How eID is helping secure social protection and unlocking a sustainable, empowered future for communities around the globe

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Social security infrastructures offer much needed safety nets for citizens across the developed world. The benefits are many: addressing poverty, protecting vulnerable groups, delivering empowerment programs and the effective provision of health and social care services.

At the most fundamental level, the planning and delivery of social support programs is predicated on the Government’s knowledge of its citizens: who they are, where they live, their social and economic circumstances and so on. In other words; their identity.

That knowledge begins at birth, with registration. The mechanism of the state then takes over and follows citizens throughout their lives. And that’s where digital identity is set to become ever more significant in the years to come.

In response to growing demand for more convenient and modern public eServices, governments around the world are fast tracking the shift to digital service provision. By enabling citizens to go online to vote, communicate with government bodies, register for benefits – and more – a trusted digital identity will become a key enabler of everyday life.

And, according to Boston Consulting Group, these eServices have the potential to return around $80bn annual savings for the public purses of governments worldwide by 2020. What’s more, electronic identity (eID) has the potential to stimulate the wider digital economy, generating additional value and benefits for all by enabling a new era of high value trust-based economic and social interactions online.

But while we’ll see multiple identity providers emerging in the coming years, the root identity – the one trusted digital identity upon which all are based – must start with government itself. With digital identity in place, governments are able to easily register, validate and manage the eligibility rights of their citizens within social safety net programs and seamlessly migrate individuals from one agency program to another – for example, managing the move of a child into a school assistance program.

1. Digital identity and the developing world

In the developing world, however, things are less straightforward. For millions of people around the world the apparently simple task of providing documentation that proves who they are is a major challenge. Migrant populations, the illiterate or those who live in remote rural locations struggle to accurately register a child’s birth – and as a result are excluded from taking advantage of basic services that provide a vital ‘foundation for support’. This is a major problem because, according to UNICEF, 40 percent of children are...
not registered at birth in developing countries and the figures are even higher for South Asia (63 percent) and Sub-Saharan Africa (55 percent).

Without verifiable ID, governments in developing countries are powerless to track if the benefits of their poverty reduction schemes are actually being paid to the intended beneficiaries. Indeed, Rajiv Gandhi, a former prime minister of India, once famously stated that only 15 percent of the benefits meant for the poor actually reached them. For example, a recent audit of the National Rural Employment Guarantee Scheme in India found almost 9 percent ghost beneficiaries while just 61 percent of wage payments were reaching eligible workers.

Furthermore, for governments that are unable to verify identity, demonstrating accountability and transparency in the allocation of public resources is a near impossible task. According to the International Labour Organization, women contribute 70 percent of working hours globally yet receive only 10 percent of income flows. All of which adds up to greater poverty, slower economic growth and a lower standard of living in developing countries. But digital identity could ensure that benefits meant for women, such as conditional cash transfers or monies that can be spent on nutrition, education and clothing for the family, actually reaches them.

Anti-poverty and social protection programs are often difficult to implement as intended in developing countries thanks to governments’ limited capacity to authenticate individuals and deliver payments securely to targeted beneficiaries. It’s an issue that the World Bank is keen to tackle in its bid to eradicate extreme poverty for the world’s population and sees digital identities as pivotal to enabling the improved execution of social programs in developing countries.

2. Leveraging ICT to make a measurable difference

Technology is helping to transform the way governments in the developing world capture, retain and update citizens’ records so that they can receive the benefits and public goods they are due. Indeed, digital identity programs are proving to be game changing when it comes to tackling extreme poverty, boosting shared prosperity, improving access to schools, as well as efficiently managing eligibility and enrolment into social safety net programs.

By utilizing a unique eID that can be verified - for example, through the use of a mobile phone - the excluded at last have some means of proving who they are. Births can be registered, and a root identity created. Citizens are then ‘in the system’ and are able to access and fully benefit from social protection schemes.

It’s not just the state that benefits of course. Armed with an eID, people previously excluded from the economy are at last able to engage with banking institutions and more. This new found capability has the potential to give them access to micro-payments, micro-credit, micro-insurance, micro-pensions and even micro-mutual funds; in other words, the opportunity to benefit from financial inclusion.

But the gains don’t end there. Digital identities can help plug leakages from benefit programs, eliminate wastage and prevent fraud. In Nigeria, for instance, biometric audits have resulted in a reduction of 40 percent in the number of federal pensioners. As well as protecting precious state resources by ensuring they can be directed at those truly in need, the ability to authenticate identity puts an end to the inappropriate diversion of benefits and builds citizen confidence in the resilience and equity of central and local government social benefit schemes.
3. Implementing a successful eID program

Today’s citizens often need to utilize multiple IDs to access either government or private services—such as banking, entertainment or online communities. But in the future, a fully interoperable ecosystem, accessed via a trusted digital identity, will deliver a trusted and simple sign on to any kind of services (public or private). Enabling all this will require a trust framework that encompasses ID technology, authentication as well as privacy and transparency in order to generate citizen trust and up-take.

