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IDENTIFICATION FOR DEVELOPMENT

AFRICA BUSINESS PLAN

IDA 18 (FY18-20)

WORLD BANK GROUP

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Background

THE TRANSFORMATIONAL POTENTIAL OF IDENTIFICATION FOR DEVELOPMENT IN SUB-SAHARAN AFRICA IS TREMENDOUS.

There are an estimated 1.1 billion people worldwide who are unable to prove their official identity[1], including roughly 290 million children under the age of five who do not have a birth certificate. These individuals are typically members of the poorest and most vulnerable population groups: marginalized women and girls, non-nationals, and people living in rural and remote areas. A total of 502 million people in Africa, or 41% of its total population, are without proof of legal identity. This figure makes up nearly half of the global total, despite Africa accounting for only 15% of the world's population. At the same time, Sub-Saharan Africa has the highest rate of children under the age of five who have not had their birth registered (43%), and only eight countries have coverage of 80% or more for under five birth registration. It is for this reason that it is urgent to tackle this challenge in Africa.

The ability to prove one's identity is needed to participate fully in society and exercise one's rights. It is a key enabler for eradicating poverty and achieving a broad range of other development outcomes by increasing access to education, financial services, healthcare, social protection and political processes. Thus, a robust and efficient solution is increasingly a priority for governments around the world and is included as Sustainable Development Goal (SDG) target 16.9: "By 2030, provide legal identity for all, including birth registration" and recognized as critical to the attainment of a number of other SDGs. In the financial inclusion space alone, for example, the Global Findex Survey found that 18% of unbanked adults globally say one of the reasons that they don't have an account is because they lack the necessary identity documentation. This translates to more than 350 million people globally for whom lack of documentation is a significant barrier to accessing basic financial services.

Robust identification systems with universal coverage can be transformational. In a development

1 World Bank ID4D Global Dataset 2016

context, their impact can contribute achieving three overarching outcome goals:

1. Reducing **poverty** and improving livelihoods through enhanced access to services: By being able to prove their identity, individuals are empowered to exercise their rights and access basic financial, health, and social support services for which identification is often a prerequisite. In this context, proof of identity will have an especially important impact on vulnerable populations such as those living in poverty, marginalized women and girls, inhabitants of rural and remote areas, refugees, and migrants.
2. Strengthening **governance** and the effectiveness of public administration: Governments that are able to build or interconnect population databases and verify the eligibility of citizens and residents can strengthen access to certain services, such as government to person (G2P) payments, which can enhance governance, reduce waste, and streamline service delivery. Furthermore, official identification systems will enable targeted social and economic programs and the implementation of laws to protect the rights of citizens and residents. Laws and regulations which require proof of identity (to secure property and inheritance rights, for example), proof of age, and protect minors (including child marriage) will be able to be more effectively implemented. Lastly, death registration in particular can be important to ensure updated electoral rolls, pensions, and other functional registries.
3. Generating reliable and continuous **data** to measure progress and inform policy: Civil registration and identification systems are a critical source of vital statistics and demographic information, which in turn provide essential evidence to support social and public health policy-making. In particular, with inputs from the health sector, civil registration enables the monitoring of causes of death, maternal and infant mortality, and epidemics (e.g. AIDS and non-communicable diseases).

More specifically, identification can be a critical enabler for achieving a number of key development outcomes towards eliminating poverty, such as:

1. **Financial Inclusion**: Less than half of all adults in the poorest 40 percent of households have a bank account; approximately 375 million unbanked adults in developing countries (18 percent) are constrained by not having the necessary ID documentation[2]. Accessible, robust, and verifiable ID systems can facilitate the Know Your Customer (KYC) requirements of providers and expand the use of financial services. For example, the Reserve Bank

2 Global Findex database, provides in-depth data on how individuals save, borrow, make payments, and manage risks. Collected by the World Bank in partnership with the Gallup World Poll and funded by the Bill & Melinda Gates Foundation, the Global Findex is based on interviews with about 150,000 adults in over 140 countries. For more about the Global Findex database, see the website: http://www.worldbank.org/en/programs/globalfindex.

of India approved the use of the Aadhaar individual identification number issued by the Government of India as a proof of identity to meet the regulatory KYC requirements of Jan Dhan basic savings accounts. As a result, approximately 200 million bank accounts were opened[3].

2. **Gender Equality**: Women often struggle to assert their rights and access to services due to lack of personal identification. Lacking their own bank accounts, their government benefits and wages are deposited into their husbands' accounts. Birth and marriage registration can help enforce minimum age of marriage legislation and so help combat child marriage. Registration and legal proof of identity contributes to women's ability to inherit property and claim their property rights in the event of marriage dissolution or widowhood. In Pakistan, the computerized ID system provided direct access of cash transfers to women for the first time. Evaluations showed that, as a result, households spent more on nutrition and child education, and that women's confidence increased as did their importance in household decision making[4].
3. **Access to Health Services**: Increased access to health services and universal coverage requires countries to identify the beneficiaries. Additionally, more accurate vital statistics support efforts to better monitor health targets (e.g. under-five mortality rate, maternal mortality ratio) and better track the provision of care (such as vaccinations, HIV/AIDs and TB treatment). In Thailand, the launch of the universal coverage scheme led to the development of a unique identification number which is used to access health care services and for monitoring[5]. The subsequent adoption of smart cards has decreased fraud, human error and overhead costs. Gabon, for example, is implementing national health insurance plans with authentication of beneficiaries with fingerprints and smartcards at points of service[6].
4. **Access to Social Safety Nets**: 870 million people living in extreme poverty do not have access to any kind of social assistance program. Accurate identification of the poor and vulnerable enables efficient, well-coordinated social protection programs (including those for humanitarian and emergency relief) as well as cost-effective, secure, and convenient digital transfers. Such programs can be more effective with precise targeting and robust authentication of the intended beneficiaries. For example, South Africa has used cash transfers of the old age pension in South Africa using biometric IDs to identify the beneficiary. Pakistan provided flood relief using the national identification database to make payments to 1.5 million families.

