

Harnessing Identification Systems for Social Protection and Jobs



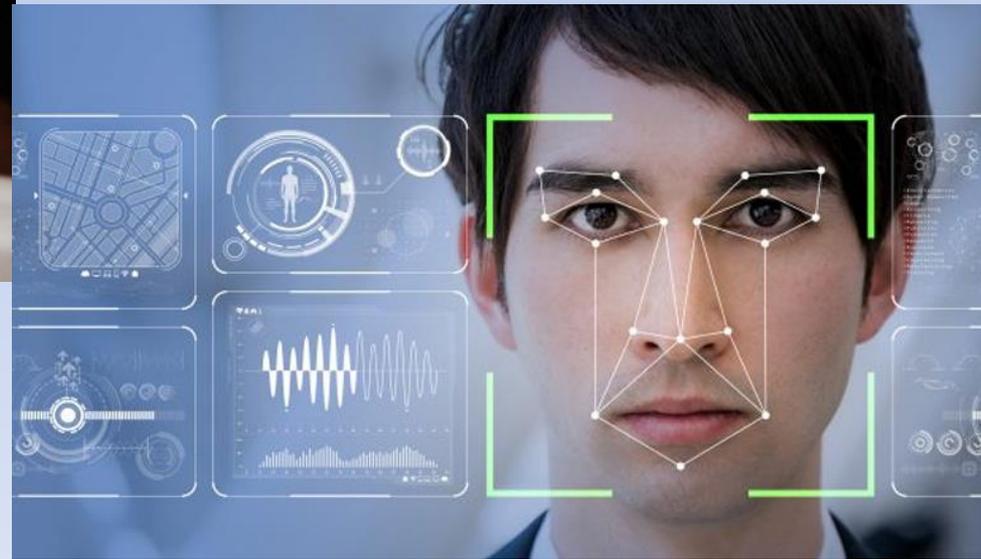
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Global Lead for Pensions and Social Insurance, World Bank
SPJ Core Course – Plenary Session
April 30, 2018

Three big picture take-aways

- We are in the midst of an identification revolution
- This revolution poses fundamental challenges and opportunities for the social protection system
- Your agencies can play an important role in improving your country's identification system

THE IDENTIFICATION REVOLUTION

Facial recognition – humans to machines

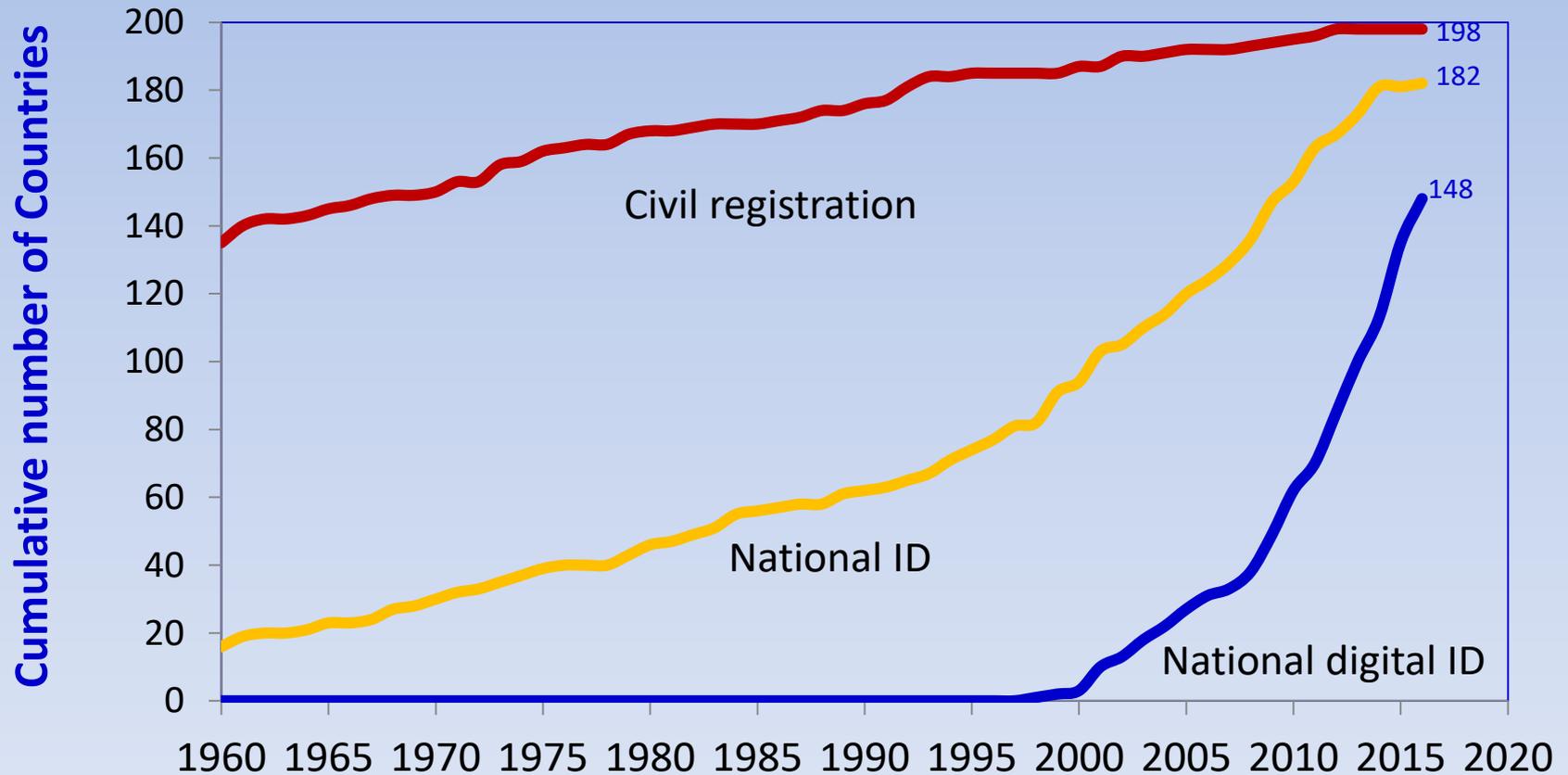


But how did we get here?

- China's Hukou system, Europe's parish registries, astrological records, others
- Morphing into civil registries in the 19th century and have spread globally ever since
- Some are centralized and digitized, but many remain local and paper based
- First national IDs early 20th century
- First electronic national IDs (e-IDs) in 2000s

