



# Putting **people** at the center of DPI

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# Foreword

2023 was another impactful year for the World Bank's Identification for Development and Digitalizing Government to Person Payments (G2Px) Initiatives. This Annual Report takes stock of the achievements and lessons, and the contributions of ID4D and G2Px to make digital ID and government-to-person (G2P) payments systems safer and more inclusive by putting people at the center.

While each initiative has their own area of focus, this year they collaborated closely under the umbrella of digital public infrastructure (DPI)—foundational, reusable digital systems that serve as digital rails to improve the delivery and accessibility of digital services across public and private sectors.

ID4D is on track to improve the lives of 550 million people in nearly 60 countries by 2025 since its launch. The Initiative aims to enable people to access ID that empowers them through increased access to services and economic opportunities, and greater ability to exercise their rights.

G2Px currently supports 35 countries in digitalizing G2P payments through an inclusion-, efficiency-, and empowerment-centered approach that can benefit the 120+ million people already receiving G2P payments in these countries, and many more that will be included as new recipients.

Both ID4D and G2Px played a key role in the World Bank's support to India's G20 Presidency in 2023, which generated consensus and momentum that have made DPI a global development priority.

At the World Bank—driven by a mission to end extreme poverty and boost prosperity on a livable planet—we are committed to ensuring that digital

technologies serve as instruments of inclusive development and empowerment, especially for vulnerable populations. Closing the digital divide is key to achieving these aims.

This joint Annual Report's In Focus highlights how the ID4D and G2Px Initiatives have put this commitment into results through dedicated work programs on Knowledge, Convening, and Action. It provides an overview of key priorities and activities under each Initiative in 2023, and spotlights a range of exciting work at the global, regional, and country levels.

ID4D and G2Px's success would not be possible without the close collaboration and strong support of the Bill & Melinda Gates Foundation; French Treasury; Norwegian Agency for Development (Norad); United Kingdom Foreign, Commonwealth and Development Office; and the Omidyar Network. It is also a result of partnerships with academia, the private sector, and civil society. On behalf of the ID4D and G2Px teams, we thank all of those who have been part of this journey.

## A Special Acknowledgment

Finally, one very special Thank You is due. In October 2023, Vyjayanti Desai transitioned from her role as Practice Manager for ID4D and G2Px to work full-time as Practice Manager for Digital Development in the South Asia region at the World Bank. Anyone who has encountered Vyjayanti since she took the helm of ID4D in 2016 knows that she brought an unparalleled level of passion, energy, and creativity, as well as an extraordinary focus on impact and doing the right things the right way. In seven

years, she turned a small, informal working group into one of the most successful multi-stakeholder partnerships and cross-sectoral initiatives inside the institution. We wish Vyjayanti all the best in her new chapter. Her successor Peter Kusek will come on board in March 2024.

With DPI gaining considerable momentum as a critical development agenda both inside and outside of the World Bank, the stage is set for an exciting 2024. As we step into a new year, we will continue to make progress through the ID4D and G2Px Initiatives and look forward to working with our partners across sectors and around the world.

**Co-Chairs of ID4D & G2Px Director Groups**



Christine Zhenwei Qiang  
**Global Director, Digital Development**



Juan Pablo Uribe  
**Global Director, Health, Nutrition,  
and Population**

# 2023 In Focus:

## User-Centered Design and Engagement

Over the course of 2023, a global consensus emerged around the importance and meaning of digital public infrastructure (DPI). Whether government or private sector, most service providers require similar functionalities to roll out digital services. This can include, for example, being able to securely (and remotely) verify the identity of a person or entity, to make and receive payments digitally, and to share and verify trusted data, among other processes.

Rather than re-inventing the wheel for each sector or service, DPI provides foundational, reusable resources—such as digital identity, payments, and data sharing—that can be leveraged by users across the economy. This creates efficiency gains (as sectors no longer need to create bespoke systems to provide these basic functions) and establishes a platform for innovation (as service providers can focus their core sectoral systems and infrastructure, rather than creating foundational elements from scratch).

**One of the truly transformational aspects of DPI is its potential to put people and service providers at the center of digitalization.**

In contrast to a top-down, supply-driven, and siloed approach, the goal of DPI is to provide foundational building blocks that can simplify and streamline a variety of transactions. Although the word “public” signifies the goal of public benefit, DPI can be provided by the public and private sectors. For DPI to succeed, therefore, it must be in demand. This requires deep attention to the needs of individuals and service providers, and an inclusion- and privacy-first approach to build trust and protect people’s data and rights.

New models of digital ID, for example, include federation and decentralization that foster choice in how users verify their identity online, what data they want to share, and with whom. Similarly, when DPI layers such as digital identity, digital payments, and data sharing work together, this creates a powerful toolbox to digitalize G2P payments, including user-centric features that can enable financial inclusion, boost convenience, and empower women. Focusing on use cases for DPI such as G2P for social protection and resilience is also key to ensuring that the benefits of advanced technology are not limited to the wealthy.

**Through the ID4D and G2Px Initiatives, the World Bank is helping countries harness this potential in multiple ways.**

Inclusion, user-centricity, safety, and empowerment are core to both ID4D and G2Px. This involves a multi-faceted approach to the World Bank’s support for ID, civil registration, and digital G2P payments, including support for:

- Good practice strategies to **mitigate exclusion risk and ensure inclusive design** for vulnerable and marginalized groups, such as women and girls, low-income and low-literacy populations, refugees, migrants, internally displaced persons (IDPs), stateless persons, persons with disabilities, sexual orientation and gender identity (SOGI) minorities, and more.
- Research and data collection to gain **insights on people’s needs**, concerns, and preferences to inform policy and technical design.
- Comprehensive systems for **monitoring, evaluation, and learning (MEL)** and **grievance redress** to quickly identify and fix issues, and measure impact over time.

- Multi-stakeholder **consultations**, outreach, and co-creation of solutions across government ministries, the **private sector**, and **civil society**.
- Legal, regulatory and policy reforms that support **non-discrimination, choice, convenience, and data privacy and protection**, and build the capacity of independent agencies for oversight.
- Policies and technologies that **minimize data collection** and exposure, enable user choice, and enhance the ability of people to more easily update their data and control how it is used.

- Use cases for **digital payments and new sources of digital data** to deliver benefits quickly and conveniently to vulnerable groups.
- Clear communication and **awareness building** to ensure that people are well informed, understand benefits, risks, and mechanisms for recourse.

**This report highlights examples of this work in practice, and how ID4D and G2Px's knowledge, country action, and global convening are putting people at the center of DPI.**

# Results from 2023



The most recent **ID4D Global Dataset** helped improve global understanding of the scale and nature of coverage gaps in identification, including for marginalized and vulnerable groups. This three-volume series began with the 2022 update of the global estimate of people without any form of official identification (850 million). In 2023, ID4D completed a second volume on digital capabilities of ID systems. As detailed in Spotlight 1, this data provides the first global estimate of the number of people without access to official forms of digital ID that can be used to access services online (more than 3.3 billion).

## **This year, ID4D also scaled up new streams of research and data collection:**

1. Monitoring, Evaluation, and Learning (MEL) capacity-building for client countries (e.g., in **Cameroon**, **Indonesia**, and **Mozambique**).
2. Time and Motion Studies (TMS) that systematically estimate expected time and cost savings for people and service providers from integrating digital ID into service delivery. The first TMS was successfully completed in the **Philippines** (See Spotlight 2).
3. DPI Research Labs that build dedicated research communities to design studies and impact evaluations around specific projects and initiatives. The first research lab was launched in **India** (See Spotlight 3).

## **At the implementation level, multiple countries made significant progress in the rollout and/or strengthening of their ID and civil registration systems, supported through World Bank projects and/or ID4D-funded technical assistance:**

- In the **Philippines**, more than 80 million Filipinos have registered with the Philippines Identification System (PhilSys), reaching nearly 90% of the target population and achieving one of the world's fastest rollouts of a new ID system.
- In **Morocco**, around 18.5 million social protection beneficiaries have registered in the new National Population Register, with the goal of improving access and convenience to social assistance programs.
- West Africa Unique Identification for Regional Integration and Inclusion (**WURI**) has supported registration of 1.3 million people in **Benin**, most of whom are women.
- More than six million residents in **Indonesia** downloaded and were onboarded for the country's new digital ID smartphone application (*Identitas Kependudukan Digital, IKD*) (See Spotlight 11).



- Multiple data protection laws have been passed—including a landmark law in **Nigeria**—that will not only provide additional safeguards for ID systems, but for data processing across the economy (See Spotlight 12).

**New World Bank projects were approved this year with more than \$500 million in financing for implementation of ID and civil registration systems.**

- In **Ethiopia**, a new project will support the scale up of a new digital ID (Fayda) and other DPIs with a target of providing 90 million Ethiopians and non-nationals, including refugees, with a digitally-verifiable ID.
- A new project in **Indonesia** will close remaining coverage gaps of the existing population and civil registration systems and improve processes, ICT infrastructure and cybersecurity, and the national scale-up of the digital ID (IKD) (See Spotlight 11).
- In **Honduras**, a new project will improve birth registration procedures to ensure access to identity for all and the identification of children, improve the capacity and cybersecurity of the National Register of Persons (RNP), and support use of the national ID system for human-centered services.



G2Px continues to collaborate with the Atlas of Social Protection **Indicators of Resilience and Equity** (ASPIRE) to collect administrative data on the payment methods used in social protection programs across countries. In addition, the initiative has continued to scale support for countries to collect quantitative and qualitative data for MEL that can contribute to modernizing G2P payments with recipients at the center.

The G2Px Initiative has also been documenting good practices to adopt **G2P digitalization in crisis** and low-data contexts through **leveraging new forms of data**. Documentation has also helped translate digital G2P payments to the growing **urban informal sector** that is being targeted by social protection programs (See Spotlights 4, 5, and 6).

**Countries benefiting from G2Px technical assistance have been designing, piloting, and scaling digital G2P payments with individuals at the center.**

- Several countries have continued to move towards account-based payments for the first time, including **Sierra Leone**, delivering social assistance payments into a mobile money account for the first time, and **Yemen**, finalizing a feasibility study that will inform the piloting of mobile money payments in eight districts (See Spotlight 14).



- Other countries are now adopting and scaling up choice for the first time. In **Rwanda**, for example, digital payments under the Vision 2020 Umurenge Programme (VUP) have been scaled up, including plans to leverage the instant payments system to offer choice.
- In **Morocco**, offering choice to beneficiaries of the Tayssir cash transfer program translated into over half of recipients opting into digital payments shortly after implementation.

**G2Px technical assistance has also continued to support countries in ensuring these processes are inclusive, empowering, and continuing to foster a whole-of-government approach.**

- In **Jordan**, the National Aid Fund (NAF) is revising policy and program design to enable direct payments to women instead of only the head of household.
- In **Cameroon**, a decree to allow non-banks to participate in government electronic payments was issued. This will enable a safety nets scale up to incorporate mobile money payments (See Spotlight 10).
- In **Ecuador**, the National Financial Inclusion Strategy, which includes action to advance G2P digitization, was just approved.
- In **South Africa**, the government has decided to build a cross-sectoral DPI working group with social protection payments being one of the key use cases of focus.



As early champions of DPI, ID4D and G2Px have made key contributions to developing global thought leadership on this topic. This includes participating in the World Bank's overall **knowledge support for India's G20 Presidency**, providing technical expertise, preparing papers, and sharing operational experiences for various G20 working groups (see Spotlight 7). These contributions were in addition to the Initiatives' collaborations with other DPI efforts, such as **G2P Connect** (See Spotlight 9). A core focus of both Initiatives is also on facilitating **peer-exchange and learning** across countries and regions, to accelerate the spread of good practices (see Spotlight 8).

As 2024 begins, the ID4D and G2Px Initiatives remain committed to supporting countries on their ID, digital G2P payments, and DPI journeys, and promoting good practices to ensure that these systems serve their populations and contribute to ending extreme poverty and boosting shared prosperity on a livable planet.



# About Us

## Identification for Development (ID4D)

Identification (ID) is a right, an instrument of protection and a gateway to access services. Although the world has made significant progress in improving access to ID and civil registration (CR), significant gaps remain that need focused attention. Today, 850 million people globally lack an official ID—about half of whom are children who were not registered at birth—and as a result, have difficulties accessing essential services and protecting their

rights. In addition, new ID4D data suggests that approximately 3.3 billion people lack access to a digital identity for official online transactions (See Spotlight 1).

Through the ID4D Initiative, the World Bank's goal is to help countries overcome these challenges and build inclusive and trusted ID and civil registration (CR) ecosystems that increase access to services, improve economic opportunities, and empower people. Combining global knowledge, cross-sectoral expertise, technical and financial assistance, and strong partnerships, ID4D helps countries realize the transformational potential of ID and CR.

**FIGURE 1. Areas of ID4D Support.**

### ID4D Support 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 verification and authentication to enhance the efficiency, accessibility, and security 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.

ID4D's work is guided by the *Principles on Identification for Sustainable Development* (<http://idprinciples.org>), which are endorsed by over 30 global organizations, including the World Bank.

ID4D is a collaboration across the World Bank, including global practices and units working on digital development, social protection, financial inclusion and integrity, health, governance, gender, agriculture, data protection, and research, among others. Its work is made possible through the ID4D Multi-Donor Trust Fund (MDTF), with generous support from our partners at the Bill & Melinda Gates Foundation, UK Government, French Government, Norad, and the Omidyar Network.

## Digitalizing Government to Person Payments (G2Px)

As we move into an increasingly digitalized world, governments across the globe are leveraging new technologies to deliver services better, faster, and more transparently. As of 2021, over a quarter of adults are receiving payments from their governments—whether through public sector wages,

pensions, sectoral subsidies, or social protection programs—an increase of 400 million from just four years earlier.<sup>1</sup> The increasing scale of these government-to-person (G2P) payments offers a huge opportunity to improve financial inclusion, advance women's economic empowerment, and kickstart the digital service ecosystem.

Through the G2Px Initiative ("G2Px"), the World Bank brings together global knowledge and cross-sectoral expertise on the core elements of a modern G2P architecture. A thought leader and knowledge hub in the field, G2Px has developed a framework outlining the building blocks and design principles needed for a recipient-centric G2P architecture, along with guidance on implementation. G2Px also supports countries across different stages of their G2P modernization journey, from assessing and developing a roadmap, to implementing the various building blocks needed to achieve efficient, inclusive, and empowering digital G2P payments.

G2Px is a collaboration across the World Bank, including global practices and units working on digital development, social protection, agriculture, health, financial inclusion, payment systems, social inclusion, governance, gender, data protection, and research, among others. The work of G2Px is made possible through the contributions and partnership with the Bill & Melinda Gates Foundation and Norad.

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<sup>1</sup> Demirgüç-Kunt, A., Klapper, L., Singer, D., and Ansar, S. 2022. The Global Findex Database 2021: Financial Inclusion, Digital Payments, and Resilience in the Age of COVID-19. Washington, DC: World Bank. doi:10.1596/978-1-4648-1897-4. <https://www.worldbank.org/en/publication/globalfindex/Report>.

# Pillars of Work ID4D and G2Px

ID4D and G2Px work across World Bank teams and projects on three overlapping and mutually reinforcing pillars:

## 1. Knowledge

Developing policy guidance and new research on the design and implementation of inclusive and trusted ID ecosystems and digital G2P payments.

## 2. Convening

Fostering global engagement and advocacy around good practices, principles, and digital public goods, and facilitating cross-country partnerships and learning.

## 3. Action

Providing technical assistance to countries, regional organizations, and in support of World Bank operations, on the design and implementation of their ID and G2P ecosystems.

Together, these workstreams create a virtuous cycle of knowledge creation, advocacy, and real change on the ground.

FIGURE 2. ID4D and G2Px Pillars of Work



This Annual Report provides an overview of activities under each pillar, spotlighting some of the World Bank's core achievements through the ID4D and G2Px Initiatives in 2023.

# PILLAR 1: knowledge



D4D and G2Px have developed significant research and analytics portfolios to build global knowledge and ensure that World Bank client countries have the necessary evidence and tools to build good practice systems that serve development goals. **By centering research on concrete policy needs, the initiatives provide essential data to inform decisions on system design and implementation, ensuring that research is translated into policy action.** Over time, this approach has fostered a collaborative community of academics, policymakers, and other stakeholders who are invested in co-creating the global evidence base on ID, digital G2P payments, and DPI more broadly.

## Knowledge activities supported through ID4D and G2Px focus on:

1. Supporting research on global priorities around core policy choices and cross-cutting themes.
2. Building comprehensive research, monitoring, evaluation, and learning (MEL) programs in collaboration with clients to meet specific policy needs.
3. Developing and sharing relevant guidance and tools for research and good practices.

## In this Section

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### ID4D

#### Priorities and Activities

- Primary Research and Data Collection
- Monitoring, Evaluation, and Learning (MEL)
- Guidance and Tools

#### Spotlights

- Spotlight #1. New Data on ID Systems and Who Has Digital ID
- Spotlight #2. Expected Benefits of Digital ID for Transactions in the Philippines
- Spotlight #3. Catalyzing New Impact Evaluations on Access to Credit in India

### G2Px

#### Priorities and Activities

- Mapping Evidence on Digital G2P
- Primary Research and Data Collection
- Documenting Good Practices

#### Spotlights

- Spotlight #4. Lessons in Adapting G2P Payments to Changing Landscapes
- Spotlight #5. Driving Use of Digital Payments: Chile's Electronic Family Wallet
- Spotlight #6. Choice: Bringing Financial Services Closer to Recipients



# ID4D | Priorities and Activities

In 2023, the ID4D Initiative continued to support rigorous evidence building on the impact of ID and to develop guidance and tools to bridge knowledge gaps, adapt to emerging trends, and promote innovative ways to better align with the *Principles on Identification*. Shifting the paradigm to people-centricity requires serious research and monitoring to meet users' needs and reduce risks, and global experience shows that many countries have traditionally lacked effective systems to collect and analyze data about ID and CR, their performance, and impact.

The ID4D knowledge agenda supports countries in changing this paradigm by building evidence on two big questions:

1. **Implementation:** How can we design and implement “good” ID and CR systems that promote inclusion, enhance service delivery, and protect people’s rights and data—with a particular focus on marginalized and vulnerable groups?
2. **Impact:** How does owning an ID, and the implementation and use of ID systems, impact people, governments, and the private sector? How can we harness benefits and minimize risks?

