



# Why This Matters: Evidence Building on DPI

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# Why this agenda matters ...



**Billions of people** struggle to fulfill their rights and access services and economic opportunities each day, while **governments and firms also struggle** to deliver services **efficiently and securely**, particularly in a **rapidly digitalizing world**.

Among other contributing and compounding factors are the **lack of inclusive, trusted, and digital systems** for **identity verification, data sharing, and payments,**



a siloed approach to a **multi-sectoral problem**.



# For example ...



Billions without access to digital ID or bank accounts



High operational costs due to in person, cash-based processes



Time-intensive, insecure means of verifying identity and personal info.



Programs and services full of leakage, delays, and inconvenience for recipients



Poor data protection and high incidence of identity theft.



Insufficient or inaccurate personal records and data



# Big Picture Theory



## RISKS FOR ANY TYPE OF DIGITALIZATION:



exclusion for those with low digital access, skills, literacy

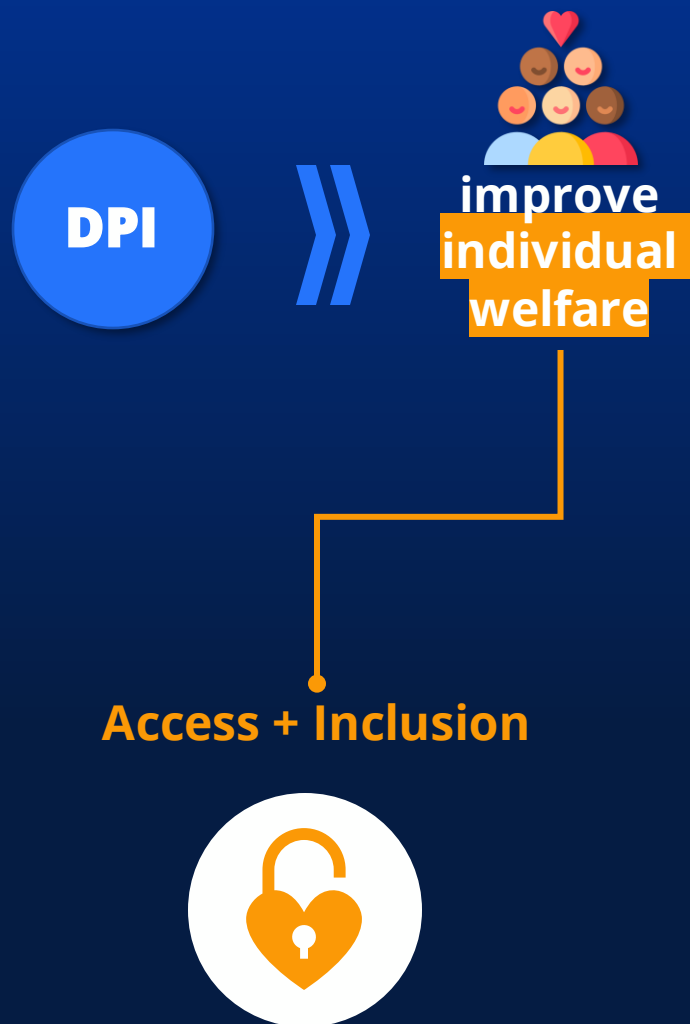


misuse or mismanagement of personal data



lock-in and waste, systems not fit-for-purpose

# Benefits for People



## Right to Identity (in person *and* online)

850 million people don't have ID—and thus have difficulties accessing mobile phones, jobs, financial and government services.

~5 billion don't have access to official digital identity for online transactions (ID4D Dataset).



