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Foreword



MARI PANGESTU

*World Bank Managing
Director for Development
Policy and Partnerships, and
Chair of the ID4D and G2Px
High-level Advisory Council*

The compounding crises that unfortunately characterized 2022 have underscored just how important identification systems and digital government-to-person (G2P) payments are to individual empowerment, economic opportunity and the protection of lives and livelihoods the world over.

I am happy to say that the sister initiatives **Identification for Development (ID4D)** and **Digitizing Government to Person Payments (G2Px)** have continued to be at the forefront of helping countries build identification systems and transition to digital G2P payments in a human-centered, rights-preserving, and trust-fostering manner. Working closely with governments, other development partners, civil society organizations, academia, and the private sector, they have shaped their respective topics at country, regional, and global levels, filling critical knowledge, normative, and data gaps through broad-based advocacy, research, and analytics.

Notably, both ID4D and G2Px have played a critical role in catalyzing and shaping the ‘digital public infrastructure’ (DPI) agenda around the world. The feature story on DPI in this year’s annual report illustrates how identification, payment, and data exchange platforms are as fundamental for social and economic development today as physical infrastructure was for previous generations. The two initiatives have been transforming this potential into action in countries like Cambodia, Ethiopia, Indonesia, Nigeria, Pakistan, the Philippines, and Togo.

This year saw the publication of the ID4D Global Dataset as well as the results of the 2021 ID4D-Findex Survey, revealing that an estimated 850 million people around the world are still without official identification. To bridge this gap, ID4D has worked with countries and over the course of 2022, provided tailored support on the development of ecosystem models for identification and civil registration to 57 different countries, of which 47 countries are receiving \$2 billion in active and pipeline World Bank co-financing for implementation. ID4D also supported various initiatives intended to promote the interoperability of identification systems in Africa and Southeast Asia. These ID4D engagements are expected to improve the lives of more than 500 million people and bring associated personal data protection measures in line with international good practices.

In addition, several guidance notes and knowledge resources were published to assist countries along their ID journey, such as on strategic communications, civil society engagement, federated and decentralized digital ID ecosystems, and the responsible use of biometrics.

G2Px scaled up its efforts substantially in 2022 to provide technical assistance to 38 countries on the adoption or improvement of their digital G2P payments. The initiative also published its cross-sectoral framework for promoting recipient-centric digital G2P payments in “Next Generation G2P Payments: The Building Blocks of a Modern G2P Architecture”. Digital G2P payments that leverage shared infrastructure, provide choice and place recipients at the center can yield important knock-on benefits related to financial inclusion, women’s economic empowerment, and adaptive social protection.

In addition, G2Px released a key study on the role of digital public infrastructure in the social protection response to the COVID-19 pandemic in 85 developing countries. This study found that those countries that were able to use existing databases to target beneficiaries reached on average half of their population, while those that were not only reached 16 percent of their population.

The significant impact and progress that was made in 2022, and documented in this annual report, would not have been possible without the help of our partners: The Bill & Melinda Gates Foundation, the UK government, the French government, and the Norwegian Agency for Development Cooperation (NORAD). We remain grateful not just for their generous financial support but also for their important intellectual collaboration.

As the DPI agenda gains momentum worldwide, ID4D and G2Px are well positioned to succeed in their mission to empower people with better access to services and greater economic opportunities. Moreover, the development of DPI, such as identification and payment systems will help countries navigate today’s compounding crises and stay the course for a green, resilient, and inclusive long-term development.

We are therefore excited for what 2023 will bring and look forward to continuing our collaboration with all of our partners.



In focus:

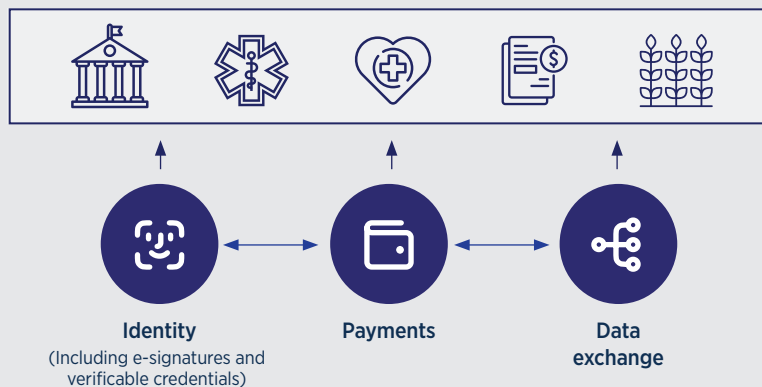
Building digital public infrastructure

Digital public infrastructure (DPI) is a vital enabler of inclusion, resilience, and economic opportunities. The thought leadership and knowledge products of ID4D and G2Px, combined with targeted support and financial assistance, have contributed to and shaped the growing global momentum around DPI over the past year.

What is digital public infrastructure (DPI)?

DPI are the digital platforms—including the institutional and legal frameworks around them—that enable the provision of essential society-wide functions and services. This typically entails platforms for identification and authentication (including trust services such as e-signatures and verifiable credentials), data exchange, and payments. Their transformational potential in today's digital age can be likened to the way roads, railways, and other physical infrastructure fueled economic transformation in previous centuries.

DPI are cross-cutting, inter-linked, and should be designed for broad public benefit and use by public and private sector actors, individuals and civil society. Their foundational nature is an important distinction from digitalization of sectoral applications, which can be supported and accelerated by DPI. The 'public' refers to public benefit and access, not necessarily public ownership. In fact, DPI may conform to different ownership, operational, and business models. However, as a relatively nascent concept, the definition of DPI continues to evolve, especially as it is further discussed in global fora such as the G20 in 2023.



Why DPI

Multiple overlapping challenges and emergencies have converged into a broader crisis facing development. The combination of the COVID-19 pandemic, inflation, slow growth, climate change, and food and energy insecurity, has created a perfect storm for which new pathways and solutions are sorely needed locally and globally.

People are facing unprecedented challenges in their daily lives, including stretching scarce resources and protecting their families and livelihoods from health, economic, and natural disasters. Not only do they need targeted assistance for relief and recovery, they also need real improvements in service delivery and accessibility to meet the promise of sustainable and equitable development. In our increasingly digital age, people need to be able to reliably interact with government services remotely and online, whilst being protected from fraud and data protection violations.

DPI enables people and businesses to verify their identities, to have authoritative data about them exchanged seamlessly and transparently, and to make and receive payments easily and securely, all in a trusted and interoperable manner. This requires much more than technology. Effective implementation of DPI requires well-designed and implemented legal, regulatory, institutional, and supervisory frameworks, as well as a commitment to eliminate barriers and empower people.

Furthermore, under the current crises and tight fiscal constraints, governments also need tools to be able to 'do more with less', including efficiently channeling limited resources to where they are needed most. They must also be equipped to harness new opportunities for more inclusive and sustainable economic growth through the rollout of critical government services.

DPI can help countries protect lives and livelihoods today, as well as strengthen resilience and rebuild better for tomorrow. For example, research by G2Px on the social protection response to COVID-19 in more than 80 countries found that those countries that had the ability to use and cross-reference existing administrative databases reached half of their population (on average), while those that did not reached only 16 percent of the population. The countries that had strong DPI in place were also better able to shift public services and economic activity to digital channels while prioritizing inclusion. By building trust and promoting inclusion, DPI also creates future opportunities in the digital economy, such as more accessible financial services, e-commerce, and employment.

The individual components of DPI—identification and authentication, payments, and data exchange—are not new. What is new is their framing as cross-cutting and interlinked building blocks designed for broad public access and benefit. For instance, a digital ID can be used as a financial address to facilitate payment interoperability and to exercise consent and control over personal data. This is distinct from the digitalization of sectoral use cases, which is enabled and accelerated by DPI. By drawing attention to these design features, the DPI agenda aims to cultivate concerted and whole-of-economy action by countries.

How ID4D and G2Px have been engaged

At the country level, ID4D and G2Px have helped dozens of countries from Nigeria and Togo to Indonesia and Timor Leste to understand, localize, and implement identification and digital G2P payments as part of a broader DPI strategy. For example, in the Philippines, technical assistance from ID4D and G2Px—as well as funding from the Beneficiary FIRST Social Protection Project—has supported the design of pilots using the Philippine Identification System (PhilSys) to improve the inclusivity and human centricity of social welfare benefits delivery.

At the global level, ID4D and G2Px have collaborated with partners such as the Bill & Melinda Gates Foundation, UNDP, and the Digital Public Goods Alliance to build momentum around DPI. In September 2022, a high-level event at the UN General Assembly brought together heads of state and ministers from more than a dozen countries, along with the heads of several development agencies, to make clear commitments related to DPI. DPI also featured prominently in an event on digital transformation in Western and Central Africa during the 2022 Annual Meetings. To promote global knowledge sharing, a case study on Singapore’s DPI, and specifically its national digital identity and government data sharing platform, was published in partnership with the Government Technology Agency of Singapore. On a regional level, ID4D and World Bank projects have been working with the African Union Commission, ECOWAS, and ASEAN Secretariat to advance cross-border interoperability of official identification.

These complement and supplement other efforts by the World Bank Group to foster the adoption of DPIs in the financial sector, notably in the context of remote customer onboarding, fast payments¹, open banking/finance, and cross-border payments.

¹ For more, see: <https://fastpayments.worldbank.org/>

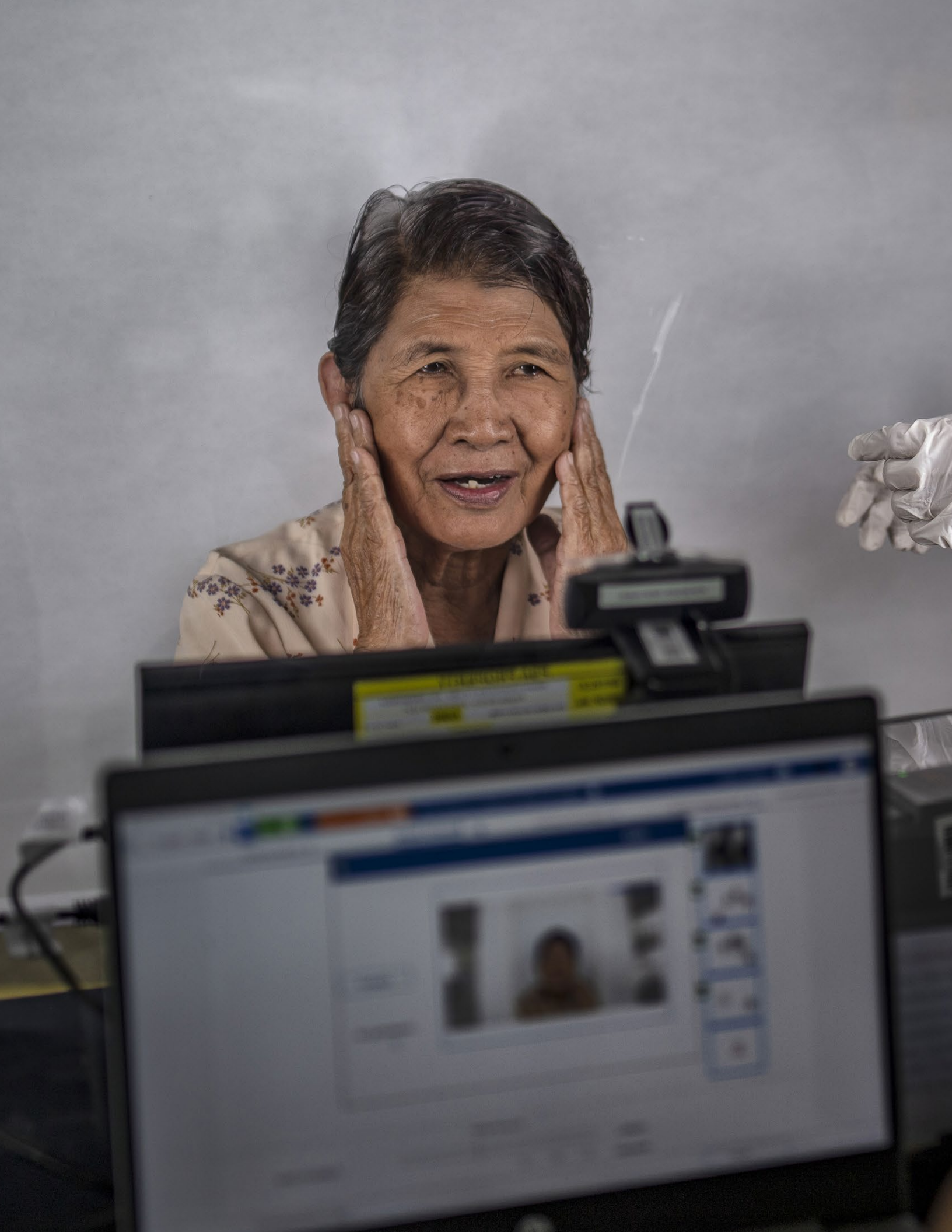


As the world puts greater emphasis on global solutions to global challenges—such as pandemic preparedness and international standards—ID4D and G2Px have been at the forefront of identifying, developing, and contributing to global public goods (GPGs), knowledge, and norms that can help countries build DPI in line with good practices. Apart from ensuring inclusion, trust, and utilization of DPI, there are opportunities for cross-border interoperability and developing shared solutions to common challenges, such as digital public goods (DPGs).

For example, ID4D helped lead the drafting of the ten [Principles on Identification for Sustainable Development](#). Since they were first published in 2017, they have had a significant impact in promoting good practices for accessibility, design, and governance of ID systems around the world. G2Px helped define a cross-sectoral vision of [an ideal scenario for a G2P architecture](#). In the past year it has served as a framework for countries to assess and identify interventions that would advance their journey towards recipient centric G2P digitization.

However, more GPGs and global solutions are needed to help countries realize inclusive, secure and trusted DPI, particularly for identification and digital G2P payments. In the year ahead, ID4D and G2Px will continue to prioritize the development of DPI and global public goods, including the following:

- **Evidence and good practices:** Publishing, contributing to, and analyzing new data related to DPI, including the ID4D Global Dataset, the ID4D-Index survey, and the Atlas of Social Protection Indicators of Resilience and Equity (ASPIRE), as well as completing new surveys and impact evaluations, documenting case studies and good practices, and facilitating the exchange of knowledge between countries.
- **Tools:** Developing and updating practical resources for countries to design, implement, improve, and evaluate their systems, such as the ID4D Practitioner's Guide and Modern G2P Architecture. An important emphasis will be placed on helping countries navigate and localize emerging trends such as decentralized technologies.
- **Digital public goods:** Working with partners to support the development of open-source software, open standards, and other digital public goods to help countries enhance their DPI, especially identification and digital G2P ecosystems.
- **Cross-border applications:** For DPI itself to be a global and regional public good, working with regional bodies to facilitate economic and social interactions across borders, unlocking new opportunities for trade, economic growth, and people-to-people linkages.





Overview



An estimated 850 million people worldwide, often individuals within the most marginalized and vulnerable groups, lack an officially recognized ID. Many more have IDs that are ill-suited for the digital age.

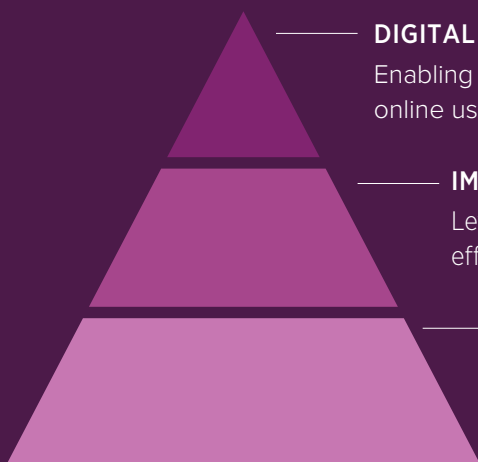


ID4D's goal is to help countries overcome these challenges and build inclusive and trusted ID and civil registration ecosystems that can increase service access and quality, improve economic opportunities, promote the realization of rights, and empower people with more control over their personal data. These objectives are even more critical today, in the context of compounding crises, including energy and food price shocks, climate change, high debt burdens and reversals in development caused by the COVID-19 pandemic.



Combining global knowledge, cross-sectoral expertise, technical and financial assistance, and strong partnerships, ID4D helps countries realize the transformational potential of inclusive and trusted ID and civil registration ecosystems. The initiative supports countries at different stages of ecosystem development (see figure below) and its work is guided by the *Principles on Identification for Sustainable Development* (<http://idprinciples.org>), which are co-owned and endorsed by over 30 global organizations, including the World Bank.

ID4D SUPPORTS COUNTRIES AT DIFFERENT STAGES OF ID ECOSYSTEM DEVELOPMENT



DIGITAL IDENTITY FOR ONLINE TRANSACTIONS

Enabling people, businesses, and governments to do trusted transactions online using officially-recognized digital IDs.

IMPROVING SERVICE DELIVERY

Leveraging secure identity authentication to enhance the effectiveness, efficiency, and accessibility of services.

UNIVERSALLY ACCESSIBLE FOUNDATIONAL ID SYSTEMS

ID systems, population registries, and civil registries that are inclusive of all and serve as authoritative sources of core identity data.

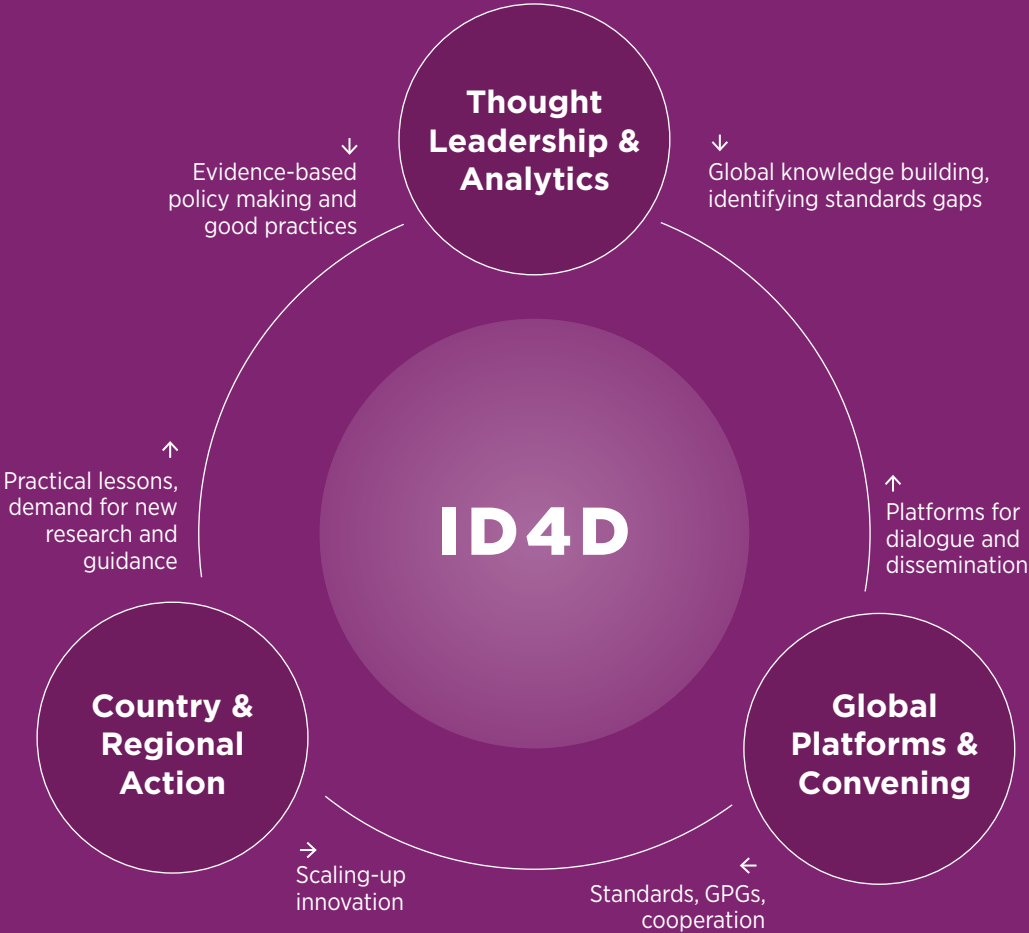
Source: ID4D, World Bank.

