

Digital Identity Country Report: **Malawi**



The GSMA represents the interests of mobile operators worldwide, uniting more than 750 operators with over 350 companies in the broader mobile ecosystem, including handset and device makers, software companies, equipment providers and internet companies, as well as organisations in adjacent industry sectors. The GSMA also produces the industry-leading MWC events held annually in Barcelona, Los Angeles and Shanghai, as well as the Mobile 360 Series of regional conferences.

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GSMA Digital Identity

The GSMA Digital Identity programme has partnered with the World Bank's ID4D programme and Caribou Digital, to demonstrate the opportunities, address the barriers and highlight the value of mobile as an enabler of digital identification specifically for women and girls in the Commonwealth. GSMA's work will include research on the unique barriers that women and girls face when accessing or using identity systems, delivering projects that test new approaches to overcoming these barriers, and providing policy recommendations to promote inclusive digital identity systems. The initiative aims to contribute towards helping to meet the Commonwealth target of reducing the identity gap and providing access to a digitally enabled identity for every woman and girl in the Commonwealth by 2030.

The Commonwealth Digital Identity Initiative is supported by the UK Department for International Development and Australia's Department of Foreign Affairs and Trade.

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Introduction

Official proof of identity is fundamental to an individual's ability to enforce their rights and secure access to a wide range of vital services such as healthcare, education, mobile connectivity, social protections and financial services. For this reason, the United Nations Sustainable Development Goals (SDGs) has set a specific target to provide every person with a legal identity, including birth registration, by 2030.¹

Of the one billion people in the world who are unable to prove their identity, more than 230 million are women and girls who live across the Commonwealth. The absence of identity documents can be both the cause and effect of prevailing gender inequalities; therefore, widening access to identity will also help the international community effectively address Sustainable Development Goal 5, which aims to achieve gender equality and empower all women and girls.



SDG 5

Achieve gender equality and empower all women and girls.



SDG 16.9

By 2030, provide legal identity for all, including birth registration.

Malawi has recently made strong progress in building a foundation of identity solutions across the country. A nationwide mass registration initiative, led by the National Registry and Identification System, has resulted in the successful registration of over 9.2 million citizens. This ambitious registration drive has been reported to be largely successful, however some experts have noted barriers to female uptake of identity. There have also been significant improvements to birth registration rates, and the government is exploring opportunities to integrate functional identity assets. There is significant potential for mobile technology to deepen and accelerate these efforts.

This case study explores the current identity and mobile landscape in Malawi, and highlights where women and girls are known to face unique challenges compared to men when accessing or using identity documents, mobile services, and a wide range of other public and private sector services that are linked to their identity. The case study also identifies a potential use case that would allow mobile network operators (MNOs) to leverage digital identity services to deliver relevant social and economic impact to women and girls.

1. SDG 16.9

Overview of the research findings



Identity landscape

The birth registration rate is rapidly improving in Malawi following the implementation of the National Registration Act in 2015. A nationally-representative Demographic and Household Survey (DHS) highlighted that 67 per cent of children are registered, with rates higher for children under two (71 per cent) than children between two and four (65 per cent), indicating a positive trend over time.² However, birth certification rates remain low.

Malawi is currently implementing a **nationwide mass registration initiative** led by the National Registry and Identification System (NRIS). This initiative aims to register all Malawians aged 16 and above, building a single registry that will link individual identity across multiple systems. Mass registration began in May 2017 and ended in November 2017, resulting in 9.2 million Malawians being registered and 8.9 million National Identity Cards (NICs) being issued.³ This ambitious registration drive has been reported to be largely successful, however some experts mentioned notable barriers to **female uptake of identity**. These barriers include illiteracy, difficulties in claiming national identity documents due to distance, a lack of perceived benefit of national identity documentation for women, and the effect of wider gender norms.

The government is in the process of integrating the national identity register with other functional identity registers in order to best provide citizens with relevant services. In this case study, we explore **four important functional identity registers**: the voter registry, the Malawi Business Registration database, health registration, and the Universal Beneficiary Register (UBR) which combines Malawi's various social protection programmes into one database.



Mobile landscape

The Malawian **mobile landscape is competitive**. Market penetration is lower than other East African markets, but with regular and recent growth. There are significant opportunities associated with connecting the wider population as well as specific groups — particularly women, who are less likely to own a phone than men.

Malawi is also a **relatively advanced market in terms of 3G subscriptions**, highlighting the potential for digital identity solutions. Both 3G and 4G network coverage is increasing, and this technology can stimulate positive social and economic development. In order to achieve this, ensuring equitable access to more advanced devices is important. Currently, ownership of internet-enabled mobile phones is more likely amongst Malawians with a higher level of education.

All SIM cards in Malawi need to be registered on a central database, and a customer's national identity number needs to be verified when purchasing, replacing, or swapping a SIM card. The Malawian Communications Regulatory Authority (MACRA) enforces 'Know Your Customer' (KYC) processes in line with anti-money laundering and counter-terrorism laws. The process followed a large-scale communications campaign that prompted citizens to register their SIM cards. More extensive outreach efforts, including door-to-door registration, have also been employed by MNOs.

2. DHS (2017) *Malawi Demographic Health Survey 2015 – 2016*, National Statistical Office, Zomba, Malawi

3. UNDP (2018) *National Registration and Identification System (NRIS) Project, Quarterly Progress Report (01 April 2018 to 30 June 2018)*



Potential opportunity for mobile operators

Building on the development of the above identity components, there is an opportunity for MNOs to facilitate government-to-person (G2P) payments, linked to an individual's identity.

In particular, the UBR promises to deliver targeted social security payments to poor and 'ultra-poor' Malawians — with women particularly in need of such support. With strengthened customer databases, due to the recent SIM re-registration drive, MNOs are well-positioned to support the UBR by facilitating these targeted payments via mobile money platforms.

The benefits of this initiative would be significant and wide-ranging. Beyond providing the most marginalised Malawians with the support to live better lives, the scale of payments is significant and could provide both an additional source of revenue as well as many new customers. In addition, this integration could be a useful proof-of-concept to demonstrate the value of combining other functional identity databases in the future.





