



Digital Identity Country Report: **Sri Lanka**



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GSMA Digital Identity

The GSMA Digital Identity programme has partnered with the World Bank's ID4D programme and Caribou Digital, to demonstrate the opportunities, address the barriers and highlight the value of mobile as an enabler of digital identification specifically for women and girls in the Commonwealth. GSMA's work will include research on the unique barriers that women and girls face when accessing or using identity systems, delivering projects that test new approaches to overcoming these barriers, and providing policy recommendations to promote inclusive digital identity systems. The initiative aims to contribute towards helping to meet the Commonwealth target of reducing the identity gap and providing access to a digitally enabled identity for every woman and girl in the Commonwealth by 2030.

The Commonwealth Digital Identity Initiative is supported by the UK Department for International Development and Australia's Department of Foreign Affairs and Trade.

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Introduction

Official proof of identity is fundamental to an individual's ability to enforce their rights and secure access to a wide range of vital services such as healthcare, education, mobile connectivity, social protections and financial services. For this reason, the United Nations Sustainable Development Goals (SDGs) has set a specific target to provide every person with a legal identity, including birth registration, by 2030.¹

Of the one billion people in the world who are unable to prove their identity, more than 230 million are women and girls who live across the Commonwealth. The absence of identity documents can be both the cause and effect of prevailing gender inequalities; therefore, widening access to identity will also help the international community effectively address Sustainable Development Goal 5, which aims to achieve gender equality and empower all women and girls.



SDG 5

Achieve gender equality and empower all women and girls.



SDG 16.9

By 2030, provide legal identity for all, including birth registration.

Sri Lanka has foundational and functional identity systems that are well-developed and robust. Ownership of the National Identity Card (NIC) is high, reported at 95 per cent for men and 90 per cent for women, with only small pockets of Sri Lankan society less likely to own a NIC². Although many identity-linked services are accessible to the population, geographic barriers and lower digital literacy rates, particularly among females, cause some to remain excluded. Due to cultural norms, women and girls are likely to face unique challenges when using their NICs. In addition, data from the World Bank's 2017 Findex Report shows that women are less likely than men to use their NIC to apply for a mobile SIM.³

This case study explores the current identity and mobile landscape in Sri Lanka, and highlights where women and girls are known to face unique challenges compared to men when accessing or using identity documents, mobile services, and a wide range of other public and private sector services that are linked to their identity. The case study also identifies a potential use case that would allow mobile network operators (MNOs) to leverage digital identity services to deliver relevant social and economic impact to women and girls.

1. SDG 16.9

2. DHS data can be accessed at <https://dhsprogram.com/data/available-datasets.cfm>. This report draws DHS' 2007 Sri Lanka dataset.

3. <https://globalfindex.worldbank.org>

Overview of the research findings



Identity landscape

Sri Lanka has a **developed and robust foundational identity system**, with strong levels of birth registration and birth certification. The highly developed and recently decentralised birth registration process is effective, with 97 per cent of births registered according to Demographic and Health Survey (DHS) data. Although births are now recorded digitally, birth certificates are still analogue, and many have subsequently been lost or damaged.

Sri Lanka's **national identity infrastructure is also well developed**, and the Sri Lankan government is in the process of digitising the National Identity Card (NIC). Ownership of NICs is high in Sri Lanka, reported at 95 per cent for men and 90 per cent for women.⁴ Experts interviewed through this research project identified **two specific groups which may lack access to NICs**: tea estate workers, who live and work within their plantations and are less likely to encounter services that require a NIC, and war widows. Sri Lanka's **functional identity landscape is also strong and highly accessible** due to extensive coverage of the NIC.

In addition, **there are some Sri Lankans who are unable to avail of certain services** due to geographic barriers and, particularly among females, lower digital literacy rates. With Sri Lanka's continuing digitisation of services, some may be left behind – particularly those without access to technology.



Mobile landscape

Sri Lanka benefits from a **robust and well-developed mobile landscape**, built on a competitive mobile network market. Growth in 3G and 4G connections has significant relevance for exploring digital identity solutions, but a gap remains in smartphone ownership and usage between men and women – linked to wider cultural factors.

MNOs in Sri Lanka have **an extensive and highly professional network of mobile agents**, many of whom are small business owners. There is potential to leverage these agent networks when promoting or implementing any future identity products or services. This is particularly because digital identity solutions will have to address the privacy and data security concerns of individuals – which are often a concern cited by customers engaging with MNOs and other technology actors.

Sri Lanka has a robust and detailed Know Your Customer (KYC) process for the registration of SIM cards. The Telecoms Regulatory Commission requires that individuals provide their NIC number when obtaining a SIM card – either by presenting their NIC, or another form of documentation which features their NIC number, such as a passport or driver's licence. Once registered, the individual's phone number is linked to their NIC number. Digital KYC (eKYC) processes are also being developed.

4. DHS data can be accessed at <https://dhsprogram.com/data/available-datasets.cfm>. This report draws DHS' 2007 Sri Lanka dataset.



Potential opportunity for mobile operators

Sri Lanka has a robust, embedded, and well-developed identity structure, with fewer challenges compared to other countries. However, war widows remain a particularly marginalised group in Sri Lanka and their vulnerabilities can be exacerbated by a lack of identity documentation.

There is scope for MNOs to develop a digital platform that allows war widows to access official proof of identity, verify their status, and access the support and services to which they are entitled.

Beyond this, although birth certification rates are high in Sri Lanka those living in the central regions — particularly on estates — are less likely to have a birth certificate. There is an opportunity to digitise birth certificates for this population, and as a wider service to Sri Lankans.