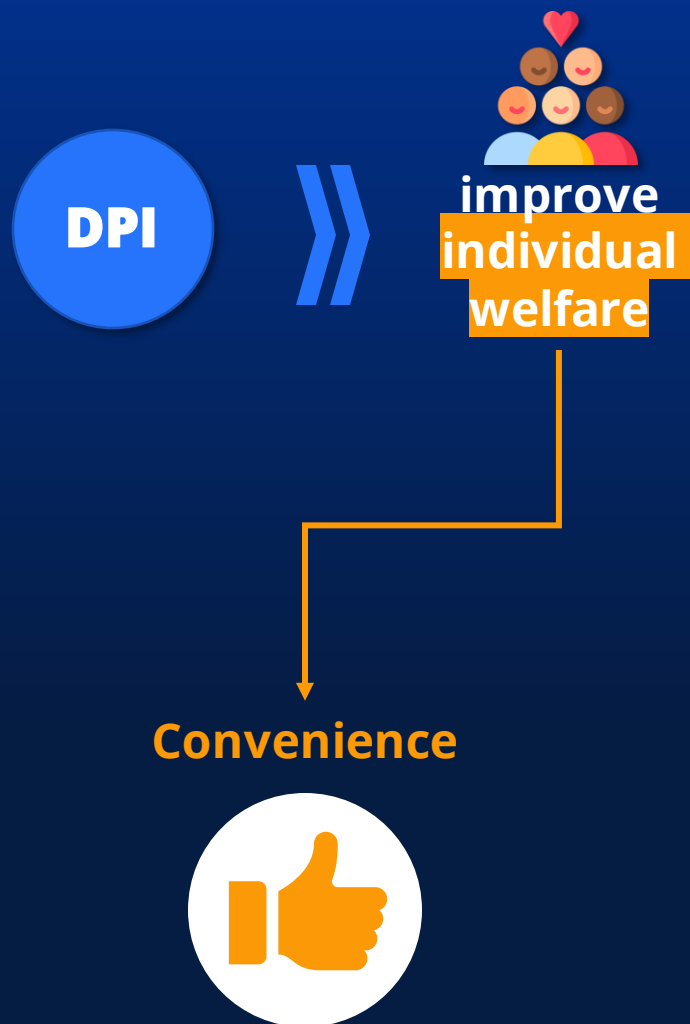
### Brazil

PIX + digital wallets with remote onboarding + pro-digital policies contributed to 75% of *Auxilio Emergencial* cash transfer beneficiaries using the funds digitally.

## Digital G2P as a gateway to financial inclusion

Digitalizing G2P payments has contributed to more than **865 million people worldwide** opening a bank account for the first time (Global Findex 2022).

# Benefits for People



Digitalizing services via DPI can reduce friction and opportunity cost, and enable innovation.

In G2P payments for example ...



## Mozambique

Beneficiaries **spent <30min waiting** for mobile money payments vs. 1+ hours cash payments.



## India

A maternal health CCT **reduced payment delays** by 43% after switching to digital payments.



## Rwanda

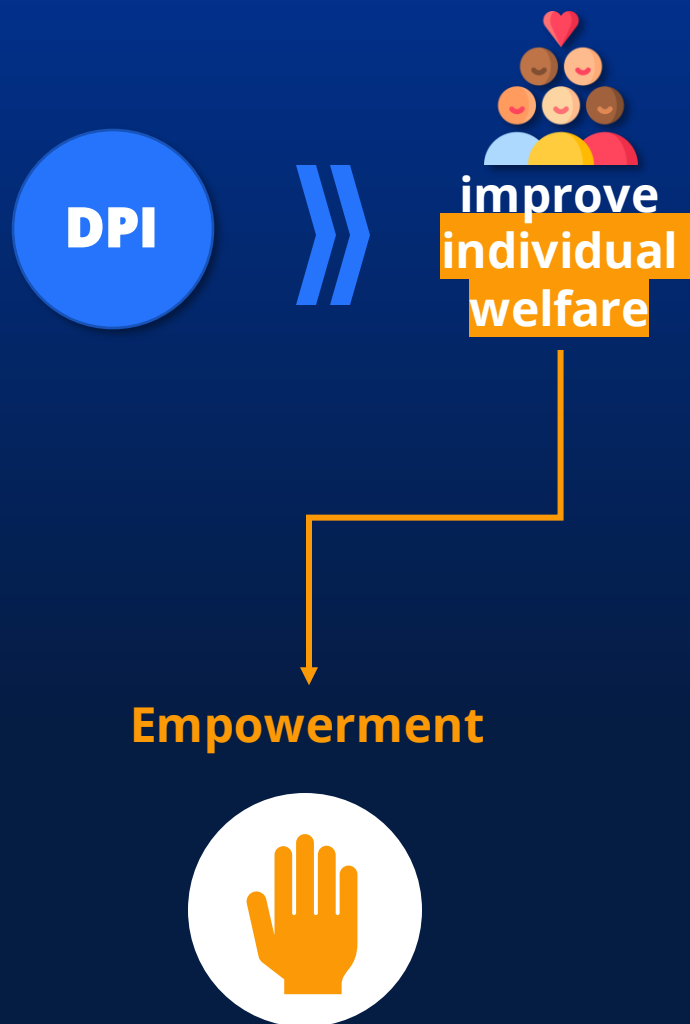
Beneficiaries report that mobile payments **increased flexibility**—no need to take day off work—and saved them **travel costs**.