Currently, ID4D is assisting a total of 57 countries in the design and implementation of ID and civil registration (CR) ecosystems: this includes US\$2 billion in active and committed World Bank financing across 47 countries, and the potential to support better IDs and civil registration documentation for over 500 million people.

ID4D works to tackle important themes, such as inclusion, data protection, and appropriate use, across three mutually reinforcing pillars as set out in the Table below:

	PILLAR I THOUGHT LEADERSHIP AND ANALYTICS	PILLAR II GLOBAL PLATFORMS AND CONVENING	PILLAR III COUNTRY AND REGIONAL ACTION
INCLUSION	<ul style="list-style-type: none"> • Measure ID ownership globally and for marginalized groups, and identify persistent barriers to accessing or using an ID • Measure impact of ID on access to services and rights • Build capacity of clients to effectively monitor inclusion • Disseminate good practices on inclusion, focused on specific groups (e.g., women, persons with disabilities, undocumented people, LGBTQIA+ communities, etc.) 	<ul style="list-style-type: none"> • Advocacy on inclusion including around <i>Principles on Identification</i> • Facilitate knowledge-exchanges on pro-inclusion measures • Engage with CSOs globally and in countries, and developing guidance for practitioners • Crowd-source new solutions through Mission Billion 	<ul style="list-style-type: none"> • Identify assets and gaps related to inclusion • Conduct qualitative studies and consultations with public and vulnerable populations • Provide technical assistance on how to reduce barriers to access ID, notably for vulnerable groups, from legal reforms to design to implementation • Invest in CR and ID systems to advance inclusive approaches to enrollment and authentication
PERSONAL DATA PROTECTION	<ul style="list-style-type: none"> • Understand and measure people's preferences, attitudes, and knowledge related to data protection and privacy • Evaluate impact of "privacy-by-design" approaches and technologies • Identify risks and good practices for mitigation • Study effective strategies to improve adoption of privacy-protecting features 	<ul style="list-style-type: none"> • Advocacy around the need to protect unique identity numbers through techniques such as legal reforms and tokenization • Capacity building and training • Support for standards and digital public goods (DPGs) that include privacy-enhancing technologies and designs • Crowd-source new solutions through Mission Billion 	<ul style="list-style-type: none"> • Conduct assessment of the legal environment pertaining to data protection and cybersecurity • Support consent-first approaches • Provide technical assistance on privacy-protecting features, such as data minimization, and proportionality. • Investing in CR and ID systems to adopt "privacy-by-design" approaches
UTILIZATION	<ul style="list-style-type: none"> • Develop frameworks and tools to identify potential high-impact use cases and evaluate prospective benefits, risks, and ID-related requirements • Conduct and fund evaluations on the use of ID across sectors and its effects on inclusion, access to services, beneficiary experience, public and private sector savings, and more • Document through country- and sectoral case studies the role CR and ID systems play in effective service delivery & the achievement of development goals, as well as risks 	<ul style="list-style-type: none"> • Facilitate knowledge exchanges between countries that are focused on use cases • Collaborate on advocacy and knowledge with international and regional bodies working on specific sectoral use cases 	<ul style="list-style-type: none"> • Help countries to identify and develop priority use cases, including assessing and mitigating risks and identifying appropriate levels of assurance • Support countries to develop pilots to test certain use cases • Convene stakeholders (including government, private sector, and civil society) in countries to develop roadmaps and shared visions for use cases • Invest in the implementation of responsible use cases, on both the ID system and relying party sides

Links between ID4D’s global, regional, and country work allow our client countries to effectively translate knowledge and cutting-edge developments into good practice. Similarly, practical experience in countries informs new research and good practice guidance for broader dissemination. This self-reinforcing strategy is illustrated in the figure below.



Source: ID4D, World Bank.

PILLAR I.

Thought Leadership and Analytics





Under Pillar 1, ID4D creates and disseminates knowledge and good practices on ID and civil registration systems. The aim is to fill knowledge and data gaps and respond to emerging priorities, ensuring that World Bank client countries and the global community have the necessary evidence and tools to build ID systems that serve development goals and put people first. This work directly leverages global, regional, and country-level activities and enhances the impact of ID4D across all pillars.

ID4D research activities have adopted a three-pronged approach: (1) identifying and exploring global research priorities and cross-cutting themes, (2) building comprehensive research and evaluation programs in collaboration with clients to meet specific policy needs, and (3) developing and sharing relevant guidance and tools for research and good practices.

Global Research Priorities

Over the past five years, ID4D has worked to **identify global priorities** for ID-related research, including important cross-cutting themes, relevant sectors, and key population groups, where research can be scaled up to fill remaining gaps and respond to emerging trends.

- **CROSS-CUTTING THEMES:**

Focus on two cross-cutting themes, such as building evidence on how to: Improve design and implementation of ID and civil registration systems to align with the Principles on Identification (e.g., ensuring they are inclusive and accessible, sustainable, and protective of people's rights and data); and Evaluation of the longer-term impact of obtaining an ID and new efforts to leverage ID for service delivery for people, governments, and the private sector.

- **RELEVANT SECTORS:**

Focus on sectors where identity verification is commonly required, including social protection, financial services, public wages, health, education, taxation, mobile phone services, land/property administration, and formal employment.

- **KEY POPULATION GROUPS:**

Focus on groups that have well-documented difficulties in accessing or using ID and civil registration in various contexts, including women, girls, persons with disabilities, rural and remote populations, children and the elderly, displaced persons and migrants, stateless persons, LGBTQI+ people, religious or ethnic minorities, low-income or low-literacy people, nomadic populations, and more, including intersectional identities.

In 2022, ID4D implemented or supported a variety of **primary research and data collection activities** related to the above priorities, including:

- **CROSS-NATIONAL DATA COLLECTION.** This year included the release of a new edition of the **ID4D Global Dataset**, including updated global figures on the number of people without proof of their legal identity—which now stands at an estimated 850 million people as of 2021 (see page 18 for more details). This update takes advantage of new data collected through a partnership with the **Global Findex** survey; ID4D has also partnered with the **World Development Report (WDR)** team and **Women, Business, and the Law (WBL)** in previous years to collect data related to additional indicators on the accessibility and use of ID systems.

- **IMPACT EVALUATIONS (IES).** In 2022, ID4D expanded its portfolio of IEs to rigorously measure the effect of ID ownership and ID system design, and the link with services on outcomes for individuals, government, and the private sector. A new impact evaluation launched in **Pakistan**, for example, will estimate the impact of **biometric verification on women's land inheritance**. Data collection is expected to be completed by early 2023. In partnership with the World Bank's Development Impact and Evaluation (DIME) Department, Innovations for Poverty Action (IPA) and the Jamal Abdel-Latif Poverty Action Lab (JPAL), ID4D impact evaluations are also planned in **Nigeria, Philippines, Morocco, Uganda, and Togo**.
- **QUALITATIVE STUDIES FOCUSED ON THE USER PERSPECTIVE.** ID4D continues to undertake research on user experience with ID systems using a mixed methods approach to analyze access, use and perception. This year included a study in **Timor Leste**, completed in partnership with the ICT Agency (TIC Timor), that engaged with vulnerable groups to understand their experiences with existing IDs in the country. The study also explored their perceptions of the new Unique Identification (UID) system currently in development. Its findings and recommendations will be used to ensure that the UID is inclusive and accessible. In recognition of the persistent gap in ID ownership for women (see page 18), ID4D also launched a broad **Gender Gap Study** to address this disparity through country-level studies that aim to systematically identify demand and supply side barriers as well as actionable, contextually tailored solutions for closing gaps. The results of the first study in this series, in Ethiopia, are already being used by the government to add gender-sensitive features to the design and implementation plans for the new ID known as Fayda.
- **GEOSPATIAL ANALYSIS.** Long distances and high travel costs remain a primary and persistent barrier to ID ownership, with over 44 percent of people without an ID in low-income countries reporting these as a key challenge.² In 2021, ID4D launched a multi-year project to **map accessibility to ID services**, using geospatial analysis to estimate the average distance and travel time to an ID office. The project is ongoing: data has already been collected on ID office locations in over 80 countries and analysis completed for approximately 20 countries. The full set of data will be released in 2023.

Country Monitoring and Evaluation Strategies

As more country and regional engagements move to the implementation stage, ID4D is adopting a bottom-up approach to ensure that World Bank client countries have the data and research infrastructure needed to improve and measure impact. This includes the design of **monitoring, evaluation, and learning (MEL)** strategies that facilitate effective ID management processes and enable course correction, with a view to improving user experience and systems performance. These activities directly address policy and operational needs but are also designed to provide important insights on global priorities.

In 2022, the focus has been on establishing this new work stream, which is expected to grow significantly over the next few years. Key activities over the past year included the following (see also page 22):

- **IDENTIFYING RESEARCH AND DATA NEEDS.** In **Ethiopia, Philippines, Indonesia, and Nigeria**, ID4D continues to work collaboratively with client countries to develop MEL frameworks and strategies, building upon on a foundational MEL framework that ID4D developed this year. see page 22 for more details).

² World Bank. 2022. ID4D Global Coverage Estimates, 2021. See also page 18.

- PILOT EVALUATIONS.** ID4D has designed multi-method pilot evaluations—including surveys, focus groups, and process evaluation—to assess performance related to new ID systems, programs, and design features. For example, an exit survey on the experience of participants and registration officers in a registration pilot in Ethiopia was conducted to improve the design and scale-up of Fayda, the country’s new foundational ID system. A study being implemented in **Nigeria** measures the impact on user experience and government efficiency of collecting significantly less data during the ID registration process. This study results from reforms under the digital identification for development project (DID4D), which are reducing the amount of personal data collected for the national identification number (NIN) from 86 to 10 fields.
- SUPPORTING IMPROVED ADMINISTRATIVE DATA COLLECTION AND ANALYSIS.** A key priority for ID practitioners, policymakers, and researchers is to optimize the collection, reporting, and monitoring of regular data on ID systems to track progress towards development goals and identify issues proactively. By identifying the key indicators that support these priorities, ID and civil registration authorities can proactively work with technical teams to align software specifications with MEL needs to produce anonymized and aggregated insights. To enable this process, ID4D has developed a framework for **key system indicators that can be customized as needed for a country’s use.**

Guidance and Tools

ID4D has developed an extensive set of guidance, tools, and resources to disseminate new knowledge and good practices and reduce the start-up cost of research for countries and World Bank project teams. These public resources will help ensure that the impact of ID4D activities goes beyond a limited set of research projects and contributes to the global community more broadly.

In 2022, ID4D finalized multiple new materials for ID practitioners, World Bank task teams, and researchers, including the following:

- PRACTITIONER’S NOTES AND TECHNICAL PAPERS:** The new ID4D **Guidelines for Strategic Communications** provides a basic framework and toolset for countries to better engage with the public through multiple communication channels. In 2022, other analytical work was published and disseminated including a paper on **Federated Ecosystems for Digital ID** that outlines an alternative approach to centralized systems for authentication, and considerations for adapting this approach to developing countries. A **Primer on Biometrics** was released, providing an introduction to biometrics and good practices for its responsible use. In addition, the Practitioner’s Notes on technical options for **Digital Authentication** and **Institutional Arrangements** for ID systems are set to be published in early 2023.
- EVIDENCE NOTES AND CASE STUDIES:** ID4D published an Evidence Note on the **impact of biometric verification for women’s control over cash** in Pakistan, under the Benazir Income Support Program. A new case study on the **National Digital Identity and Government Data Sharing in Singapore** provides insights and lessons from the country’s development of core digital public infrastructure.

These new materials build on the suite of resources already available on the ID4D website (<http://id4d.worldbank.org>), which include, among others, the *ID4D Practitioner’s Guide* and notes related to inclusion of persons with disabilities and gender identity minorities, privacy-by-design and data protection, DPI stacks and technology standards, a toolkit for qualitative research, research reports from past studies in Nigeria and Rwanda, and frameworks for technical and legal assessments of ID systems.

PILLAR I. SPOTLIGHT 1

New Global ID Coverage Estimates—850 Million without ID

Many people—and in particular, those living in lower-income countries and members of marginalized and vulnerable groups—are unable to obtain official forms of identification. To tackle this challenge, it is important in the first instance to have reliable data on the number of people who do and do not have government-recognized proof of identity, both at the country and global levels.

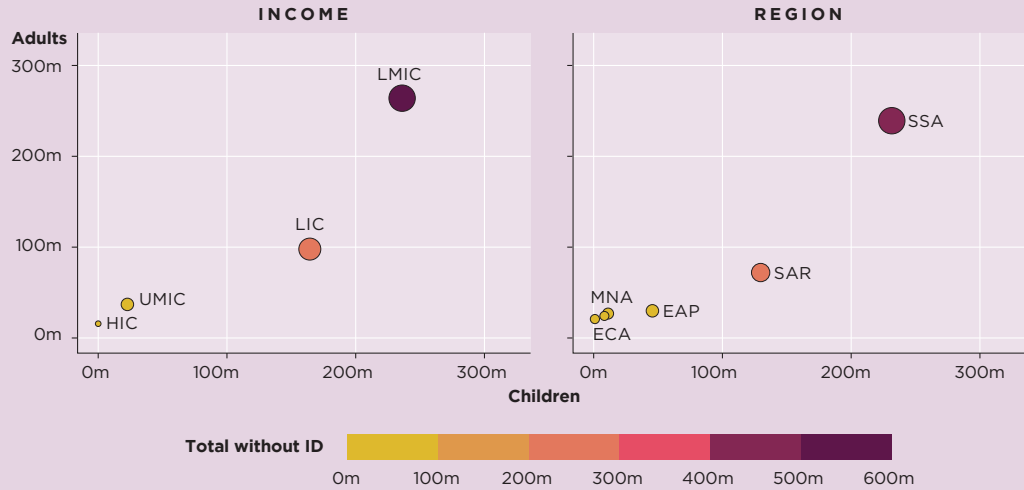
To this end, ID4D has produced estimates of global ID coverage since 2016. The prior ID4D Dataset, published in 2018, indicated that just under 1 billion people—including both children and adults—did not have an official proof of identity.

In 2021-2022, ID4D completed an extensive [update of the ID4D Dataset](#), including the addition of new data sources such as representative survey-based data on ID ownership from the ID4D-Findex survey, an expanded set of administrative data provided by ID authorities, and associated improvements to the methodology for calculating the global ID coverage gap. The updated estimate for 2021 indicates that approximately 850 million people around the world do not have an official ID.

Key Findings for 2021

Globally, an estimated 850 million people do not have official proof of identity. This gap primarily affects people in developing countries as well as marginalized and vulnerable groups. Most people without an ID live in lower-income (LIC) and lower-middle-income (LMIC) economies in Sub-Saharan Africa and South Asia. Over half of those without proof of identity are children whose births have not been registered. Although some improvements have been made in the gender gap in some countries, women living in LICs are still 8 percentage points less likely to have an ID than men. The gap is also significant for other vulnerable groups: adults in LICs are less likely to have an ID when they are below 25 years old, have only primary schooling or less, are out of the workforce, are in the bottom 40 percent of the income distribution, or live in rural areas.

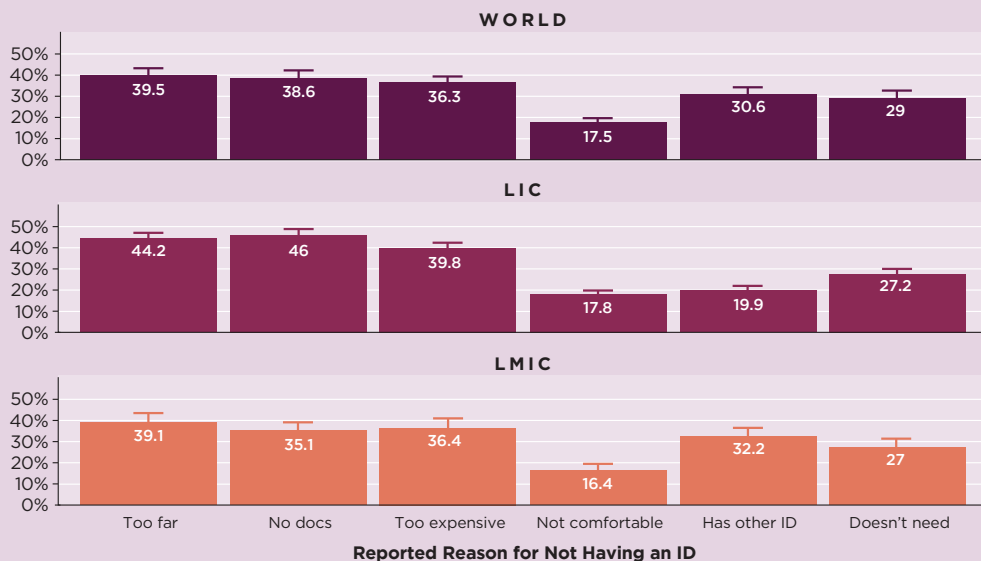
FIGURE 1.
ID COVERAGE GAPS BY INCOME GROUP AND REGION



Graph shows the total estimated number of children and adults without ID, as well as totals, by income and region. Calculations based on data from the 2021 and 2017 ID4D-Findex survey, administrative data collected by ID4D in 2019-2021, birth registration data (UNICEF 2022b, UNSD 2022), voter registration data (IDEA 2022), and World Population Prospects (UNDESA 2022a). The cutoff between 'adults' and 'children' varies by country, according to the data source used. Typically, it is 15 or the year of eligibility for obtaining the adult ID, whichever is higher.

Multiple barriers and challenges contribute to low ID coverage. Among adults living in low-income countries (LICs), 46 percent say they do not have an ID because of documentary requirements, 44 percent because of the distance to registration points, and 40 percent because of the prohibitive costs involved in obtaining one. Such issues are compounded when policies and procedures are unclear, technical failures are common, and registration procedures are cumbersome, requiring multiple visits and/or long wait times (either by design or due to problems with understaffing or absenteeism).

FIGURE 2.
REASONS FOR NOT HAVING AN ID—GLOBALLY, IN LICs, AND IN LMICs



Graph shows reasons (multiple selection) for not having the economy's foundational or primary ID, reported by those without one. Means are globally-weighted and bars show a 95 percent confidence interval. Includes respondents ages 15 and over who are also above the eligible age for obtaining the ID. Source: ID4D-Findex Data (2021).