Identity landscape

Foundational identity



Birth registration and certification

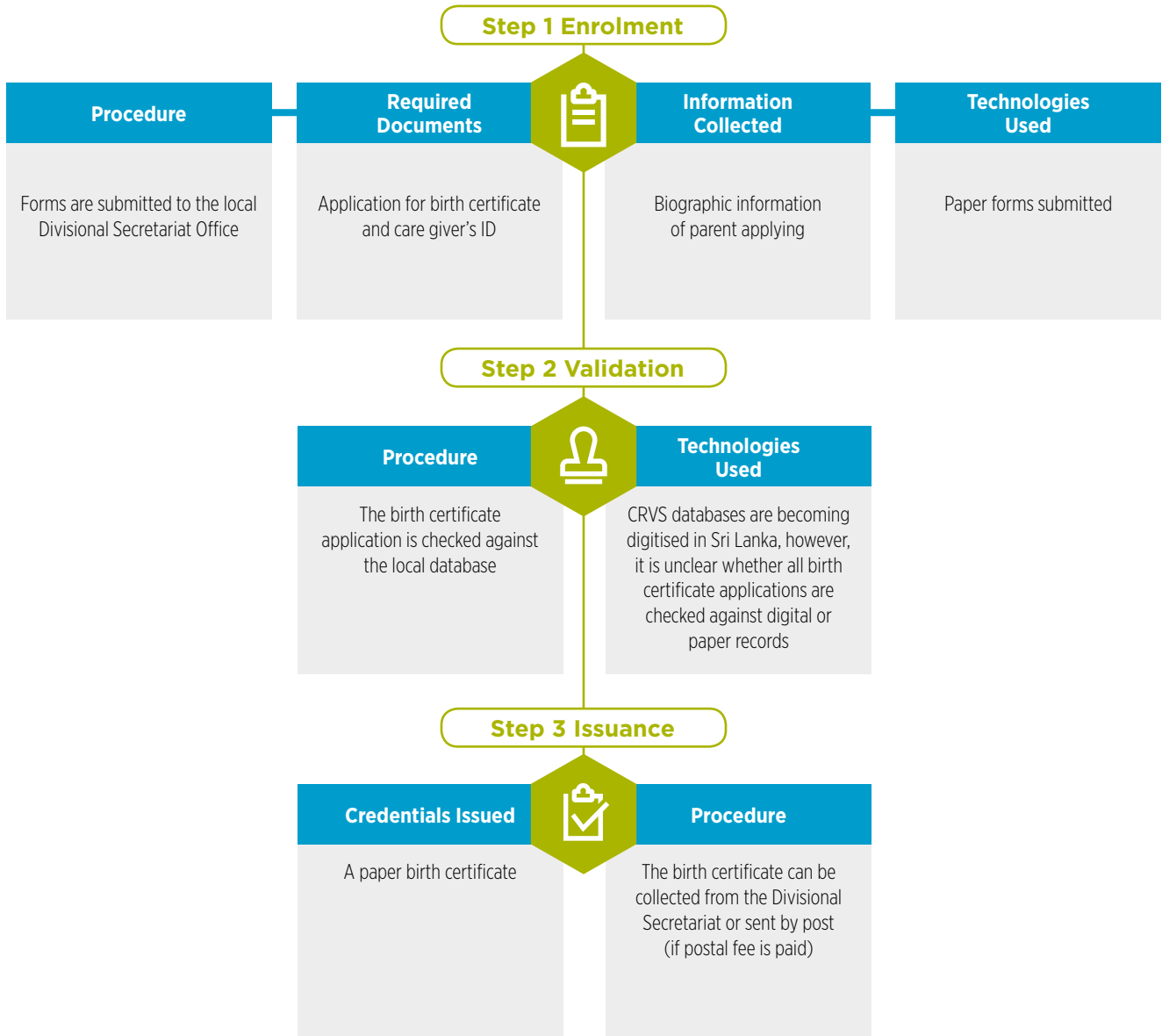
The Births and Deaths Registration Act of 1954 is the basis of Sri Lanka's civil registration system. To register a birth, an application form is obtained from the Registrar of Births and submitted to the Divisional Secretariat in the area where the child is born. Birth registration forms require details specifically from the mother and father, and a valid parental identity document — commonly a NIC; a driving licence; or a passport — is required. Births are expected to be registered within 42 days, but late fees do not apply until after three months. In 2009, the birth registration process was decentralised. Digitisation of the birth register has also begun. The birth registration and certification process is largely consistent throughout the country, but some exceptions exist: for example, births on estate land are notified through the Estate Superintendent, who will organise notification and certification on behalf of the parents, as seen in Figure 1.

Although birth registration is almost ubiquitous in Sri Lanka, some areas of low certification persist. Central areas of Sri Lanka are particularly underserved according to Demographic and Health Survey data,⁵ however the experts interviewed as part of this present study were unaware of causal factors. One possible explanation is the lack of utility of a birth certificate on Sri Lanka's estates and plantations. Whilst birth certificates are needed to attend school in Sri Lanka, those living on estates and plantations have access to private, estate-funded services including healthcare and education. However, several experts interviewed noted that the services provided by estates are inferior to those offered by the state. This difference in quality perhaps contributes to the lower literacy rates and healthcare usage figures of estate residents, in comparison to the general population.

5. DHS data can be accessed at <https://dhsprogram.com/data/available-datasets.cfm>. This report draws on 2007 Sri Lanka dataset.

Figure 1

Journey to birth certification





National identity

Sri Lanka has a successful history of foundational identity provision, with the legislation relating to issuance and usage of NICs in place since 1968. World Bank statistics suggest a five per cent NIC coverage gap between men and women in Sri Lanka, with 95 per cent of men confirming that they own an NIC compared to 90 per cent of women.⁶ Local public and private-sector stakeholders, who were largely unaware of this gap, suggested that lower literacy rates among women could present a challenge to registering for a NIC.

The government of Sri Lanka is in the process of digitising both functional and foundational identity registries. For example, there have been recent reforms in the digitisation of patient records linked to the national identity registry,⁷ and microchipped drivers' licences can now provide details on the holder's ability to operate certain vehicles.⁸ These innovations follow a large-scale campaign to digitise the national identity database, the National Persons Registry, and the NIC:

“Now in Sri Lanka they are trying to implement many digitisation programmes...for example, passport, birth certificates, everything will be digitised, even the health sector.”

