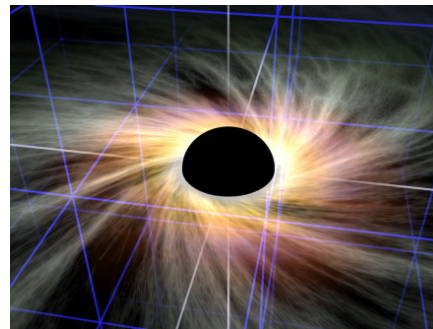




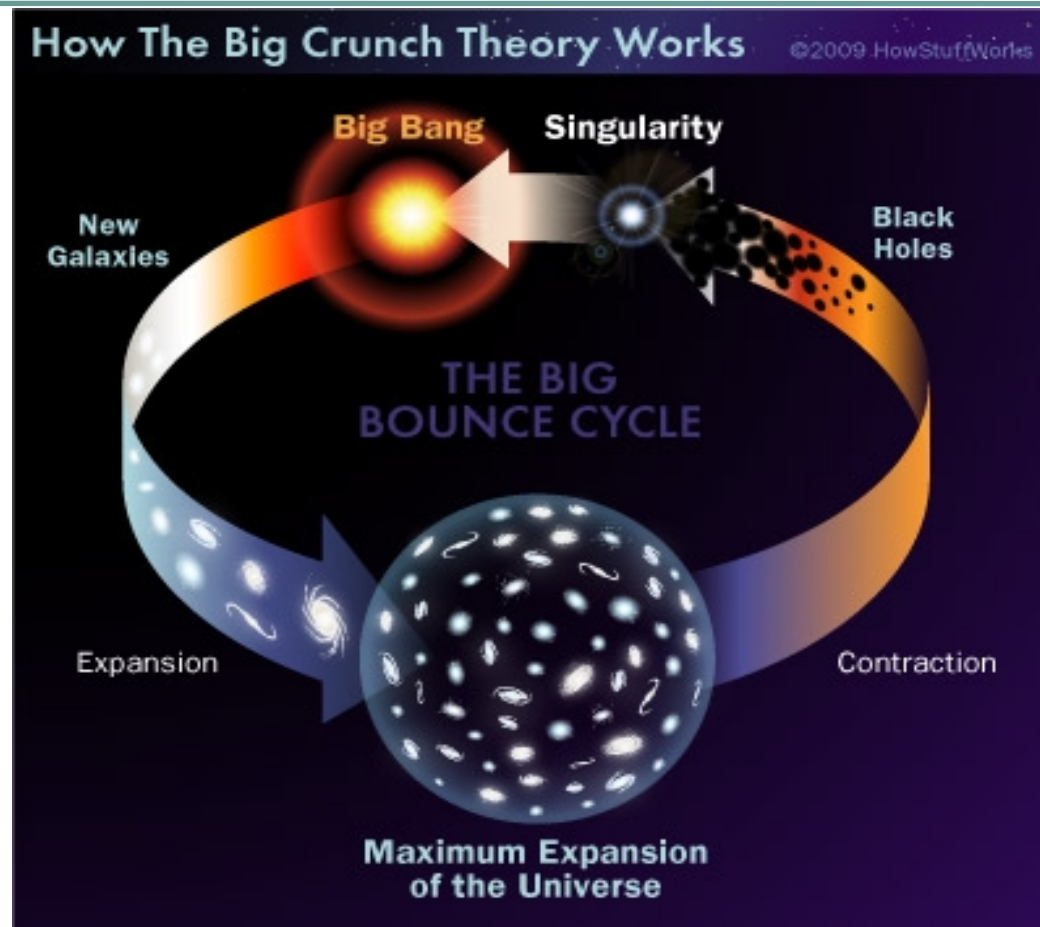
Discovering Stars and Black Holes in the eID Universe



C. Maxine Most
Principal
Acuity Market Intelligence

Secure Document World
April 6, 2011
London

Theories of The Universe



What does this have to do with eIDs?

