Digital Identity: the cost of doing nothing
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Target audience

• C-Suite, decision makers and influencers
• Banking and financial services
• Other potential applications - health, travel, govt
• Potential data providers, scheme participants and relying parties

Objectives

• Increase understanding of what a UK digital ID scheme might look like
• Highlight why it should be a C-suite/Board-level discussion
• To make a compelling case for future action based on the high cost of inaction
• Potential scheme architectures, stakeholders and roles

Paper Structure

1) Identity in the UK: a state of inertia
2) The cost of doing nothing
3) The way forward
4) Conclusion: catalysts, roles and recommendations
# Section 1: A State of Inertia

## Introduction
- What is digital identity?
- What is a digital ID scheme?
- Potential uses for a digital ID?

## UK Regulation - a driver of identity
- Why is regulation a driver of identity?
- Regulation on the C-Suite agenda
  - PSD2 / SCA
  - eIDAS
  - PAD
  - GDPR
  - Open Banking
  - AMLD4/5
  - PSF Payment Strategy - the SME KYC solution for banks?

## UK Identity developments - a fragmented landscape
- Verify, fintech, TISA
- What is causing inertia?
- Barriers to development and adoption
### Section 2: the cost of doing nothing

<table>
<thead>
<tr>
<th>Financial Costs</th>
<th>Customers and competition</th>
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<tbody>
<tr>
<td>• Increasing cost of compliance and inefficient processes</td>
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<tr>
<td>• Increasing fraud and bank liabilities</td>
<td>• Constraining digital experiences</td>
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<td>• Friction creates inertia - risk of further CMA action?</td>
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<thead>
<tr>
<th>Regulation a bigger challenge</th>
<th>Future opportunity costs</th>
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<td>• Stronger Customer Authentication and payments innovation</td>
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<tr>
<td>• Tougher AML</td>
<td>• Post-brexit &amp; international digital economy</td>
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<td>• Open Data</td>
<td>• Digital, fraud and payments innovation</td>
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<td>• Bank network transformation</td>
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Section 3: finding a way forward

1. Learn from international success
2. Identify industry and consumer needs & uses
3. Develop a shared vision
4. Clear roles and responsibilities
5. A catalyst for change