



NATIONAL TRUSTED IDENTITIES FRAMEWORK

REPORT OF STAKEHOLDER CONSULTATIONS AND POSSIBLE WAYS AHEAD

For the Department Prime Minister and Cabinet

11 JANUARY 2012

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1 INTRODUCTION

Information Integrity Solutions Pty Ltd (IIS) has been engaged to assist the Department of Prime Minister and Cabinet (PM&C) to conduct consultations on the steps the Australian Government might take to develop a National Trusted Identities Framework (NTIF). This information is to feed into a business case relating to the possibility of developing an NTIF. The goal of an NTIF would be to improve trust in the digital economy, and consequently to facilitate economic and productivity gains.

Australia has many trusted identity frameworks (TIFs), for example, the ABN system, financial institutions 'know your customer' processes (that may include electronic identity verification) and on-line sign up for Medicare and the personally controlled electronic health record (that involves the individual health identifier, and an Australia.gov.au logon or proof of record ownership process). An NTIF would set up the principles, governance, standards, assurance, and other measures needed to bring the current and new players and arrangements together into an 'ecosystem' that would work more effectively across the public and private sectors and between organisations. As is being shown in other countries grappling with similar issues there are many ways to go about this.

IIS held a series of consultations during October and November 2012. These follow on from consultations IIS conducted in December 2011 under an earlier engagement with PM&C. The consultation process and the stakeholders consulted are set out in [Appendix I](#). These consultations for this phase are now complete and this document reports on the outcome of consultations and makes recommendations about next steps relating to an NTIF.

2 BACKGROUND TO NTIF WORK

In line with global trends, the Department of Prime Minister and Cabinet (PM&C) has been exploring the public policy issues arising from increasing dependence on Cyberspace and the need to maintain confidence in the digital economy. Arising from government and private sector consultations on its Cyber White Paper Public Discussion Paper¹ PM&C identified a need for strengthening identity management in the digital economy and a voluntary 'trusted identities' model as a possible way of achieving this. The possible model involved the development of a market in identity authentication products.

To further the discussion, PM&C prepared a *Cyber White Paper Policy Proposal: National Trusted Identities Framework*. The paper proposed principles that could guide the development of a National Trusted Identities Framework (NTIF) or market. These are that it should be:

- voluntary, user-controlled and federated
- strengthen participants' privacy
- fit for purpose and easy to use
- accessible and equitable
- have national reach and support interoperability across industry, states and territories, the Commonwealth and internationally
- support the development of a market driven by individuals and industry

¹ <http://cyberwhitepaper.dpmc.gov.au/white-paper>

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- balance risk appropriately across participants and
 - support innovation and competition, while remaining technologically neutral.

3 SUMMARY OF NTIF CONSULTATION PROCESS

3.1 DECEMBER 2011 – INITIAL ATTITUDES TO AN NTIF

IIS has conducted two main rounds of consultation relating to the NTIF. The first was in December 2011 and consisted of a half day workshop attended by 29 private sector and non-government stakeholders and included senior representatives from:

- the four major banks
- Telstra
- technology and consulting companies and
- three non-government organisations representing privacy and consumer interests and

included face to face and phone meetings and some written submissions.

The purpose of these consultations was to assess private and community sector views about, and attitudes to, the establishment of an NTIF.

3.2 OCTOBER AND NOVEMBER 2012 – FLESHING OUT THE POSSIBLE STEPS

The second round of consultations came at a point where the momentum in government appeared to have moved from whether an NTIF is needed to what kind of NTIF was needed. Therefore this round of consultation was aimed at exploring in greater depth with stakeholders what an NTIF might look like. PM&C asked IIS to include public sector stakeholders in this round of consultations. As a result, IIS consultations included:

- face to face and phone meetings with
 - senior officials in key federal and state government agencies and
 - influential officers in some key private and community sector organisations and
- two workshops for private and community sector – on 10 October (26 attendees) and 30 October 2012 (15 attendees).