The Identification for Development agenda has the transformational potential to help overcome some of the most pressing development challenges in Africa. With the convergence of a better understanding of the role of identification systems, together with significant advances and the newfound ubiquity of cutting edge technologies such as biometrics and cloud computing, there are unprecedented opportunities for the World Bank Group and the broader development community to support the strengthening of civil registration and identification systems that will enable the access to services and rights for all. Our hope is that this Business Plan will result in concerted action and concrete steps towards that shared goal.

3 http://www.pmjdy.gov.in/home

4 Dahan and Hanmer. The Identification for Development (ID4D) Agenda: Its Potential for Empowering Women and Girls

5 ILO Social Protection in Action, Sept 2015. "A National Health Insurance Beneficiary Registry based on National Identification Numbers"

6 Gelb and Clarke, "Identification for Development: The Biometrics Revolution"

The Status Quo of Identification Systems in Africa

DESPITE COMPELLING MOTIVATION, AFRICAN COUNTRIES HAVE FACED CHALLENGES IN BUILDING ROBUST CIVIL REGISTRATION AND IDENTIFICATION SYSTEMS WITH UNIVERSAL COVERAGE.

The challenges faced in building robust ID systems are certainly not unique to the continent –over 100 low- and middle-income countries globally lack well-functioning civil registration systems to register births, deaths, marriages, and other vital events, which is the ideal foundation for official identification systems. Moreover, where civil registration and identification systems exist, they are often paper-based or built for specific functions (e.g. voter registration or health insurance), fragmented across several government agencies, or, in some cases, exclusionary.

REGIONAL TRENDS

Despite significant variation across countries in the extent and quality of identification systems, an analysis of 22 African countries' identification ecosystems reveals key overall trends which can inform a regional identification systems strategy[7]. These trends can be summarized along 5 pillars: one that examines coverage of ID, and the remaining four examine different dimensions of quality of the ID: governance structures, technology, integration & interoperability, and legal frameworks.

7 Countries assessed include Botswana, Burkina Faso, Chad, Cameroon, Côte d'Ivoire, the Democratic Republic of Congo, Ethiopia, Guinea, Kenya, Liberia, Madagascar, Morocco, Namibia, Nigeria, Rwanda, Sierra Leone, Tanzania, and Zambia.

Coverage & Accessibility

In most countries, accessibility of identification systems and services is low; only a few countries have achieved substantial coverage in both civil registration and identification. A number of persistent barriers have limited accessibility and coverage: high direct and (particularly) indirect costs to users; complex legal and administrative requirements; paper-based records systems that are vulnerable to damage; geographic constraints including difficult terrain and dispersed populations; and lack of demand from the population. Such barriers to accessing identification have kept coverage low in many countries. The unmet demand for foundational identity documents, such as national ID cards, is evident in the comparatively high uptake of many functional identification programs (such as voter ID cards) and the proliferation of parallel identification systems.

Governance Structures

The institutional arrangements of identification systems vary substantially by country. In many cases, responsibility for managing civil registration, maintaining a population registry, and issuing national IDs are housed in different ministries or departments. A handful of countries have or have begun to develop national population and/or social registers to identify individuals and beneficiaries uniquely for life. However, identification remains fragmented, with multiple agencies in charge of foundational identity systems and a multitude of functional identity registers operated in isolation by different ministries (such as ICT, interior, security, social welfare, or health ministries). There is a persistent lack of coordination and planned integration among identity stakeholders in a number of countries, which makes the clarity of institutional mandates and accountability a significant challenge. Civil registration is decentralized in most countries and delegated to local governments, while official identification is centralized. On the whole, identity systems are underfunded and under-resourced. Some countries finance the development and operation of their identification systems by charging fees for identity verification (e.g. to banks) rather than depending on government budget and donors. There is a persistent lack of human and administrative capacity in a number of countries, especially those that have experienced civil conflict or economic crises.

Technology Potential

Although the technology used for enrollment, credentials, and authentication varies by country (as do methods of data storage and levels of system security), in general many civil and population registers remain paper-based; most transactions using official ID cards are based on physical inspection. Moreover, many are fraught with inaccuracies and duplication, suffer from accessibility constraints and ensuing low coverage, and remain vulnerable to physical damage and erasure. In contrast, many official identification systems for adults are moving towards electronic data storage and use biometric technology to de-duplicate individuals. Most have adopted plastic cards and smartcards with advanced security features, although a few maintain laminated paper ID cards. However, in many countries the offices responsible for civil registration and adult identification in rural areas continue to remain disconnected from central databases, often due to a lack of infrastructure. Although a few countries allow service providers (including government ministries, banks, etc.) to authenticate credentials against a central database, only a few (e.g. South Africa, Zimbabwe, and Tanzania) have developed infrastructure to securely authenticate individuals

remotely using biometrics. This is despite the existence of smartcards that are capable of performing this function. In addition, most countries, including those with smartcards, lack the ability to authenticate individuals online. Only a few countries store and manage their data according to international best practices to protect against theft or unintentional data loss. Finally, even countries that are well-resourced face crucial deficits in ICT infrastructure (including internet and power) which can be major barriers for the extension and utility of identity ecosystems in most countries.

Interoperability & Integration

The potential for integration and interoperability of identification systems to other systems such as CRVS systems is low in most countries, creating systems which are highly fragmented and duplicative. In some countries, service providers use the national ID cards as a foundation for services or for issuing a so called 'functional ID' (one that is service or use specific); however, the verification of these credentials is often manual (involving physical inspection) and offline. Thus these foundational identification services are not incorporated into a variety of development use cases to provide user services, simply due to a lack of reliability.

A few countries have made progress with integrating civil registration with identification by issuing lifelong unique identity numbers at the time of birth registration, and a handful of countries are currently in the process of integrating a number of databases to create true national population registers and enable records to be updated across the system in real-time.

Legal frameworks

With a few exceptions, African countries lack adequate legal frameworks to support and regulate modern official identification systems. Some countries have adopted laws to effectively govern identity institutions and processes, while others have legislation with overlapping or unclear mandates for identity actors. Nearly all countries lack sufficient regulations to protect personal data and uphold individual rights to privacy and fair use of data. In addition, many identification-related laws are outdated and do not take into account the digital nature of modern data capture, storage, and use.