## Primary Research and Data Collection

### ID4D Global Dataset

Since 2016, ID4D has produced global ID coverage estimates with the goal of understanding the magnitude of ID ownership gaps and tracking global progress in closing them. Over time, the ID4D Global Dataset has expanded to include country-level data

on ID system characteristics. Since 2021, ID4D has worked to update and improve both the quantitative and qualitative aspects of this Dataset. This effort has culminated in a three-volume series.

- **Volume 1**, released in 2022, provided new global coverage estimates—850 million people without ID—that incorporated novel survey data on individual-level ID ownership data, collected through a partnership with the World Bank’s Global Findex.
- **Volumes 2 and 3** analyze the characteristics of countries’ ID systems in detail, including, for the first time, indicators on degree of digital capability (See Spotlight 1).

Volumes 1-2 of the updated ID4D Dataset and the accompanying data are available for download at <https://id4d.worldbank.org/global-dataset>, with Volume 3 forthcoming in early 2024.

In 2023, planning for the next wave of ID4D-Findex data collection in 2024 also began. This data will be available in 2025 and will include nationally-representative data on ID ownership in over 140 countries, in addition to questions on barriers to access, use of ID systems, and new questions on digital ID, identity theft, and digital trust.

### Mapping Access to ID

In 2021, ID4D launched a multi-year project to map accessibility to ID and CR services, using geospatial analysis to estimate the average distance and travel time to an ID office across different regions of a territory. The project is ongoing:

- Data has already been collected on ID office locations in over 80 countries and analysis has

been completed for approximately 20 countries, with some global data to be released in 2024.

- This work has been leveraged into a new partnership with the World Bank's Geo-Enabled Monitoring and Supervision (GEMS) team, to help ID and CR agencies collect data on office locations and facilities using the open-source KoboToolbox platform.
- A study piloting these instruments and crowd-sourced data collection was launched and will be completed in **Cameroon** in 2024.

## User-Experience and Process Studies

Over the course of 2023, ID4D and its partners launched, implemented, or supported a variety of primary research and data collection activities, including:

- A three-part qualitative **Inclusion Study in Indonesia** (made possible by the Australia World Bank Indonesia Partnership) that collected original data on the barriers that vulnerable groups face in accessing population and civil registration services, and the digital ID use cases that have the greatest potential impact for them.
- A **process evaluation in Nigeria** was launched to assess the quantitative and qualitative impacts of reducing the amount of data collected during the ID registration process.
- A **Time and Motion Study in the Philippines** rigorously modeled the potential time and cost savings from leveraging the new PhilSys ID system in service delivery (See Spotlight 2).
- A collaborative **evaluation of an OpenG2P pilot in the Philippines** was conducted in partnership with G2Px and the World Bank's Social Protection and Jobs Global Practice.

## Monitoring, Evaluation, and Learning (MEL)

Through the ID4D Initiative, the World Bank provides integrated support to ensure that client countries have the data and research partnerships needed to improve implementation and estimate the impact of their work. This includes helping to design monitoring, evaluation, and learning (MEL) strategies that facilitate effective ID management processes and enable course correction, with a view on **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 2023, the ID4D Initiative continued to work closely with ID agencies in Ethiopia and the Philippines to develop their MEL strategies and workstreams.

- In **Ethiopia**, ID4D supported the government to develop key indicators, performance targets, and dashboards for operational and technical teams to monitor their work and inform policy. With these foundations in place, the government is turning its attention to building strategies for measuring project impacts in the longer term, with support from ID4D to convene researchers and launch a suite of studies in 2024.
- In the **Philippines**, ID4D's engagement was critical for finalizing the PhilSys monitoring and evaluation (M&E) Framework, which includes dashboards and protocols that are used daily by the PhilSys Registry Office (PRO). The PRO's Monitoring and Evaluation Division participated in a series of workshops in 2023 including MEL strategy, data visualization, and time-and-motion studies.

ID4D and its partners also launched new MEL activities for ID and CR agencies in **Cameroon**, **Mozambique**, **Nigeria**, and **Morocco**, which will continue in 2024.



## Guidance and Tools

ID4D is continually building and improving a set of guidance tools and resources to disseminate new knowledge and good practices on technical issues, including:

- Practitioner's Guide, Notes, and Technical Papers
- Evidence Notes

- Case Studies
- Assessment Tools

These resources help scale research and technical assistance more quickly and ensure that the impact of the initiative's work is accessible beyond those countries in which the World Bank is directly engaged.

## UPCOMING PUBLICATIONS:

### 01 Options for Digital Authentication

This paper analyzes potential options for digital authentication in official ID systems, including smart cards, 2D barcodes, mobile ID, and verifiable credentials/wallets. It provides an overview of each technology and analyzes relative strengths and weaknesses across various dimensions relevant for developing countries and a variety of contexts.



### 02 Institutional Arrangements for ID Practitioner's Note

This practitioner's note summarizes various governance questions and potential institutional arrangements for ID systems, including the institutional home, agency independence, oversight, and staffing considerations

### 03 Use Case Tool

The objective of this tool is to provide a framework for practitioners to design impactful use cases for ID systems through stakeholder consultation and analysis of potential benefits and risks.



# ID4D | Spotlight #1

## New Data on ID Systems and Who Has Digital ID

Taking stock of the current global ID landscape is essential for designing more inclusive, useful, and innovative ID and CR services, fit for the digital age. In 2023, ID4D completed two papers that make significant contributions to this emerging field:

1. ***Digital Identification Progress and Gaps*** presents the first global data on the digital maturity and capabilities of ID systems across 198 countries.
2. ***Trends in Identification for Development*** builds a deeper picture of the state of ID today by measuring multiple facets of foundational ID systems across 175 countries—from institutional arrangements, to eligibility, to the use of different technologies for ID credentials.

**These two volumes complete the latest iteration of the ID4D Global Dataset.** The first volume—

***Global ID Coverage Estimates***—found that 850 million people globally do not have official proof of identity. This 2022 estimate was an update to the global coverage estimates that ID4D has produced regularly since 2016, with updated data sources and methodology, including new metrics on ID ownership from the ID4D-Findex survey.

**They also broaden the scope of the Dataset to provide information not just on who has an ID, but what can (and cannot) be done with the ID they have.** For ID practitioners, this research offers evidence to contextualize their policy decisions. For other identity stakeholders, it offers a repository of information and the first sketch of global trends.

This spotlight shares key findings from both papers. For the full results and downloadable data, visit: <https://id4d.worldbank.org/global-dataset>.



## Measuring Digital ID Coverage

The application of digital technologies in the context of identification is frequently referred to as “digital ID”—yet this broad term obscures significant variation. ID4D’s research unpacks this concept by focusing on the outcomes that can be achieved with the digitalization of government-recognized ID.

Data was collected in 198 countries on the following three dimensions, to paint a global picture of digital ID capabilities:

- **Digital data:** Identity records are stored in a digital format, rather than as paper records or ledgers.
- **Digital verification:** Identities and/or identity information (e.g., name, date of birth, etc.) can be verified or authenticated using digital—rather than manual—means for in-person transactions.
- **Online digital identity:** Digital credentials provide the ability to securely authenticate identities remotely for online services and transactions.

Relying on a mix of data provided by ID authorities through an ID4D Questionnaire, the World Development Report’s (WDR) Global Data Regulation Survey, and desk research, this analysis shows that:

### Digital Data

As of mid-2022, **more than 90 percent of countries had foundational ID systems underpinned by digital records.** However, while digital data is the norm, more than 375 million people are estimated to still live in countries where identity records are predominantly paper-based. Even where digital databases have been introduced in recent years, a large share of past civil registration and identification records remain in non-electronic format, making it difficult to verify or reissue IDs in case of loss or theft.

## Digital Verification

**Two-thirds of countries globally** have foundational ID systems that **support some form of digital identity verification and/or authentication for in-person services and transactions.** The number of ID systems that offer digital identity verification or authentication services is rising rapidly, although their availability in low- and lower-middle income countries remains limited. The functionality, availability, and use of these digital capabilities—along with the levels of assurance and data protection safeguards they provide—vary substantially.

However, limited data availability across countries makes it difficult to measure how well and consistently digital verification and authentication services meet the needs of people and service providers. This is a gap that ID4D is actively tackling by helping to improve countries’ MEL capacity and through continued investments in primary data collection.

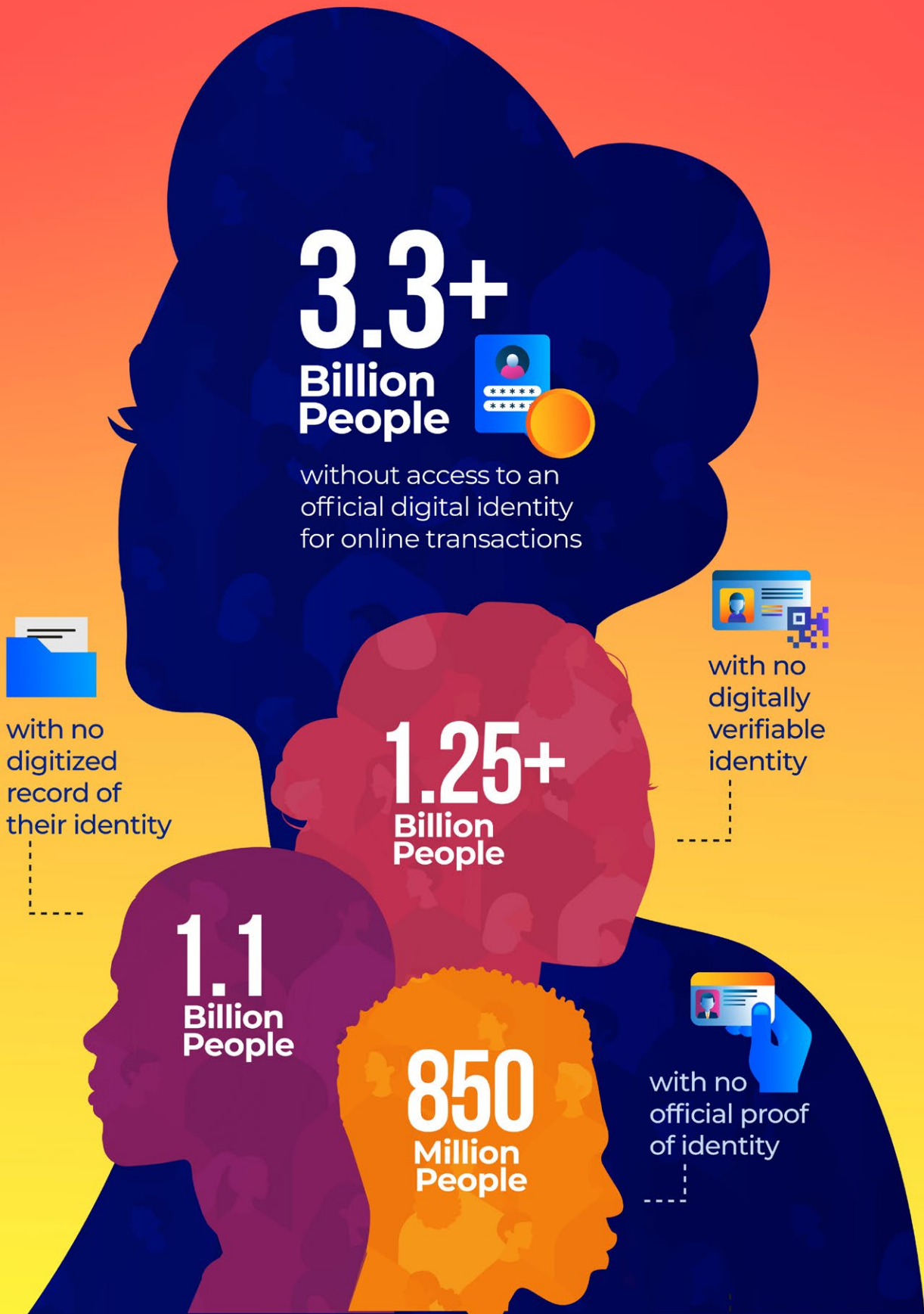
### Online Digital Identity

**In close to 40 percent of countries,** people can obtain at least one government-recognized digital identity credential—issued by a foundational ID system or via other federated or decentralized ecosystems—that allows for **remote authentication to access online services and transactions.**

Countries with such digital identity solutions are predominantly higher income. Even in countries where a digital identity solution is available, their use varies significantly, from very high uptake in Scandinavian countries and Estonia, to far fewer users per capita in much of Latin America, Central Asia, and some European countries like Germany.

**This leaves at least 3.3 billion people globally without reliable tools to prove who they are when accessing government or private sector services online that require higher levels of authentication.**

FIGURE 3. Estimated Number of People without Official and Digital ID.



Source: Metz, A., Casher, C., and Clark, J. 2024. ID4D Global Dataset Volume 2: Digital Identification: Progress and Gaps. Washington, DC: World Bank.



## Taking Stock of ID Systems

To analyze global trends in ID systems beyond digitalization, data was collected across 110 variables for 175 countries<sup>2</sup> by surveying ID authorities directly and completing a comprehensive review of publicly available official materials.

Data was collected on the foundational ID system of each country and the primary credential issued by that system, excluding 23 countries without a foundational ID system.

The dataset spans the identity lifecycle,<sup>3</sup> including data on:

- **eligibility** and **registration processes**
- **credentials issued**

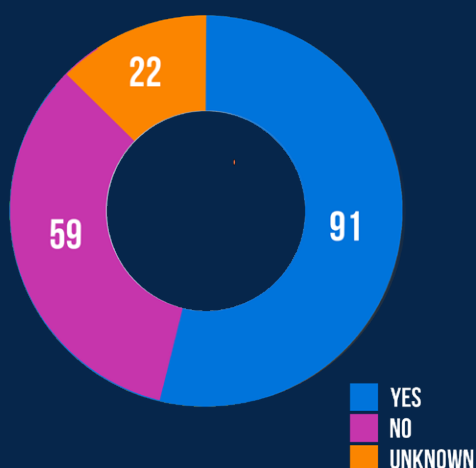
- **use** of the ID systems and credentials
- and their **institutional home**

These variables are visualized and discussed in detail in the accompanying paper, including findings on key questions such as:

- Are non-nationals eligible to register for the primary ID system? (Figure 4)
- How many countries collect biometric data (Figure 5) and what kinds do they collect?
- Does the primary ID credential have data storage features? What kind? (Figure 6)
- Are ID and CR systems managed by the same entity?
- ...and more.

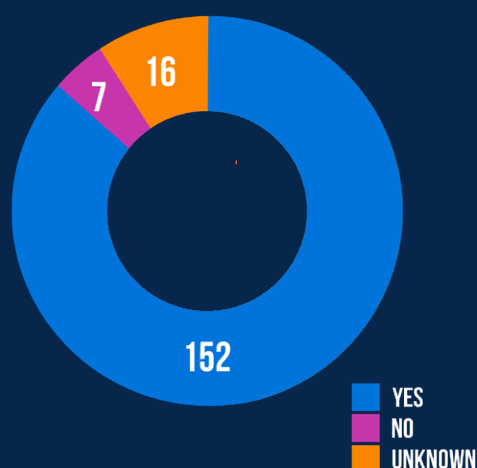
**FIGURE 4. Registration of Non-Nationals in Foundational ID Systems.**

### NON-NATIONALS ELIGIBLE TO REGISTER



**FIGURE 5. Collection of Biometric Data in Foundational ID Systems.**

### BIOMETRIC DATA COLLECTED

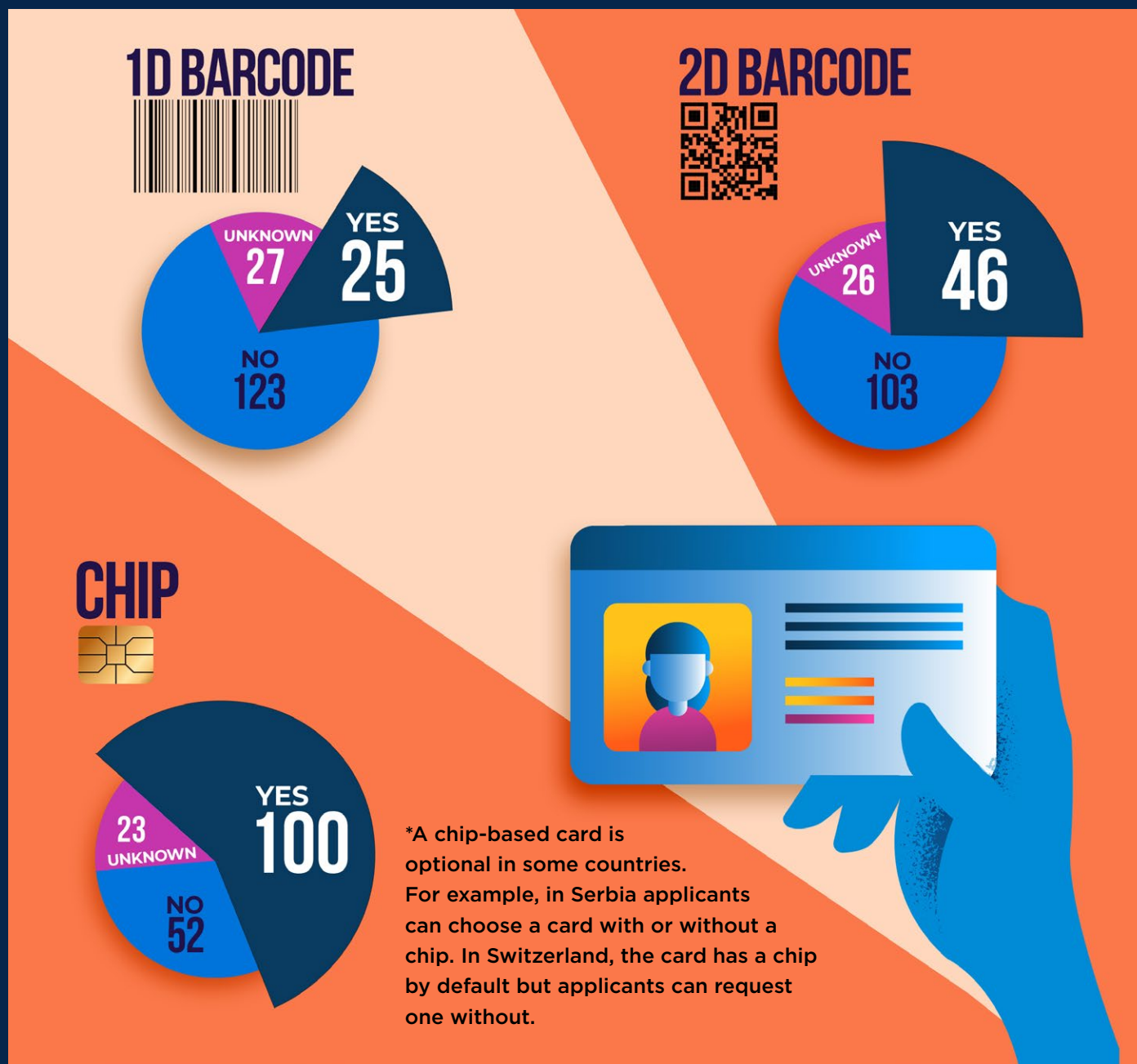


Source: Casher, C., Metz, A., and Clark, J. 2024 (forthcoming). ID4D Global Dataset Volume 3: Trends in Identification for Development. Washington, DC: World Bank.