Meta Theory of eID Evolution: Big Bounce

- **Phase I: Expansion**
Many IDs, Single Applications, Single Carrier
- **Phase II: Contraction**
Single ID, Multi Application, Single Carrier
- **Phase III: Expansion**
Single ID, Multi Application, Multiple Carriers



About Acuity

Acuity Market Intelligence consistently delivers thought-provoking, hype-free, data-driven insight and analysis

- Founded in 2001, by C. Maxine Most
- Led by Industry Experts
- Proven accurate market analysis
- Focus on Biometrics and Electronic Identity markets
- Latest research: Global and Regional National ID, ePassport and eVisa, and Biometric Industry Reports



Today's Discussion

- Exploring The Universe of eIDs
- The Special Position of National IDs
- National ID Adoption
- Introducing the *eID Constellation*®
- Stars and Black Holes in the eID Universe

Exploring The Universe of eIDs

- 
- **Universe in Motion**
 - Expansion and Contraction
 - Collisions
 - Configurations stabilize then shift
 - Build stable ID platform, develop trusted infrastructure, applications emerge
 - **Cosmic Forces**
 - Operational Efficiency
 - Economic Development
 - Accountability
 - Democratization
 - Regional Collaboration

The Special Position of National IDs

- Progress Varies with no Universal GLOBAL Drivers
- Internal Mandates and International Influence
- eID as Catalyst for eGovernment
- Identifiable Regional Trends
- NO Consistency in Adoption Path
- “Leap Frogging” Likely



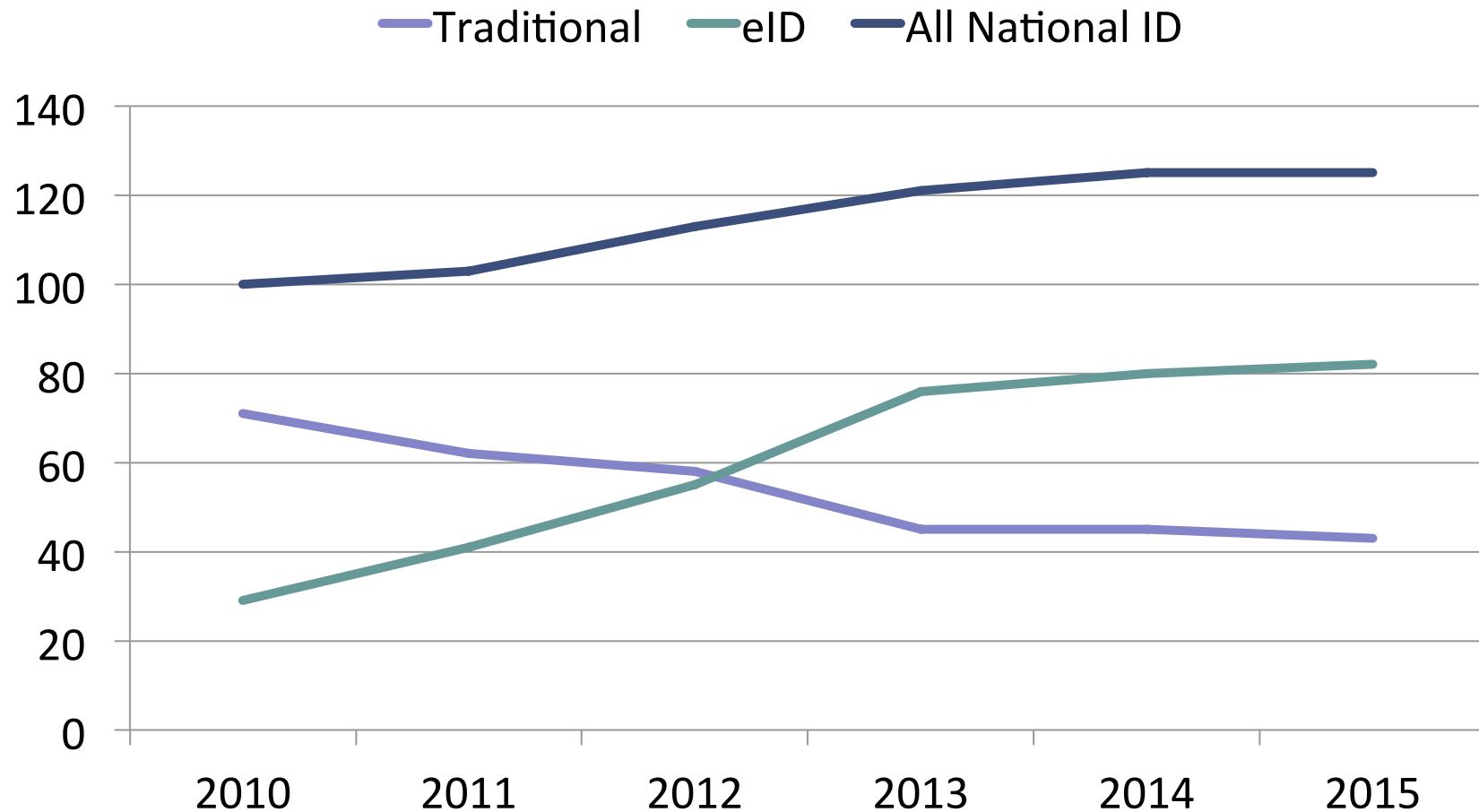
Majority of Issuing Countries eIDs by 2013

