DISPLACED AND DISCONNECTED

A METHODOLOGY TOOLKIT

Assessing Policy and Regulatory Barriers to Digital Inclusion and Accessing Connectivity, Financial Services and Digital Financial Services

DISPLACED AND DISCONNECTED

A METHODOLOGY TOOLKIT

Providing guidance to organisations interested in effectively mapping, analyzing and addressing the legal and regulatory barriers hampering forcibly displaced persons´ digital inclusion.

LUXEMBOURG
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UNHCR
Innovation
Service

UNHCR
The UN Refugee Agency

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Contents

Acronyms

AML	Anti Money Laundering
CBI	Cash-Based Interventions
CDD	Customer Due Diligence
CFT	Combating the Financing of Terrorism
CSO	Civil Society Organisation
D&D	Displaced and Disconnected
FATF	Financial Action Task Force
FGD	Focus Group Discussion
FSP	Financial Service Provider
GCR	Global Compact on Refugees
GSMA	GSM Association
ICT	Information and Communications Technology
ID	Identification
IFRC	International Federation of Red Cross
IRC	International Rescue Committee
IMEI	International Mobile Equipment Identity
KYC	Know Your Customer
MFT	Multi-Functional Team
MNO	Mobile Network Operator
MoU	Memorandum of Understanding
SIM	Subscriber Identification Module
ToR	Terms of Reference
UCC	Uganda Communications Commission
UNHCR	UN Refugee Agency
WFP	World Food Programme

Glossary

AML/CFT Controls	National mechanisms to combat money laundering and terrorist financing and promote integrity and stability in financial markets.
Authentication	The process of establishing confidence that a person is who they claim to be. Digital authentication generally involves a person electronically presenting one or more "factors" to "assert" their identity — that is, to prove that they are the same person to whom the identity or credential was originally issued. These factors can include something a person knows (e.g., a password or PIN), has (e.g., an ID card, token, or mobile SIM card), or is (e.g., their fingerprints).
Customer Due Diligence (CDD)	The process used by financial institutions to collect and evaluate relevant information about a customer or potential customer. This comprises measures to identifying the customer and verifying that customer's identity using reliable, independent source documents, data or information; Understanding and, as appropriate, obtaining information on the purpose and intended nature of the business relationship and conducting ongoing due diligence on the business relationship and scrutiny of transactions undertaken throughout the course of that relationship, among others.
Digital Inclusion	Ability of individuals and communities to effectively access and use information and communication technologies on a regular basis.
ID Credential	A document, object, or data structure that vouches for the identity of a person through some method of trust and authentication. Common types of identity credentials include— but are not limited to—ID cards, certificates, numbers, passwords.
ID - Related Access Barrier	Limitations in a person's ability to legally access services, connectivity, financial services and digital financial services in the case of this study, due to lack of required ID credential specified in the relevant law or regulation or required in practice.
Know Your Customer (KYC)	Anti-money laundering policies and procedures used to determine the true identity of a customer and the type of activity that is "normal and expected," and to detect activity that is "unusual" for a particular customer.
Regulatory Authority	Independent governmental body established by law to set standards in a specific field of activity or sector - telecommunications, financial services and digital financial services in the case of the D&D assessment - and then to enforce those standards.
Regulatory Sandbox	A framework set up by a regulator that allows service providers to conduct live experiments and innovations in a controlled environment under a regulator's supervision.
SIM Card Registration	Mandatory SIM registration is a government policy or regulation requiring users to provide personal information such as their name, national identification number, address and proof of identity credentials in order to register for or activate a prepaid SIM card

Introduction

Digital Inclusion is undoubtedly about much more than accessing the Internet. Increasingly it is becoming the primary way people across the world access information effectively, carry out financial transactions and maintain meaningful connections with loved ones. Legal access to connectivity services is not always straightforward for forcibly displaced persons,[1] however, as they often lack relevant ID credentials to register SIM cards and devices in their own name and access financial services and digital financial services such as mobile wallets. Understanding the regulatory barriers that are hampering the digital and financial inclusion of forcibly displaced persons is paramount to unlocking connectivity-related benefits to rebuild their lives.

The international community has recently made significant advances in recognising the importance of connectivity services in the lives of affected populations to increase their self-resilience and access to vital information[2]. Broader institutional commitments such as the Global Compact on Refugees (GCR) highlight the importance of facilitating access to affordable financial products and Internet connectivity as key enablers to enhance forcibly displaced persons' livelihoods opportunities.

UNHCR believes that forcibly displaced persons and the communities that host them should have the right to be connected, and have choice in how they access and engage in digital services. Research carried out by UNHCR shows that while many forcibly displaced persons have access to connectivity services, they are almost half as likely to have access in rural areas compared to hosting populations. Some of the access barriers identified relate to a lack of infrastructure, a lack of devices, and non-conducive policy and regulatory environments for forcibly displaced persons.
This methodology toolkit is intended to provide guidance to UNHCR operations and other humanitarian organisations directly working with forcibly displaced persons to effectively explore and map the legal and regulatory barriers that may be hampering their digital and financial inclusion. It provides an overview of the methods used for the Displaced and Disconnected assessment to gain insights on the applicable legal and regulatory frameworks for connectivity, financial services and digital financial services, the impacts they might have on access by forcibly displaced persons and UNHCR's programme delivery in a given context, and opportunities for improving legal access. The results of this assessment will also support feasibility studies conducted by the organisation when planning cash-based interventions in terms of revision of KYC rules applicable to forcibly displaced persons and appropriate delivery mechanisms in a given operational context. This toolkit aims to provide a comprehensive framework for assessment, building on UNHCR's guidance "Cash assistance and access to formal financial services – Information on assessing KYC/CDD regulations" which focuses on using cash assistance as a stepping stone for promoting access to financial services and possibly financial inclusion.

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1   For the purpose of this document, the concept "forcibly displaced people" is covering refugees, asylum-seekers, Internally Displaced Persons (IDPs), those who have found a durable solution (returnees) as well as stateless persons, most of whom have never been forcibly displaced.

2   https://news.itu.int/why-we-must-bring-meaningful-connectivity-to-refugees/
    https://shop.icrc.org/icrc/pdf/view/id/2844
    https://www.gsma.com/mobilefordevelopment/wp-content/uploads/2019/07/The-Digital-Lives-of-Refugees.pdf
    https://www.broadband4refugees.org/plan

About Displaced and Disconnected

Over the past decade, a trend has emerged whereby a large majority of national governments have legally mandated users to provide proof of identification in order to activate and use a SIM card and/or to register their personal devices with a national authority. This is part of the wider trend, with regulators also requiring financial service providers to require proof of identity for customers to meet the primary policy goals of countering money-laundering, terrorist financing and the harm they do to society.

However, these regulations carry with them the risk of exclusion, running against other legitimate policy objectives such as increasing access to financial services and digital financial services, particularly for marginalised and hard-to-reach groups. For example, they often mandate the presentation of official identity documentation that forcibly displaced persons may not have or might not be able to get in a timely fashion, creating de facto barriers to connectivity, financial services and digital financial services. This puts them at risk of becoming further marginalised and disempowered with restricted access to information, communication, cash assistance and limiting opportunities for financial inclusion.

Acknowledging the potential that connectivity, financial services and digital financial services can play in the lives of forcibly displaced persons and hosting communities, in 2018 in partnership with the GSMA - the trade association for mobile network operators,[3] UNHCR undertook the Displaced and Disconnected (D&D) assessment in 25 countries to explore how requirements related to trusted ID credentials impact legal pathways for accessing mobile connectivity, financial services and specifically, digital financial services such as mobile money or mobile wallets.

This toolkit is framed within UNHCR's efforts to promote digital Inclusion of forcibly displaced and stateless people, ensuring that they, and the communities that host them, have the right, and the choice, to be included in a connected society, and can have their voices heard in the design and implementation of humanitarian response. Please note that the D&D approach specifically focuses on inclusion in national frameworks for telecommunications access and related financial services based on their ID credentials. While we acknowledge that throughout this exercise other access barriers related to availability, accessibility, and usability of connectivity, financial services and digital financial services might arise, these are not areas of focus for D&D nor are they the focus of this toolkit.

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3   GSMA is an industry organisation that represents the interests of mobile network operators worldwide. More than 750 mobile operators are full GSMA members and a further 400 companies in the broader mobile ecosystem are associate members.

1. Theory of Change

The D&D process identifies and analyses the legal and regulatory roadblocks that forcibly displaced persons face when accessing connectivity, financial services and digital financial services in a given country. Very often these roadblocks relate to a forcibly displaced person's lack of access to trusted forms of identification required in the law or regulations to access connectivity and / or financial services and digital financial services. The ultimate goal of this assessment is to raise awareness among policymakers of the policies and regulations that - either explicitly or implicitly - exclude forcibly displaced persons often leaving them in a more vulnerable position, and seek policy changes through joint advocacy alongside other stakeholders.

The below theory of change explains how the various D&D assessment and advocacy activities are expected to lead to a sustainable solution that facilitates access to connectivity and related financial services by forcibly displaced persons, drawing on evidence-based analysis.