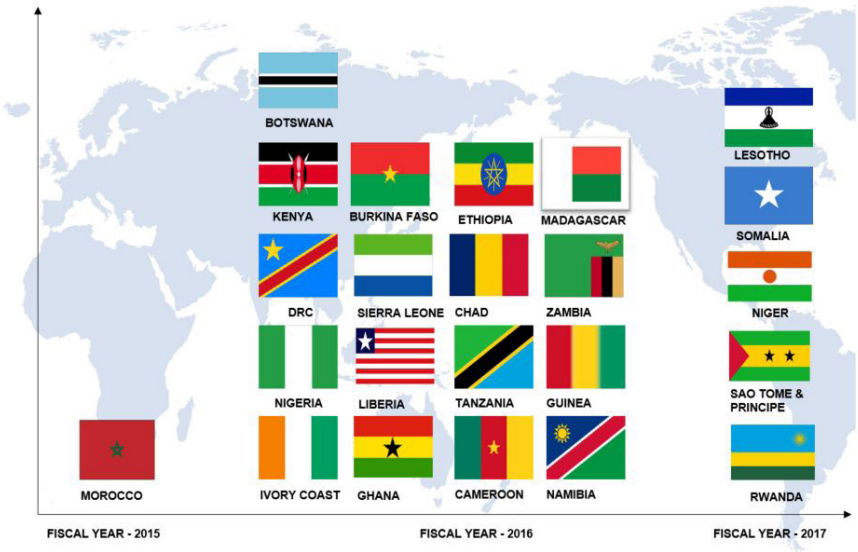
COUNTRY-BASED STATUS ANALYSIS

The World Bank has completed Identification Management Systems Analysis (IMSA) assessments in 23 countries in Sub-Saharan Africa to date. These reveal that Africa has a wide range of identity system types and levels of development: although some countries, such as Botswana, Kenya, and Rwanda, have systems that are relatively advanced in terms of coverage, robustness, integration, and utility, many others are in intermediate levels of development while still others have non-existent or newly emerging identity systems.

In countries that have faced challenges in establishing robust identification systems, a historical lack of strong foundational identity systems has often led to a proliferation of disconnected functional registers, and many are currently faced with the task of reverse engineering civil registers and national IDs in order to improve efficiency and meet demand for ID services.

Fig. 1 shows the countries which have had ID assessments completed as of August 2017.

Figure 1: Summary of ID Assessments Completed in Africa to Date

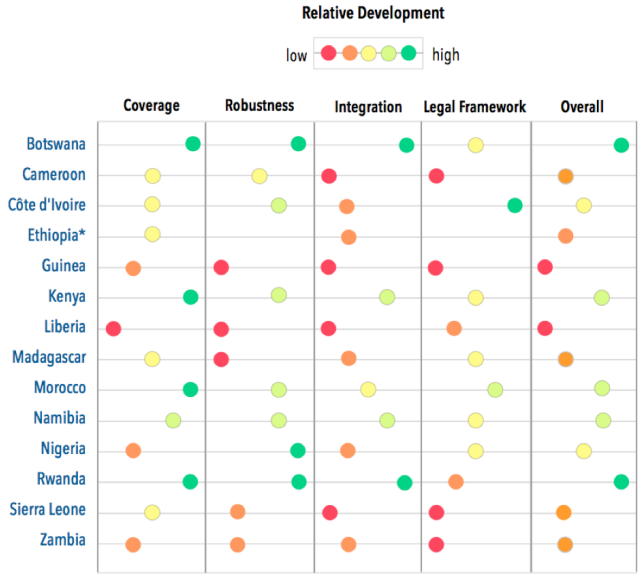


Based on these completed assessments and complementary desk research, Figure 2 illustrates various African countries' progress towards developing ID systems which are modern and digitized. The three categories that countries are classified into run from the least developed ID system in **red** to the most developed in **blue**. This categorization is based on several indicators which point to (i) the existence and extent of population coverage of a digitized official identification system and (ii) its robustness and linkage to the delivery of various services.

To supplement this high level assessment, a more in-depth analysis of identification systems exists on selected countries which breaks down the overall assessment by examining coverage, robustness, integration, and legal frameworks. This is shown in Figure 3.

Figure 2: Coverage and Quality of Digitized Identification Systems in Africa

Figure 3: Deep Dive on Development of Identification Systems of Select African Countries



Notes: **Coverage** refers to the population coverage of foundational systems, including civil registration, national IDs, and national population registries. **Robustness** includes uniqueness, accuracy and security of identity data, credentials, authentication. **Integration** refers to the harmonization, interoperability and interconnectivity of the identity ecosystem. **Legal framework** includes the strength of laws governing institutional roles and mandates, data protection and privacy, and oversight and accountability. *Ethiopia does not have a centralized national ID system and its birth registration rate is low. However, the country has an extensive local ID system (*kebele* cards) that serve as the primary proof of ID for most transactions. *Source:* IMSA reports, based on identity systems as of the individual report date; does not take into account recent developments and improvements.

Strategic Objectives

THE WORLD BANK SEEKS TO SUPPORT DEVELOPMENT OF ROBUST AND INCLUSIVE SYSTEMS IN LINE WITH THE SHARED PRINCIPLES OF IDENTIFICATION SYSTEMS FOR SUSTAINABLE DEVELOPMENT.

The World Bank is well positioned to help its clients accelerate and guide the multi-sectoral effort build more robust and inclusive identification systems, which in turn facilitates access to a range of health, educational, financial, political, and social services and rights within countries and across the region. The specific outcomes to be achieved can be summarized across three areas:

Inclusiveness: Universal Coverage & Accessibility. Identification systems should strive for continuous universal coverage from birth to death that is free from discrimination and accessible to all individuals.

Design: Robust, Secure, Responsive, and Sustainable. Identification systems should be resilient, context-appropriate, interoperable and responsive to long-term needs and user demand; systems should be robust and collect and use identity data in proportion to need; and open standards and vendor neutrality should be upheld to ensure financial and operational efficiency and sustainability.

