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Digital ID Can Help to Better Serve Marginalised Groups in Society

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Technology has the power to transform public services from a one-size-fits-all to a "citizen-first" approach that anticipates individuals' needs based on a sophisticated understanding of their profiles and preferences. Personalising public services requires the state to not only make better use of individuals' data but also to collate anonymised data so that insights can be generated to enable shifts in population health, for example, or to improve education and policing.

TBI recently conducted a field study in three African countries to explore how digital ID could be used to help four groups with distinct needs and circumstances.

WHY A NEW SURVEY?

There is a broad consensus among leaders and technologists that digital ID can be a potent way of delivering better and faster access to public services. However, the potential productivity benefits of integrating digital-ID systems into routine activities to make them more efficient – and the associated economic impact on different demographic groups – remain largely unexplored. While existing research highlights the macro-level value of digital IDs, there is a lack of data quantifying economic benefits for individual users.

Understanding the types of digital ID-enabled use cases that can deliver the most economic value is crucial to maximising the technology's potential. Equally, communicating this to individuals during an enrolment process can increase adoption of digital ID, particularly among those at risk of being left behind or excluded from the opportunities offered.

DESIGNING THE APPROACH

For this reason, TBI decided to focus on four marginalised population groups in the Cote d'Ivoire, Rwanda and South Africa: the elderly, females living in rural areas, informal retailers and the unemployed in urban areas. All face unique challenges in accessing resources, economic opportunities and public services. To gain the best understanding of how digital ID can be

leveraged to help them, we looked at a range of life situations in which it could have an impact: registration for births, medical insurance, social grants, education subsidies and vaccination as well as setting up bank and mobile-money accounts.

The key question was: if digital ID enabled these groups to complete the activity remotely, what would the impact be?

The survey's preliminary findings are designed to highlight the use cases with the greatest potential impact in each of the countries and for each of the marginalised groups. The insights provide opportunities for policymakers, government agencies and stakeholders involved in digital-ID implementation to prioritise the needs and interests of underserved groups. Additionally, the findings are useful in identifying barriers, with recommendations provided to governments on how to overcome these.

FIGURE 1

Revealing the economic benefit of different digital-ID use cases and for different groups

	Rwanda	**South Africa**	**Cote d'Ivoire**
Combined yearly savings in US$ for marginalised populations (i.e., the elderly, rural females, informal retailers and urban unemployed, combined)	Approximately $9.7 million if a digital ID is adopted for:- Remote opening of bank and mobile-money accounts- Remote registration and receipt of social grants- Remote registration for medical insurance	Approximately $620 million if a digital ID is adopted for:- Remote opening of bank and mobile-money accounts- Remote registration and receipt of social grants	Approximately $43.7 million if a digital ID is adopted for:- Remote opening of bank and mobile-money accounts- Birth registration- Remote registration for education subsidies
Group(s) that will see the greatest economic benefit (as a percentage of their monthly incomes) by adopting digital ID	The elderly, followed by informal retailers	The elderly, followed by rural women	Urban unemployed, followed by informal retailers
Use cases with the most impact for marginalised groups	Remote registration of medical insurance and remote payment of social grants	Remote registration and payment of social grants	Remote registration of education subsidies and births

Source: TBI (Note: Overall population numbers are taken from national census data and FinScope survey data. Full methodology available on request)

These findings highlight how important it is that digital-ID programmes are closely tied to the most effective use cases when being implemented, with policymakers advised to consider the impact on individuals, particularly among smaller demographic groups. While this economic value may not be immediately visible in aggregate terms at a national level, it does equate to a profound and direct benefit to individuals. This is why associated policy measures must ensure that digital ID becomes a tool for inclusive development, rather than exacerbating inequalities.

TURNING INSIGHTS INTO ACTION

Maximising the economic impact of digital IDs requires a multifaceted approach to address infrastructure, user-centric design, interoperability, enabling ecosystems and the most effective use cases. By implementing the following recommendations, governments and organisations can create a digital-ID framework that empowers individuals, personalises public services and gives individuals greater control over their own data. Such a holistic approach is essential to achieving the full potential of digital IDs to drive economic growth and promote social inclusion.