FIG: Displaced and Disconnected Theory of Change

Overall impact

Forcibly displaced persons have the choice to be included in a connected society through available legal pathways to accessing connectivity, financial services, and digital financial services, while ensuring respect for their privacy and protection of personal data. This is expected to have a positive impact to mitigate challenges related to accessibility, affordability, and usability of connectivity and related services by forcibly displaced persons, underpinning their digital inclusion.

Outcomes:

- Raising stakeholder awareness of the challenges and pathways for overcoming barriers.
- Policy and regulatory change: Regulators adapting regulatory frameworks to accommodate the specific situation of different profiles of forcibly displaced persons and establishing precedents which meet all policy objectives through applying risk-based frameworks.

- Building a coalition for change with key stakeholders, namely private sector, Government and communities in this space through joint advocacy initiatives.
- Sustainability of engagement leading to an effective integration of forcibly displaced persons in national frameworks for universal access to telecommunications services and facilitate digital and financial inclusion.

Outputs:

- Thematic assessment to initiate evidence-based advocacy efforts with relevant authorities and private sector stakeholders.
- Multi Stakeholder engagements to raise awareness.
- Documentation of success cases and their processes.

Pre-conditions:

- Political/civil space to operate
- ¨Champions¨ at local level to drive engagement with stakeholders
- Robust and secure ID system for forcibly displaced people

Current state:
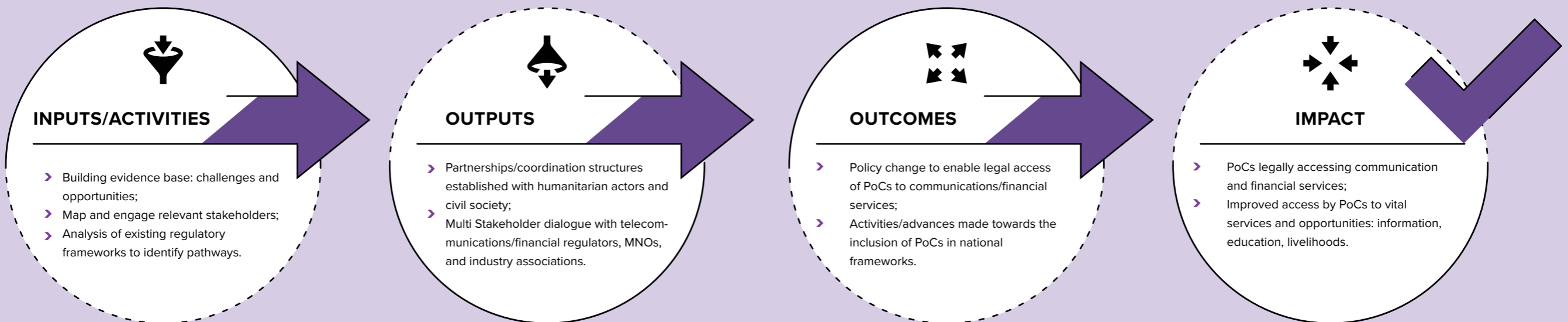
- A growing body of research indicates that people of concern are unable to legally register SIM cards and / or devices in their own name due to lack of required documentation specified in regulations.
- Forcibly displaced persons are not considered within risk-based frameworks that could enable access to services but manage higher risks, for example related to high value transactions linked to money-laundering.

Assumptions

- Informal workarounds might happen but disempower people of concern and run afoul of SIM card/IMEI registration legal mandates and related policy objectives.
- Humanitarian organisations, jointly with the private sector, and development actors have the ability to raise awareness and influence policy in a given context.
- Forcibly displaced persons may meet existing legal requirements to access connectivity, financial services or digital financial services. Several factors might negatively impact their ability to access them (geographical differences, private sector is not aware of these populations meeting legal requirements or private sector is not ready to include them in their customer bases, among others).

INPUTS/ACTIVITIES
- Building evidence base: challenges and opportunities;
- Map and engage relevant stakeholders;
- Analysis of existing regulatory frameworks to identify pathways.

OUTPUTS
- Partnerships/coordination structures established with humanitarian actors and civil society;
- Multi Stakeholder dialogue with telecommunications/financial regulators, MNOs, and industry associations.

OUTCOMES
- Policy change to enable legal access of PoCs to communications/financial services;
- Activities/advances made towards the inclusion of PoCs in national frameworks.

IMPACT
- PoCs legally accessing communication and financial services;
- Improved access by PoCs to vital services and opportunities: information, education, livelihoods.
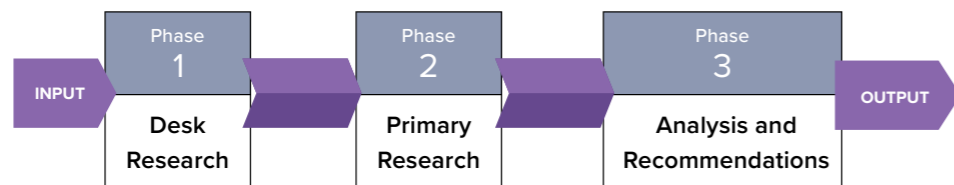
2. Assessment Framework

The following assessment framework provides an overview for implementing the suggested steps taken throughout the D&D analysis. This serves as a guide and it can be adapted to accommodate specific operational realities.

The D&D assessment framework is divided into three phases and each phase's output is an input to the next phase.

- **Desk research**, which comprises the revision of existing literature, documentation, and laws/regulations to gain a broad understanding of the specific displacement context in the country and start gathering evidence on the possible legal access barriers and the approach to registration and identity management of forcibly displaced people.
- **Primary assessment**, which is carried out with humanitarian staff members in the operation to validate and build on the findings through interviews or remote surveys. While staff members might have a very comprehensive overview of the specific situation of forcibly displaced persons when it comes to registration and identity management and access to SIM cards, financial services and digital financial services, where possible, it would be beneficial to include forcibly displaced populations in this consultative process. It will also be important to analyse the strengths and any weaknesses in approaches to identity management of the forcibly displaced, opportunities to further strengthen integrity and consider the profiles and needs of the forcibly displaced. During this stage, engagement with other relevant stakeholders such as industry associations, civil society organisations and development actors active in this space, service providers and regulators is advisable to complement the results.
- **Analysis and recommendations**, after analysing and structuring all the information compiled, the main findings are presented and discussed with stakeholders, and a set of recommendations are developed for Governments, service providers, and humanitarian organisations. These will become the foundation to dictate the next steps in terms of advocacy and translating them into actions. Throughout this exercise, persons undertaking the assessment might come across opportunities worth exploring, such as regulatory sandboxes or favorable approaches towards the forcibly displaced in the country, to mitigate and eliminate some of the access barriers identified. Those opportunities should be documented and included in this last phase of the D&D assessment.

For reference purposes, Annex 1 provides an overview of the project structure used to guide the previous D&D assessment exercises.

INPUT	Phase 1	Phase 2	Phase 3	OUTPUT
	Desk Research	Primary Research	Analysis and Recommendations	

3. Assessment Capacity and Project Management

The cross-functional nature of the ID-related barriers to accessing connectivity, financial services and financial service providers and their impact on the lives of forcibly displaced persons implies that the D&D assessment should be carried out in coordination with relevant units within the organisation as well as with external stakeholders to produce compelling results.

a. Internal

Gaining valuable knowledge and understanding through this assessment on the legal and regulatory barriers affecting forcibly displaced persons' digital and financial inclusion is paramount for humanitarian programming exercises. Shaping policy environments to the benefit of humanitarian intervention is one of the most effective ways of affecting positive change for persons of concern at scale.

As such, identifying suitable local staff members with a solid understanding of the context and the needs and barriers faced by the forcibly displaced population is key. In the specific case of UNHCR, the analysis at country level could be driven by individuals working in the Protection Unit as this assessment is directly related to existing efforts on legal and protection policies affecting our people of concern. Registration and Identity Management team members will be able to provide an expert view on the State's existing identity ecosystem, the approach to registration and identity management of refuges, the features of ID credentials available to forcibly displaced persons, identity authentication approaches and the validity of these credentials to access services, which are key to informing the analysis. Any plans to strengthen identity systems for the forcibly displaced or increase their inclusion may also be relevant. Legal access to financial services and digital financial services are strongly grounded in the work of Cash-Based Interventions (CBI) and Livelihoods / Financial inclusion colleagues, and Durable Solutions. In view of this, and where resources permit, a project-specific multifunctional team (MFT) could be established at country level to provide a fuller view of the requirements on each unit when it comes to legal access to connectivity, financial services and digital financial services by forcibly displaced persons, the impact on their interventions, and elaborate a joint assessment plan. Annex 2 provides an overview of the possible composition of this project-specific MFT.

In many instances, operational priorities may limit the ability of staff in an operation to engage and lead the assessment efforts as much as they would like to. In these cases, it would be advisable to hire a dedicated resource with relevant expertise in the field to drive this project forward, under the clear supervision of a staff member and reporting to the project-specific MFT. Annex 3 contains an example of the Terms of Reference (ToR) for a consultant in charge of conducting the ¨Displaced and Disconnected¨ assessment in a country. Please note that these may be further tailored to reflect the specific operational context.