Identity landscape

Foundational identity



Birth registration and certification

The National Registration Act (2010), which came into force in August 2015, mandates the registration of any birth, death, or marriage of adults in Malawi with the National Registration Bureau (NRB). To register a birth, a parent or other representative must complete a birth report and deliver a copy to the District Registrar. A mother can acquire a birth report from a health facility immediately after giving birth, during her postnatal check-ups, or at the time of the baby's first immunisations (Figure 1). While birth registration itself is free, registration of birth after six weeks incurs a fine.⁴ Birth registration, according to experts interviewed, enables the correct services and resources to be delivered to Malawi's young population.

“As a social service provider, formal registration will mean we are able to say the correct number of people: we'll know how many people we are, in which age group we are, and how we can assure that we provide the services according to the ages that we have.”

NGO

“All the children should be registered. Then we are able to know how many children we have and how should we plan for social services.”

NGO

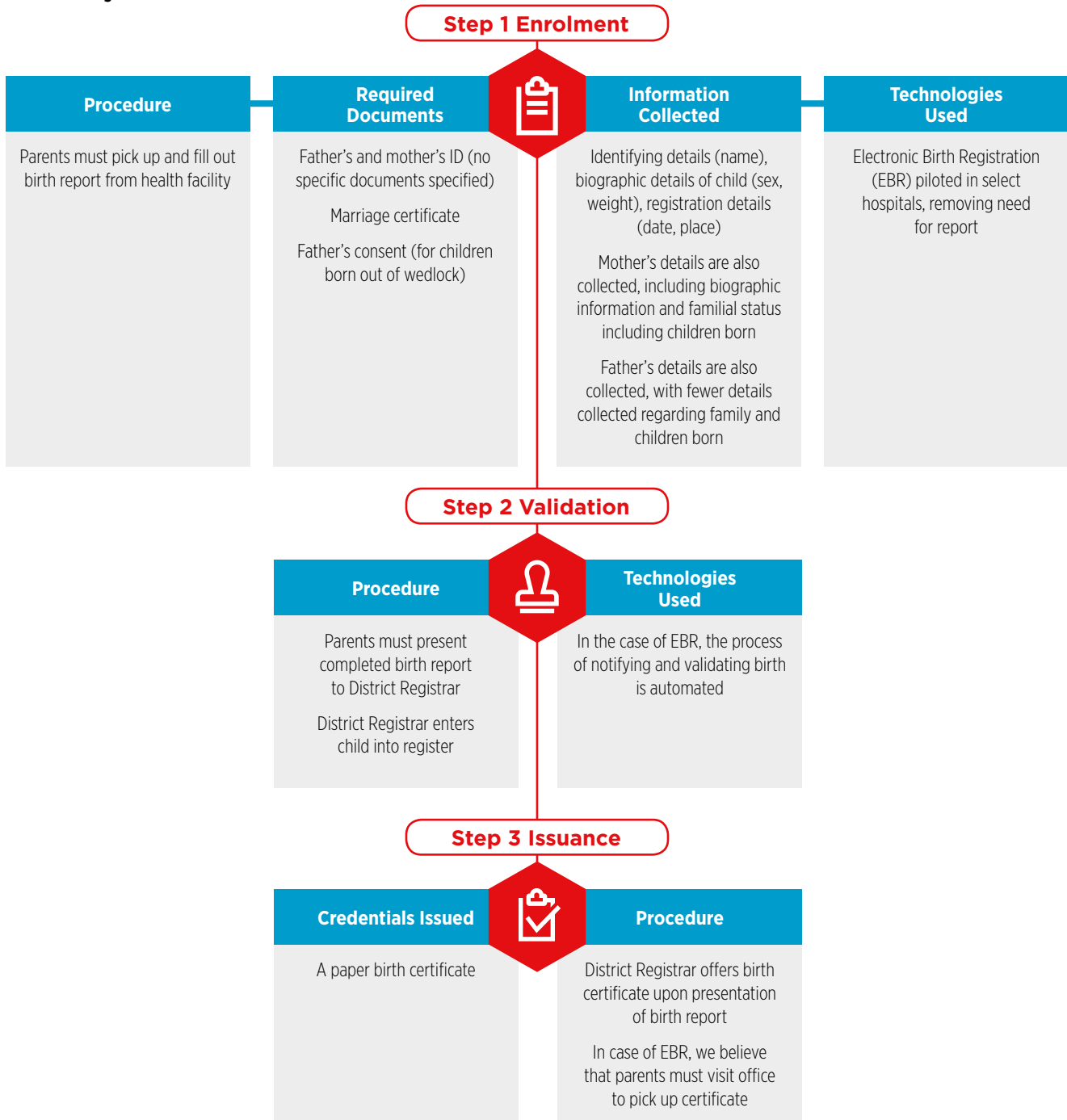
Following the implementation of the National Registration Act, the NRB has taken a number of steps to improve the birth registration process. This includes the introduction of an Electronic Birth Registration System (EBRS) in a country-wide pilot trialed in four hospitals;⁵ conducting training for health officers and district executive committee members;⁶ working with development partners — including UNICEF, World Vision and Plan Malawi — to analyse the current system and pilot initiatives designed to support implementation of the NRB's objectives;⁷ rolling out community registration initiatives to provide children under 16 with birth registration, using trained village headmen as registrars;⁸ providing village chiefs and other local leaders with identity registration equipment; and conducting public awareness campaigns to mobilise and sensitise people to the birth registration process.⁹

4. UNICEF (2016) *Birth Registration – Phase 2, A comparative Report Prepared for UNICEF*
 5. In 2015, the system was piloted in four major hospitals: Chitipa Hospital, Ntcheu Hospital, Queen Elizabeth and Bwaila Hospital
 6. Universal Health 2030. (2018). *MALAWI: NRB Takes Birth Registration to Health Facilities - Universal Health 2030*
 7. World Vision (2013) *World Vision International Submission to OHCHR Report on Birth Registration*
 8. Mana Online. (2018). *NRB to open registration points in post offices*
 9. Singongo et al (2013) *Short Communication: Village Registers for Vital Registration in Rural Malawi*