Policymaker

The Electronic National Identity Card (eNIC) has been in development since 2015, with reports claiming that the Department for the Registrations of Persons (DRP) would be rolling out eNICs in the final quarter of 2017.⁹ These will feature a machine-readable barcode and stored biometric data. Information on the current progress of the eNIC project is limited, however the government reports that the initial groundwork has been laid for a wider roll-out. These preparations include delivering information material to Divisional Secretariats (the local administrative bodies of Sri Lanka); running capacity-building programmes on data and biometric capturing; and undertaking a pilot program to trial new data capturing practices.

So far, the issuance of the eNICs has been limited to those obtaining their NIC for the first time, or those who are renewing their NICs.¹⁰ Importantly, legislation surrounding the roll-out of the eNIC suggests that NICs will soon be issued at a younger age (15 years rather than 16), and that family data will also be collected during registration:

“[An objective is to] collect personal data of persons as a family unit and establish a national persons registry and a central database with bio data of all persons of 15 years or above, their biometrics and photographs obtained according to ICAO standards”

Department for the Registration of Persons, 2018¹¹

A younger age of eNIC issuance will benefit MNOs, and other private sector stakeholders, who will have access to a larger and digitally-savvy market. Earlier issuance of identity has also been noted by the World Bank as having significant developmental and commercial multipliers.¹²

6. World Bank Group (2018) *ID4D-Findex Survey Data 2018*, accessed at <http://id4d.worldbank.org/global-dataset>

7. Readme (2017) *My first-hand experience with the digital health project*

8. Sunday Times (Sri Lanka) (2017) *CID probes forged driving licences at MTD's request*

9. Daily Mirror (2017) *Smart IDs from today*

10. Hiru News (2015) *12 digit new national identity card (NIC) from 1st January*

11. http://www.drp.gov.lk/Templates/eNIC_english/Department-for-Registration-of-Persons.html

12. The World Bank Group (2016). *ID4D Country Diagnostic: Zambia*

Schools play an integral role in the validation and issuance of NICs in Sri Lanka. Currently, at the age of 16, students are issued a Postal Identity that entitles them to take their exams. Thereafter, an application for an NIC can be submitted through the school, where the school principal is responsible for distribution and delivery of applications. Individuals who have left school, or who live on Sri Lanka's tea estates, are entitled to apply for an NIC through their local District Registrar or Estate Superintendent. NICs are usually issued relatively efficiently, with one respondent stating that the NIC will usually be received within one month. However, the DRP also offers a one-day service for a small fee of LKR 1,000 (USD \$5.50) for those who seek a replacement card (Figure 2).

High literacy rates (92 per cent¹³) ensure that most Sri Lankans are able to read and complete paper forms. However, this rate is likely to be lower in estates and among certain demographics. Some experts interviewed were sceptical of any literacy disparity between men and women (2017 data from UNESCO suggests that literacy rates among men and women age 15 and above are 93 per cent and 91 per cent, respectively¹⁴) but were more confident of a disparity in digital literacy between genders:

“The literacy, of course, there's no disparity between men and women in Sri Lanka. But when it come to computer literacy and digital literacy, there's a slight difference. In 2016, I noticed that the computer literacy for male is 29 per cent and for female it is 26 per cent (DCS 2017).¹⁵ And maybe that is contributing to this low...access to digital identity.”

Policymaker

One particular demographic suffering lower digital literacy levels are north-eastern war widows, many previously married to Tamil Tigers. These widows suffer from a triple stigma by virtue of their gender, their relative poverty and their status as widows of rebel fighters. This has left them marginalised from many elements of socio-economic life and likely to be suffering from a lack of digital literacy.

“[War widows] probably don't have access to the internet, and a lot are not digitally kind of upskilled to be able to navigate that.”

NGO

A second major barrier to war widows' access to formal foundational identity is a lack of understanding around how to renew or reclaim an NIC.

“One [reason that war widows may not have a NIC] is they have no idea how to do it, how to go about it. They don't know who to speak to. They don't know how to access it and what the process is.”

NGO

13. <http://www.mohe.gov.lk/index.php/about-ministry/overview>

14. See: <http://uis.unesco.org/country/LK>

15. Department of Census and Statistics (DCS) (2017) *Computer Literacy Statistics 2017 (First 6 months)*



This issue is often compounded by a relative lack of documentation due to the destruction of their homes in wartime. In order to submit an application for a replacement NIC, individuals must first obtain an application form from their local District Registrar or Estate Superintendent, and supplement their application with proof of identity, such as a birth certificate. This can prove challenging for those affected by war:

