

Digital Initiatives: Role of the private sector in amplifying identity-linked services

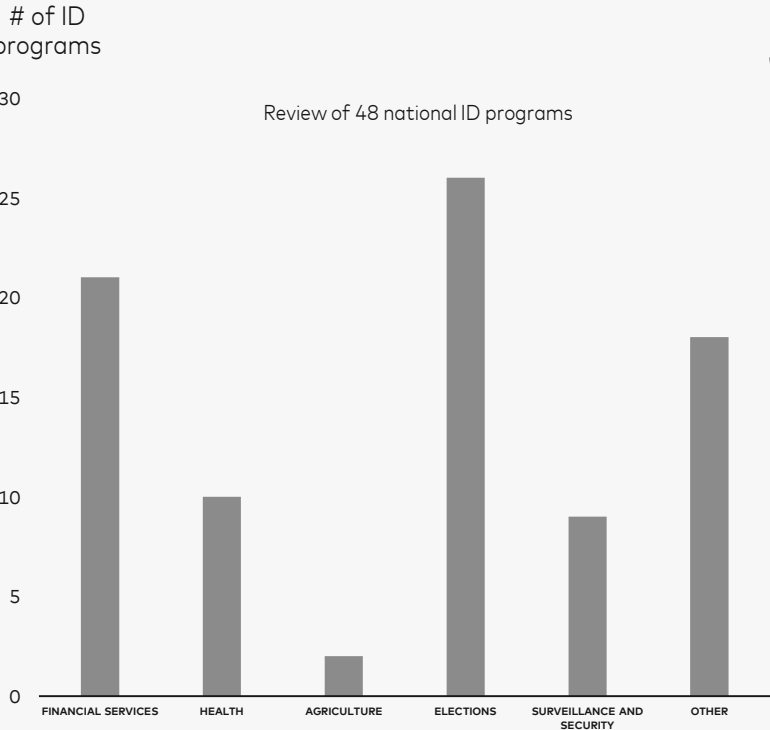
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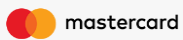
Executive summary

- Identity programs have helped power a range of use cases that have delivered substantial benefits to citizens
- Private sector has a range of roles to play from supplier, to amplifier to disruptor
- An identity infrastructure, coupled with an enabling environment, can allow active participation and amplification by the private sector
- An ecosystem driven approach to digital inclusion can help governments draw in the private sector to complement the investments in setting up of such an ecosystem
- A forward looking design of the national ID program can help crowd in private sector engagement, thus driving up adoption

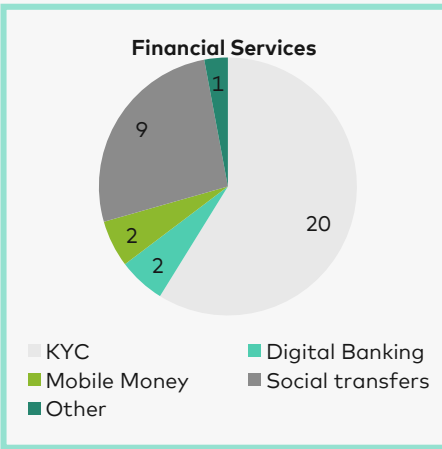
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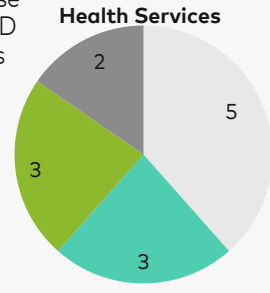
Review of National Identity Programs: Evans School of Policy Analysis and Research



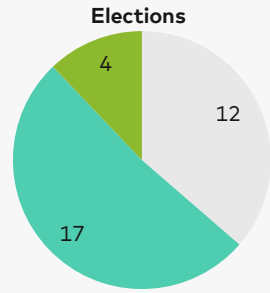
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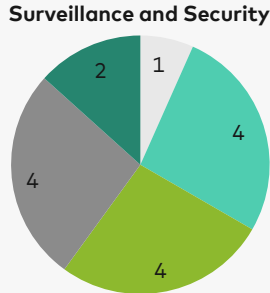
Types of use cases for ID programs