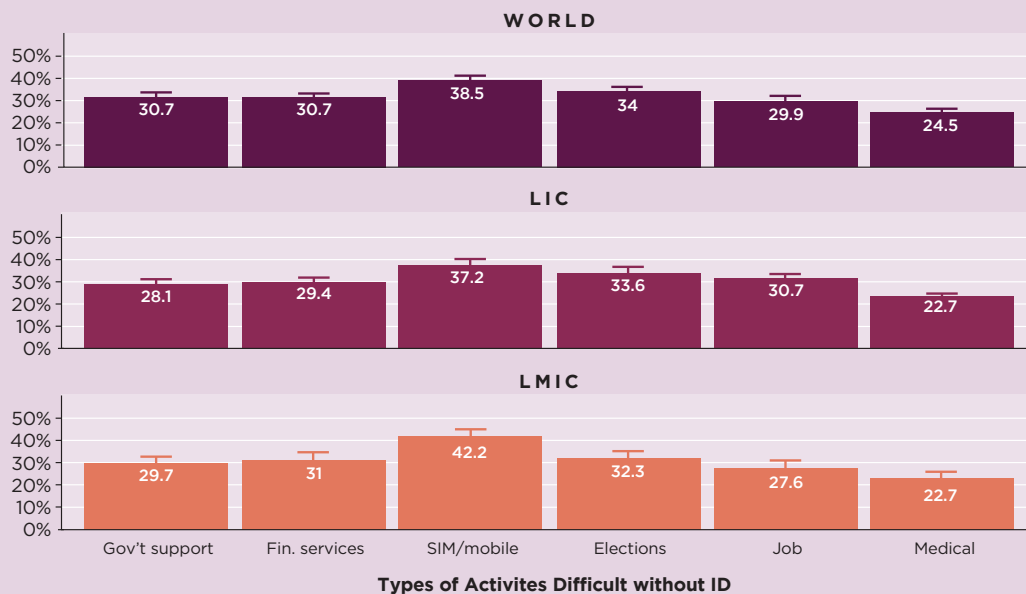
PILLAR I. SPOTLIGHT 1

← Continued

Not having an ID can negatively impact access to services and the fulfillment of

rights. Globally, around 1 in 3 people without an ID reported difficulties in using financial services, receiving financial support from the government, applying for a job, or voting in elections. Nearly 40 percent of those without an ID reported difficulties obtaining a SIM card or mobile phone service, while around 25 percent had problems receiving medical care. Although there are some differences, the relative ranking of difficulties across activity type is relatively similar for LICs and LMICs.

FIGURE 3.
DIFFICULTIES IN ACCESSING SERVICES AMONG PEOPLE WITHOUT AN ID - GLOBALLY, IN LICs, AND IN LMICs



Graph shows difficulties accessing various services, benefits, and rights (multiple selection) as a result of not having the economy's foundational or primary ID, reported by those without one. Means are globally-weighted and bars show a 95 percent confidence interval. Includes respondents ages 15 and over who are also above the eligible age for obtaining the ID. Source: ID4D-Findex Data (2021)

BOX 1.**Interpreting changes in ID coverage estimates over time**

The ID coverage estimates reflect ID4D's best understanding of global and regional gaps in ID coverage, based on available data. They are intended to provide an indication of the scale of the challenge of ensuring universal access to ID. However, given that data sources and methodology have changed over time, *they should not be treated as a time series*. The change from the 2018 estimate of just under 1 billion to the 2021 estimate of 850 million represents a combination of progress on closing the ID coverage gap, changing demographics, and improvements to data and methodology (including, significantly, the incorporation of ID4D-Findex survey data).

For more details, please see our [latest report](#) on the ID4D Global Coverage Estimate.

Reflections and Next Steps

Although the existing data has limitations, the estimates provide a big-picture assessment of the scale of ID access globally and help focus efforts on areas and populations with the greatest inequalities.

This global coverage estimate is part of a series based on the 2021 ID4D Dataset update. This includes additional analysis on the quality of ID systems: while approximately 850 million people do not have an ID, that is not to say that the other 7 billion people around the world have *good* ID (inclusive, trusted, and fit-for-purpose). Forthcoming papers released in 2023 will provide additional insights on the accessibility and digital capabilities of ID systems, along with the publication of a new set of qualitative data.



PILLAR 1—SPOTLIGHT 2

Monitoring, Evaluation & Learning for Responsive ID Systems

Overview

In 2022, ID4D scaled-up support for client countries for the development and implementation of comprehensive Monitoring, Evaluation & Learning (MEL) strategies. Multiple World Bank-supported civil registration and ID engagements—including in [Nigeria](#), [Morocco](#), [Philippines](#), [Ethiopia](#), [Mozambique](#), [Togo](#), [Guinea](#), [Indonesia](#), and others—are moving into critical stages of implementation, including pilots and early scale-up. A robust MEL strategy is essential for countries to effectively monitor these activities, provide data to assess performance, course-correct where needed, and document successes.

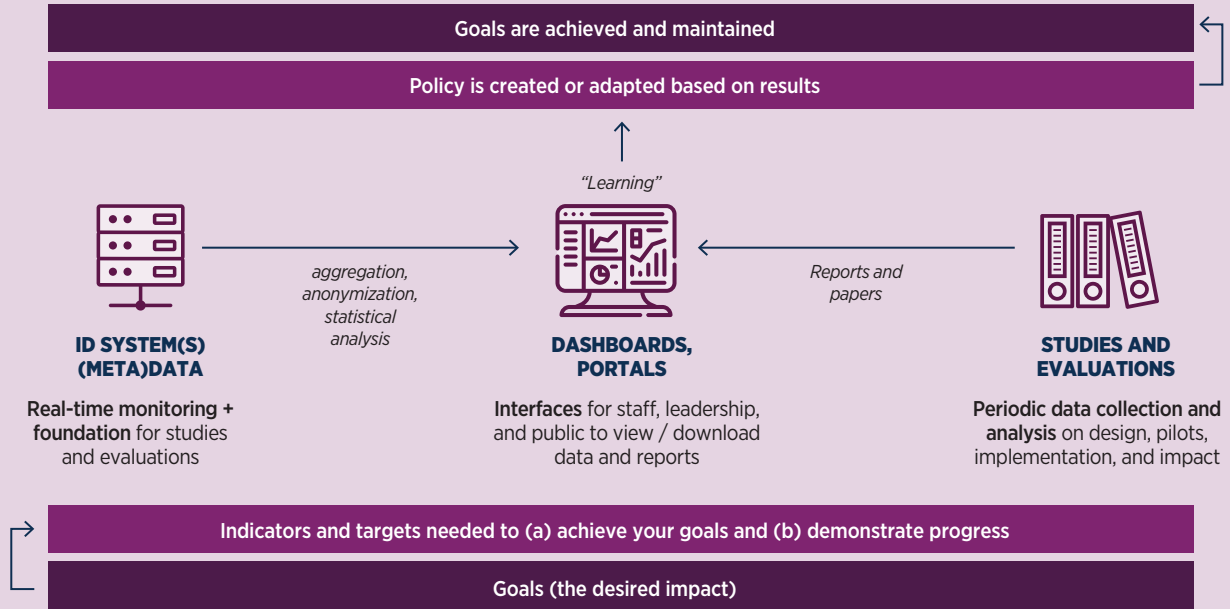
However, based on global experience, most countries have historically lacked effective systems and capacity for data collection and analysis to identify and diagnose issues with major public initiatives, such as ID and civil registration systems. Similarly, only a few have designed studies to rigorously measure the impact of new or upgraded ID systems. For these reasons, strategic MEL is an essential element for realizing the transformational potential of ID.

Elements of a Monitoring, Evaluation, and Learning (MEL) Strategy

Like many other core government systems, identification and civil registration systems typically have finite resources. Where MEL has not been built into ID systems by design, practitioners often end up creating static data summaries or analysis ad hoc as issues arise or when data is requested. Without a dedicated strategy, it can be difficult to find the time, budget, and right skills for proactive and continuous data collection, in-depth analysis, and learning to improve results.

Through country and regional engagement, ID4D has developed expertise in the kind of information that ID practitioners need in order to design sustainable, inclusive, and people-centric ID systems that meet performance standards. ID4D is now collaborating with researchers and technical experts to define research methods and technical solutions to collect and analyze this information. These two competencies underpin the ID4D MEL strategy and framework for comprehensive ID systems, as illustrated in Figure 1.

FIGURE 4.
MEL STRATEGY ELEMENTS



Source: ID4D, World Bank.

To be effective, a MEL strategy must be planned well in advance and include frequent engagement. The foundation of a MEL strategy for ID systems begins with identifying clear goals, indicators, and targets against which progress can be measured (as shown above). Many of these indicators can be derived from the ID system itself while others are more qualitative in nature or involve data beyond the scope of the system. The MEL strategy anticipates this and therefore incorporates other studies, such as end-user research, process evaluations, and time and motion studies. In addition, strategic MEL involves collaborating with technical teams to ensure that critical data is being recorded and can be accessed by different stakeholders in aggregated and anonymized forms to ensure privacy and anonymity. Finally, considering the needs of different users, ID practitioners should develop interfaces to disseminate relevant information, including to the public, as well as develop plans for how that information will feed back into system design and policy decisions.

Putting MEL into practice

In 2022, ID4D drew on its experience with ID programs and MEL strategies to create a new offering that fills an important gap: a framework for monitoring and evaluating ID systems (and learning from the findings). Rather than a mere template to be applied, this framework is a springboard for further customization and innovation for each country that uses it.

In **Ethiopia**, the National Identification Program (NIDP) has been developing and piloting systems and registration for the country's new identification system, *Fayda ID*. The registration pilot, which took place in the first half of 2022, notably focused on the beneficiaries of the rural Productive Safety Net Program (rPSNP) and provided a perfect entry point for ID4D to support the application of MEL methods. A mixed-methods study that included surveys of Fayda ID registrants and registration officers as well as focus group discussions found that the overall satisfaction of participants was high. Detailed findings underlined the effectiveness of the proactive steps that the NIDP took to ensure inclusion. For example, a majority of the registrants surveyed said they would not have completed the registration without the assistance of the Community Development Agents that the NIDP had engaged to guide individuals through the ID registration process. Additional findings uncovered areas for improvement, such as the need for clarity of communications regarding the project's purpose. NIDP has already applied the results and recommendations from the study to improve its day-to-day processes.

The MEL framework is also invaluable for countries that are in more advanced stages of implementation. For example, the **Philippine** Statistics Authority (PSA) has an entire division devoted to MEL for its new national ID system called "PhilSys." ID4D has been supporting this division to develop a MEL strategy since 2020, and this work was scaled up significantly in 2022. For example, ID4D convened a series of discussions and a full-day interactive workshop in Manila and supported PSA to identify opportunities for expansion of its MEL efforts as PhilSys evolves into a full-scale program. PSA is currently finalizing an official MEL strategy document with ID4D's technical assistance, and ID4D will support the rollout of the data collection efforts outlined in this strategy in 2023.

As more countries begin to develop and implement MEL strategies in the context of their ID ecosystem, the potential dividends can be exponential. Proactive and strategic MEL will yield critical data and insights for years to come. In particular, information about *who* is obtaining ID will enable governments to target interventions to achieve goals for coverage and inclusion. Meanwhile, information about system performance will help governments optimize *how* people actually use ID to access rights and services, and support their efforts to achieve development goals.



PILLAR II.

Global Platforms and Convening



Overview

Contributing to the digital public infrastructure agenda



Singapore case study published in October 2022

Recognizing the power of a collective, ID4D plays a global convening role on the ID agenda, by facilitating regular knowledge sharing across countries, and contributing to a shared vision and coordinated efforts across development partners, UN agencies, non-profit and research organizations, and other stakeholders. In 2022, ID4D's main priority was to shape the digital public infrastructure (DPI) agenda, by developing tools, organizing capacity building activities and targeted knowledge exchanges, and expanding opportunities for engagement between ID practitioners and civil society to design inclusive and trusted ID systems in line with the *Principles on Identification*.

The World Bank Group's Identification for Development (ID4D) and Digitizing Government-to-Persons (G2Px) Initiatives have been working together to support the DPI agenda at the country and global levels. As noted in *In Focus*, the concept of DPI (the identification, data exchange, and payment systems underlying the digital economy) is not entirely new. Many countries like India, Singapore, and Thailand have been developing their DPI over the past many years and are starting to see the wide-ranging benefits of having this robust infrastructure in place. ID4D and G2Px are longstanding thought leaders in these areas and have been advising client countries to increasingly integrate these systems into a comprehensive DPI 'stack' in order to enable data use and reuse, streamline service delivery and foster innovation.

ID4D and G2Px welcome the increased attention to DPI and the growing opportunities for collaboration on this important agenda. In 2022, ID4D, along with its partners, has been working to generate momentum for countries to accelerate the development and deployment of DPI to better navigate and harness the power of the digital economy for recovery, resilience, and inclusion. At the 2022 World Bank Annual Meetings, an event on digital transformation in Western and Central Africa featured DPI prominently. The World Bank also co-hosted an event on the future of digital cooperation organized by UNDP and the Digital Public Goods Alliance at the 77th session of the UN General Assembly, along with the governments of Estonia, Germany, Norway, and Sierra Leone, the Bill & Melinda Gates Foundation, Smart Africa, and UNICEF. World Bank President Malpass highlighted the World Bank Group's thought leadership and operational support of the DPI agenda, highlighting the critical impact it can have on the effective management of limited government resources as well as on resilience and crisis response. In 2023, ID4D and G2Px will work with other partners on the DPI agenda as part of India's G20 Presidency working groups to develop normative frameworks and to scale up financing.

To illustrate the potential of DPI for countries, ID4D collaborated with Singapore's Government Technology Agency (GovTech) in October 2022 on [a case study](#) and [webinar](#) on Singapore's National Digital Identity (NDI) (known as Singpass) and government data sharing platform (known as the API Exchange or APEX), highlighting how they work together to improve the lives of citizens and residents whilst boosting national economic competitiveness. The Singapore case study could be used by policymakers and practitioners to inform the design and implementation of digital ID systems and government data sharing platforms in other countries and contexts.

The Principles on Identification continue to guide ID4D activities

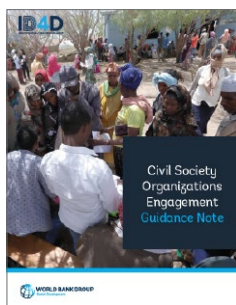
The [Principles on Identification for Sustainable Development](#) continue to guide ID4D country engagements and activities across the three pillars. The *Principles* have now been endorsed by over 30 global organizations, including the World Bank. Two new endorsements were added in 2022: ID2020 and the Tony Blair Institute for Africa. The *Principles* are frequently referenced in national policies and strategies, in reports published by leading development and academic organizations, and by CSOs when advocating for better alignment with good practices. One recent example is the African Union (AU) Interoperability Framework for Digital ID adopted by AU Heads of State in February 2022.

The *Principles* are also increasingly being used in the design and implementation of systems supporting DPI in various countries. To further this work, ID4D is participating in the Co-Develop Fund's Working Group on Inclusion and Safeguards, where donors and international partners work together to ensure that DPIs are built on the principle of inclusion with the necessary safeguards in place for projects set to receive financing.

Engagement with Civil Society is critical for successful ID projects

To help country officials engage more effectively with civil society organizations (CSOs), ID4D collaborated with Namati and Open Society Foundations (OSF) on a guidance note for effective CSO engagement in ID projects. The goal is to support a shift in mentality among governments from one-way communication and closed-door decision making to continuous interaction with the public throughout design and implementation, and to provide practical tools to operationalize this engagement.

To develop this guidance, multiple consultations were held with the active participation of more than 40 CSO representatives, with a view to identifying success factors for engagement and key challenges, based on CSO experience from prior national engagement on ID projects. In June 2022, the CSO guide was presented as part of an ID4D workshop on "ID Communications and Awareness Strategies: Best practices for building evidence and engaging the public" at the ID4Africa annual event in Morocco. Country representatives from South Africa, Ethiopia, Nigeria as well as J-PAL Africa and Namati provided insights on how to increase engagement on ID projects, improve communications, and measure impact. The session was attended by dozens of representatives from African ID agencies, the donor community and civil society. Two weeks later, an ID4Africa Livecast follow-up session was organized to summarize the outcomes of the discussions.



Guidance note published in September 2022



ID4Africa workshop in June 2022



ID4Africa LiveCast in June 2022

Peer-to-Peer learning

Throughout the year, ID4D complements its technical assistance to countries with capacity building activities for ID practitioners. These include learning events and peer-to-peer knowledge exchanges on a diverse set of topics from inclusive registration strategies, privacy by design approaches, linkages between ID system and social assistance programs. Countries that participated in these knowledge exchanges during 2022 included Benin, Burkina Faso, Côte d'Ivoire, Ethiopia, Guinea, India, Morocco, Niger, Nigeria, the Philippines, and Togo (see spotlight #1). In addition, ID4D also facilitated the participation of policymakers from low- and middle-income countries in regional and continental conferences and other learning events, such as ID4Africa.



PILLAR II—SPOTLIGHT 2

Peer-to-Peer Learning



ID4D has prioritized peer-to-peer exchanges (P2P) since its inception, using its global reach to promote knowledge sharing and to bring countries together to share experiences across multiple fora, including one-on-one exchanges between country counterparts.

In April 2022, the Philippine Statistics Authority and Department of Social Welfare and Development visited India to study the use of Aadhaar for social protection delivery, i.e. the provision of paperless and digital transactions to obtain government benefits. The visit highlighted the importance of clear whole-of-government approaches to data interoperability, as well as the opportunities for technology to make delivery processes more transparent, inclusive, and beneficiary—centric. It resulted in a renewed commitment to launch a pilot of the new Philippine Identification System (PhilSys) for social protection delivery, which will be supported by the World Bank’s Beneficiary FIRST Social Protection Project.



In May 2022, the six countries participating in the West Africa Unique Identification for Regional Integration and Inclusion (WURI) program (Benin, Burkina Faso, Côte d’Ivoire, Guinea, Niger, and Togo) gathered in Lomé, Togo, for a sub-regional workshop. The workshop, co-hosted by the Government of Togo and the World Bank, aimed to support the implementation of the WURI program, and in particular to encourage the sharing of experiences and good practices and facilitate coordination to advance the regional interoperability and mutual recognition objectives of the program. The workshop included technical sessions on social evaluations, communications and registration strategies, and cross-border interoperability, as well as operational topics such as procurement and capacity-building. The WURI program (Phase 1 and Phase 2) is a \$395.1 million 10-year IDA operation that aims to provide 100 million people in participating countries with government-recognized unique ID to facilitate access to services, advance human development, and increase financial inclusion.



In June 2022, the Moroccan Ministry of Interior hosted delegations from Ethiopia, Nigeria, and the Philippines for an in-person knowledge exchange, to learn more about the Moroccan National Population Registry (NPR). Delegations learned how Morocco is using the ID system to onboard people to the National Social Registry so that they can access social protection programs without having to travel to a physical center. Participants visited the Digital Factory of the Ministry of Interior as well as a Citizen Service Center (CSC) in Rabat city. It was a great opportunity for different country delegates to discuss the deployment strategy of their respective ID systems and the challenges encountered, and for peers to share lessons learned.