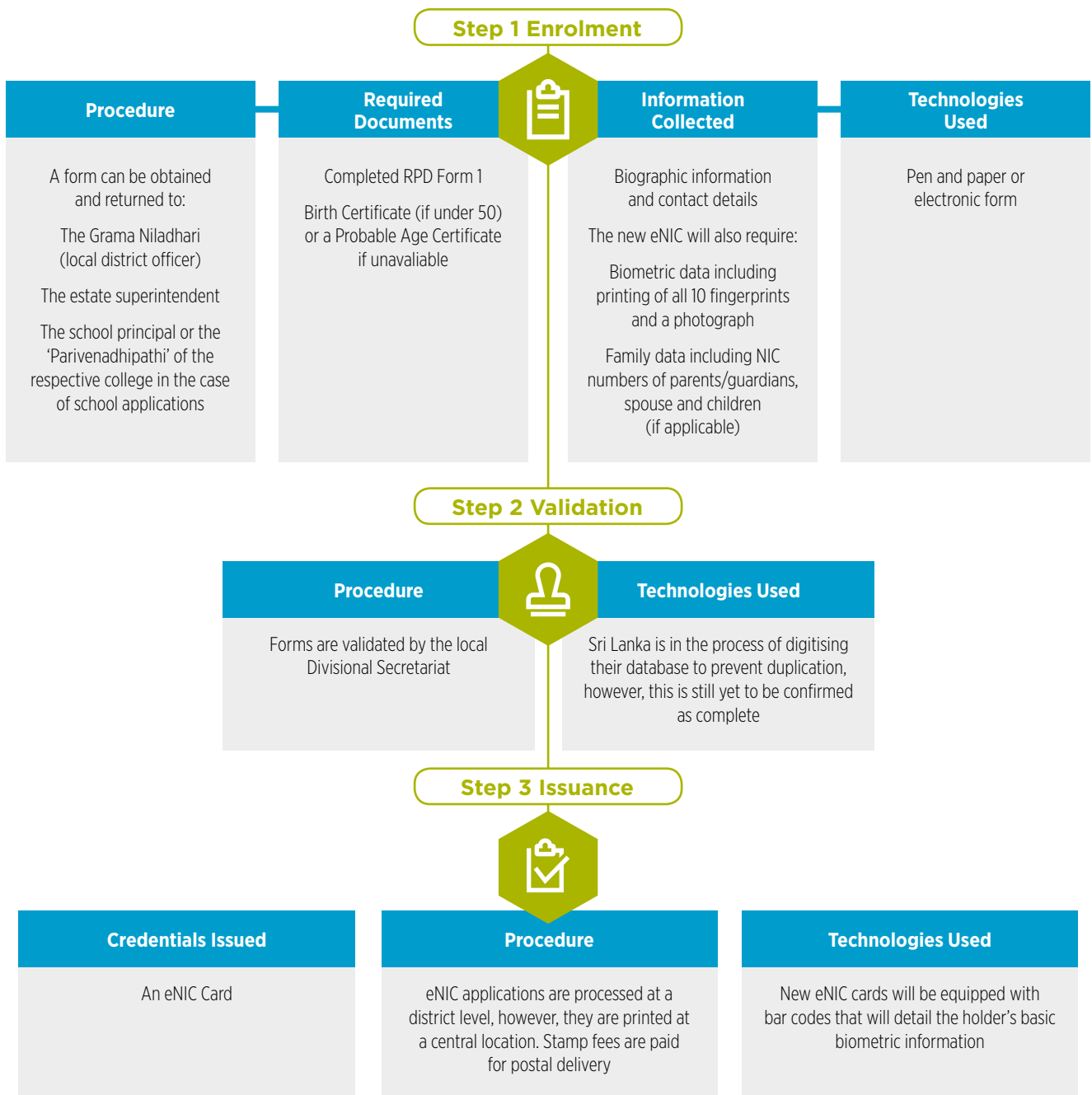


“[In relation to war widows]...a lot of these women are coming back to a home where everything has been destroyed. They don't have any of these [documents] in the first place”.

NGO

Figure 2

Journey to a National Identity Card



Functional identity

The NIC is required to obtain all forms of functional identity in Sri Lanka, except for a Private Health Number (PHN). Sri Lanka’s healthcare service is inclusive and does not require proof of identity for access. Beyond healthcare, the NIC is usually used as a breeder document — a type of document used to obtain other, often functional, identity documents. The Sri Lankan government is working to integrate NIC into other forms of functional identity, creating some interoperability between different identity registers. For example, passports and driving licences can be used to validate identity because they contain an individual’s NIC number.



Voter’s identity

The Election Commission of Sri Lanka is represented at a district level by an Assistant Commissioner of Elections. Village-level government officers (Grama Niladari) will visit each house in their district, making voter registration an accessible process. A potential voter must be registered by the ‘chief occupant’ of the household in order to be placed on the electoral roll. Voters must be over the age of 18 and satisfy social requirements including being of ‘sound mind’ and having a recently clean criminal record. The Electoral Commission has made good progress with regard to digitisation. Aside from the digitisation of its records in line with broader government policy in this area, the Commission has also created an online portal¹⁶ that allows Sri Lankans to check their registration status.

Sri Lanka has a proud history of female engagement in politics, but today suffers from a lack of female representation at policy creation level. Although Sri Lanka, then Ceylon, claims the world’s first female Prime Minister in Sirimavo Bandaranaike, few female policymakers are represented today. According to the Asian Development Bank, women hold fewer than six per cent of Parliamentary seats in Sri Lanka, ranking the country as one of the lowest in the region (Index Mundi, 2018).¹⁷ According to some experts, this lack of female representation in Parliament and in policy development is an important barrier to female equality.

“the political representation of women is very much low...a national register of citizens who wish to vote is collected [the government] introduced a quota system...a party nomination list should have at least 25 per cent women. That kind [of] initiative [has] been taking place...when you are addressing these gender-related matters, it’s quite connected with the social attitudes and social norms. So that you have to address [also]...”

Policymaker

¹⁶ <http://elections.gov.lk/en/>

¹⁷ indexmundi.com. (2018). *Sri Lanka - Proportion of seats held by women in national parliaments (%)*



Taxpayer identification

In Sri Lanka, if you are eligible to pay tax that is not deducted by employers as part of a 'Pay As You Earn' (PAYE) tax scheme, then you must obtain a Taxpayer Identification Number (TIN). This is then linked to an NIC number. Now a completely digital system, the whole process can be completed through the online portal making it very accessible. It can also be completed via a local Department of Inland Revenue (IRD) office if an individual does not have internet access.

With employment options limited for marginalised groups who may suffer from illiteracy or proof of education or qualifications, many will pursue entrepreneurship or small business creation. Experts note that there is a thriving informal economy in Sri Lanka.

Although education levels between men and women are relatively similar in Sri Lanka, cultural norms of motherhood and caregiving may inhibit women from pursuing the same economic pathways as men. For example, according to experts, women are less likely to take part in professional tertiary jobs or build long-term careers due to childbirth. Formal businesses are also less likely to be owned by women; with the most recent Enterprise Survey highlighting that 26 per cent of firms have female participation in ownership, below the global average.¹⁸

“...when it comes to employment, workforce participation, it goes down, because basically, if their husbands have income, they will stay at home to look after their children rather than being employed. Because the work is not flexible.”

Donor and Humanitarian Agency

18. Data can be found at <http://www.enterprisesurveys.org/data/exploreeconomies/2011/sri-lanka#gender>



Social security and pensions

Sri Lanka's social protection system is fragmented and not enormously extensive, with the government of Sri Lanka spending comparatively little on social assistance programmes by international standards.¹⁹ There are six main categories of social assistance provided: school meals, assistance for the elderly, fertiliser subsidies, assistance for the disabled, and the Thripasha Food programme — as well as women-specific programmes.