4 SUMMARY OF OUTCOMES OF CONSULTATION PROCESSES

4.1 PRIMARY PROBLEMS AN NTIF WOULD SOLVE

Based on consultations in this and the earlier phase, IIS has identified the following set of primary problems that an NTIF could solve:

- no easy/secure/convenient way to exchange verified attributes online, including key identity attributes in high integrity transactions
- multiple logon i.e. too many user names/passwords
- lack of interoperability of credentials and siloed credentials and
- safe environment for transactions between mutually verified parties

4.2 GENERAL OVERVIEW OF STAKEHOLDER ATTITUDES TO AN NTIF

In IIS' view, these consultations have been a useful beginning in a process of engaging with stakeholders on the concept of and NTIF and the problems it is seeking to address. However, it cannot be regarded as providing anything other than a high level indication of key stakeholder early thinking on the matter. This is because:

- There has been difficulty conceptualising the issues, including confusion between what the primary problems are and what are problems that arise through poor solutions to the primary problems
- There is a difference among the stakeholders in awareness and understanding of the issues, although the gap is closing as the momentum of concern about identity information management issues increases
- There is no consensus among the stakeholders about what the problems are or how they should be addressed although almost all stakeholders agree there are problems to be addressed
- Engagement with the community and not-for-profit sector needs significantly more work as the sector is generally only in the early stages of understanding the issues and has not been in a position to put the community position with a knowledge base, strength, numbers and detail that representatives from the business and government have been.

The high level message from business stakeholders and state government stakeholders consulted is that:

- something needs to be done and business and state governments are already trying to address some of the problems: foundational elements of an identity ecosystem should be put in place
- there needs to be a national approach and this needs to happen soon otherwise everyone will go their own way and there will be a fragmented approach that will be expensive to retrieve
- federal government involvement will be essential
- federal government coordinating its own projects is also essential.

From a business point of view, the key additional messages are:

- access to government data would be helpful
- it is time to stop talking and start learning by doing
- the best way to learn is to start on a particular project or on projects which will involve all the key sectors and work out in the doing what governance, standards, policies or other measures will be needed for a wider trust framework through the particular project or projects.

From state government stakeholders, the key additional messages are:

- state governments are under significant pressure to develop one stop shop solutions for citizen interactions with government
- managing trust is a key issue including identity information management

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- state governments are keen to tap into any federal initiatives that may help them to achieve their goals.

From community stakeholders the key additional messages are:

- consumer stakeholders are not convinced of a business case for an NTIF generally
- a much more detailed and structured consultation process with strong consumer representative involvement is required before consumer stakeholders are likely to support an NTIF or any NTIF related initiatives
- consumer trust is critical in the online environment
- the principles outlined in the *Cyber Whitepaper Policy Proposal Paper* must continue to underpin any NTIF initiative
- a key emphasis should be on consumers being assured of the identity of the businesses or other entities that they are interacting with
- consumer stakeholders are not convinced that an NTIF will help to address this particular issue and it is not clear that consumer interests would be served in any other way by an NTIF.

5 STAKEHOLDER VIEWS ON NEXT STEPS

Building on the strong views expressed in the first October consultation that it was time to start acting on addressing online trust issues rather than talking, there was discussion among stakeholders on where to start. Options raised by stakeholders in the 10 October consultation and/or outlined in IIS' options paper of 25 October 2012 included:

- access to government data sources that can be used to verify attributes of citizen and business identity
- expansion of the Document Verification Service (DVS) as one way of facilitating online verification of citizen attributes
- project to refine the online validation of identity for prepaid mobile SIMs
- identity verification for airlines
- extension of functionality of australia.gov.au, for example, to State and Territory Governments (solve the too many passwords problem)
- use of bank authenticated credential in the government sphere (solve the too many passwords problem)
- use of digital mail boxes (solve the consumer trust in online entities problem)
- wider use of OpenID (solve the too many passwords and online identity verification problem)
- online process for issuing trade licenses (solve the online attribute validation issue).

