



Aadhaar: A Platform for Service Delivery



**Unique Identification Authority of
India (UIDAI)**

www.uidai.gov.in

Hyderabad, 24th January 2013

Agenda

- Context of Unique IDs in India
- Features of Aadhaar
- Implementation Eco-system and Approach
- Service Delivery Potential of Aadhaar
- Some Service Delivery Applications Examples
- Road and Challenges Ahead



Context of UIDs in India

- **Provision** of a robust, reusable ID to those who do not have any ID proof
- To **clean up** existing databases through Uniqueness
- **Improve** Targeting and Delivery of Services
- **Reduce** cost of Delivery of Services



UIDAI's Mandate

- **To provide Unique ID Number to all Residents**
 - Enrolment is a one time process for the resident
 - Establishes Uniqueness
- **Provide online, cost-effective, ubiquitous authentication services across country**
 - Authentication is transactional
 - Establishes identity
 - Usually done at the time of availing a benefit



Aadhaar : An Online ID

Ration Card	Drivers License	Passport
PAN Card	NREGA Job card	Voter ID Card

- All current valid Pol/PoA documents issued for specific purposes and entitlements
- Used as Pol/PoA in the absence of a pure ID
- Requires manual authentication basis 'What the user has'
- Is prone to duplicates, fakes, etc.



- Aadhaar is a pure ID issued by the Government to all residents
- Identity platform for leverage by multiple applications
- Portable Online ID can be used for Authentication anytime, anywhere
- Authentication on basis of 'what the user is (biometrics) or knows (OTP)'
- Provides usage audit trail



Features of Aadhaar

Only Numbers – No Smart Cards

Random Numbers – No Intelligence, No Profiling

Voluntary in nature

All Residents – Including Children

Uniqueness – Ensured through biometric attributes

No Guarantees to Citizenship, Rights, Entitlements

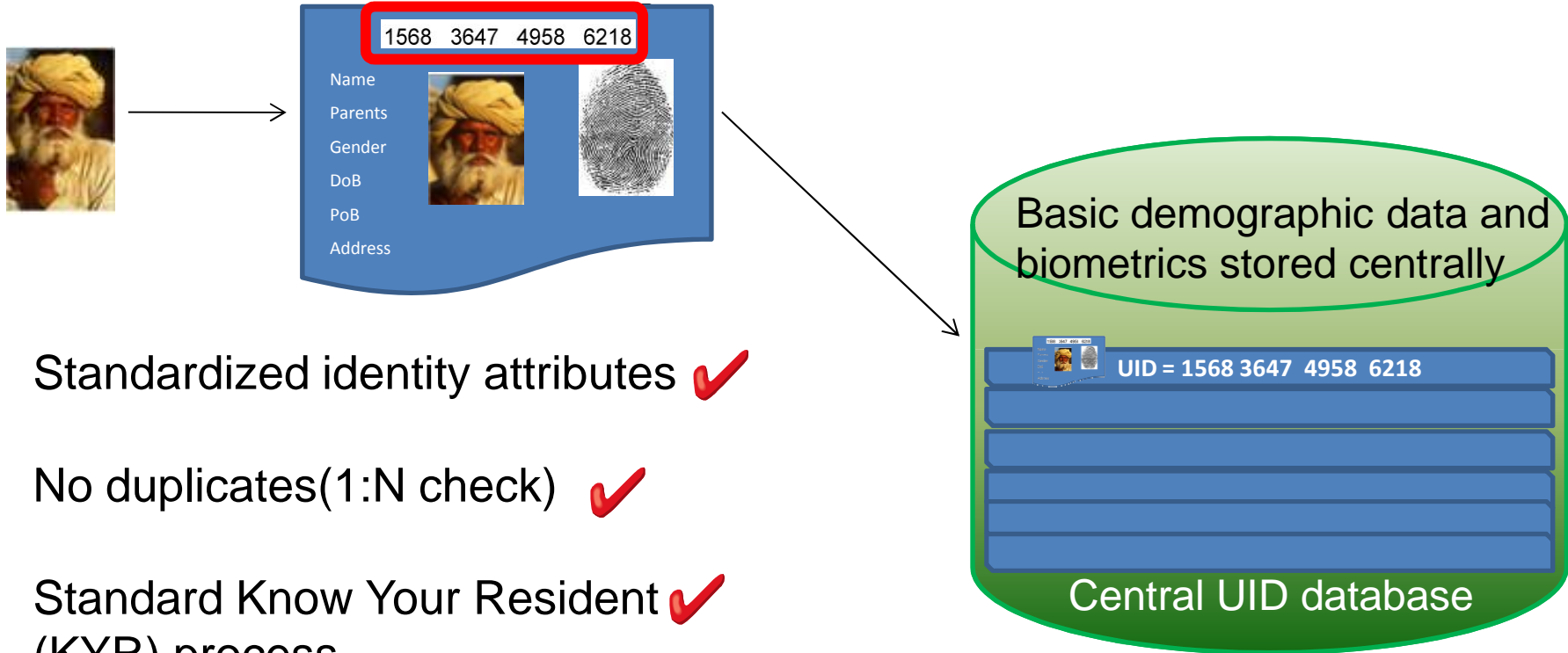
Ensuring Security and Privacy of Information

