



Brief on Digital Identity

How is the World Bank Group advancing Digital ID systems?

Through client engagement and policy advice, and publication of best practices and guides, including the Digital Identity Toolkit for Africa, the World Bank Group is helping countries develop robust and secure Digital ID systems. Leadership, governance and capacity are important elements for setting up Digital ID platforms; as a result, we help clients connect to best practices and solutions, as well as providing a set of guidelines for policymakers to consider as they embark on the journey of modernizing their countries' technology and processes.

Insights from recent Digital ID activities in Armenia, Moldova, Vietnam and the Organization of Eastern Caribbean States indicate that national identification systems through electronic and biometric technology facilitate service delivery, as well as modernization of civil registration and vital statistics (CRVS) systems.

In 2011, the government of Moldova embarked on an ambitious program for public service and governance modernization, with assistance from the World Bank. This included creation of a Council of e-Transformation Coordinators and an e-Government Center. Implementing this ambitious program entailed a complex reform of 587 public services for citizens and businesses, in order to cut bureaucracy, corruption, administrative costs, inefficiency and low levels of productivity. In 2012, the Moldovan government – in partnership with leading telecommunications operators – launched the *Mobile Signature* service, which received the *m-Government Global Mobile Award* from the GSMA.

In Ghana, the World Bank Group is helping the country's National Identity Authority institute a national identity card that uses fingerprints for registration. The project targets Ghana's entire population of 25 million, and will better connect citizens to social and other services, as well as giving the government a better sense of the needs of its people.

Official identity is not merely a matter of policy and convenience; it is a fundamental human right. Digital ID connects people to electoral participation, educational opportunities, health and social welfare, banking and economic development. It gives people a chance to better communicate and be recognized by their government, while also giving governments the opportunity to listen and improve the lives of their citizens.

For more information:
<http://www.worldbank.org/ict>





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Why does digital identity matter?

A government's ability to deliver important services to its people depends on its ability to uniquely identify people. An official identity is central to everything from health care and voting to social welfare and transport. It's vital to private enterprise as well, as financial institutions require client verification before disbursing a loan or making transfers.

In many developing countries, official identification remains an elusive goal: for example, in Sub-Saharan Africa, as many as 55 percent of people have no official identification record. This lack of identification severely hampers access to basic services including economic development, education, health and social welfare.

The rapid growth of mobile phone ownership – which has reached 6.5 billion users globally – is a historic opportunity to reduce the “identity gap.” Digital identity (Digital ID) is a proven solution to many of the challenges surrounding official identification. Digital ID gives government and business the ability to deliver services electronically, boosting efficiency and driving innovation. This advance is especially important in developing countries, where impoverished populations are often isolated and unreachable by critical economic and social services.

In 2013, more than 67 percent of Sub-Saharan Africans had a mobile phone subscription. This represents an unprecedented chance to reach disadvantaged and often-marginalized populations with banking, health, educational and social services

– but only when official identity has been established. Digital ID allows for unique and secure identification and authentication of a person's identity, which grants access to a range of online services. As a result, Digital ID is a *game changer* and a force-multiplier in the global push toward poverty alleviation, access to finance and shared prosperity.

What are the opportunities and challenges?

Digital ID provides countries a cross-sector platform that allows *leapfrogging* to more efficient and modern systems, enhancing service delivery. This represents transformational potential for developing countries, particularly those with weak or non-existent national identification systems. A Digital ID platform can help create and automate such systems through:

- **Biometrics:** the use of electronically captured facial features, iris patterns or fingerprints to authenticate a person's identity
- **Digital databases:** replacing paper files with electronic records of identity data, which reduces costs and increases efficiency, as well as safeguarding information against disasters
- **Digital credentials:** once identity information is captured and verified, governments can issue their citizens digital tokens that help keep track of health records, financial information and social benefits
- **Mobile, online and offline applications:** provide access to health, education, banking and a range of social services through digital authentication

Setup and management of these systems can be costly. Governments can establish public-private partnerships with companies to relieve the initial financial burden, create revenue flows and ensure sustainability.

The benefits of Digital ID are already being realized in many countries in Sub-Saharan Africa. In Botswana, for example, biometric enrollment of pensions and social grants resulted in 25 percent savings by identifying and cutting numbers that were inflated by duplicate records and deceased beneficiaries. Similarly, in Nigeria, biometric audits reduced the federal pension roll by an impressive 40 percent.

With data privacy being a critical consideration, all parties must ensure that a person's identity is protected at all stages of processes and transactions. This requires that governments and partners ensure the presence of an enabling environment, privacy oversight, data protection laws and regulations. If these prerequisites are met, a successful Digital ID strategy facilitates trust between government and citizens, businesses and other stakeholders.