In August 2022, ID4D organized an exposure visit to the Philippines for a delegation of Ethiopian officials to learn about the Philippine Identification System (PhilSys). The hosts shared their practical experience in implementing a nationwide foundational ID and decentralized civil registration systems. Topics covered included the design of inclusive registration, privacy-by-design solutions for all segments of the population, necessary institutional arrangements (e.g., collaboration with local governments), and decentralized approaches to credentials personalization. This knowledge-sharing exercise was particularly relevant and useful given that the two countries have similar population sizes (around 110 million) and had both chosen the Modular Open Source Identity Platform (MOSIP) for their ID systems.



PILLAR III.

Country and Regional Action



Overview

During 2022, 57 countries received various degrees and types of support to build inclusive and trusted ID and civil registration ecosystems. This includes 47 countries where \$2 billion of World Bank (IBRD/IDA) co-financing for implementation is active or in the pipeline. This technical and financial assistance is expected to help 500 million people to have greater ability to exercise their rights and to access services and economic opportunities. Collaboration with the African Union (AU) and Association of Southeast Asian Nations (ASEAN) is also helping to advance interoperability of IDs across those regions to advance economic and social integration.

Technical and financial assistance is demand-driven, guided by the *Principles on Identification for Sustainable Development*, and tailored to each unique context, meeting every country where they are on their own ID and CR journey. This includes supporting countries to build different models of ID and CR systems and for different priority use cases. For instance, some countries want to develop their foundational ID and CR systems to empower their populations with official identification and to enable these systems to improve how services are accessed and delivered. Other countries may already have well-functioning foundational systems and want to extend them to include digital IDs for online transactions, including through federated and decentralized approaches.

Considering that every country has their own unique needs and gaps, ID4D has also developed tools to help understand these to ensure a well-informed and inclusive approach to decision making. These tools include [ID4D Diagnostics of the overall identification landscape](#), [legal framework assessments](#), [qualitative research related to vulnerable population groups](#), and guidance on [engaging civil society organizations](#). Country case studies have been developed about ID and CR systems in [Argentina](#), [Moldova](#), [Singapore](#), and [South Africa](#), and these have also been complemented with [ID4D Diagnostics](#) in dozens of countries.

ID4D's country and regional action is part of a feedback loop within the broader initiative, through which the demands and challenges faced by countries influence the priorities for research and global public goods, which also inform the technical and financial assistance being provided to countries. Furthermore, ID4D places a strong emphasis on partnerships and stakeholder engagement, such as with multilateral financing institutions, bilateral development agencies, UN agencies (including the UN Legal Identity Agenda), civil society, academia, and the private sector.

This section provides a summary of highlights of country and regional action across the dimensions of inclusion, trust, and utilization. It underscores how ID4D's work extends beyond improving the coverage of ID and CR ecosystems to also improve their quality and development impact.

Inclusion

Inclusion is the first pillar of the *Principles on Identification for Sustainable Development* and is at the heart of ID4D's work. This outcome is not just about universal accessibility of IDs and CR documentation (especially for the 850 million people worldwide without any official identification), but also about the ability of all people to use and benefit from these credentials. It is realized by working with stakeholders to identify and remove discriminatory, legal, operational, and other barriers, including to ensure that digital technologies are applied to improve instead of reduce accessibility.

To this end, ID4D's country and regional action has benefited from global research such as [analysis of survey data](#), examining [gender barriers](#), compiling [good practices on enrollment](#), guidance for [disability-](#) and [sexual orientation and gender identity-](#)inclusive design, and a literature review on [barriers for birth registration](#). Furthermore, the [qualitative research toolkit](#) helps ID practitioners and other stakeholder better understand the kinds of barriers vulnerable populations face in accessing various types of IDs and services. Deeper inclusion studies have also been conducted on specific countries, such as in [Nigeria](#).

This section highlights some of the impact achieved towards advancing inclusion at the country-level during 2022

MOZAMBIQUE

In Mozambique, an estimated 60 percent of the population lack official identification, including a national ID or birth certificate, rising to 80 percent in rural areas. The 2017 ID4D-Findex survey found that half of adult women lacked a national ID, compared to 34 percent of men, highlighting a significant gender gap. The World Bank's Digital Governance and Economy (EDGE) and Northern Crisis Recovery Project (NCRP) projects, complemented by ID4D technical assistance, are helping to improve access to national IDs and birth certificates for people in Mozambique by supporting registration operations and reforms to business processes, including to advance interoperability between the currently separated national ID and civil registration systems.



IDPs in Cabo Delgado show their proof of registration during an integrated national ID and civil registration service supported by the NCRP and EDGE projects.

The NCRP is supporting expanding access to civil registration and identification for internally displaced persons (IDPs) who face hardship in returning home or rebuilding their lives in a new location. This is exacerbated by a lack of identification and the difficulties in obtaining one due to the requirements to prove nationality or legal residence. Between July and December 2022, NCRP and EDGE supported more than 30,000 internally displaced persons (both adults and children), including 16,000 women and girls, to access this integrated ID and civil registration service in Cabo Delgado. As economic activity resumes in these areas, the identification that IDPs have is expected to make it easier for them to access formal employment and financial services.

One internally displaced person said, *"When we had run away, the insurgents destroyed the birth certificates of our sons, but I saved my ID card because they didn't find it in my trouser pocket. My wife was registered and issued her ID card, our sons also received new birth certificates and their ID cards. I renewed my ID card. It was easy, it took only two days. Now the kids can return to school and I can search for a job."*

INDONESIA

Indonesia's existing foundational ID system, known locally as population and civil registration, is relatively strong, especially when you consider the size, diversity, and geography of the country. The 2021 National Socioeconomic Survey found that 97% of the population have a national ID number (NIK). However, specific population groups, such as persons with a disability (PWDs), face specific challenges accessing registration services, including to update their information, which can affect their access to social protection and other services.

Since 2018, ID4D has had a partnership with the Ministry of Home Affairs (MoHA), providing technical assistance to improve accessibility, utilization and security of population and civil registration, and a World Bank project is under preparation to support implementation. For instance, to help improve death registration coverage, ID4D worked with MoHA through 2022 to carry out a pilot for death registration. This included documenting good practices for incentivizing and easing notification of deaths among high performing sub-national governments and disseminating these good practices to sub-national governments that have the largest death registration coverage gaps.

With support from the Australian Department of Foreign Affairs and Trade, through the Australia-World Bank-Indonesia Partnership (ABIP), ID4D also advanced two inclusion-oriented studies to support MoHA. The first is a mixed method study of the barriers that vulnerable populations face accessing population and civil registration services. This study builds on existing research by KOMPAK on barriers people may face accessing CRVS services. The second will examine the opportunities to promote the economic empowerment of women and PWDs using a digital ID for online transactions.

ETHIOPIA

The Government of Ethiopia is in the process of introducing Fayda (meaning “value” in some local languages), a new foundational ID system intended to address barriers the people of Ethiopia face accessing and using local (kebele) IDs and to enable digital transformation of the country, including to facilitate access to social protection, healthcare, and financial services. According to the 2017 ID4D-Findex Survey, 36 percent of the population aged 18 and older lack a kebele ID—and there is a significant gender gap (46 percent of women lack one, compared to 25 percent of men).

ID4D has been providing multi-dimensional technical assistance to the National ID Program (NIDP) to achieve the goals of universal accessibility and nondiscrimination for Fayda. As part of the enabling policy and legal environment, ID4D has supported the NIDP to embed into the policies and draft Digital ID proclamation. This new proclamation contrasts with the existing Registration of Vital Events and National Identity Card Proclamation, which limits the national identity card to nationals only. Furthermore, in 2022 an exit survey with participants and officers in a registration pilot was conducted to identify potential barriers during enrollment processes.

Gender inclusion has been a high priority for both ID4D and NIDP. In 2022 ID4D completed a gender gap study to analyze root causes of gender gaps in ownership of existing IDs in Ethiopia and to propose actions to address these as part of Fayda roll out. By drawing on interviews with civil society organizations that advance gender equality and women's empowerment, focus group discussions on gender issues, and national ID4D-Findex survey data, the study was able to identify some of the systemic barriers that women in Ethiopia face with regards to ID ownership and use. NIDP is already drawing on the findings as it plans for further scale-up of Fayda.

In late-2022, ID4D initiated a broader social inclusion and risks study to support NIDP to identify and propose mitigation measures for potential barriers and concerns that different population groups may face in accessing and using Fayda vis-à-vis existing IDs in Ethiopia.

BENIN

The WURI program has supported the collection of household data for more than 365,000 households identified as poor, ensuring parallel enrolment in the National Registry of Physical Persons (RNPP) for more than 212,000 persons, of which 105,000 were women. Furthermore, WURI operationalized new reforms for integrating the RNPP with civil registration by providing training for health workers, civil registration agents, and local ID units to register births in the RNPP and thereby freely obtain a unique ID number.

CENTRAL AFRICAN REPUBLIC (CAR)

As part of its legal assessment of CAR's enabling environment for digital transformation, ID4D carried out an in-depth analysis of the Family Code's provisions on CR, which highlighted the hardships that individuals can face for late birth registration while birth certificates remain the primary means of identification in the country. Recommendations were provided to the Government to address these weaknesses in the law, simplify the judicial processes for late birth registration and reduce administrative costs for individuals. In addition, policy dialogue organized along with other development partners has aimed to promote an inclusive approach to civil registration for the reforms to be implemented.

NIGERIA

The World Bank's Digital ID4D Program and ID4D technical assistance is supporting the National Identity Management Commission (NIMC) to update and roll out new identity proofing processes to allow enrollment without showing prior legal documentation (such as a birth certificate).

PHILIPPINES

ID4D continued to provide technical assistance to the Philippines Statistics Authority (PSA) to plan and carry out outreach activities among vulnerable populations, including home visits for senior citizens and PWDs. Support was also provided to help PSA to carry out a pilot registration of Overseas Filipino Workers (OFWs) in Singapore.

TIMOR-LESTE

Qualitative research conducted by ID4D in support of the Unique ID (UID) program surveyed the perspectives of vulnerable populations and civil society organizations on their expectations and concerns with respect to the UID and existing ID systems. One of the key findings of the research is the importance of working with local leaders to build awareness about the value of the ID system.



The Philippine Statistics Authority offers home visits to provide registration services to people who face physical difficulties visiting registration centers.

Trust

Trust is a bedrock for the success of any ID and civil registration system. It constitutes the confidence that people, relying parties, civil society, and other stakeholders have in the security and integrity of ID and civil registration systems and transactions, including for protection and responsible management of personal data. Trust is built through policies, legal frameworks, technical design, and stakeholder engagement to promote clear mandates and institutional arrangements, transparency, accountability for misuse of personal data, and data privacy, among other features.

With ID4D support, countries are accelerating the development of data protection laws and regulations that will enhance trust in their ID ecosystem and contribute to broader positive impacts across the economy. ID4D is also supporting countries to adopt and integrate privacy-protecting features as part of a privacy-by-design approach that puts people at the center and in greater control of their data while guarding against data leaks and cyberattacks.

ID4D's engagement in a country typically begins with an [ID Enabling Environment Assessment \(IDEEA\)](#) to understand the laws, regulations, and institutions governing ID and civil registration systems, including for data protection and cybersecurity, and to provide options to support alignment with international good practice. Continued technical assistance helps countries strengthen their legal safeguards, including by incorporating privacy-by-design features into legislation and strengthening institutional arrangements for oversight and enforcement of data protection frameworks.

Other tools that are available include the [civil society organization engagement guide](#) that helps countries to work constructively with civil society, the [qualitative research toolkit](#) that supports participatory approaches to identify challenges to building trust, the [biometrics primer](#) that provides guidance for responsible use of biometrics, and the [catalog of technical standards](#) helps countries to identify relevant standards for their context. In addition to these, ID4D draws on global knowledge such as on [digital ID and the data protection challenge](#), a case study of [privacy-by-design practices in Estonia, India and Austria](#), and the World Bank's [broader work on cybersecurity](#).

This section highlights some of the impact achieved towards fostering trust in ID and civil registration systems at the country-level during 2022.

Supporting reforms of ID, CR, data protection and other relevant laws and regulations

ID4D provided technical assistance to multiple countries on legal reforms in line with the *Principles on Identification for Sustainable Development* and focused on enhancing transparency in the legislative processes, ensuring independent oversight of ID and CR systems, and strengthening the legal frameworks for data protection and cybersecurity. Some examples include:

ETHIOPIA

ID4D partnered with the UN Economic Commission for Africa (UNECA) to provide technical assistance as the National ID Program developed a draft Digital ID proclamation that adapts the Principles for the local context and was approved by the Council of Ministers and submitted to the House of Peoples' Representatives in the second half of 2022. Provisions on data protection have been included to safeguards people's data and ensure their consent, considering that the draft Personal Data Protection proclamation remains to be adopted.

INDONESIA	In October, Indonesia adopted a personal data protection law that the World Bank supported the submission to parliament of through a development policy loan in late 2019.
MALDIVES	In the Maldives, ID4D supported the review of the draft Privacy and Personal Data Protection Bill, including a detailed gap analysis and guidance on aligning the Maldives' data protection framework with international standards and good practice.
NIGER	The WURI program has provided capacity- building support to the newly created High Authority for Personal Data Protection (HAPDP), which was created under a 2019 revision to the 2017 data protection law and operationalized that same year. The HAPDP has been active in knowledge sharing and capacity-building activities. A further revision to the country's data protection law is anticipated, which, among other things, would place particular protections on the collection, use and processing of biometric data.
NIGERIA	In Nigeria, the previous experience in rolling out the national ID system has shown that a large proportion cannot meet the requirements for supporting documentation, some of which are difficult for people, especially vulnerable persons, to obtain. To remove this barrier, the Digital ID4D program funded by the World Bank and complementary technical assistance has supported the National Identity Commission (NIMC) to reduce these requirements and streamline processes. With these reforms, even people without any prior documentation can access a national ID.
RWANDA	In support of the World Bank's Rwanda Digital Acceleration Project, ID4D provided advice to the Government to strengthen a new ID Law, so that its provisions ensure that the next generation of ID is managed with greater transparency, accountability and in line with the Principles on Identification for Sustainable development and Rwanda's Data Protection and Privacy Law. The new SDID Law is expected to be adopted in the first part of 2023.
TONGA	The World Bank's Tonga Digital Government Support Project supported the Government to develop bills to amend the Births, Deaths and Marriages Registration Act and National Identity Card Act to support integration of the CR and national ID systems. These legal reforms are expected to advance in 2023.

Advancing privacy-by-design

Identification systems must be designed to prioritize and protect data and privacy as the default setting, through a robust set of processes and technologies. These measures should be built on and complement strong legal and regulatory frameworks. Some examples include:

ETHIOPIA	ID4D has provided technical assistance to the National ID Program (NIDP) to decide what data attributes will be collected by the new Fayda ID system, which does not include any information related to ethnicity, unlike previous ID systems in the country.
INDONESIA	ID4D has exposed Indonesia's Ministry of Home Affairs to good practices with respect to consented data sharing and tokenization of unique identifiers, in order to reduce the impact of leaks of national ID numbers from other agencies' and businesses' systems.

NIGERIA As part of the Nigeria Digital ID4D program, ID4D has supported the National Identity Management Commission (NIMC) to overhaul the systems and processes used for enrollment to integrate privacy-by-design elements at the people, process and technology levels. In particular, NIMC will reduce the amount of personal data collected for its national ID from 86 data fields to 10, removing information that is unnecessary for the purposes of identification and authentication.

PHILIPPINES In support of the design of the new national digital ID smartphone application, ID4D has provided technical assistance to incorporate measures such as selected disclosure of demographic information to provide Filipinos with greater control over their personal data.

Promoting transparency and stakeholder engagement

ETHIOPIA The World Bank's Digital Foundations Project supported NIDP to carry out a range of public consultations on the draft Digital ID proclamation with national government agencies, regional governments, civil society organizations, and the private sector. These consultations provided valuable feedback to strengthen and build consensus around the design of the Fayda ID system. Furthermore, NIDP has published a large number of draft and final documents related to Fayda ID program on their website, leading the way in terms of transparency.

INDONESIA ID4D supported MoHA to organize consultations with civil society organizations working on promoting access to identification for vulnerable population groups and on digital rights to inform the design of the pipeline World Bank project.

NIGERIA The Nigeria Digital ID4D Program supported the Federal Government to conduct extensive stakeholder consultations on the draft Nigeria Data Protection bill. This included capacity building for government institutions that would be involved in the drafting or enactment process. A series of focus group discussions were held across various States; national workshops were held with public and private sectors, CSOs and development partners. The draft Bill was published online for comments and feedback and a national validation workshop was held both in person and virtually to ensure maximum participation. Exposure visits were also organized to ensure that various country experiences were factored into the process.

SAMOA The Samoa Connectivity Project supported the Government to conduct consultations on the new National Digital ID system and the draft National Digital ID bill in every community across the country. This process helped to identify key questions and concerns that the public had about the system, and has informed the finalization of the bill, especially with respect to personal data protection.

DIGITAL PUBLIC GOODS ID4D and related World Bank projects have supported several countries to adopt and test open standards and open-source software. For instance, Burkina Faso, Ethiopia, Guinea, Madagascar, Morocco, Niger, the Philippines, and Togo are using or piloting the Modular Open Source Identity Platform (MOSIP). ID4D has also worked with the Philippines to design a proof of concept using OpenCRVS for local civil registrars.

Utilization

ID4D's approach is that ID and CR systems are not an end in themselves but a means to an end of empowering people to access services and exercise their rights, building more inclusive and resilient economies and societies. Therefore, the design of these systems should be driven by the demands and needs of people and relying parties. This requires comprehensive engagement with people, public and private sector service providers, regulators, and other stakeholders to understand the opportunities to support use cases that support improved lives and livelihoods and unlock innovation and efficiencies. The framing of ID systems as part of a broader digital stack with payment and data exchange platforms is helpful because some of the biggest value of ID systems can be generated when people can use their IDs to make and receive payments more easily and to exercise greater control over their personal data.

The cross-sectoral nature of ID4D ensures that country and regional action centers on building ID and CR systems that solve problems that people and relying parties face. ID4D has analyzed the role of ID and CR systems in various sectors and solving various development challenges, including [financial services](#), [healthcare](#), [agriculture](#), [ending child marriage](#), [forced displacement](#), [COVID-19 vaccine delivery](#), [private sector economic impacts](#), [public sector savings and revenue](#), and [mutual recognition of IDs in East Africa](#). The initiative also uses insights from evaluating the impact of use cases (such as [for delivering cash payments to women in Pakistan](#)), has analyzed different [country practices charging fees for verification services](#), and produced helps countries to understand [the concept of digital stacks](#).