Although national statistics vary, Malawi’s birth registration rates appear to be improving. Data from the 2015–2016 DHS found that the registration rate was higher for children under two (71 per cent) than children between two and four (65 per cent), suggesting a positive trend over time.¹⁰ However, several gender barriers continue to have a negative impact on birth registration rates. The Birth Registration Act requires a marriage certificate, proof of marriage from a witness or community leader, or father’s consent to register children in the father’s name. These regulations mean that children born to single mothers may only be able to acquire their mother’s name, affecting lineage or inheritance rights. In addition, whereas birth registration rates have improved, birth certification rates remain low. DHS data highlights that that only 17 per cent of registered under-fives had a birth certificate — although disaggregation by age suggests a positive trend, as with birth registration rates.¹¹

Figure 1

Journey to birth certification



10. DHS (2017) Malawi Demographic Health Survey 2015 – 2016, National Statistical Office, Zomba, Malawi
11. ibid



National identity

The National Registration Act mandated the creation of a National Registry and Identification System (NRIS), led by the NRB. Prior to the introduction of the NRIS, Malawi's de facto proof of identity document was the free Voter's Card provided to those registering to vote shortly before general elections. The absence of a national registry, in addition to less-developed Civil Registration and Vital Statistics (CRVS) databases, has hampered public service delivery.¹²

In 2016 the NRB, in partnership with a range of international development institutions, initiated the NRIS project. This aimed to uniquely register all Malawians aged 16 and above in a permanent and continuous system (providing them with a national identity number – NID), issue all registered persons with a National Identity Card (NIC), and create a single registry that would serve as a central reference point. A smartcard chip in the new NIC allows the installation of multiple, custom-built applications. This will allow the government and other stakeholders (including financial service providers and social payment schemes) to link Malawians' identities across various databases and improve the delivery of key services.

The registration campaign began in May 2017 and ended in November 2017. It resulted in the successful registration of approximately 9.2 million individuals, each of whom had to provide biographic and basic biometric information (fingerprints and a photograph). Previous figures highlight that the registration campaign reached all eligible citizens,¹³ and nearly nine million NICs have been issued to-date.¹⁴ Registration activities were conducted in five phases using 2,000 purpose-built biometric registration kits — equipment which, one biometric expert notes, will be retained by the government of Malawi for future use.

While female NID registration rates were high,¹⁵ uptake and usage of identity among women is lower: data from the World Bank's 2017 Findex Report, for instance, shows that women are more than half as likely as men to use a NIC to register a mobile SIM in their own name.¹⁶ Gaps in identity access and usage may be due to the prohibitive physical distances that women need to travel to obtain a NID, a lack of perceived utility amongst women (perhaps associated with the difficulties sometimes encountered by women in accessing services), and literacy issues.

'...women are more illiterate than the men, so some women were not registered in the first place, because to them it is not as important, the ID was not important.'

NGO

"...because there are still gender stereotypes, most women have to seek consent from their husbands or their husband's family [when accessing services]. They don't make the choice of their own."

NGO

"In some of the matriarchal societies where the women were in charge...sometimes it's the mother-in-law or the mother that is still reinforcing some of these social norms that you assume are reinforced by men."

Technology for Development Consultant

12. UNDP (2018) *National Registration and Identification System (NRIS) Project, Quarterly Progress Report (01 April 2018 to 30 June 2018)*

13. World Bank (2017) *The State of Identification Systems in Africa, Country Briefs*, World Bank Publication

14. <https://embeddedsecuritynews.com/2017/12/malawi-issues-9-million-national-ids-in-six-months>

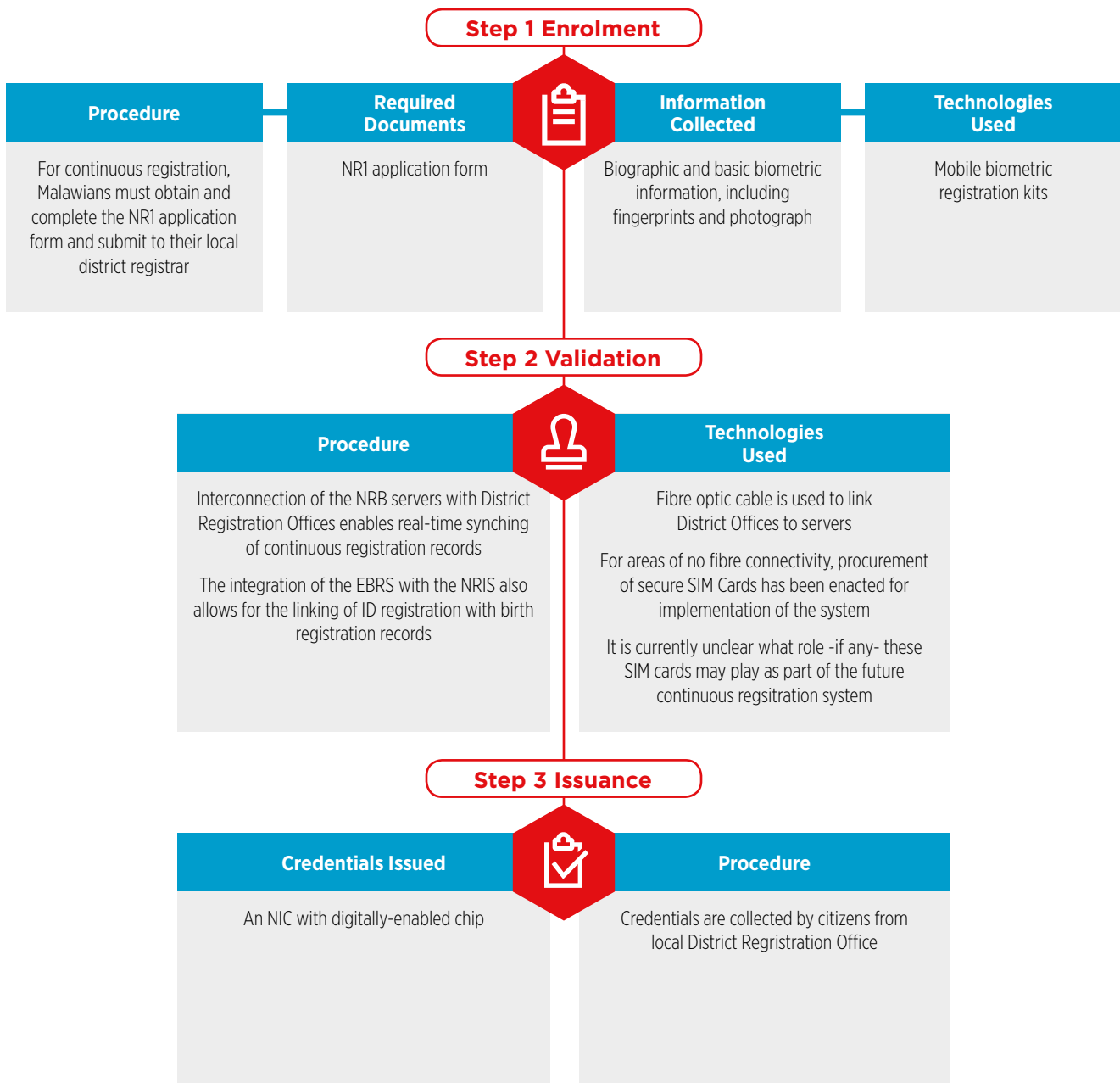
15. One informant from a well-placed donor and humanitarian agency confirmed campaign registration figures, with slightly more women than men registering (4,950,000 women and 4,210,000 men respectively)