1. Prioritise the design of digital-ID use cases with the biggest impact on public-service delivery, economic growth and social inclusion. This should involve factoring in both direct and indirect costs, including of enrolment and implementation, savings made through improved efficiency for governments, and the social and economic benefits for targeted populations. By linking use cases to broader national-development goals, governments can strategically align their resources accordingly.

Based on our research: Countries should weigh up economic benefits at an individual/demographic-group level versus the national level (in aggregate terms). For example, in Rwanda and South Africa, the elderly stand to gain the most from adopting digital IDs although they are not the most vulnerable marginalised group. This means the decision for any use-case design should also be informed by national-development goals (for example, the economic empowerment of women or promoting the formalisation of informal traders), with these becoming a rationalising factor when considering impact.

2. Establish robust public key infrastructure (PKI) and digital-authentication mechanisms. A PKI provides a framework for issuing, distributing and validating digital certificates to enable trusted verification of digital IDs. By investing in PKI, governments can create a foundation that supports the scalability, interoperability and reliability of digital-ID systems to achieve seamless integration into existing governance structures and technical infrastructure.

Based on our research: In Rwanda and Cote d'Ivoire, the absence of a robust PKI and digital-authentication mechanism at the cell and sector levels or public-service points means that digital cards are primarily used as analogue cards. In other words, their digital components are not fully enabled, meaning they become the equivalent of a paper credential. This has limited the extent to which digital ID is useful across sectors such as health care and education.

3. Start with existing governance structures and technical infrastructure. Governments typically have established governance structures and administrative systems to manage identification, registration and service delivery. By providing training and incentives to civil servants, governments can optimise the implementation of digital-ID systems at both the front and backends of public-service-delivery systems. This enables seamless integration into existing systems and processes.

Based on our research: In Rwanda, the Irembo platform, with its expansive agent network, could help accelerate use of digital IDs by ensuring that robust verification and authentication, such as multi-factor, is a prerequisite of service provision to the public. Acting as a single point of entry for citizens to be able to access multiple services, the platform could integrate transparency and consent mechanisms to inform individuals about how their data is being used and to obtain consent.

4. Design digital-ID systems with inclusivity in mind, ensuring accessibility and user-friendliness. User journeys, from enrolment to use, should be streamlined and simplified, with minimal barriers to entry. This is particularly relevant to marginalised populations and late adopters. Digital-ID systems should be accessible through multiple channels, including mobile devices and traditional ones such as kiosks.

Based on our research: Cote d'Ivoire has the lowest digital-ID enrolment rate among the three countries surveyed. Respondents highlighted one cumbersome process that requires them to travel to their areas of birth to obtain their birth certificate and certify it before using it for their digital-ID application. In South Africa, on the other hand, banks enhanced the digital onboarding of accounts by relocating enrolment points to kiosks in

supermarkets. An individual's identity is verified and authenticated at these service points using their digital ID and a bank account opened within five to ten minutes. This has allowed a higher proportion of individuals with low incomes to easily open bank accounts that are needed to receive social grants payments, saving both time and effort.

5. Integrate fractured ID-registry systems. By promoting interoperability, governments can develop secure and scalable digital-authentication mechanisms, ensuring the reliability of digital IDs.

Based on our research: South Africa's rollout of the automated biometric identification system (ABIS) has been delayed because the country is running two parallel ID systems. There is a lack of interoperability between the Home Affairs National Identification System (HANIS) and ABIS that hinders seamless data sharing and coordination between government departments, leading to inefficiencies and duplication of efforts. Fingerprint biometrics registered with HANIS, for example, are not compatible with the ABIS, leading to delays in ID verification.

6. Expand internet and mobile coverage as well as digital skills. It is crucial for governments to examine the touchpoints and interactions that individuals have with digital-ID systems to identify pain points or areas where assistance is required. This is particularly important for marginalised populations who face additional barriers to adoption – whether this is a lack of digital literacy or access to smart and mobile phones. Systems must not favour those who are already technologically empowered or able to cover the fees charged in the accessing of digital ID-enabled services. Governments should implement policies that incentivise wider internet coverage (in those instances when the market is unlikely to deliver on this) and promote smart and mobile-phone adoption as well as digital skills.

Lead image: Getty

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