There was no clear stakeholder consensus on what the next steps in terms of specific project or projects that should take the NTIF forward. However the following points about stakeholder views could be made:

- there was interest among nearly all stakeholders in an ongoing multi-stakeholder process to discuss and progress issues relating to an NTIF

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- for those stakeholders who supported a specific project the key function of any of these projects would be to use it as a mechanism to begin establishing the key components required to achieve the necessary level of online trust between all the participating stakeholders including business, government and consumers
 - a key component of the project would be to establish a multi stakeholder reference group or groups that includes business, government and consumer stakeholders
 - a number of (but not all) business stakeholders supported a project to extend the DVS to the private sector as a means of gaining quick benefit to business
 - consumer stakeholders consulted did not support a project centred around the DVS as it focuses on identification of individuals, does not address the key issue of consumer trust in entities operating online, and they had not been consulted about wider access to the DVS
 - state government stakeholders saw a DVS project as only one part of their wider requirements for consumer engagement with government
 - some consumer stakeholders thought a digital mailbox might address consumer online trust issues, but were concerned that so far they had not been adequately involved in development of this kind of solution.

6 CONCLUSIONS

IIS considers that the consultations it has conducted so far have made a valuable first start in engaging with key stakeholders on the question of the problems in online trust and what might be needed to address them. As identified above, understanding of the issues and views about what specifically needs to be done is variable across the sectors consulted depending on the immediacy of the issues to the particular sector. In addition, the process would benefit from a broader range of views from the community sector which would require a much more intense process than has been possible so far. However, IIS considers that there are some key pointers to the next steps. These are a sense among stakeholders that:

- it is time to stop talking and just do something
- the start should be through practical projects that will bring tangible results if executed in the right way
- there is an interest in structured ongoing involvement.

Taking all these matters into account, IIS considers that the key to making progress is to pick some practical projects to progress work on the NTIF. In the absence of a clear agreement on what the one or two practical projects might be IIS has developed some criteria that might assist on their selection.

These are that the project:

- is consistent with the NTIF principles at [Section 2](#) above
- is ripe for action – meaning that the project is already in contemplation and can move quickly into a stage where governance will be an important consideration
- will provide a solution to at least one of the problems IIS has identified

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- will contribute to further thinking and action on the road to a national trusted identities framework
 - involves an area or areas where there is strong private sector interest
 - has clear benefits to all stakeholders: business, consumers and government in the nature of the trust problem to be solved

The projects that IIS is aware of that might meet these criteria are projects to expand the operation of the DVS, and some projects relating to the reliance framework such as the implementation of a digital mail box. The DVS in particular was favoured by a number of business stakeholders and discussed in both of the October consultations. The digital mail box was discussed in the second October consultation by consumer stakeholders as possibly addressing the consumer trust issue. However, they had reservations about the consultation process undertaken so far on this.

Both of these projects would require a high level of both community and business trust in order for them to be successful. Trying to implement them without a strong multi-stakeholder governance process would be very risky.

As a result a key to implementing these projects in the right way would require establishing a structure for **ongoing** education and engagement with all key stakeholders that assists with both the governance of a practical project and also of further next stages in a roadmap towards further developments in a trusted identities framework.

Establishing such a governance structure will:

- establish a continuity of understanding and engagement of all stakeholders in any government initiatives that are relevant to achieving trusted online transactions
- in particular it will enable the broadening of community stakeholder engagement and also bring such stakeholders up to speed on the issues in a way that a stop start approach does not and which enables informed and constructive input
- ensure that government has ready access to business views on new initiatives, including on questions of whether business might be ready, willing and able to be involved or to make use of or provide such initiatives
- gain wider community input to nationally based initiatives and following in from this, community ownership and acceptance.