Ubiquitous Authentication – From No ID to Online ID



UIDAI will issue unique IDs ...

UID ⇔ Unique number ⇔ Random number



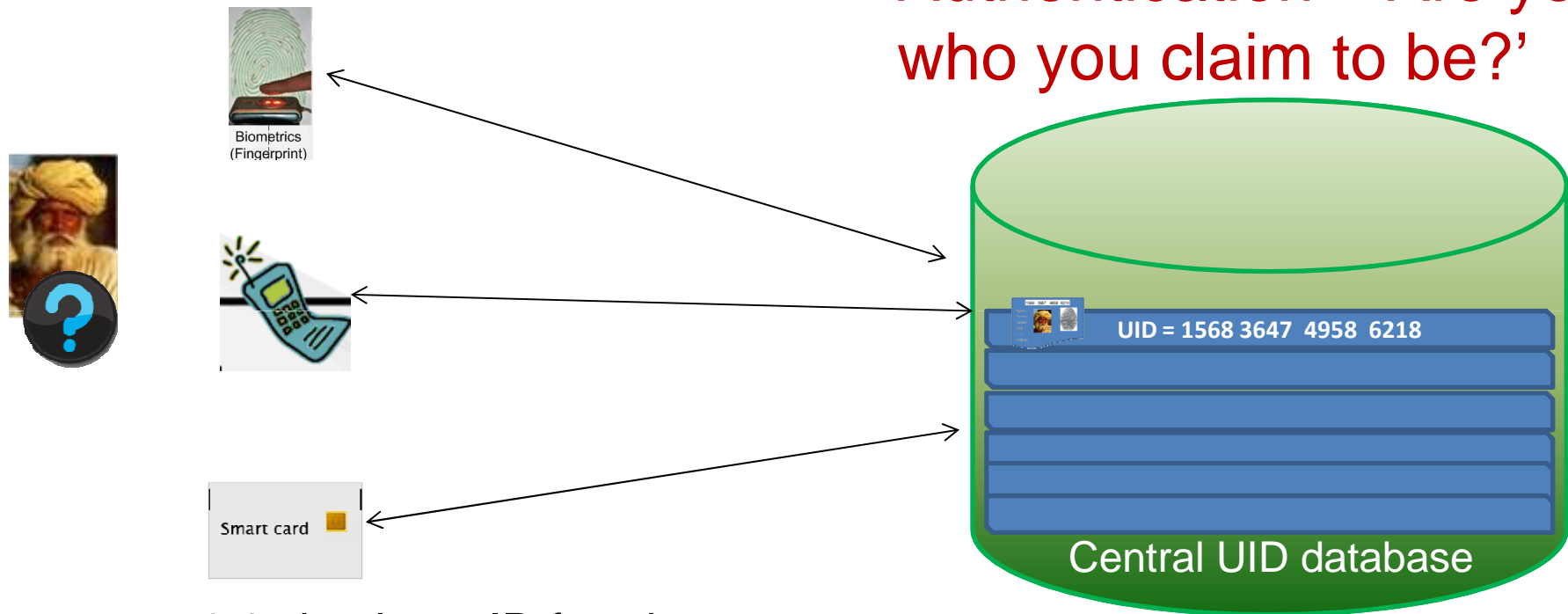
Standardized identity attributes ✓

No duplicates(1:N check) ✓

Standard Know Your Resident (KYR) process ✓

... and authenticate IDs online, real-time

Authentication - 'Are you who you claim to be?'