Now, an explosion of national digital IDs

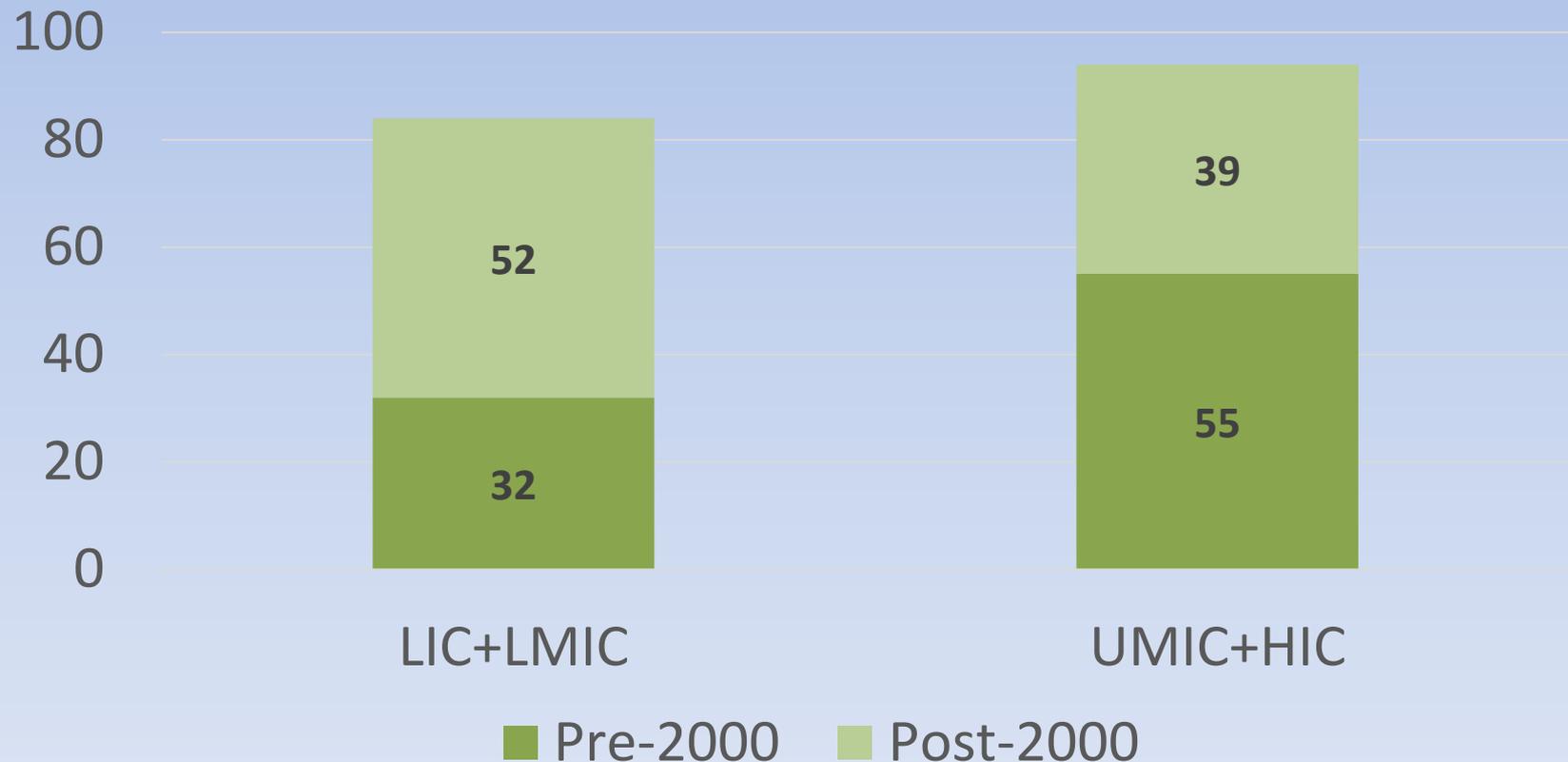
Civil Registration and Identification (1960-2014)



Source: ID4D Global Database

Fastest growth in low income countries

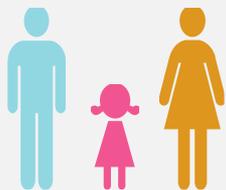
Number of NID programs by income level and period



Source: ID4D Global Database

But an 'identification gap' remains

An estimated
1 billion people
unable to prove their identity



Large proportions come from vulnerable populations: the poor, people living in rural/remote areas, children, migrants, refugees and stateless persons.

The lack of ID makes it difficult for individuals to...



Access financial accounts and credit



Own, transfer or inherit property



Prove eligibility for and access social and health benefits



Vote in elections

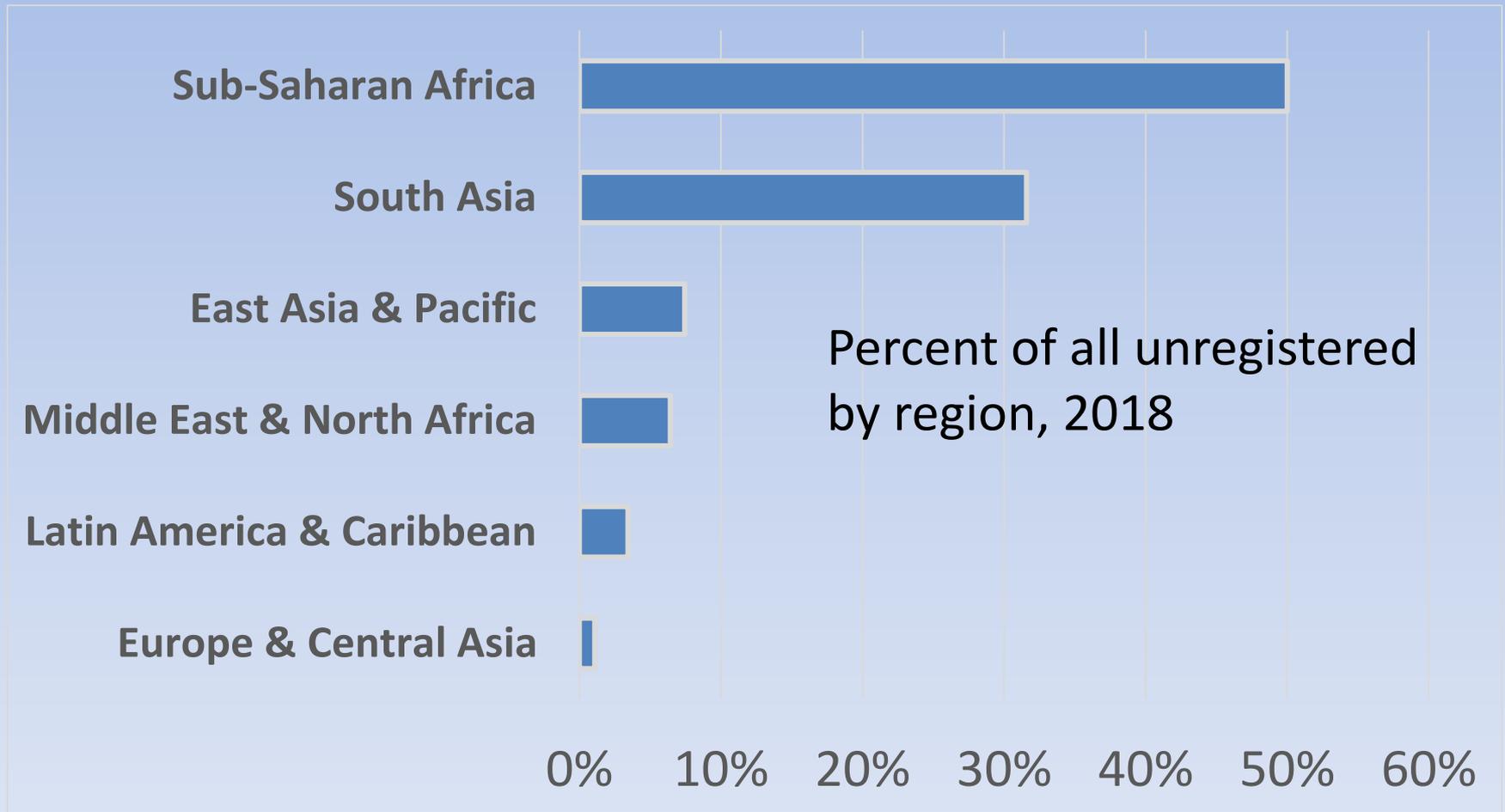


Cross borders safely and legally

...which results in...