Identification and assessment of country-level use cases

- | | |
|------------------|--|
| ETHIOPIA | ID4D worked with the National ID Program to analyze how Fayda could help improve access to and delivery of a wide range of services, especially social protection, and financial services. The findings were documented in a use case report. |
| GEORGIA | In support of the Georgia Relief and Recovery for MSMEs Project, ID4D is helping the Government to design a digital ID smartphone application to promote remote access to services, including digital financial services for citizens and MSMEs. As part of this engagement, advice is being provided to adopt European Union standards with a view to mutual recognition by EU Member States. |
| INDONESIA | ID4D has provided technical assistance on standards and different approaches for digital ID smartphone applications, including an exposure visit to Singapore to learn about the national digital identity, Singpass, and its related features such as the Myinfo consented data sharing product. |
| LESOTHO | ID4D supported the National Identity and Civil Registration Department (NICR) in introducing real-time identity verification services so that citizens can more easily and securely prove who they are when accessing more than 10 public and private sector services (primarily banks and other financial service providers). Digital identity verification has helped reduce the need for presenting and storing paper documents, and thus opportunities for data loss and misuse. |

PHILIPPINES

The World Bank's Beneficiary FIRST (Fast, Innovative, and Responsive Service Transformation) Social Protection Project is supporting the Department of Social Welfare and Development (DSWD) to design a pilot to see how the Philippine Identification System (PhilSys) could improve accessibility of social protection programs for vulnerable Filipinos as well as increase the efficiency of these programs. ID4D and G2Px have provided technical assistance and capacity building for the design of these pilots and planning for national scale adoption, including through an exposure visit to India to see how Aadhaar has made access to welfare easier and faster for beneficiaries. In addition, ID4D has supported the PSA to design the e-PhilID, an innovative digital equivalent of the physical PhilID card that is printed on normal paper for free for citizens and can be stored as a PDF on a device. The e-PhilID embeds digitally-signed demographic information and facial image into a QR code that can be easily verified by any relying party. Finally, ID4D launched time and motion studies at the end of 2022 to quantify the expected cost and time savings PhilSys could provide for Filipinos and service providers in specific sectors.

Development of cross-border use cases**AFRICAN UNION**

The African Digital ID Interoperability Framework that ID4D joined other development partners to contribute to the development of in 2021 was adopted by African Heads of State in February 2022. ID4D continued to provide support to the African Union Commission to advance the initiative, by participating to the African Committee of Experts on Digital ID (ACED) and to establish linkages with World Bank projects, including WURI.

ASSOCIATION OF SOUTHEAST ASIAN NATIONS (ASEAN):

With digital ID featuring as one of the priority topics of the ASEAN Digital Masterplan for 2025, ID4D provided capacity-building to the ASEAN Secretariat to inform their planning for activities to promote interoperability of digital IDs for people and businesses in 2023.

ECONOMIC COMMUNITY OF WEST AFRICAN STATES (ECOWAS)

Facilitated by the World Bank, a Governance Framework has been validated by all six WURI participating countries and the ECOWAS Commission, and which serve to facilitate coordination and cooperation on cross-border interoperability and mutual recognition objectives.

SOUTH PACIFIC

ID4D continued to be part of the Regional e-KYC initiative of the South Pacific Central Bank Governors, providing expertise with respect to standards and approaches for identity verification.










Country And Regional Action in 2022—Country Table


























The table that follows sets out the four different types of support provided by ID4D and the World Bank during 2022, country by country, as follows:























1. **ID4D diagnostic**, i.e., an assessment of a country's existing ID and civil registration landscape (table only lists diagnostics completed in earlier years in countries where there was active engagement in 2022);
2. **Technical assistance**, i.e., advice and analysis provided by the World Bank for the design, planning, and implementation of ID and/or CR ecosystem;
3. **Pipeline financing**, i.e., World Bank financing operation under preparation; and
4. **Active financing**, i.e., World Bank financing operation approved by the Board.

LEGEND

- ID ecosystem
- ◆ Civil registration ecosystem, including GFF support
- * Financing focused on development of the enabling environment and/or sectoral systems. (e.g., policy, legal and institutional frameworks for ID and civil registration, data protection, and cybersecurity, stakeholder engagement, and pilots)
- ** Development Policy Financing (DPF) supporting policy reform and disbursing general budget support
- *** Financing focused on cross-border interoperability in the Organization of Eastern Caribbean States (OECS)

COUNTRY	ID4D DIAGNOSTIC (COMPLETED OR IN-PROGRESS)	TECHNICAL ASSISTANCE	PIPELINE FINANCING	ACTIVE FINANCING
 Angola	✓	●◆	●◆	
 Benin		●		●
 Bolivia	✓	●		
 Burkina Faso	✓	●◆		●◆
 Cameroon	✓	◆		◆
 Central African Republic	✓	◆		◆*
 Chad	✓	◆		◆
 Colombia	✓			
 Côte d'Ivoire	✓	●		●

COUNTRY	ID4D DIAGNOSTIC (COMPLETED OR IN-PROGRESS)	TECHNICAL ASSISTANCE	PIPELINE FINANCING	ACTIVE FINANCING
 Dominica		●		●
 Dominican Republic	✓			
 El Salvador	✓	●		
 Eswatini	✓			
 Ethiopia	✓	●◆	●◆	●*◆
 Federated States of Micronesia		●		●
 Gabon	✓	●◆		●◆
 Georgia		●		●
 Grenada		●		●***
 Guinea	✓	●◆		●◆
 Honduras	✓	●◆		
 Indonesia		●◆	●◆	
 Kenya	✓	◆		◆
 Kiribati	✓	●◆		●◆
 Lao PDR		◆		◆
 Lebanon	✓			
 Lesotho	✓	●◆		
 Liberia	✓	◆		◆
 Madagascar	✓	●◆		●◆
 Malawi	✓	●		
 Maldives		●		●
 Mali	✓	●◆	●◆	
 Marshall Islands		●		●
 Mongolia				●
 Morocco	✓	●		●

COUNTRY	ID4D DIAGNOSTIC (COMPLETED OR IN-PROGRESS)	TECHNICAL ASSISTANCE	PIPELINE FINANCING	ACTIVE FINANCING
 Mozambique	✓	● ◆		● ◆
 Niger	✓	●		●
 Nigeria	✓	● ◆		● ◆
 Pakistan		◆	● *	◆ **
 Philippines	✓	●		● **
 Republic of Congo		● ◆		● ◆
 Rwanda	✓	● ◆		● ◆
 Samoa		● ◆		● ◆
 São Tomé and Príncipe	✓	● ◆		● ◆
 Senegal			● *	
 Sierra Leone	✓			◆
 Sint Maarten		● ◆		● ◆
 Somalia	✓	●		●
 St. Lucia		●		● ***
 St. Vincent & the Grenadines		● ◆		● ◆
 Tajikistan	✓			
 The Gambia		◆		◆
 Timor-Leste		●		
 Togo	✓	●		●
 Tonga	✓	● ◆		● ◆
 Tunisia	✓	●		● *
 Uganda	✓			● * ◆





PAYMENTS THAT EMPOWER

Overview



As we move into an increasingly digital world, governments across the globe are leveraging new technologies to deliver services better, faster, and more transparently. Globally, over a quarter of adults are receiving payments from the government (Global Findex 2022) —whether through public sector wages, pensions, sectoral subsidies, or social protection programs, an increase of 400 million from just four years earlier.



The increasing scale of these government-to-person (G2P) payments offers a huge opportunity to advance financial inclusion, advance women's economic empowerment, and promote the development of the digital ecosystem.



The G2Px initiative brings together global knowledge and expertise across sectors on the core elements of a modern G2P architecture, which should leverage digital public infrastructure. A thought leader and knowledge hub in the field, G2Px has developed a framework containing the building blocks and design principles that can contribute to a recipient-centric G2P architecture as well as guidance materials on implementation. In addition, it regularly collects data to identify challenges and outcomes from digitizing G2P payments.



The initiative is currently providing technical assistance to 38 countries for the digitization of various streams of G2P payments including social assistance, pensions and public wages.



G2Px has three mutually reinforcing pillars of work:

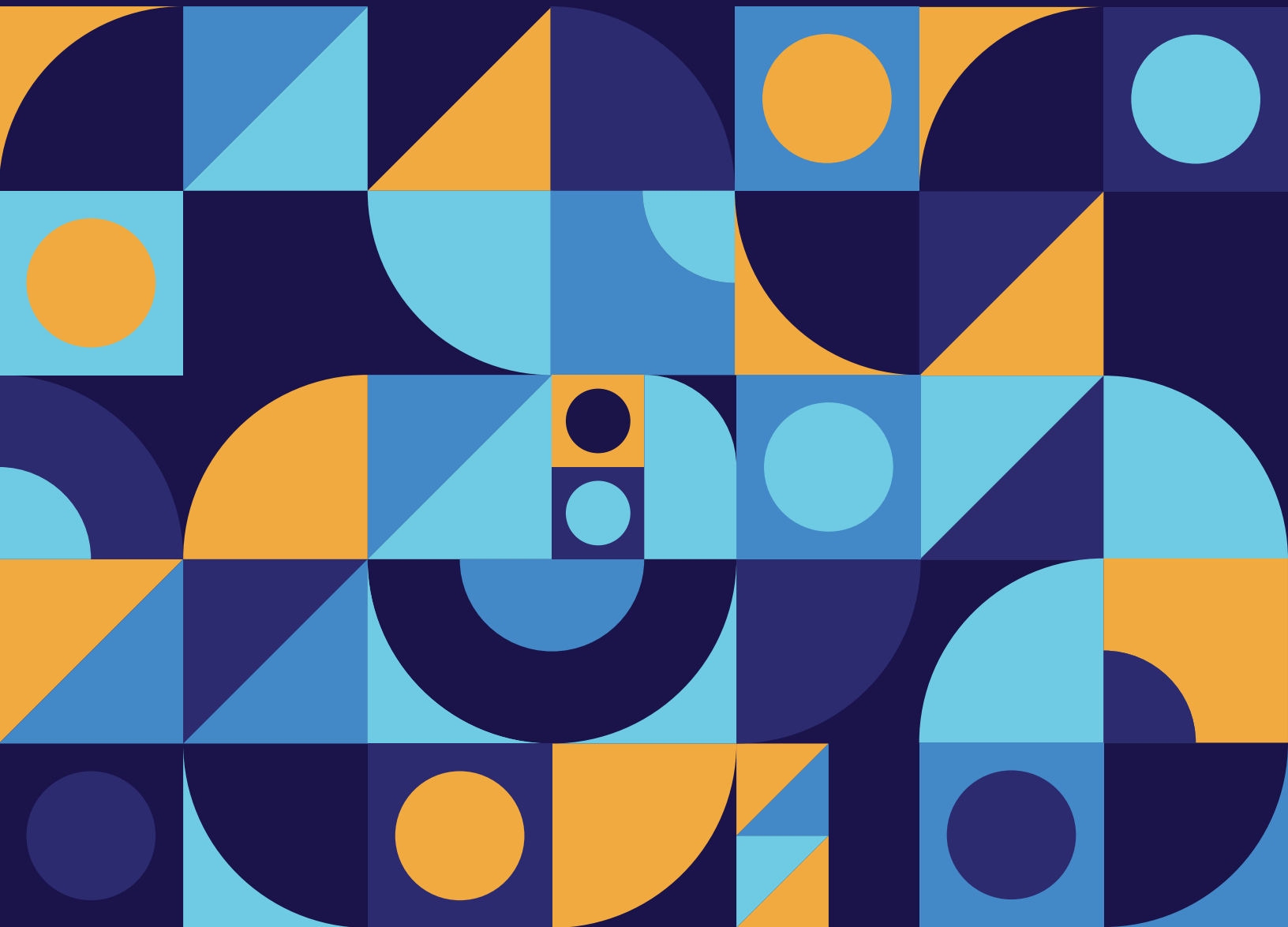
- Pillar I. Thought Leadership and Analytics
- Pillar II. Global Platforms and Convening
- Pillar III. Country and Regional Action



There is a continuous feedback cycle between global and country action: country implementations leverage global operational and technical guidance on good practices and benefit from international knowledge sharing. At the same time, global work on analytics and convening are informed and contextualized by real-life lessons and evidence generated from country implementations.

PILLAR I.

Thought Leadership and Analytics



Setting the Context

The G2Px Initiative has been working on identifying effective approaches to digitizing G2P payments that can contribute to long-term desired outcomes. Digitizing G2P payments has the potential to move beyond program-specific efficiency gains and increased recipient convenience to advancing financial inclusion, empowering women, creating government-wide fiscal savings, and stimulating private sector development. This holds particularly true when payments can be made into fully functional accounts, recipients have choice, and shared infrastructure is used.

To support country teams and policy makers in their journey towards a modern G2P architecture, the G2Px Initiative has been taking stock of what current practices and trends exist for the digital delivery of G2P payments, documenting and building evidence, developing guidance and sharing good practices across the main pillars of a modern G2P architecture framework, namely infrastructure, product and market design, and inclusion and empowerment. Furthermore, G2Px recently published a report setting out its cross-sectoral vision of an [ideal scenario and building blocks for a modern G2P architecture](#) (see Box 2).

Infrastructure

In a modern government-to-person (G2P) payments architecture, multiple agencies and programs should leverage the same infrastructure to manage and distribute their G2P payments. This includes sharing sectoral databases (for example, a comprehensive social registry), leveraging national identification (ID) systems, distributing through the national payments systems, pooling resources and payment instructions at the treasury, and using account directories / central mappers where appropriate to manage payee.

If agencies and programs making G2P payments are digitized one at a time, it is much harder for these payments to contribute to the necessary improvements across the payment ecosystem. Instead, when multiple G2P flows are viewed together, their value can be sufficiently large to justify building out financial access infrastructure in underserved areas. and to catalyze the reforms needed to upgrade or develop payments, identification, and data sharing systems.

Digital public infrastructure (DPI) plays a critical role for effective public administration, service delivery, and innovation. Systems for digital identity verification and authentication, digital payment systems, and data exchange systems are key to simplifying payment delivery and creating responsive and scalable G2P programs. G2Px research on the [social assistance response to COVID-19](#) in 85 countries found that countries that use digital databases and data sharing platforms managed to reach 51 percent of their population (on average), while those that did not reached just 16 percent of their population.

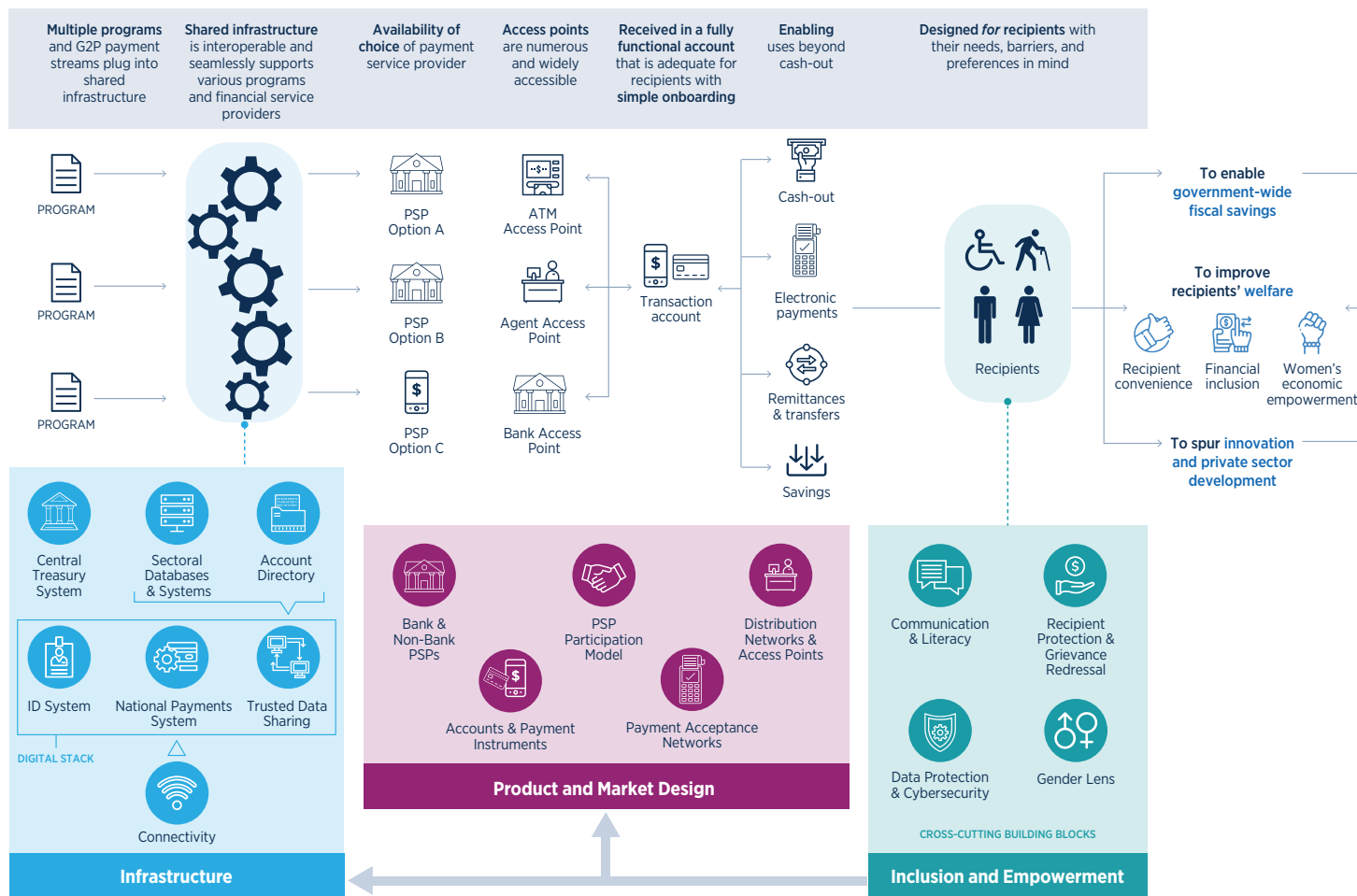
BOX 2.

Next Generation G2P Payments—Building Blocks of a Modern G2P Architecture

The G2Px Initiative incorporated inputs from across the World Bank Group to define a cross-sectoral vision of an [ideal scenario for a G2P architecture](#). A G2P architecture encompasses all systems, infrastructure, regulations, policies, and design choices that enable and characterize the end-to-end delivery of G2P payments in a country. A modern G2P architecture, in particular, is designed in such a way that it can accelerate financial inclusion, women's economic empowerment, and government-wide fiscal savings. The report delves into the main 16

building blocks of a modern G2P architecture and some of their desired characteristics. These building blocks span from digital public infrastructure to characteristics of the financial ecosystem and arrangements with payment service providers, all the way to the systems and policies supporting inclusion and empowerment. The framework for a modern G2P architecture is described in the figure below. The framework also highlights some of the main design principles that a G2P architecture should adopt in order to achieve long-term development outcomes.

BOX 2. (continued)



PILLAR I—SPOTLIGHT 1

The impact of shared infrastructure in Türkiye: Case Study

Decades of investment in modernization, enabled Türkiye to rapidly expand social assistance coverage in response to COVID-19 by having in place interoperable digital platforms and information systems. A 2022 G2Px deep dive [case study on Türkiye](#) shows how interoperability enabled the seamless flow of information or trusted data sharing across different government databases, vital to social assistance program delivery.