The first role for this governance structure would be oversight of one or two practical projects that enable the governance structure to develop processes and procedures and to contribute to resolution of other trust issues that emerge in the development and implantation of these initiatives.

Recommendation – Practical projects

IIS recommends that the government targets some particular practical projects that will advance the development of governance and other foundation elements of an NTIF.

Recommendation – Governance process

IIS recommends that the government establishes a structure for ongoing education and engagement with all key NTIF stakeholders that assists with the governance of one or more practical NTIF related projects and also with next stages in a roadmap towards further developments in a trusted identities framework.

7 ISSUES TO CONSIDER SHOULD THE GOVERNMENT TAKE THE DVS AS A STEP FOR THE FURTHER DEVELOPMENT OF THE NTIF ROAD MAP

IIS is aware that the government has taken a number of steps to broaden the scope of the DVS. While developed in the first instance to service the needs of government agencies at the Federal, State and Territory level, the Government announced in the 2012 Budget that the DVS would also be made available to private sector organisations that have client identification obligations under Commonwealth legislation, including the telecommunications and financial services sectors.

IIS is also aware that while the DVS is likely to be a useful project to facilitate governance of an NTIF and further develop the foundation elements and thinking in relation to the NTIF, significant challenges remain. These include:

- The diffuse nature of relevant data holdings by Federal, State and Territory agencies and the diverse nature of the legislation applying to them that often limits agency focus and limits potential re-use of the data held;
- The need to improve the quality of the data holdings to meet new expectations created by new services and uses such as the DVS (for example, by matching death records with birth records);
- Insufficient ICT infrastructure to meet the demands of new services such as the DVS;
- Insufficient incentive to holders of this data to overcome these barriers given that data holders will often not be the main beneficiary of opening up their data holdings to new services such as the DVS;
- Perceived risk to data holders that they might become liable for inaccurate data or inappropriate data use when such practices become more transparent through deployment in digital channels compared with current practices (which are often based on unverified, unrecorded presentation of documents such as birth certificates, driver licences or Medicare cards);
- Inappropriate revenue flows to data holders through sale of access, either too high or too low, given uncertainty over pricing, price elasticity, demand and the possibility that any revenues are simply returned to State Treasuries rather than re-invested to address infrastructure and data quality issues;
- Slow progress in resolving these issues with the States and Territories;

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- Slow progress in signing heads of agreement with large private sector interests for access to DVS rather than continuing with current practices such as 'screen scraping' and the concomitant risks to security and privacy;
 - Considerable angst in some community groups that system design and governance arrangements are insufficient and too obscure because they do not involve citizen and business interests.

While formal channels have made progress on these issues the general view among those with an interest in making use of the DVS is that progress has been too slow and could well remain too slow. IIS considers that progress may be made more rapidly in a less formal process where stakeholders may be able to canvass issues in a less public way and in a way that allows stakeholders to explore options away from entrenched positions

Recommendation - DVS

Should the government chose the DVS as a practical project for further developing the foundation elements of an NTIF, IIS recommends that the formal governance and other processes be complemented by an informal process that involves establishing a Task Force that:

- Comprises interested parties;
- Operates without official sanction but includes government interests;
- Has broad terms of reference that, inter alia, ask it to address barriers to developing a functional DVS including those identified here and report by 30 April 2013.

8 APPENDIX 1 – LIST OF MEETINGS HELD SEPTEMBER TO NOVEMBER 2012

Meetings with influential

Time & Date/State of play	Organisation	Name
14 th Sept at 2.00 -2.30 pm	Australian Bankers Association	Tony Bourke
14 th Sept at 11.30 am Sydney Time	AGIMO	Ann Steward
14 th September	Commonwealth Bank	Gary Blair
14 th Sept 9.00 am	Department of Broadband, Communications, Digital Economy (BCDE)	Abul Rizvi
15 th September	Australian Information Industry Association	Suzanne Campbell, chief executive officer
19 th Sept 9.00 am Sydney Time	NEHTA	Peter Fleming
20 th Sept 12.00 pm	Hewlett Packard	Alan Bennett Industry Leader - Government & Defence, Australia New Zealand
10 th October 2.00 pm	Westpac	John Arthur, Chief Operating