For other organisations, similar approaches should be taken with respect to such an assessment, having team members with broader experience across a number of related areas i.e., humanitarian protection, registration and identity management, digital identification technology, finance, to ensure a wide scope, and then specific expertise to dive deeper into the specific technical dimensions of the policy and regulatory environment.

b. External

Several organisations are already undertaking activities linked to policy and regulation, as highlighted in existing D&D assessments; therefore, engagement with these actors at local, regional, and global level may add value to the assessment results. Early discussions and coordination with these organisations can avoid duplication of efforts and can foster collaboration by aligning activities towards common goals. This process is critical to understanding the various actors who may be active in this space, what type of analysis might have been undertaken, and what the results have been so far, noting any specific obstacles that may exist.

It is important to define leadership at the beginning of the assessment exercise and agree on the type of involvement that external stakeholders are likely to play during the project, i.e., co-authoring, providing relevant information, validation of results, and so forth. From past D&D experiences, it is anticipated that during the process the involvement of the following actors will be sought:

- Humanitarian organisations active in this space in the operation, particularly those engaged in facilitating access to connectivity and/or financial services and digital financial services for forcibly displaced persons
- Existing interagency coordination structures in-country
- Regulatory authorities (telecommunication, financial services and digital financial services)
- Other specialist government bodies (e.g., Refugee authorities, civil registrars and national identity authorities)
- Industry associations, such as the GSMA
- Service providers
- Civil society organisations
- Development agencies

Section 7 of this toolkit, Primary Research, will dig deeper into the specific stakeholders active in this space and whose inputs and support could ultimately make the assessment results more comprehensive.

c. Project Management

As a protection agency directly assisting forcibly displaced persons worldwide, UNHCR has been working closely with host governments and other relevant actors to protect, include and find long-term durable solutions for forcibly displaced persons. Therefore, UNHCR is often well positioned to lead on the assessment efforts.

Especially when external resources are brought into the assessment, an appointed staff member in the operation or the multifunctional team otherwise should supervise the consultant and provided the required support to:

- Based on the framework provided by this document, jointly adapt the objectives and structure of the assessment based on local context;
- Ensure the operational value of the assessment;
- Oversee progress;
- Provide guidance on how the assessment should be conducted and assist in overcoming possible obstacles;
- Making the linkages with other relevant units;
- Facilitate liaison with government and other local authorities;
- Connect with industry associations, civil society organisations, and development actors operating in this space both to shape the assessment approach but also to amplify the findings and recommendations.

What is the role of UNHCR's Innovation Service?

The Innovation Service has developed and field-tested the D&D assessment methodology in close collaboration with HQ entities responsible for Cash-Based Interventions, Registration and Digital Identity, Finance and Livelihoods, with over 30 country reports published to date. UNHCR Innovation Service will continue to undertake analysis in selected countries / regions as deemed necessary. During this process, meaningful relationships were built, alongside the broader UNHCR Headquarters Team, with external stakeholders to incorporate their views and data and develop credible, united voices about the legal and regulatory barriers hampering the digital inclusion of forcibly displaced persons.

As a result, the Innovation Service can assist UNHCR operations undertaking country analysis and provide guidance as required to structure and carry out the assessment. In addition, the Service can facilitate engagement with relevant units at HQ and regional level within their areas of responsibility and expertise and with key organisations and institutions operating in this space to enrich and validate results. The responsibility for and ownership of the information gathered and documentation produced will ultimately remain with the respective country operation.

For external organisations interested in this issue, UNHCR Innovation Service can be approached for more information and guidance, or connection with relevant UNHCR teams at HQ and country level, by emailing hqconref@unhcr.org.

To facilitate engagement with stakeholders for advocacy purposes, UNHCR's Innovation Service seeks to consolidate all the results from the country studies into a range of interactive products hosted on the Service's website.[4] This will provide a global overview of how conductive the environments of analysed countries are for action planning, with operational relevance for UNHCR and other organisations. As such, the Innovation Service requests that country assessment products and data be shared through hqconref@unhcr.org for inclusion in global advocacy materials and activities, and to maintain this central repository as best possible. Regional Bureaux will remain responsible for engagement with regional actors. Ultimately, the Innovation Service and other headquarters entities, within their respective areas of expertise and responsibility, are responsible for aggregating country level analysis into global products and promoting the findings to support advocacy with global entities and international organisations.

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4   https://www.unhcr.org/innovation/displaced-and-disconnected/

Estimated timeline of the D&D assessment in a country*

PART TIME ENGAGEMENT 9-12 WEEKS

2-3 weeks

SITUATION ANALYSIS
> Carry out desk review;
> Map internal and external stakeholders.

4-5 weeks

CONDUCT PRIMARY ASSESSMENT
> Internal interviews and surveys;
> As applicable, direct engagement with forcibly displaced persons;
> Validate and complement results through external stakeholder engagement.

2 weeks

ANALYSIS OF RESULTS AND DRAFTING REPORT

3-4 weeks

PEER REVIEW PROCESS

For the specific case of UNHCR:
> (Internal) Country Office contributors and senior management;
> (Internal) Regional Bureau (Protection, CBI, Livelihoods, Registration);
> (Internal) Technical guidance and review may be sought from HQ units covering Innovation, Cash operations, ID, Protection, Financial inclusion;
> (External) Organisations consulted at local level.

PUBLICATION

Estimated timeline of the D&D assessment in a country (Continued)

FULL TIME ENGAGEMENT 4-6 WEEKS

1 week

SITUATION ANALYSIS
> Carry out desk review;
> Map internal and external stakeholders.

2 weeks

CONDUCT PRIMARY ASSESSMENT
> Internal interviews and surveys;
> As applicable, direct engagement with forcibly displaced persons;
> Validate and complement results through external stakeholder engagement.

1 week

ANALYSIS OF RESULTS AND DRAFTING REPORT

2 weeks

PEER REVIEW PROCESS

For the specific case of UNHCR:
> (Internal) Country Office contributors and senior management;
> (Internal) Regional Bureau (Protection, CBI, Livelihoods, Registration);
> (Internal) Technical guidance and review may be sought from HQ units covering Innovation, Cash operations, ID, Protection, Financial inclusion;
> (External) Organisations consulted at local level.

PUBLICATION

Desk Research

An overview of the current humanitarian landscape and the related regulatory data in the country will become the foundation of the assessment exercise from which to build further on the results. Desk research is a review of the relevant connectivity and financial information available before the in-depth primary research takes place, including a review of documents, data, laws, and news on regulatory developments.

> **TIP**
>
> To support the collection and analysis of relevant information during the desk research phase, this matrix can help in capturing the data for the following A-D sections.

a. Displacement dynamics and humanitarian context

The nature of the displacement in the country and the current operational context help frame the results of the survey. This section aims at providing a broad overview of the overall humanitarian situation in the country, explaining the roots of the displacement movements as well as the situation and number of refugees, returnees, internally displaced people, stateless persons, and others of concern. This will include an analysis of the host State's approach to registration and identity management of these populations within the broader identity ecosystem, including the extent of their inclusion.

Within UNHCR, usually staff members working in Information Management and Communications are in the best position to assist in composing the general narrative as they are most familiar with the evolution of the situation and latest developments, and in many cases already have material prepared that can be easily adapted. Other units, such as Registration and identity management, Protection, CBI, and Livelihoods could also contribute with their specific inputs to compose a comprehensive humanitarian

overview. Existing survey data, analysis and related sources, including on refugee identity management, should be considered. In addition, UNHCR operations can make use of the summary of the situation included in their country plans to support building their narrative around the current displacement situation.

b. Indices and trackers

It is also helpful to include data from relevant international indices and trackers related to the country being analysed, including the following that related to ICTs and mobile in particular to:

- The International Telecommunications Union maintains an ICT Regulatory Tracker, which is an evidence-based tool to help decision-makers and regulators make sense of the rapid evolution of ICT regulation: https://www.itu.int/en/ITU-D/Regulatory-Market/Pages/RegulatorySurvey.aspx
- The GSMA's Mobile Money Regulatory Index assesses the extent to which countries' regulatory frameworks enable widespread mobile money adoption and usage: https://www.gsma.com/mobilefordevelopment/the-mobile-money-regulatory-index/
- The World Bank's Findex Survey can also be leveraged to get a sense of mobile money account adoption in the country (e.g., as a percentage of the population over 15 years old): https://globalfindex.worldbank.org/index.php
- The World Bank's Global Identity for Development Dataset and existing analysis of the host States' identity ecosystem: https://id4d.worldbank.org/global-dataset and https://id4d.worldbank.org/country-action/id4d-diagnostics

Another key data point is whether the country is a signatory to the 1951 Refugee Convention and/or 1954 Statelessness Convention, which can be determined by consulting relevant resources.[5]

c. Laws and regulations

The regulatory framework for telecommunications, financial services and digital financial services in a country comprises legislation, decrees and/or regulations issued by the national regulatory authorities on these matters. Most of these specific rules that regulate access to communications, financial services and digital financial services are made available to the public by national authorities on their websites. Therefore, a quick online search will yield relevant documentation on these topics. In cases where accessing the original laws/regulations proves challenging, external partners may be able to facilitate access to primary material (e.g., GSMA may be able to provide a copy of the relevant SIM registration rules).