Compared to earlier paper-based systems, the number of necessary documents dropped from seventeen to one, the time to apply from days to minutes (requiring only the recipients ID), and the time to process applications and deliver benefits from months to days. Across the different COVID response programs, a total of 7.2 million households received social assistance payments from the government. The case study identified five critical digital enablers supporting end-to-end delivery of G2P payments for Türkiye's social assistance response:

Linked to the national ID, address and central treasury system

Beneficiary only needs their **ID**

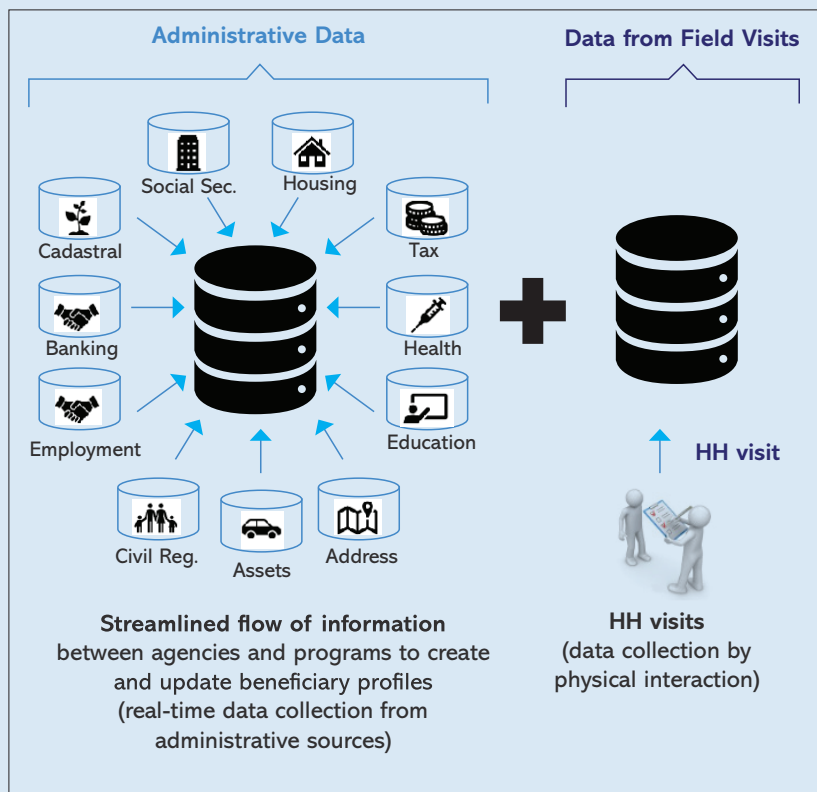
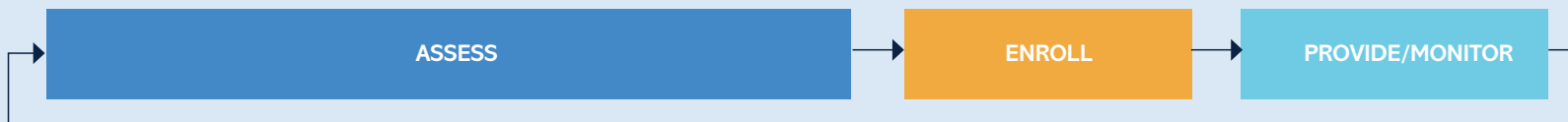
documents decreased from **17** to **one**

Time to apply reduced from **days** to **minutes**

Time to process applications and deliver the benefits decreased from **months** to a **few days**

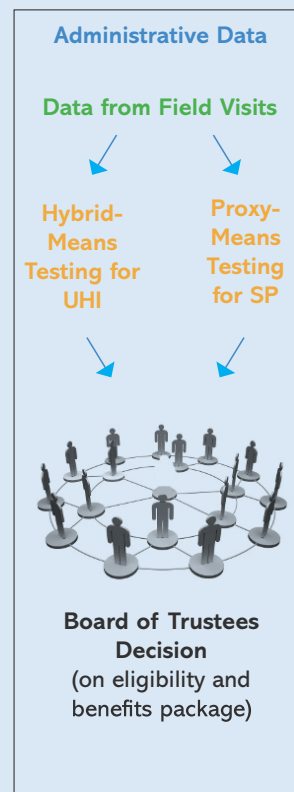
- The **Integrated Social Assistance System (ISAS)** processes applications and payments for at least fifty of Türkiye's social protection programs (see overview in the figure that follows).
- The **foundational identification (ID) system** provides a reliable and unique ID for all persons that can be used, with appropriate data protection measures, to cross-reference information across relevant databases.
- The **national address system** creates a registry of unique addresses. It is interoperable with ISAS, hence dynamic updates to individual and household profiles are captured to easily inform eligibility.
- **Social Assistance and Solidarity Foundations (SASFs)** provide localized decision-making on each recipient's eligibility. SASFs are responsible for intake and registration, assessments of needs, eligibility, and grievance redressal for social assistance across programs.
- The **Treasury Single Account (TSA)** covers all public resources and facilitates electronic fund transfers (EFTs) from the Central Bank to the banking system, which in turn sends the allocated funds to recipients. There are multiple mechanisms through which payments can be made: recipient's bank account; prepaid card, withdrawal from an ATM with an ID number only (cardless pickup); at home delivery in cash for certain social assistance programs.

Türkiye provides a notable example of how a modern ecosystem for social assistance payment delivery need not consist of a single all-encompassing system but can instead federate multiple existing government databases. This approach leverages the interoperability of systems and can serve multiple use cases (beyond social assistance).

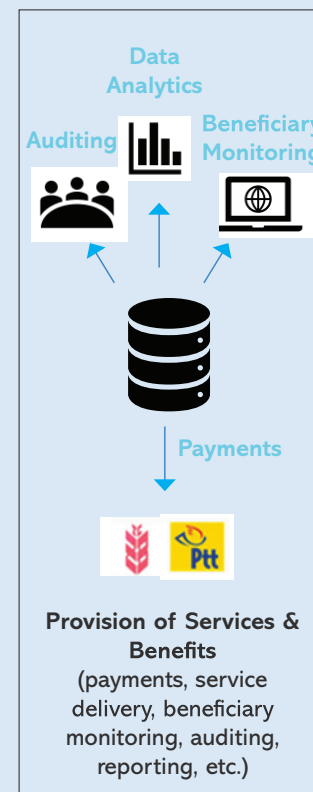


Linked with 28 Public Entities with over 120+ web services

HH visits by ~5,000 social asst. workers in 1,003 SASFs



“Dynamic & Integrated” gateway for multiple (50+) SP programs



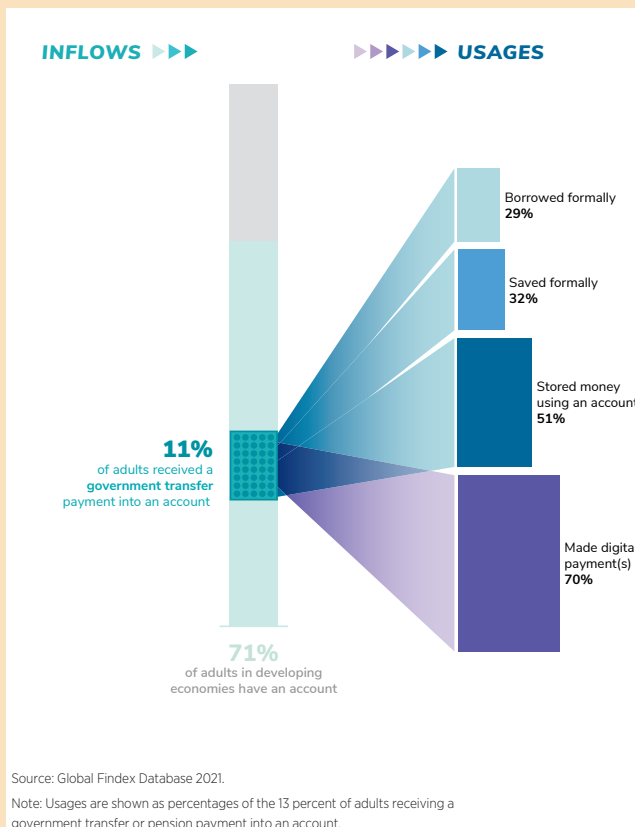
Covers 17.7 million households and 57.5 million individuals

Product and Market Design

For many recipients, a G2P payment into their account is their first (or only regular) interaction with the financial system. Therefore, programs and agencies making G2P payments are uniquely positioned to support financial inclusion goals. To achieve the financial inclusion benefits of digital G2P payments, sending payments into accounts is not enough: the characteristics of recipient accounts are equally important. Recipients should be paid using a transaction account that enables them to cash out, safely store money, make payments, and access other financial services. Furthermore, the broader digital payments ecosystem should also have adequate access points and acceptance networks, as these are vital to stimulating usage and enabling meaningful financial inclusion. Finally, the recipient should have the option to choose the provider and payment method that is most convenient to them. Programs that require all recipients to use the same provider do not take into account the diversity of recipient circumstances. The shift toward recipient empowerment and better recipient service could help foster trust in the financial system and build a strong foundation for greater financial inclusion.

BOX 4.

Increasing use of digital payments among government transfer recipients (Results of the 2021 Global Findex)



The latest edition of the [Global Findex](#) finds that 865 million account owners in developing countries (18 percent of adults of which 423 million women were women), opened their first financial institution account for the purpose of receiving money from the government. People receive government transfers for a variety of reasons, e.g., educational or medical expenses, unemployment benefits, subsidy payments, or any kind of social benefits. Among those who received government transfers in developing economies, 64 percent received a payment digitally while 15 percent did so in cash. The remaining 20 percent of government transfer recipients received their payment neither digitally nor in cash, likely through a voucher, one-time passcode, or in-kind payments.

While access to an account and receiving payments are necessary steps towards financial inclusion, ongoing usage of financial services is equally important. [Here, there has been significant progress](#), with the data showing that on average, out of 10 government transfer recipients, 7 who received their payment into an account also made a digital payment, up from 5 out of 10 in 2017. Such payments included using the internet to pay bills or make a purchase (49 percent) or using an account to make in-store purchases (54 percent). Beyond digital payments, 34 percent of digital government transfer recipients also accumulated savings at a formal financial institution or mobile money account. The increased use of accounts by government transfer recipients highlights the strong progress digital government payments can enable towards bridging the gap from access to usage of formal financial services.

Inclusion and Empowerment Enablers

A modern G2P architecture can improve recipients' immediate welfare by reducing costs and increasing convenience. It can also increase long-term economic resilience through financial inclusion and by empowering women. That being said, account-based G2P payments on their own do not automatically solve for other important outcomes that support economic empowerment. The ecosystem may still suffer from a lack of adequate consumer protection and privacy safeguards, limited trust in the system, and insufficient information on the availability and functionality of accounts. These factors, among others, may lead recipients to only use accounts for cashing out, limiting the longer-term benefits they could reap from having a broader access to the financial system.

G2P payments [have the potential to drive women's economic empowerment](#) (WEE), creating greater financial inclusion, better bargaining power, and increased employment. However, as mentioned above, targeting digital payments towards women will not automatically lead to WEE. Gender gaps in mobile phone and identification (ID) penetration, as well as cultural norms, must be considered when transitioning to digital payments. In order to avoid unintended exclusion and widen the impact of individual programs, not only should the building blocks of a modern G2P architecture be designed with a gender-smart lens, but it should be accompanied by a national strategy for closing gender gaps and addressing restrictive social and legal norms.



PILLAR I—SPOTLIGHT 2

Mapping evidence on the link between digital payments and women's economic empowerment

As part of an evidence mapping exercise, G2Px conducted a literature review on women's economic empowerment and digital payments, synthesizing evidence from 49 peer-reviewed research papers and 15 case studies. The review also proposes a theory of change on the potential impact pathways of digital G2P payments on women's economic empowerment (figure 2).

This research suggests that women's use of digital payments can increase their financial inclusion, particularly when accounts are registered in the woman's name. For example, in Indonesia, the country's largest cash transfer program (Program Keluarga Harapan or PKH) opened 10 million basic savings accounts of which approximately 94 percent were directed towards women.³ In India, the Pradhan Mantri Jan Dhan Yojana (PMJDY) social assistance program managed to reach 200 million low-income recipients, 100 percent of whom were women.⁴

Digital G2P payments also hold promise for women's financial autonomy. In South Africa, women who received digital G2P banking cards reported experiencing greater decision-making power within their households than women who did not receive payments digitally.⁵ In Zambia, women who received G2P mobile money payments, rather than cash payments, reported that their role in financial decision-making had improved as a result.⁶

Emerging evidence also suggests that digital G2P payments have the potential to improve labor force participation among women. A 2021 study conducted in India found that women who received direct deposits into their own named accounts, and were trained to use these accounts, became more accepting of working outside the home—at the same time, their husbands perceived fewer social costs to having a wife participate in the labor force.⁷

3 Theis, S., Rusconi, G., Panggabean, E., Kelly, S. (2020). Delivering on the Potential of Digitized G2P: Driving Women's Financial Inclusion and Empowerment through Indonesia's Program Keluarga Harapan. Women's World Banking.

4 Dupas, P., Karlan, D., Robinson, J., & Ubfal, D. (2018). Banking the unbanked? Evidence from three countries. *American Economic Journal: Applied Economics*, 10(2), 257-97.

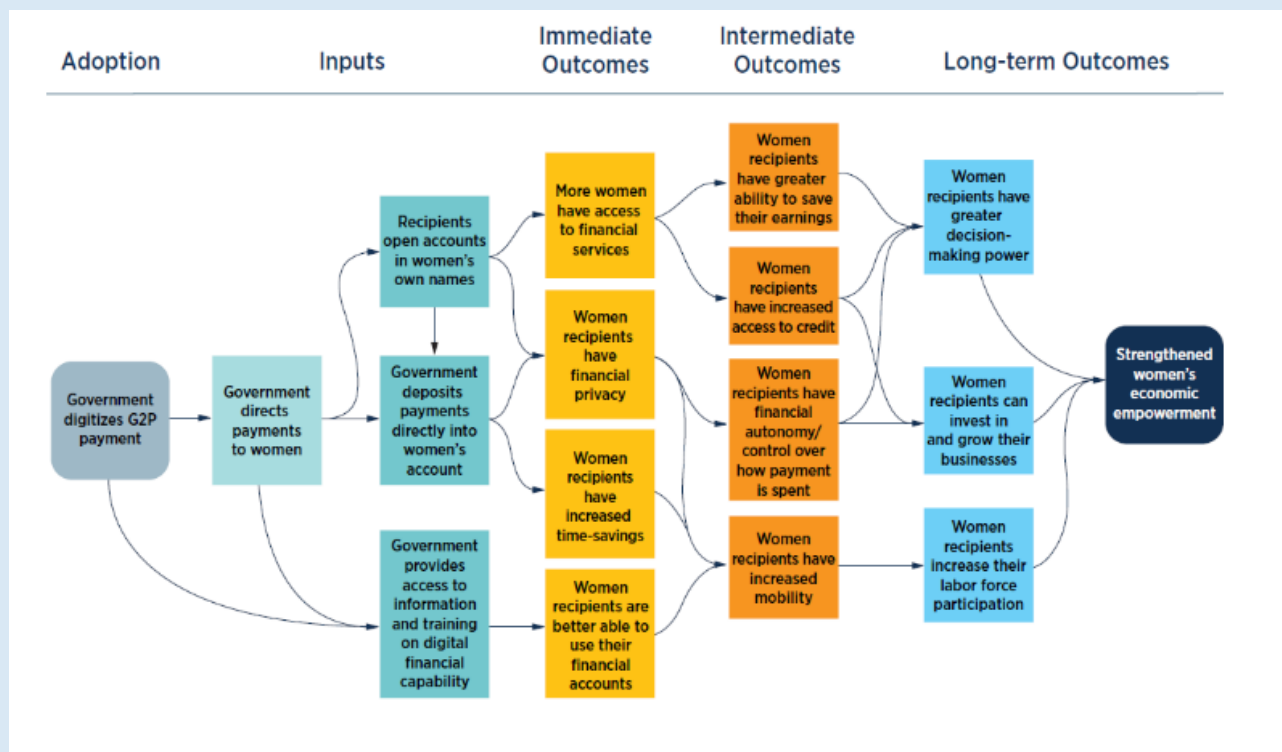
5 Van Biljon, C., Von Fintel, D., & Pasha, A. (2018). Bargaining to work: the effect of female autonomy on female labour supply. Working Papers 04/2018, Stellenbosch University, Department of Economics.

6 Baur-Yazbeck, S., Wadie Hobson, E., Chimba, M. (2021). The Future of Government-to-Person (G2P) Payments: Three years of learning about G2P choice in Zambia. CGAP.

7 Field, E., Pande, R., Rigol, N., Schaner, S., & Troyer Moore, C. (2021). On Her Own Account: How Strengthening Women's Financial Control Impacts Labor Supply and Gender Norms. *American Economic Review*, 111(7), 2342-75.

Women who receive digital payments may also have greater physical mobility. In Pakistan, for example, as part of the Benazir Income Support Program biometric verification, female recipients who scanned their fingerprints to authenticate their identity at payment points, experienced more mobility (as measured by the ability to travel alone to markets, health centers, friends' homes, or religious centers). A small share also reported greater control over their earnings.⁸ The review also highlights the effect of digital payments on savings, convenience, and gender-based violence.

FIGURE 2.
POTENTIAL IMPACT PATHWAYS OF DIGITAL G2P PAYMENTS
ON WOMEN'S ECONOMIC EMPOWERMENT



⁸ Clark, J., Haseeb, M., Jalal, A., Siddiqi, B., Vyborny, K. (2022). Using Biometrics to deliver cash payments to women: Early results from an impact evaluation in Pakistan. ID4D World Bank Group

PILLAR I—SPOTLIGHT 3

Innovative approaches to measuring women's economic empowerment

Building on a previous collaboration with the World Bank's Africa Gender Innovation Lab and the Center for Global Development, G2Px published a [brief](#) on measuring women's economic empowerment in payment projects.⁹ The brief aims to provide actionable advice on measurement for project teams working on digital government-to-person projects, as well as practitioners and researchers working on cash transfer payments and financial inclusion more broadly. The brief proposes a multidimensional measurement approach focused on food security, asset ownership, cash transfer use, economic participation, financial autonomy, household financial decision-making (input into productive decisions), mobility, gender attitudes, and social networks. It also highlights ways to measure constraints related to financial literacy, account usage, safety, among other factors.