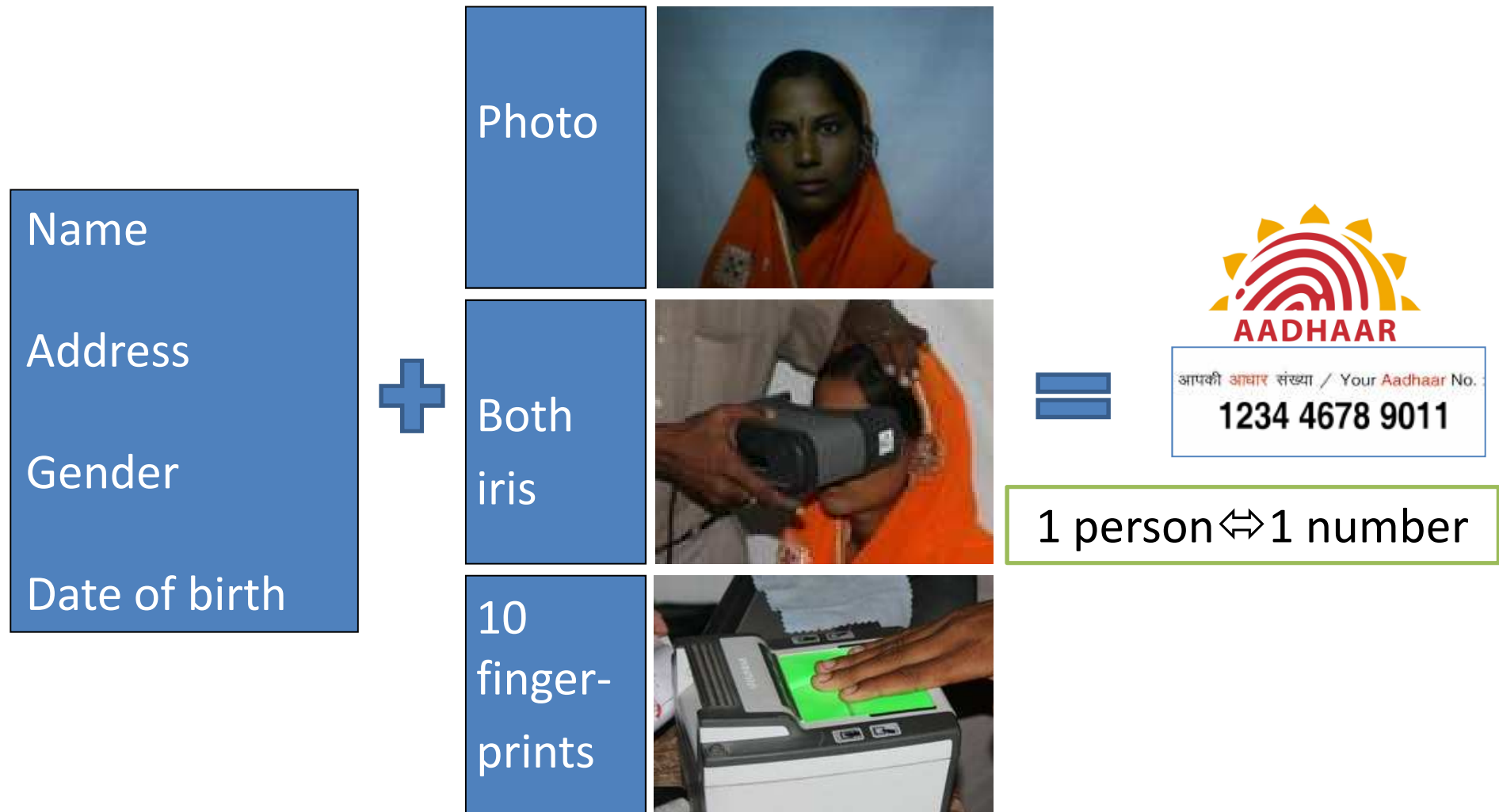


- ✓ 1:1 check, no ID fraud
- ✓ Only YES/NO response, no details – no invasion of privacy
- ✓ Person can see self-details, no one else can

