

## PRESS RELEASE

## BSP, DILG endorse acceptance of PhillD in government and private institutions as valid ID for transactions

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As partners of the Philippine Identification System (PhilSys), the Bangko Sentral ng Pilipinas (BSP) and the Department of the Interior and Local Government (DILG) separately released a memorandum urging the acceptance of the PhilID or the national ID as the valid proof of identity for transactions with government and private entities.

This supports the <u>advisory</u> issued by the Philippine Statistics Authority (PSA) addressed to all government agencies and the public on the acceptance of the PhilID.

"Consistent with PSA Advisory dated 19 May 2021, the PhilSys ID should be accepted as official and sufficient proof of identity without the need to present any other identification documents," the BSP memorandum states.

Similarly, the DILG memorandum underscores the need for local government units to abide by the provisions of Republic Act (RA) No. 11055, as emphasized in the advisory issued by the PSA.

"Using the PhillD card as a single requirement without the need to present any other identification document is a big step towards streamlining information and easier transactions in all government offices and private establishments," DILG Secretary Eduardo M. Año said in the DILG memorandum.

In line with the goal of the PhilSys to be a digital and interoperable platform, the PSA also plans to introduce automated offline and online authentication capabilities as PhilSys-enabled services. These capabilities, which will complement the traditional methods of visually inspecting the PhilID card, will allow relying parties to transition to digital and more secure service delivery, including for paperless and online transactions. The PSA will in due course publish information and guidelines on these PhilSys-enabled services.



The offline authentication mechanisms will allow relying parties, such as government entities and financial institutions, to verify the digital signature in the Quick Response (QR) code on the back of the PhilID as well as on the mobile PhilID that will be released later in 2021. This will provide greater assurance than current practices in the Philippines that depend on handwritten signatures.

The online mechanisms will allow a registered person to authenticate their identity using fingerprint, iris and/or facial verification, as well as demographic verification and one-time passwords (OTPs) sent by SMS to their registered mobile phone number. This will provide the greatest levels of identity assurance and security. The additional electronic Know Your Customer (e-KYC) capabilities, when the registered person consents to sharing their personal data following an authentication, will also facilitate financial institutions supervised by the BSP to comply with the Anti-Money Laundering Act of 2001. Authentication and e-KYC are expected to reduce the costs and risks of onboarding customers for the financial and other sectors, which will accelerate financial inclusion and our country's transition to a digital economy, society and government.

According to RA No. 11055 or the PhilSys Act, the PhilID card shall serve as the official government-issued identification document of cardholders in dealing with all national government agencies (NGAs), local government units (LGUs), government-owned or controlled corporations (GOCCs), government financial institutions (GFIs), State Universities and Colleges (SUCs), and all private sector entities.

Also, under Section 19 of the Act, a fine in the amount of five hundred thousand pesos (PhP 500,000.00) shall be imposed on any person or entity who will refuse to accept or recognize the PhilID or PhilSys Number (PSN) as the only official identification of the holder, without just and sufficient cause.

For the latest on PhilSys, visit the official PhilSys website (www.psa.gov.ph/philsys) or Facebook page (www.facebook.com/PSAPhilSysOfficial/). You may also reach the PhilSys Registry Office via hotline number 1388 or e-mail at info@philsys.gov.ph.

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