16. <https://globalfindex.worldbank.org>

As part of the NRIS project, the NRB and partners sought to build the capacity of Malawi’s 28 district registration offices to provide future continuous registration of citizens aged 16 years and above. As of June 2018, 36,000 eligible Malawian citizens had been registered via the continuous registration process.¹⁷ The continued effort to produce a robust and sustainable NID registration process has seen the development of a wider ecosystem. This has included the provision of fibre-optic connectivity between district registration offices and NRB servers; and linking the national identity system with other CRVS components – particularly the EBRS. During the mass registration campaign, 233,000 children had their identity registered and exported to the ERBS, and NRB successfully printed the first Birth Registration Certificate with a unique NID number.¹⁸

Figure 2

Journey to a National Identity Card



17. UNDP (2018) *National Registration and Identification System (NRIS) Project, Quarterly Progress Report (01 April 2018 to 30 June 2018)*

18. <https://mw.one.un.org/celebration-identity-for-a-child-giving-a-birth-certificate/>



Functional identity

Malawi has a range of functional identity databases and associated credentials that play an important role in society. With the exception of the Voter Registry, the NID register is not yet fully integrated with other functional identity registers. The government is currently in the process of updating other key registers to enable service delivery.



Voter's identity

The NID serves as the exclusive form of identification for voter registration, although the Malawian Electoral Commission remains the responsible agency for the wider election process. Registration for the 2019 tripartite elections (combining local government, parliamentary, and presidential elections) utilises the new NICs. These are swiped to enable the automatic transfer of chip-installed data to the registration system. For those without an NIC, registration data is collected at the point of voter registration and a biometric barcode is provided. Media reports indicate that the use of the NICs has significantly improved the speed of the process for citizens,¹⁹ although some technical issues have been reported.²⁰

19. The Nation Online. (2018). Voter registration starts

20. Malawi Nyasa Times (2018). *Malawi rolls out voter registration for 2019 polls: Equipment malfunction mars day 1*



Registering a business

The 2013 Business Registration Act established the electronic Malawi Business Registration Database, which stores information for both non-incorporated and incorporated businesses. Although not yet fully implemented, the registry is moving towards automation. The existing process comprises eight steps and involves five national and local Government agencies — from the Registrar General of the Ministry of Justice issuing a Certificate of Incorporation, to the Department of the Ministry of Labour registering company premises following health, safety and welfare inspections.

An estimated 90 per cent of businesses in Malawi are formally registered at the start of their operations, with female owned businesses more likely to be registered than male-owned businesses. However, female business ownership is low, with the majority (72 per cent) of businesses not reporting any female participation in ownership — including smaller and family-owned businesses.

The role of identity in enabling access to loans and credit for business stimulation is important, although this may also be an area where women encounter issues:



“[the main benefit of an NID] would be being able to access the loans, being able to access the bank, and get money.”

NGO



“I would imagine...women are much less able to draw on collateral-based lending than men. The traditional patterns of landholding and asset holding, I think, would be a very severe barrier.”

Policy and Biometric Expert



Health identity

Malawi’s health service is founded on a digital district hospital system, developed by Boabab — a Malawian NGO that specialises in health information systems. The system implemented in Malawi includes an electronic registration system that registers all patients, as well as monitoring repeat patients. Medical staff are able to retrieve and update patient records, and print prescriptions to be dispensed by pharmacists. District-based systems are linked via the internet to systems at regional or head office levels, however the system is only accessible in a few selected health facilities in each district and further expansion is needed. Upon engaging with health services, patients are provided with an identity sticker for record-keeping. Whilst this system is robust, the high proportion of women (72 per cent) reporting at least one problem accessing healthcare indicates that the system’s ability to accurately monitor health nationally and locally is limited.²²

21. Enterprise Surveys (2014) *Malawi Country Profile 2014*. Data can be found at <http://www.enterprisesurveys.org/data/exploreeconomies/2014/malawi#gender>.

22. DHS (2017) *Malawi Demographic Health Survey 2015 – 2016*, National Statistical Office, Zomba, Malawi



Social protection

The government of Malawi aims to register all welfare-eligible households in the country by 2020 — building on the targeted 50 per cent of eligible households currently registered.²³ This process will reduce the number of households excluded from support to which they are entitled, but will also add significant implementation costs.

