



BANGKO SENTRAL NG PILIPINAS

MEMORANDUM NO. M-2021-057

OFFICE OF THE DEPUTY GOVERNOR FINANCIAL SUPERVISION SECTOR

To : **All BSP-Supervised Financial Institutions (BSFIs)**

Subject : **Acceptance and Authentication of Philippine Identification (PhilID) Card under the Philippine Identification System (PhilSys)**

In line with the Philippine Statistics Authority (PSA) Press Release and Advisories¹, BSFIs are reminded that the PhilID card, in physical or mobile² format, issued under the PhilSys pursuant to Republic Act (R.A.) No. 11055 or the Philippine Identification System Act, shall be accepted, subject to proper authentication, as a sufficient proof of identity.

PhilSys allows both offline and online³ means of authenticating one's identity in accordance with Section 5 of RA 11055 and Section 12 of its Revised Implementing Rules and Regulations (RIRR). In its advisory dated 23 August 2021, the PSA clarified that the non-inclusion of a handwritten signature as part of the PhilID was deliberate and aligns with other national ID systems such as India, Singapore, Malaysia, Thailand and Vietnam, among others. It intends to promote greater security in transactions through stronger methods of verification and lower risk of forgery, incentivize the use of digital technology and more modern approaches for identity verification and ensure the PhilID remains universally accessible.

For the highest levels of assurance and security, the PhilSys will offer online and offline methods of identity authentication, through the PhilID physical security features, QR code digital verification, biometric verification and SMS one-time password (OTP).

The QR code verification system is expected to be launched before the end of 2021 while the biometric and SMS OTP verification systems will be piloted in 2021 and scaled up through 2022.⁴ Meanwhile, in its latest Advisory dated 04 October

¹ Dated 12 August 2021 (Annex A), 23 August 2021 (Annex B) and 04 October 2021 (Annex C)

² PSA to release mobile PhilID in the form of smartphone application

³ Section 4 of the IRR of RA No. 11055: Offline authentication refers to the process by which the identity of an individual is validated against the information contained in the PhilID by the requesting party. This is further described in the IRR as the presentation of the PhilID and the matching of the data stored in the Quick Response (QR) code on the PhilID (Sec 12, IRR); Online authentication refers to the process by which the identity of an individual is validated real-time against the PhilSys Registry by the requesting party through secured connectivity

⁴ PSA Advisory dated 23 August 2021.

2021, the PSA explains, among others, the following offline authentication methods:

- a. *Visual inspection of the physical security features* of the PhilID card (to determine whether it is authentic and the demographic information and photo on the card have been tampered) combined with comparing the data printed on the card with the data in the QR code (which can be read by any device with a camera or scanner); and
- b. *Cryptographic verification* of the digitally signed demographic information in the QR code through the PhilSys website and making public keys available to relying parties to integrate cryptographic verification in their applications. The PSA will provide the URL for the PhilID QR Code Verification website once it is launched.

While the online authentication and the cited cryptographic verification methods are still being developed and not yet available, relying parties, such as BSFIs, can administer or implement the physical/visual verification, as described under item (a) above, of the physical security features of the PhilID, which are superior to a handwritten signature, and the same qualifies as an "offline authentication" and is already in compliance with the procedures of R.A. No. 11055.

Accordingly, pursuant to R.A. 11055 and its RIRR, all BSFIS are:

1. Reminded to accept the PhilID, subject to proper authentication, as a sufficient proof of identity without requiring another ID. The PSA reiterated in its Advisory dated 04 October 2021 that refusal to accept the PhilID for purposes of identification has corresponding penalties; and
2. Directed to include the PhilID in their list of valid IDs displayed on their (a) counters and/or at the public entrance of their establishment, if applicable (i.e., counters/windows/entrances); and (b) official websites, social media handles, and other consumer information channels.

For guidance and strict implementation.

 Digitally signed by
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CHUCHI G. FONACIER
Deputy Governor

21 October 2021

Att: a/s