With regard to the latter, this includes the Programme for Empowering Widows and Female Headed Families, and the Public Assistance Allowance.²⁰ These programmes are designed to support single women in a country in which female participation in the labour force is both low (30 per cent) and stagnant, by providing financial support and training to enter the workforce.²¹

Sri Lanka has a number of well-developed private pensions, as well as several formal state pension entitlements under the umbrella of social security that are available for selected groups. For example, current schemes include an old age pension (available at the ages of 55 and 50 for men and women respectively). These payments are minimal; with the only pension scheme reported to pay above the poverty line is the Public Service Pension Scheme for public servants.²²

In 2015, there were close to five million workers eligible for a pension under various employment-based pension schemes. The Employees Provident Fund is a primary pension plan in the private sector. All private sector workers are eligible by contributing 12 per cent of gross earnings, with employers matching this contribution. Due to factors including non-payment of pension dues, only 13 per cent of Sri Lanka's working age population are provided effective coverage.²³ Sri Lanka's Labour Department is responsible for the oversight of administration of the network, whilst the Central Bank of Sri Lanka is responsible for the storage of funds. In line with other integrated functional identity registers, the Social Security Database is linked to the individuals' NIC. Widows who are registered are eligible for certain benefits, most notably among war widows of army personnel:

“The army war widows... tend to get various kinds of benefits and payments...they will have papers, they will have identities”

Former Policymaker and Academic

However, the inability to register for widow's status is also a potential barrier to claiming social support. One expert stated that widows face three key barriers to registering and updating their identity status: a lack of knowledge of the process, the cost of travel or losing the ability to earn money, and the difficulty of proving even their basic identity (i.e. through a birth certificate) to claim replacement documents or update their status.

19. Newhouse, David, Pablo Suarez-Becerra, Dung Doan (2017) *Sri Lanka: Poverty and Welfare: Recent Progress and Challenges*.

20. UN Women (2014) *Empowering Widows: An Overview of Policies and Programmes in India, Nepal and Sri Lanka*.

21. *ibid*

22. United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) (2015) *Income Security for Older Persons in Sri Lanka, Income Security for Older Persons in Asia and the Pacific* <https://www.unescap.org/sites/default/files/SDD%20Working%20Paper%20Ageing%20Income%20Sri%20Lanka%20v2-5.pdf>

23. United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) (2015) *Income Security for Older Persons in Sri Lanka, Income Security for Older Persons in Asia and the Pacific, SDD-SPPS Project Working Paper Series* <https://www.unescap.org/sites/default/files/SDD%20Working%20Paper%20Ageing%20Income%20Sri%20Lanka%20v2-5.pdf>



Table 1

Functional identity – process of enrolment and validation

	Required ID Documents	Enrolment			Validation
		Process	Information Collected	Technological Development	Procedure
Voter ID	<p>Village level government officer provides registration form to each house</p> <p>Chief occupant of each household fills out registration form for themselves and all eligible to vote in the household</p>	NIC number	Signature or thumb mark, “electoral code” “electoral number” or “registration number” from the previous election register	Analogue registration	Names are checked against the voter roll and National ID database
Tax Personal Identity Number	<p>Obtain application form from the Taxpayer Service unit, IRD office or IRD web portal, fill out application and submit to one of the three places obtained from</p>	Application form, NIC number	NIC number, information about occupation and source of income, address, bank details, family details, business details (if business owner)	An online web portal has been developed	Individual’s names and tax status collected and stored
Employees Provident Fund	<p>Obtain registration form from District Labour offices, or via the EPF. Register with an NIC number, receive authorisation from current or recent employer, fill out form, and then receive EPF online password/PIN via registered post</p>	EPF member registration form	NIC number; Personal details; employment details to be filled out by your employer	EPF is an online service	Employer confirms the validity of the form
SIM registration	<p>An NIC, passport, driving licence, refugee card</p>	NIC number	NIC number / ID number (in case of refugee)	Analogue application	Documents are checked by the seller of the SIM, and NIC is checked for validity by seller. Application is then forwarded to the Telecoms Regulatory Commission



Mobile landscape

Sri Lankans are well served by four major MNOs, and with wide usage of smartphones by consumers. There are over 15 million unique mobile subscribers across the country, with an average of 1.88 SIMs per subscriber — highlighting the tech-savvy nature of Sri Lankan consumers.

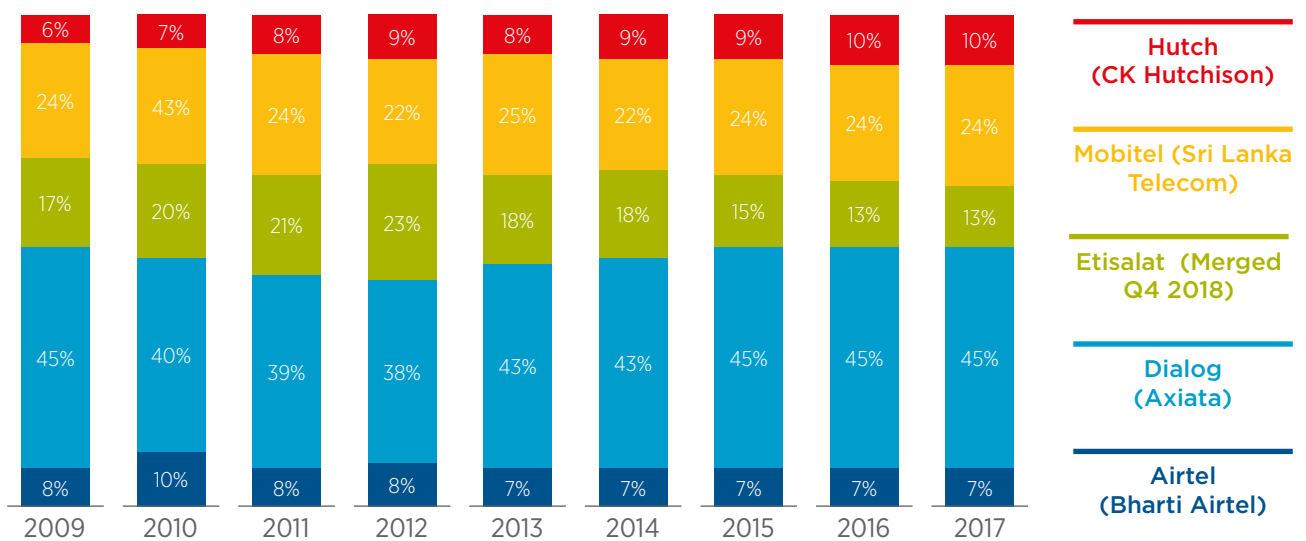
Mobile penetration

Sri Lanka is a highly competitive mobile market, with MNOs jostling for market share (Figure 3). This landscape has changed recently, with the Etisalat and Hutch merger at the end of 2018 resulting in four major MNOs in the market. Pre-paid subscriptions are much more common than