The country is also integrating the various social protection programmes via the creation of a single Universal Beneficiary Register (UBR).²⁴ The UBR is owned and coordinated by the Ministry of Finance, Economic Planning and Development (MoFEPD) and managed by the UBR Taskforce, which is composed of key central stakeholders including the Local Development Fund and the Ministry of Gender, Children, Disability, and Social Welfare, among others.

Digital technology has been effectively leveraged for the creation of the UBR through supporting the registration process, storage of data, and data exchange with other programmes.²⁵ The UBR allows households to register and be considered for potential inclusion in social programmes based on a transparent assessment of those households' needs and conditions. According to the International Labour Organisation, biographic and kinship data is used to register individuals, often the responsibility of the village representative. This analogue data is then digitised at the local district office.²⁶

To date, 800,000 households (four million people) have been registered in the 13 districts in which the UBR is currently being rolled out.²⁷ According to 2016 World Bank figures, 30 per cent of Malawian households are female headed,²⁸ with potentially 244,800 female headed households registered. The UBR is designed to serve two flagship social programs: the Social Cash Transfer Programme, which provides support to impoverished families for basic subsistence needs, and the Public Works Programme, which handles payments to employees of public work projects. The UBR is also considered a potential source of information for use in other programmes, including the Farm Input Subsidy Programme, and the Village Savings and Loan Programme.

The UBR heralds a new era of social assistance in Malawi driven by government interoperability. However, the new policy aligning NID ownership and the UBR has seen some groups miss out on subsidies.

“For the agricultural subsidy programme, those without IDs will not get consulted, will not get the service, because they require only the National ID.”

NGO

23. Lindert, K., Andrews, C. Msowoya, C. Paul, B. V., Chirwa, E., Mittal, A. (2018) *Rapid Social Registry Assessment: Malawi's Unified Beneficiary Registry (UBR)*

24. ILO (2015). *Assessment of Malawi's Proposed Unified Beneficiary Registry and Information Management Systems for Social Protection in Malawi*

25. Lindert et al (2018)

26. ILO (2015)

27. Lindert et al (2018)

28. Data found at <https://tradingeconomics.com/malawi/female-headed-households-percent-of-households-with-a-female-head-wb-data.html>

Table 1

Functional identity – process of enrolment and validation

	Required ID Documents	Registration Enrolment			Registration Validation
		Process	Information Collected	Technological Development	Process
Voter ID	NIC NRB team attends voter registration drives to register those without an NIC ²⁹	Registration staggered in phases across regions. ID details collected by swiping NIC For those lacking NIC, data collected on-site	Biographic and biometric information contained on chip	Advanced	Voters roll automatically updated following card swipe. In 2014 Airtel and TNM provided a free SMS service for citizens to check whether they are registered
Business ID	NIC Passport Driving License	8-step process. Original application can be made online through the One Stop Service Centre at Malawi Investment and Trade Centre Physical application submission to the Office of the Registrar General or any of its branch offices	Biographic Information and information relevant to business, e.g. business name, location, proof of income tax registration, etc	Electronic Business Registration Database under construction, intended to be fully automated	Variable depending on step. Full process currently expected to take up to between 48 and 57 days
SIM registration	NIC ³⁰ Passport Driver's License Guardian's ID (in case of minors)	ID must be presented upon purchase	Biographic information only	Appears to rely on visual evidence of ID only	Visual check by SIM card distributor agent

29. http://www.mec.org.mw/news_updates/2018-07-30-Now_it%E2%80%99s_Your_Turn_to_Register%2C_Lilongwe_District.html

30. The Communications Act of 2016 states that 'the identity card number, or any other document that proves the identity of the subscriber' can be used: <https://emea01.safelinks.protection.outlook.com/?url=http%3A%2F%2Fwww.macra.org.mw%2Fwp-content%2Fuploads%2F2014%2F07%2FCommunications-Act-2016.pdf&data=02%7C01%7Cchandforth%40gsm.com%7Ce705907e2e8e42ba8df408d6933eb29b%7C72a4ff82fec3469daafbac8276216699%7C0%7C0%7C636858297934263793&sdata=FPbkwuOyY6ivgEM%2BVyqAb7iKettFx0kXLTd3Q1KQQEc%3D&reserved=0>



Mobile landscape

Malawi has a competitive mobile landscape, with substantial opportunity for growth. Malawi has a competitive mobile landscape, with substantial opportunity for growth based on recent and continued increases in mobile users.

Mobile penetration

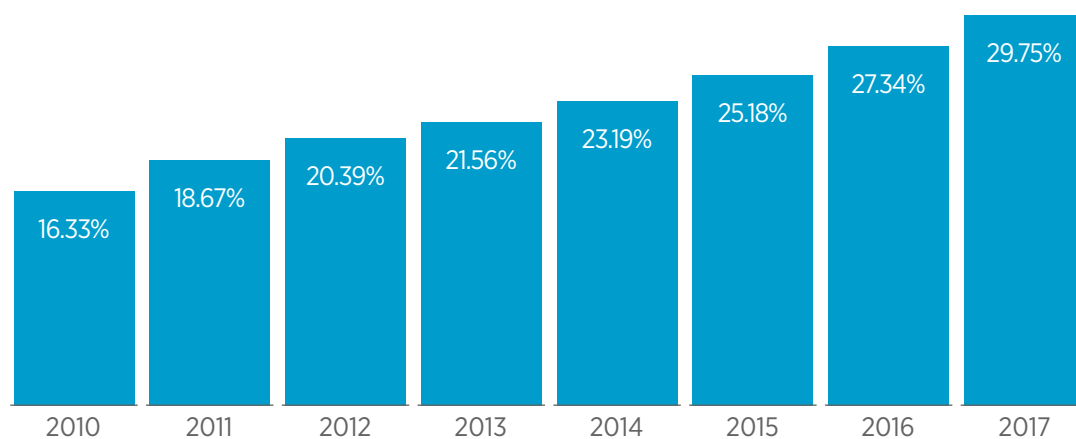
Two MNOs dominate the market: Airtel and TNM, following the exit of MTL. There are over five million unique mobile subscribers³¹ in Malawi, and a growing population of mobile internet users.