Governance: Trust, Privacy, and User Rights. Identification systems must be built on a legal and operational foundation of trust and accountability between government agencies, private sector actors and individuals, who must be assured of the privacy and protection of their data, the ability to exercise control and oversight over its use, and independent oversight and grievance redress.

A complete summary of targeted outcomes is shown in Figure 4 below.

These Principles have been agreed upon through a multi-stakeholder consultation and endorsement process facilitated by the World Bank with over 20 external organizations involved – including development partners, non-profits, and private sector associations[8]. Further detail on each of these individual outcome areas in the form of a document outlining the principles of robust identification systems is available on the ID4D website.

8 The list of organizations who have endorsed as of January 2017 include World Bank Group, UNICEF, UNDP, UNHCR, UN Economic Commission for Africa, IOM, Bill & Melinda Gates Foundation, Omidiyar Network, Plan International, GSMA, SIA, OAS, Asian Development Bank, African Development Bank, Center for Global Development, MasterCard, Digital Impact Alliance, & others.

Moreover, the ambition is to develop identification systems that are fully joined up with robust and modern civil registration systems, in order to enable identification from birth to death and to ensure national registries are up to date based on the latest population data. A summary of the expected system map showcasing the linkages between civil registration and identification is shown in Fig. 5.

Figure 4. Guiding Principles of Robust Identification Systems

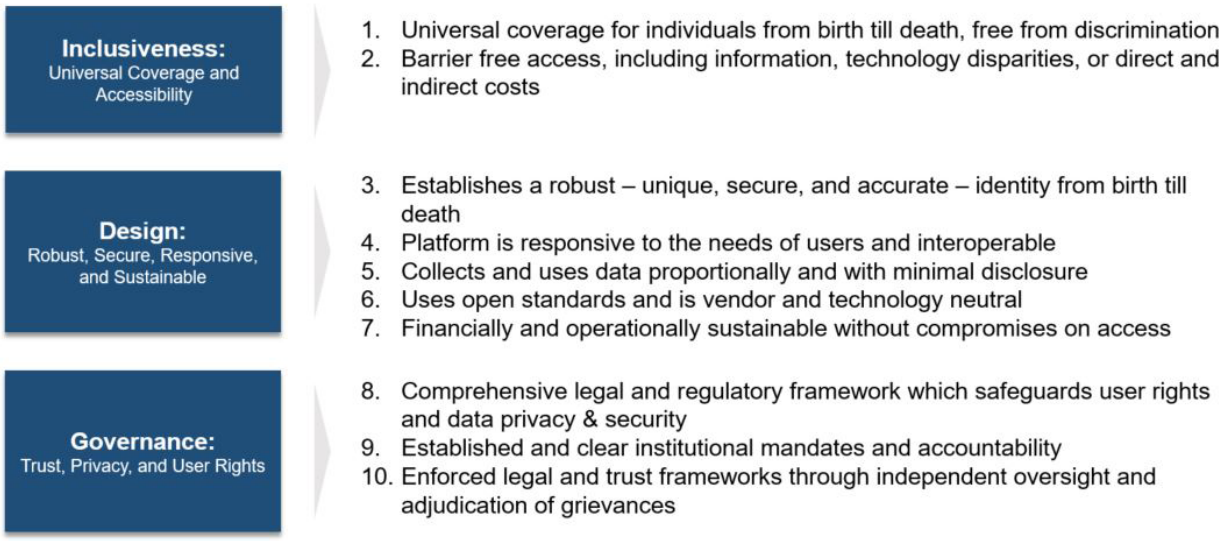
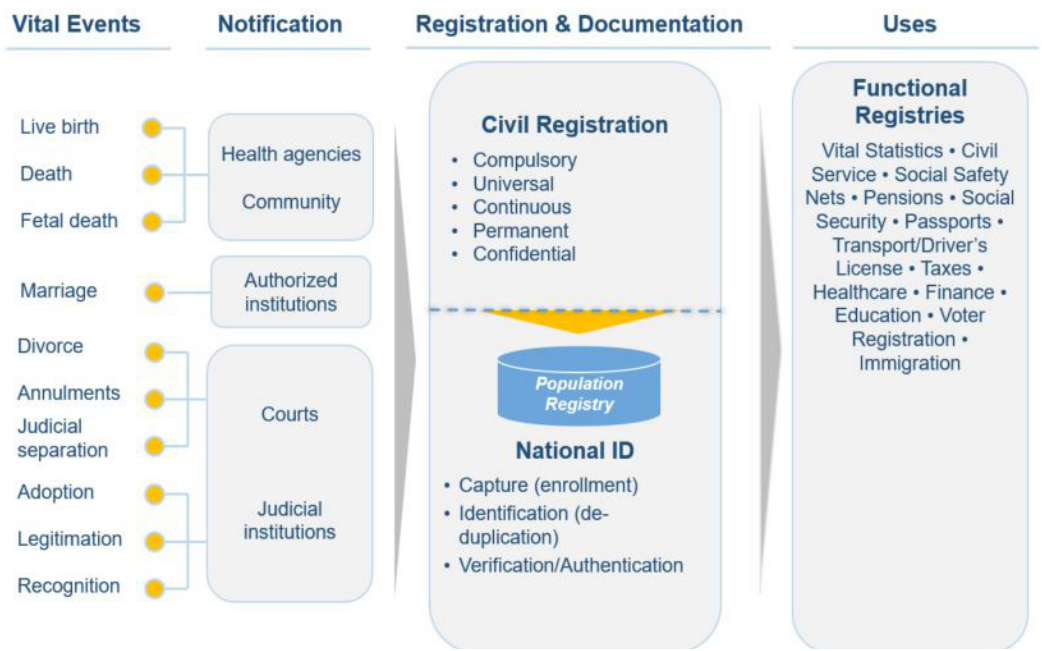


Figure 5: Linkages between Civil Registration, Vital Statistics, and Identification



Expected Results

THE WORLD BANK WILL LEVERAGE ANALYTICS, ASSESSMENTS, AND FINANCING TO HELP CLIENT COUNTRIES PROVIDE 150 MILLION INDIVIDUALS IN SUB-SAHARAN AFRICA WITHOUT OFFICIAL PROOF OF IDENTIFICATION ACCESS TO LEGAL IDENTITY BY THE END OF IDA 18.