<sup>2</sup> There are 175 countries with a foundational system that provides general-purpose credentials to the population, such as a national ID, civil registration, or population registry system.

<sup>3</sup> World Bank. 2019. ID4D Practitioner's Guide. Identification for Development. Washington, D.C.: World Bank Group. <http://documents.worldbank.org/curated/en/248371559325561562/ID4D-Practitioner-s-Guide>

FIGURE 6. Data Storage features across ID credentials globally



Source: Casher, C., Metz, A., and Clark, J. 2024 (forthcoming). ID4D Global Dataset Volume 3: Trends in Identification for Development. Washington, DC: World Bank.

To access the ID4D Global Dataset and read the full report, visit <https://id4d.worldbank.org/global-dataset>.

# ID4D | Spotlight #2

## Expected Benefits of Digital ID for Transactions in the Philippines: A Time and Motion Study

Building user-centric ID systems requires the ability to identify and mitigate friction points for people and service providers. Having concrete data on the time and cost of paper-based identity verification across a variety of sectors is also indispensable for determining how and where new digital forms of ID can add the most value.

To meet these demands, ID4D added a new methodology to its research portfolio in 2023: the **Time and Motion Study (TMS)**. Originally developed for industrial manufacturing, a TMS allows researchers to:

- **Quantify the time and cost** to complete a specific process in a sample of locations (e.g., opening a bank account), through detailed business process mapping and repeated direct observations of this process in the field.

- **Model expected savings** for people and service providers if this process were changed (e.g., replacing paper-based identity verification with digital verification).
- **Estimate actual savings** at the process level by observing the process at the sampled locations before and after a change.

ID4D conducted its first TMS in the **Philippines**, where detailed study results are being used to inform policy decisions on high-priority use cases and fiscal impacts. In 2024, a toolkit is planned to deploy TMS' more rapidly in other contexts. This will empower more countries with evidence-based data on priority reforms and sectors where digital identity verification and other functions of DPI can provide benefits for people and service providers.





## TMS for Digital Identity Verification in the Philippines

More than 80 million Filipinos have registered in the new Philippines Identification System (PhilSys), and many have already received their PhilID and PhilSys Number (PSN). While the Philippine Statistics Authority (PSA) continues to work towards universal coverage of the PhilSys, they are also turning their focus to integrating digital identity verification services into use cases that can improve the lives of Filipinos and make government agencies and businesses more efficient and innovative.

To this end, PSA partnered with ID4D to conduct a TMS to explore how and where PhilSys can be used to improve service delivery and reduce operational costs. Three sectors were chosen based on both their significant potential impact for end users and the relative maturity of their PhilSys integration plans:

- Financial services
- Social protection

- Local government

For each sector, partners were identified (banks, municipal offices, and social welfare programs). In collaboration with these partners, processes to study in the TMS were identified (summarized in Table 1).

Following **baseline data collection**, PSA and the service providers **co-created options for new identity-related processes** to eliminate inefficiencies. Across each process, this included the following, among other improvements:

- Using PhilSys to authenticate the customer's identity, replacing manual identity verification processes.
- Automatic population of forms with the customer's basic demographic information using the PhilSys e-KYC service and after obtaining the person's consent.

The full study results, including detailed findings for all eleven processes studied, will be made available in a future ID4D report. Some key findings from three of these processes are summarized below.

**Table 1. Services and Processes Selected for PhilSys Time and Motion Study**

Sector	Service Provider & Location	Processes
Financial	Commercial Bank: <b>Branch in Metro Manila</b>	<ul style="list-style-type: none"> <li>• In-Branch Savings Account Opening</li> <li>• Digital Account Opening</li> </ul>
	Commercial Bank: <b>Branch in rural area</b>	<ul style="list-style-type: none"> <li>• In-Branch Savings Account Opening</li> <li>• Cash Agent Account Opening</li> </ul>
Local Government	Municipality Office: <b>Rural area</b>	<ul style="list-style-type: none"> <li>• Application and Issuance of New Business Permit</li> <li>• Application for Marriage License Process</li> <li>• Non-Marital Child or Children to Use the Surname of the Father Process</li> </ul>
	Municipality Office: <b>Urban area, near Metro Manila</b>	<ul style="list-style-type: none"> <li>• Application and Issuance of New Business Permit</li> <li>• Rice Subsidy</li> </ul>
Social Protection	Program for one-time financial assistance in crisis situations: <b>Metro Manila Branch</b>	<ul style="list-style-type: none"> <li>• Application &amp; Payment Process</li> </ul>
	Conditional Cash Transfer Program: <b>Rural area</b>	<ul style="list-style-type: none"> <li>• Community Assembly Validation Process</li> </ul>

Note: The specific service providers have been anonymized. Source: PhilSys Time and Motion (TMS) Study, forthcoming.

## Results Preview

Based on modeling of the proposed new processes, PhilSys is expected to **reduce the time it takes for Filipinos to complete common procedures** in the public and private sector. Estimated potential time reductions are between **30–81%**, depending on the service and location. These time savings have the potential to translate into cost savings of up to **91%** for service providers and up to **97%** for clients or beneficiaries in these locations.

One **important limitation** of a TMS is that these are “small n” studies that cannot be generalized across the sector or country, **since observations are only indicative of a specific process in a specific location**. They also only assess potential benefits based on current and anticipated processes, rather

than observed improvements. However, they provide indicative data on potentially impactful use of PhilSys across the Philippines for government planning and as a basis for future impact evaluations to estimate the observed average effects of digital identity verification.

### 01 Local Government: Obtaining a New Business Permit

Customers seeking a new business permit at an urban municipality office near Metro Manila must currently **visit multiple offices** within the building to secure all the documents required, often queuing at each one. Each office requests and records almost the **same data for each client**, and customers must **photocopy the same documents several times** (see Figure 7).

FIGURE 7. Current Process for Registered a Business in one Urban Municipality.



Photo Source: Emil Fernandez, Technopoly.

At this municipality, PhilSys digital ID verification and consented data sharing could:

- Reduce the total experience time for the customer from an average of **80 minutes** to around **15 minutes**—a potential **80% improvement**.
- Reduce the estimated cost per transaction by **57%** for the municipality and **65%** for the customer.
- Improve the quality of the data collected by **reducing data-entry errors**.
- Improve the customer experience by **removing redundant steps** and improving process clarity.

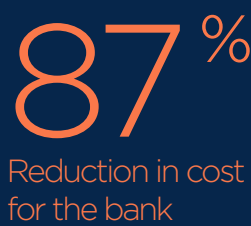


02 Financial Sector:  
Opening a Bank Account

Currently, **customers face redundancies** when opening a deposit account at the commercial bank in question. Identity information is entered **manually onto paper forms**, and then the data is transferred to a digital format by bank staff. Physical IDs are photocopied multiple times, and customers are required to physically sign **six different documents**. In addition, the transaction is recorded manually in two different **physical logbooks**.

At this bank, PhilSys digital ID verification and consented data sharing could:

- Reduce the total experience time for the customer from an average of **29 minutes** to an estimated **11 minutes**—a potential 62% improvement.
- Reduce the cost per transaction by **87%** for the bank and **37.5%** for the customer.
- Reduce transcription errors** that occur when using manual forms—costly to correct for both customers and the bank.



## 03 Social Protection:

### Applying for Special Assistance During a Crisis

The program in question issues financial assistance to individuals experiencing unexpected crises like illness or a death, as a social safety net to support recovery. However, obtaining this benefit involves an **in-person application** and assessment process which, according to baseline data, takes around **4.25 days for a recipient to complete**. Through this process, recipients' documents are **manually checked six times**.

In this case, two versions of integrating PhilSys ID verification into the process were envisioned: (1) a fully online version, (2) a hybrid version.

### At this social assistance provider, PhilSys digital ID and consented data sharing verification could:

Reduce the total experience time for the customer **from over 4 days to just over 1 day** (online) or just over 2 days (hybrid)—a potential 79% or 56% improvement.

79% or 56%

Reduction in  
customer time  
(online)

Reduction in  
customer time  
(online)

Reduce the cost per transaction for the social protection agency by **91% (online)** and by **76% (hybrid)**.

91%

Reduction in  
provider cost  
(online)

76%

Reduction in  
provider cost  
(online)

Reduce associated costs for the customer by **97% (online)** or **80% (hybrid)**.

80% 97%

Reduction in  
customer cost  
(online)

Reduction in  
customer cost  
(online)

Eliminate discrepancies in record keeping caused by data entry errors and improve the standardization of assessments. Creating a fully online version of the process, complete with digital payment, would also make **payment record keeping easier**.



# ID4D | Spotlight #3

## Catalyzing New Impact Evaluations on Access to Credit in India

*Can Digital Public Infrastructure (DPI) help alleviate barriers to credit access for lower income individuals and MSMEs? If so, what are the mechanisms, and what would be the best way to implement them? ID4D's collaborative DEPA.Lab will provide insights from India's journey over the coming years and help other countries plan and implement the right data sharing solutions.*

Limited access to credit has far-reaching consequences, including:

- hindering opportunities for individuals and businesses
- increasing inequality
- reducing consumer spending and welfare
- increasing vulnerability to economic shocks, especially for low-income individuals

More importantly, the absence of credit may force reliance on informal and expensive alternatives, locking people in a cycle of debt and further limiting access to mainstream financial services.

### DEPA: A Data Sharing Component of DPI

India's multi-layered DPI enables digital identification, payments, electronic signatures, and digital document storage, among other services. The most recent layer, the Data and Empowerment and Protection Architecture (DEPA), enables user-centric data exchange with third parties. Account Aggregators (AAs) are the first implementation of DEPA in the financial sector and allow customers to seamlessly provide financial and credit history information financial service providers when applying for new services, such as loans or insurance.



Photo Source: Shutterstock Inc. - Stockpexel

The introduction of AAs holds the potential to ease the credit process and improve access to credit. However, rigorous evaluation is essential to provide nuanced insights into these dynamics, building systemic evidence around:

- How AAs impact access to credit for individuals and firms, and through which mechanisms.
- How to implement data sharing systems more effectively, including identifying and mitigating any unintended consequences.

## DEPA.Lab: Catalyzing New Research on DPI in India

To catalyze this important research agenda, the ID4D Initiative supported a World Bank collaboration—including Digital Development, Finance, Competitiveness, Innovation, and the Development Impact Evaluation Group (DIME)—to launch a DEPA-focused research lab (DEPA.Lab) in partnership with the Center for Digital Public Infrastructure (CDPI) and Sahamati (a non-profit collective of AA ecosystem members). A kick-off workshop in August convened researchers, policymakers, and market players to develop a common knowledge agenda around the AA implementation and begin forming research partnerships.

The workshop was opened by Dr. V. Anantha Nageswaran, India's Chief Economic Advisor, and Auguste Tano Kouamé (World Bank Country Director for India), both of whom noted the importance of building research into AA implementation to avoid missing a critical window for rigorous learning, and the opportunity for initiatives like DEPA.Lab to overcome some of the challenges often faced by policy researchers. Building on successful conversations over two days, the World Bank and CDPI teams have worked to facilitate partnerships between researchers, market

players, and policymakers, with the goal of building a lasting research community for India's DPI.

## Developing Research Ideas

**DEPA.Lab has already led to plans for multiple exciting research projects and plans, including:**

- A research team from Harvard University, University of Virginia, and DIME are investigating the **impact of AAs on the economic lives of individuals**, focusing on access to credit, employment, entrepreneurship, and overall income and welfare. They are also working on a study looking at the **impact on the financial system**, specifically bank competition, non-bank lending, and financial access, as AAs get used more widely.
- Researchers from CAFRAL are focusing on the heterogeneous impact of AAs on credit access with an emphasis on **gender, caste, socio-economic status, and geography**.
- Researchers from Ashoka University are studying the impact of AAs on **firms' financial behavior**, specifically on access to credit, recovery rates, and formalization.
- A research team from Dartmouth College and Oxford University are investigating the impact of providing rich information on the financial service providers, and their **credit decision processes and overall credit supply**.

In addition to incubating and accelerating these research efforts over the coming years, ID4D will organize a series of research workshops and briefs to share the valuable insights and policy lessons learned from India's experience. In 2024, ID4D and partners will work with World Bank country clients to support the development of additional DPI-focused research communities.

# G2Px | Priorities and Activities

The G2Px Initiative has continued to identify effective approaches to digitizing G2P payments that can contribute to long-term development outcomes. Digitization has the potential to add value beyond program-specific efficiency gains and increased recipient convenience, by advancing broader financial inclusion, empowering women, creating government-wide fiscal savings, and stimulating private sector development. This is particularly true when payments are made into fully functional accounts, recipients have choice, and shared infrastructure is used.

However, not all recipients will benefit equally from receiving government payments digitally. Some could even be excluded if the approach is not designed for them. In a modern G2P architecture, it is essential to design every building block and its implementation with different population segments' needs, preferences, and barriers in mind. G2Px's analytics provide tools that allow policymakers to implement G2P payment delivery in a people-centric manner.

To support countries in their journey towards a recipient centric modern G2P architecture,<sup>4</sup> the G2Px knowledge agenda seeks to answer two big questions:

1. **Implementation:** How can we design and implement digital G2P payments that accelerate financial inclusion and create pathways to women's empowerment, while enabling adaptive and efficient government-wide systems?

2. **Impact:** How does the design and implementation of digital G2P payments impact people, governments, and the private sector?

In this context, G2Px works to:

- Take stock of existing evidence and good practices on digital delivery of G2P payments
- Build new evidence through data collection and research
- Document and share good practices across the main pillars of a modern G2P architecture framework, namely infrastructure, product and market design, and inclusion and empowerment

## Mapping Evidence on Digital G2P

The G2Px Initiative has worked to advance our knowledge of digital G2P payments including understanding country's current strategies and identifying good practice approaches.

In this context, G2Px created an **evidence map** encompassing over 100 case studies and academic papers to identify the existing evidence of the impact of digitalizing G2P payments on recipients' convenience, financial inclusion, and empowerment, as well as government efficiency gains and overall market development benefits.

This literature review showed strong evidence of **increased convenience and financial access for recipients**, as well as promising pathways to strengthen **women's economic empowerment**. It also revealed **lower leakages** with digital payments

<sup>4</sup> A G2P architecture encompasses all systems, infrastructure, regulations, policies, and design choices that enable and characterize the end-to-end delivery of G2P payments.



as well as evidence of efficiency and adaptiveness gains for the government. However, the evidence on digital G2P payments specifically needs to be deepened and further research is needed to understand the specific design choices that can impact reaching the desired outcomes.

## Primary Research and Data Collection

The G2Px Initiative has continued to advance data collection at the global and country-level. This includes deepening its collaboration with the Atlas of Social Protection Indicators of Resilience and Equity (ASPIRE), to actively collect **administrative data on payment methods used and the gender of recipients** across social protection programs globally. G2Px has also supported the collection of quantitative, qualitative, and geospatial data across more than ten countries this year to contribute to their Monitoring, Evaluation, and Learning (MEL) efforts that can contribute to modernizing G2P payments with recipients at the center.

The Initiative has also scaled in-depth research at the country level to support policy decisions and build evidence and share lessons on good practices. For example, with G2Px support, the World Bank conducted an evaluation of **Chile's** Bolsillo Familiar Electrónico (BFE) social assistance program, assessing its innovative design for digital payments to encourage active use of accounts by recipients. By assessing the benefits of payment mechanisms that are designed with promoting active account usage in mind, albeit in a well-developed digital financial ecosystem, the evaluation motivates other stakeholders to consider similar strategies,

driving advancements in G2P payments aimed at empowering vulnerable populations worldwide.

## Documenting Good Practices

Customer choice in G2P payments empowers recipients to select their service provider and has also been shown to enhance agency and drive financial inclusion. For G2P programs to move toward customer choice, a one-size-fits-all approach will not work. A spectrum of approaches exists, and practitioners must tailor their engagement of financial service providers to meet program needs and local context. A G2Px deck, titled ***Engaging Financial Services Providers in G2P Choice***, aids program implementers by guiding them in engaging, selecting, contracting, incentivizing, and managing providers effectively to serve recipients and meet program objectives (See Spotlight 6).

In 2023, G2Px also published a series of case studies and reports documenting how digital technology can increase efficiency and responsiveness of G2P payment delivery but require intentional efforts to maximize inclusion. This includes publications on ***Innovations in Social Assistance Programs in Data Scarce Environments: Use of Non-Traditional Approaches and Novel Data Sources During COVID and Beyond***, focused on the use of non-traditional data such as geospatial data, call detail records, and machine learning, can help countries better adapt to shocks; and on ***Delivering Digital G2P Payments to Urban Informal Populations***, exploring how digital G2P payments may be most feasible and efficient among urban informal populations, but still carry some exclusion risks. The findings from both reports are summarized in more detail in Spotlight 6.

# G2Px | Spotlight #4

## Lessons in Adapting G2P Payments to Changing Landscapes

As the adaptation of Government-to-Person (G2P) payments has accelerated rapidly over the past 5 years to address evolving crises, critical lessons have emerged from two key fronts:

1. **The utilization of novel data sources**, such as satellite imagery and mobile data, was instrumental during crises like COVID-19, enabling countries like **Togo** and the **Democratic Republic of Congo** (DRC) to extend social assistance to new recipients. While these data-driven approaches showcased promise, variations in their effectiveness highlighted challenges, including accuracy concerns and digital exclusion.
2. **The implementation of digital G2P payments in urban informal settings** in countries such as **Mozambique**, **Togo** and **Nigeria** revealed potential benefits, leveraging higher digital connectivity and mobile ownership. Yet, the advantages in urban areas also unearthed exclusion risks for those lacking digital access,

requiring inclusive policies for equitable coverage.

