

Integration of biometric identification and banking cards – Project 'Akkad'



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AGENDA

1. WHERE

2. WHY

3. WHAT

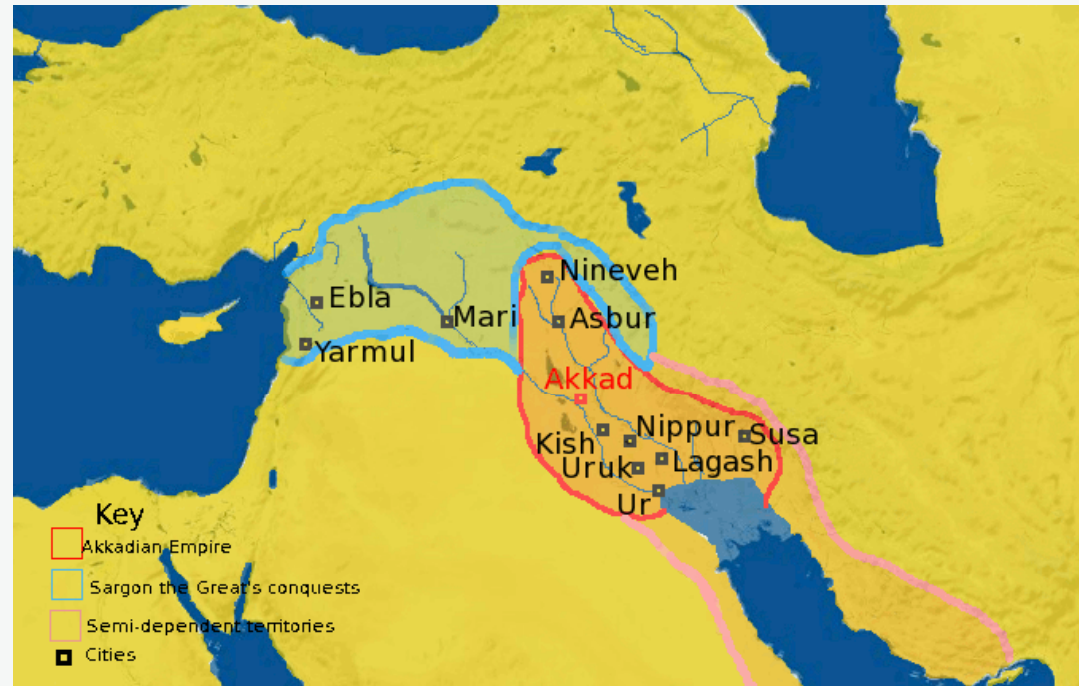
4. HOW



AKKADIAN EMPIRE

City Of Akkad

height of its power between
the 24th and 22nd
centuries BC



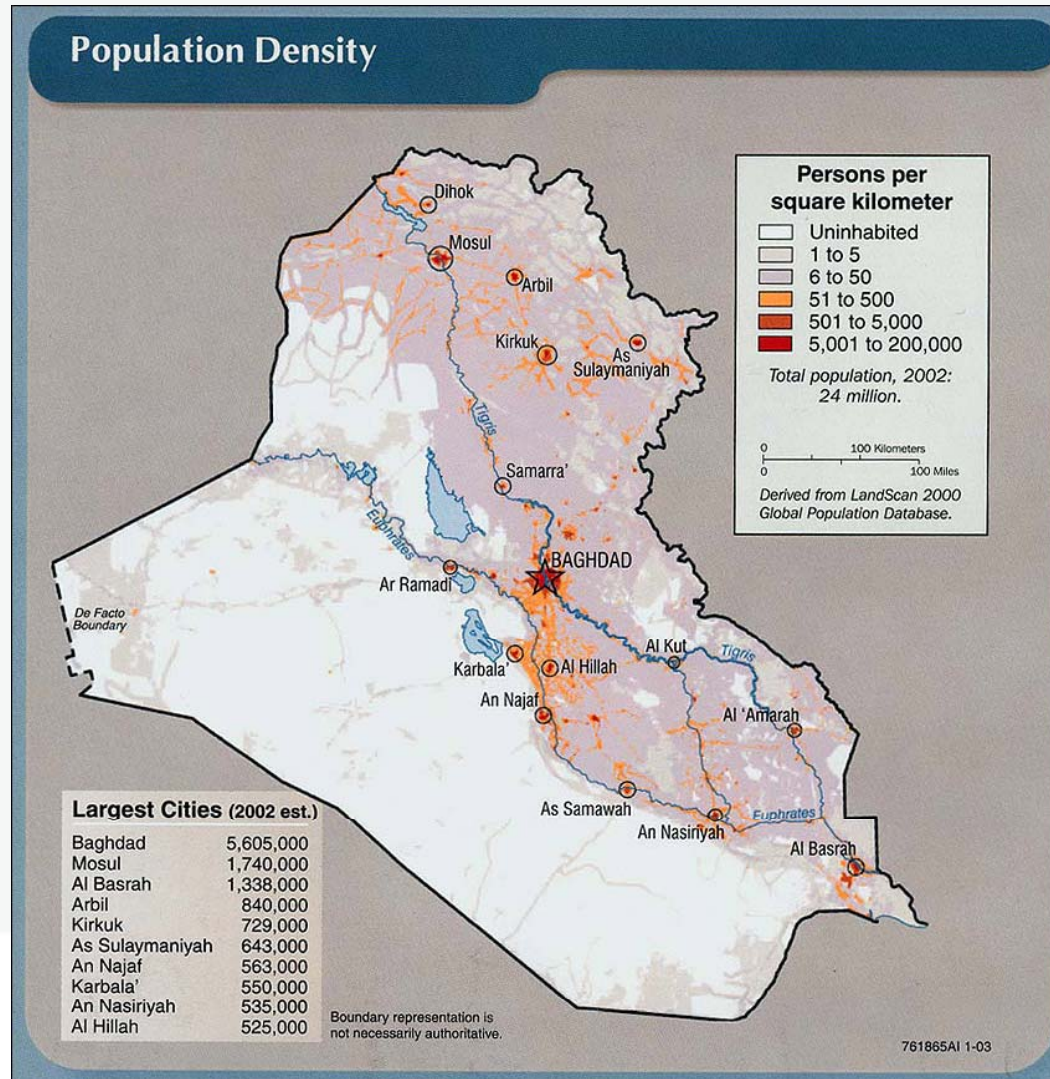


Iraq

- The home of ancient culture