contract subscriptions, in line with most South Asian countries, however the market share of contract subscriptions is gradually growing. Pre-paid subscriptions are granted on proof of billing and address, which may exclude many individuals who are not the bill payers of the household.

Figure 3

Evolution of MNO landscape





2G and 3G connections in Sri Lanka are broadly at parity, with 4G connections rapidly increasing (Figure 4). Smartphone and mobile internet usage has also grown significantly in recent years (Figure 5).

Figure 4

Evolution of network connectivity

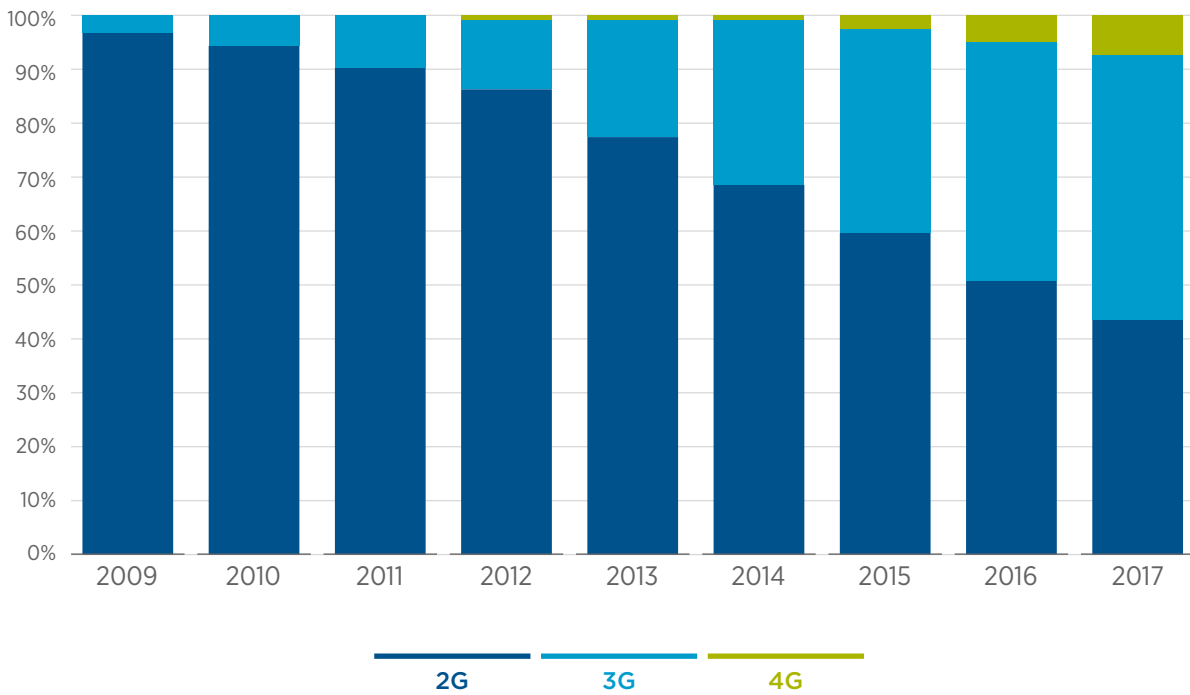
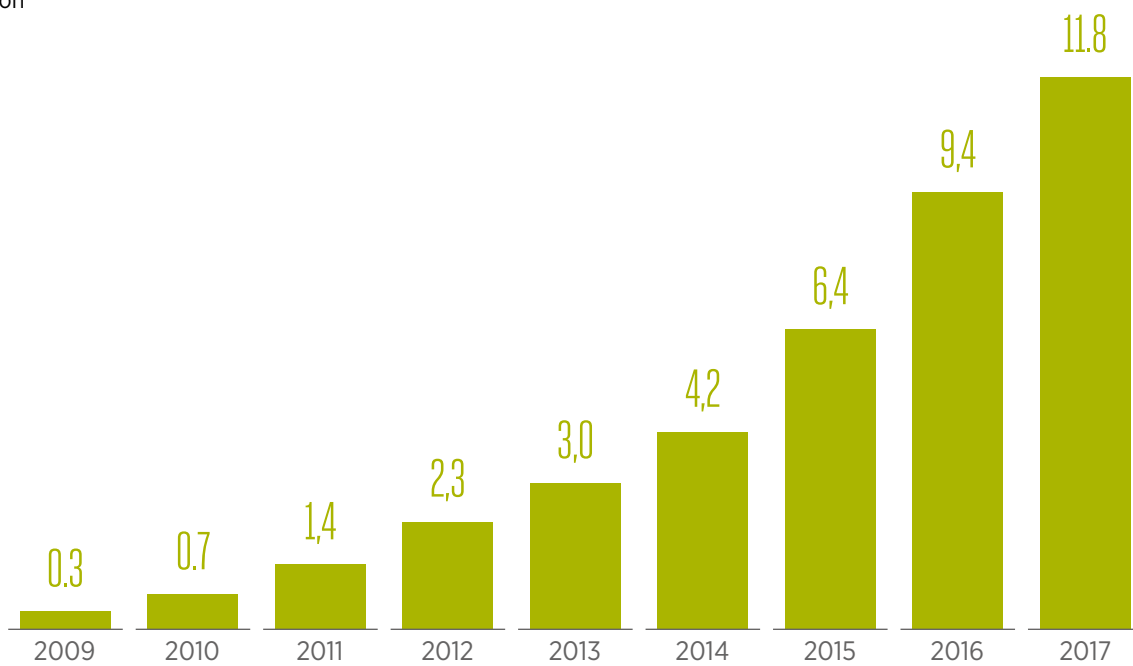


