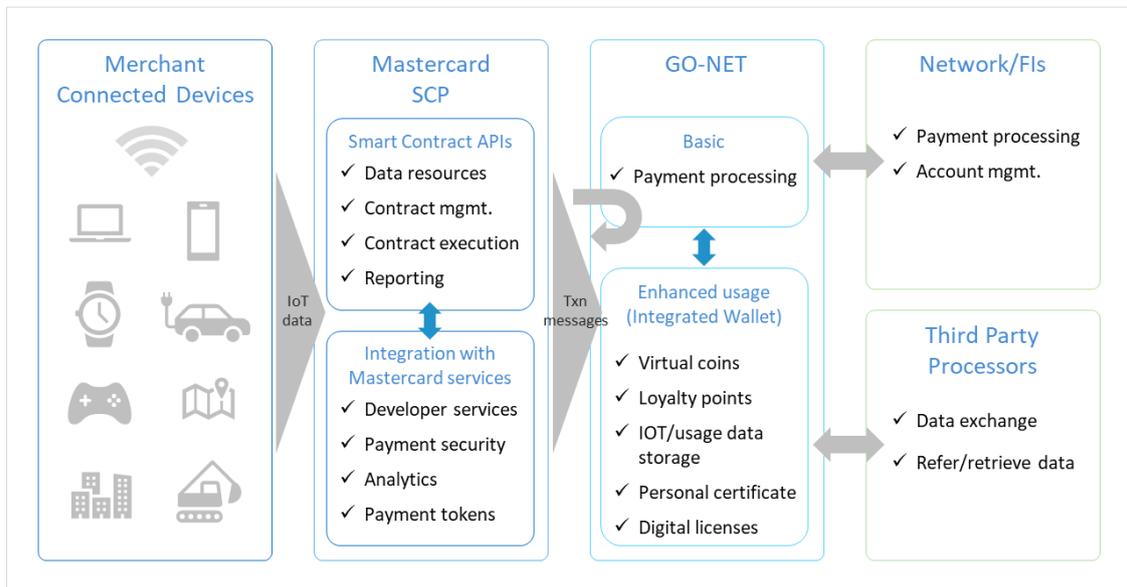
■ Technology Solutions

- Mastercard Smart Contract Platform (SCP) enables FIs and fintech partners to build commerce applications to support high-frequency, low-value transactions.
- GO-NET enables partners to resolve issues of capacity and scalability.



- Combination of SCP and GO-NET enables merchants and payment providers to explore new payment methods such as micropayments effectively.

[Conceptual diagram of the payment platform for IoT using Mastercard SCP and GO-NET]





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GO-NET Japan and Mastercard are both committed to support and delivery of the innovations for our partners, merchants and solution providers with our capabilities and specialty in payment technology to build a better, prosperous future.

【About Mastercard】

Mastercard (NYSE: MA), www.mastercard.com, is a technology company in the global payments industry. Our global payments processing network connects consumers, financial institutions, merchants, governments and businesses in more than 210 countries and territories. Mastercard products and solutions make everyday commerce activities – such as shopping, traveling, running a business and managing finances – easier, more secure and more efficient for everyone.



【About Global Open Network Japan Inc.】

Global Open Network Japan Inc. is a technology company established in April 1st 2019, providing “GO-NET”, a platform that leverages blockchain technology to support various businesses in areas such as Payment and IoT. GO-NET’s mission is to break the limitation of conventional payment transactions through innovative networks.