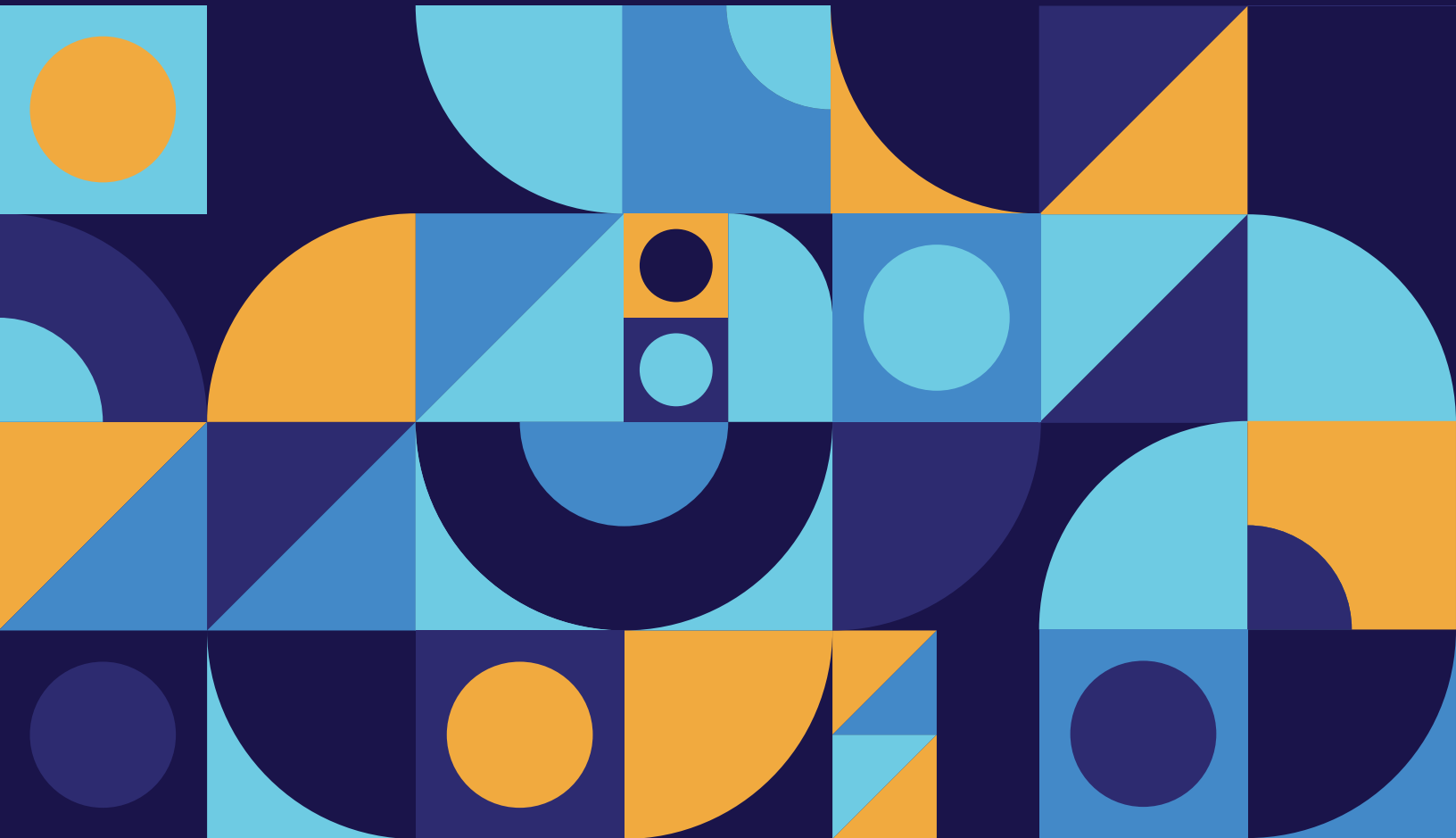


9 Donald, Aletheia Amalia; Hammond, Alicia Samantha; O'Donnell, Megan Elizabeth; Buvinic, Mayra Lourdes; Desai, Vyjayanti Tharmaratnam. Measuring Women's Economic Empowerment in Payment Projects : A Short Module to Complement Context-Specific Measures (English). Gender Innovation Lab Washington, D.C. : World Bank Group. <http://documents.worldbank.org/curated/en/099550009122226163/P1731660cb52e80b30a535002b-49cc1e6b6>

PILLAR II.

Global Platforms and Convening

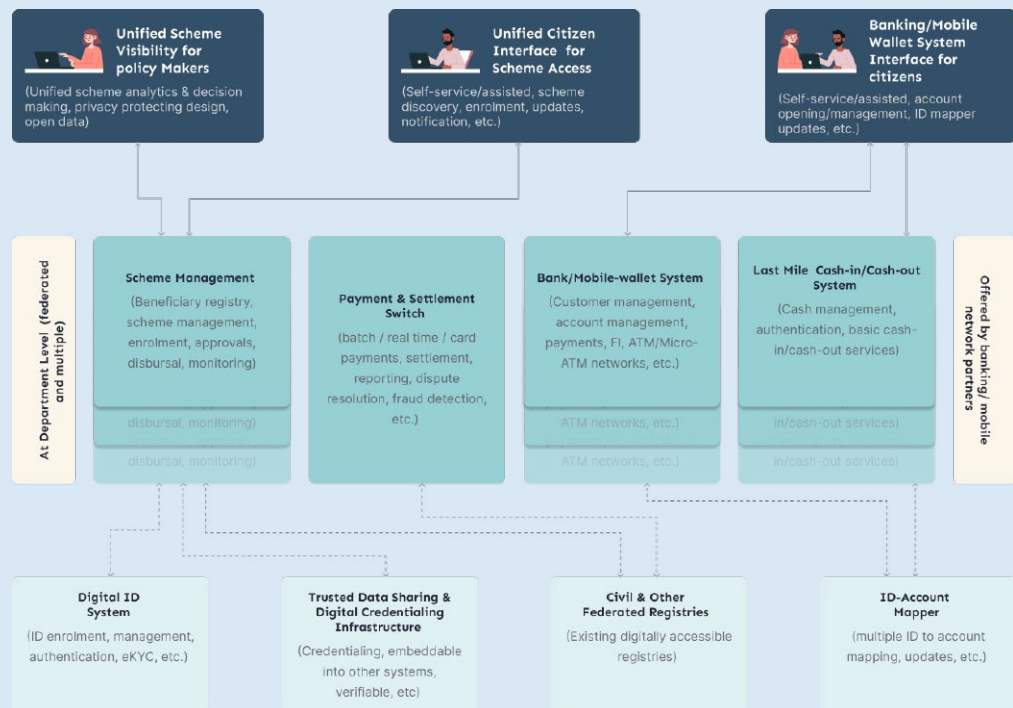
Over the past year, with a view to unify the cross-sectoral digital G2P agenda around a common architectural vision, G2Px has focused its efforts on scaling up coordination with development partners, sharing good practices and contributing to public goods, whilst continuing to facilitate peer-to-peer learning.



PILLAR II—SPOTLIGHT 4

Digital public goods for G2P payment delivery—G2P Connect

Through G2Px analytical work and country implementations, the challenges with establishing interoperable platforms and information systems have clearly emerged as a bottleneck to taking forward the G2P digitization agenda. In an effort to address these challenges, G2Px is one of the key development partners co-shaping [G2P connect](#). G2P Connect is a set of standards and architecture guiding principles collated from the global community of development partners, digital public goods and countries deploying systems that support digital G2P delivery. The objective is to help governments successfully develop and operate G2P payments digitally by sharing lessons learned, success, and obstacles to building and deploying the supporting systems at scale. G2P Connect is both a technological blueprint of open interoperable specifications and an information source for countries to create a shared understanding of the infrastructure available to deliver any kind of G2P payment digitally and efficiently.



PILLAR II. SPOTLIGHT 4

← Continued

In this context, G2Px co-organized an event in October 2022, as part of the World Bank's Annual Meetings, with the broader World Bank's Digital Development Global Practice and the Africa Central and West Front Office. The event brought together leaders, ministers, and private sector representatives, including high level officials from Togo, to discuss what is needed to accelerate digitization in the Africa region. One of the areas of focus was on the role of DPI to improve public service delivery, where India's journey toward digital transformation was shared as an "ignite talk" by Pramod Varma, Chief Architect of Aadhar and India Stack. G2P Connect was launched during this annual meeting event through a video demonstration of how different digital public goods (DPGs) can be used for delivering social assistance payments. It was shared as an example of how G2P Connect can contribute to making the development of DPI easier than ever before. As a next step to take this effort forward, G2Px will be co-organizing a workshop with the G2P Connect, for countries to explore the interoperable technological blueprint in more depth and pave a way forward to support countries in a real-world context.



PILLAR II—SPOTLIGHT 5

G2P digitization in practice series



“Before Ingreso Solidario, we had 154,000 clients and today, we have over 2 million clients. The experience of working with Ingreso Solidario allowed us to understand behaviors of beneficiaries and adjust our operations to meet their needs. This has in return allowed us to grow our customer base exponentially.”

Maryoiry Avila
GENERAL MANAGER, MOVII

In late 2021, G2Px launched the G2P digitization in practice webinar series to share country experiences in their journey towards a modern G2P architecture. This journey does not happen overnight and will likely require several iterations that sequentially bring the country closer to their own ideal scenario.

The series' [opening webinar](#) featured **Indonesia's** experience. The country's government has been committed to digitizing G2P payments since 2016 and have been progressively improving their architecture. For most social assistance programs, payments are being made through accounts with state-owned banks. The next stage in Indonesia's G2P journey, and which is being supported through G2Px technical assistance, is to introduce choice beyond state-owned banks with the aim to increase recipient convenience and overall financial inclusion.

Similarly, **Brazil's** experience with their COVID-response social assistance program, *Auxilio Emergencial*, illustrates how a country can build on previous digitization efforts to modernize the delivery of G2P payments. During the [webinar](#), Brazilian government officials and World Bank experts shared how *Auxilio Emergencial* was able to quickly identify millions of informal workers through an intensive use of digital technology that allowed real-time cross referencing several databases to verify eligibility. The program was also able to remotely open millions of digital savings accounts from Caixa—the state-owned bank traditionally disbursing social assistance payments—for financially excluded beneficiaries and accommodate payments to any account that beneficiaries already had, effectively introducing an element of choice.

Finally, **Colombia** has been able to accelerate their digital G2P payments journey during COVID-19 response through their innovative *Ingreso Solidario* program. The government leveraged their newly enacted regulatory modernization that supported the delivery of cash transfer payments into bank accounts and mobile wallets. Through an ambitious partnership with multiple payment service providers, the program was able to identify and deliver payments to over 1.2 million beneficiaries through existing accounts, and to facilitate the account opening with choice for the remaining 1.7 million unbanked beneficiaries. During the [webinar](#), Colombian government officials and World Bank experts shared how almost a third of beneficiaries used accounts beyond simply cashing-out, significantly higher than what they had seen in their regular flagship program. This experience has encouraged the government to pilot choice of payment service provider (PSP) further, as they've identified it as one of the potential incentives for higher usage. The webinar also included the perspectives of payment service providers, who underlined how delivering G2P payments became a sustainable business model.

BOX 5.**G2Px Fall 2022 Gender Clinic Series**

G2Px continued delivering its gender clinic series as a way to deepen knowledge across operational teams on women's economic empowerment.

**WEBINAR 1. Can digital payments advance women's economic empowerment?
An overview of evidence and interventions¹**


This webinar presented an evidence review on digital payments and women's economic empowerment.² It highlighted the link between digital G2P payments and key outcomes of women's economic empowerment, such as financial autonomy, labor force participation, physical mobility, women's ability to save, as well as convenience (see Pillar 1–Spotlight 2). In addition, the session also noted promising specific account and design features, such as payment instruments to check balances, commitment savings devices, and gamified incentives to support mobile money adoption.

This webinar also featured a presentation on the “*Bank Sakhis*” (female banker friend) pilot in rural India, which deployed female self-help group members as banking agents.³ *Bank Sakhis* received training as well as financial support through loans and grants. They provide the community with a range of services, including basic cash-in, cash-out services, instant account opening, bill payments, and micro-credit. The pilot successfully demonstrated that female self-help groups can effectively deliver basic banking services in their communities and encourage women to engage in financial transactions.⁴

1 The webinar recording is available at this [link](#).

2 This presentation was led by Victoria Johnson, Consultant, G2Px, World Bank.

3 This presentation was led by Alreena Pinto, Rural Development Specialist, World Bank's Agriculture and Food Global Practice and Amit Arora, Consultant, World Bank's Agriculture and Food Global Practice.

4 <https://www.adb.org/publications/digital-doorstep-banking-female-banking-agents-lead-digital-financial-inclusion-through-the-pandemic-and-beyond>

BOX 5. (continued)**WEBINAR 2. Gender-Smart Design: Insights on developing innovative financial products for women⁵**

This session showcased the work of ideo.org's Women and Money Program, which has developed two innovative DSF products designed specifically for women. In **Bangladesh**, the [BRAC Shakti program](#) (developed in partnership with BRAC's Social Innovation Lab and bKash)⁶ was a group-based peer support model that incorporated gamified learning to build women's confidence in using digital financial tools. Overall, the pilot showed that group settings provide a supportive environment for women to practice saving behaviors and serves as an effective tool to introduce women to digital financial services. However, findings on the role of incentives in driving women's savings behaviors were inconclusive, and the program did not provide strong evidence of increased digital confidence among women.⁷

In **Northern Kenya**, the [Boda Pesa program](#) (developed in partnership with BOMA Project, PesaKit, and Safaricom)⁸ was a roving agent model designed to bring digital financial services closer to women in rural areas. The pilot connected mobile money agents with women for the provision cash-in and cash-out services. Boda Pesa showed promise given the high number of women signing up. However, the number of transactions were limited and repeat usage even lower. The pilot showed that confidence in cash-in, cash-out usage increased somewhat among users, but that this was not the case for other types of DFS. A key takeaway from the pilot was the importance of providing financial literacy training as an on-ramp to other services.

⁵ The webinar recording is available at this [link](#).

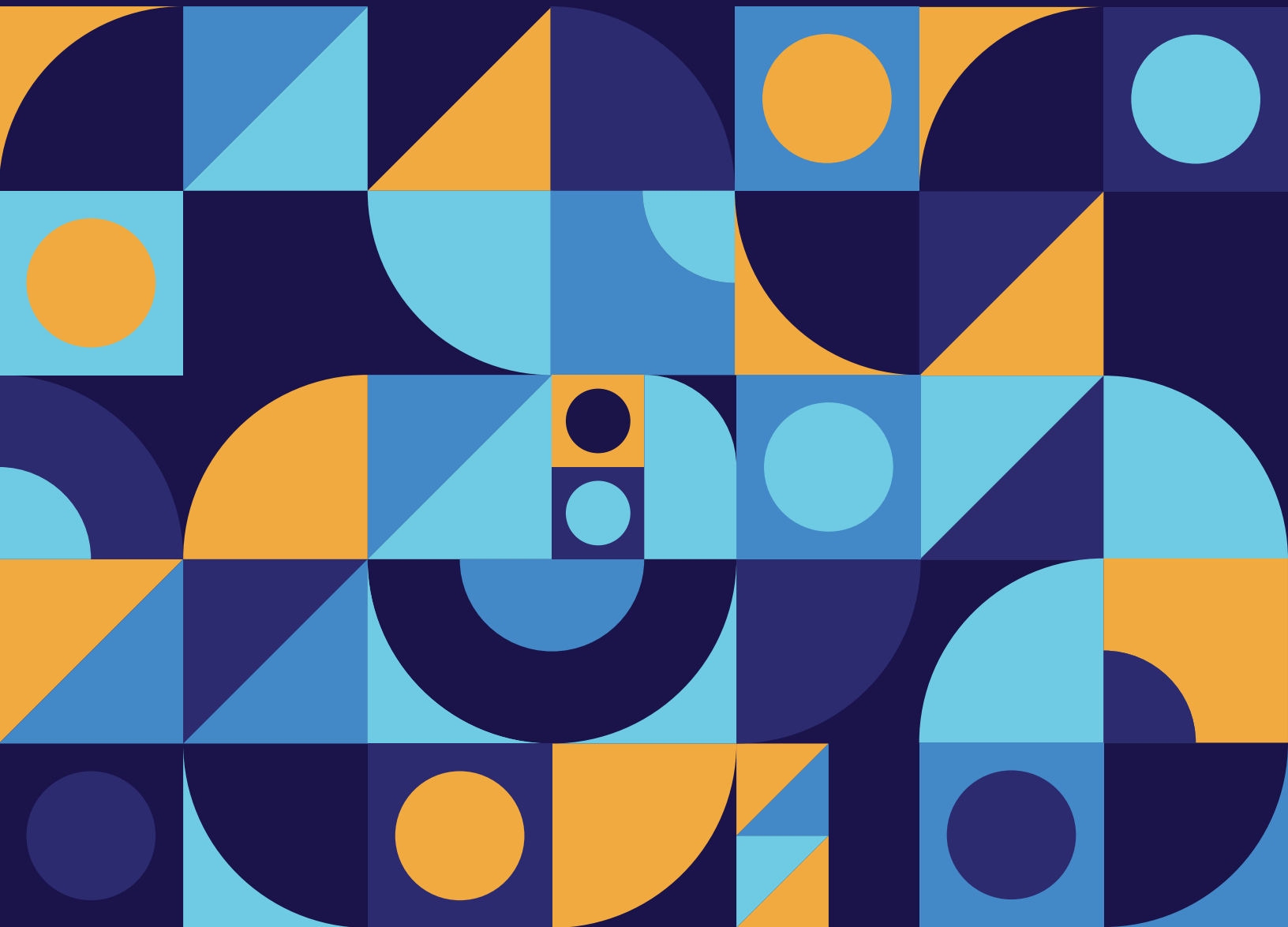
⁶ <https://www.ideo.org/project/brac-shakti>

⁷ This presentation was led by Mary Katica, Senior Design Director and Celestine Njuguna, program lead Nairobi Studio both from ideo.org.

⁸ <https://www.womenandmoney.design/>

PILLAR III.

Country and Regional Action



Overview

Over the past year, G2Px has scaled up its country implementations and is currently supporting technical assistance to 38 countries on adopting or improving digital G2P payments. This technical assistance (TA) is primarily aimed at advancing a particular country's journey towards a modern G2P architecture. Activities implemented at the country level typically include initiating dialogue on G2P digitization, providing just-in-time technical assistance on program design and implementation, conducting assessments and developing roadmaps to digitize G2P payments, building evidence through data collection on the outcomes emerging from G2P digitization along with advisory support on specific aspects along the value chain of digital G2P payments.

Implementing a Modern G2P Architecture

G2Px has been supporting countries on a variety of activities with the goal of moving towards each countries' ideal scenario of a modern G2P architecture.

Selected country examples are set out below:

- In some countries, such as **Cambodia**, and **Nigeria**, part of this support has focused on assessing the current G2P architecture and developing a roadmap to modernize it:
 - » In **Cambodia**, based on the recommendations made by the World Bank team, the government issued a regulation in 2022 to enable account-based payments to beneficiaries (instead of the current over-the-counter model which leverages agents for distribution, but not using accounts) and has also committed to implementing a choice-based reform as part of a new lending operation.
 - » In **Nigeria**, G2Px provided technical assistance on program design to scale up the country's National Cash Transfer Program, financed through the World Bank's National Social Safety Nets Program Scale-Up (NASSP SU) project, and to help the program's payments mechanism to more effectively utilize the national payments architecture. As a result, more than 10 million beneficiaries will be receiving payments through an account-based (bank and mobile money) and choice-enabled model.