G2Px, in collaboration with the World Bank's Social Protection and Jobs Global Practice, documented lessons learned in:

- Adopting new forms of data to expand social assistance programs in data scarce and crises situations.
- Adapting digital G2P payments for the urban population working in the informal sector who have not been typically targeted by social assistance programs.

Together, these reports and case studies underscore the **necessity of adaptable strategies, the value of technological innovation**, and lessons from **inclusive approaches** to navigate the dynamic landscapes of social assistance and financial inclusion, while emphasizing the need for continued exploration and refinement in this evolving field. For the full text, visit the G2Px website.

*When a crisis hits, ensuring that social assistance targets and reaches those most in need is core to emergency response and building resilience.*



Photo Source: Shutterstock Inc. - Wazzkii

## Leveraging New Forms of Data

In crisis situations, support often needs to be **extended to a larger population**, including those not typically served by core social assistance programs. Enrolling and delivering payments to new recipients can be a significant challenge in countries that lack the enabling infrastructure and traditional data like socio-economic household surveys. In such contexts, nontraditional approaches using novel or “newer” data sources—such as satellite imagery and mobile data—can help identify and reach populations that may need assistance. The recently published series of case studies on **Togo** and **DRC** and an umbrella paper document lessons learned and key considerations for using such data for social assistance payment delivery.

**There is wide variation in how new data sources are used across countries.** Satellite imagery was used to create poverty maps and identify geographical locations that were more likely to have people in need. The scope of mobile data, however, primarily depended on the needs of the program. **DRC’s** STEP-KIN only used simple criteria based on mobile data to determine eligibility for the program. In contrast, Togo’s Novissi Model 2 harnessed machine learning based on mobile and satellite data to prioritize poorest areas and individuals, exhibiting a more sophisticated targeting mechanism.<sup>5</sup>

**While there is variation in how new data is used, some practical requirements to adopt a non-traditional approach to targeting those in need are:**

- Political commitment
- Strong mobile phone penetration in the country if mobile data is to be relied upon
- Good partnerships with mobile network operators

**During COVID-19, the use of new data resulted in several positive outcomes:**

1. It allowed countries like **Togo** and **DRC**, without social registries and little to no information on desired beneficiaries, to set-up emergency cash transfer programs.
2. It reduced the relative administrative costs associated with crisis response.
3. It allowed for faster delivery of assistance through cash transfer payments compared to traditional methods of targeting beneficiaries. The programs in DRC and Togo, for example, took only half of the time compared to the design and deployment of a traditional Proxy Means Test (PMT)-based social assistance program.

**They also highlighted several limitations and contradictions:**

- A fully digital approach may contribute to digital exclusion; mobile data can only cover those with a mobile phone.
- Machine Learning models that use new data depend on the availability of quality ground-truth data, which may not be available in the low-data contexts where such approaches could be most useful.
- While using new data for targeting allows for quick response, it appears to have lower accuracy than proxy means tests.
- Typical targeting accuracy simulations are generally conducted with data collected during non-crisis periods but a crisis may itself change both the outcome and model parameters.
- Mobile phone data is based on SIM cards, which may be used by one or multiple individuals and even multiple households and for both business and personal purposes—all of which can make it difficult to measure economic well-being at either the individual and household level.

<sup>5</sup> This report focuses on Novissi Model 2 which included targeting innovations (ML and AI) to expand coverage to rural areas, instead of Model 1 which was purely based on categorical targeting using admin data sources and was implemented in urban areas.

Overall, more evidence on the impact of using new forms of data across different country contexts is needed. For example, a data-driven comparison between new versus traditional targeting approaches on implementation efficiency and impact on beneficiaries will be key to scale up. Exploring how such approaches can continue to bolster timely response and ensure inclusion will be integral to informing how countries can tackle and prepare for the myriad challenges the world is currently facing.

## Serving Urban Informal Workers through Digital G2P

**The COVID-19 pandemic exacerbated the vulnerability of marginalized groups**, especially those in urban areas and for those dependent on the informal economy. With limited or no social assistance coverage, these households and businesses faced income losses due to lockdowns and pandemic-related effects.

**The urgency of extending social assistance to all vulnerable populations during a crisis prompts governments to modify the design of their social protection programs.** A recently published report<sup>6</sup> and case studies on **Togo**<sup>7</sup> and **Mozambique**<sup>8</sup> and **Nigeria**,<sup>9</sup> explored the unique characteristics of urban informal populations and ecosystems that could impact the feasibility and impact of adopting digital G2P payments in such contexts.

- **Communication technologies are widely available in urban areas compared to rural areas**, which can enhance beneficiary sensitization to boost program participation. Digital infrastructure and connectivity enable launching communication programs digitally.

For instance, authorities in **Nigeria** worked with telecommunications agencies to blast SMS messages to cell phone clients in targeted urban areas, increasing program awareness.

- **The use of digital technologies facilitated reaching urban informal beneficiaries with timely assistance** during the COVID crisis. In **Togo**, thanks to the broad access to mobile phones and connectivity in urban areas, individuals could self-register to the Novissi program through a USSD application. The Novissi platform conducted an automatic screening of applicants, and all beneficiaries received electronic payments through mobile wallets.
- **Mobile money has the potential to promote inclusive digital social protection payments in areas with unequal access to the financial system.** In the majority of Africa's urban regions, connectivity and mobile phone ownership are nearly universal, making mobile money payments a viable channel to reach beneficiaries, especially when banking infrastructure might be more limited within urban slums. In **Mozambique**, a pilot distributed mobile phones and assisted on mobile money account opening (including easing KYC requirements for beneficiaries) reaching over 200,000 beneficiaries (mostly women) with digital payments.

While digital delivery of G2P payments to the urban informal population is more easily implemented and might bring higher benefits than for those living in rural areas, **challenges of exclusion remain** and should be accounted for in the design. Programs need to consider exceptions and inclusive policies to not exclude those living in extreme poverty who lack access to digital connectivity or mobile phones.

6 Ubah, U. T., Mukherjee, A., Webster, B., Cunningham, W., & Marin, G. (2023). Delivering Digital G2P Payments to Urban Informal Populations: Lessons and Future Policy Implications from COVID-19 Responses.

7 Webster, B., Boko, J., & Akogbeto, J. (2023). G2P in Togo: End-to-End Digital G2P for the Urban Informal.

8 Webster, B., Brandon, F. R., & Chimal, S. Z. (2023). G2P in Mozambique: A Gradual Transition.

9 Webster, B., Ubah, U. T., & Pulver, C. (2023). G2P in Nigeria: Piloting Rapid Response for the Urban Informal.



# G2Px | Spotlight #5

## Driving The Use of Digital Payments: Chile's Electronic Family Wallet

**Delivering government-to-person (G2P) payments into an account is only the first step towards accelerating financial inclusion.** In most cases, recipients tend to withdraw social assistance transfers immediately and in-full, limiting their impact on the digital economy and their ability to use other financial services (such as savings and digital payments) that could improve their financial lives. Intentional design to move from access to usage is needed.

Supported through the G2Px Initiative, the World Bank prepared an evaluation of **Chile's delivery of the Bolsillo Familiar Electronico (BFE)** —a social assistance program, that was delivered through an innovative approach that **required the funds to be used strictly through digital payments.** BFE was launched in May 2023 to help vulnerable households in dealing with growing living costs and excessive inflation. The assistance consists of 13,500 pesos (about US\$17) per month per person to beneficiaries of existing social protection programs

and people with disabilities, students, and minors, to supplement food purchases.

The design of BFE leverages **Chile's highly developed digital financial ecosystem** to deliver these cash transfers effectively while also promoting the use of accounts beyond cash-out. By design, all BFE beneficiaries are also recipients of at least one other social assistance program. Most beneficiaries (97%) were already receiving these other cash transfers into a CuentaRUT—a transaction account with Banco Estado that is easily opened with a person's national ID number (RUT) and that has several basic services free of charge.

Unlike other social assistance programs, however, the **BFE payment is received into a “wallet” within the CuentaRUT** that can only be spent through debit card purchases in merchants that sell food and cannot be withdrawn in cash. These **wallets were remotely and automatically opened for beneficiaries of BFE that already had a CuentaRUT**, facilitating the roll-out of the program. In addition, the wallet was free for beneficiaries to open and use.



This design of BFE, which requires funds to be spent digitally, **promoted, by design, the active use of accounts by recipients**. In addition, beneficiaries could continuously check their balance in the application, and they could store and save their balance, enhancing the trust in the wallet. Furthermore, beneficiaries could select if they wanted the funds in the wallet to cover 20% of each of their debit card purchases (acting as a partial subsidy in each transaction) or to cover 100% of each purchase until funds were exhausted.

While the former option represented a learning curve for some beneficiaries, especially the elderly, the evaluation reveals that the **practice of understanding BFE and the use of its designated accounts have contributed to the improvement of financial literacy among recipients**, shaping their attitudes and behavior towards budget planning and savings. The World Bank's evaluation also identified opportunities to simplify the design of the BFE to improve user experience, as well as to enhance communication and financial education efforts for certain beneficiary populations.

While this design did not align with the design principles of providing choice and delivering payments into fully functional transaction accounts—and therefore will not be the best solution in

every country—in the Chilean context it proved to be an effective and innovative approach that gave policymakers the certainty of category-specific expenditure while also embracing digital delivery benefits. The BFE delivery mechanism also **accrues the general advantages of digital account-based payments**, such as correct identification of recipients, account in the name of the recipient, reliable and timely payments, greater safety, prospects of convenience and time savings compared to cash delivery.

Given the high penetration of accounts (in 2023, 94% of the adult population in Chile had a CuentaRUT) and wide acceptance of electronic payments across merchants in Chile, the assessment found that **96% of recipients were able to successfully use BFE**. This usage was consistent across the country. Furthermore, most transactions were made in small food merchants (minimarkets) which points to **potential positive spillover effects on electronic payment usage**—and acceptance—among small merchants, although further research is required.

The World Bank's evaluation was presented by Chile's Ministry of Finance in congress and the positive findings contributed to the decision to expand the BFE program through April 2024.



# G2Px | Spotlight #6

## Choice: Bringing Financial Services Closer to Recipients

**Designing G2P payments in a people-centric manner means empowering recipients with choice over how they receive these payments.**

Giving recipients choice over their payment service provider (PSP) and payment method has been shown to:

- improve convenience;
- increase agency; and
- strengthen the path to financial inclusion.

However, implementing choice requires several policy and infrastructure decisions, among them how to select, contract, incentivize, and manage PSPs. A new study led by CGAP,<sup>10</sup> in collaboration with G2Px, aims to provide guidance to practitioners and those advising them on how to effectively engage with PSPs. **The study highlights that the conventional approach of selecting a single “best**

**fit” institution to deliver G2P payments may overlook that different recipients could be best served by different institutions, even within the same geography.** Instead, there is a need to shift the paradigm from selecting “the best” to instead establishing a “minimum bar” to ensure that any participating institution meets requirements for providing safe and efficient payments.

This shift not only **enables choice**, but also **promotes competition** and attracts multiple qualified PSPs which can lead to a **better service for recipients**.

However, there is no one-size-fit-all approach in engaging with PSPs to introduce choice. Countries have showcased a wide spectrum of choice design approaches based on their context. **Overall, PSPs must be fairly compensated for the services they provide either directly or indirectly.**

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<sup>10</sup> Cook, William and Dylan Lennox. 2023. “Engaging Financial Services Providers in the Context of G2P Choice.” Reading Deck, Washington, DC: CGAP. <https://www.cgap.org/research/reading-deck/engaging-financial-services-providers-in-context-of-g2p-choice>.



The study provides an overview of various approaches and cost elements to consider. For example:

- Instead of directly compensating PSPs, a program in **Zambia** provided a top-up to social assistance recipients to cover existing cash-out fees in the market. This approach sidestepped contracting challenges with multiple PSPs and eliminated the need for setting complex recipient fee structures commonly used in a contracting environment.

- In **Kenya** in particular, different compensation levels were established across regions to incentivize PSPs to expand into harder to reach and traditionally unserved areas.

Finally, when adopting choice some of the responsibilities that are usually done in-house or outsourced by programs, such as reconciliation or financial training, could shift across stakeholders. The study provides an overview of some of these aspects that might need further policy consideration.

**FIGURE 8. Example of choice design decisions in practice.**

	<div> <div>SOME CHOICE</div> <div>MORE CHOICE</div> </div>				
Design element	Kenya	Sudan*	Zambia	Bangladesh	India
<b>Recipient FSP selection</b>	Tender	Tender	Direct agreement	More open	More open
<b>Ensure service delivery</b>	Contract	Contract	Financial incentives	Payment system**	Payment system**
<b>Disbursement model</b>	Pre-funding	Pre-funding	Pre-funding	Payment system**	Payment system**
<b>Instruments</b>	Transaction (fully functional) accounts	Transaction (fully functional) accounts	Transaction (fully functional) accounts	Transaction (fully functional) accounts	Transaction (fully functional) accounts
<b>FSPs per area</b>	4	10	7	Many	Many
<b>Program management and operational support</b>	Some activities outsourced to recipient FSPs	Some activities outsourced to recipient FSPs	Some activities outsourced to recipient FSPs	Program and payment system**	Program and payment system**

\* Sudan program refers to the choice model implemented with government before collapse of civilian government and more recent humanitarian emergencies.

\*\* In India and Bangladesh, aspects of disbursement and service delivery are managed through national payment systems for disbursement.

Source: Cook, William and Dylan Lennox. 2023. "Engaging Financial Services Providers in the Context of G2P Choice." Reading Deck, Washington, DC: CGAP. <https://www.cgap.org/research/reading-deck/engaging-financial-services-providers-in-context-of-g2p-choice>.

# PILLAR 2: convening



The ID4D and G2Px Initiatives are at the forefront of global discourse and public goods for building inclusive and trusted ID and civil registration systems, and the use of DPI—including ID, data exchange, and digital payments—in the transition to digital transactions such as digital G2P payments. Through the global convening and platforms work stream, ID4D and G2Px support global advocacy and norms building, peer-to-peer knowledge exchanges, the development of public goods, and other mechanisms for the sharing of good practices and guidance.

Through ID4D and G2Px, the World Bank actively engages with a diverse range of partners, including civil society organizations (CSOs), UN agencies, non-profit and research organizations, to coordinate efforts and ensure cooperation and collaboration on shared vision for these agendas. Given the synergy in global advocacy and action—particularly around DPI—the ID4D and G2Px Initiatives frequently come together to organize and implement global convening and knowledge exchange efforts.

## In this Section

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### ID4D and G2Px

#### Priorities and Activities

- Shaping the Digital Public Infrastructure (DPI) Agenda
- Peer-to-Peer Knowledge Exchange
- Deepening Regional Approaches
- Engagement with Civil Society

#### Spotlights

- Spotlight #7: Supporting the G20 to Position DPI as a Global Priority
- Spotlight #8: Peer Exchanges to Build Knowledge, Community, and Good Practice
- Spotlight #9: Digital Public Goods for DPI: MOSIP & G2P Connect Workshop



# ID4D & G2Px | Priorities and Activities

## Shaping the Digital Public Infrastructure (DPI) Agenda

Over the course of 2023, ID4D and G2Px have contributed to strengthening the discourse around Digital Public Infrastructure (DPI) at both the country and global levels, with the overarching aim of ensuring that emerging thinking on the DPI

agenda is anchored in the diverse needs of countries and communities worldwide.

In September 2023, ID4D and G2Px organized the first **Global Workshop on Digital Public Infrastructure** to help practitioners enhance their understanding of issues related to implementation, maintenance, and scaling of safe and inclusive DPI.



*Vyjayanti Desai, ID4D and G2Px Practice Manager*  
Photo Source: Taylor Mickal



*World Bank Directors (left to right): Christine Qiang, Digital Development; Jean Pesme, Finance Competition and Innovation; and Iffath Sharif, Social Protection and Jobs unpack the concept of Digital Public infrastructure. Photo Source: Taylor Mickal*

The Workshop brought together **120 practitioners from over 30 countries**, experts and thought leaders, development partners, and World Bank staff and consultants, to exchange knowledge and experiences on this agenda.

The first two days covered important topics such as:

- Trends in digital ID
- Models for trusted data sharing
- The landscape for digital G2P payments
- Essentials of privacy-and-security-by-design
- ...and more.

The third day provided a dedicated opportunity for government officials and technical experts to exchange knowledge and experiences.



Practitioners from over 30 countries participated in the DPI Workshop. Photo Source: Taylor Mickal



ID4D and G2Px highlight how DPI can benefit individuals, firms, and governments. Photo Source: Taylor Mickal



David Eaves, Associate Professor in Digital Government and Co-Director, Institute for Innovation and Public Purpose (IIPP), University College London at the opening session of the DPI workshop. Photo Source: Taylor Mickal



Pramod Varma, Co-Chair, Centre for Digital Public Infrastructure (CDPI) and former Chief Architect, Aadhaar and India Stack highlighting the role of DPI in driving financial inclusion. Photo Source: Taylor Mickal



At the **World Bank Annual Meetings**, held in October 2023, under the theme of Reshaping Development for a New Era, DPI emerged as a key tool for navigating and building resilience from the host of cascading challenges that countries are grappling with. The ID4D and G2Px Initiatives organized an informal learning session on the sidelines, where leading digital development practitioners outlined some of the conceptual frameworks that reflect current understanding and trends around DPI.

Over the course of 2023, the ID4D and G2Px Initiatives also supported two **G20 working groups** and one **G7 working group** related to DPI, **actively contributing to dialogue, shaping the narrative and direction of the global DPI discourse**. See Spotlight 7 for more.

Finally, ID4D and G2Px facilitated regular knowledge sharing across countries and coordinated efforts to strengthen an inclusive and safe DPI agenda with development partners, UN agencies, civil society, research organizations, and other stakeholders. For example, ID4D participated in the technical work group for the **OECD E-Leaders committee** and provided comments throughout the drafting of the recommendations on the **governance of digital ID**.

## Peer-to-Peer Knowledge Exchange

ID4D and G2Px have continued to leverage their global reach to **promote knowledge** sharing and **foster collaboration** among countries and practitioners, facilitating exchanges through various fora, including one-on-one interactions, virtual webinars and trainings, and study tours.