World Bank (2022) Mozambique SP Covid-19 Response Survey

Anita Sharma (2019) Bihar Women Open Bank Accounts, Gain Financial Awareness Through Government Cash Transfer Program

Dalberg (2022) Assessment of the G2P Pilot (digitalization of VUP payments) and recommendations for scale up

# Benefits for People



**DPI can empower women by ensuring that they receive and control G2P transfers directly:**



## Pakistan

Digital ID-linked cash transfer increased women's reported control over cash by 9 percentage points.



## Niger

Digital payment led to greater **decision-making power** and increased up to 16% the **diet diversity** of their household.



## India

Digital payments increased **female employment** outside the household.

**+ new methods for data protection and personal control**

-Clark, et al (2022). Using Biometrics to Deliver Cash Payments to Women: Early Results From an Impact Evaluation in Pakistan.

-Aker et al (2016) Payment mechanisms and antipoverty programs: Evidence from a mobile money cash transfer experiment in Niger

-Field et al (2021) On Her Own Account: How Strengthening Women's Financial Control Impacts Labor Supply and Gender Norms.

# Benefits for Government



**Savings** via lower transaction and disbursement costs; improved targeting; reduced leakages and identity-related fraud.



## Mexico

Estimated 3.3% annual savings on G2P payments **due to cutting incorrect payments** after centralizing and digitizing G2P payments.



## India

Leakages dropped by 41% in employment and pension social programs after introducing biometric-based digital payments.





# Research on COVID-19 response

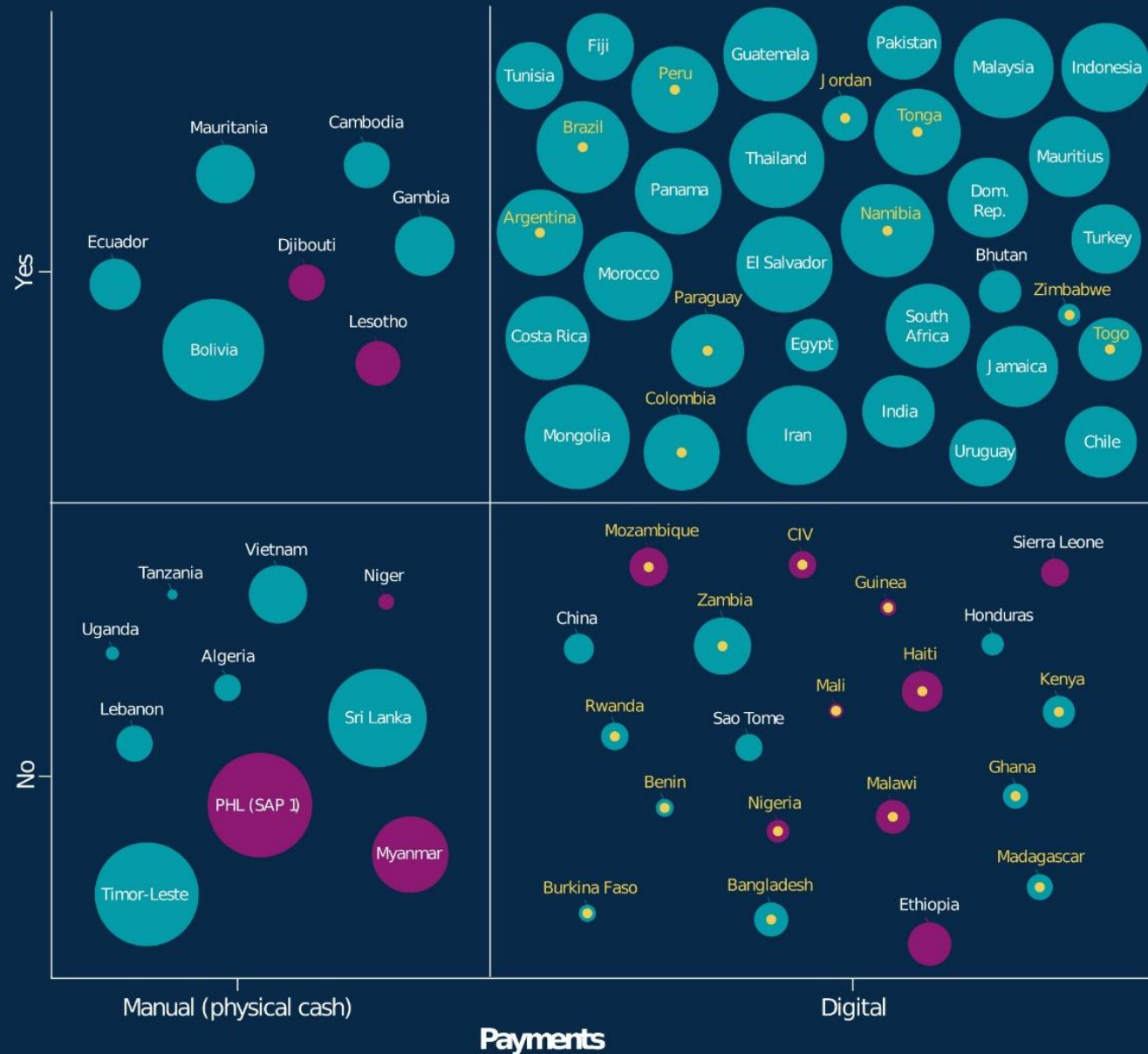
**DPI enabled safe and effective scale-up of social protection in response to COVID.**

