Federal Register Notice 86 FR 56300, https://www.federalregister.gov/documents/2021/10/08/2021-21975/notice-of-request-for-information-rfi-on-public-and-private-sector-uses-of-biometric-technologies, January 15, 2022.

Request for Information (RFI) on Public and Private Sector Uses of Biometric Technologies: Responses

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onfido

Comments to the White House Office of Science and Technology Policy

RFI on Public and Private Sector Uses of Biometric Technologies

January 2022

Respondent: Onfido, Inc.
Respondent Type: Industry
Point of Contact: Amy Shuart, Head of US Government Affairs

Establishing real identity is essential to unlocking financial services and other opportunities for underserved communities in the United States, while also protecting all consumers from the harmful impacts of identity fraud. In the US, losses from identity fraud increased 42% in 2020, costing businesses $712 billion.[1] Biometrics and the power of artificial intelligence (AI) are essential components to verifying and protecting an identity.

Onfido is excited for the opportunity to share our expertise and experience to help develop regulatory reforms to foster innovation, accessibility and financial inclusion for all across national borders.

Our response provides a general overview of our company and how we use biometric technology, and our responses to RFI Topics 1, 2, 5, and 6.

Introduction to Onfido

Onfido, founded in 2012, is a global remote identity verification provider that partners with 1,600 organizations worldwide, including many US companies. Our leading biometric and artificial intelligence technology enables clients to prove that their customers are who they claim to be, enabling them to comply with regulatory obligations. We use a hybrid model that combines machine learning with human expert oversight, which delivers best-in-class speed, consistency and accuracy.

Onfido is a leader in security, privacy, and ethics while combating AI bias and fraud. Winners of the 2020 CogX Award for "Best Innovation in Algorithmic Bias Mitigation" and "Outstanding Leader in Accessibility" and awarded "Highly Commended" in the SC Europe Awards 2020 for "Best Use of Machine Learning"—our talented team of experts is recognized as top in their field.[2] Our team has published various academic papers on AI including the performance of facial recognition algorithms.[3] We also work with Interpol to share best practices in fraud prevention and publish an annual Fraud Report to share our data with the global community.[4] Onfido is a founding member of the Better Identity Coalition, a Board member of the FIDO Alliance, and a member of TechNet.

Onfido is a market leader in establishing real identity, helping to combat identity fraud and document forgery. Our AI based technology verifies whether a government-issued ID is genuine or fraudulent. It then compares the document against an individual's facial biometrics to determine if they are the genuine owner of the ID. Many of our customers are

[1] https://aite-novarica.com/report/us-identity-theft-stark-reality

[2] https://onfido.com/resources/blog/onfido-wins-best-innovation-in-algorithmic-bias-mitigation-outstanding-leader-in-accessibility-at-cogx-2020

[3] https://openaccess.thecvf.com/content_WACVW_2020/papers/w1/Bruveris_Reducing_Geographic_Performance_Differentials_for_Face_Recognition_WACVW_2020_paper.pdf

[4] https://onfido.com/resources/insights/identity-fraud-report-2022

in the financial services sector, and the quality of our service allows them to use it to comply with anti-money laundering and "know your customer" regulatory obligations across the globe.

Use of biometric information for identity verification and to prevent identity fraud

As more activity is conducted online, it is critical to be confident that a person is who they claim to be online. In light of numerous data breaches, knowledge based authentication is no longer a viable way to confirm a person's identity.

The pandemic drove people to use digital services more than they ever did before. This, combined with the speed of technological innovation, means the number of fraud attempts and sophistication of fraudster tactics has only grown. The data in Onfido's latest Identity Fraud Report 2022[5] shows the growing amount of time spent online has created more opportunities for fraudsters.

While fraud attempts continue at high levels, the type of attacks continue to evolve. We are seeing a lot more 'medium' sophisticated fraud, meaning attacks with less obvious errors such as incorrect fonts or imitated security features. Passports have overtaken National Identity Cards as the most frequently attacked form of identification, which indicates a shift in fraudsters' methods as they choose to target the one-sided passport page, rather than a two-sided ID card. By choosing to target the most high-assurance document, they are hoping that a passport's reputation will help the fake go undetected.[6]

As fraudsters evolve their techniques, so must the detection and prevention methods. It is no longer enough to simply look at a document to determine if it is real, it is essential to check all its security features and ensure that the person presenting the ID is the true owner.

Our AI is able to validate IDs quickly and accurately, and the biometric technology identifies a person based on unique traits such as their face. This ensures that the user is who they say they are, and their ID is genuine. This not only helps to tackle fraud, it provides a fantastic user experience. The whole process is quick, intuitive and can be done whenever and wherever the user chooses.