During the desk research phase, some basic questions about the state of law, regulation, and policy across two different areas are expected to be answered: SIM/IMEI registration for mobile connectivity and KYC/CDD for financial products and services (including bank accounts and digital financial services, such as mobile money):

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5   https://treaties.un.org/pages/ViewDetailsII.aspx?src=TREATY&mtdsg_no=V-2&chapter=5&Temp=mtdsg2&clang=_en and
     https://treaties.un.org/pages/ViewDetailsII.aspx?src=TREATY&mtdsg_no=V-3&chapter=5&Temp=mtdsg2&clang=_en

With reference to the applicable laws and regulations, we look to understand:

- Is SIM/ device IMEI registration required by law/regulation?
- If so, which law/regulation gives effect to registration requirements? It is best to gain access to the source laws/regulations and any subsequent amendments. This allows us to define the core requirements, identify the key regulator(s), understand what types of fines/sanctions exist in law for non-compliance, etc.

Likewise, for Know Your Customer (KYC)/Customer Due Diligence (CDD) related requirements for opening bank accounts and accessing other financial services, we generally try to understand the extent of the country's regulator relationship with the Financial Action Task Force (FATF), the organization setting the global standards in this area, and regional bodies. A good starting point would be to check if the country is a member of FATF or participate as an observer here: https://www.fatf-gafi.org/about/membersandobservers/.

With reference to the applicable law and regulations, we seek to understand what KYC requirements are in place for opening basic bank accounts. As above, it is useful to gain access to the original source law/regulation as well as any subsequent updates issued by the telecommunications regulator and the central bank. This helps to enumerate the baseline requirements, key regulator(s), etc. A good source of secondary information/assessments of the country's approach to KYC/CDD will be in reports by international organizations like FATF, World Bank, etc, or consultancies.[6]

In some countries, but not all, there may be bespoke laws/regulations regarding mobile money (sometimes referred to as electronic in legislation) issued by regulators or central banks, depending on the country, including rules for KYC/CDD and identification requirements. This is sometimes accompanied by associated guidance from other authorities i.e., tax authority. It is important to identify these where they exist and in particular to identify how they align (or misalign) with SIM registration rules and KYC/CDD requirements for traditional banking accounts.

Another important aspect to the desk research, which will help to inform subsequent advocacy efforts, is to check whether the country's regulators have an active or proposed 'regulatory sandbox'. These are usually sponsored by financial regulators but are increasingly being pursued by telecommunications regulators and data protection authorities. The presence of a sandbox in the country of focus may present an opportunity for a proof of concept for adjusting SIM registration/KYC requirements for a trial period as a way of understanding and testing potential risks and mitigation measures. More information on regulatory sandboxes and their potential in this context can be found here: https://doi.org/10.1111/1758-5899.12729

Finally, it is essential to provide some indication about the data protection and privacy legal framework in the country, particularly in cases where we are advocating for proofs of concept to test new approaches to address SIM registration and KYC challenges in ways that may involve the collection, processing and/or sharing of forcibly displaced persons' personal data with partners or service providers. Good resources for this information include:

- DLA Piper's database- https://www.dlapiperdataprotection.com/
- UNCTAD´s database of privacy/data protection legislation: https://unctad.org/en/Pages/DTL/STI_and_ICTs/ICT4D-Legislation/eCom-Data-Protection-Laws.aspx
- UNHCR Policy on the Protection of the Personal Data of Persons of Concern to UNHCR (https://www.refworld.org/docid/55643c1d4.html) and Guidance (https://www.refworld.org/cgi-bin/texis/vtx/rwmain?docid=5b360f4d4)

When looking at the various aspects of the laws and regulations applicable to forcibly displaced persons, it is paramount to understand the national identity ecosystem and how refugee registration and identity management is structured. This can be complex with a number of different actors involved including the host State's Refugee Authority, Civil Registration or National Identity authorities and UNHCR sometimes in different configurations depending on the profiles of the populations or respective responsibilities. It will also be important to differentiate between various types of ID credentials that these individuals are issued in a given context, their security features and whether electronic authentication factors are available to strengthen processes (such as eKYC using biometrics or One Time Passwords) in order to better understand the access barriers to connectivity, financial services and digital financial services and possible enabling solutions. As such, during this assessment, different approaches may need to be taken based on the credentials and authentication factors available to forcibly displaced persons and who issues and manages them, i.e., the relevant authorities of the host Government, UNHCR or a combination.[7]

d. Media and grey literature monitoring on relevant legal/regulatory developments

To complement findings, it is also helpful to delve into media reports and news about SIM/IMEI registration and access to financial services and digital financial services´ requirements in the country to get an indirect sense for how active the regulators is in terms of enforcement, whether issues have arisen (e.g., lack of trusted valid credentials among the population or integrity concerns), and so forth. In some cases, local digital rights organizations and other civil society groups might have done their own investigations which can be helpful sources of information.

As most of the countries already have in place or are in the process of developing a national digital strategy, it would be good to get a sense of where the studied country is at and evaluate the possibility of bringing some of the access challenges identified to the discussions to ensure the needs of forcibly displaced persons are addressed.

Once the desk research is completed, it is essential to get a strong handle on the realities on the ground with respect to access to identity credentials and services by forcibly displaced persons and registration and identity management more broadly. This will be done through the next phase of the study, the primary research, to gather data directly from key actors.

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6   PWC Anti money laundering 2016 https://www.pwc.com/gx/en/financial-services/publications/assets/pwc-anti-money-laundering-2016.pdf

7   More information on the various types of documentation issued to forcibly displaced persons after a registration process can be found here: https://www.unhcr.org/registration-guidance/chapter5/documentation/
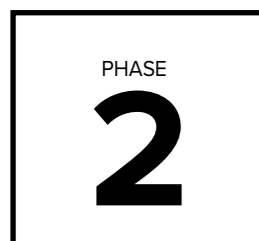
Primary Research

a. Engaging with communities

As part of the humanitarian organisations´commitment to accountability to the people they serve, it is paramount to listen and talk to communities to hear first-hand the barriers they are facing to access communications, financial services and digital financial services.

To gather their inputs, Focus Group Discussions (FGD) and Key Informant Interviews (KII) can be organised by humanitarian staff members in the operations with forcibly displaced persons. During these sessions, we will try to get insights on what type of ID credentials they hold, what documentation and identity authentication factors are required to register SIM cards/devices and open bank accounts and undertake transactions, what type of practices are used on the ground if the regulatory environment is not conductive, additional access barriers they encountered, as well as what services are currently being used and are needed. Specific questions to be asked during these exercises are available on Annex 4. Ideally, FGDs should be composed of individuals representing the realities of the forcibly displaced persons in the country. In line with this, we would need to select participants from various age groups, digital skills, different gender identities and other diversities (persons with disabilities, ethnic minorities), rural/urban settings, and nationalities, among others, to obtain comprehensive results. Interviews with community leaders could be another great way to capture the realities of forcibly displaced persons when trying to legally access connectivity, financial services and digital financial services and complement results from FGDs. It is also important to ensure that the forcibly displaced people are able to give their views on possible solutions (for example preferences in respect of how their personal data should be stored and processed or the increased use of biometric technology to authenticate identity).

If there are time constraints or restrictions of movement in place which are not allowing direct interaction with the communities, remote phone interviews and surveys could be arranged.

TIP
Tech savvy community members may be able to provide insight into particular nuances with respect to forcibly displaced persons´ legal access, for example differences between urban and rural settings or historical discrepancies across different forms of ID credentials available to these populations.

b. Engaging with humanitarian organizations

Although ID-related access barriers to connectivity, financial services and digital financial services by forcibly displaced persons are a relatively unexplored field, there are some humanitarian and development organisations that are working in this space as part of the digitalisation of aid.
At country level, in addition to UNHCR, organisations such as the International Federation of Red Cross and Red Crescent Societies (IFRC), UN Agencies such as UNICEF, World Food Programme (WFP) or International Labour Organization (ILO), and NGOs such as the International Rescue Committee (IRC) might be providing cash assistance to communities or promoting access to services. If this is the case, these organisations may have a good overview of the landscape for digital financial services, Anti Money Laundering (AML)/Combating the Financing of Terrorism (CFT) rules in the country, including previous discussions with regulatory authorities. In view of this, an early engagement with relevant humanitarian and development actors in the country is strongly suggested to check how the D&D assessment efforts can tap into the relevant information and advances they have made. In some cases, inter-agency coordination structures are in place in the country, such as integration and cash working groups, and actors such as development organisations, for example the World Bank, which can be leveraged to obtain useful information and join efforts for latter advocacy initiatives. The Government of the Host State may also be receiving technical advice from development actors on the strengthening of its national identity or civil registration system, providing opportunities for inclusion.

Given its protection mandate, UNHCR staff members are well positioned to answer questions around the type of ID credentials commonly held by the people of concern, the host State's approach to refugee registration and identity management and might be aware of potential barriers they face to access connectivity, financial services and digital financial services. Annex 5 contains the set of questions used during the interviews and surveys conducted with local UNHCR staff members during the past D&D reports.