These exchanges have significant impact through the dissemination of good practices, innovations, and strategies for overcoming challenges. Typically, they cover a diverse range of topics, such as inclusive registration strategies, privacy-by-design approaches, and the interconnections between ID systems, social registries, and social assistance

programs. Key highlights from knowledge exchanges in 2023 can be found in Spotlight 8.

## Deepening Regional Approaches to ID

Regional coordination is essential for ensuring that ID systems and DPI more broadly are able to serve people across borders. In April 2023, the six countries participating in the WURI Program, convened by the **ECOWAS Commission**, adopted a Governance Framework for coordination and cooperation, and agreed to **common data standards to facilitate cross-border interoperability** of foundational ID systems as well as QR code specifications to enable mutual recognition of credentials.

Since September 2022, ID4D has provided technical advice to the **ASEAN Secretariat** as it undertakes various initiatives to promote the development of robust digital ID systems for both individuals and businesses, as well as interoperability between them. As part of this effort, ID4D has provided training to nearly 20 ASEAN Secretariat officials on best practices for digital ID and has assisted in organizing several workshops. These workshops have covered topics such as Unique Business Identity Numbers and good practices for digital IDs for individuals in the ASEAN region.

## Engaging with Civil Society

The ID4D and G2Px Initiatives **actively collaborate** with non-government organizations (NGOs) and civil society organizations (CSOs) at the global level, and **foster engagement** between these organization and World Bank client countries. Continuous engagement with CSOs and NGOs throughout program design and implementation is **critical for identifying and addressing the needs and concerns of people**—particularly marginalized and vulnerable groups—and mitigating potential risks related to



*ID4D-organized session on “Building people-centric, demand-driven DPI” at the ID4Africa Annual General Meeting in Nairobi, Kenya. Photo Source: J. Marskell*

exclusion and privacy. Local organizations are also essential partners in efforts to reach disenfranchised groups and train communities in basic digital skills.

In 2023, ID4D **updated the CSO engagement guide**, refining strategies and frameworks to

enhance collaboration, and facilitated government engagement with CSOs in multiple countries.

In **Ethiopia**, for example, ID4D supported the government in facilitating CSO consultations as a part of their preparation for the scale up of the new digital ID (Fayda) in the country. At the 7th ID4Africa Annual General Meeting in Nairobi, **Kenya**, ID4D also convened a successful workshop with government, CSOs, and partners on “Building people-centric, demand-driven DPI.”

ID4D also participated in various CSO forums, including **RightsCon** hosted by Access Now in Costa Rica. In September 2023, ID4D joined a roundtable discussion hosted by Co-Develop around **safe and inclusive DPI** on the sidelines of the UN General Assembly (UNGA). Other participants included UN Secretary General’s Envoy on Technology and representatives from Amnesty International, UNDP, WFP, and other partners.

In several G2Px countries, the World Bank has supported or facilitated collaboration between NGOs and the government to **build awareness** on digital payments and **strengthen financial and digital literacy**. In **Liberia**, for example, GiveDirectly played a significant role in operationalizing digital payments under the Social Cash Transfer program as well as implementing a joint financial planning intervention for a subset of beneficiary households (see Spotlight 13). G2Px is also developing a design framework to strengthen digital and financial literacy for G2P payment recipients, informed by 150 programs, including many run by NGOs and community-based organizations.

# ID4D & G2Px | Spotlight #7

## Supporting the G20 to Position DPI as a Global Priority

India made digital public infrastructure (DPI) one of the centerpiece topics of its 2023 G20 Presidency. Over the course of the year, the **G20 reached consensus on a description of what DPI is, on principles and policy recommendations, and on the need to scale up financing and technical assistance for developing countries.** These outcomes are notable because they represent the first multilateral agreements on DPI and a shared understanding that will contribute to scaling action to build safe and inclusive DPI.

ID4D and G2Px were part of the World Bank's support, as a knowledge partner, to India's G20 Presidency. This included:

- In the **G20 Digital Economy Working Group**—chaired by the Ministry of Electronics and Information Technology (Meity), the Initiatives provided operational knowledge and expertise on good practices around the design, financing, and implementation of various types of DPI. These contributions informed the final Digital

Economy Ministers' Meeting Outcome, including an endorsed **G20 Framework for Systems of DPI** and support for India's proposal to establish a Global DPI Repository (GDPIR), and the New Delhi Leaders' Declaration. The GDPIR was launched by Prime Minister Narendra Modi at the G20 Virtual Leaders' Summit in November 2023.

- In collaboration with the World Bank's Finance, Competitiveness, and Innovation Global Practice, ID4D and G2Px supported the **Global Partnership for Financial Inclusion (GPFi)**, under the leadership of the Indian Ministry of Finance and Reserve Bank of India, to produce the G20 Policy Recommendations for Advancing Financial Inclusion and Productivity Gains through DPI, which were endorsed by G20 Leaders in September 2023.
- ID4D and G2Px also worked closely with other World Bank teams to support various G20 activities on DPI, such as the **Health, Data,** and **Agriculture** Working Groups, and various seminars and workshops throughout 2023.



*Vijayanti Desai, ID4D/G2Px Practice Manager, is welcomed by Hon. Ashwini Vaishnaw, Minister for Railways, Communications and Electronics & Information Technology, to the G20 Digital Economy Ministers' Meeting in Bangalore, India in August 2023. Photo source: J. Marskell*



# ID4D & G2Px | Spotlight #8

## Peer Exchanges to Build Knowledge, Community, and Good Practice

In 2023, multiple high-impact peer-to-peer exchanges were organized through the ID4D and G2Px Initiatives.

### ID4D

**Indonesia** officials visited **Singapore** in July 2023. The delegation, which comprised of Indonesia's Ministry of Home Affairs (MoHA), Ministry of Administrative and Bureaucracy Reforms (PAN-RB), Ministry of National Development Planning (Bappenas), Central Bank and the Financial Services Authority, met with Singapore's Government Technology Agency, the Immigration and Checkpoints Authority, Monetary Authority of Singapore, and private sector companies. The visit deepened the understanding of key stakeholders in the Government of Indonesia on digital ID and data sharing, including the infrastructure requirements, linkages with **public service portals** and **private sector use cases**, and the importance of **user experience testing**.

ID4D also organized a knowledge exchange visit to the **Republic of Korea** for the Indonesian Ministry of Communications and Informatics (Kominfo), MoHA, PAN-RB, and Bappenas. This visit, which was co-organized by the Korea Digital Development program (KoDi) and financed by the Korea-World Bank Partnership Facility (KWPF), helped to position the development of **DPI with a broader digital transformation paradigm**.

Similarly, as a part of the West Africa Unique Identification for Regional Integration and Inclusion (WURI) program, the Governments of **Benin**, **Burkina Faso**, **Côte d'Ivoire**, **Guinea**, **Niger**, and **Togo** conducted a study tour in the Philippines. During the visit, delegates learned about the experience of the Philippine Identification System (PhilSys) including its technology, operational structure and processes. Discussions centered around the practical aspects of implementing registration processes, **collaboration with local governments and civil society**, and mechanisms for handling **grievances and detecting fraud**.



*Representatives of Indonesia's Ministry of Home Affairs, Ministry of Administrative and Bureaucratic Reforms, Ministry of National Development Planning, Central Bank, and Financial Services Authority visiting Singapore's Government Technology (GovTech) Agency to learn about the SingPass national digital identity and whole-of-government digital transformation. Photo source: J. Marskell*



During the 2023 **ID4Africa** Annual General Meetings in **Nairobi**, the team also facilitated various peer-to-peer exchanges and meetings, including between **Ethiopia**, **India**, **Nigeria**, and **Somalia** on the role of the **private sector in ID registration**; as well as between **Cameroon** and **Rwanda** on the development of Rwanda's civil registration system and its integration with the national ID; and between the delegations of **Mozambique** and **Namibia** on expanding **civil registration coverage** and digitalizing processes and records.

### G2Px

In January 2023, a delegation from the **Honduran** presidency and the Red Solidaria—the agency in charge of the country's conditional cash transfer (CCT) program—met with the Department of Social Prosperity, Ministry of Finance, Department of National Planning, among other key stakeholders in **Colombia**. The visit focused on understanding lessons from Colombia's national and sub-national social assistance programs and the **delivery of payments into fully functional accounts**.

In September 2023, a cross-sectoral delegation from **Philippines** Department of Social Welfare and Development (DSWD), the National Economic Development Authority (NEDA), Philippine Statistical Authority (PSA), and Bangko Sentral ng Pilipinas (BSP, central bank) met with the **Turkish** Ministry of Family and Social Services. The objective of this visit was to learn about Turkiye's integrated social assistance information and targeting systems and identify pathways toward a **dynamic social registry** through interoperable information systems.

In October 2023, government officials from the Ministry of Community Development and Social Services in **Zambia** and the Ministry of Local Government and Rural Development in **Ghana** were invited to share lessons on delivering **G2P payments with choice** to a cross-sectoral group of stakeholders in **Malawi**. This sharing of experiences from other countries in the Africa region was an important part of a workshop in Malawi to inform an action plan to implement choice-based payments under Malawi's flagship Social Cash Transfer program which covers 258,000 households.

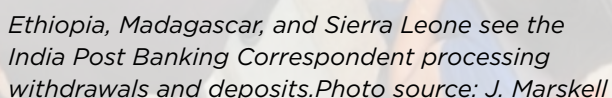


Government of Indonesia delegation visiting the World Bank office in Singapore. Photo source: J. Marskell

## Digital Public Goods for DPI: MOSIP & G2P Connect Workshop

Workshop participants also made site visits to see India's DPI in action and how it has been used to improve lives and livelihoods. This included ID verification for grain distribution, Aadhaar-enabled payments, bank account opening facilitated by an India Post worker and a smartphone (acting as a banking correspondent), and the Unified Payments Interface fast payments at merchant stalls.

For several countries that attended, momentum continued after the workshop. For example, the Philippine Statistics Authority (PSA) and Department of Social Welfare and Development (DSWD) carried out a **pilot of OpenG2P** (one of the DPGs presented at the workshop) for their Assistance to Individuals in Crisis Situation (AICS) program in July 2023.





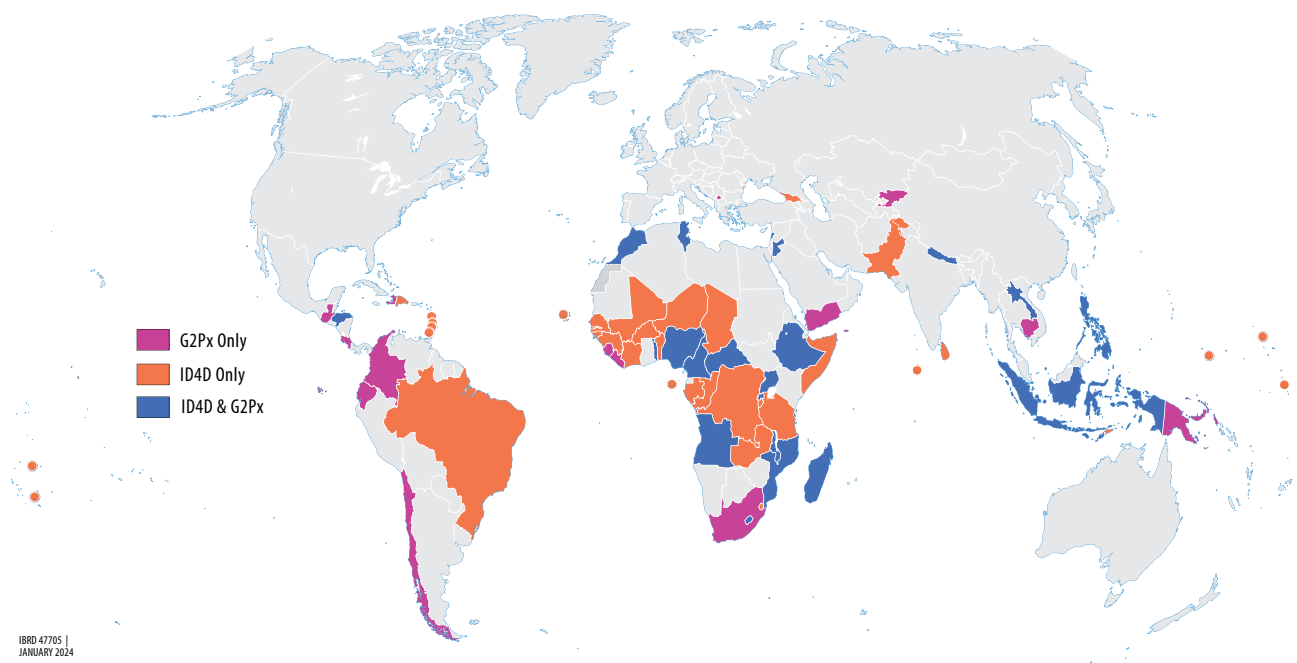
# PILLAR 3: action



The ID4D and G2Px Initiatives provide comprehensive analytical support and technical assistance to client countries, regions, and World Bank project teams working to build inclusive and trusted ID and CR ecosystems and advancing digital G2P payments. This support is tailored to the unique contexts and specific priorities in each country.

This section provides highlights on key activities and impact from 2023. A complete list of country and regional engagement is provided at the end of this Section under “ID4D and G2Px Engagement Around the Globe.”

FIGURE 9. Map of ID4D and G2Px Support



## In this Section

### ID4D

#### Priorities and Activities

- Evaluating the ID Ecosystem
- Promoting Inclusion and Closing the ID Gap
- Fostering Trust and User Empowerment

#### Spotlights

- Spotlight #10. Cameroon: Foundations for Better ID and Digital Payments
- Spotlight #11. Indonesia: Comprehensive Support for Digital Transformation
- Spotlight #12. Nigeria: Data Protection Legal Reform

### G2Px

#### Priorities and Activities

- Implementing Modern G2P Architecture
- Informing Policy and Program Design with Data
- Influencing Beyond G2Px-Specific Activities

#### Spotlights

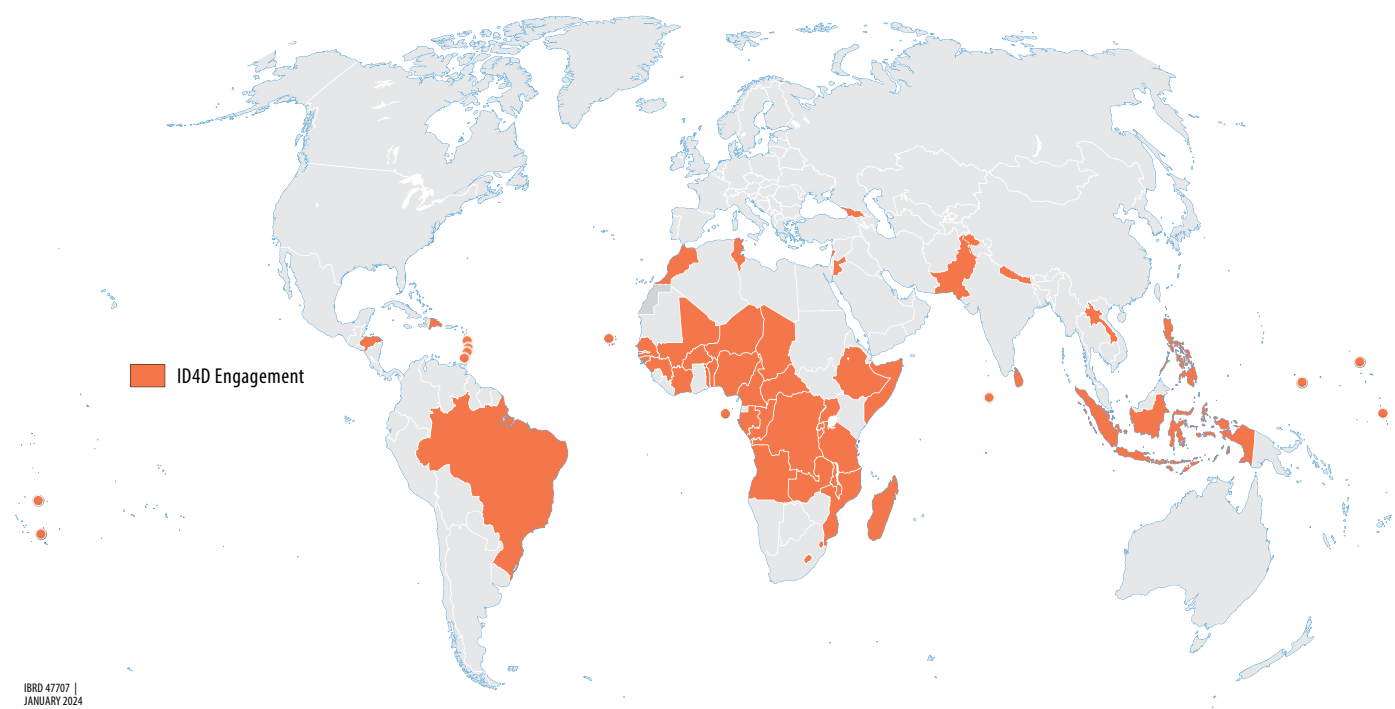
- Spotlight #13. Liberia: Strengthening Women's Economic Empowerment
- Spotlight #14. Delivering G2P Payments in Fragile Countries

# ID4D | Priorities and Activities

**T**hrough ID4D, the World Bank currently supports 58 countries and 4 regional organizations to improve the inclusivity, functionality, and governance of ID and CR systems. This includes technical, legal, and analytical assistance designed to help countries **assess the status quo**; evaluate **key priorities, challenges**; and to **implement good practices** for technical design, procurement, inclusion, data protection, community engagement, and more. These efforts directly support the World Bank’s commitment to invest USD 2 billion—with an additional 400 million in co-financing—in improving ID and CR systems across the world.

This support is guided by the ***Principles on Identification for Sustainable Development***, and aligned with local context and needs. For example, some countries are at earlier stages of establishing foundational ID and CR systems and are focused on providing universal proof of identification to their populations for the first time, allowing individuals to have easier access to various services and government to improve the efficiency of service delivery. In contrast, other countries already have well-established foundational systems and are looking to enhance their functionalities to enable digital identity services for in-person or online transactions.