Time & Date/State of play	Organisation	Name
		Officer, Group Services
10 th October	Office of the Australian Information Commissioner	Timothy Pilgrim
15 th October at 9.00 am	Microsoft	Pip Marlow, CEO Microsoft Australia
18 th October Meeting 2.00 – 3.00 pm	Swinburne University of Technology Phone: +61 3 9214 8491	Professor Leon Sterling Dean, Faculty of Information and Communication Technologies
23rd October at 2.00 pm	Digital Post Australia	Randy Dean, CEO
1 st November 1.30	Shadow Minister for Communications	The Hon. Malcolm Turnbull MP
Contact made, but no follow up response from contacts	Minister for Broadband, Communications and the Digital Economy	Senator Stephen Conroy

Time & Date/State of play	Organisation	Name
Contact made, but not meeting held	Australia Post	Ahmed Fahour Australia Post
Contact made – organisation did not take up offer of meeting – representative attended plenary meeting on 10 th October	IBM	Andrew Stevens, managing director, IBM Australia and New Zealand
Contact made – organisation did not take up offer of meeting	NAB	
Contact made – organisation did not take up offer of meeting – representative attended plenary meeting on 10 th October	NBN	Michael Quigley –
Contact made – organisation did not take up offer of meeting	Optus	Alan Burdekin for contacts
Email sent	LinkedIn	

Plenary meetings

10 October 2012 CHECK THIS LIST INCLUDES PEOPLE WHO DID NOT ATTEND

National Trusted Identities Framework Consultation			
Participants			
Mr	Grant	Baxter	National Australia Bank
Dr	Roksana	Boreli	National ICT Australia
Mr	Tony	Bourke	Australian Bankers Association
Mr	Simon	Brown	Westpac
Mr	Steven	Brown	Dunn and Bradstreet
Mr	Jonathon	Chan	National ICT Australia
Dr	Roger	Clarke	Xamax
Ms	Chris	Cowper	Information Integrity Solutions Pty Ltd
Mr	Malcolm	Crompton	Information Integrity Solutions Pty Ltd
Ms	Olga	Ganopolsky	Veda Advantage
Mr	John	Hamilton	Hewlett Packard

Mr	Brendon	Harper	Australian Bankers Association
Mr	Stewart	Hayes	National Broadband Australia
Mr	Christian	Hirst	Department of Prime Minister and Cabinet
Mr	Philip	Joe-Low	Deloitte
Mr	Michael	Johnston	ANZ
Mr	Darren	Kane	Telstra
Mr	James	Kelaheer	Smartnet
Ms	Kaaren	Kommen	IBM
Ms	Una	Lawrence	Australian Communications Consumer Action Network
Mr	Jerry	Leeson	ISOC Internet Society
Mr	David	Masters	Hewlett Packard
Ms	Robin	McKenzie	Information Integrity Solutions Pty Ltd
Mr	Robert	Parker	Verizon
Mr	Steve	Reddock	Commonwealth Bank Australia
Mr	Stephen	Robertson	Australian Communications Consumer Action Network

Professor	Aruna	Seneviratne	National ICT Australia
Mr	Chong	Shao	Information Integrity Solutions Pty Ltd
Mr	Greg	Stone	Microsoft
Mr	Mark	Williams	Bpay
Mr	John	Wilson	Veda Advantage
Mr	Steven	Wilson	Lockstep
The following people may also be dialling in to the discussion			
Ms	Amanda	Bolzan	Redcore
Mr	Martin	Keefe	Redcore
Mr	Jon	Lawrence	Electronic Frontiers Australia
Ms	Noriko	Moriasu	ANZ