TIP
Existing inter-agency coordination mechanisms in the country, such as the cash working group, can be a good starting point to build on previous efforts made by humanitarian organisations in this space, join forces, and speak with one voice to relevant local institutions and authorities.

c. Engaging with industry

When undertaking this assessment, it is recommended to establish contact with service providers - both covering Mobile Network Operators (MNOs) but also broader (digital) Financial Service Providers (FSPs) as they are forcibly displaced persons' entry points to access connectivity, financial services and digital financial services. Their perspectives on the *de facto* barriers faced by these populations and their own risk management models can be very valuable to build the whole narrative around the ID-related access challenges. In some of the instances, management of the local service providers might not be familiar with the specific roadblocks regarding forcibly displaced persons access while their network of agents on the ground, including mobile money agents, are following this more closely and might be in a better position to contribute to the study. FSPs that are part of the ecosystem for the delivery of Cash Based Interventions to forcibly displaced people may have especially valuable insights to provide.

During this engagement, it might be a good opportunity to inquire about any specific initiative that service providers are involved in to facilitate legal access to vulnerable populations, or suggesting potential pathways with a positive business impact. Annex 6 provides an overview of the potential questions to guide discussions with service providers.

> **TIP**
>
> While the main engagement with service providers will be carried out at local level, UNHCR Innovation Service can facilitate conversations with the GSMA to obtain documentation to enrich local findings, and provide peer review and validate findings. To establish these connections, please email UNHCR Innovation Service at hqconref@unhcr.org.

d. Engaging with government authorities and regulators

National regulatory authorities are the usually independent bodies which are essential for the development of the telecommunications and financial sector. The main objectives of the telecommunications regulator are ensuring the application of the corresponding legislation and regulations, protecting customer rights, and proposing and guiding governments in telecommunications policies as well as promoting the necessary reforms. Financial regulators ensure that institutions are meeting requirements, and following guidelines to maintain the stability and integrity of the financial system.

The main purpose of this engagement is to review the regulatory framework in place and collect additional information which can serve as a gateway for initiating discussions to enable legal access by forcibly displaced persons to financial, digital financial and connectivity services. If the country analysed

has non-conductive regulatory frameworks, presenting the preliminary findings of the D&D assessment in the country might give regulators an idea of the magnitude of the challenges faced by forcibly displaced persons to access connectivity, financial services and digital financial services (for example, if mobile money is new to the country) and obtain their feedback and potential buy-in.

Building on previous D&D assessments, UNHCR has outlined its broader strategy and approach to creating enabling policy and regulatory environments for access to connectivity, financial services and digital financial services by forcibly displaced persons, that outlines how to effectively engage with stakeholders such as relevant telecommunications and financial government authorities and regulators. Some of the immediate advocacy actions are also further explored in the next section of this toolkit. As this is a relatively unexplored topic by regulators, it can generate some discussions on possible legal pathways for forcibly displaced persons to access these services in the country aligned with their objectives and own national plans.

During this engagement, the needs of forcibly displaced persons have to be put forward, ensuring at the same time that regulators and relevant institutions can understand the risk of not having a forcibly displaced population included in the formal economy, for example. To effectively prepare for discussions with regulatory authorities, a set of questions to be answered during those engagements are contained in Annex 7.

> **TIP**
>
> An early engagement with regulators can represent an entry point for more formal advocacy actions once the final report is published. Presenting the case from an accuracy of SIM registration records' perspective can support in getting the interest from regulatory authorities to potentially explore solutions for legal access to connectivity by forcibly displaced persons. Similarly, it can provide an opportunity to understand the policy priorities and challenges that regulators face and their approach to solutions using risk-based approaches.

## e. Engaging with civil society/specialised organisations

With the increasing use of digital technologies, the number of specialised organisations to defend and advance digital rights is growing. Specifically in the telecommunications sector, Civil Society Organizations (CSOs), such as Association for Progressive Communications (APC) and Derechos Digitales, play a role in providing community access, equipping citizens with relevant digital skills, protecting users data and advocating for an open internet and enabling inclusive, sustainable technologies.

CSOs work in a country might have covered some of the aspects related to the legal access to connectivity; thus, they can provide relevant insights to the assessment and complement findings with their broader knowledge of the national digital rights landscape during the peer review at later stages. Annex 8 contains a suggested list of questions for CSOs to understand the scope of their work and if any of their work streams is aligned with the purpose of this assessment for their contribution.

TIP	CSO often participate in high-level actions and programmes and their work is aimed at and often recognised by policy-makers. They can foster functional and influential partnerships as they include representatives from heterogeneous local groups and organisations, and reinforce analysis and advocacy activities regarding legal access to connectivity by vulnerable communities.

Promote digital inclusion of forcibly displaced and stateless people, ensuring that they and the communities that host them, have the right and the choice, to be included in a connected society, and can have their voices heard in the design and implementation of humanitarian response.
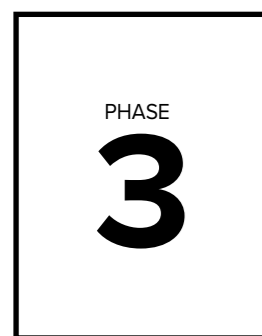
Assessment Output and Immediate Advocacy Steps

a. Reports, policy briefs and other products

It is recommended that all the information obtained during the assessment process and the analysis results are packaged into a comprehensive final report, being the main outcome of the D&D assessment. When engaging with stakeholders who have a stake in the issue that we are covering, specific documentation such as policy briefs[8] might be developed to present concise information about the findings and recommendations which will facilitate decision-making.

Ad hoc events and documentation, such as webinars, presentations, one-pagers, short explanatory videos, can be prepared to raise visibility about the barriers identified to access connectivity, financial services and digital financial services in relevant fora, both at internal and external level, always taking into account the audience they are intended to. In addition, this documentation should be shared and made available in the languages of forcibly displaced persons in the country.

b. Building support and buy-in

A successful advocacy campaign lies on the support provided by stakeholders at local level. First and foremost, it is paramount to raise awareness within the organisation about the ID-related access challenges faced by forcibly displaced persons and the impact of these in ongoing and planned humanitarian interventions. With the evidence captured in the final report, confirming senior management endorsement is an essential first step in building organisational support and buy-in, in line with the ¨do-no-harm¨ approach that UNHCR has adhered to. Advocacy efforts with national authorities need a commitment from the organisation as they are usually extended in time. Therefore, senior management support is critical to initiate these discussions and find/assign the right staff member/group of staff members to drive this process internally.

Once internal buy-in is obtained, it is important to align the organisation´s advocacy efforts with existing initiatives and programmes from other humanitarian, civil society and development organisations, including relevant community-based organisations or refugee-led organisations, in this space in the country to present a compelling case to policy-makers. To facilitate the discussions through common objectives, it is critical to identify possible planned/implemented national digital initiatives that might include some access component in their agenda.

c. Engaging with ongoing reform processes

As assessment findings emerge, it will be important to understand potential opportunities to engage with ongoing policy reform processes in the country. For example, governments will periodically open consultations on possible reforms to telecommunications regulations, including SIM/IMEI rules. These are critical moments to raise awareness among legislators and other policy makers of access barriers facing forcibly displaced persons and to advocate for inclusive reform. Similarly, as mobile money grows in popularity in different countries, thus demanding a regulatory response, it is crucial to engage with policy makers to ensure that regulatory measures don't unintentionally restrict access for forcibly displaced persons. Similarly, if updates are being made to existing financial regulation, or if new legislation is under consideration relating to - for instance - digital financial services these are also avenues of opportunity for promoting inclusion of forcibly displaced persons. Making reference to supportive global guidance from regulators, such as the FATF's Guidance on Digital Identity, may also enable consideration of new approaches.

d. Convening stakeholders

Bringing together actors with specific knowledge of the access barriers faced by forcibly displaced persons, with the motivation, and resources required to implement changes is key to set a collaboration agenda. One of the potential advocacy actions to put in place when the D&D report is issued, is establishing a task force between humanitarian organisations (including community based organisations and refugee-led organisations if applicable), service providers, government representatives, development actors, and regulators. Temporary collaboration spaces such as task forces can be an effective way to tackle the access barriers identified as all relevant actors in this space would be working together to address these specific challenges and shaping the outcome.

In this regard, Uganda is an important example of the positive advocacy results reached with partners, leading to a more enabling environment for refugees' connectivity. Joint efforts by UNHCR and GSMA resulted in the Government of Uganda adopting a proportionate regulatory policy whereby the Uganda Communications Commission (UCC) issued a more enabling directive to the mobile industry. Under the new order, over 600,000 refugees who did not have government-issued refugee ID but had attestation letters issued by the Office of the Prime Minister (OPM), could now legally access mobile-enabled services in their own names.[9]

The above steps (sections a to d) are part of the suggested plan of action to implement a successful advocacy plan to mitigate the access barriers identified. Depending on the local context, this might be further tailored. When designing the local advocacy plan, it is advisable to engage closely with Innovation Service, which has already developed global and regional plans to advocate broadly for digital inclusion of forcibly displaced persons in various venues. For further support with advocacy tactics, please contact the Innovation Service (hqconref@unhcr.org) who might be able to guide in devising appropriate approaches.