KYC Tracking services Verfn of benefits Others



Voter registration KYC Monitoring

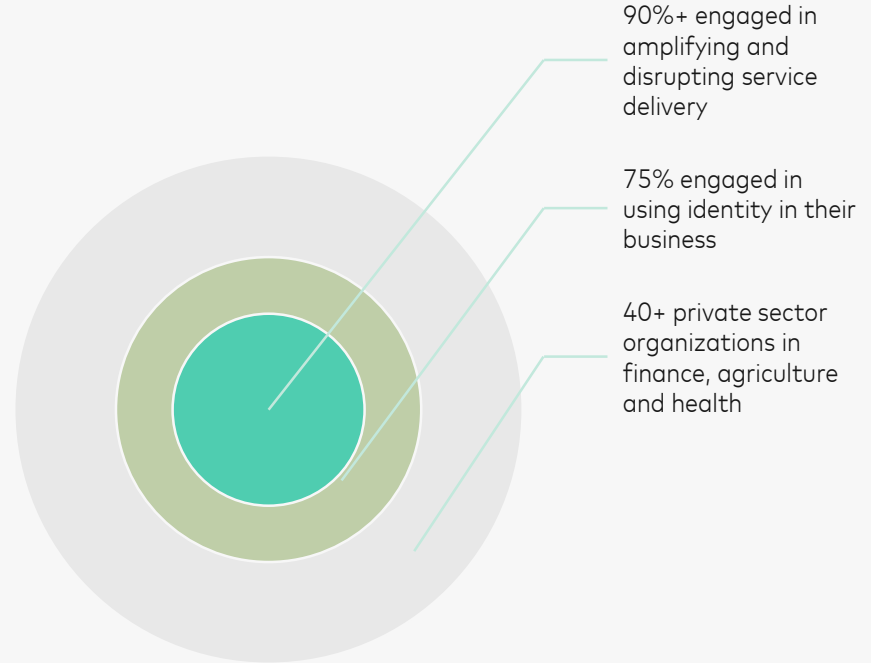


Border Management Law enforcement Passport SIM registration Other




DIGITAL INITIATIVES: ROLE OF THE PRIVATE SECTOR IN AMPLIFYING IDENTITY-LINKED SERVICES

Private sector has benefited from implementation of national ID programs

- Study of over 40+ private sector organizations
- Sectors chosen to represent non-traditional use cases beyond election, borders, travel and security
- There are a variety of use cases and only 3 representative use cases were chosen from each vertical
- Organizations chosen based on ability to drive use cases in chosen sectors
- Organizations that leverage the foundational ID system in a country and not a functional ID
- Classification based on:
 - Supplier: Enables revenue generation
 - Amplifier: Reduction in operational and transaction costs
 - Disrupter: Leads to new business models






Financial services

	Supplier	Amplifier	Disrupter	Examples
Payment infrastructure	●	○	○	<ul style="list-style-type: none"> Faster payments infrastructure to route payments based on Identity numbers instead of bank account numbers 
KYC	○	●	●	<ul style="list-style-type: none"> Using identity to open bank accounts Creating new business models around risk/ KYC 
Financial access	○	●	●	<ul style="list-style-type: none"> Using identities to open new accounts and provide financial access to new services 

- High involvement
- Low involvement
- Early involvement

Agriculture services

	Supplier	Amplifier	Disrupter	Examples
Access to subsidies	●	●	○	<ul style="list-style-type: none"> Technology and last mile solutions to distribute subsidies using identity Providing last mile acceptance solutions 
Supply chain traceability	○	●	●	<ul style="list-style-type: none"> Providing core technology to enable supply chain traceability 
Access to services	○	○	●	<ul style="list-style-type: none"> Data collection around farmers to provide customized access to credit/ training/ insurance 