Of 85 countries with data, those that had:

- ✓ digital databases or ID records
- ✓ data-sharing platforms

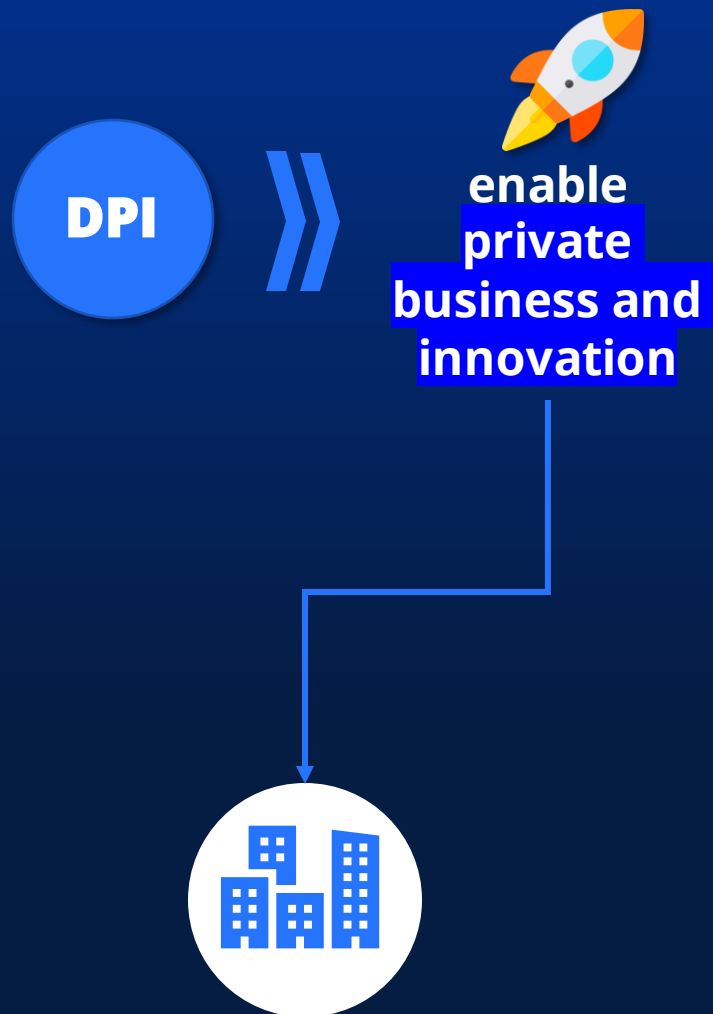
Reached **over 3 times** more beneficiaries than those countries that had to collect new data for COVID response.

**Registration, Assessment & Eligibility**  
Use of digital databases or ID records



**ID coverage:** ● Above 75% of adults ● Below 75% of adults | **Type of account:** ● Mobile money

# Benefits for Firms



Better identity assurance and automated processes can reduce transaction costs and generate savings.



**Philippines**

A time-and-motion study (*stay-tuned tomorrow!*) estimates a potential **cost savings** of up to 86% for a bank that switches to digital identity verification (Technopoly).



**Zambia**

Digitization of G2P payments can contribute to expanding access and improving service:

A **digital choice-based model** incentivized payment service provider participation leading to:

- higher **competition**,
- **lower market prices**,
- **service closer** to rural communities, and
- **products** catered to bottom of the pyramid.

# Importance of more research for DPI



## Emerging field

More data needed to fine-tune implementation and improve trust and innovation.