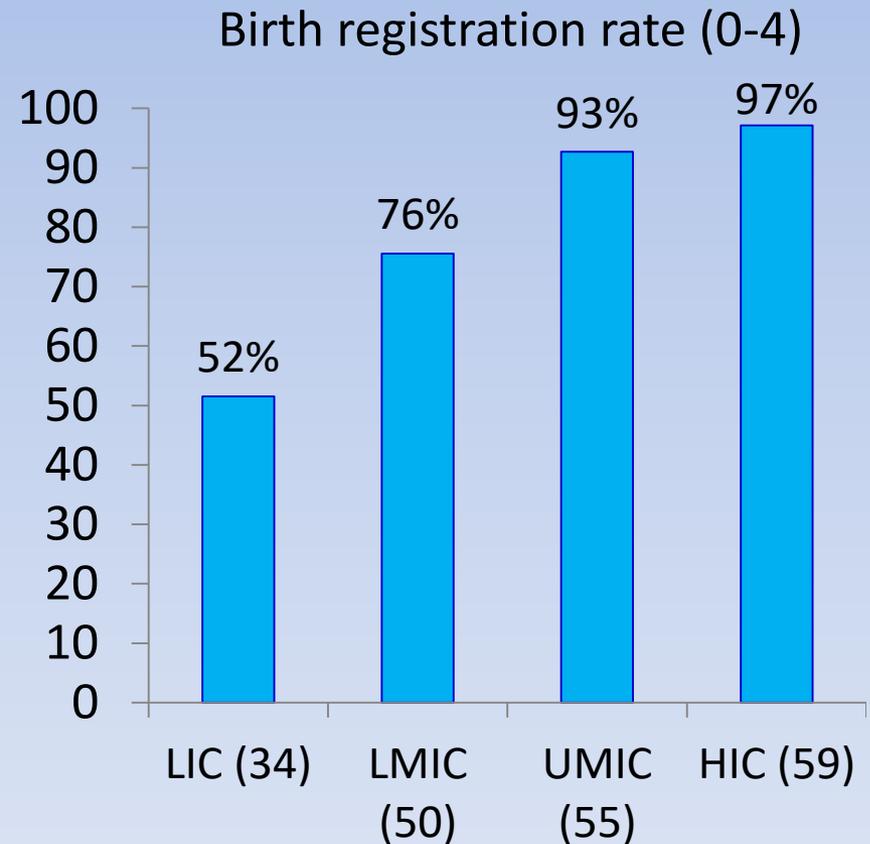
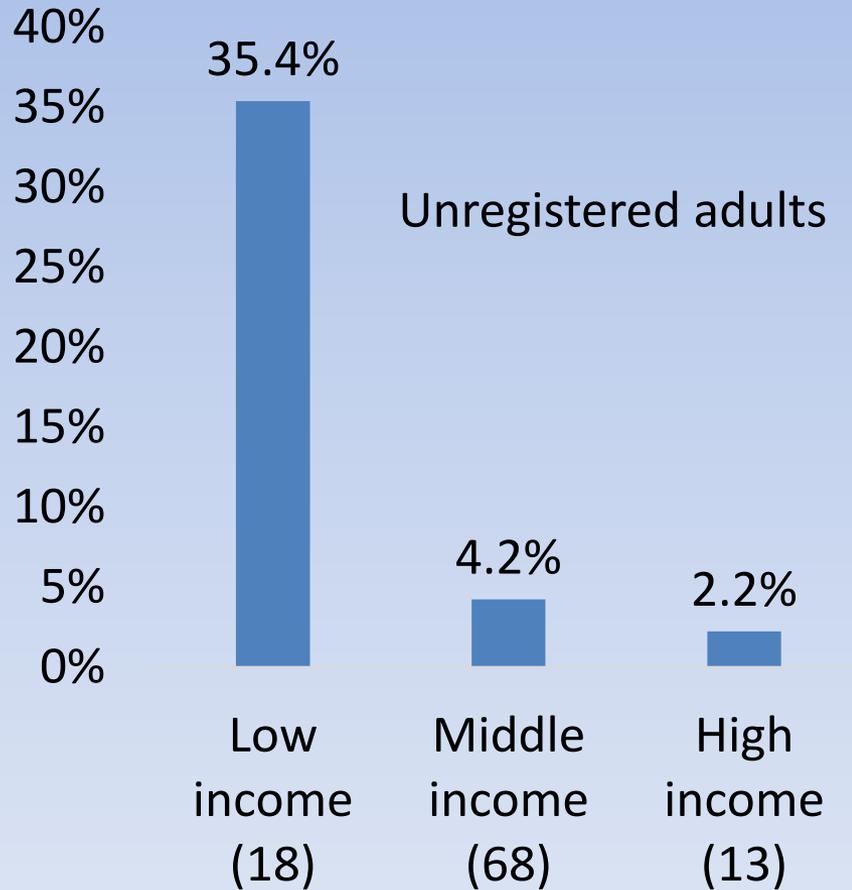
- Economic, political and social **exclusion**
- **Service delivery and governance challenges**, e.g. leakages and ineffective targeting in programs
- **Difficulty tracking development progress** due to no or unreliable data

Most of unregistered in Africa, South Asia



Source: ID4D Global Database

The situation is worse in LICs



Source: ID4D Global Database based on FINDEX and UNICEF data

Sustainable Development Goal *16.9*

“Provide legal identity for all,
including birth registration by 2030”

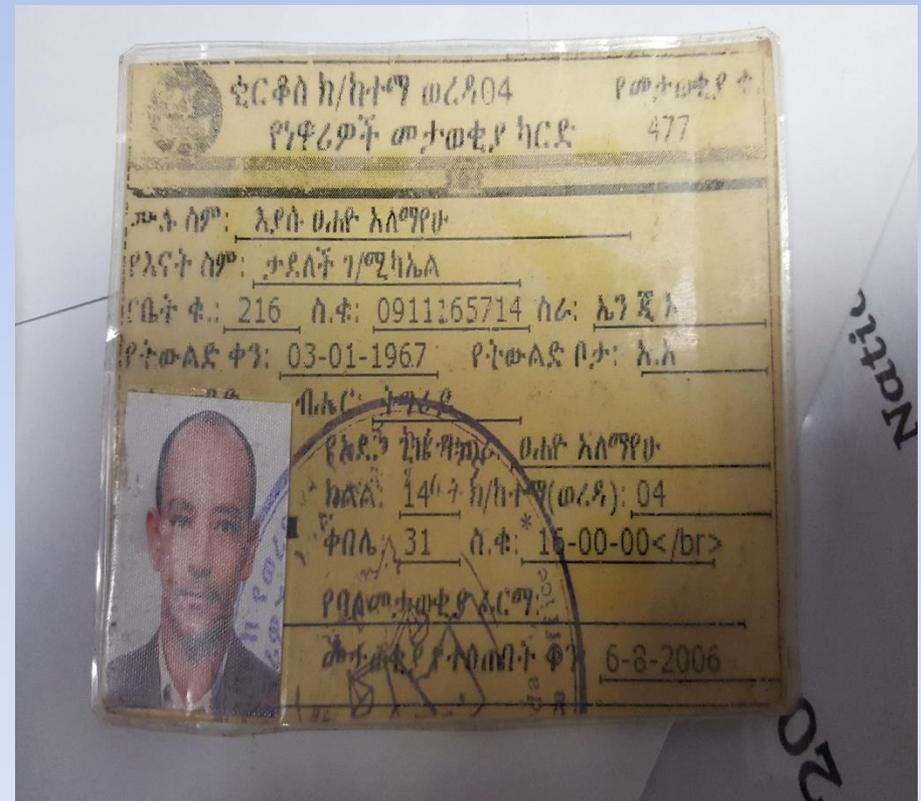
*But coverage is just the beginning of
the journey...*

First, many IDs are not digital

Birth registration records



National ID card



And may not ensure uniqueness

Consulta Curp

Resultado (1 - 1 de 1)

Imprimir Formato

Curp	PEMA660123MDFRRL00
Primer Apellido	PEREZ
Segundo Apellido	MARTINEZ
Nombre(s)	ALMA ROSA
Sexo	MUJER
Fecha de Nacimiento	23/01/1966
Nacionalidad	MEXICO
Entidad de Nacimiento	DISTRITO FEDERAL
Tipo Doc. Probatorio	ACTA DE NACIMIENTO

Datos del Doc. Probatorio	
Entidad	09 DISTRITO FEDERAL
Municipio	017 VENUSTIANO CARRANZA
Año	1966
Libro	0001
Tomo	Foja
Acta	00269
Crip	