Figure 5

Smartphone adoption

Million





These insights suggest a high demand for digital services that rely on mobile data, and a strong foundation for any digital-identity solutions. Highlighting this, social media is a growing market in Sri Lanka with six million active users — which represents a 22 per cent growth from 2017.²⁴ However, there is still a gap in device ownership between genders. Data highlights a three per cent disparity in smartphone internet connections between men and women,²⁵ whilst some experts think that this divide may be higher. Several experts also note a culture of protectionism prevails in Sri Lanka that manifests around women’s uptake and usage of social media and the internet — for example, women constitute only 30 per cent of Instagram’s total users in the country²⁶ — and husbands exert significant influence on the purchasing power of their wives.

“In Asia-Pacific we’re having very protective nature for the females. So first, before marriage, we get protection from father, then the husband, brothers, then after that, sons. The males are the protective figures for us...”

Policymaker

With regard to reaching new customers, Sri Lanka also has a dense network of mobile agents — many of whom are small business owners. These are powerful assets in recruiting, on-boarding, and supporting mobile customers — skills that are similarly useful in the digital identity ecosystem. According to one expert interviewed, mobile agents are routinely trained in the latest technology to enable them to be the ‘go-to person’ in their local area. These agents are also sometimes mobilised for coordinated sales drives to improve network penetration in priority areas.

Although mobile agents are clearly valued by customers, trust is a key barrier associated with mobile phones and other digital services. This is particularly the case with regard to digital financial services and usage of sensitive data:

“There seems to be no fear in actually using the mobile wallet but of course when people actually try to link their debit card or credit card, which is obviously their bank details, there seems to be some barrier, being the trust and security issues.”

Mobile Network Operator

Reflecting this, when attempting to build relevant and sustainable digital identity solutions, addressing the concerns of users regarding data security, and individual privacy more broadly, is likely to be of particular importance.

24. We Are Social (2018) *Global Digital Report*, South Asia

25. Department of Census and Statistics (DCS) (2017) *Computer Literacy Statistics 2017 (First 6 months)*

26. We Are Social (2018) *Global Digital Report*, South Asia



‘Know Your Customer’ landscape

Sri Lanka has a robust and detailed process for the registration of SIM cards. The Telecoms Regulatory Commission (TRC) requires that individuals provide their NIC number when obtaining a SIM card — either by presenting their NIC, or another form of documentation which features their NIC number, such as a passport or driver’s licence. Once registered, the individual’s phone number is linked to their NIC number.

The TRC requires two key processes to take place when registering a customer. To register a SIM card, a mobile agent must take a photograph of the individual’s NIC to verify the individual’s identity and address, and then complete an application, often on behalf of the applicant. Experts have stated that the process needed to strike a balance between the security measures prescribed by the TRC, whilst making the process as simple as possible for SIM purchasers.

SIM registration is instantaneous once the applicant’s NIC is validated. The TRC have pushed for more stringent processes such as taking a recent photograph or validating a customer’s address, if the address given is not the same as registered on a NIC. However, to register a post-paid mobile connection, proof of billing address (such as a utility bill) must be produced.

Digital ‘Know Your Customer’ (eKYC) processes are being put into place by Sri Lankan MNOs. A representative of one MNO noted that their KYC process is moving from a static model of a single data repository towards a dynamic, peer enriched blockchain model. When visiting a customer’s home to install a product such as home broadband, a network representative can confirm a customer’s eKYC credentials through an app in order to validate their location. This removes the need to require the production of utility bills, and allows MNOs to build their customer’s KYC profile.

With regard to mobile money services, MNOs and other digital financial service providers must adhere to a regulatory framework developed by the Central Bank of Sri Lanka – approved in 2011. Although customers must provide an NIC number to register a SIM, there are certain circumstances when a Village Head can validate an individual’s identity to enable the receipt of cash after emergencies. However, it is unclear whether this temporary form of identity can be used to register a SIM card. This process is often used by forcibly displaced persons whose temporary identification documents are issued by village headmen.

In a country with more mobile connections than people, the mobile industry is well regulated. However, according to one expert, a black market of mobile connections may exist.



Potential opportunity for mobile operators

Providing access to identity for war widows

As the result of Sri Lanka's civil war, there are a disproportionate number of widows in Sri Lanka, particularly in northern regions. Sri Lankan widows find it difficult to access welfare provisions, and face barriers in accessing microcredit schemes for self-employment and other income generating programmes. As religious and cultural norms do not favour remarriage of widows, life becomes very difficult for a woman who has lost her husband — especially if she has children.²⁷

27. UN Women (2014) *Empowering Widows: An Overview of Policies and Programmes in India, Nepal and Sri Lanka*

There are three categories of war widows in Sri Lanka: widows of Sri Lankan army personnel killed during the civil war, largely located in the south and west of the country; war widows of Tamil Tigers, who tend to be more marginalised for affiliation to the Tamil separatist movement; and widows of non-combatants. Widows are likely to face a number of challenges when trying to access vital services, including:

- marginalisation;
- the diffusion of responsibility for widow-focused programmes, which are governed through at least four government departments;
- a lack of basic documentation, which constitutes a major barrier to accessing services and claiming land ownership in their former homes; and
- sparse data on widows and their use of services, which makes it difficult to identify the number of widows receiving services.^{28,29}

Opportunity

The government of Sri Lanka has a history of investment in the social sector, and there is strong appetite among key government and bilateral, multilateral and NGO stakeholders to support women, including widows, in the country. This is evidenced by the Ministry of Child Development and Women's Affairs' (MCDWA) mandate for the promotion and protection of women's rights, and the existence of two women-focused statutory institutions: the National Committee for Women and the Sri Lanka Women's Bureau. The challenges faced by this group of women could provide a unique opportunity for MNOs to test a digital identity solution to improve widows' access to, and the delivery of, vital services.