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8   Please see an example from UNHCR Jordan operation: https://data2.unhcr.org/en/documents/download/68947

9   https://www.gsma.com/mobilefordevelopment/wp-content/uploads/2020/03/Uganda_Case_Study_Web_Spreads.pdf
https://www.unhcr.org/afr/news/press/2019/8/5d5ba4274/unhcr-welcomes-uganda-communications-commission-directive-to-improve-refugees.html

Key Resources

UNHCR

D&D documentation

As mentioned throughout this document, UNHCR Innovation Service has produced two D&D reports to date hosted on the dedicated website: https://www.unhcr.org/innovation/displaced-and-disconnected/

- Displaced and Disconnected, 2019
  In collaboration with the GSMA, UNHCR undertook an analysis to examine access barriers to legal connectivity, financial services and digital financial services across 20 priority countries: Afghanistan, Bangladesh, Brazil, Burundi, Cameroon, Central African Republic, Chad, Democratic Republic of Congo, Ethiopia, Jordan, Kenya, Lebanon, Mauritania, Niger, Nigeria, Rwanda, Tanzania, Turkey, Uganda, and Zambia.

- Desplazados y Desconectados: South America, 2020
  UNHCR mapped the legal and regulatory barriers that are hampering forcibly displaced persons' digital and financial inclusion in the five countries hosting the largest number of Venezuelans in the region, namely Brazil, Chile, Colombia, Ecuador, and Peru.

Cash-based Interventions guidance

- Cash-Based interventions and access to formal financial services: Information on assessing KYC/CDD regulations, 2019
  This note provides information on how to assess regulations relating to KYC/CDD requirements to support operations in planning CBI interventions.

- Digital payments to refugees: A pathway towards financial inclusion, 2020
  This document outlines the achievements under UNHCR's Policy on Cash-Based Interventions on enabling access of forcibly displaced persons to formal financial services such as bank accounts and mobile money.

Guidance on Registration and Identity Management

- UNHCR Guidance on Registration and Identity Management (living document)
  This document sets out UNHCR's guidance on Registration and Identity management, which are particularly relevant where UNHCR is undertaking registration on behalf of a host State or where technical support is provided by UNHCR, including by permitting the use of UNHCR's Digital Population Registration and Identity Ecosystem.

GSMA

Below there is a selection of key resources published by the GSMA related to the topic of this assessment. To access the latest publications, please visit: https://www.gsma.com/mobilefordevelopment/mobile-for-humanitarian-innovation/

- Access to Mobile Services and Proof of Identity, 2021
  The research report examines mandatory SIM registration policies globally and find, among other things, that the majority of markets with low mobile penetration are also characterised by low levels of registered populations, suggesting a direct relationship between people's ability to access a government-recognised proof of identity and the level of mobile penetration in that market.

- The Digital Lives of Refugees, 2019
  This report explores the ways in which mobile technology can improve access to financial services, utilities (notably energy) and identity services, as well as information to improve food security, with an overarching focus on gender and inclusivity in refugee contexts. The study aims to provide insight into these key thematic areas, drawing out emerging trends and cross-cutting themes across different contexts.

- The Mobile Money Regulatory Index, 2019
  The Mobile Money Regulatory Index assesses the extent to which countries' regulatory frameworks enable widespread mobile money adoption and usage. Linked to this index, the GSMA has developed a visualisation tool which provides a quantitative assessment of the regulatory environments in 90 countries.

- GSMA Intelligence
  This database contains resources covering mobile industry insights, forecasts and research pieces, including regulatory issues and relative MNO market share that might be of relevance to this assessment. Some of the resources are available to the general public, while some others require a subscription. In this case, the Innovation Service can liaise with the GSMA to gain access to documentation related to the ongoing legal and regulatory assessment exercise.

Financial Action Task Force

- [The FATF Recommendations](#) (2012) (especially Recommendation 10)
  The FATF recommendations are provided primarily for national financial regulators, including Central Banks and, as such, represent important reference points. Recommendation 10 and the related interpretative note sets out the guidance on CDD.

- [FATF Guidance on Digital Identity](#) (2020)
  The FATF Guidance on Digital Identity includes helpful references on refugee registration, identity management and digital identity, including risk-based approaches to enable financial inclusion.

- [FATF Guidance on Financial Inclusion](#)

- [FATF Mitigating the Unintended Consequences of the FATF Standards](#)

International Telecommunication Union (ITU)

UNHCR is currently working with ITU in their engagement with regulators to determine more details about how regulatory authorities approach specific issues of forcibly displaced people and how these populations are included in ITU´s data gathering and analysis efforts.

International Rescue Committee (IRC)

- [COVID-19 and refugees' economic opportunities, financial services and digital inclusion](#), 2020
  This research report finds that digital services such as mobile money in Jordan, Kenya, Uganda, and Ethiopia can in theory be more accessible for refugees than standard bank accounts, although in practice refugees continue to face barriers.

For operations carrying out this D&D assessment, UNHCR Innovation Service can be approached to provide relevant and up to date resources to complement the analysis done at country level by sending a request to hqconref@unhcr.org.

Then Innovation Service can

1. Advise and guide on application of D&D Methodology;
2. Support engagement with relevant internal and external stakeholders, such as the GSMA;
3. Help troubleshoot complex issues or inconsistencies;
4. Support with peer review and publication.

Structure of past D&D Assessment Papers

Executive summary

In this section, the key points of the report should be summarised by type of service (financial, digital financial and connectivity). It will include the overall purpose of the report, highlight the main takeaways, draw conclusions and briefly outline recommendations.

Acknowledgements

Include all colleagues, staff from organisations and companies who have contributed to the assessment.

Acronyms

List all acronyms used in the report and their corresponding meanings to facilitate reading comprehension.

Introduction

This section describes the overall purpose of this assessment and how this fits within the broader Displaced and Disconnected workstream. It also provides a more in depth description of the access barriers identified in the country and how these are not enabling a conducive environment for forcibly displaced persons.

Humanitarian context

Provide a brief overview of the causes of the displacement and current situation of the forcibly displaced population in the country.

Summary of findings
(only when covering several countries in the study)

Organise the findings by the type of service: connectivity and financial-related.

Recommendations

In view of the findings, compile the recommendations made to the Government, service providers, and humanitarian organisations to mitigate the access barriers identified.

Country briefs
(only when covering several countries in the study)

Include all the relevant country-specific information gathered, including:
- Snapshot of the country:
  - › Scores in indexes and trackers
  - › Party to the 1951 Convention
  - › Data Protection and privacy regulation in place
- Humanitarian overview
- Registration and identity management of forcibly displaced persons
- SIM card/device registration processes
- KYC/CDD rules
- Overview of mobile money market and its access requirements
- Data protection regulations in place.

Proposed Structure of the Project-Specific Multi-Functional Team

The objective of UNHCR´s project-specific MFT at country level is to ensure that the needs of each relevant unit are reflected during the planning and implementation of the assessment phases. This team will provide relevant guidance to the colleague / consultant leading on this exercise during regular progress meetings.

Structure

When possible, the structure of the project-specific MFT should include members from the following relevant units to provide insights about the various aspects relevant to the assessment:

- **Protection** - Overall perspectives, capacities, needs, and resources of the forcibly displaced persons and main protection issues in the operation.
- **Cash operations (CBI)** - Feasibility analysis on the use of cash by forcibly displaced persons in the market and previous engagement with financial stakeholders.
- **Livelihoods, Financial Inclusion and / or Durable Solutions** - Financial opportunities and inclusion of forcibly displaced persons in the country through engagement with service providers and institutions
- **Registration and identity** - registration procedures in the country and identity documentation issued and other aspects of refugee identity management. Information on the host State's identity management ecosystem as a whole and the roles and responsibilities of different Government agencies and UNHCR.

Multi-Functional Team MFT

Protection • Cash Operations • Livelihoods, Financial Inclusion and/or Durable Solutions • Registration or Digital ID
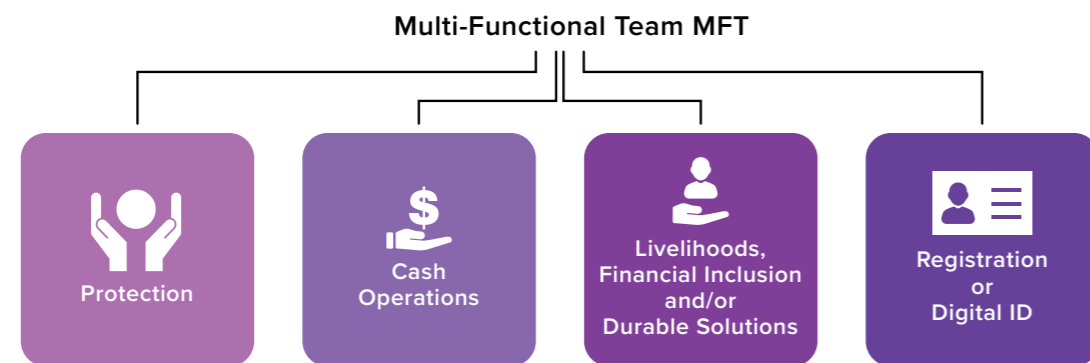
Taking into consideration the relevant questions for country teams which are compiled in Annex 5, the most suitable colleagues within the above units would have to be identified at country level.

