eID: emerging business cases

eIDAS Private Sector Engagement High Level Event – 31 March 2015, Brussels

Highlights

The event was organised as a follow up to last year's events (i.e eIDAS launching event on 14.10 and eID high-level event on 19.11) to promote cross-sector exchange and take-up of eIDAS services.

This is a Commission summary of the main points that participants of the event identified about the obstacles and opportunities for the private sector in the implementation of the Regulation and take-up of eID. The objectives of the day were defined as follows:

– Outline the basic principles of eID (in a cross-border context) and showcase good practices;
– Collect input from the private sector to secure better regulatory alignment and improve the understanding of the various implementations of eID in business processes;
– Offer practical tools for further take up in terms of technical expertise and financing (CEF), so as to develop a closer cooperation with innovative businesses.

Building in particular on the eID event on 19 November, the event gathered high-level business representatives of the business sectors consuming eID means that were identified as showing considerable potential for growth and reach to citizens in the effort to leverage eID as a key enabler of the Digital Single Market (DSM), i.e. banking and the sharing economy.

Telecom and identity providers as well as representatives from Member States were also present, providing fertile ground for discussion.

Main messages

– Trust, security and convenience are key concepts to leverage eID.
– Cross-sector exchanges and collaborative projects are important and useful in particular when involving very divers sectors like banking and the sharing economy.
– The eIDAS regulation is built on the principle of federated identity schemes while respecting domestic arrangements, which will be essential to scaling eID.
- **Digital technology is disrupting many markets** and digital channels are growing exponentially, creating an opportunity to rethink and transform the end2end customer journey.
  - **Smartphones** and **mobile devices** are central to everyday life. They are both secure and convenient sources thus opening up huge possibilities for eID.
  - **The Sharing economy is growing faster** than Facebook, Google and Yahoo combined. Trust is the cornerstone of this growing market, **creating a space for eID to play a central role**; its growth is based on identification, reputation and protection of users and service providers alike.
  - **Identity is at the heart of banking**: the paradigm shift is from check-out to check-in
  - **Regulatory fitness for digital**: There is a need for reviewing existing regulatory environments taking into account technological developments while ensuring legislative alignment between eIDAS and other sector-specific rules, in particular AML (Anti Money Laundry) and PSD2 (Payment Service Directive 2).
  - Equally important, however, is to understand **what should not be regulated** such as technology acceptance, identity definition and use.
  - The sharing economy needs a **level playing field**: you know what you are sharing, and what eIDAS offers. **Cross-border and cross-sector interoperability** is key.
  - Standards are important to avoid fragmentation and secure interoperability.
  - **The sharing economy is dependent on trust**: verification, protection, reputation and convention (code of conduct / ethical conduct)
  - To fully benefit from cross-sector use of eID there is a need for more **understanding on interoperability** as well as careful reviewing of **liability setting**.
  - We need a **common trust system** (based on the trust triangle: service, security privacy protection) supported by everybody. The issue is not about technology but decision-making. **It is time to collaborate and share.**

**Next steps**

The Commission:

- will continue its close collaboration and dialogue with the private sector and to this end:
  - On 23 April, the event "**Boosting on-line trust and convenience: the business view**" on the use of trust services in three business sectors (insurance, finance and postal services) will take place;
  - On 5 June, EEMA – in collaboration with the European Commission – will organise the event "eID: The business case for the banking and finance community" in London.
- supports the private sector to make the most of these opportunities and encourages MS to cooperate with private sector to ease access to and use of nationally issued eIDs.
- continues working on helping Member States deploy implementing technical solutions for interoperability through the Digital Service Infrastructure (DSIs) of the Connected Europe facility (CEF) where electronic identification and trust services are central building blocks.