Unique mobile subscriber penetration in Malawi is 30 per cent, seeing gradual growth over the past few years (Figure 3). Following the lead of

other mobile markets in East Africa, there is scope to significantly increase mobile penetration. The majority of Malawian mobile subscriptions are pre-paid, similar to other East Africa countries, and experts noted that paid mobile contracts are often exclusively accessed by businesses who are able to prove their credit worthiness and their address.

Figure 3

Market penetration, unique subscribers



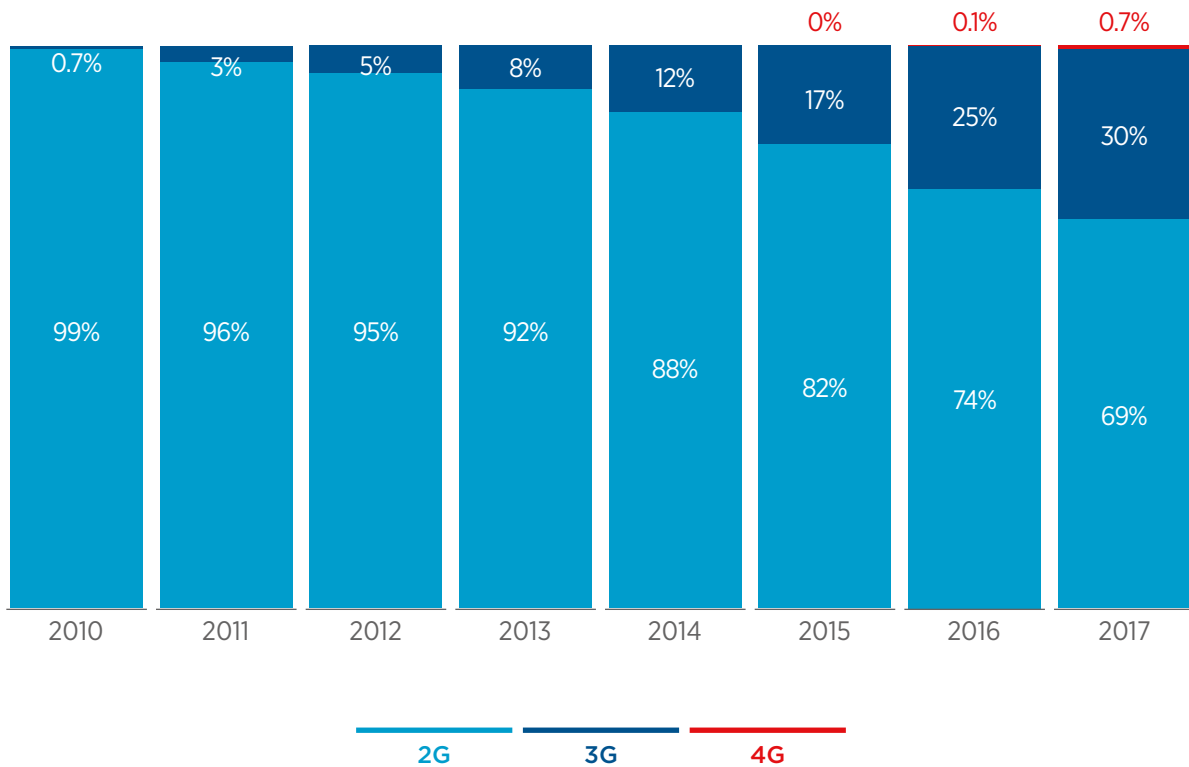
31. All data GSMA Intelligence, unless otherwise stated

Further efforts to increase female mobile subscribers should also be a priority. There is a significant gender disparity when it comes to phone ownership: data from the recent DHS survey finds that male ownership is 52 per cent and female ownership is 33 per cent.³² The divide is most pronounced in rural areas, where 26 per cent of women report owning a mobile phone compared to 47 per cent of men. Key barriers to mobile phone ownership, particularly among women, have been identified by experts in the mobile industry as lack of disposable income and lack of digital literacy.

Malawi is a relatively advanced market in terms of 3G subscriptions, having seen a strong increase in these subscriptions in recent years. 4G subscriptions remain small, however the evolution of the connectivity landscape since 2G suggests that data-driven subscriptions will continue to increase (Figure 4). This shift could have powerful multiplier effects. One study has noted a relationship between 3G and 4G uptake in Malawi and wider positive social development outcomes. In particular, a decline in maternal birth rates due to increased availability of contraception information, learning from the experiences of others, and increased financial inclusion prompting a reduced need for a larger family size.³³

Figure 4

Overview of 2G, 3G, and 4G connections



Smartphone ownership is gradually growing in Malawi (Figure 5), but disparities in device ownership exist between genders and locations. While the gender gap overall remains similar between urban and rural areas, men and women in urban areas are significantly more likely than their rural counterparts to report owning a phone with internet access (Figure 6). This is likely due to a

number of factors, including digital literacy rates among urban and rural populations, the ability to buy smart phones and data, and disparities in 3G coverage. MACRA's 2015 ICT study found that while 74 per cent of individuals with a tertiary education or higher had access to an internet enabled mobile phone, only 20 per cent of those with primary education had access to such a device.³⁴

32. DHS (2017) *Malawi Demographic and Health Survey 2015-2016*

33. Billari, F. (2017) *Mobile Phones, Digital Inequality and Fertility: Longitudinal Evidence from Malawi*.

34. Malawi Communications Regulatory Authority (2015). 'National Survey on Access to and Usage Of ICT Services in Malawi'