## DPI♥data

Opportunity for automated data collection and analysis “by design.”



## People-centricity

People-centric requires input and feedback to meet needs and reduce risks.

More  
later  
today!

# Research Priorities



## Impact

Use rigorous impact evaluations to quantify impact on people, governments, and firms.



## Implementation

Conduct regular data collection and research to harness benefits and mitigate risks.

More on  
Day 2!

# DPI Lab Model

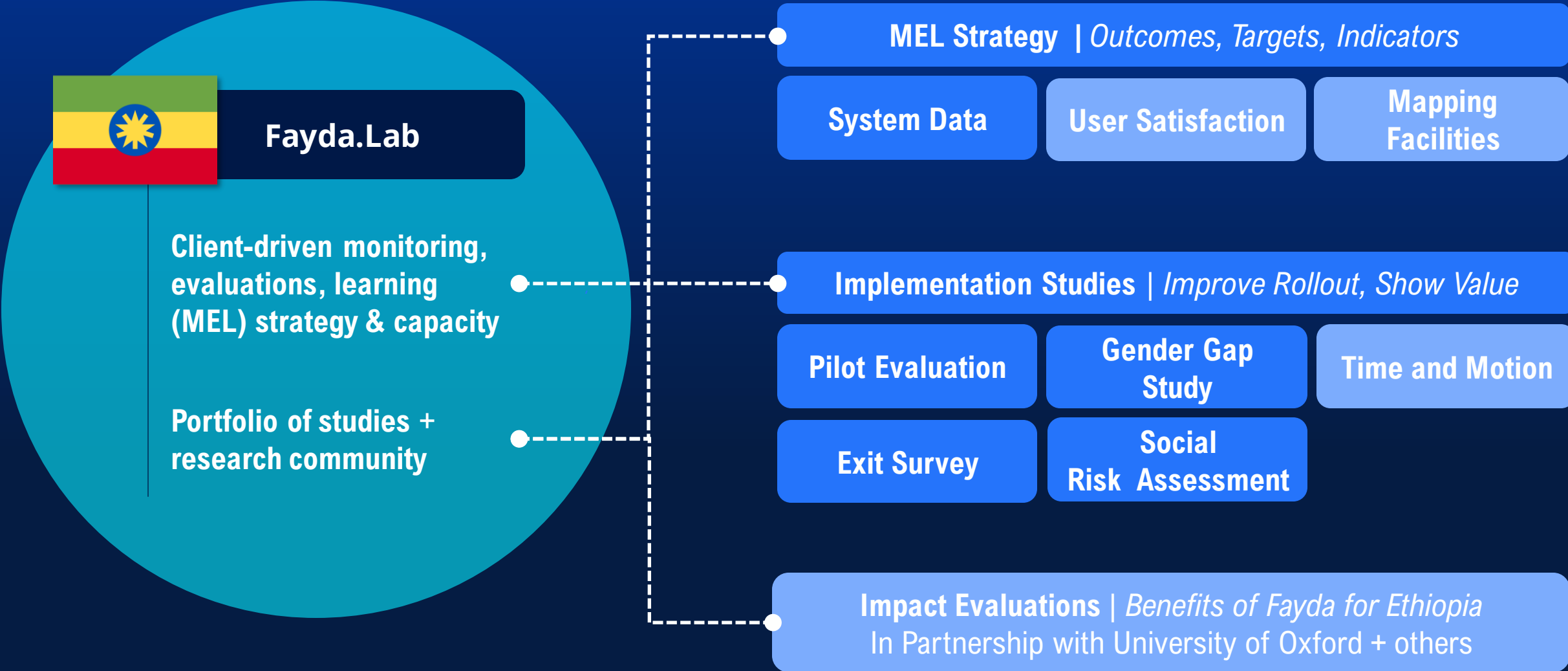


## DPI Lab

**Client-driven monitoring, evaluations, learning (MEL)** strategies and capacity building, for DPI projects.

**Portfolio of studies + research community** to address country needs and build evidence on global themes.

# Example | Ethiopia



# How to get involved



Reach out to **Julia Clark** ([jclark6@worldbank.org](mailto:jclark6@worldbank.org))  
**Georgina Marin** ([amarinespinosa@worldbank.org](mailto:amarinespinosa@worldbank.org))



## Countries where WB is Engaged

Need research or MEL support for your DPI project?



## Researcher or Community org.

Interesting in partnering in a country where you work?



## Development Partners

Interesting in funding or collaborating on research?



**Inclusive and trusted  
digital public infrastructure,  
built to empower.**