Property of UIDAI - Highly confidential



4 demographics + 3 biometrics = 1 unique Aadhaar number



Aadhaar is an electronic Identity

- Unique
- Online
- Authenticable
- Portable
- Pan-India
- Service Delivery Platform

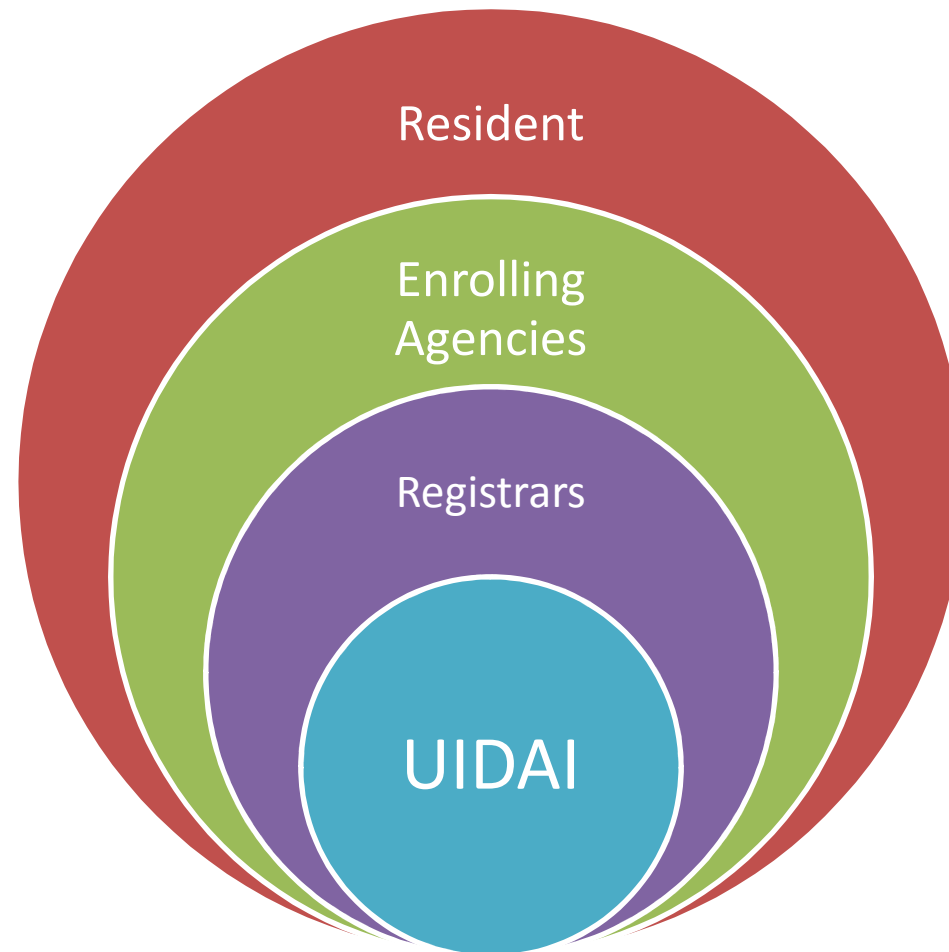


UID Implementation Approach

- Sustainable, Inclusive, Speed, Cost-effective
- Creating Eco-system of partners
- Distributed Enrolments : Standard processes – devices, manpower, client software, verification
- Centralized processing and allocation
- Standards, Open Source
- Scalable authentication Systems
- Quality: device and operators certification



Enrolment Ecosystem



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Progress Thus Far

- Launched on 29th September 2010
- Issued 260 Million UIDs, Enrolled 300 million
- Launched Applications on 20th October 2012
- An large eco-system of
 - Enrolment Agencies
 - Certified Devices
 - Certified Operators
 - Application Developers
 - Applications – Cash Transfers, LPG, PDS etc