Historicas

* Formato para fechas: dd/mm/aaaa
* DP: Documento Probatorio

Dirección General del Registro Nacional de Población e Identificación Personal

Consulta Curp

Resultado (1 - 1 de 1)

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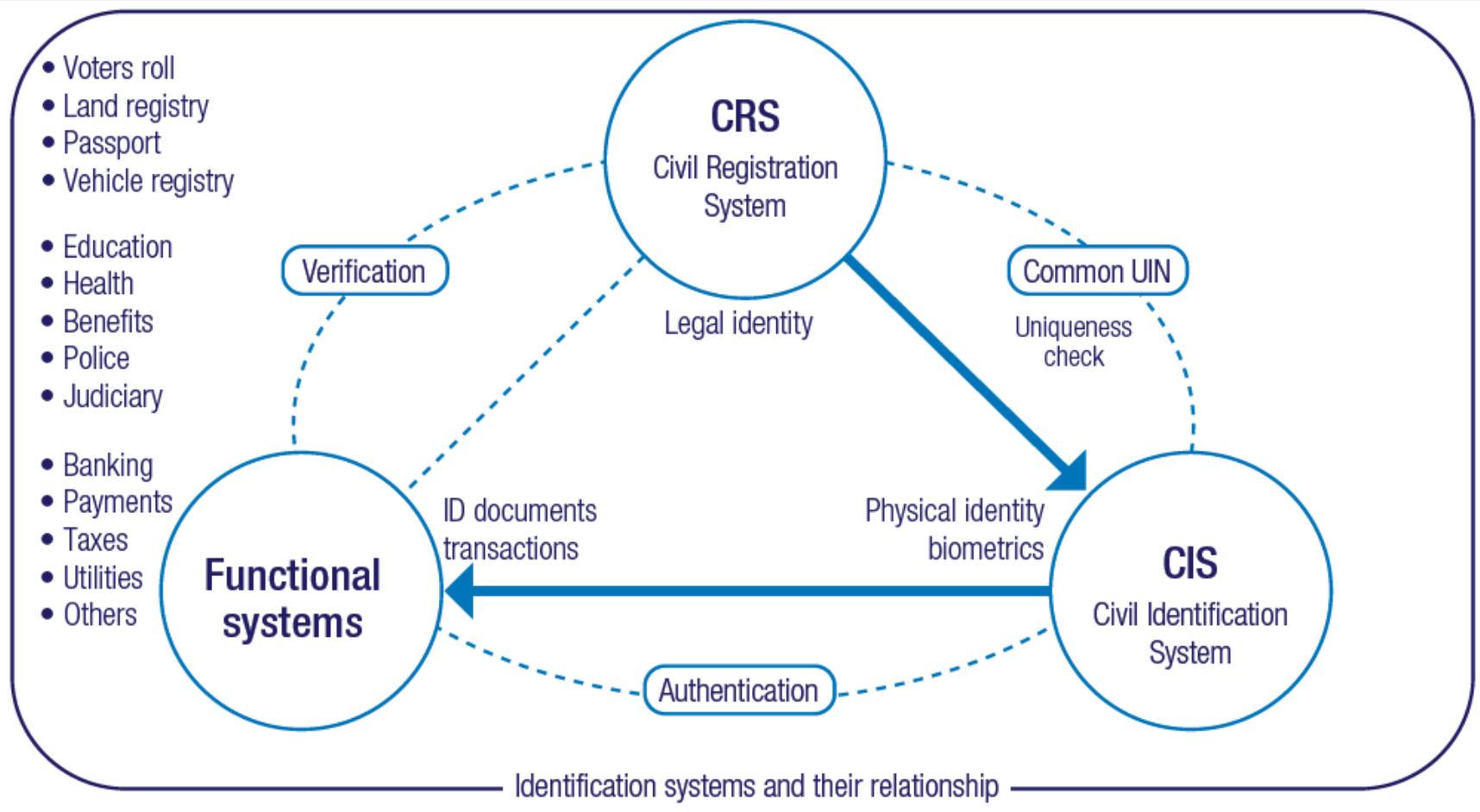
Historicas

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Dirección General del Registro Nacional de Población e Identificación Personal

CURPS ISSUED: 186 million
Mexican population: 130 million

And many ID systems are not integrated

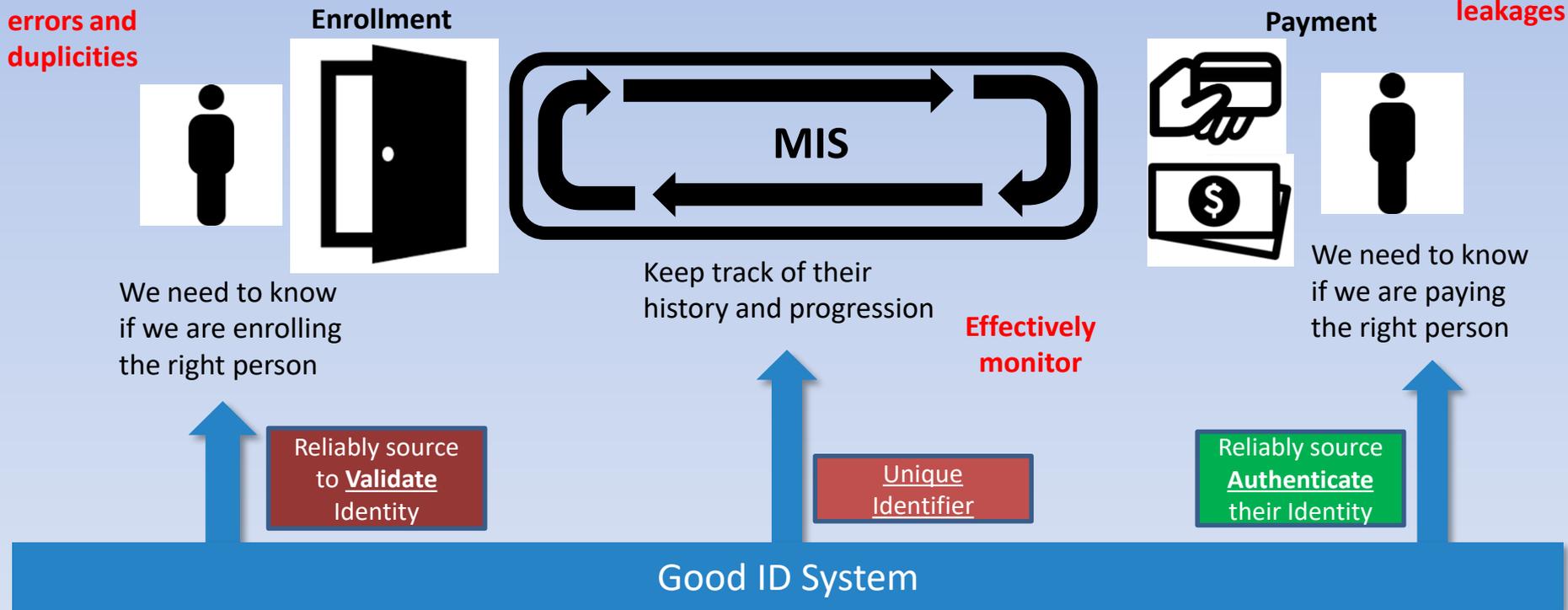


IDENTIFICATION AND SOCIAL PROTECTION SYSTEMS

Why ID matters for SPJ (program level)