Global number of Countries issuing National ID's						
	2010	2011	2012	2013	2014	2015
Traditional	71	62	58	45	45	43
<i>Share of total</i>	<i>71%</i>	<i>60%</i>	<i>51%</i>	<i>37%</i>	<i>36%</i>	<i>34%</i>
eID*	29	41	55	76	80	82
<i>Share of total</i>	<i>29%</i>	<i>40%</i>	<i>49%</i>	<i>63%</i>	<i>64%</i>	<i>66%</i>
Total	100	103	113	121	125	125

Market Share Inversion from Traditional to eID

*includes India

Global Nat ID Adoption by Country



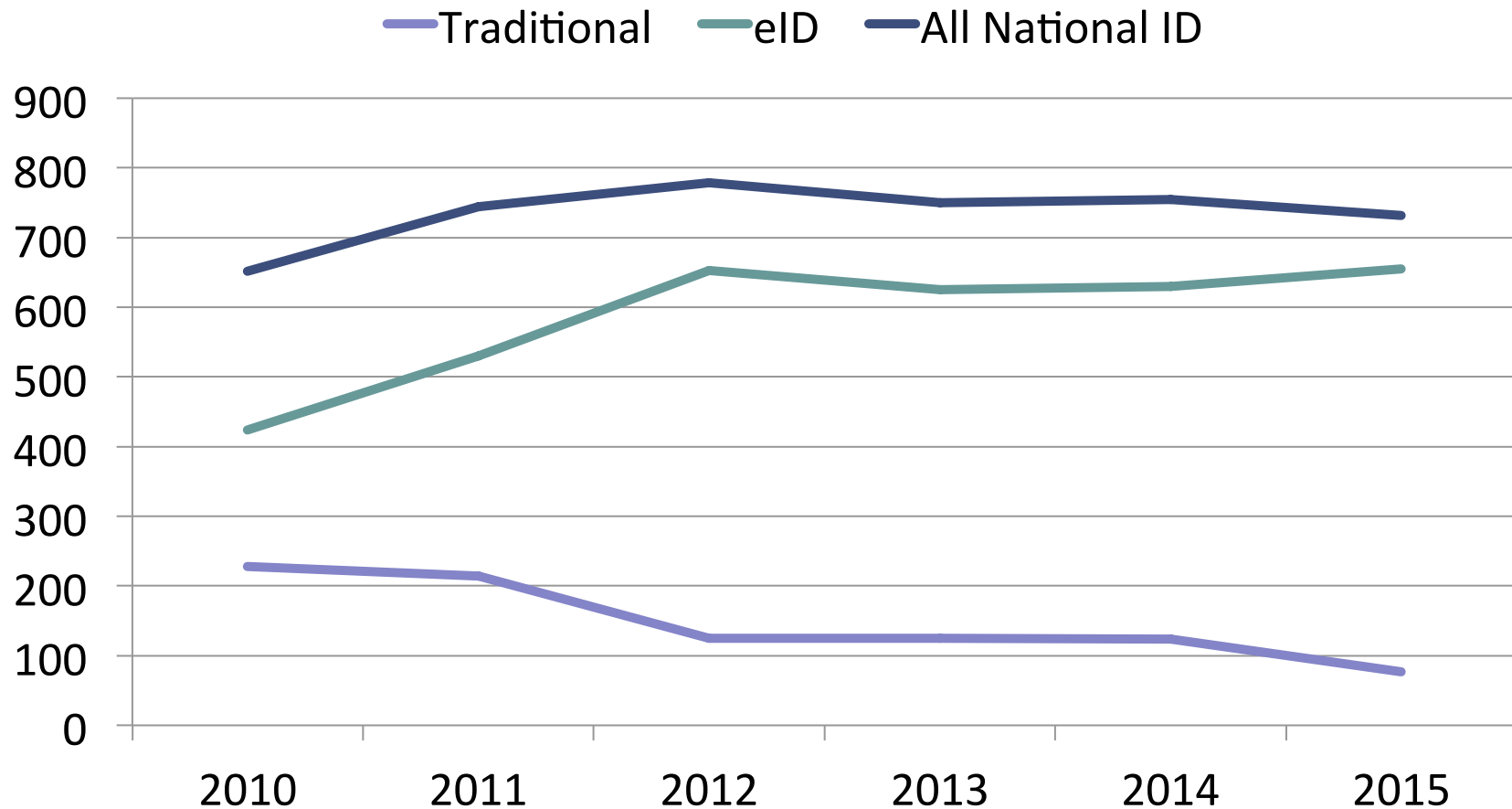
90% of Nat IDs Issued are eIDs by 2015

Global volume of annually issued National ID's (millions)						
	2010	2011	2012	2013	2014	2015
Traditional	228	214	125	125	124	77
<i>Share of total</i>	35%	29%	16%	17%	16%	10%
eID*	424	531	653	625	630	655
<i>Share of total</i>	65%	71%	84%	83%	84%	90%
Total	652	745	778	750	754	731

Chinese eID volume share drops from 80% to 53%

***does not include India**

Global Annual Volume of Nat ID's (millions)