Service Delivery Potential of Aadhaar Number

- Uniqueness and Existence ensures no fakes or duplicates
- Uniqueness ensures breaking of database silos
- As a sufficient KYC for multiple services : Bank accounts, Financial inclusions, Mobile Connections, Social Assistance Programs
- Identity platform for various domains
- Can work as a Universal Communication Address for a person



Service Delivery potential of Authentication

- All transactions start with **proving your identity**
- Aadhaar online authentication provides a **common platform** which can be used across all applications.
- Entitlements should reach the intended beneficiary – **non-transferability** can be ensured by **authentication at the point of service delivery**
- Many domains will be able to use as a **proof of presence** for the beneficiary



Aadhaar Enabled Applications - some usages

KYC, Database Cleanup

- Subscription to a New Service, Product.
- Example: Mobile Connection, PDS Ration Card, Bank Account

Transactions

- Money Transfers, Consumer Banking
- Example: NREGA wages, Pensions to bank accounts, Micropayments

Presence, Access Control

- Attendance/Presence, Access to Location
- Example: NREGA Attendance, FPS beneficiary identity

Aadhaar as a Unique ID

- Mechanism for linking Databases
- Example: Credit Bureau, Medical Records

Aadhaar accepted as common KYC platform for...



1 PoI/PoA for mobile connections



2 KYC for opening bank A/Cs



3 KYC for LPG Connections



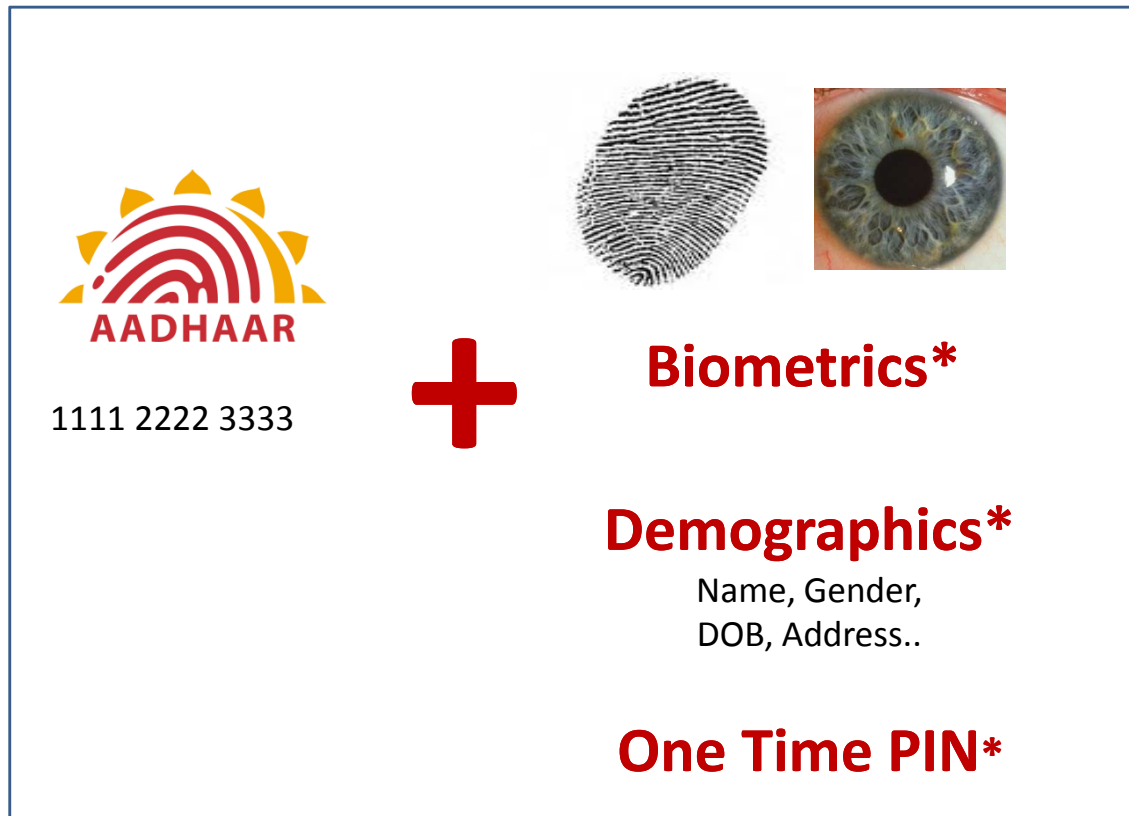
4 PoA/PoI in multiple states for service delivery