D&D UNHCR Consultant Terms of Reference and Interview Questions

Background

Led by UNHCR's Innovation Service, the Digital Access programme aims to ensure that refugees and the communities that host them have the right, and the choice, to be included in a connected society, and can have their voices heard in the design and implementation of humanitarian response. This programme brings together efforts of UNHCR's Connectivity for Refugees initiative, which focuses primarily on access to digital channels and connectivity, and UNHCR's Innovation Service's work on Communicating with Communities. It also underpins efforts around inclusion of forcibly displaced persons in national frameworks and tackling barriers to equal connectivity access as outlined in the Global Compact on Refugees.

Through the Connectivity for Refugees initiative, UNHCR has made significant progress in understanding the legal and regulatory barriers that forcibly displaced persons face to register SIM cards and personal devices under their names due to lack of required ID credentials. With the advances of the digitalisation of aid, ID-related barriers hampering access to recent flexible banking modalities by UNHCR's persons of concern, such as mobile wallets, is also of interest to these analysis efforts. In this regard, UNHCR has published a series of reports, ¨Displaced and Disconnected¨, aiming at mapping the roadblocks to legal access to connectivity, financial services and digital financial services in 25 priority countries. This assessment strengthens our evidence-based approach to carry out targeted advocacy interventions with relevant national and international stakeholders aimed at digital and financial inclusion of the most vulnerable groups, such as displaced populations. One example of such advocacy interventions was in Uganda in 2019, where alongside the GSMA, UNHCR convened multiple stakeholders to explore the issue, resulting in the Uganda Communications Commission (UCC) issuing a directive to greatly improve access to SIM cards for forcibly displaced persons in the country.

Throughout this assessment, UNHCR has developed a methodology involving desk research and literature reviews, interviews with experts in the humanitarian, development, and identification/registration policy domains, surveys of UNHCR country operations, and ongoing engagement with trade bodies such as GSMA as well as local regulators. This methodology can be adapted to best fit specific operational contexts.

Organizational context

UNHCR's Innovation Service is working together with relevant units within the organisation (i.e., Global Data Service (Digital Identity and Registration Section) and Global Cash Operations) to map the legal and regulatory barriers that are impacting the digital and financial inclusion of forcibly displaced persons. The scope of this project will comprise an analysis of the requirements to legally access and register SIM cards and/or personal devices and meet KYC/CDD requirements to access financial services and digital financial services, specifically mobile money, in countries with unfolding population movements and where UNHCR plans to scale up its Cash-Based Intervention (CBI) in [COUNTRY]. To understand the legal and regulatory environment in [COUNTRY] when it comes to legal access to connectivity, financial services and digital financial services by forcibly displaced persons and potential operational implications, an assessment will need to be undertaken.

Duties and Responsibilities

- To conduct the analysis into legal and regulatory barriers to connectivity, financial services and digital financial in [COUNTRY].
- In this undertaking, to apply UNHCR's ¨Displaced and Disconnected¨ methodology, utilising additional or alternative methods as appropriate, including other support tools provided by the Innovation Service.
- Liaise with relevant UNHCR staff members in the operation to map known 'real-world' barriers to legal access to connectivity, financial services and digital financial services.
- Engage with civil society organizations, academics or other specialists in digital rights or related fields to enrich the knowledge of the local context and develop synergies with their work as applicable.
- If feasible, work with regulators and other government institutions in [COUNTRY] to develop a thorough understanding of the legal and regulatory frameworks governing SIM cards, financial services and digital financial services access for forcibly displaced persons.
- Explore possible joint pathways with regulators and relevant institutions in [COUNTRY] to enhance digital and financial inclusion of UNHCR´s persons of concern.
- Suggest ways forward/develop a roadmap to tackling and mitigate identified barriers in collaboration with local stakeholders and relevant organisations, such as the GSMA, to achieve a meaningful digital and financial inclusion of forcibly displaced persons.

Core Deliverables:

- Public report with top level findings, including high level recommendations to Government, service providers and humanitarian organisations as applicable.
- List of stakeholders consulted during the assessment (incl. contact details), as well as all background information used during the desk review phase to produce the report, to liaise as required to carry out potential advocacy actions.
- Internal analysis matrix that UNHCR country operations can take forward to update on progress as the situation evolves country-by-country.

Qualifications and Professional Experience Required

Education
University level qualifications Bachelor's (essential) or Master's degree (desired) in a relevant area including but not limited to telecommunications law, ICT policy, financial services regulation, refugee, humanitarian or international human rights law.

Job Experience
- Demonstrates minimum 7 years experience in understanding legal and regulatory systems. Specific experience with either forcibly displaced contexts and/or telecommunications issues desirable.
- Demonstrated experience in undertaking assessments similar in nature and level of complexity.
- Experience working for a UN agency or international organization, with a focus on aid and development issues.
- Knowledge of the humanitarian landscape in [COUNTRY], and exposure to the work done with forcibly displaced persons in the country is an advantage.
- Experience in analysing national legislation and policy frameworks. Understanding of IT / telecoms / financial services / digital financial services policy and regulation, or financial regulations is an advantage
- Previous experience with developing/being involved in advocacy platforms with high level national actors and relevant global institutions is an advantage.

Language
- Fluency in English and [local language] (required)

Competencies
- Highly organized and autonomous, able to multitask and prioritize workload when necessary.
- Excellent writing and documentation skills, demonstrating high levels of attention to detail.
- Strong time management skills, including the ability to work quickly and to meet deadlines.
- Ability to work as a team, including remotely.
- Strong interpersonal and communication skills, including across cultural contexts.
- Works well in a multicultural team and has a strong work ethic: strives to deliver high-quality, error-free deliverables potentially targeting different types of users e.g., senior management, fundraising specialists and database managers.

Interview questions
- For guidance on potential interview questions, the Innovation Service can offer support by emailing: hqconref@unhcr.org.

Assessment Questions for Forcibly Displaced Persons

The following questions might be used during the engagement with forcibly displaced persons in the country to gain valuable insights:

Connectivity services
- How easy was the process of obtaining a SIM card? Where can they be bought?
- What identity documentation or other elements are required to register a SIM card/mobile device (IMEI) number? Do you hold the required documentation? If not, how did you go about registering?
- Did you face any challenges when trying to register a SIM card/IMEI number of your device? (i.e., you were asked to provide additional information/documentation)
- Did you have to rely on local friends/acquaintances to register a SIM card/device?
- Are the devices from your home country operational in the hosting country?
- Do you still have the SIM card from your country of origin active? What do you use it for?
- What is the main MNO used in the country by the forcibly displaced population? Why?

Financial services / Digital financial services
- What financial services / digital financial services do you have access to? How?
- Do you have a bank account and/or mobile wallet under your name?
- What documentation was required to open it? Was it easy for you to obtain the required documentation?
- Are you aware of any specific financial institution/branch which is more flexible to open bank accounts for the forcibly displaced population?
- What do you use financial services/digital financial services for? What services do you need and why?
- Would you want to have access to formal financial services, e.g., formal bank account or mobile money account? If not, why?

Assessment Questions for Country Teams

Key questions with which to survey relevant colleagues in the studied country may include:

1. Please indicate what type of population is in the country? (Please select all that apply)
   a) Refugees
   b) Migrants
   c) Asylum seekers
   d) Refugee Returnees
   e) IDPs
   f) IDP returnees
   g) Stateless
   h) Others of concern (please specify)

2. What entity/ies are responsible for issuing ID credentials to these populations?
   a) Governmental authority
   b) UNHCR
   c) Government + UNHCR
   d) Other: please specify

3. Are those credentials issued in a timely[10] manner?
   a) Yes (please specify timelines for each type of population)
   b) No

4. Are those credentials issued to all populations under UNHCR´s mandate by default?
   a) Yes
   b) No, please expand

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10   Timely is subjective but should be determined by local colleagues as to what is both adequate and realistic.

5. Do national regulatory authorities recognise expired documentation from forcibly displaced persons´ countries of origin to enter the country and access basic services?
   a) Yes, please explain for how long after the expiration date
   b) No

6. Does the Host State have any plans to strengthen its identity ecosystem (for example through establishing a national digital identity platform) or to strengthen its approach to the registration and identity management of the forcibly displaced?

7. Is SIM card / IMEI number registration mandatory in the country?
   a) Yes, only SIM card
   b) Yes, only IMEI number
   c) Yes, registration of both SIM card and IMEI number are compulsory

8. [If previous question YES] Could you please provide a link/reference to the applicable law/regulation?