NTIF Plenary Meeting 30 October 2012

Title	Name	Organisation	Attended
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Mr	Victor	Akkari	Bpay	
Mr	Drew	Andison	PM&C	
Dr	Roksana	Boreli	National ICT Australia	
Mr	Steven	Brown	Dunn and Bradstreet	
Mr	Sam	Bruce-Smith	PM&C	
Dr	Roger	Clarke	Xamax	
Mr	Kevin	Cox	Edentiti	
Mr	Malcolm	Crompton	Information Integrity Solutions Pty Ltd	
Mr	Ben	Ford	Dunn and Bradstreet	
Ms	Olga	Ganopolsky	Veda	
Mr	John	Hamilton	Hewlett Packard	
Mr	Stewart	Hayes	National Broadband Australia	
Mr	Gabriel	Haythornthwaite	Redcore	

Mr	Christian	Hirst	PM&C	
Mr	James	Kelahe	Smartnet	
Mr	Brett	Parsons	PM&C	
Mr	Steve	Reddock	Commonwealth Bank Australia	
Mr	Stephen	Robertson	ACCAN	
Mr	Chong	Shao	Information Integrity Solutions Pty Ltd	
Mr	John	Wilson	Veda	
Mr	Steven	Wilson	Lockstep	
Mr	Matt	Wise	PM&C	

Sector Meetings – Civil Society

Time/Date	Organisation	Attendees
16 th October 10.00am	ACCAN	David Vaile APF Robert Gregory ISOC Narelle Clarke ISOC ACCAN Teresa Corbin ACCAN Una Lawrence ACCAN Steven Robertson ACCAN
Meeting offered but not taken up	EFA	Jon Lawrence

Sector Meetings – Finance

Time/Date	Organisation	Name
19 th October, 1.30 pm	Sun Corp Level 9 388 Queen Street, Brisbane	CANCELLED - Martin Latimer Executive Manager Financial Crime Informal meeting over lunch with Kate Johnstone
19th October – 3.00 pm	Bank of Queensland	Mark Ponniah Head financial crime
Contact made – CANCELLED – Banks considered already had sufficient consultation	Australian Bankers Association Level 3, 56 Pitt Street Sydney NSW 2000 .	Karen Houldcroft Executive Assistant to Tony Burke, Director - Industry Policy & Strategy

Sector Meetings – State and territories

Time/Date	Organisation	Name
18 th October – 10.00 – 11.30	<p>Victoria</p> <p>Meeting organised by Vic Department of Justice</p> <p>121 Exhibition Street Melbourne</p>	<ul style="list-style-type: none"> - Anthea Derrington / David Brown - Department of Justice - John Symeopoulos - Victorian Registry of Births, Deaths and Marriages - James Holgate / Chris Brennan - VicRoads - Ged Griffin - Victoria Police - Peter Mason / Jane Woodfield - WOVG Architecture and Standards, Department of Treasury and Finance - Anthony Bendall - Privacy Commissioner - Jo Tan - Department of Premier and Cabinet
19 th October 10.30 - 12.00	<p>Queensland</p> <p>Department of Premier and Cabinet, Level 18 41 George St Brisbane</p>	<p>Craig Routledge</p> <p>ICT program director COAG et al</p>
29 th October 2.00 pm	<p>Western Australia</p>	<p>Louise Yeaman</p> <p>Senior Policy Officer - ICT</p>

Time/Date	Organisation	Name
Phone conference	Department of Finance	Strategy Policy and Review - WA
27 November	NSW govt	Meeting with Steven Brady Deputy Director General Premier & Cabinet NSW Attendees included from Services NSW, Chief Information Officer

Other federal Government

Time/Date	Organisation	Name
1 st November 9.30-11	Dep Sec Meeting	
1 st November	ATO	Mark Jackson Deputy Commissioner Business Reporting and Registration
1 st November	DHS	Kim Terrell National Manager Reliance Framework and
30 November	ATO	John Dardo Assistant Commissioner Business Continuity Management and Services Strategy