5 PoI for Train Travel



Aadhaar Authentication at a Glance



1:1 Match

=

Yes **

OR

No

*and/or – Single or multi-factor authentication

**Yes/No – Would enable service provider to take business decision



Aadhaar Platform for Financial Inclusion

Access (e-KYC)

- Open Bank Accounts using Aadhaar
- Linking of Aadhaar to existing bank accounts

Address (APB)

- Aadhaar Payment Bridge (APB) is leveraged to transfer funds to the Aadhaar Enabled Bank Account
- Simplifies disbursement of funds – uses only one account for all disbursements

Transactions (AEPS)

- Aadhaar Enabled Payments System (AEPS) leveraging BC microATM network integrated with Aadhaar Authentication
- MicroATM enabled transactions - withdraw and deposit, Check balance, peer to peer transfers
- Inter-operable, portable anytime anywhere



4. Application Adoption – Next Steps



A few Aadhaar Application Pilots

- Financial Inclusion Pilot in Jharkhand
 - The wages of MGNREGA workers are being transferred directly into Aadhaar linked bank account of the beneficiaries
 - Micro-ATM's deployed in rural areas help the beneficiaries to easily access basic banking services such as Withdrawal, Deposit, Balance Enquiry, etc.
- LPG Delivery Pilot in Mysore
 - LPG cylinders being delivered by delivery boys to households after Aadhaar biometric Authentication
 - Authentication ensures that the subsidized cylinders reach the right beneficiary and is not diverted by distributors or delivery boys
 - The second phase of Pilot would involve direct cash transfer of subsidy into the Aadhaar linked bank account.

A few Aadhaar Application Pilots cont..

- **PDS in Andhra Pradesh**

- Pilot initiated by F&CS Department for around 35,000 households with around 1.25 lakh beneficiaries in East Godavari district
- Subsidized ration (Rice, Palm Oil, Pulses, Sugar) being provided to beneficiaries after Aadhaar biometric authentication
- Ration Card Number is linked to Aadhaar number(s) in the application backend and over 1 Lakh successful Aadhaar authentications has happened for disbursement of ration

- **MNREGS and NSAP in Andhra Pradesh**

- Started recently to pay MNREGS wages and NSAP Pension through APB and withdrawal through micro-ATMs