Avoid
inclusion
errors and
duplicities

Avoid
payment
leakages

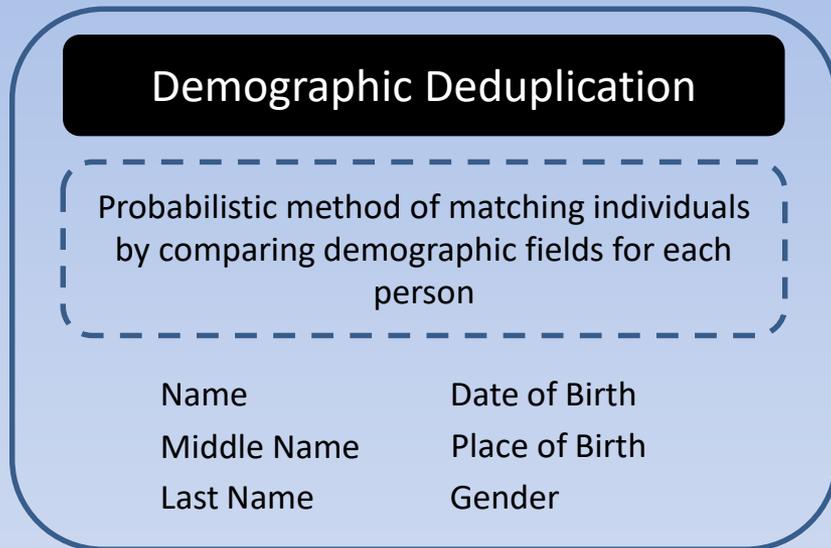


Source: Chavez (2018)

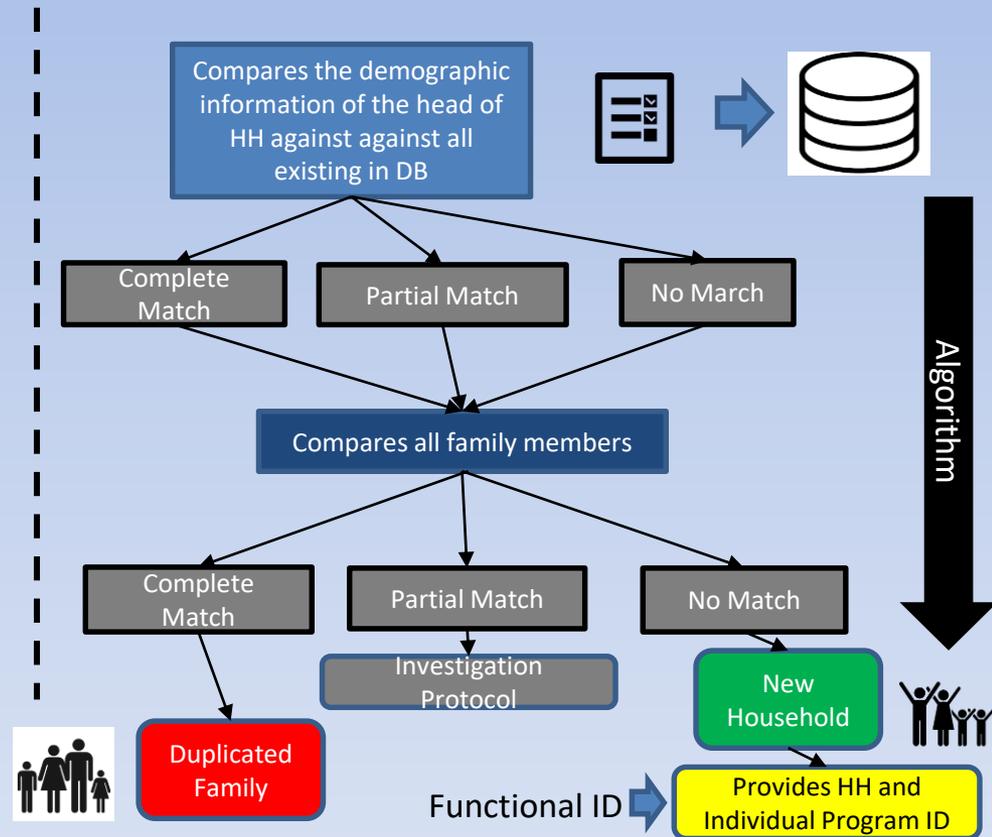
Three things that SPJ programs need

- Uniqueness (1:n)
 - Without it, there are duplicates and the other two ID functions are compromised
- Authentication (1:1)
 - Without it, there is fraud and leakage
- Links across databases
 - Without it, integration of SPJ policies is compromised and targeting is less accurate

Uniqueness: difficult without biometrics



Source: Chavez (2018)



and since no one program covers the entire population, the identity established is program specific and not unique in the SPJ system

Authentication: various options

Security

Least



Most

<u>Manual verification</u> Some form of ID is shown to the agent/official and may be manually recorded	No electronic record generated at point of transaction	
Electronic		
What you have	Card/SIM/voucher read by POS and e-record created	Off-line or on-line
What you have and know	Card/SIM plus PIN	Off-line or on-line
What you have and what you are	Card plus biometric verification	Off-line or on-line
Combination of above		