The World Bank will leverage analytics, assessments, and financing to help client countries provide 150 million individuals in Sub-Saharan Africa without official proof of identification access to legal identity by the end of IDA 18. Reaching this target will provide a foundation for broader achievement of a variety of development objectives, such as financial inclusion, protection for forcibly displaced persons, and overall better access to services. A summary of the expected outcomes from World Bank support on ID4D is given in Figure 6a.

Figure 6a: Proposed Outcomes in 10 Focus Countries (end of IDA 18)

Access to Identification	150 million	The number of African individuals to receive official proof of ID; approximately **10%** of the global figure[1]
Access to Financial Services	~38 million	The number of African individuals who could be able to open their first bank accounts upon receiving proper documentation.[2]
Improved Social Protection Programs	$800 million	The total value of social safety net programs which will benefit from improved targeting and management.[3]
Protection for Forcibly Displaced Persons	4.4 million	The number of refugees in Sub-Saharan Africa who could have access to better protection and humanitarian assistance.[4]

This overarching goal will be achieved via launching roll outs of robust and inclusive identification systems in alignment with the above principles in approximately 10 countries, and developing action plans for such systems in an additional 5 countries for future roll outs in coming years. These intermediate outputs are also shown in Figure 6b.

Figure 6b: Proposed Outputs for the Identification Agenda (end of IDA 18)

	Targets
Country & Regional Operations	1. **Launch roll outs of robust and inclusive identification systems in ~10 countries** 2. **Develop concrete action plan and design for future rollout in ~5 additional countries** 3. Standards agreed between countries to enable mutual recognition across Africa 4. Increase government capacity and awareness in at least 10 countries through South-South knowledge exchange with successful country cases such India, Peru, or Estonia. 5. Launch impact evaluations of link between identification systems and development outcomes
Enabling Global Advocacy and Analytics Activities	1. **Research:** At least 10 analytical pieces to provide insight and guidance on identification systems, e.g. on fiscal savings, emerging authentication approaches, and an operational toolkit. 2. **Advocacy**: Common Principles on Identification systems launched and formally endorsed by a major global platform and at least 15 global agencies engaged in the topic 3. **Data:** Provide insight on progress, trends, and focus areas within the unidentified population by updating and analyzing the Global Identification Dataset

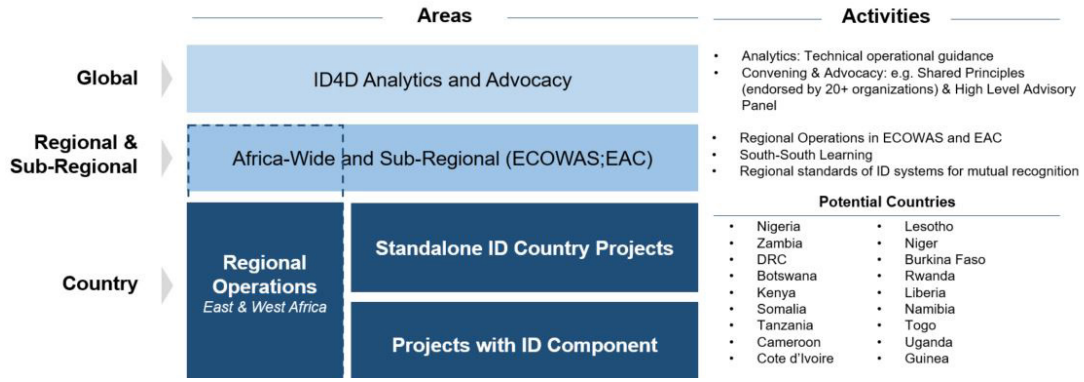
Engagement Plan

BUILDING ROBUST, INCLUSIVE, AND SUSTAINABLE IDENTIFICATION SYSTEMS IS A COMPLEX PROCESS, AND THUS CAN BE BEST ACHIEVED BY COMBINING ENGAGEMENT AT THE GLOBAL, REGIONAL, AND COUNTRY LEVEL IN ORDER TO ENSURE TRACTION AND LONG TERM SUSTAINABILITY.

GLOBAL ENGAGEMENT

At the global level, a number of activities are planned which would serve as key technical inputs enabling the success of lending operations in the identification space in Africa. These activities fall into two key areas: Analytical activities aim to build up a knowledge base on identification systems that can be used to assist countries in design, roll-out, and implementation; and Global Convening activities generate the high level discussion and advocacy needed across the multiple stakeholders in the field to drive the agenda forward on a global stage. These activities are made possible by a Multi Donor Trust Fund, of which the largest contributor is currently the Bill and Melinda Gates Foundation.

Figure 7: Planned Activities for the Identification Agenda during IDA 18



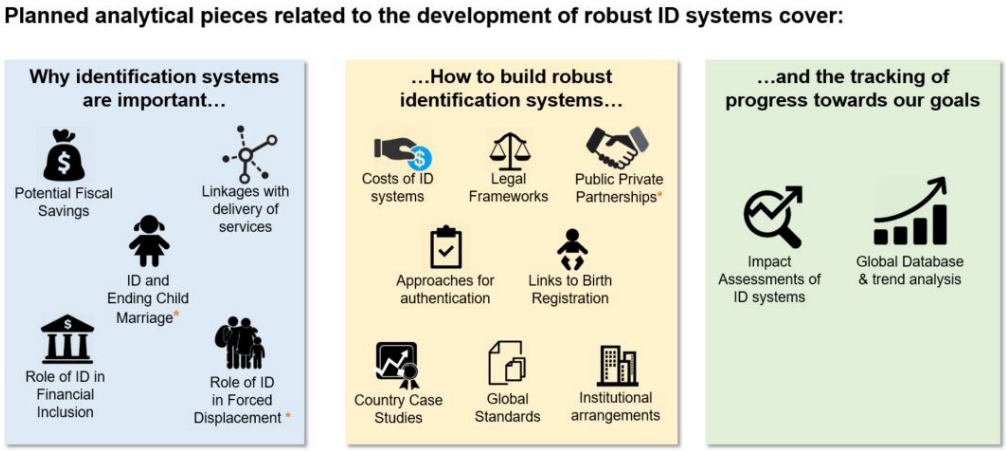
Analytical

At least 10 pieces of work are planned in line with the creation of a comprehensive research agenda which will be developed and updated to respond to emerging issues, to build on the research that was completed in the last fiscal year on issues related to gender, forced displacement, and the role of the private sector. The analytical products will cover topics that have a practical value to governments and the implementation of the program. With this in mind, the research agenda will have the twin objectives of understanding how official identification systems can be built to address the needs of various development use cases, and measuring the progress to date

towards reaching the objectives.