In Sri Lanka there are between 89,000 and 500,000 widows, and an estimated 258 million widows globally.³⁰ There is potential to scale this solution into other markets where there are large numbers of widows. Neighbouring India has the highest number of widows in the world, at 46 million, and these women are likely to face the same identity-specific barriers to accessing services.

Solution

The platform should be designed to enable women to: (1) self-identify as widows, (2) have their identity status verified by a trusted party, and (3) connect and claim relevant services and support. Previous research conducted by GSMA in Sri Lanka³¹ has explored opportunities for MNOs to establish 'Economic Identities' for smallholder farmers; with many of the lessons and recommendations gained from this work relevant to an identity solution targeting widows.

Official, government-issued, identity documents are likely to be appreciated by widows for their practical value (enabling access to formal services) as well as their symbolic and emotional value (anchoring them to an official and recognised identity as 'Sri Lankan'). However, a widow's attitudes towards digital identity, and their willingness to trial new services, will likely be influenced by a wide range of factors including their financial stability, digital literacy and concerns about privacy. In the close-knit rural communities where war widows are likely to live, local government officials are likely to act as personal, accessible touchpoints for help navigating services and support. MNOs should consider partnering with these 'known' institutions to gain widows' trust when capturing or sharing personal information.

As with 'Economic Identities', there are at least three key opportunities for digital identities to support widows and achieve commercial sustainability for MNOs — by improving access to, and the delivery of: formal financial services, targeted information and advice, and government subsidies. In the long-term, GSMA research suggests that placing more emphasis on digital identity could help MNOs achieve higher revenues and brand awareness in rural areas, decrease churn, establish positive relationships with local government and enterprise clients, and help expand the country's mobile money ecosystem.

28. Crisis Group (2017) *Sri Lanka's Conflict-Affected Women: Dealing with the Legacy of War*

29. UN Women (2014) *Empowering Widows: An Overview of Policies and Programmes in India, Nepal and Sri Lanka*

30. <http://www.theloombafoundation.org/>

31. GSMA (2018). *Digital Identity for Smallholder Farmers: Insights from Sri Lanka*. Available at: <https://www.gsma.com/mobilefordevelopment/programme/digital-identity/digital-identity-for-smallholder-farmers-insights-from-sri-lanka-2/>



Looking forward

Sri Lanka benefits from strong identity coverage from birth to death, and is exploring new ways to digitise the identity ecosystem. As the government leads these efforts, work must also focus on building and maintaining citizen trust relating to how personal information is captured and used. The relationship that consumers have with government, service providers, and their communities has a strong influence on their behaviour and attitudes towards identity, and service providers working in the identity space must ensure that this is a central consideration when developing new products and services. This is especially true when designing services for women who live in communities with strong patriarchal gender norms. This group will likely have less access to identity products and mobile services; or may have lower levels of digital literacy.

For more excluded members of society, services built on robust digital profiles could bring significant value if they helped to provide fairer access to mobile services, trusted sources of information, and government support.³² These solutions might be designed to build on and digitise records kept by local government, or tap into existing social networks to build and verify an individual's status or eligibility.

It will be important for MNOs to leverage existing social support networks when introducing new identity-linked services: mobile agents in many Sri Lankan communities go beyond their job role and provide wide-ranging digital support, often acting as key points of contact when less-digitally literate customers needed support using the phone. However, in Sri Lanka formal service providers, such as MNOs and banks, hold more distant relationships with consumers; this might require them to partner with particularly trusted institutions when capturing or sharing personal information.

In the coming year, the GSMA Digital Identity Programme will be working with mobile operators across the Commonwealth to identify how opportunities such as these can create both short and long-term value for citizens, local governments, and other development partners, while also ensuring that the platform can be financed sustainably and quickly move from 'pilot' to 'scale'.

32. ibid

Appendix:

Methodology

Through conducting a thorough review of the identity and mobile landscapes in each country, the research aimed to provide MNOs and other stakeholders with a detailed overview of the identity and digital identity context — and related opportunities — in Sri Lanka. This work was seen to be particularly important in enabling the development of accessible, impactful, relevant, and sustainable digital identity solutions and initiatives; particularly those that could improve the lives of women and girls.

The approach, led and undertaken by M&C Saatchi Worldwide Services, had two main components: extensive desk research, and a series of Key Informant Interviews to validate, contextualise, and interrogate the literature. Two interactive and structured workshops were convened to present initial and final findings.

Desk research

This component aimed to provide an overview of the identity ecosystem, including key identity stakeholders; establish a detailed overview of the mobile landscape; provide insight regarding gender disparities; and explore the prior appetite of MNOs with regard to wider social development products, services, and initiatives.

The desk research featured an in-depth exploration and analysis of academic, grey and industry literature on political and policy development in the above countries, mobile phone adoption and gender norms, and a comprehensive compilation of statistics to develop a holistic picture of each market.

Sample resources included the World Economic Forum's Global Gender Gap Report, the World Bank's State of Identity Systems in Africa, UNDP's Human Development Reports, and leveraging data from sources such as GSMA Intelligence and the World Bank's Gender Data Portal.

Key informant interviews

Across the four markets, 40 semi-structured Key Informant Interviews were conducted with representatives from government, civil society, and the private sector — including MNOs, and experts in identity and digital identity. The interviews particularly aimed to investigate identity ecosystems, mobile landscapes, and gender disparities; and to explore the interest of MNOs — and other stakeholders — in developing digital identity solutions.

The discussions used a filter interview sequence strategy and modular structure — with questions tailored to each group of stakeholders. Each interviewee was asked questions regarding their experience and understanding of the identity ecosystem, mobile landscape, and gender context in each country; whilst each group were asked specific questions relating to the validity and reliability of publicly-available data relevant to their field of expertise.

The desk research and initial discussions in each country generated a range of potential identity-related business opportunities or use-cases in each country. These were then discussed in more detail with experts from MNOs, in order to identify the feasibility and usefulness of each product or service.

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