Manual authentication

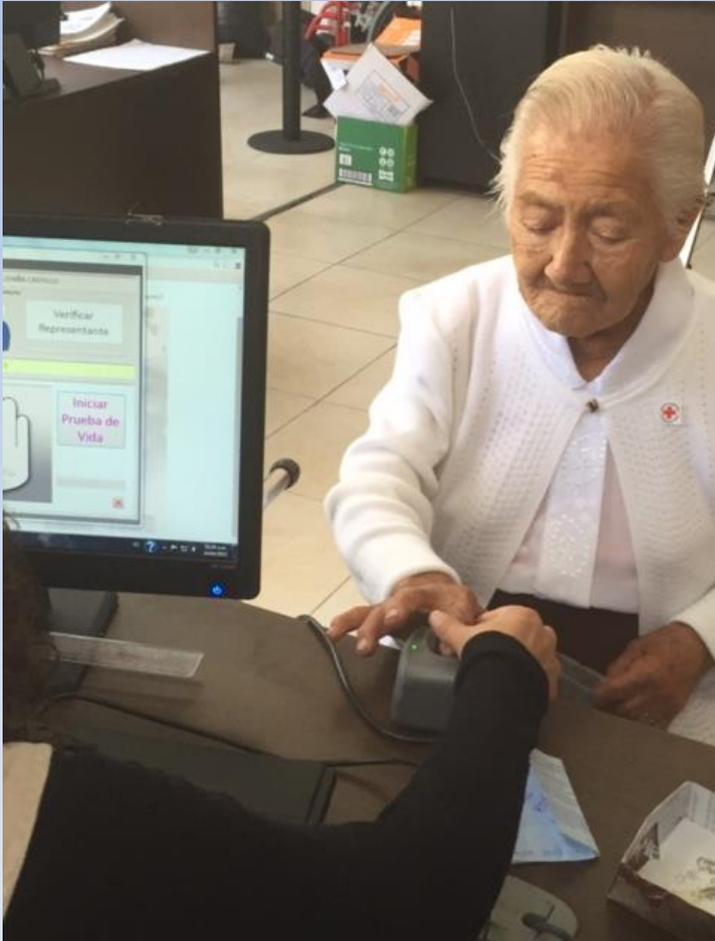


India

Ethiopia



Biometric authentication for pensions



Mexico



India

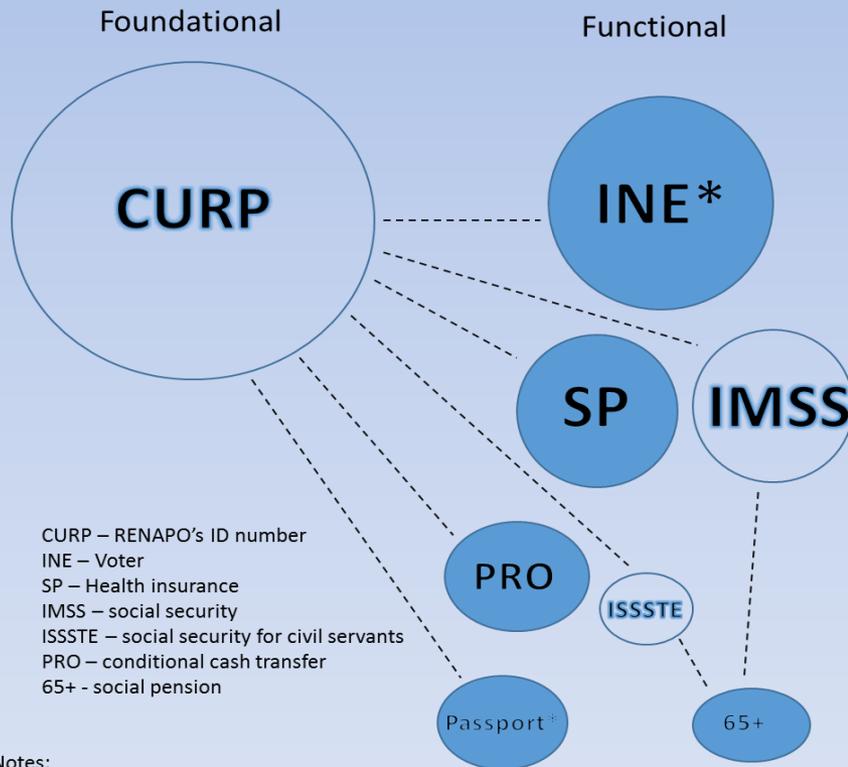
Question:

Does your program/agency use the national ID or its own functional ID?

Functional or foundational

Mexico's silos

Why silo's exist



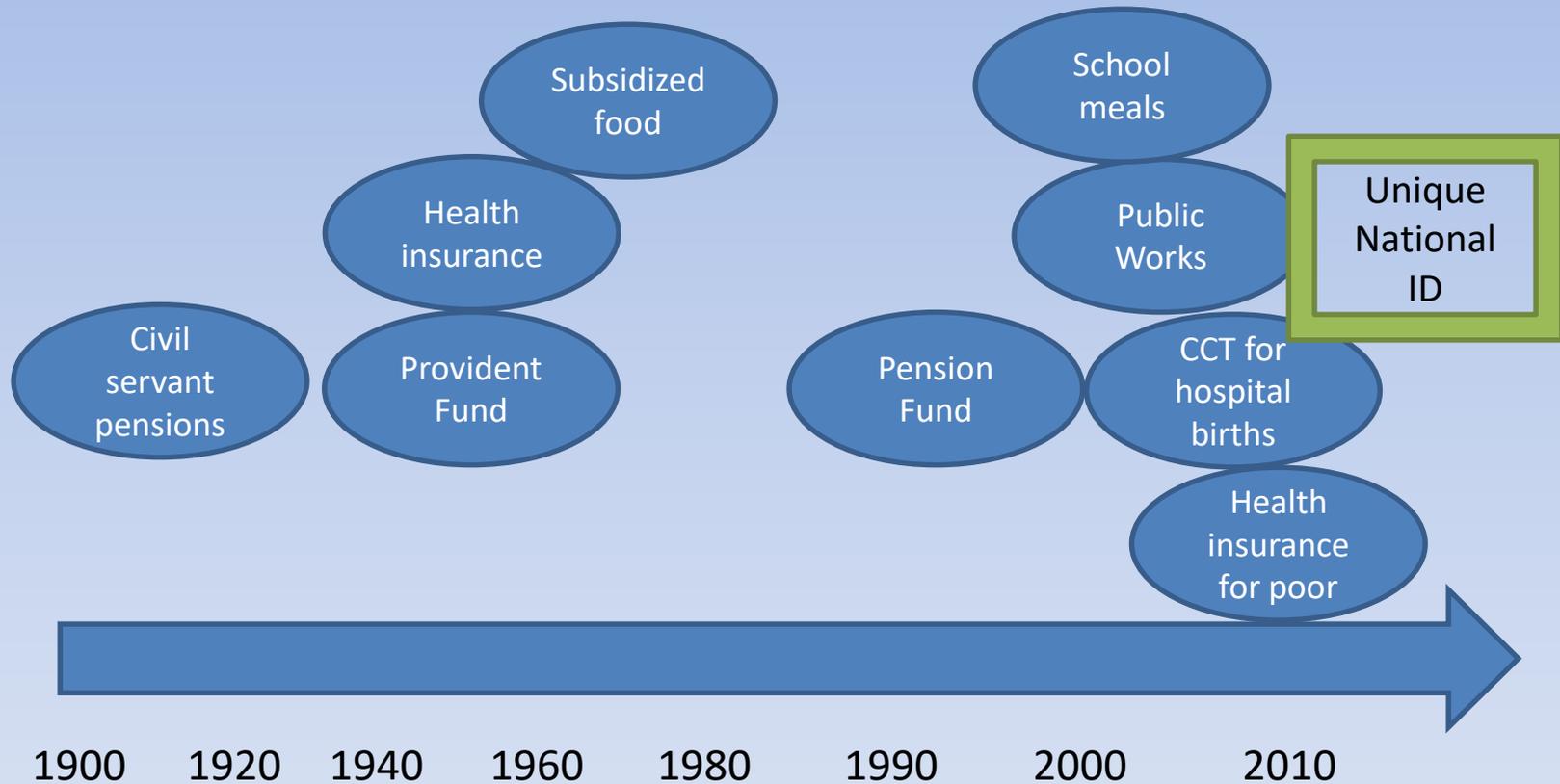
Notes:

1) * = deduplicated

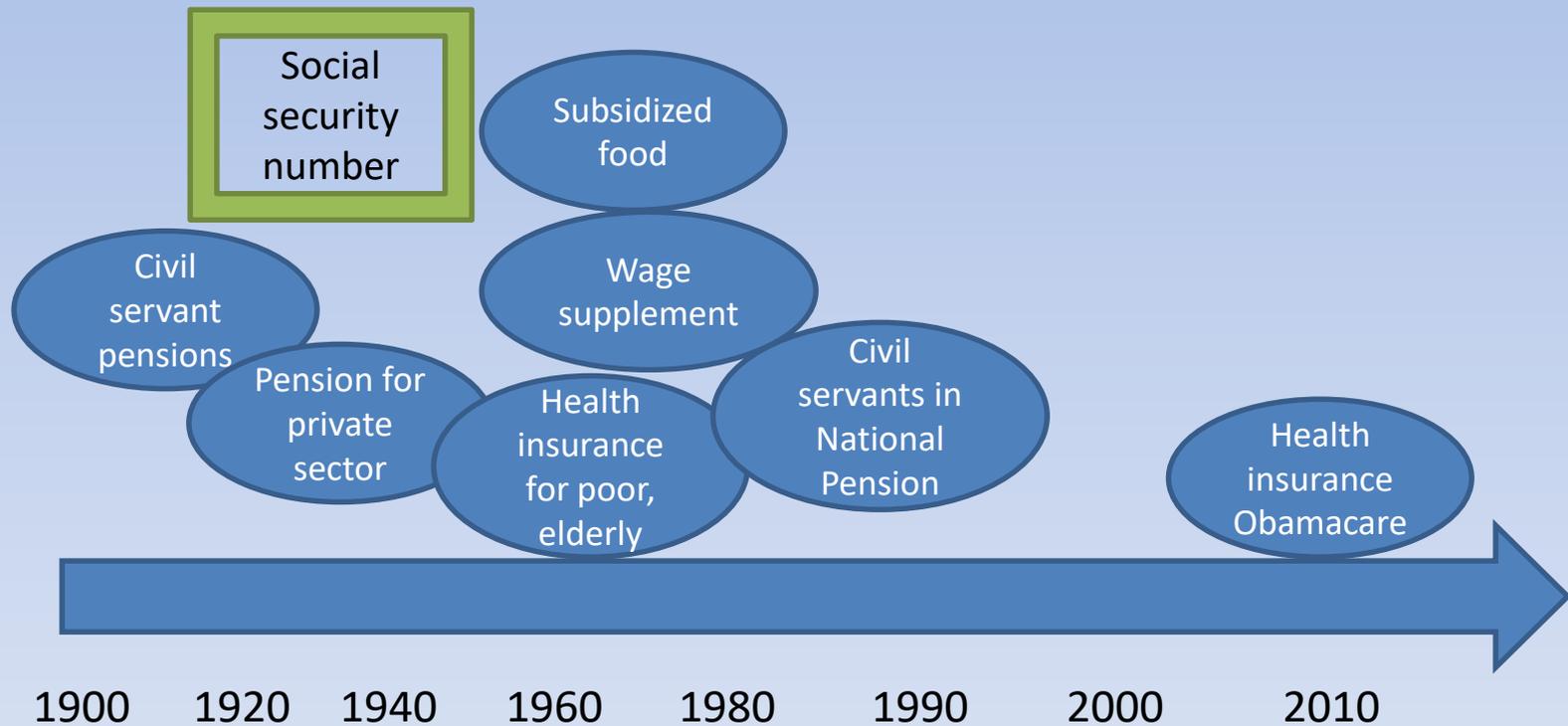
2) White = manual or no credential; Blue = electronic credential