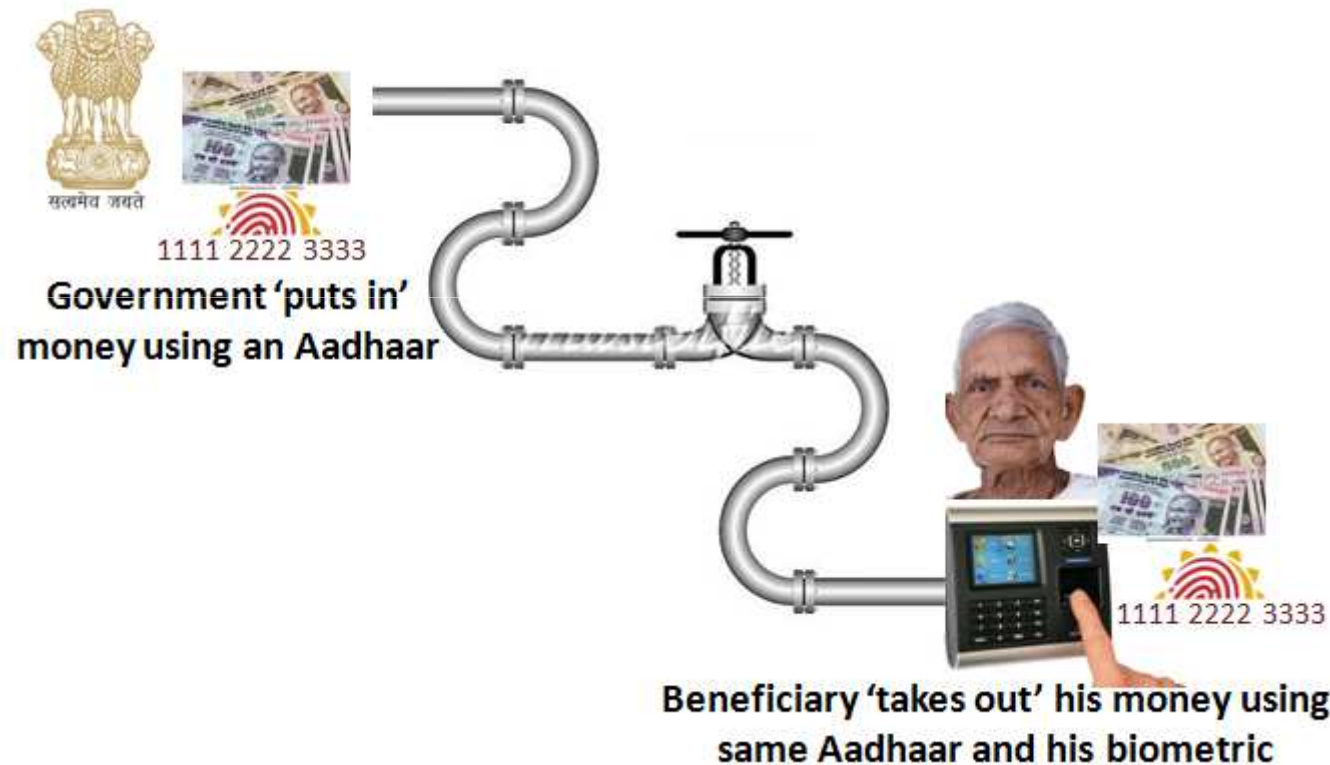


Implementation of Aadhaar Enabled Direct Benefit Transfer

- Ministry of Finance has notified the launch of Aadhaar-based payments in 51 districts from Jan 1, 2013
- Initially, 34 schemes have been identified
- Direct Benefit Transfer to be extended to 18 states from April 1, 2013

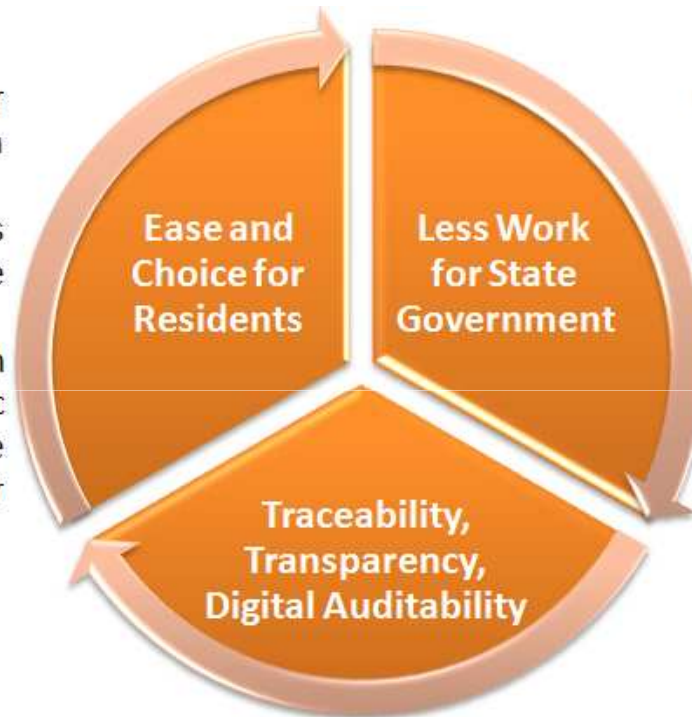


A direct pipe to the resident!