9. Are any other authentication factors in addition to ID credentials required for authentication for KYC for SIM/IMEI registration and onboarding for financial services or digital financial services (e.g., biometric (if so which biometric modality), one time password, PIN)

10. If identity authentication using biometrics is part of SIM registration, is it required in the country for all population groups? If there are differences between or within population groups, please explain.
    a) Yes
    b) No

11. [If previous question YES] What biometrics are collected/used as an authentication factor? i.e., fingerprints if differences between groups, please explain

12. Are the identity credentials issued to forcibly displaced persons in the hosting country valid to legally register a SIM card/device through the IMEI (if applicable)? If the situation differs across groups (e.g., refugees v. asylum seekers), location or service providers, please provide a narrative that captures this nuance.
    a) Yes
    b) No

13. How are forcibly displaced persons´ identities authenticated at SIM Registration?
    a) Manual comparison comparing individual's features to photograph or knowledge of information on the ID credential (offline process)
    b) Digitally (e.g., biometric verification, online, one-time passwords, mobile app)
    c) Other, please explain

14. Are the identity credentials issued to forcibly displaced persons in the hosting country valid to open a bank account/mobile wallet or other financial services? If the situation differs across groups (e.g., refugees v. asylum seekers), please provide a narrative that captures this nuance.
    a) Yes, a mobile wallet can be opened
    b) Yes, a regular bank account can be opened
    c) Yes, both a mobile walled and a bank account can be opened
    d) Yes, a mobile wallet can be opened but it has limited functions (describe)
    e) Yes, a bank account can be opened but it has limited functions (describe)
    f) No

15. Is additional documentation (such as proof of address/proof of income) required by forcibly displaced persons to legally access cellular connectivity/financial services/digital financial services? Please elaborate when answering yes.
    a) Yes, for connectivity services
    b) Yes, for financial services/digital financial services
    c) Yes, to access connectivity and financial services/digital financial services
    d) No

16. Is this additional documentation easily accessible by forcibly displaced persons? Please elaborate when answering no.
    a) Yes
    b) No

17. Are there any specific references to ID credentials held by forcibly displaced persons in the telecommunications and/or financial regulations? Please elaborate when answering yes.
    a) Yes, in the telecommunications regulation
    b) Yes, in the financial regulation
    c) Yes, in both connectivity and financial regulations
    d) No

18. [If previous question YES] Is there a disconnect between regulation and practice by MNOs and their agents when accepting ID credentials for SIM registration?
    a) Yes, please expand
    b) No

19. Has UNHCR engaged with the telecommunications/financial regulators in the country to discuss specific displaced populations' challenges? If yes, please provide background on the specific engagements.
    a) Yes, with telecommunications regulator
    b) Yes, with financial regulator
    c) Yes, with both the telecommunications and financial regulators
    d) No

20. Are there informal workarounds that forcibly displaced persons are using in the country to access cellular connectivity services?
    a) Yes, please explain
    b) No

21. Are mobile wallets / digital financial solutions extensively used in the country?
    a) Yes
    b) No

22. Is there a tiered-KYC framework in place to access financial services or digital financial services?
    a) Yes
    b) No

23. If yes, does the tiered-KYC framework include provisions for forcibly displaced persons (e.g., as regards their ID credentials and other documentation or considerations)?
    a) Yes
    b) No

24. Has UNHCR engaged with telecommunications and financial service providers to discuss possible initiatives to facilitate digital and financial inclusion of forcibly displaced persons? If yes, please provide background on the specific engagements.
    a) Yes, with MNOs
    b) Yes, with FSPs
    c) Yes, with both MNOs and FSPs
    d) No

25. Is there an inter-agency fora in the country where specific digital and financial inclusion challenges are being discussed?
    a) Yes, please elaborate
    b) No

26. [Only for CBI operations] Is UNHCR using any digital delivery mechanism i.e., mobile money, for CBI?
    a) Yes, please specify
    b) No

27. Are partners and/or other humanitarian organisations using any digital delivery mechanism for cash assistance in the country?
    a) Yes, please specify
    b) No

28. Where forcibly displaced persons can legally open bank accounts and/or mobile money accounts, are these used to deliver cash assistance?
    a) Yes, please elaborate
    b) No, please elaborate

29. [Only for CBI operations] Has UNHCR assigned non-conditional cash to connectivity?
    a) Yes, please specify
    b) No

30. Has the COVID19 pandemic accelerated the adoption of digital financial solutions in the country which can potentially be explored for forcibly displaced persons?
    a) Yes, please expand
    b) No

31. Is the hosting country planning a revision of relevant connectivity/financial policy and / or regulation?
    a) Yes, telecommunication regulations
    b) Yes, financial regulations
    c) Yes, both telecommunications and financial regulations are planning to be revised
    d) No

Annex 6

Assessment Questions for Private Sector (MNOs/FSPs)

When engaging with service providers, it is important to differentiate between conversations with corporate representatives and agents. Each of them can provide inputs on the operational and strategic dimensions of these providers in-country. They may also provide differing views on policy versus practice as concerns forcibly displaced persons´ identity authentication.

Corporate representatives

MNOs
- What identity credentials/other authentication factors are required to register a SIM card/IMEI number by forcibly displaced persons/foreigners?
- Do your corporate requirements go above and beyond the letter of the law and, if so, what additional requirements do you impose for forcibly displaced persons/foreigner access?
- If applicable, does your network of agents convey any specific challenges faced by forcibly displaced persons when trying to purchase/register a SIM card?
- If applicable, do you have any plans of extending your coverage to areas with a high concentration of forcibly displaced persons?
- Are you part of any local/regional working group which is advocating for digital inclusion of the most vulnerable? If not, would your firm be interested in creating/joining such a group?
- Do you have specific programmes/initiatives aimed at facilitating access to connectivity and new technologies by disadvantaged populations?

FSPs
- What identity credentials/other authentication factors are required to open a bank account/mobile wallet by a forcibly displaced person/foreigner?
- What financial services and digital financial services are currently accessible to forcibly displaced persons?
- Are you contracted by a humanitarian agency or other party as a provider for cash-based interventions to the forcibly displaced?
- Do your corporate requirements go above and beyond the letter of the law and, if so, what additional requirements do you impose for forcibly displaced persons/foreigner access?
- Are you aware of specific challenges faced by forcibly displaced persons when trying to open a bank account/mobile wallet?

- Do you apply simplified customer due diligence processes to enable access to risk-based products and facilitate financial inclusion? How does the national regulator consider those sorts of opportunities?
- Do you apply simplified customer due diligence processes to enable access to risk based financial services for forcibly displaced clients and therefore facilitate their financial inclusion?
- Are you part of any local/regional working group which is advocating for financial inclusion of the most vulnerable? If not, would your firm be interested in creating/joining such a group?

Agents

MNOs
- What documents should a customer present to buy and register a new SIM card?
- How do you authenticate their identity?
- What records do you keep and how is the personal data stored?
- Do people who come to buy and register a SIM card lack the required documentation? What % of the customers you attend do not have the required documentation? What do you normally do in those situations?
- If applicable, do you provide specific support to forcibly displaced persons in registering their SIM cards/IMEI numbers? (Linked to low literacy rates or other challenges)

Mobile Money agents
- Are you registered as a mobile money agent?
- What documentation is required to open a mobile money wallet?
- Do people who would like to open a mobile money wallet lack the required documentation? What % of the customers you attend do not have the required documentation?

Tom Remo, a South Sudanese refugee and businessman at his mobile phone shop at Rhino Camp Settlement, northern Uganda, where internet connectivity is changing lives. © UNHCR/Michele Siboloni

Assessment Questions for Telecommunications/ Financial Regulators/Policy Makers

Throughout this assessment, an exhaustive analysis of the applicable regulation/policy still has already been conducted. The identification of potential points within the law which might be open to inclusive interpretation can be a discussion starter with regulatory authorities. These points can represent a pathway to legal access to connectivity, financial services and digital financial services by forcibly displaced persons without necessarily having to conduct a whole policy review.

At the beginning of the engagement with regulators and other relevant policy makers, it is advisable to start with a brief presentation on the displacement situation in the country to help frame the challenge we are presenting to them. After that, a discussion around the legal framework in the country and the possibility to make it more inclusive to accommodate forcibly displaced persons´ specific situations in the country.

Potential topics to be discussed during the conversations with regulators and other relevant policy makers might include:

Telecommunications regulator

- What is the main purpose of SIM/IMEI registration in the country? Since it has been implemented, has there been any evaluation of its impacts?
- Is there an ongoing/planned regulatory sandbox to test new approaches to customer identification?
- Is there an ongoing/planned policy revision?
- Would they be supportive of exploring ways to facilitate legal access to connectivity by forcibly displaced persons?
- Are they part of any regional working group/task force on digital inclusion/transformation? If not, would they be interested in creating/joining such a group?

Financial regulator

- If a tiered KYC framework is in place, in which tier do forcibly displaced persons normally fall? If they are deemed low or high risk, ask why and what the perceived risks are. Ask what possibilities there are for managing risks through risk-based financial products (e.g., Transaction thresholds/limits)
- Could simplified CDD processes be considered for forcibly displaced persons?
- How is mobile money regulated (or planning to be) in the country?
- Is there an ongoing/planned regulatory sandbox to test new approaches?
- Is there an ongoing/planned policy revision?
- How do you consider the guidance issued by FATF on financial inclusion, avoiding unintended consequences and asylum seekers and refugees/Digital Identity?

Annex 8

Assessment Questions for Civil Society and Other Relevant Organisations

During conversations with regional or local CSOs, it might be interesting to know if they have advanced with public campaigns on social digital inclusion, especially when it comes to access to connectivity and civic participation.

- What barriers have been identified in the country to access digital technologies?
- Have they been advocating towards the elimination/mitigation of identified access barriers?
- Have they promoted practices for the equal access to connectivity by underserved populations?
- Are they familiarised with the specific challenges faced by forcibly displaced persons in the country?
- What national stakeholders are they working with at the national level?

Representatives of NGOs working with UNHCR. © UNHCR/Steve Forrest

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