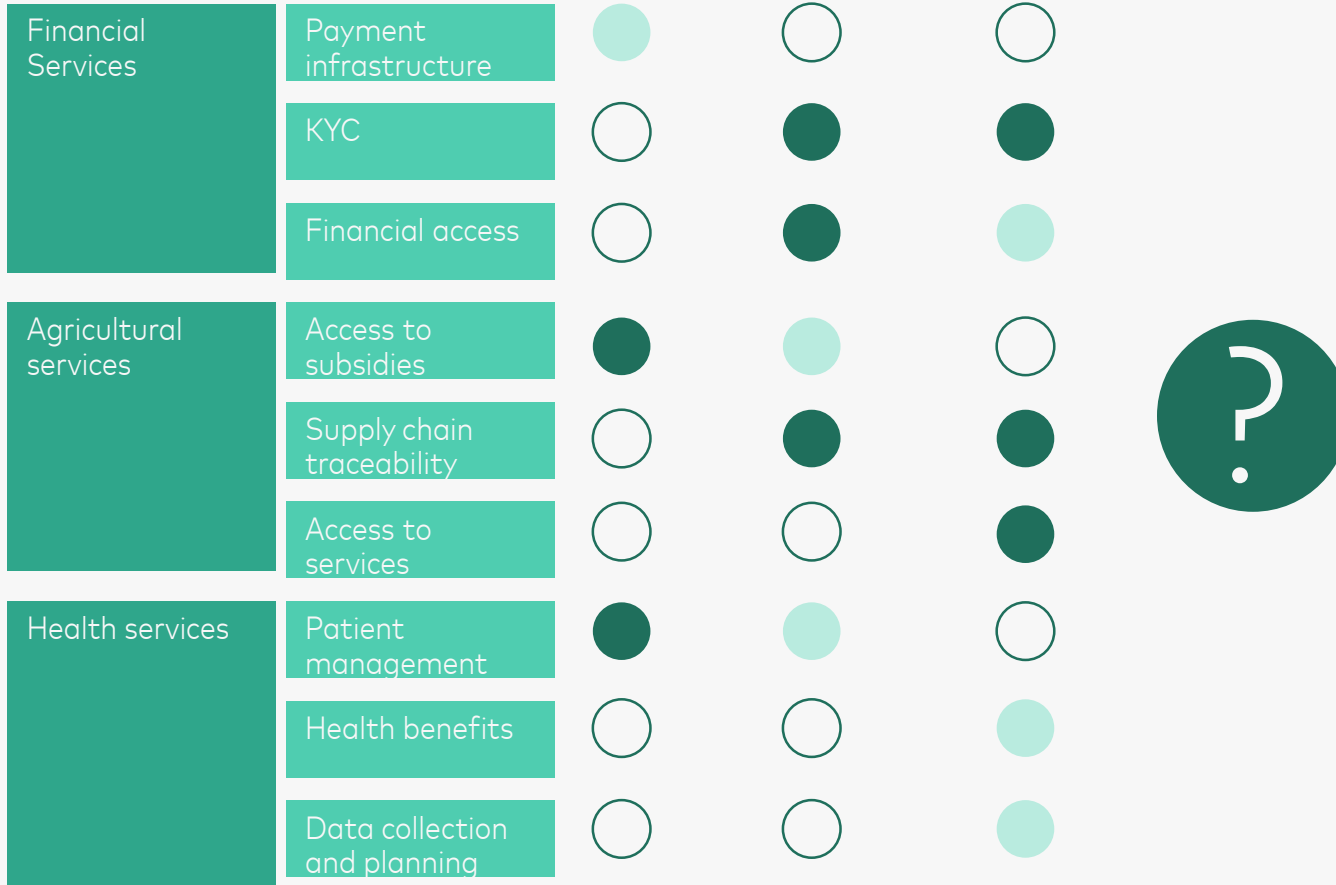
- High involvement
- Low involvement
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Health services

	Supplier	Amplifier	Disrupter	Examples	
Patient management	●	●	○	<ul style="list-style-type: none"> Technology and last mile solutions to distribute subsidies using identity Providing last mile acceptance solutions 	HISP INDIA
Health benefits	○	○	●	<ul style="list-style-type: none"> Aggregate individual-level data for insurance and benefits programs within the healthcare system. 	m-tiba
Data collection and planning	○	○	●	<ul style="list-style-type: none"> Improve facility performance, develop better treatments, create personalized therapies, respond to epidemics and public health crises, and efficiently distribute resources. 	tigô

- High involvement
- Low involvement
- Early involvement

An ecosystem driven approach to digital inclusion can help governments draw in the private sector to complement the investments in setting up of such an ecosystem



- What is the role that the private sector should play in the sector/ economy
- What are the design implications on the ID ecosystem
- What is the best mechanism to crowd in the private sector
- What kind of emerging technologies can the ID ecosystem lead to
- What customer need is being solved and how can the sector achieve scale

A forward looking design of the national ID program can help crowd in private sector engagement, thus driving up adoption

Forward looking use cases

- What sectors should the private sector should engage in
- What should the role of the private sector in those sectors be that can add value

Legal constructs and mobilization

- What legal constructs are required to establish the scaling of such use cases; including data protection challenges
- What kind of structures can drive greater innovation in the sector

Commercial options

- What is the commercial model that can be put in place to encourage crowding in
- What kind of financing mechanisms can draw in more players

Some limitations

- Only 40+ companies studies
- Sample size was at random
- Only private sector organizations that used identity in some form or the other; more stringency may be required around usage of ID
- Geographic coverage was limited by time to conduct research
- Use cases can be expanded to include others; like diagnostics in Healthcare