A (non-exhaustive) summary of analytical activities which have already been identified are shown in Figure 8 below.

Figure 8: Planned Activities for the Identification Agenda during IDA 18



*These pieces are already complete and currently under dissemination

Further detail on these topics is given below:

1. Identification Systems' Links to Service Delivery: This research will examine functions that facilitate or create bottlenecks for the effective and efficient adoption of official identification systems and authentication for access to services (e.g. financial inclusion, women's empowerment, effective targeting of social safety nets, agriculture, and universal health coverage), as well as identify new use case services.
2. Institutional options and governance structures: There are a range of institutional and governance options for official identification systems that need to be well understood and carefully considered by countries. This research will look at good practices and present overall recommendations for different contexts
3. Financing options and potential fiscal savings: This research will present options and make the case for sustainable financing of the development of official identification systems. There are anecdotal and one off case examples of the role of effective identification for improved targeting and reduction in leakage and waste; the goal of this work is to systematically present the fiscal savings that can be generated via improved identification systems.
4. The role of identification in promoting financial inclusion: This research will examine the role that official identification can play in reducing barriers to financial services, including through enhancements to Know Your Customer (KYC) processes.
5. Legal and regulatory frameworks: This research will cover, inter alia, data security, individual privacy and data protection, non-discrimination and inclusion. Many countries assessed either do not have viable data protection laws or authority to regulate the use of personally identifying information, or those laws are in draft or not currently in force. As a result, it

is critical to develop legal frameworks that reflect good practices and promote trust in the design, implementation and use of digital identification. This research will support country engagement, including readiness assessments and risk analysis, as well as inform the development of global principles and standards (e.g. UNCITRAL).

6. The linkage between birth registration and broader official identification systems: This research will examine the different sequencing across a range of countries in terms of how official identification systems are either built on or integrated with birth registration. Additionally, this research will explore the issues of providing a unique ID number on the birth certificate and the transition within some countries towards a single agency handling both civil registration and identification. Furthermore, this research will underpin the development of more robust functional registers.
7. Emerging approaches for authentication: There are currently several different methods for authentication. This research will look into new technologies such as voice or iris into mobiles.
8. Good practices and lessons learned from countries that have built or improved official identification systems: This research will be conducted continuously throughout the project and especially towards the end of the project. There will be special efforts to gather case studies from countries where interventions were undertaken through this project, which will contribute to post-implementation evaluation.
9. Development of minimum level of good practice global standards: Although there are a range of global standards across the identification lifecycle (e.g. ISO, ICAO, EMV, etc.), a better understanding of the minimum level of global standards will allow for economies of scale for deployment and enhanced opportunity for interoperability across countries. This research will be undertaken by convening a range of standards bodies and will be adapted to individual region/country contexts.
10. Developing an operational guide for official identification systems in order to assist countries with effecting the key principles: The guide will provide advice on topics such as relevant standards, institutional arrangements, financing of the official identification system, the legal and regulatory framework, the appropriate use of technology, and forms of authentication. It will be based on the research conducted under this pillar, but presented in an accessible, summarized and user-friendly form.
11. Updating and further developing the ID4D dataset. The ID4D dataset will be updated

annually and developed further to ensure relevance, accuracy and impact, including through the exploration of methodologies to produce statistics on the coverage of official identification systems, which may influence the monitoring of progress in achieving SDG16.9.

Global Platforms & Convening

On the Convening front, a number of activities are planned for FY 19 which will contribute to Africa's progress towards the identification outcome goals. These are given below:

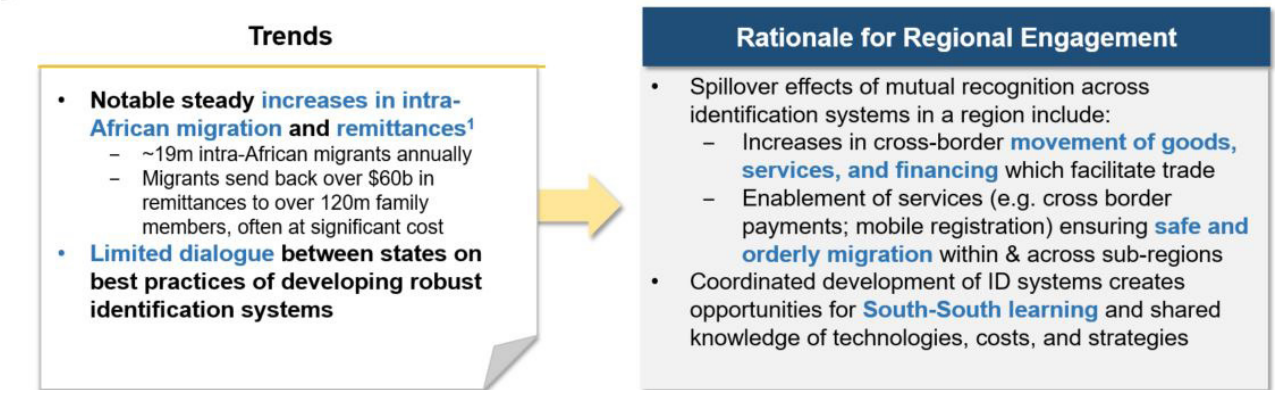
1. Promoting and receiving further endorsements of the high-level key principles for official identification systems. The key principles harmonize perspectives and approaches to identification among and within governments, development partners and private sector associations, as well as draw attention to the topic. The Bank will continue to not only promote development of identification systems which align with these principles, but also seek to add endorsements from stakeholders that are beyond the current group and develop a mechanism for them to be reviewed periodically.
2. Establishing a South-South Knowledge Exchange platform to facilitate countries learning from each other's successes, failures and lessons learned. Client countries, particularly in Sub-Saharan Africa, have repeatedly expressed interest in learning from successful models implemented in other emerging countries. The knowledge sharing will occur at multiple levels: advocacy and strategic discussions with senior officials in order to generate commitment and influence a country's direction; in country implementation and advisory support on design, dialogue and implementation by technical experts from good practice countries (e.g. India, Peru and other countries); and site visits and virtual exchanges, and, where appropriate, multi-country workshops.
3. Establishing and servicing a High-level Advisory Panel for the ID4D program for advocacy and strategic guidance. The Panel will comprise of a small group of prominent thought leaders and advocates who would meet biannually around the time of Annual Meetings to provide strategic guidance to ID4D and advocate the vision through powerful engagements with governments, international agencies, and the private sector. Current committed High Level Advisory Panel members include Nandan Nilekani, Former Chairman of Unique Identification Authority of India; Toomas Ilves, Former President of Estonia; Dr. Benno Ndulu, Governor of Central Bank of Tanzania; Eric Jing, CEO of Ant Financial; Mo Ibrahim, Founder of Celtel and the Mo Ibrahim Foundation; and Iqbal Quadir, Founder of Grameenphone.
4. Raising awareness and promoting ID4D through the development of advocacy materials (e.g. brochures and videos), and participation in and organizing of side-events at international and regional fora.