To be successful, the implementation of any unique ID program must follow five guiding principles:

- **communication** – the benefits of any secure identification solution need to be communicated clearly to users and the use of eGov solutions should be incentivized
- **technology and infrastructure** – technology and data standards need to be enforced to assure interoperability and the Internet needs to be available in sufficient quality to support eGov access
- **transparency** – organizations must be fully accountable for a trusted flow of data, and adhere to clearly defined codes on the use of personal data
- **legal and process innovation** – government processes need to adjust to reflect the new reality of a digital environment
- **central steering and commitment** – a CIO with end-to-end responsibility needs to oversee activities while a central eGov agency undertakes day-to-day management.

The question of where the root identity is stored is crucial for obvious reasons. Ideally, it should be held in secure elements such as a smart card, an embedded secure element in a mobile or microSD card, or in a mobile UICC (SIM card). The SIM card offers huge advantages in terms of the number of mobile phone users in areas of most need in the developing world.

4. Putting eID to work

Countries around the world are already employing digital ID to tackle a wide range of diverse challenges. In Burkina Faso, for example, the government is utilizing secure ID to increase credibility to the electoral process by issuing biometric voter cards that have helped to eradicate fraud at the polling station. The biometric enrolment program has also enabled isolated rural villagers to participate in national and local elections.

In Gabon, meanwhile, a new eHealthCare scheme targeting the farming community, the unemployed and the self-employed is enabling the cost-effective and auditable delivery of medical services to those in need. Similarly, a national eHealthCare insurance program in Algeria has resulted in the issuance of seven million health insurance cards for families, together with the deployment of USB tokens for health care professionals. The scheme has helped speed up settlements for claimants while decreasing fraud.

But national programs, such as the digital ID project in India, have generated additional gains for citizens which includes increased access to bank accounts, improved access to education, and improved the performance and implementation of several social protection programs designed to reduce poverty.
5. Lessons learned

In India, the government's eID project is at last making it possible to identify and track who has access to what public services. The Aadhaar program is a nationwide 12-digit digital identity, issued to each resident by the Unique Identification Authority of India (UIDAI) and which can be verified online instantly. Using this single central register of citizens, the government is now able to identify who qualifies for social benefits and social protection services and is able to include those who previously may have been excluded for a variety of reasons – including lack of documentation, caste or gender.

As of March 2014, over 620 million citizens had registered and received an ID number, providing basic demographic information (name, date of birth, address, parent/guardian and contact details) in the process. All now have a biometric record (digital photo, fingerprints and iris scan) to ensure every identity number allocated has only one match to support identity authentication for cash transfers, for example.

To mitigate any potential privacy-related problems the Aadhaar program incorporates some explicit protection measures. For example, no information is collected on religion, caste, community, class, ethnicity, income or health. Similarly, only categorical responses (‘yes’ or ’no’) can be provided from the Aadhaar database in response to any queries on identity; furthermore, the database is not linked to other databases or to information held in other databases.

Adopted across all public services and welfare programs covering employment, health, social security, food distribution and fuel subsidies, Aadhaar is making the distribution of benefits more effective, impactful and equitable for India's central and local government agencies. It's also simplifying and optimizing the processes and approval flows between different agencies.

The eID program has opened up new opportunities for Indian citizens, many of whom are for the first time able to access a secure bank account as well as their political and economic rights. Children previously excluded are now automatically enrolled into education and school programs, ensuring they get their chance to acquire the literacy and numeracy skills that will benefit them - and their families - in the future.

6. Entering a brave new world of eID

Today’s social protection programs, enabled by eID, are helping to protect the vulnerable and institutionalize citizens’ rights. Enabling governments to address exclusion issues and better target the delivery of short-term discretionary safety nets to those most in need. But they’re also proving to be growth enhancing, increasing citizen access to assets, education and health.

It is projects such as these that the Secure Identity Alliance, together with governments from around the world, is working hard to support. Dedicated to enabling sustainable worldwide economic growth and prosperity through the development of trusted digital identities and the widespread adoption of secure e-services, the Alliance brings together public, private and non-government organizations to foster international collaboration on the digital ID challenge and the issues relating to data security, citizen privacy, identity and authentication.
By supporting the implementation of digital ID projects, the Secure Identity Alliance is helping to accelerate a wide range of economic, public health, electoral and sustainability opportunities made possible by the shift to digital service provision.

As a result, we’re seeing an increase in demand for eID or mobile ID (mID) projects from governments in developing countries looking to utilize secure identity management to undertake poverty reduction, public education, nutrition and a variety of other welfare programs that will help boost financial and social inclusion for their native populations.