- Low coverage of national IDs and civil registers
- NID and CR not robust or trustworthy
- National ID system does not offer authentication services
- Legacy systems and turf battle

Social Protection Programs in India over the last century



Social Protection Programs in US over the last century



Challenges of 'silo' functional IDs

1. Limited ability to ensure uniqueness

- Deduplication without biometrics has larger errors but the cost of ABIS for individual programs may be prohibitive
- It is not a one-off exercise as people move in and out of the program due to changes in their income and labor market status
- As a result, many programs don't know how many people they actually cover, duplicates enter the system with costs to beneficiaries and government

Challenges of 'silo' functional IDs

2. Limited ability to authenticate

- Many programs cannot authenticate securely and this has contributed to massive fraud
 - Billions of dollars of 'leakages' in the largest SP programs like subsidized food or fuel in India and Indonesia
- This has led programs to invest in e-IDs with more secure authentication but this results in a plethora of cards, lack of interoperability and lots of extra cost
 - A household in Indonesia could receive 17 cards
 - RSBY in India collected biometrics for 130 million people most of whom are being enrolled again biometrically by Aadhaar
 - Mexico has spent hundreds of millions on five different program biometric IDs with overlapping populations

Challenges of 'silo' functional IDs

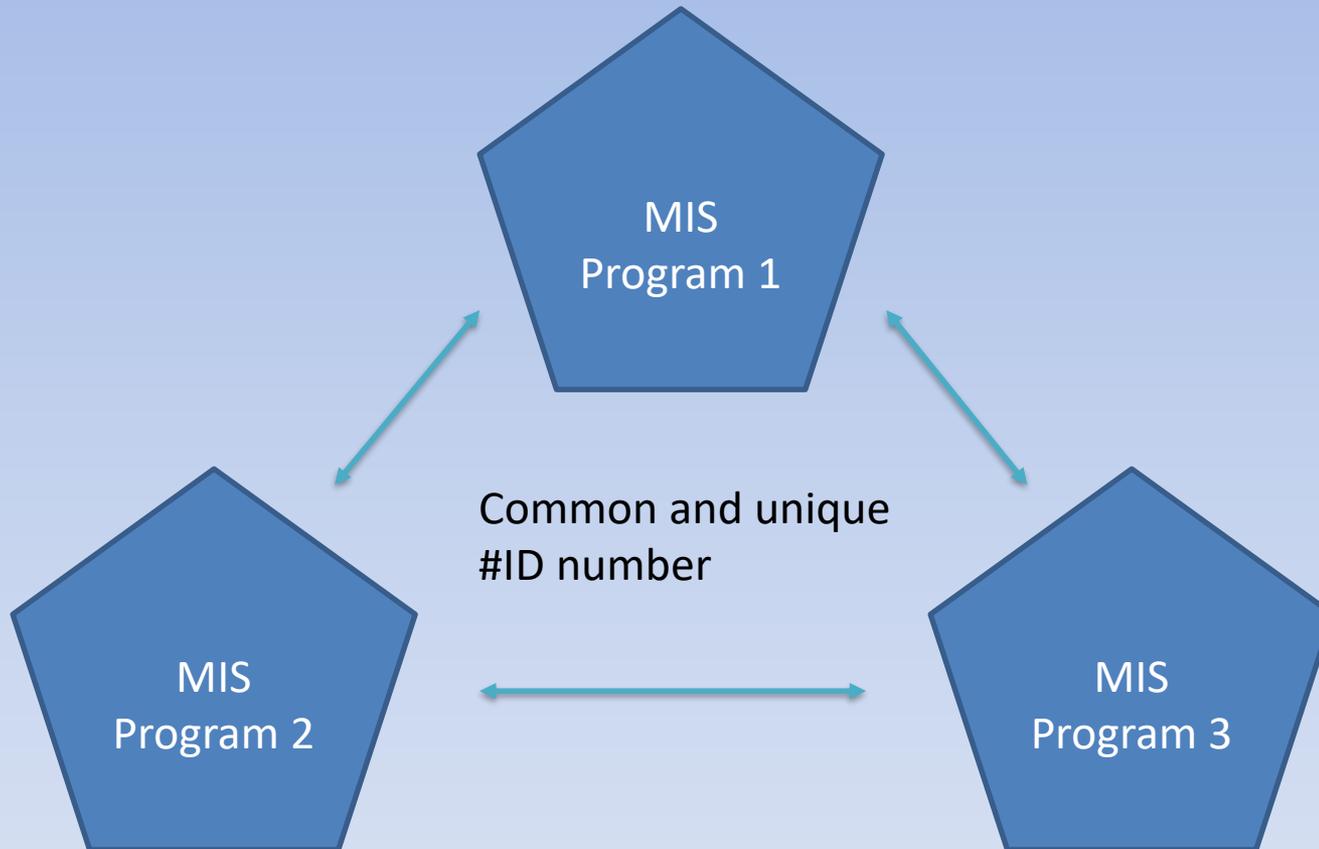
3. Lack of common identifier limits ability to coordinate across programs in order to:

- Improve targeting, e.g., comparing social insurance and social assistance registries
- Monitor social spending – who is receiving benefits from multiple programs? Who is excluded?
- Provide better service to beneficiaries (one-stop shop, common on-line platforms)
- Scale up and expand during natural disasters
- Universality – you have to know the universe

Some success stories...

- Indonesia
 - introduction of unique ID number allowed individuals with multiple provident fund accounts to be merged – only 60% of accounts were unique
- Botswana
 - biometric enrolment for pensions and social transfers reduced the number of beneficiaries by 25 percent through cutting out duplicates, ghosts and the deceased
- Thailand
 - saved between 30-60 million dollars per year on cash transfer scheme by vetting eligibility with linked databases; also facilitated universal health insurance