Figure 5

Overview of device penetration

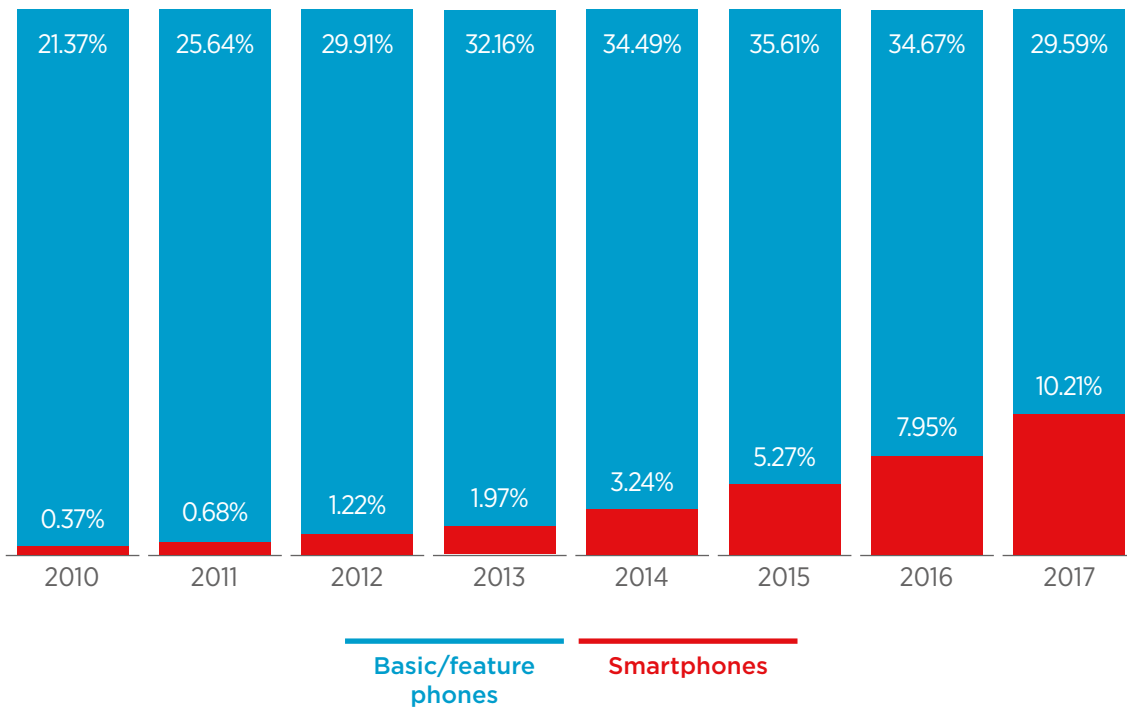
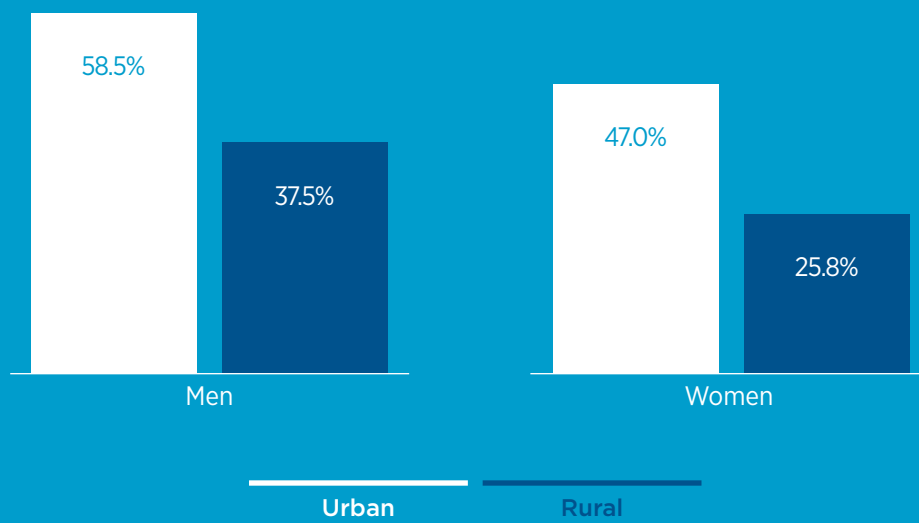


Figure 6

Internet-enabled phone ownership

SOURCE: Afrobarometer 2018





‘Know Your Customer’ landscape

Malawi’s Know Your Customer (KYC) processes are based on the Communications Act of 2016, which requires all SIM cards in Malawi to be registered on a central database and verified against an NID. Providing a means of identity — in person — is also required to purchase, replace, and swap SIM cards. In 2016, all mobile subscribers were required to re-register their SIM cards with their respective network operators by early 2018. However, MACRA was forced to extend the SIM registration deadline to the end of September 2018 following difficulties in motivating citizens to take action.³⁵ One MNO reported to GSMA that the process of getting existing subscribers to register was a challenge, prompting them to offer door-to-door registration through their agents.

MACRA also conducted a mass communications campaign, including radio, to help persuade citizens of the importance of registering their SIMs.³⁶ However, women’s access to technology beyond mobile varies significantly, limiting some women’s access to registration information.

“[We send] teams of what we call ambassadors, who will literally reach out and move door-to-door, to reach out to the home, so that we can be able to reach out to anybody that has not come to a registration centre.”

MNO

“I know that one of the things that the registration process took was to use the radio as a tool for register for all communication. But I think that what we also forgot was that the power relations in the radio, in ownership of the radio, lies with men more than with women. The church, the mosques, those are particular good areas [for outreach].”

NGO

“We had set up radio listening clubs...despite the project having ended about 18 months ago, the radio listening clubs were still ongoing, and they had a really strong impact on behaviour change, and sort of helped reduce some of the stigma around listening to the radio because the women and girls got together to listen.”

Technology for Development Consultant

35. The Times (2018) *Macra sets new SIM card registration deadlines*

36. All Africa (2018). *Malawi: Macra Raises Awareness On SIM Registration in MJ*

Potential opportunity for mobile operators

Facilitating government-to-person payments

The Universal Beneficiaries Register (UBR), which is currently being developed as part of Malawi's National Social Security Programme (MNSSP), will identify all persons in Malawi who are eligible for social security benefits. The MNSSP entered into its second phase in 2018 and is due to be completed in 2023. Data indicates that currently over 25 per cent of the Malawian population is categorised as ultra-poor and labour-constrained, which makes them eligible for social cash transfer payments. Incidence of poverty and ultra-poverty is particularly high in the Northern (60 per cent; 29 per cent) and Southern (63 per cent; 34 per cent) regions.³⁷ The 2018-2023 MNSSP II strategy identifies poor women as particularly vulnerable in Malawi, and therefore in particular need of social security interventions. Government-to-person (G2P) payments are often targeted at particular groups, and into designated bank accounts to ensure that funds are received — and spent — by the eligible beneficiary. However, delivery of extensive social support programmes is an expensive undertaking.