**FIGURE 10. Map of ID4D Countries**



## Evaluating and Building Strategies for the ID Ecosystem

***The World Bank's support to countries and regions through the ID4D Initiative begins with conducting a comprehensive assessment of the existing identity landscape and legal enabling environment.***

In 2023, the World Bank worked with the Governments of [Cameroon](#), [Columbia](#), [eSwatini](#), [Kiribati](#), [Lebanon](#), and [Sao Tome and Principe](#) to identify technical and policy assets, gaps, and potential opportunities to transform ID and CR ecosystems and legal frameworks through ID4D Diagnostics and ID Enabling Environment Assessments (IDEEAs).

For example, in [Cameroon](#), an ID4D Diagnostic highlighted that for women farmers—who make up 40% of the farming population—a lack of identification hinders their enrollment in farmer support programs, which provide essential resources to enhance resilience to climate shocks. The legal assessment of Cameroon's enabling environment underscored the need to support a critical reform of the legal framework for civil registration to enable the digitalization of processes and documents including birth certificates—which are currently paper-based. Such reforms are a prerequisite for bridging the identification gap, which is pivotal to facilitating access to public services in Cameroon (See Spotlight 10).

***Based on identified needs, the World Bank then supports countries to develop outcomes-based visions and strategies for the ID ecosystem that are rooted in the priorities and needs of multiple-stakeholders—including the public, government, and private-sector service providers—and fit-for-purpose to support high-impact use cases.***

In [Burundi](#), for example, the World Bank provided support for a workshop convened by the Ministry of Interior in September 2023. This workshop provided an opportunity for stakeholders to learn about the *Principles on Identification for Development* and contribute to the **development of a shared vision for the identification system and its role in service delivery**. The workshop brought together 55 representatives from various ministries and other partners to discuss current challenges in identification, help define a shared vision for the future, and identify next steps to improve the governance and legal frameworks for ID and CR.

Through the ID4D Initiative, the World Bank also assisted the National Identification and Registration Authority (NIRA) of [Somalia](#) to develop a **comprehensive implementation strategy for the country's first foundational ID system**. Throughout 2023, ID4D provided guidance on a diverse range of areas central to the ID system's operationalization, from inclusive registration approaches to physical and digital credentials and privacy-by-design features, culminating in a one-week workshop in December 2023 to assist NIRA in refining and finalizing its implementation strategy.

In collaboration with UNICEF, the World Bank supported a pilot in [Guinea](#) to achieve **interoperability between the ID system** supported by the WURI project and other systems, including the national registry for primary and secondary school students.

In the [Philippines](#), ID4D provided guidance to the government in designing the **e-PhilID as a digital alternative to physical IDs**. The purpose of the e-PhilID is to provide a PDF and printable version of the PhilID card, with a digitally signed QR code that can be verified both online and offline, enabling faster access to ID benefits for a larger population. As of December 2023, more than 42 million Filipinos had obtained a e-PhilID, approximately half of all registrants.

## Promoting Inclusion and Closing the ID Gap

*Aligned with the Principles on Identification for Sustainable Development, World Bank financing and technical assistance helps countries ensure that ID and CR systems are inclusive and free from discrimination in policy, practice, and by design.*

For instance, the World Bank has assisted **Ethiopia's** National ID Program (NIDP) to develop inclusive and user-centric policies to ensure that the system adds value for people and leaves no one behind. This includes understanding the barriers people face with the existing Kebele (local) ID system, to ensure they are not replicated in the new system, and continuous testing and feedback around the rollout of the new system. In 2023, ID4D helped NIDP to organize focus group discussions with vulnerable and marginalized groups, as well as civil society organizations, identify potential concerns regarding the new ID system (Fayda), and proactively design mitigation measures.

Similarly, in **Indonesia**, over the course of 2023, ID4D conducted a mixed methods study to analyze **gaps and barriers for vulnerable populations** in accessing population and civil registration. These studies included user testing among low-literacy groups for a **new digital ID application (Identitas Kependudukan Digital, IKD) to enable online transactions**, including pilots for bank account opening and a new government portal (see Spotlight 11 for more).

Across many countries, **refugees, migrants, and internally displaced persons (IDPs) face acute challenges** in obtaining ID in their host communities and recovering lost or damaged documents. In **Jordan**, the World Bank is supporting the

government to improve user adoption of digital ID by expanding eligibility for digital ID to non-Jordanians, including refugees. In **Mozambique**, the government piloted combined civil registration and ID enrollment mobile brigades with a focus on internally displaced people in Cabo Delgado and two other provinces.

**As a result of support such as the above, multiple countries have made substantial progress in 2023 to ensure universal accessibility of new ID systems, including:**

- **Philippines:** 80 million people enrolled (87% of the eligible population) in PhilSys with 60 million IDs issued, 8 million new bank accounts opened (mostly for low-income individuals).
- **Morocco:** 18.5 million registered in the National Population Register, enabling improved delivery of social protection programs.
- **Mozambique:** 59,000+ birth certificates and 42,000+ IDs issued during a pilot of integrated civil registration and ID mobile brigade campaigns in Cabo Delgado and two other pilot provinces.
- **Ethiopia:** 3.5 million registered in a pilot since 2022, with a focus on registering Productive Safety Net Program (PSNP) beneficiaries.
- **Benin:** 12.4 million people (98.7% of the population) have been registered in the new ID system—including 1.3 million with the support of the WURI project—half of whom are women; 5.3 million credentials have been delivered.
- **Indonesia:** 6.8 million downloads of the pilot digital ID app; the number of relying parties increased 5 times between 2018 and 2023.

These projects are ongoing, with expected scale-up in 2024 and 2025.



## Fostering Trust and User Empowerment

*ID4D also helps countries build and maintain ID and CR systems that are trusted, through various forms of technical assistance, including advisory on data protection, cybersecurity, and other institutional safeguards.*

In **Jordan**, World Bank support is helping increase digital ID adoption while introducing **new features to improve trust, interoperability, security, and user centricity**, such as privacy by design, data minimization, data audit logging, collection of user consent for data sharing, and implementation of standards-based, digitally verifiable credentials as

a data sharing mechanism. The addition of these user-empowering and trust-enhancing features to Jordan's DPI stack—as well as their effective integration into digitalized service delivery—are key prerequisites to a sustainable and scalable digital transformation of service delivery.

In **Lebanon**, ID4D provided essential guidance and technical assistance for the successful implementation of **e-signatures**. This involved aiding the government in aligning regulations with international best practices to ensure the effective deployment of e-signatures, both within the financial sector and for official electronic documents. The objective is to establish a robust trust framework, **enhancing the reliability and security of electronic transactions** and official documentation (including civil registration documents).



*A user of Indonesia's pilot digital identity application, Identitas Kependudukan Digital (IKD) application.  
Photo source: J. Marskell*

Through project financing and ID4D-enabled technical assistance, the World Bank has also facilitated the implementation of important legal reforms in dozens of countries, including ID and CR enabling laws and safeguards related to data protection. In **Central African Republic (CAR)**, for example, the World Bank advised on draft data protection legislation (anticipated to be adopted in 2024), aligned with international best practices as part of its engagement to support digital transformation across the ID and CR ecosystem.

**In 2023, multiple landmark laws were enacted:**

- **Nigeria:** General Data Protection Law adopted in June 2023 (see Spotlight 12).
- **Rwanda:** A new ID law was adopted in May 2023, and aligned with the *Principles on Identification*.
- **Ethiopia:** A new Digital ID proclamation was adopted in March 2023, integrating the *Principles on Identification* and including strong data protection safeguards. The Personal Data Protection Proclamation has been adopted by the Council of Ministers in October 2023 and is now being discussed by the House of Peoples' Representatives.
- **Somalia:** A new legislation on ID and Data Protection was enacted in March 2023.
- **Malawi:** A Data Protection Bill was adopted in December 2023.

# ID4D & G2Px | Spotlight #10

## Cameroon: Foundations for Better ID and Digital Payments

In 2021, as part of the COVID-19 emergency response, the government had its first-ever attempt to deliver G2P payments digitally, allowing it to reach over 80,000 households over a period of 8 months. This effort, supported by the World Bank, marked a significant inflection point of the digitization of G2P payments.

Even though the attempt was largely successful, it revealed two key challenges:

1. **There is a lack of national ID coverage in Cameroon.** An estimated 27 percent (or 7.5 million) of Cameroonians do not have an official proof of identity, such as a birth certificate or national ID card. More than one in three children have not had their birth registered and more than half do not have a birth certificate. The lack of identification was a barrier to distribute digital G2P payments in the emergency response (and after). Without IDs, some beneficiaries lacked the proof of identity to obtain a sim card and

had to use temporary receipts from their ID applications, which were prone to damage.

2. **There were regulatory restrictions for digital payments.** Cameroon did not have a legal framework authorizing the disbursement of payments from the public purse to individuals through mobile money. A paper proof of payment was required for transfers made by the government, which only commercial banks and microfinance institutions could provide. The emergency response had to instead contract eligible financial institutions as intermediary to send payments to individuals' mobile money accounts, adding an unnecessary layer in the payment process.

Since 2021, the World Bank has worked with the Government of Cameroon to address these challenges, with joined-up support from the ID4D and G2Px Initiatives.



## On the ID Front

To better understand barriers to identification and the impact they have across the economy, the World Bank completed an **ID4D Diagnostic** between 2022 and 2023. The diagnostic identified myriad causes for low birth registration rates, including a **legal environment that does not permit civil registry records or processes to be digitalized**. While the national ID system is more developed, including digitalized data and a coverage rate of over 80%, issues still persist. For example, the average **wait times of over a year to obtain a card and stringent documentary requirements** (including birth certificates) that make the ID card inaccessible for the most vulnerable segments of the population. Through the diagnostic and engagement by the World Bank team cross-sectorial collaboration to eliminate barriers to identification in the country has improved, laying the foundation to address common challenges in Cameroon's ID and CR ecosystem.

## On the Digital Payment Front

With support from the World Bank, Cameroon has passed a **landmark regulation in 2022 to allow digital government-to-person (G2P) and person-to-government (P2G) payments**, which means public funds are no longer required to be channeled through eligible financial institutions (or intermediaries) to mobile money accounts. This represents a gamechanger for digital payments in Cameroon and sets the stage for scaling up the model to regular social protection payments.

## Moving Forward

The World Bank continues its mission to progressively shape the design of ID and payment systems in Cameroon.

Building on the ID4D Diagnostic, the World Bank launched several activities in 2023 that will support the preparation of a project to strengthen the ID ecosystem in Cameroon.

These include:

- A **mapping study** that will geolocate local government offices in the country that provide ID and CR services, and measure the conditions and digital readiness of the facilities
- An **inclusion study** to better understand the needs and exclusion risks for vulnerable groups related to ID and CR systems
- Additional **technical assistance** to the government on the vision, design, and architecture of the future ID ecosystem

On payments, the World Bank is supporting the **digitization of safety nets transfers** to up to 200,000 beneficiaries. The support includes technical assistance to the government, a **geospatial mapping** exercise of the financial service providers in the country, an assessment of the existing **payment infrastructure** to offer recommendations on MIS integration and financial management improvements.



# ID4D | Spotlight #11

## Indonesia: Comprehensive Support for Digital Transformation

Since 2017, ID4D has had a deep partnership with the Government of Indonesia to support the evolution of its identity ecosystem. Technical assistance and analysis over the years have supported reforms by the Ministry of Home Affairs to improve coverage and utilization of the population and civil registration system, especially when considering the size and diversity of the country. Some of these improvements include **simplified processes for registration and data updates**, strengthening the capacity and structure of the lead agency (Dukcapil), and **more secure identity verification** and population data utilization. For example, the number of public and private sector service providers using identity verification services has increased by five times since before the COVID-19 pandemic, and the number of Indonesians that have voluntarily onboarded themselves in the

pilot of country's first official digital identification application (*Identitas Kependudukan Digital, IKD*) surpassed 7 million by December 2023.

This partnership reached new heights this year with the approval in May of a **new Digital ID project financed by the World Bank**. The project is investing \$250 million to close remaining coverage gaps in the population and civil registration system, and to scale up digital identification and other DPI to promote access to online public and private sector services. While the Ministry of Home Affairs is implementing the project, it is part of a broader whole-of-government effort to promote digital transformation of public services (*Sistem Pemerintahan Berbasis Elektronik, SPBE*) and to strengthen trust in the country's digital economy, particularly through more inclusive and secure digital financial services.



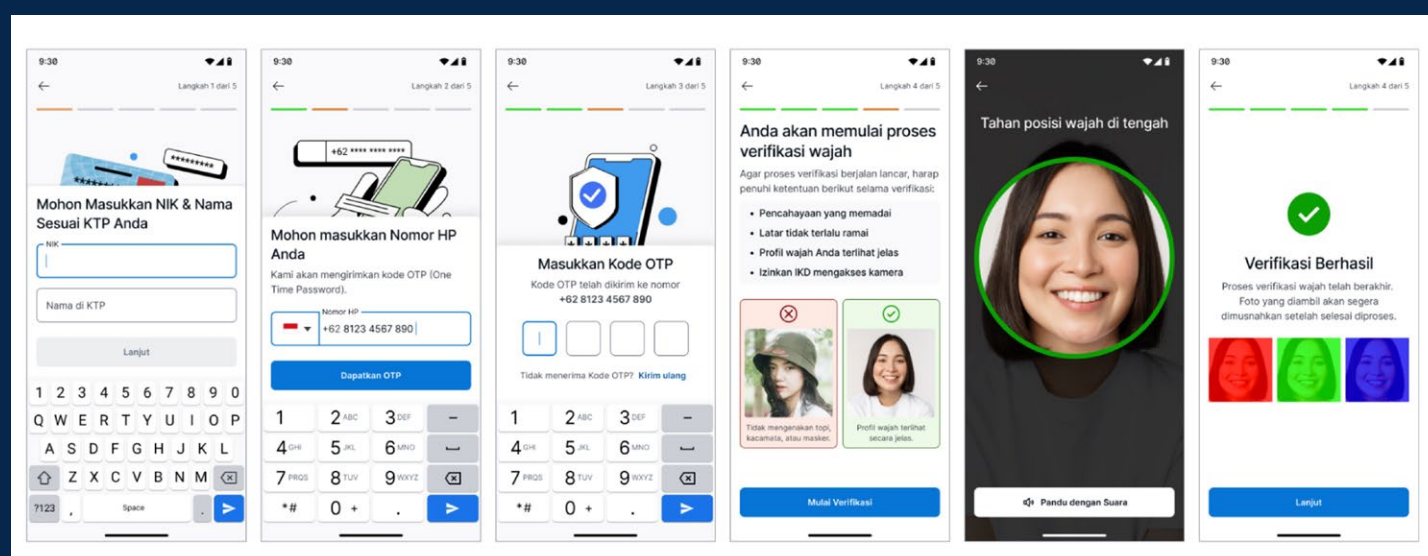
A user of Indonesia's pilot digital identity application, *Identitas Kependudukan Digital (IKD)* application.  
Photo source: J. Marskell



Highlights from the World Bank's work in Indonesia in 2023 include:

- Conducting inclusion studies for legal and digital identity:** With funding from Australia's Department of Foreign Affairs and Trade (DFAT) through the Australia-World Bank-Indonesia Partnership (ABIP) Trust Fund, two inclusion studies were completed. The first, a mixed quantitative and qualitative study, examined the barriers that women, persons with disabilities and other vulnerable populations face accessing existing population and civil registration systems, with recommendations for specific legal and business process reforms and infrastructure investments that will be supported by the Digital ID Project. The second study explored, including through focus group discussions, what use cases and accessibility design features will improve uptake of IKD by women, persons with disabilities, and Indonesian migrant workers, which will feed directly into the implementation of the Digital ID project. The research benefited from the development of a
- mock-up future version of IKD and extensive focus group discussions and user-testing with these population groups, as well as field visits to engage with Indonesian communities in Dubai and Kenya.**
- Supporting enhancements to Indonesia's first digital ID app:** The World Bank provided advice to Dukcapil on enhancements to the IKD application pilot version, including to improve accessibility, to streamline onboarding processes, and to add features such as single sign on (SSO), consented data sharing, and population and civil registration services. This technical assistance included exposure to relevant international and open standards, such as W3C's Verifiable Credentials Data Model and Open ID Connect (OIDC), as well as knowledge exchanges with Singapore (July 2023) and the Republic of Korea (November 2023). Both visits included representatives from other Indonesian Ministries, Agencies, and Regulators, with the aim of promoting greater cross-agency collaboration. These enhancements have contributed to the

**FIGURE 11. Indonesia's Identitas Kependudukan Digital (IKD) Application**



*Mock up of onboarding in a future version of the Identitas Kependudukan Digital (IKD) application.*  
 Source: World Bank

pilot application reaching more than 7 million users and utilization pilots with several banks and micro-financing institutions, including one pilot focused on Indonesian migrant workers in Hong Kong.

- **Providing technical assistance to accelerate digitalization of government:** ID4D and G2Px provided technical assistance to the Ministry of Administrative and Bureaucratic Reforms (PAN-RB) on appropriate institutional arrangements for enabling digitalization of public services.
- **Supporting the transition to a beneficiary centric G2P Payments model (G2P 4.0):** ID4D and G2Px continued advising the Government of Indonesia to shift towards a beneficiary centric G2P payments ecosystem. This included making recommendations for strengthening interoperability of information systems and

databases to enable a shift to dynamic targeting of social assistance and subsidies, and on the design of an account mapper to enable greater interoperability of G2P payments.

- **Sharing Indonesia's experience with the world:** The journey of Indonesia's identity ecosystem includes many good practices and lessons for other countries, especially countries just starting to build their foundational ID systems and to transition to digital IDs for online transactions. ID4D has been pleased to facilitate the sharing of this knowledge with other countries, such as by supporting the Ministry of Home Affairs to present and have bilateral meetings with countries at the ID4Africa Annual General Forum in Nairobi and at the Global DPI Workshop in Washington, DC. Several countries have expressed interest to visit Indonesia in 2024.



Citizens being onboarded for the Identitas Kependudukan Digital (IKD) application in Jogjakarta, Indonesia.  
Photo source: J. Marskell



# ID4D | Spotlight #12

## Nigeria: Data Protection Legal Reform

As Nigeria increasingly becomes a digital society, Nigerians are producing more and more data. For example, the Nigeria Digital ID4D project—financed by the World Bank in collaboration with the European Investment Bank (EIB) and French Development Agency (AFD) with a combined commitment of US\$430 million—will ensure that 148 million Nigerians have proof of their legal identity. In recognition of the need to protect these increasing volumes of data, the **Nigerian government embarked on a landmark legal reform to enact the country's first general data protection law**, with support from the World Bank to ensure that adopted reforms are also in compliance with international standards.