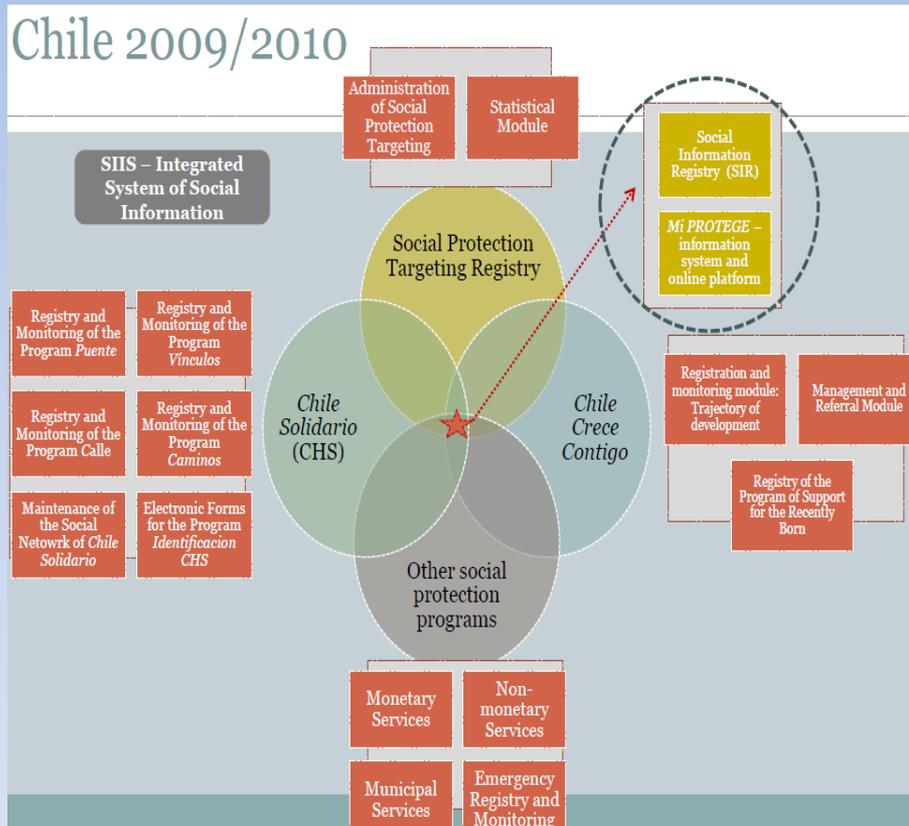
System-wide: Linking databases



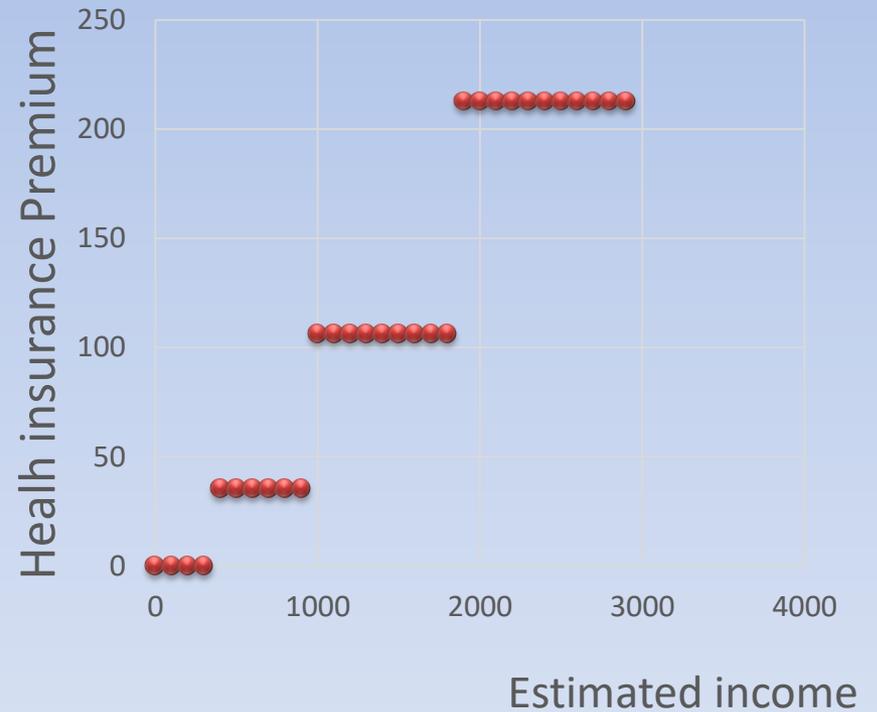
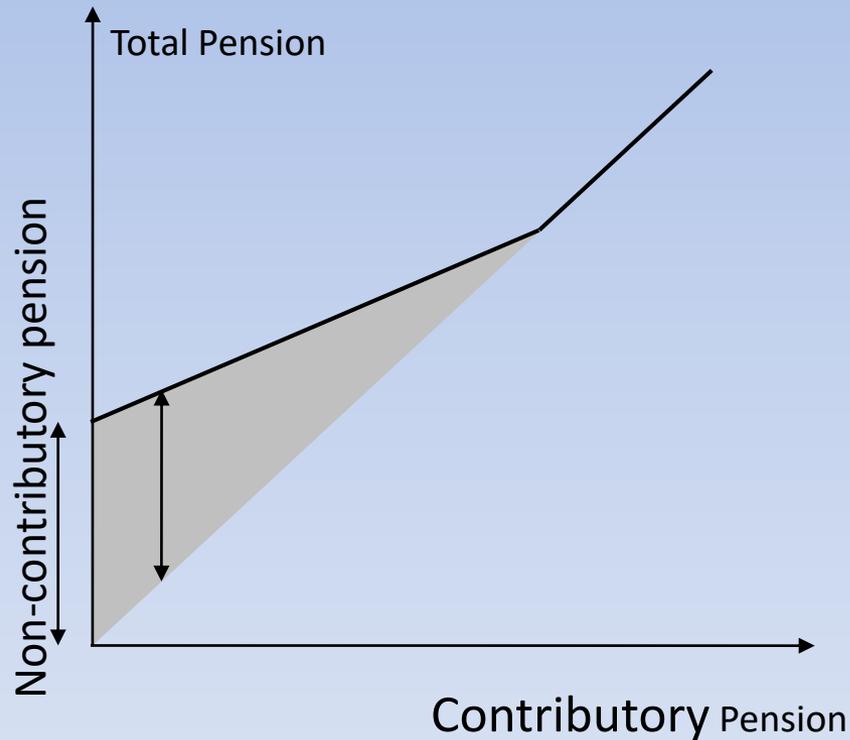
Examples:

- Compare Social Insurance to Social Assistance
- Compare Social Insurance to income tax
- Update address w/utility bill
- Check CCT education conditions met

Advanced cases – Chile and Turkey



Advanced cases – Chile and Turkey



But links raise privacy concerns...



- Does privacy exist?
Personal data protection standards are lacking in both public and private sphere
- In the news: Aadhaar and Facebook
- **Getting to know the EU's General Data Protection Regulation (GDPR) 25/05/2018**

**SOCIAL PROTECTION SYSTEMS AND
IDENTIFICATION SYSTEMS:
*WORKING TOGETHER***

Begin with assessment of ID system



Recognize 'win-win'

Potential benefits

Social Protection Programs

- Ensuring uniqueness
- Efficient authentication
- Advantages of linking multiple databases
- Lower overall costs of identification in long run

Foundational ID systems

- Outreach for coverage of the poor
- Potential for updating based on frequent contacts by programs
- Continuous demand for ID and services

It is beginning to happen...

- Indonesia: Unique National ID number collected as identifier for social registry last year
- Lesotho: Social Protection project working with ID agency to eliminate ghost pensioners
- Morocco: National Population Registry project (linked to social registry and targeting)
- Nepal: 'Social Protection and Civil Registration Modernization Project'
- Rwanda: Social registry project linked to digitizing the civil registry

A few concluding observations

- Social protection programs need good IDs; the ideal would be a robust and unique identifier for the entire resident population from birth to death
- In its absence, suboptimal functional IDs have emerged and impose a significant cost on society
- A second best would be interoperability, common standards and shared platforms;
- The various ministries and agencies in the SPJ system can have a symbiotic relationship with NID agencies with benefits flowing in both directions

Thank you

**Incentives for Improving Birth Registration Coverage:
A Review of the Literature**

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IDENTIFICATION FOR DEVELOPMENT

 **WORLD BANK GROUP**

Integrating Unique Identification Numbers In Civil Registration

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**The Role of Digital Identification for Healthcare:
The Emerging Use Cases**

Identification for Development (ID4D)
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