Opportunity

Malawi has invested heavily in developing the foundational and functional identity infrastructure necessary to facilitate fair and effective delivery of social payments. As the mass registration of citizens in the NRIS project draws to a close, there is substantial opportunity to explore how to integrate the NRIS with other registers — as a way of linking the identity of individuals across multiple databases. These developments, and the recent SIM re-registration drive, puts MNOs in a strong position to support the UBR by facilitating targeted G2P payments over mobile money platforms. Previous GSMA research has found that G2P payments delivered via mobile have the potential to lower delivery costs, yield operational efficiencies, and enhance development impact.³⁸

Solution

Social protection schemes, in particular G2P initiatives and other social transfers, can be an attractive business opportunity for mobile money providers in developing markets. They often represent significant payments volumes, prospective new customers, and an additional source of revenue.³⁹ In 2013, Airtel Malawi distributed a total of USD\$3.5 million for its NGO partners, which contributed to 60-70 per cent of their business income.⁴⁰ Through a public-private partnership as part of the MNSSP, an MNO could help develop a payment platform for social transfers; manage beneficiary registration and account issuance (by linking beneficiary NIDs to their mobile numbers); and facilitate targeted payments.

This integration of MNO SIM card registers, the UBR and the NRIS promises to deliver both social and commercial impact, as well as serving as a proof-of-concept for linking other functional identity databases in the future. The multipliers of G2P are significant. By empowering women and other marginalised groups to claim social benefits and entitlements, they can improve their livelihoods, explore opportunities outside of their home or immediate community, access essential services, and play productive roles in Malawi's economy and society.

37. International Labour Organisation (2016) Social Protection in Malawi: Assessment Based National Dialogue Brief

38. GSMA (2013), 'G2P payments & Mobile Money: Opportunity or Red Herring?'. Available at: <https://www.gsma.com/mobilefordevelopment/programme/mobile-money/g2p-payments-mobile-money-opportunity-or-red-herring/>

39. *ibid*

40. *ibid*



Looking forward

The scale and impact of Malawi's NID rollout is becoming clearer, after a crucial year of enrolment and identity provision. Malawi has made strong progress in building a nationwide foundation for identity solutions, and identity-linked services. Its progress over the next few years, through leveraging these assets, may be significant.

One area that requires further understanding is women's participation in NID enrolment and usage. Experts working in the country report a greater number of females enrolled compared to males. Although Malawi's population has slightly more females, it would be worthwhile to understand why female uptake was so high in a country where women are traditionally housewives and carers. How, for example, have enrolment strategies countered the practical barriers of travel and finance, and wider cultural barriers preventing women's empowerment? These insights could provide important lessons for identity programme rollouts elsewhere.

Related to this, whilst the NID rollout has been a broad success, the benefits of NID are not universally understood — particularly amongst

women. To address this, the government of Malawi might consider partnering with MNOs and leveraging operator experience delivering trusted and action-oriented messaging about the value of identity. Working collaboratively in this way is likely to improve the scale and reach of identity-linked mobile services, including mobile money.

There is also significant potential to leverage the power of mobile technology to build identity solutions and identity-linked services in Malawi. Growth in mobile phone usage and ownership across the country, the high penetration of foundational identity, and the up-to-date customer databases held by MNOs provide strong foundations for innovation. In the coming year, the GSMA Digital Identity Programme will be working with mobile operators across the Commonwealth to identify how opportunities such as this can create both short- and long-term value for citizens, local governments, and other development partners, while also ensuring that identity platforms can be financed sustainably and quickly move from 'pilot' to 'scale'.

Appendix:

Methodology

Through conducting a thorough review of the identity and mobile landscapes in each country, the research aimed to provide MNOs and other stakeholders with a detailed overview of the identity and digital identity context — and related opportunities — in Malawi. This work was seen to be particularly important in enabling the development of accessible, impactful, relevant, and sustainable digital identity solutions and initiatives; particularly those that could improve the lives of women and girls.

The approach, led and undertaken by M&C Saatchi Worldwide Services, had two main components: extensive desk research, and a series of Key Informant Interviews to validate, contextualise, and interrogate the literature. Two interactive and structured workshops were convened to present initial and final findings.

Desk research

This component aimed to provide an overview of the identity ecosystem, including key identity stakeholders; establish a detailed overview of the mobile landscape; provide insight regarding gender disparities; and explore the prior appetite of MNOs with regard to wider social development products, services, and initiatives.

The desk research featured an in-depth exploration and analysis of academic, grey and industry literature on political and policy development in the above countries, mobile phone adoption and gender norms, and a comprehensive compilation of statistics to develop a holistic picture of each market.

Sample resources included the World Economic Forum's Global Gender Gap Report, the World Bank's State of Identity Systems in Africa, UNDP's Human Development Reports, and leveraging data from sources such as GSMA Intelligence and the World Bank's Gender Data Portal.

Key Informant Interviews

Across the four markets, 40 semi-structured Key Informant Interviews were conducted with representatives from government, civil society, and the private sector — including MNOs, and experts in identity and digital identity. The interviews particularly aimed to investigate identity ecosystems, mobile landscapes, and gender disparities; and to explore the interest of MNOs — and other stakeholders — in developing digital identity solutions.

The discussions used a filter interview sequence strategy and modular structure — with questions tailored to each group of stakeholders. Each interviewee was asked questions regarding their experience and understanding of the identity ecosystem, mobile landscape, and gender context in each country; whilst each group were asked specific questions relating to the validity and reliability of publicly-available data relevant to their field of expertise.

The desk research and initial discussions in each country generated a range of potential identity-related business opportunities or use-cases in each country. These were then discussed in more detail with experts from MNOs, in order to identify the feasibility and usefulness of each product or service.

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