As part of the ID4D engagement in the country, the **World Bank has financed and engaged in activities to support focus group discussions, policy dialogue, stakeholder consultation, capacity building, and institutional reforms** that led to the enactment in 2023 of the Data Protection Act. This support included:

### Policy Dialogue

Working in partnership with key government actors, the World Bank leveraged its convening power to **facilitate discussions across a coordinated platform** through which stakeholders (i) raised issues of data protection, (ii) shared perspectives around the need for data safety and privacy, and (iii) found common ground and reached agreement on policy solutions specifically for data protection in Nigeria. The discussions focused on aligning the substance of the policy reforms to be enshrined in legislation by the new data protection law.

### Stakeholder Consultations

The World Bank supported the government to engage in **extensive stakeholder consultations** over a ten-month period from August 2022 to May 2023. These consultations served to solicit perspectives and input from key actors across government, private sector, and civil society, helping ensure ownership of the

process by all stakeholders. Multiple rounds of such consultations in multiple locations across Nigeria were followed by a public consultation, where the text of the draft bill was disclosed online, and comments were solicited from the general public. Taken together, these consultations and policy dialogue paved the way for broad consensus around the need for a data protection law in Nigeria and galvanized stakeholders around its enactment.

### Institutional Reform

In addition to the legislative process itself, financing is earmarked for the **establishment and operationalization of the Nigeria Data Protection Commission (NDPC)**, newly established under the Data Protection Act of 2023, with a mandate to oversee the implementation of the law. The operationalization of the NDPC is central to the holistic ID4D approach, as it is necessary to fully implement the Data Protection Act, ensuring that the personal data of Nigerians registered for an ID is fully protected.



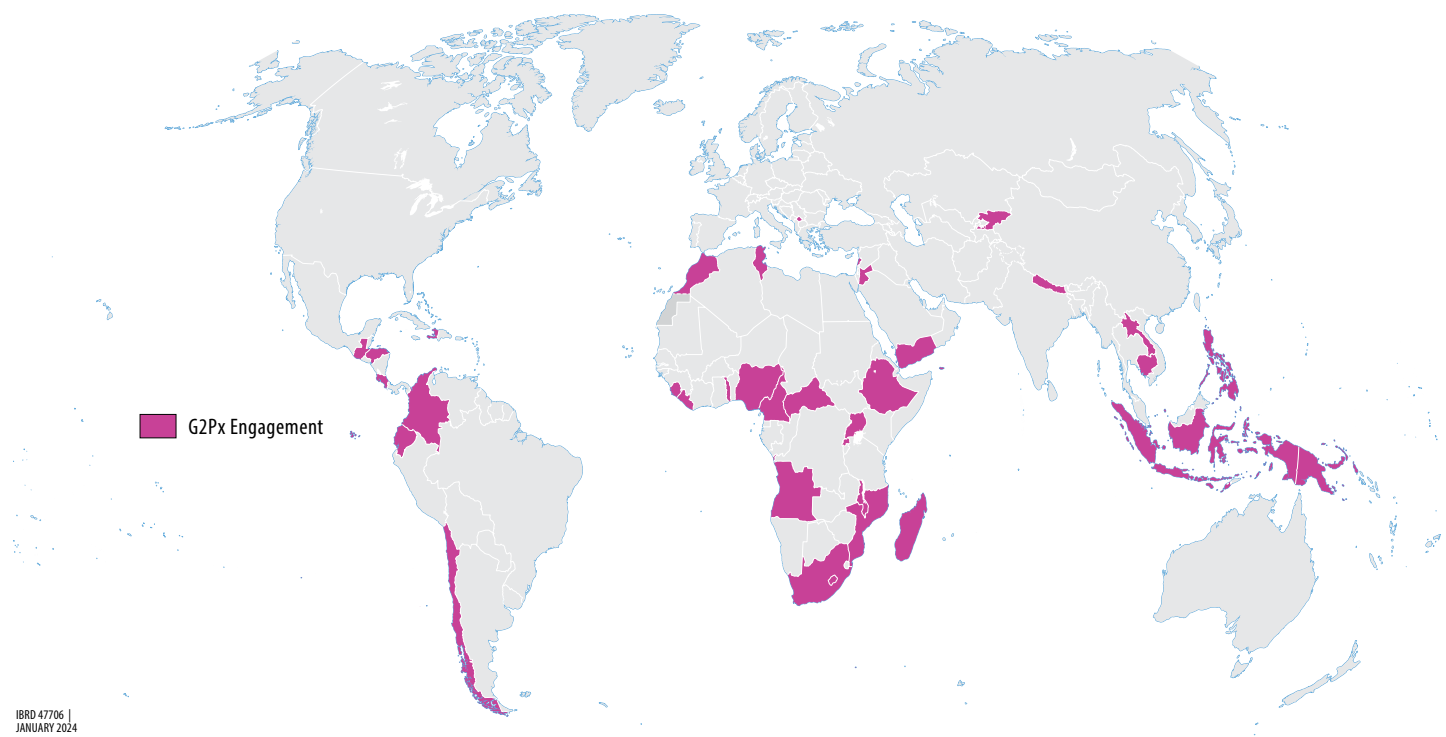
*Vincent Olatunji, National Commissioner and CEO of the Nigeria Data Protection Commission, addressing a group of stakeholders during the national validation workshop that paved the way for the adoption of the 2023 Data Protection Act. Photo source: NIMC.*

# G2Px | Priorities and Activities

**T**he G2Px initiative currently supports **35 countries** (Figure 11). In the past year, G2Px engagement across countries has continued to foster collaboration across World Bank Global Practices and government agencies to implement digital G2P payments. The scope of support being provided now goes beyond COVID crisis response to mainstreaming end-to-end digitization centered around recipients. This includes leveraging DPI to digitize the underlying systems that support the various steps of the payment delivery process beyond executing payments, from identification and enrollment, to program and case management, to grievance redressal.

Several G2Px countries are transitioning towards or increasing digital payments with some focused on scaling up digital payments with choice. G2Px support for these countries ranges from technical assistance on specific topics that support digitization, assessments and research, roadmap development, and piloting various interventions for digital G2P payments. Country selection is based on criteria such as explicit demand from a particular government agency, potential for impact and/or demonstration effect, feasibility of execution, and adopting a cross-sectoral approach to implementing digital G2P payments.

**FIGURE 12. Map of G2Px Countries**



## Implementing a Modern G2P Architecture

The Modern G2P Architecture Framework<sup>11</sup>—published in 2022—lays out key building blocks and design principles to inform the implementation of efficient, inclusive, and recipient-centric digital G2P payments. Through G2Px, the World Bank has been assisting countries on a variety of activities that support their journey towards their ideal scenario of a modern G2P architecture.

In 2023, countries such as **Sierra Leone** and **Philippines** made payments into fully functional accounts for the first time under programs that were previously delivering payments through limited purpose cards (Philippines), vouchers, or cash (Sierra Leone). In other countries, such as **Morocco** and **Kosovo**, digital payments into fully functional accounts with choice were rolled out and, in both instances, qualitative and quantitative data is being collected to understand recipients' experiences with what works (and what doesn't). Finally, several countries over the past year have not only scaled up digital payments but also development roadmaps to implement digital payments with choice.

In **Rwanda**, the flagship social protection program known as the Vision Umurenge Program (VUP), scaled up last year's pilot to deliver payments for around half of the program's recipients (around 250,000 households) through **mobile money**. A roadmap is being developed to continue increasing digital payments but with choice and was discussed with key stakeholders during a G2P roundtable organized in October 2023. Similarly in **Lesotho** and **Malawi**, specific technical assistance around leveraging the national payment system for choice-based payments is being implemented. In **Lebanon**, G2Px is supporting the expansion of recipient choice and the development of a proof of concept to disburse into accounts. Finally, in **Yemen**, G2Px has supported a feasibility assessment and piloting

of digital payments for the very first time (See Spotlight 14).

## Informing Policy and Program Design with Data

To better understand how G2P payments can be implemented with the paradigm shift that G2Px advocates for—advancing financial inclusion, women's economic empowerment, and enabling government wide fiscal savings—the initiative has continued to embed data collection in implementation and encourage **evidence-based design**. New data collection is being initiated in around **ten countries** and several reports from data that was collected over the past few years are now being used to inform policy and program design.

On women's economic empowerment, data from qualitative and quantitative research supported by G2Px in **Jordan** is being used to inform National Aid Fund's (NAF) policy and revise program design to increase financial inclusion and economic empowerment of women. Similarly, an **impact evaluation in Liberia** on how joint financial planning between both men and women in the household can strengthen outcomes around women's economic empowerment was recently completed and will inform the design of future social protection programs in the country.

On financial inclusion, an evaluation on **Chile's** Bolsillo Familiar Electronico (BFE) social assistance program looked at whether the design of BFE, that requires recipients to transact digitally, contributes to more active use of transaction accounts beyond cash-out (see Spotlight 5). In Jordan, the qualitative and quantitative data analysis supported by G2Px is contributing to **the shaping of the national financial inclusion strategy** (especially around the inclusion of bottom 40%) that is being developed by the Central Bank of Jordan with support from the World Bank's Finance, Competitiveness & Innovation Global Practice.

11 World Bank. 2022. Next Generation G2P Payments : Building Blocks of a Modern G2P Architecture. Washington, D.C. : World Bank Group. <http://documents.worldbank.org/curated/en/099600110202238143/P173166068e4220430a0ff03279b01c83db>



## Influencing Beyond G2Px-Specific Activities

The Initiative continues to have far-reaching impact through the World Bank's financing operations in the countries G2Px directly supports. The **activities implemented by cross-sectoral teams have the potential to impact 120 million people receiving G2P payments in the 35 countries where G2Px is directly engaged.** In almost all cases, the technical assistance which G2Px supports is accompanied by

World Bank lending operations that are financing the social assistance programs or the development of supporting infrastructure in a particular country. Through the cross-sectoral teams that implement G2Px support, the initiative is currently influencing a financing portfolio of approximately \$7 billion. This portfolio includes lending operations led by the World Bank's social protection, financial sector, governance, or digital development teams, and G2Px activities are intentionally designed to inform such operations.

# G2Px | Spotlight #13

## Liberia: Strengthening Women's Economic Empowerment

While cash transfers can have major positive effects on recipient households, they also introduce an important new dimension to household **decision-making**. They require numerous joint decisions between household members—particularly couples—regarding the allocation of these new resources. These decisions may not equally reflect the preferences of both partners, potentially leading to stress, conflict, and sub-optimal decision making.

To encourage thoughtful, collaborative planning around the use of a large mobile money cash transfer, a partnership of the Liberian Ministry of Gender, Children, and Social Protection; the World Bank; and GiveDirectly **developed a simple,**

**light-touch financial planning intervention designed to encourage couples to jointly plan the use of a cash transfer before receiving it.**

The intervention was implemented under Liberia's Social Cash Transfer (SCT) program, administered by the Ministry of Gender, Children, and Social Protection and financed by the World Bank and FCDO. In collaboration with Innovations for Poverty Action and the Rapid Social Response Trust Fund's Gender Window, G2Px supported an **impact evaluation** of this intervention led by a research team from the World Bank, the University of Southern California, and the International Food Policy Research Institute (IFPRI).



Photo source: Shutterstock Inc. i\_am\_zews

**FIGURE 13. Joint Financial Planning Poster**

SPENDING ITEMS	PORTION	TRANSFER USED	DONE?
Goal 1 [ ]	[ ]	Transfer Number [ ] [ ] [ ] [ ] 1 2 3 4	[ ]
Goal 2 [ ]	[ ]	Transfer Number [ ] [ ] [ ] [ ] 1 2 3 4	[ ]
Goal 3 [ ]	[ ]	Transfer Number [ ] [ ] [ ] [ ] 1 2 3 4	[ ]
Goal 4 [ ]	[ ]	Transfer Number [ ] [ ] [ ] [ ] 1 2 3 4	[ ]

**A key objective of the intervention was to understand approaches that increase women's decision making with respect to cash transfer use while mitigating household conflict or backlash.**

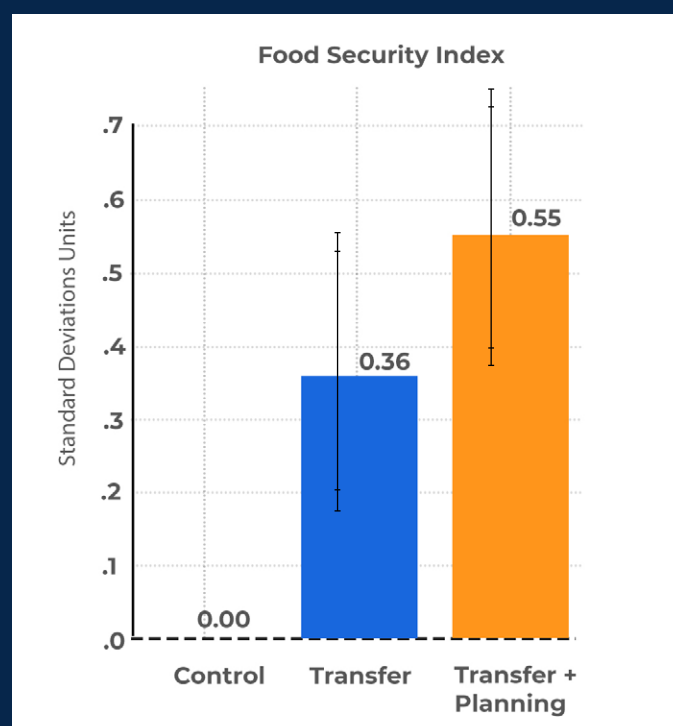
The SCT program's strategy of preferentially enrolling women as recipients of cash transfers via mobile money on behalf of their households was an important consideration when designing this intervention. Implemented at the point of transfer registration, the joint financial planning intervention entailed a short discussion, facilitated by GiveDirectly field staff, aimed to help couples identify their priorities for the use of their cash transfers. This discussion covered key aspects such as the type of items to be purchased, the amount of expenditure, and the timing of these expenditures. To summarize these plans, couples were provided with a certificate and a poster which they filled out together, with assistance from GiveDirectly field staff

as needed (see Figure 12). These materials served as a tangible reminder of their spending choices and goals and were designed to create a soft commitment to follow their plans.

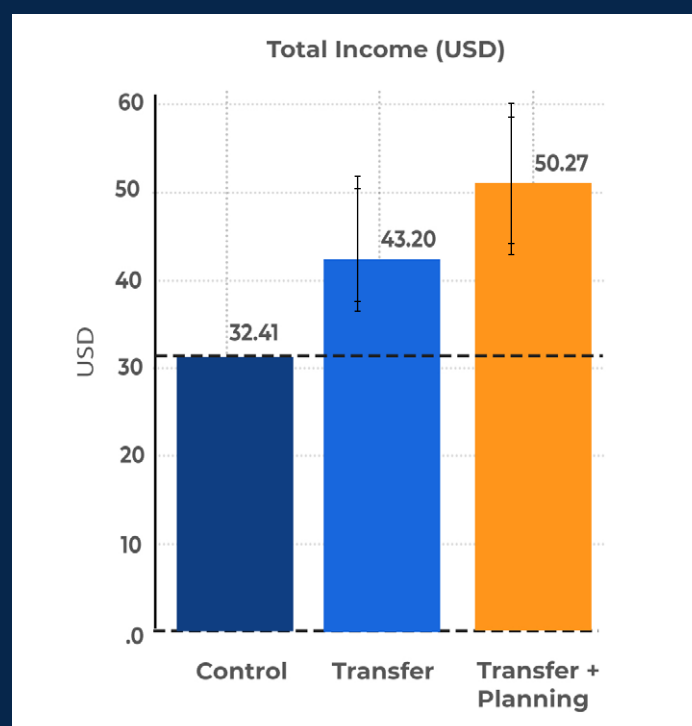
**The joint financial planning intervention was integrated into the SCT program through a randomized controlled trial covering 204 communities.** Of these, 69 communities received the standard cash transfer program, 66 communities received the cash transfer with the joint financial planning, and 69 communities served as the control group. This design enabled the research team to effectively compare the outcomes of the cash transfer—approximately \$700 per household distributed over four installments—in communities with and without the planning intervention, and with the control.

**Preliminary findings suggest that the planning intervention had a large positive effect in amplifying the benefits of the transfer on household income and in food security, as shown in Figure 13.**

- Without financial planning, the transfer improved food security (panel 1) and total income (panel 2) relative to the control; however, these effects are roughly twice as large when the transfer was accompanied with financial planning. **There was an improvement food security in communities that received transfers, as well as even larger shifts in communities that received transfers and joint financial planning.** The difference between the transfer-only group and the transfer-plus-financial-planning group is statistically significant at the 5 percent level.
- While the transfer alone increased respondent monthly income by roughly USD 11, the **transfers coupled with financial planning increased monthly income by USD 18** (this added impact of USD 7 is significant at the 10 percent confidence level).

**FIGURE 14. Effects on Food Security & Income.**

Graph shows confidence levels at 95% and 90%. Transfer and transfer + planning have equal effects, p-value = 0.04.



Graph shows confidence levels at 95% and 90%. Transfer and transfer + planning have equal effects, p-value = 0.09.

Source: Forthcoming publication, Gupta, Leight, and Schaner (2024).

**The cash transfer plus financial planning intervention also significantly reduced women's reports of household conflict relative to the control group.** Researchers do not, by contrast, find any significant impacts of either transfers alone or transfers accompanied by financial planning on reported intimate partner violence.

These findings suggest that a financial planning intervention may have the potential to encourage couples to make different decisions around the use of a cash transfer and increase the positive effect of the transfer on their household economic outcomes. Further research and experimentation will focus on refining the intervention and exploring its applicability in a wider array of contexts.



# G2Px | Spotlight #14

## Yemen: Delivering G2P Payments in Fragile Countries

Fragile countries typically have lower rates of financial inclusion. The 2021 Global Findex shows that formal account ownership stands at 31 percent in fragile countries compared to 69 percent in non-fragile countries. However, these are also contexts in which a larger proportion of the population relies on social assistance payments and where it is critical to make these payments quickly and safely.