- In other countries, such as **Angola**, and **Rwanda**, G2Px has supported pilots or larger-scale implementations of digital payments for the first time. Several of these efforts across G2Px country implementations have been accompanied by quantitative and qualitative data collection to address challenges faced by recipients, with a view to scaling up and informing program design through end-user experience and lessons learned:
 - » In **Angola**, G2Px provided support on the use of digital payments to deliver the social assistance program, Kwenda. Currently, assessments conducted by the WB team are informing the transition to digital payments across other G2P programs in the country, including scholarships and adaptive safety nets. G2Px will continue to support these implementation efforts going forward.
 - » In **Rwanda**, G2Px assessed the pilot on using mobile money payments under the Vision Umurenge Program (VUP) and the broader G2P payment landscape to inform a scale up of digital payments. As a result of G2Px contributions to policy dialogue, the Government of Rwanda's Budget Framework Paper (BFP: FY 21- FY 24) now includes policy commitments on digital government payments at scale. G2Px will continue to support these efforts through ongoing technical assistance and complementary WB lending operations.
- In other cases, such as in **Indonesia**, **Tunisia** and **Philippines**, where some government programs already use digital payments, technical assistance has focused on further modernizing their G2P architecture by introducing choice, strengthening the recipient-centric approach and improving the underlying information systems for G2P payment delivery:
 - » In the **Philippines**, technical assistance was provided on the use of digital payments for COVID-19 response and on documenting lessons learned to inform the modernization of the government's regular social assistance program, 4Ps. 4Ps recently converted the program beneficiary's single purpose card to a transaction account to promote financial inclusion and the G2Px engagement will continue to support the authorities in this transition. G2Px is also providing technical assistance on improving social protection delivery systems through adoption of the Philippines Identification System, PhilSys, for the authentication of Beneficiaries. Going forward, on the digital payments front, the G2Px engagement will support the operationalization of Executive Order 170 on Digital Payments, will provide capacity building and engage with select oversight agencies such as Department of Finance, Department of Budget and Management, Commission on Audit and the central bank of the Philippines. Use of PhilSys is one of several forms of ID that can be used for accessing social protection, and is intended to make access easier, faster, and more transparent.

Overall, in most countries there is a mix of these and other activities supported that are focused on modernizing their G2P architecture and in-so doing improve their building blocks and the recipient experience.

Working towards G2P choice

One of the design principles of a modern G2P architecture is to provide recipients with a choice of how they receive their government payments, including through which provider. There is growing [evidence](#) of the benefits of providing choice not only for the recipients but also for the governments and the development of the financial market ecosystem. Therefore, G2Px has been supporting countries as they design and implement choice in the delivery of government payments.

Most countries use a single payment service provider to deliver G2P payments. There are several reasons for this including, procurement restrictions, the fact that it is easier to manage a single contract, and lack of infrastructure for supporting multiple payment providers (including account mappers and payment switches). However, in many cases, the investments needed to transition to a choice-based model will be outweighed by the medium and long-term benefits of better access for recipients and cost-savings for the government.

In the **Philippines**, for example, G2Px conducted a geospatial mapping to enable partnerships with multiple payment service providers to deliver the flagship 4Ps program. The team also provided technical assistance for the implementation of the COVID response emergency social assistance program using accounts through multiple providers. [A number of lessons were documented](#), one of which was the impact of multiple providers of digital payments on the reduction of collection time and costs. The WB team is currently working with the government to incorporate these lessons alongside international good practices to improve 4Ps payments and G2P payment delivery more broadly. This will include supporting efforts to implement recent digital payments regulations, promoting e-KYC using PhilSys, and exploring account mapper solutions to match recipients IDs to account numbers in the future. Introducing choice of payment method and payment service providers requires rethinking not only how (or if) PSPs need to be procured, but also how recipients are to be informed and empowered through this choice. In particular, when considering choice, the government should consider the recipients' digital and financial literacy, together with the enabling ecosystem.

In **Nigeria**, for example, the NASSP scale up will not only prioritize payments into bank and mobile money accounts (without clawback clauses) but will also consider different beneficiary profiles in their choice model. Beneficiaries with existing accounts will be allowed to register and use their accounts, whilst beneficiaries without an account (and in regions with sufficient access points) will be invited to open an account with a provider of their choice. Those beneficiaries who live in harder to reach areas, and those who fail to open an account for any other reason, will be provided a fully interoperable basic account by a set of financial service providers selected by the project. This tiered model aims to leave no one behind, through adequate communications and financial training, and a hand-holding strategy for preventing exclusion.

In several cases, [the COVID-19 crisis led countries to explore delivering G2P payments digitally](#) and through multiple PSPs. This was motivated by a desire to reduce crowding at cash-out points by providing more options or with the goal of speeding roll-out by leveraging existing accounts.

G2Px provided support to countries such as Peru and Tunisia in this process:

- For example, in **Peru**, the government gradually expanded recipient choice throughout several successive emergency social assistance programs. The initial programs were characterized by low recipient choice, reliance on a limited set of large banks, and a high incidence of over-the-counter, cash-based transactions. The government ultimately implemented a full PSP and payment method choice model for Peru's later programs, allowing beneficiaries the choice to have their payment deposited in an existing account at a wide range of banks, microfinance institutions and e-wallet providers; receive their payments by opening a new e-wallet or specialized account with the state-owned bank (*Cuenta DNI*); or over-the-counter in cash. Ultimately the share of transfers disbursed digitally increased from 55 percent across the first three programs to 77 percent for the following five programs. The WBG provided advisory support to the Government of Peru during this transition to a multi-modal choice model, which also benefitted from the government's collaboration with financial institutions, as well as its responsive regulatory action to incentivize the use of G2P payments, e.g. increasing transaction limits on basic accounts, clear guidance on remote account opening, and temporary flexibility in e-wallet funds safeguards.
- Similarly, in **Tunisia**, the flagship social assistance program, Amen Social, was initially only using the Tunisian Post to deliver cash transfers prior to the COVID-19 crisis. As of 2020, however, the government disbursed additional cash payments to existing and new beneficiaries. The first round of emergency cash transfer payments were made through post offices as usual. However, for the second round of payments, recipients could register digitally and select their preferred digital payment method from a choice of five payment service providers, including two non-bank payment service providers. The WB team has been supporting the government of Tunisia with the design and implementation of the Amen emergency cash transfers, including the digital registration platform and choice-based model. G2Px is also supporting the assessment of digital choice-based approaches in the context of regular social assistance and pension payments.

Overall, choice models adopted in emergency cash transfer programs are not automatically being adopted in regular G2P programs. In order to institutionalize these arrangements, a sustainable business model must be sought for payment service providers and key building blocks, such as account mappers, ID and payments systems, must be developed or leveraged to support ongoing payments. G2Px is working to support countries as they navigate and tackle these complex infrastructure and policy challenges.



PILLAR III—SPOTLIGHT 7

Insights from recipients on digital payments

In 2022, G2Px continued its efforts to embed evidence-based design in the implementation of digital G2P payments by supporting data collection efforts and analysis in over ten countries, including **Jordan, Rwanda, and Mozambique**. Understanding the needs of recipients and the challenges they face when accessing and using digital G2P payments, is vital to informing policy and program design.

JORDAN

Jordan has been working towards a modern G2P architecture since before the COVID-19 crisis. In 2019, the government of Jordan launched Takaful as their flagship social assistance program implemented by the National Aid Fund (NAF), later re-branding it as the Unified Cash Transfer Program (UCT) in preparation for merging the older NAF program and Takaful under one umbrella. The UCT, which aims to cover roughly 15% of the population, offers beneficiaries the choice of receiving payments in an e-wallet or basic bank account with a number of providers. For beneficiaries that were under an older NAF program, they mostly receive payments through pre-paid cards (around 75 percent of beneficiaries) in addition to e-wallets or bank accounts.

G2Px supported an assessment of beneficiaries' experience with digital payments to document emerging outcomes and identify areas that might need continued policy attention. A nationally representative survey was conducted between February to March 2022 with over 900 respondents. Some of the relevant survey findings that will inform policy going forward are listed below.

- **Digital social assistance payments have forged a pathway to financial inclusion:** Over 90 percent of the respondents who received payments via e-wallets, and 60 percent of those who received payments into a bank account, opened their accounts specifically for the purposes of receiving the social assistance program.
- **Account-based payments contribute to increased agency for women:** 69 percent of women respondents who were paid into a bank account and 70 percent of women paid into e-wallets withdrew the money themselves, versus only 47 percent of those that received payment into pre-paid cards. As NAF explores how to impact women's empowerment through Takaful, the evidence suggests that directing payments to beneficiary owned accounts such as e-wallets and bank accounts (especially in case of female beneficiaries) could have a positive impact.

"Although the electricity company is very close to me, but because I have young children, I cannot leave them at home and I cannot take them with me, and my husband works -so I am in charge of paying these bills. So, I pay them from home, it is easier for me."

28-year-old female beneficiary

PILLAR III. SPOTLIGHT 7

← Continued

RWANDA

“The nice thing about receiving funds on Mobile Money is that it’s private and no one is chasing you asking you for money. Before with SACCOs people would see you coming back and ask to borrow money because they know you were just paid”

Male focus group discussion
(FGD) participant

“Sometimes I don’t even tell my husband the funds have arrived. I quickly go and resolve the problems I want to fix”

Female FGD participant

“When we used to get it on Mobile Money it was so much better. When you have to go to the SACCO, most of the money is used up and spent on the road because you have to use a motto (motorcycle taxi) to get to the SACCO. It costs 3000 RWF on a motto to go and come back. A motto is the only way to get there”

FGD participant

- **Account usage remains limited to cash-out:** The majority of respondents (94 percent) reported cashing out their full payment when it arrived. Almost all respondents said that they needed the full amount in cash, yet among them almost half were unaware that they could make online bill payments or digital payments at merchants. This suggests, in addition to developing the broader digital ecosystem to increase use cases for accounts, there is also a need to build awareness around digital payments.

The Vision Umurenge Program (VUP) reaches nearly two million individuals (around 500 thousand households) across Rwanda. The program includes both public works and direct cash transfers to the poorest. Since the start of VUP in 2008, payments have been typically made in cash (over-the-counter) through Savings and Credit Cooperative Organizations (SACCOs). In 2021, however, the program piloted digital payments to VUP recipients using mobile money in six districts.

With G2Px support, an assessment was conducted between May and June 2022 to better understand the pilot’s successes, challenges and impacts, in advance of scaling up the program. The assessment included focus group discussions with VUP beneficiaries and key informant interviews. Across the board, recipients expressed that mobile money payments made their lives easier. In particular, they raised the following advantages:

- **Enhanced decision-making and more privacy:** Previously, SACCOs would publicly announce the days when different recipient groups should collect payments. However, with mobile money payments, whether a recipient has or has not received a payment is “a secret”. For women, in particular, the privacy aspect played a key role in empowering their decision making and giving them more control over the funds received.
- **Increased flexibility and time-saving:** With cash-based (over-the-counter) payments, recipients could spend up to a full day, and at times multiple days (including multiple trips to their SACCO), waiting for their payments at SACCOs. Flexibility was limited, as there was a specific day on which different recipient groups were expected to collect their funds. Some recipients reported that they would often miss a day of work to go and collect their payment. With mobile money, recipients are notified when their funds arrive (while on the go, at home or at work), and can better plan to collect payments at a time convenient to them.
- **Cost-saving:** For those that had to travel long distances to reach a SACCO, payments through mobile money saved them travel costs, which for many, can be quite high.

The outcomes of VUP are undoubtedly positive, but challenges persist in its implementation, and these will need to be considered when scaling up the program:

- **Limited access to mobile phones:** Many VUP recipients do not own a mobile phone and must rely on the phones of others, in order to insert their SIM card to check for notifications of payment delivery and collect payments. It also forces them to cash out their full payment, limiting the extent to which they can use their mobile money accounts for other necessary transactions. There is ongoing work supported by the WB on mobile phone affordability in Rwanda which can be leveraged to address this issue.

“There is a danger when losing a SIM card and the person who picks it up, probably knowing these old ladies’ PIN, can use the PIN to withdraw funds. You’ll find like 10 people using the same PIN”.

FGD Participant

- **Low awareness and digital literacy:** Recipients reported that there is a lack of clarity on when to expect payments. They also reported having limited understanding on how to use their mobile phones to enter a PIN for payment collection (this was the case especially among the elderly). Although VUP organized a couple of information sessions, there was little opportunity for beneficiaries to ask questions or get further clarity on the new payment mechanism, if they misunderstood the information or were not able to attend. There is an ongoing effort to put in place digital ambassadors at the “Cell-level”, the smallest administration unit in Rwanda. The program is now exploring how best these digital ambassadors and other trusted actors at various government administrative levels (sector or districts) might act as a touchpoint to provide recurring communication and capacity building around digital literacy and payments.

MOZAMBIQUE

In Mozambique, social assistance payments under the Post-Emergency Direct Social Support Program (PASD-PE) were made in urban and peri-urban areas, as part the country’s COVID response. The payment delivery mechanism varied based on a particular area’s readiness for digital payments. Payments were made either in cash or mobile money. For recipients paid in cash, an offline payment application was used with back-end digitization for the creation of a payment list. The aim of the application was to increase efficiency, transparency, and accountability for the program.

G2Px in collaboration with the MozSP multi-donor trust fund supported a recipient survey to assess their experience across the different payment methods, with a view to informing future implementation. The survey findings will also be critical to expanding the program to more recipients and to other streams of G2P payments (e.g., teacher salaries). Some of the key findings are summarized below.

- **Clear preference for digital payments:** 63 percent of those surveyed prefer digital payments (bank or mobile account or prepaid card) whereas only 34 percent prefer cash. Those receiving mobile money payments indicated a higher preference to continue with digital payments compared to those receiving payments in cash. This suggests that scaling up digital payments could lead to high beneficiary satisfaction.
- **Shorter wait times:** The majority of those receiving cash-based payments reported waiting for more than hour at the payment collection point compared to those receiving payments through mobile money, where most waited for around 30 minutes.

Despite a strong preference for digital payments, recipients still faced various pain points which will need to be addressed:

- **Safety issues:** 13 percent felt unsafe at the collection point (they experienced robbery or other types of crime or were harassed by an agent or were requested to provide a bribe). The program will need to consider mitigation policies including awareness raising and increasing options to cash-out without human interaction, in addition to the World Bank’s continued support on the financial sector to strengthen consumer protection and increase digital payments usage and acceptance.
- **Limited program awareness:** 19 percent reported not receiving information about the program during the registration process. In this context, G2Px is supporting a specific activity on financial literacy, which will ensure that basic information on the program, and on how digital payments work, are effectively communicated to recipients.

Going Forward





In 2023, ID4D will contribute to the design, assessment, and deployment of new models and technologies whilst supporting good ID and civil registration fundamentals, such as inclusive enrollment and enabling legal frameworks. The initiative will continue to disseminate timely and relevant knowledge, practical tools, and implementation guidance, and work in collaboration with development partners, governments, civil society, and the private sector to build trusted DPI building blocks. As the landscape for digital public infrastructure is rapidly evolving, with demand on the rise from an increasingly diverse set of countries, its work program must stay agile, responsive, and forward-looking.

Key Themes for 2023

- Highlighting the role of inclusive and trusted digital ID in a DPI service delivery stack, and using advocacy and technical assistance to ensure that ID systems are implemented with interoperability and with linkages to other core systems (such as payment, data exchange platforms, social registries). This will maximize their impact for service delivery and ensure financial and operational sustainability (e.g., in times of crisis).
- Continuing to document lessons learned and good practices around the world on many of ID system ‘fundamentals,’ and providing guidance to countries on the following:
 - » Inclusive design and enrollment strategies, including offline and online options and ecosystem-based models, and mechanisms to proactively include marginalized groups;
 - » Ensuring the impactful and responsible use of ID and CR systems by identifying prospective use cases, evaluating prospective benefits and risks through multi-stakeholder and public consultations, determining appropriate levels of assurances—including removing unnecessary requirements for ID—and onboarding people and relying parties;
 - » Support on the deployment and development of modular and open-source systems and solutions and guidance on standards and procurement;
 - » Strengthened interoperability and data governance (legal, operational, and technical safeguards and enablers) for responsible data sharing
- Supporting the design, piloting, and deployment of new models and approaches, such as:
 - » Digital authentication: building knowledge on new models, including decentralization and federations, and cross-border interoperability in Africa and Southeast Asia;
 - » Privacy-by-design, user empowerment and consent: examining options for tokenization and supporting solutions that provide people with more oversight and control over their data;
 - » Collecting and analyzing evidence on the coverage, accessibility, and impact of ID and CR systems (through new data collection and research) and strengthening the capacity of ID agencies to monitor and evaluate (M&E) projects:
 - » Developing a comprehensive, multi-method research program to fill priority knowledge gaps and answer pressing policy questions on the effective and impactful design and implementation of ID and civil registration systems.
 - » Supporting client countries to develop effective strategies and systems for monitoring, evaluation, and learning to improve implementation, mitigate risk, and increase impact.
 - » Building public goods and partnerships to improve research, monitoring and evaluation related to identification systems.



In 2023, the G2Px Initiative will continue to respond to the growing demand from countries, develop guidance on good practices for digital G2P payments, and gather evidence on the impact of modernizing a G2P architecture. As countries continue to cope with the effects of the COVID-19 pandemic and multiple crises associated with rising inflation, climate change and food security, delivering government payments quickly to those most in need is critical. G2Px will continue to collaborate with governments, cross sectoral teams across the World Bank and development partners on implementing inclusive, recipient-centric digital G2P payments.

Key Themes for 2023

- Building evidence on the outcomes of digitizing G2P payments and providing guidance on implementing the relevant building blocks or design principles under the modern G2P architecture. This includes:
 - » Strengthening data collection including sex-disaggregated data and evidence on improving access and usage of digital payments
 - » Building guidance on open source, modular solutions for interoperable information systems and databases to establish DPIs that support the G2P payment use case.
 - » Continuing to document lessons learned and good practices on inclusive, recipient centric digital G2P payments.
- Advancing the global G2P digitization agenda and building consensus for the modern G2P architecture as a common vision by strengthening partnerships and leveraging synergies with other development agencies advocating for digital G2P payments.
- Supporting the journey towards modern digital G2P architecture in 37 countries
- Creating awareness and providing technical support to leverage DPI for more responsive, inclusive and efficient delivery of G2P payments among countries supported by G2Px where appropriate.

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ABOUT THE INITIATIVES

ID4D

The World Bank Group's Identification for Development (ID4D) Initiative harnesses global and cross-sectoral knowledge, World Bank financing instruments, and partnerships to help countries realize the transformational potential of identification (ID) systems, including civil registration (CR). The aim is to enable all people to exercise their rights and access better services and economic opportunities in line with the Sustainable Development Goals. This is especially important as countries transition to digital economies, digital governments, and digital societies, and inclusive and trusted ID systems are key to ensure the benefits are realized by all as well as for safeguarding privacy.

ID4D operates across the World Bank Group with global practices and units working on digital development, social protection, health, financial inclusion, governance, gender, and data protection, among others. To ensure alignment with international good practices for maximizing development benefits and minimizing risks, ID4D is guided by the 10 *Principles on Identification for Sustainable Development*, which have been jointly developed and endorsed by the World Bank Group and over 30 global and regional organizations (see <http://idprinciples.org>).

To find out more about ID4D and access our other publications, visit www.id4d.worldbank.org.

G2Px

G2Px is a World Bank Group cross-sectoral initiative in partnership with the Bill & Melinda Gates Foundation and the Norwegian Agency for Development Cooperation. The initiative contributes to the broader agenda of improving government-to-person (G2P) payments through digitization, with the objective of shifting the G2P digitization paradigm beyond program-specific efficiency gains to one that simultaneously accelerates critical development outcomes such as financial inclusion, women's economic empowerment, and government fiscal savings. Through G2Px, the World Bank Group seeks to establish a framework, develop good practices, and provide upstream technical assistance to radically improve G2P payments globally. The initiative will help build a global movement ensuring that all G2P programs aim and design for broader inclusion and empowerment outcomes through a focus on digitization. To find out more about G2Px, visit worldbank.org/g2px.