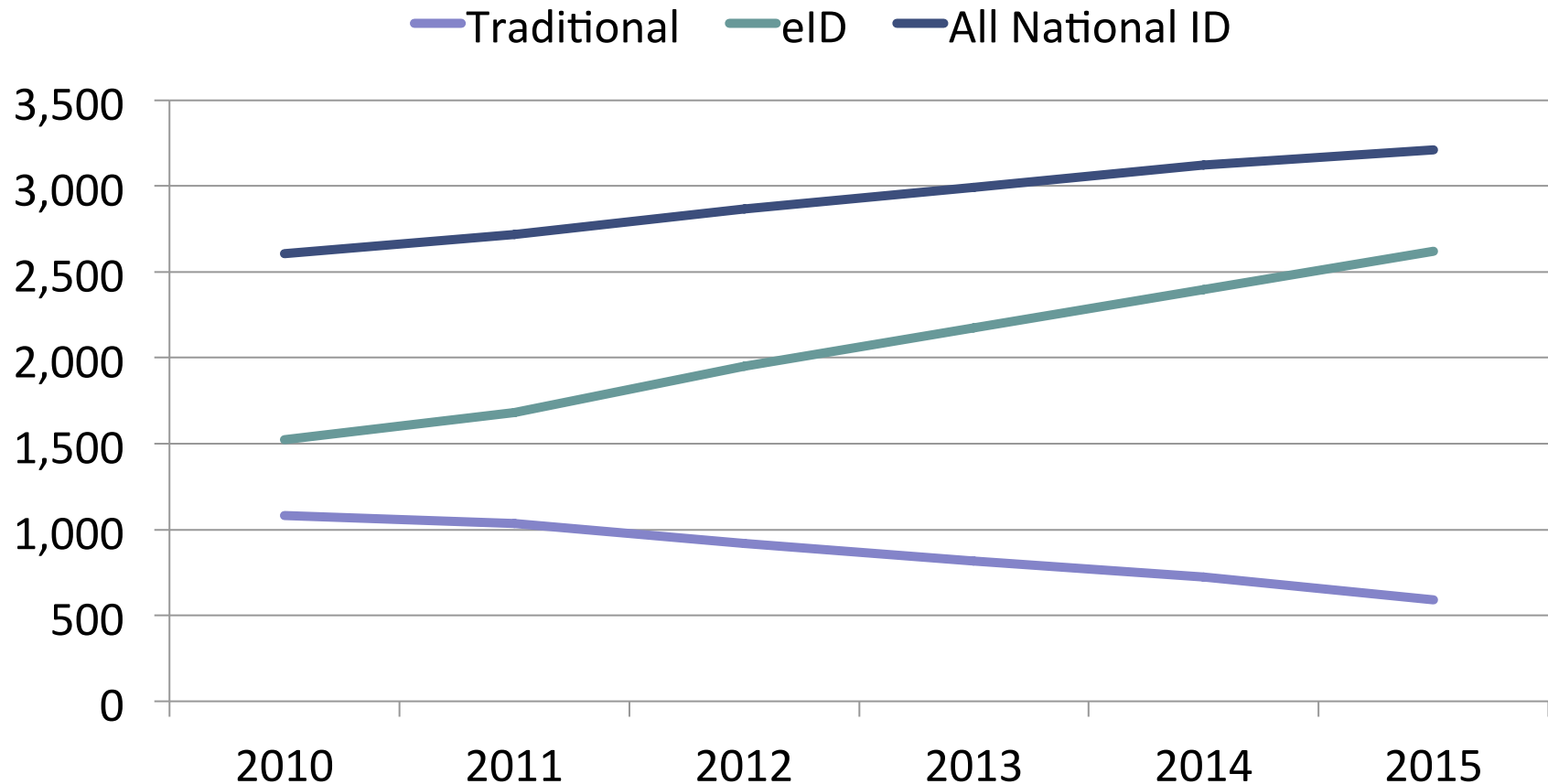
82% of Nat ID Circulation are eIDs by 2015

Global volume of annually issued National ID's (millions)						
	2010	2011	2012	2013	2014	2015
Traditional	1082	1036	918	816	723	591
<i>Share of total</i>	<i>42%</i>	<i>38%</i>	<i>32%</i>	<i>27%</i>	<i>23%</i>	<i>18%</i>
eID*	1522	1682	1949	2175	2399	2619
<i>Share of total</i>	<i>58%</i>	<i>62%</i>	<i>68%</i>	<i>73%</i>	<i>77%</i>	<i>82%</i>
Total	2605	2719	2867	2991	3122	3210