REGIONAL & SUB REGIONAL ENGAGEMENT

In addition to global efforts which will drive progress forward, the World Bank will also explore regional Africa-wide and sub-regional (chiefly ECOWAS, EAC, and SADC) approaches in an endeavor to ensure that identification systems in individual countries are developed in an integrated, interoperable manner to enable improved regional cooperation and cross-border integration.

The Bank will work with the regional bodies to work towards harmonizing standards to ensure mutual recognition of identification documents and interoperability of systems. There are numerous potential benefits and spillover effects of working at a regional level in addition to country-based operations, including (but not limited to) ease of movement of goods, services, and labor across borders to facilitate trade, promotion of safe and orderly migration, and the opportunity to leverage opportunities to share knowledge and best practices on technologies, costs, and operational strategies. For instance, mutual recognition of identification systems within a region could enable activities such as opening a bank account, registering a SIM card, or making financial payments to be completed with ease across borders, which in turn facilitate migration, trade, and the transfer of remittances. Some of these trends are summarized in Figure 9 below.

Figure 9: Rationale for Regional Engagement on Identification Systems



'African Migration Trends – Key Facts and Figures' IOM, 2014.

Regional engagement will include engagement with regional bodies and a country-based approach. The World Bank has had advanced discussions with ECOWAS and EAC both of whom are interested in working with the World Bank on this agenda. The Bank is working to roll out an Africa Regional Project which will simultaneously work on developing engagement with multiple countries in West Africa on the topic, as well as broaden the scope of engagement with ECOWAS to increase its capacity in enabling regional interoperability. Similarly, an EAC Regional Project is being identified to enable the coordinated rollout of identification systems in East Africa. ID4D is supporting the project by drawing on lessons from the European Community's STORK and

E-IDAS programs and LAC's Mercosur approach to understand the legal and regulatory issues, as well as technical design needed for an effective regional approach. These efforts will build on existing plans, including:

- ECOWAS' plan for free movement within the region
- EAC interest in building a shared/common approach for free movement across the Common Market.
- African Union's commitment to this broader agenda and the role of digital identity to a range of functions and services. They played a convening role on the topic, as evidenced by the organization of pan-African conferences of African Ministers responsible for Civil Registration every two years.

These plans aim to not only enable migration, trade, and information flows within ECOWAS, EAC, and SADC, but also across the continent.
From a country level approach, ID4D plans to build on the country assessments and existing engagement in the ECOWAS and EAC countries to better understand what standards are currently in place and what will need to be adjusted at the design stage to enable interoperability and regional harmonization. Moreover, these countries can be used to pilot a number of specific approaches (such as using mobile payments or introducing identity document based prerequisites to access health or social benefits) which can then be more widely implemented at the regional level if deemed effective.

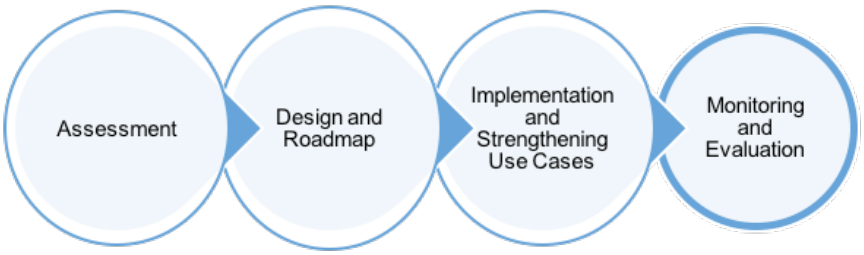
COUNTRY ENGAGEMENT

The brunt of ID4D operational work occurs at the country level, through working with client governments to assess existing systems, design improvements, and implement more robust systems and strengthen use cases. Country engagement occurs in a set of specific stages (shown in Figure 10 below) and 3 specific forms (illustrated on page 23).

Stages of Intervention

At the country level, engagement on the identification system should occur in four key stages, shown in Figure 10 below. Service delivery linkages tend to occur both in the design and dialogue stage and in the post-implementation and outreach stage.

Figure 10: Stages of Country Engagement



Deep Dive: Assessment Stage

At the initial stage, an Identity Management Systems Analysis (IMSA) is conducted to examine the current state of the identification management system and the specific needs of the country. The IMSA is a tool used to evaluate a country's identity ecosystem, including laws, policies, practices, governance institutions, capacity, and technology. An IMSA facilitates collaboration with governments to improve official identification systems—including civil registration, civil identification systems, and population registers—and their interoperability with functional registers. Specifically, it assesses a country's identification system along five dimensions:

1. Governance, including institutional/ administrative frameworks, robustness, and capacity;
2. Accessibility, including barriers and obstacles to timely and universal registration;
3. Technology use and management;
4. Interoperability and interconnectivity; and
5. Legal and regulatory frameworks.