Aadhaar Enabled DBT

- One account is used for receiving all his benefits from various schemes
- Choice and portability across banks without need to update details in multiple places
- Door step banking through MicroATMs and biometric authentication without the need to carry a token or remember passwords

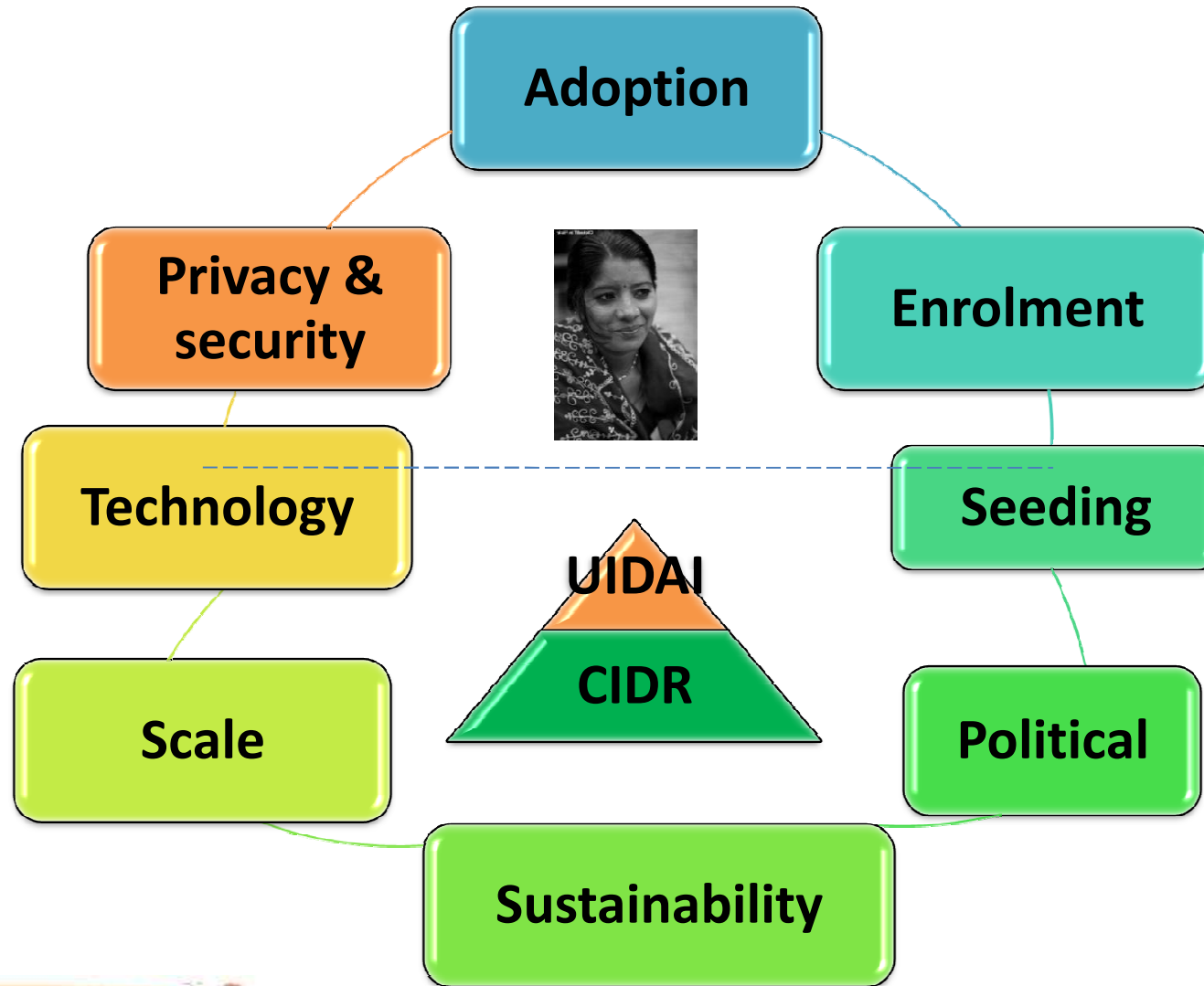


- Adding a single number eliminates ghosts and duplicates as well as acts as a 'financial address'
- Reduces data collection effort for the schemes
- Insulates the scheme from any bank change that customer does in his choice of bank

- Resident-centric view enables weeding out people who may be availing benefits of multiple similar schemes, such as LPG and kerosene
- The Government 'puts in' money using an Aadhaar no. and the beneficiary 'takes out' his money using same Aadhaar no.
- Analysis can be built on how well and how quickly money is reaching the beneficiaries



Challenges





Thank You

AADHAAR