One third of the world's population has an eID in 2015

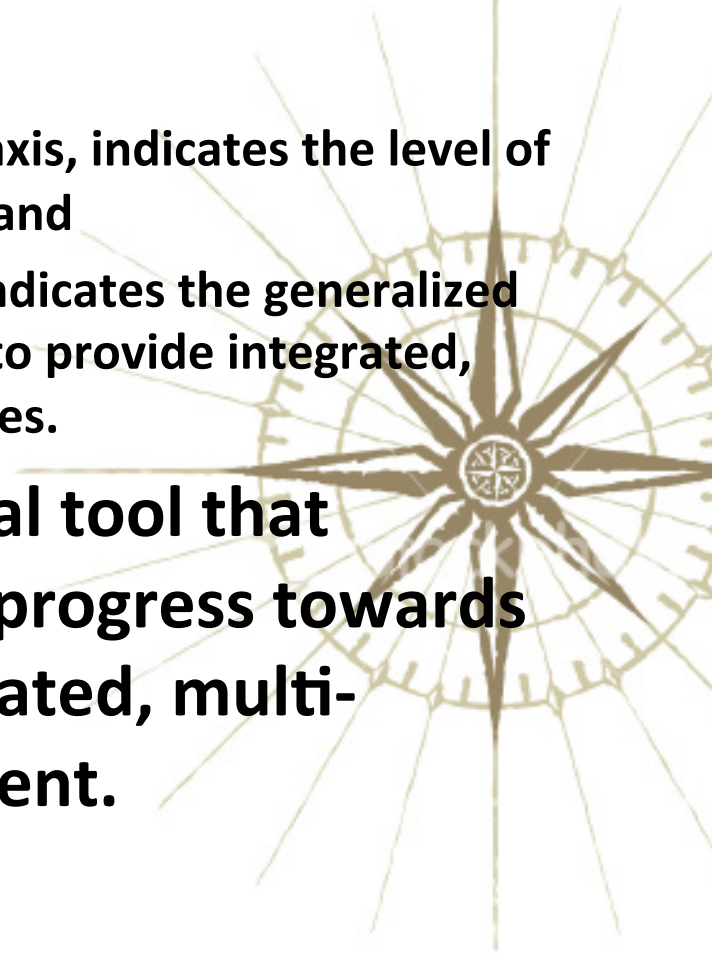
***does not include India**

Global Circulation of Nat ID's (millions)



Introducing the *eID Constellation*®

- A snapshot of the State of the eID Market based on two multi-faceted index sets:
 - The eID Evolution Index®, along on the X-axis, indicates the level of eID technology and operational maturity, and
 - The eID Service index®, along the Y-axis, indicates the generalized level of infrastructure capability required to provide integrated, trusted eID related applications and services.
- Produces a quadrant-based, visual tool that characterizes a county's relative progress towards providing a trusted, highly integrated, multi-application eID service environment.



National *eID Evolution Index*

Acuity proprietary index indicating the technology and operational maturity Phase

Phase	Description
1	No functioning Registry, or Non-digital Registry
2	Digital Registry, No National ID, Multiple Autonomous card programs
3	Digital Registry, Traditional National ID, No or Multiple Autonomous card programs
4	Digital Registry, eID, Multiple Autonomous card programs
5	Digital Registry, Multi-functional eID
6	Single identifier, Multiple programs

Global National ID Industry Report

- **Quantifies short-term opportunity**
 - By volume and revenue
 - On a country-by-country basis
- **Characterizes future opportunity**
 - Correlates credential growth with associated e-services
 - Links technology with operational performance
- **Includes tools and insight for effective program requirements, deployment, and management**
 - Constellation Analysis
 - Enables comparative analysis on a regional or global level