The resulting analysis identifies identity assets and gaps, and gives country-specific recommendations for improving the integrity and utility of identity ecosystems. These analyses are based on in-country missions to interview key government and private sector identity stakeholders, as well as desk reviews of primary and secondary material, including country development plans, operations manuals, legal documents, and more.

Deep Dive: Design & Roadmap Stage

Client requests for technical assistance and financing to implement and roll out their identification systems may surface through one of two ways -- scale up ID systems coverage through a nation-wide foundational approach, or through a functional approach (e.g. social safety net, financial inclusion, civil service reform) which is then broadened to serve as a pilot for a nation-wide approach.

The country assessments once completed present the key areas of focus in a particular system and a roadmap/action plan to addresses gaps. Given the many potential applications spanning different sectors and involving both public and private entities, implementing the ID4D agenda requires a strong dialogue among stakeholders, advocacy and awareness raising, and selecting the most effective entry points. The multi-sectoral applications of identification require systematic engagement – across ministries and agencies, across public and private sector, and including citizens and civil society organizations – to determine the most appropriate design feature for the official identification system.

Forms of Intervention

The World Bank will use a number of tools available across all stages of intervention at the country level, shown below.

- Country IMSAs and feasibility assessments: Continued use and development of the IMSA will provide a solid and productive foundation for future partnerships. In addition, the WBG should also assist countries in completing feasibility studies before finalizing identity plans and (especially) before beginning procurement.
- Technical assistance: There is substantial demand for more technical assistance following IMSAs, particularly for vendor-neutral experts to consult on technology systems, legal experts to help develop frameworks for data protection and privacy, and experts from identity leaders in developing countries (e.g., Peru, India, Pakistan) to share their experiences and expertise.
- Operational support for identity systems: Many WBG projects involve the creation or use of foundational identity systems for functional programs, including for social protection programs, pension and civil service reforms, and financial inclusion. These projects can be an important instrument to boost demand for identification and create functional identity systems that reinforce or lay the ground-work for advanced foundational identity systems.

These three broad tools of assistance will likely manifest in a number of specific areas of support:

- Formation of a multi-sectoral approach enabling dialogue across Ministries and government agencies to avoid the development of a fragmented digital identification ecosystem;
- Development of institutional capacity, in particular by advising clients on institutional arrangements;
- Development of appropriate legal and regulatory frameworks, including data protection and privacy requirements;
- Leveraging relevant technology standards and interoperability frameworks, and encouraging open architecture anchored on modularity and open standards.
- Support on procurement of technology, in particular capacity building of public sector to develop technology specs
- Enabling the development of robust civil registration systems which are modernized and automated, and embedded within communities (e.g. via hospitals, health centers, or schools)
- Ensuring clear linkages to civil registration systems to ensure the database remains up to date
- Ensuring linkages to use cases to enhance development impact
- Designing sustainable business models of ID systems, including public-private partnerships
- Financing the infrastructure required of the public sector as well as streamlining the process flow needed to support service delivery.
- Building monitoring and evaluation mechanisms, including impact assessments, into the design of ID4D projects.

COSTS & FINANCING

The costs associated with the two key elements of a national identification system – civil registration and a typical national ID system – vary significantly depending on country context. Most countries have legacy systems; the challenge is to improve them by digitizing paper based systems, expanding coverage and leveraging them to generate fiscal savings for the government and lowering transaction costs for the private sector. Only a few countries lack any system and therefore would require larger initial investments to set up the necessary infrastructure.

The global investment strategy for CRVS estimated that roughly 200 million dollars was needed in 73 countries, or about 3 million dollars per country. In almost every country, CRVS legacy systems were already operating and the major investments involved upgrading their technology and human resource capacity. Nevertheless, on a per capita basis, these figures are quite low.

In contrast, the cost of an overhaul and expansion of a modern national ID system is significantly higher. At the same time, the economic benefits and revenue opportunities are also more substantial. The case of India's Aadhaar program is instructive as it provides a lower bound for the cost of rolling out an identification system that facilitates authentication and can be used to improve the delivery of a large number of public and private services ranging from banking to fuel subsidies. The low cost of around $2 per person enrolled can be attributed to the minimalist approach in terms of data collection, enrollment ecosystem which increased competition, lower labor costs, as well as the immense scale in the Indian context.

In the African context, the costs for initial enrollment of the population would likely be higher and, unless it followed a similar design and approach as in India (e.g. delinking nationality, no use of smart cards, and platform approach), additional costs would have to be added[9]. Based on observations from other, smaller countries, a reasonable lower bound cost of rolling out an Aadhar-like approach based on digital ID without a smartcard would be somewhere close to US $3 per person. Meanwhile, the upper bound of a smartcard-based national ID system is likely to

9 Recurrent costs might be around 10-30% of this figure and international experience shows that there are opportunities for cost recovery by charging for services such as authentication

cost closer to US $6 per person. This indicates the costs of operationalizing identification systems in the 10 focus countries could cost between $US 1billion to $US 2.6billion, depending on the design of the system and country characteristics.

Though these are daunting figures, when compared to the total amount spent in Africa on one-off identification methods (such as voter registration) the economic rationale for investing in identification systems becomes clear: An analysis of the typical cost range of biometric technology in 12 countries cites a figure of $5- $20 per head spent every election cycle[10]. Moreover, some of these costs would potentially be offset by lower expenditures on voter IDs and increased efficiencies in government spending, i.e., reduction in ghost workers and pensioners.

Countries vary in terms of the funding mechanisms used to fund identity systems, and the degree to which financing is sustainable. A majority of identity systems appear to be financed through legislative appropriations, although in some cases agencies are also able to solicit outside funding. Many countries also receive substantial support for both foundational and functional identity systems from development partners.

The World Bank commits its support through technical assistance as well as IDA/IBRD funding to meet the transformational goal of legal identification for all in Africa.

10 Gelb, Alan and Diofasi, Anna, 'Biometric Elections in Poor Countries: Wasteful or a Worthwhile Investment?' Center for Global Development, August 2016.

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