G2Px is currently supporting the rollout of digital payments in several countries which the World Bank classifies as fragile and conflict affected countries<sup>12</sup>—**Cameroon, Central African Republic, Ethiopia, Haiti, Lebanon, Mozambique, Nigeria, Kosovo, Papua New Guinea, and Yemen.** While the type of technical assistance across these countries varies in scope, Yemen is an example of World Bank support during the early-stage transition from cash to digital payments.

12 For more on the World Bank's Classification of Fragile and Conflict-Affected Situations, see <https://www.worldbank.org/en/topic/fragilityconflictviolence/brief/harmonized-list-of-fragile-situations>.



## Yemeni Context

The ongoing conflict in Yemen—coupled with insecurity, political instability, blockages to food and fuel deliveries, and economic collapse—has led to severe economic distress for people in the country. Gross Domestic Product (GDP) has reportedly decreased by 40 percent, underpinned by widespread disruptions to economic activities, with enterprises operating at half the capacity compared to prior to the conflict.

**An estimated 8 million Yemenis have lost their livelihoods or are living in communities with minimal to no basic services.** Civil servant salaries have been paid only partially since September 2016. According to a World Food Program report, the conflict continues to cause high levels of food insecurity and malnutrition.<sup>13</sup> To help address these needs, a joint UNICEF/UNDP–World Bank program the Emergency Cash Transfer Project (ECTP), was created in 2016 to reinstate several social protection programs to meet the population’s most pressing needs. This included an Unconditional Cash Transfer (UCT) that covers 1.3 million households in Yemen—29 percent of the population.

**UCT is the largest social protection program in Yemen, but payments have been made manually, in cash, to beneficiaries.** Over the past year, the program made strides to pilot digital payments in 8 districts across the North and South, covering 45,460 recipients. The pilot is being operationalized by UNICEF and the Social Fund for Development (SFD) with financial and technical support from the World Bank.

## Feasibility Assessment

**G2Px supported a feasibility assessment for digital payments, which was used to inform the design of the pilot and the broader approach to scaling up digital payments.** A unique challenge to payment digitization in Yemen is the presence of different exchange rates which result in two different values for the same currency. The Yemeni Rial has different exchange rates for the areas under the control of Ansar Allah (AA), and the areas under the control of the Internationally Recognized Government (IRG). Therefore, those making or receiving digital payments could be subject to different values depending on where they access the service. The fragile context also implies limited infrastructure to support payment interoperability, access points and a limited digital payment acceptance network.

**Multiple surveys also revealed that awareness of and demand for digital payments in Yemen was very low.** In March 2023 only 6 percent of respondents reported a preference to receive their cash transfer digitally. However, over half (58 percent of respondents) reported owning a mobile phone, making the case that digital payments may be a feasible option for a large sub-group of recipients.

**During the assessment, a set of financial service providers were identified for the pilot,** based on a UNICEF assessment tool that assessed practices around on beneficiary enrollment and authentication, infrastructure, operationalization of e-wallets, customer awareness raising, complaints and feedback mechanisms, reporting, humanitarian cash transfer experience, and fraud management. Based on this tool, three financial service providers were identified to participate in the pilot

<sup>13</sup> World Food Program. 2023. WFP Yemen Situation Report #2. <https://reliefweb.int/report/yemen/wfp-yemen-situation-report-2-february-2023>.



**Yemen is adopting a gradual, phased approach to digitization, starting with the pilot.** UCT from the outset, is allowing for choice-based payment delivery. Recipients have the freedom to choose the modality in which they receive their social cash assistance (through cash-in-hand or digital payments); and if through digital payments, with the financial service provider (FSP) they choose.

## Piloting to Improve User-Centric Design

**Informed by the assessment, Yemen is adopting a gradual approach to digitization starting with eight districts, and allowing choice-based payment delivery:**

- Recipients have the freedom to choose the modality in which they receive their social cash assistance (through cash-in-hand or digital payments); and if through digital payments, which financial service provider (FSP) they choose.
- Recipients with a national ID and SIM can register either in person at a designated gathering point, or through the UTC call center. Once beneficiaries are registered, they will start to receive payments digitally from the following payment cycle.
- Because account opening is required to select the digital payment option, the pilot is providing a cash incentive to those who choose to receive digital payment. This should incentivize adoption and help defray potential cost of obtaining a national ID, SIM card or other costs associated with opening an account. It will be paid in one tranche as a top up to the cash transfer and will be delivered directly into recipients' accounts.
- Registration for UCT households will be ongoing, to allow recipients the flexibility to move to digital payments over a period of time. The cash incentive, however, will only be given to those that choose to receive digital payments until February 2024.



Photo Source: Shutterstock Inc. Anton\_Ivanov

**UNICEF and SFD will continue to leverage existing communication channels to foster increased awareness around digital payments for UCT beneficiaries:**

- During the pilot across eight districts, UNICEF and SFD formed 39 teams to mobilize UCT beneficiaries to convene across 111 gathering points, where outreach and awareness sessions were conducted, focusing on the benefits of digital payments and available services, along with the requirements for opening an account, the process they need to follow and required timelines.
- Communication channels will include all the facilitation activities under the program, community outreach meetings, printed materials, and WhatsApp groups.
- UNICEF will also work with the World Bank to develop a financial literacy behavioral change communication module for UCT households in 2024 and beyond.

## Results

**The program has currently registered over 18 thousand recipients who have opted to receive payments digitally.** The account opening process is ongoing, with e-wallets opened for over 6000 recipients who received their first digital payments in December 2023. The proportion of those interested in digital payments is much higher than what was anticipated; 6 percent as per data collected through the Third-Party Monitoring (TPM) Surveys. The UCT will continue to sensitize recipients and register them under the pilot, with a second phase planned for the first payment cycle in 2024 to create additional learning ahead of a larger scale up. The program is planning to scale up digitization through 2025, by the end of which the intention is that digital payments will be offered to recipients in all 333 districts except those that may be deemed harder to reach.



# ID4D and G2Px Engagement Around the Globe

**T**his section summarizes the global engagement of the World Bank’s ID4D and G2Px Initiatives, in those countries and regions with active support in 2023. This engagement includes:

1. **Diagnostics:** Assessments of a country’s existing identification (ID) and civil registration (CR) or government-to-person (G2P) payments landscape, and legal enablers and safeguards.
2. **Technical Assistance:** Includes advice and analysis provided by the World Bank for the design, piloting, and implementation of ID/CR ecosystems or digitalization of G2P payments.
3. **Research and Monitoring, Evaluation, and Learning (MEL):** Includes original research conducted or facilitated by the World Bank and capacity building on data collection and analysis for ID/CR or G2P-related counterparts.
4. **World Bank Financing:** Includes World Bank projects under preparation (“Pipeline”) and/or approved by the Board (“Active”) related to ID/CR or digital G2P payments.

Most countries have multiple ID and CR systems—including foundational systems and newer digital ID ecosystems—and numerous programs that deliver G2P payments. Inclusion in the Table 3 indicates support for at least one, but not all, of these systems or programs in a given country. In some cases, this involves directly supporting new or improved ID and/or CR systems or G2P architecture building blocks. In others, the World Bank is providing general support to strengthen the laws, regulations, and policies (such as for data protection, e-signatures, and mutual recognition), that enable and safeguard these systems, support regional interoperability, and allow service providers to safely and inclusively adopt digital ID and digital payments.

**For questions on the particular projects or systems supported by the World Bank, and further details of how ID4D and G2Px are involved,** please search the World Bank Project database (<https://projects.worldbank.org/>) or reach out directly to the ID4D and G2Px teams at [id4d@worldbank.org](mailto:id4d@worldbank.org) or [g2px@worldbank.org](mailto:g2px@worldbank.org).

**Table 3.** World Bank Engagement through ID4D & G2Px, by Region and Country

Country	ID4D Initiative					G2Px Initiative			
	Multi-Donor Trust Fund (MDTF) Support			World Bank Financing for ID/CR		Multi-Donor Trust Fund (MDTF) Support			G2Px-Supported Countries with World Bank Financing for Digital G2P payments
	Diagnostic	Technical Assistance	Research or MEL	Pipeline	Active	Diagnostic	Technical Assistance	Research or MEL	
Eastern and Southern Africa (AFE)									
Angola	✓	✓		✓	✓	✓	✓	✓	✓
Burundi	✓	✓			✓				
Democratic Republic of Congo	✓	✓		✓	✓				
Ethiopia	✓	✓	✓		✓	✓	✓	✓	✓
eSwatini	✓								
Lesotho	✓	✓		✓		✓	✓	✓	✓
Madagascar	✓	✓			✓	✓	✓	✓	✓
Malawi	✓	✓				✓	✓		✓
Mozambique	✓	✓	✓		✓		✓	✓	✓
Rwanda	✓	✓	✓		✓	✓	✓		✓
Sao Tome and Principe	✓	✓		✓	✓				
Somalia	✓	✓	✓		✓				
South Africa						✓	✓	✓	✓
Tanzania	✓	✓	✓						
Uganda	✓	✓			✓	✓	✓	✓	✓
Zambia	✓	✓			✓				
Western and Central Africa (AFW)									
Benin		✓			✓				
Burkina Faso	✓	✓		✓	✓				
Cabo Verde		✓			✓				
Cameroon	✓	✓	✓	✓		✓	✓	✓	✓
Central African Republic	✓	✓		✓	✓	✓	✓	✓	✓

Country	ID4D Initiative					G2Px Initiative			
	Multi-Donor Trust Fund (MDTF) Support			World Bank Financing for ID/CR		Multi-Donor Trust Fund (MDTF) Support			G2Px-Supported Countries with World Bank Financing for Digital G2P payments
	Diagnostic	Technical Assistance	Research or MEL	Pipeline	Active	Diagnostic	Technical Assistance	Research or MEL	
Chad		✓		✓	✓				
Cote d'Ivoire	✓	✓	✓		✓				
Gabon	✓	✓			✓				
Gambia		✓		✓	✓				
Guinea	✓	✓		✓	✓				
Guinea Bissau	✓	✓		✓					
Liberia						✓	✓	✓	✓
Mali	✓	✓		✓	✓				
Niger	✓	✓			✓				
Nigeria	✓	✓	✓		✓	✓	✓	✓	✓
Republic of Congo		✓		✓	✓				
Sierra Leone						✓		✓	✓
Senegal	✓	✓			✓				
Togo	✓	✓			✓		✓	✓	
East Asia and Pacific									
Cambodia						✓	✓	✓	✓
Federated States of Micronesia		✓			✓				
Indonesia		✓	✓		✓		✓	✓	✓
Kiribati	✓	✓			✓				
Lao PDR		✓			✓		✓	✓	✓
Marshall Islands		✓			✓				
Papua New Guinea						✓	✓	✓	✓
Philippines	✓	✓	✓		✓	✓	✓	✓	✓
Samoa		✓		✓					
Timor Leste		✓	✓						
Tonga	✓	✓			✓				

Country	ID4D Initiative					G2Px Initiative			
	Multi-Donor Trust Fund (MDTF) Support			World Bank Financing for ID/CR		Multi-Donor Trust Fund (MDTF) Support			G2Px-Supported Countries with World Bank Financing for Digital G2P payments
	Diagnostic	Technical Assistance	Research or MEL	Pipeline	Active	Diagnostic	Technical Assistance	Research or MEL	
Europe and Central Asia									
Kosovo						✓	✓	✓	✓
Kyrgyz Republic						✓	✓	✓	
Georgia		✓			✓				
Latin America & The Caribbean									
Costa Rica						✓	✓	✓	✓
Chile								✓	
Colombia						✓			
Brazil	✓	✓		✓					
Dominica		✓			✓				
Dominican Republic	✓	✓		✓					
Ecuador						✓	✓	✓	✓
Grenada		✓			✓				
Guatemala						✓	✓	✓	
Haiti						✓	✓	✓	✓
Honduras	✓	✓			✓		✓		
Sint Maarten		✓			✓				
St. Lucia		✓			✓				
St. Vincent and the Grenadines		✓			✓				
Middle East and North Africa									
Jordan		✓		✓			✓	✓	✓
Lebanon	✓	✓				✓	✓	✓	✓
Morocco	✓	✓	✓		✓	✓	✓	✓	✓
Tunisia	✓	✓			✓	✓	✓	✓	✓
Yemen						✓	✓		✓



Country	ID4D Initiative					G2Px Initiative			
	Multi-Donor Trust Fund (MDTF) Support			World Bank Financing for ID/CR		Multi-Donor Trust Fund (MDTF) Support			G2Px-Supported Countries with World Bank Financing for Digital G2P payments
	Diagnostic	Technical Assistance	Research or MEL	Pipeline	Active	Diagnostic	Technical Assistance	Research or MEL	
South Asia									
Maldives		✓			✓				
Pakistan		✓	✓	✓	✓				
Sri Lanka	✓	✓							
Nepal	✓	✓			✓	✓	✓	✓	✓

*Note:* Table includes only those countries with active engagement in 2023. Some diagnostics and research may have been completed in earlier years. For questions on the specific projects or systems supported by the World Bank in a given country, and further details of how ID4D and G2Px are involved, please search the World Bank Project database (<https://projects.worldbank.org/>) or reach out directly to the ID4D and G2Px program team at [id4d@worldbank.org](mailto:id4d@worldbank.org).

# Forward Look

## ID4D

In 2024, the ID4D Initiative will work with teams across the World Bank to respond to the growing demand from countries on building and strengthening their ID systems, and other components of their DPI stack, such as data sharing and trust services. This includes supporting the design, piloting, and deployment of new models and approaches that ensure that DPI ecosystems are inclusive, enable innovation, and prioritize the well-being and safety of people.

ID4D will also continue to disseminate timely and relevant knowledge products, 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.

### Key Themes for 2024

**Closing the access gap to official ID:** ID4D will continue to support access to ID for the 850 million people lacking documentation and provide guidance to countries on targeting remote and underserved population groups and reaching those who remain without formal identification. This involves exploring low-tech solutions, sharing lessons learnt from registration campaigns in lower income countries, partnering with local organizations to better anticipate risks and barriers of marginalized groups—such as vulnerable women, persons with disabilities, low income and low literacy groups, refugees, stateless populations, and more.

**ID and data-sharing models for DPI:** To complement direct work on digital ID, ID4D will prioritize work related to data sharing components of DPI that are linked to or enabled by digital ID. This includes identifying gaps in existing analytical frameworks and technical guidance on models and architectures for digital data sharing—particularly in low-connectivity contexts—and the links between foundational DPI for digital ID and data sharing link to sector-specific standards and systems for data interoperability and exchange.

**Research Labs and monitoring, evaluation, and learning (MEL) to build evidence and strengthen data foundations:** ID4D will scale up country-focused research strategies and capacity, in partnership with clients, World Bank teams and researchers, and academics. This will ensure that the next generation of digital ID systems—and other DPI layers—have the data infrastructure and strategies to monitor and improve implementation, and to demonstrate longer-term impact on key development outcomes.

**Navigate new technology trends and developments:** ID4D will prioritize guidance to partner countries on new ID-related developments and innovations, such as the growing acceptance of decentralized identity wallets and verifiable credentials, and how to design robust and AI-resilient ID and DPI ecosystems that leverage the potential of new technologies while also safeguarding against potential threats such as identity theft, and the potential that AI developments will reduce the utility of some biometric modalities, especially voice recognition.

**Safeguarding ID and DPI:** Concerns surrounding personal data protection and security are important barriers to the safe and widespread adoption and use of digital ID systems, data sharing, and DPI more broadly. According to a report by Cybersecurity Ventures, cybercrime is expected to cost the world \$10.5 trillion annually by 2025, up from \$3 trillion in 2015. To address these concerns, ID4D will prioritize efforts to develop and implement robust cybersecurity measures to safeguard individuals' personal information. This will build on ongoing work to promote the adoption of data protection frameworks and privacy-protecting technologies, and to build the capacity of independent data protection agencies.

**User-driven solutions:** By prioritizing human-centric and service design methodologies, countries supported by ID4D will be able to create ID and CR systems—as well as broader DPI—that are accessible, safe, and applied to use cases that add real value for people across sectors (social protection, financial inclusion, women's economic empowerment, agriculture, jobs, health, education, etc.). This approach ensures that digital technologies resonate with the real-life requirements of citizens, governments, and businesses, resulting in positive outcomes such as enhanced accessibility and usability of services, as well as drive greater engagement and satisfaction of people.

## G2Px

In 2024, G2Px will respond to the growing demand from countries and regions on implementing digital G2P payments. To support this demand, the Initiative will build on its library of analytics and continue convening relevant stakeholders to inform the global agenda on G2P digitization. G2P payments can be a powerful use-case for building components of DPI and catalyzing its usage to improve implementation and ensure better outcomes for people. The G2Px

initiative will continue strengthening knowledge and advocating for a DPI approach to building a modern G2P architecture that supports digital G2P payments. As more countries embark on their own G2P architecture modernization journey, evidence-based guidance and advisory services, on how to design and implement these in a way that are conducive to long-term development outcomes, remains timely.

## Key Themes for 2024

**Adaptiveness and Resilience:** G2Px will continue providing support to countries delivering G2P payments in response to the numerous crises, from climate change to price shocks and conflict, across the globe. Outcomes from these crises often result in subsidy reforms, food insecurity, unemployment and a range of other issues that affect people negatively. G2P payments are often leveraged to combat such issues and hence, the G2Px initiative will maintain a flexible, responsive approach to initiating new country implementations and supporting its existing 35 country implementations.

**Building Evidence:** To demonstrate the impact of digital G2P payments on the long-term outcomes G2Px advocates for—financial inclusion and women's economic empowerment, the initiative will continue supporting data collection at the country level. G2Px will also support the creation of country “DPI Labs” and coordinate with ID4D to strengthen evidence on the role of DPI in improving G2P payment delivery and advancing key development outcomes. In addition to internal coordination, G2Px will build partnerships with other research initiatives focused on advancing similar outcomes through digital payments.

**Developing Guidance:** Given the persisting challenges with digitizing G2P payments and need for continued scale up across countries, G2Px will provide guidance on implementing relevant building blocks or design principles under the modern

G2P architecture. This will also include translating research findings into policy interventions; expanding knowledge around the role of DPI in implementing G2P payments; and guidance on new technology, particularly around open-source solutions and the use of new data and AI capabilities to target and deliver G2P payments.

**Peer-to-Peer Knowledge Exchange:** One of the important takeaways for G2Px in the past year has been the power of countries learning from each other. The Initiative will aim to create a multi-pronged platform for knowledge sharing through regional workshops, internal learning sessions among task teams and publicly available webinars on country experiences.



