

Electronic identity (e-ID)

As a result of the continuous technological advancements, business processes are increasingly shifting to the digital world. The settlement of electronic transactions requires trust in the identity and authenticity of the counterparty. The state-recognised, electronic identity (e-ID) will provide users with unequivocal, secure and user-friendly identification on the internet. Both consumers as well as providers of online services will benefit equally from this. Further to this, the e-ID is also to be used in dealings with the authorities (e-government).

- The SBA supports the Federal Council's efforts in developing the legal framework for a state-recognised, electronic identity (e-ID). The corresponding draft of the e-ID legislation of 1 June 2018 establishes how the e-ID will be used to identify and authenticate natural persons in a business-friendly manner.
- The SBA welcomes that in its dispatch to Parliament, the Federal Council has explicitly adhered to the division of responsibilities between the government and the market. The latter is ideally suited to achieving the key objectives: security, data protection and rapid dissemination.
- It is expedient that suitable private identity providers can be authorised by an official certification authority to issue e-IDs. The SBA welcomes that during a transition period of two years, the Federal IT Steering Unit (FITSU) will recognise certain existing means of identification (e.g. CDB identification) as being applicable to the e-ID.
- The involvement of the private sector is essential for the success of the e-ID. The private sector has the technological expertise and the necessary customer proximity to ensure the rapid dissemination of the e-ID nationwide, which will make it financially attractive for the sector.
- The role of the Swiss banks will be particularly important:
 - The identities of their customers have already been verified, and the banks will bring these to the e-ID ecosystem.
 - Customers of the banks are already equipped with secure, user-friendly means for authentication and are familiar with their use.
 - The banks have experience in handling personal data in a secure manner.
- The SBA sees the private sector's commitment to work in partnership and across various industries to develop an interoperable digital identity as an indispensable step towards a smooth introduction of the e-ID.
- In the view of the SBA, in order for the e-ID to be successful, it is also important that the e-ID be designed in a technology-neutral manner, that it functions smoothly during the onboarding process and is user friendly, that its domestic and international interoperability is ensured, and that the e-ID is generally accepted as well as actively promoted by the federal government, cantons, municipalities and state-affiliated companies.

Background

On 1 June 2018, the Federal Council published its dispatch on the Federal Act on Electronic Identification Services. The e-ID legislation is envisioned to come into force in 2020. The consultation on the draft bill, which was already based on the principle of the division of responsibilities between the government and the private sector, was held in the spring of 2017. Market momentum is therefore seen as an important factor for helping the e-ID become a success. SwissSign Group AG, a joint venture consisting of government-affiliated companies, financial institutions, insurance companies and health insurance providers, was founded on 8 March 2018 for the establishment and implementation of a digital identity in Switzerland.

A purely state-driven solution would not likely be able to keep up with market developments and would result in high operating and maintenance costs for the federal government. However, the state will perform other key tasks such as authorizing and monitoring identity providers as well as officially verifying and confirming identities. Although a number of legal clarifications must still be undertaken, the overall entity of the system is in line with the SBA's expectations.

Method of operation according to draft bill

The draft bill creates a legal and standardisation framework for the recognition of e-ID systems and electronic identity providers (IdP). Suitable private sector providers are to be authorised by the federal government to issue e-IDs and operate e-ID systems. These must be interoperable or in other words, be capable of interacting reciprocally.

For its part, the federal government intends to make state-managed personal identification data available via an electronic interface. To this end, it will create an identity office within the Federal Office of Police fedpol. The IdPs will assign the e-ID to the persons concerned and provide them with the means of access. Further to this, a certification authority within the Federal IT Steering Unit (FITSU) will verify and monitor adherence to the prescribed processes and technical standards. The federal government will therefore uphold its core responsibility as regards the verification and confirmation of identities and will thus ensure the necessary acceptance of the e-ID.

The legislation provides the framework for the future mutual international recognition of e-ID systems, which would make it possible to use the Swiss e-ID in an international context.

Outlook

Collaboration with the private sector has smoothed the path for a swift adoption of the legal framework conditions. In view of the fast-paced technological developments, the SBA expects that the members of parliament will support both the proposed division of responsibilities between the federal government and the private sector as well as the draft legislation. Switzerland must advance swiftly on the path to the digital age.