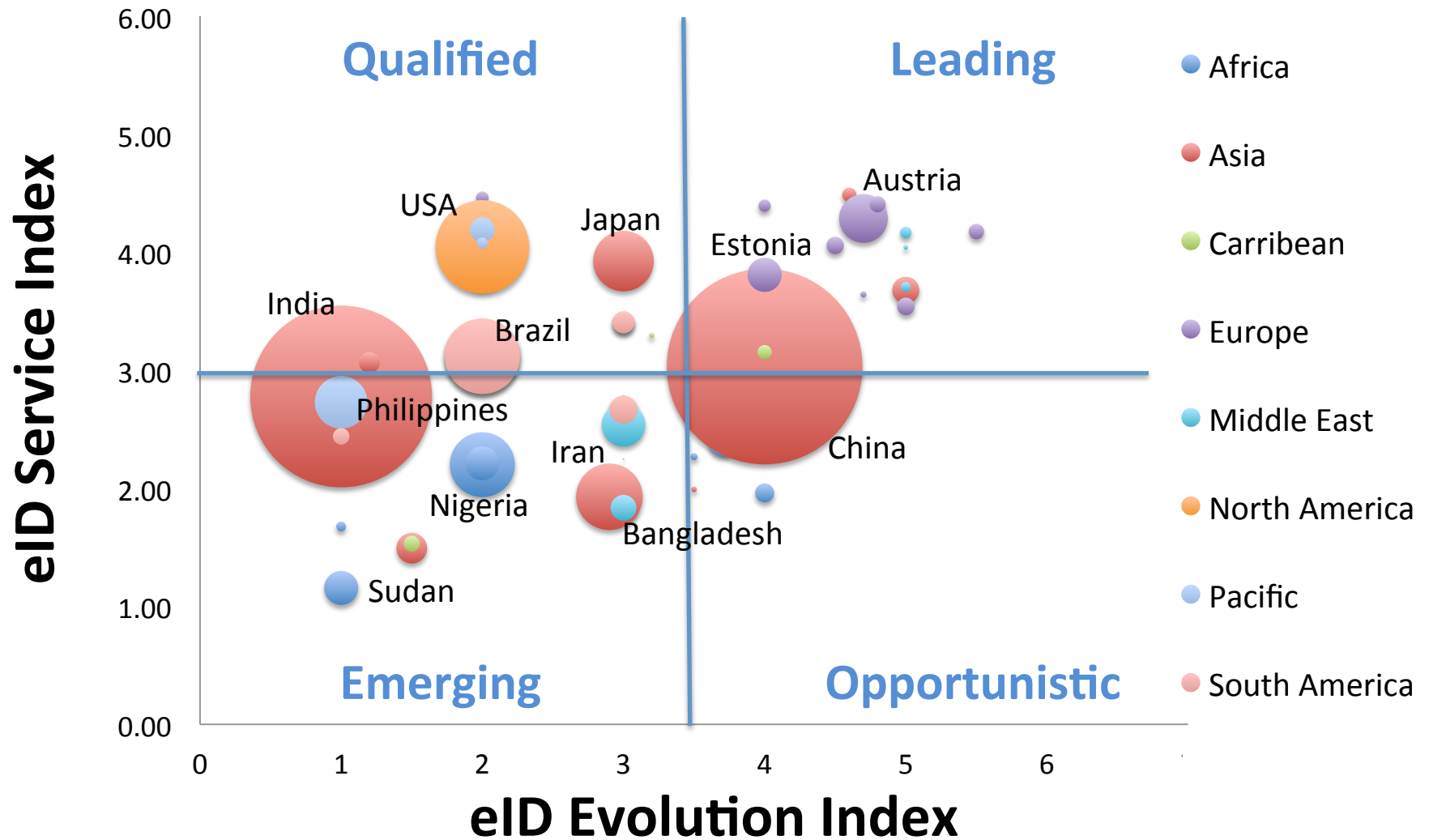
Coming Soon Q2 2011

National *eID Service Index*

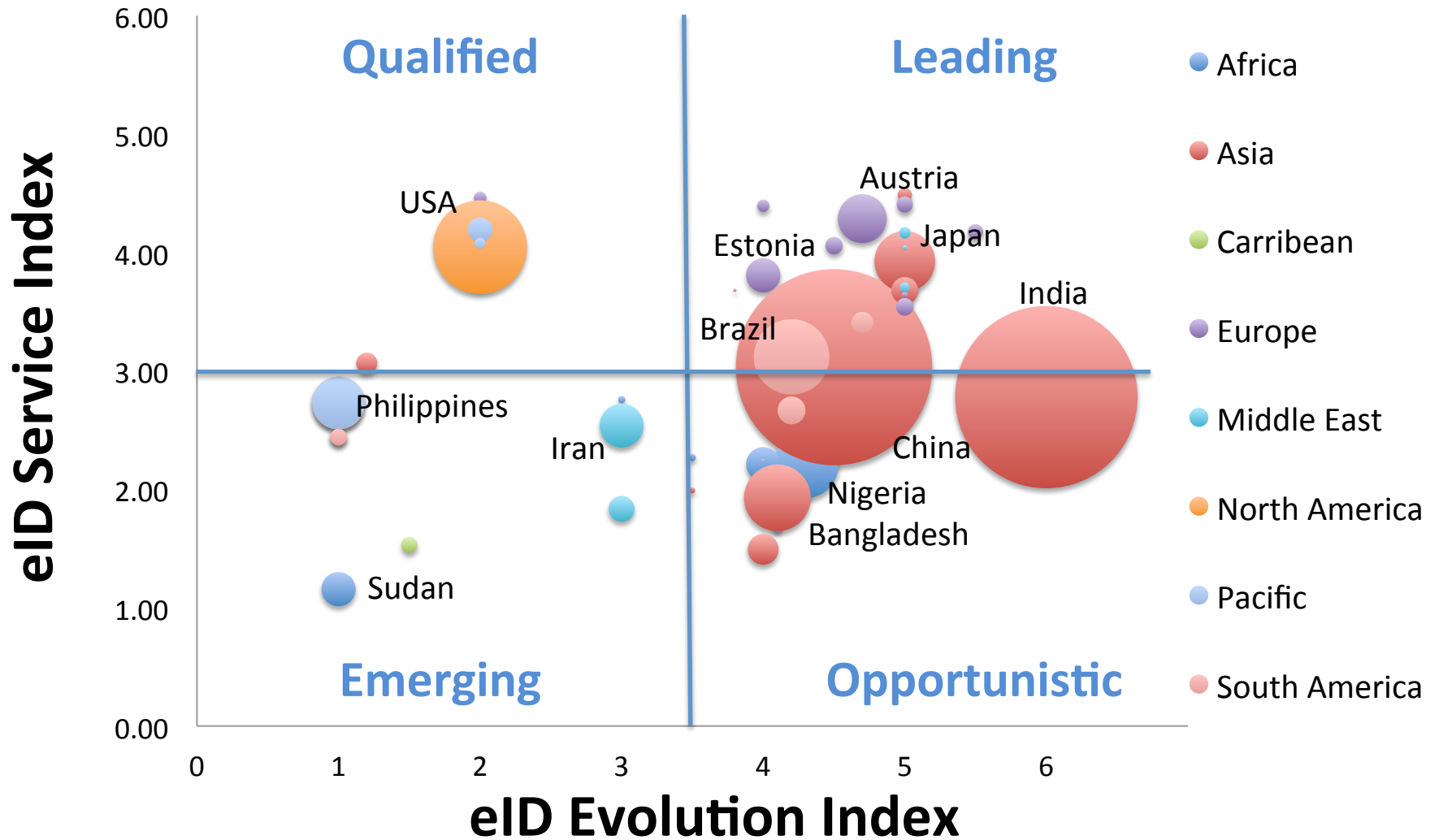
A composite index based on a number of established global metrics combined with Acuity proprietary eID specific indicators

Indices
Global Competitiveness
Political Stability
Financial Resources
Mobile Phone Usage
eID Service Readiness

eID Constellation: Nat IDs 2010

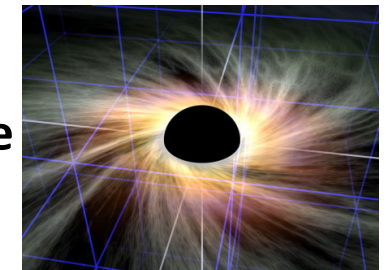


eID Constellation: Nat IDs 2015



Stars and Black Holes

- **Look for Shining Stars**
 - Domestic or International body support of:
Fair Elections, Aid distribution, Fraud Prevention, Financial Reforms
 - Opportunities in Enrolment, Credentialing, Authentication, Integration based on current phase of eID evolution and defined upgrade cycles
 - Internal and Regional leverage of eIDs and eID Infrastructure
 - eID Facilitation of Service Based Business Models
- **Beware the Vortex of Black Holes**
 - Unfunded or Underfunded “Pet” programs
 - “Show” programs
 - Unanticipated costs due to inadequate infrastructure
 - Ownership Conflicts and Silo Confrontation
 - Public Security, Privacy, Civil Liberties Concerns





Thank you !

Please visit www.acuity-mi.com

For more market analysis and to preview

The National ID Industry Report
The Asia Pacific ePassport and eVisa Industry Report
The Global ePassport and eVisa Industry Report

ALSO

***eID Constellation®* SOON**

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