Procedures for and results of data-driven and scientific validation of biometric technologies

Even in high-risk areas, we need to ensure that we are fostering innovation and promoting the responsible use of AI. To that end we strongly support regulatory sandboxes as a means

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[5] https://onfido.com/landing/identity-fraud-report/?utm_source=organic&utm_medium=linkedin&utm_campaign=Identity+Fraud+Report+2022

[6] For more details, see Identity Fraud Report 2022 https://onfido.com/landing/identity-fraud-report/?utm_source=organic&utm_medium=linkedin&utm_campaign=Identity+Fraud+Report+2022

to experiment in a safe environment. Greater use of sandboxes need to be more than just a token gesture. It needs to be part of a wider push to stimulate dynamic innovative firms and encourage investors to back them. Industry standards are a key way to independently validate the performance of a technology and efforts are underway to establish an internationally recognized standard for identity verification.

Onfido has extensive experience of working in sandbox environments, which has proven extremely valuable for us, the sponsoring agency and ultimately our customers. Most recently Onfido partnered with the UK Information Commissioner's Office to conduct research on measuring and mitigating algorithmic bias in our facial recognition technology. The research included best practice in data labelling, performance measurement and optimum bias mitigation techniques, all in the wider context of ensuring protection of personal data. This extensive exercise yielded extremely valuable results, which can be found in the public report.[7]

Onfido strives to continually improve the performance of our models but recognize it is difficult to validate our efforts due to a lack of industry standards to assess the accuracy and equitable performance of our product. As result, we have championed the creation of an independent certification and testing program by the FIDO Alliance. Onfido is a Board Member of the FIDO Alliance, an identity standards and certification body with both industry and government participation, and has been participating in this initiative, along with other FIDO Alliance members, to create a new testing and certification program for remote ID proofing tools. When complete, this will create a way to independently validate the claims made by vendors and also determine whether there are any specific biases in a product or algorithm that may need to be addressed.[8]

Exhibited and potential benefits of biometric technology in identity verification

In addition to protecting against identity fraud as discussed above, using biometric technology to verify individuals increases access to services. The world is changing and individuals no longer want to do everything in person. Digital identity verification using biometrics and AI technology enables businesses to give people access to all the services they need, when they need them, while improving equity and inclusion. For example, in the financial services sector, biometric based identity verification can help individuals with a thin credit file (often young people, immigrants, and historically marginalized groups) be approved at a higher rate.

Governance programs, practices, or procedures applicable to the context, scope, and data of a specific use case

Industry and governments must work together to ensure that fraud-fighting technologies can be deployed successfully to identify and stop criminals. With the need for AI becoming

[7] https://ico.org.uk/media/for-organisations/documents/2618551/onfido-sandbox-report.pdf
[8] See https://fidoalliance.org/fido-alliance-announces-id-and-iot-initiatives/

ever clearer, policymakers around the world are looking at what sort of frameworks should be implemented to make sure that this powerful technology is used responsibly. As policy and laws develop to meet the evolving technological landscape, it is crucial that new laws recognize the positive benefits that AI can offer, ensuring fraudsters do not gain an advantage, while also ensuring those utilizing the technology are governed by procedures and practices that are protective of public privacy and protect against bias.

Human oversight

Onfido adopts a hybrid approach that involves both machine-learning and humans in decision-making. However, we only use human oversight when it makes sense to do so. Involving humans in every decision would be disproportionately burdensome and remove all of the efficiencies that AI brings. Indeed it would render many AI use cases redundant.

Further, it might reduce the accuracy of decisions that are made. Studies have shown that humans make mistakes in verifying the authenticity of documents[9] raising doubts about the effectiveness of introducing human oversight to improve the performance of AI systems. Moreover, obliging human oversight implies that humans are better in solving certain imperfections presented by AI systems, which is not necessarily the case.

Discussion on regulating the use of human oversight should be focused on sectors and use cases where it is really needed, i.e. where high-risk decisions are being made and human oversight can be evidenced to show it will improve the outcome (e.g. law enforcement) .

Measures to encourage innovation

It is vital that AI regulation is balanced in terms of protecting users and encouraging trust on the one hand, and promoting innovation and investment on the other. To that end regulations should promote the use of industry-driven standards which are flexible and outcomes-based.

We appreciate OSTP's willingness to consider our comments and suggestions and welcome the opportunity to have further discussions. Should you have any questions on our feedback, please contact Amy Shuart, Head of US Government Affairs, at [redacted].

[9] https://journals.plos.org/plosone/article?id=10.1371/journal.pone.0103510