- Population: 29 million (Growth 2.1%)
 - 15-64 Years: 17 million
- Literacy: 74.1%
- GDP per Capita: \$4,000 (2008)
- Labor Force: 7,740,000 (2008)
- Unemployment Rate: 18.2% to 30%
- Albeit improved security, Iraq still faces many challenges



IRAQ



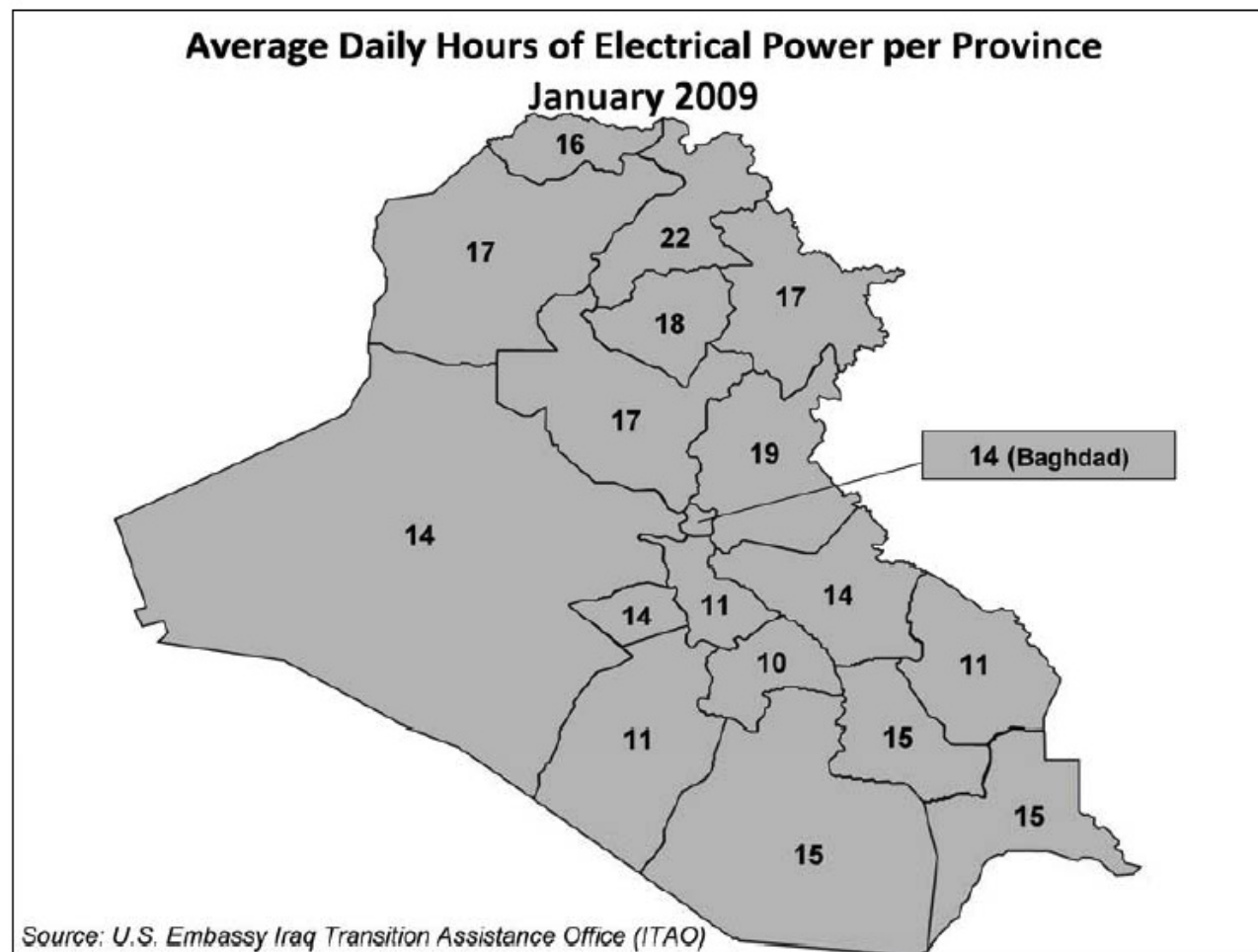
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IRAQ - Challenges



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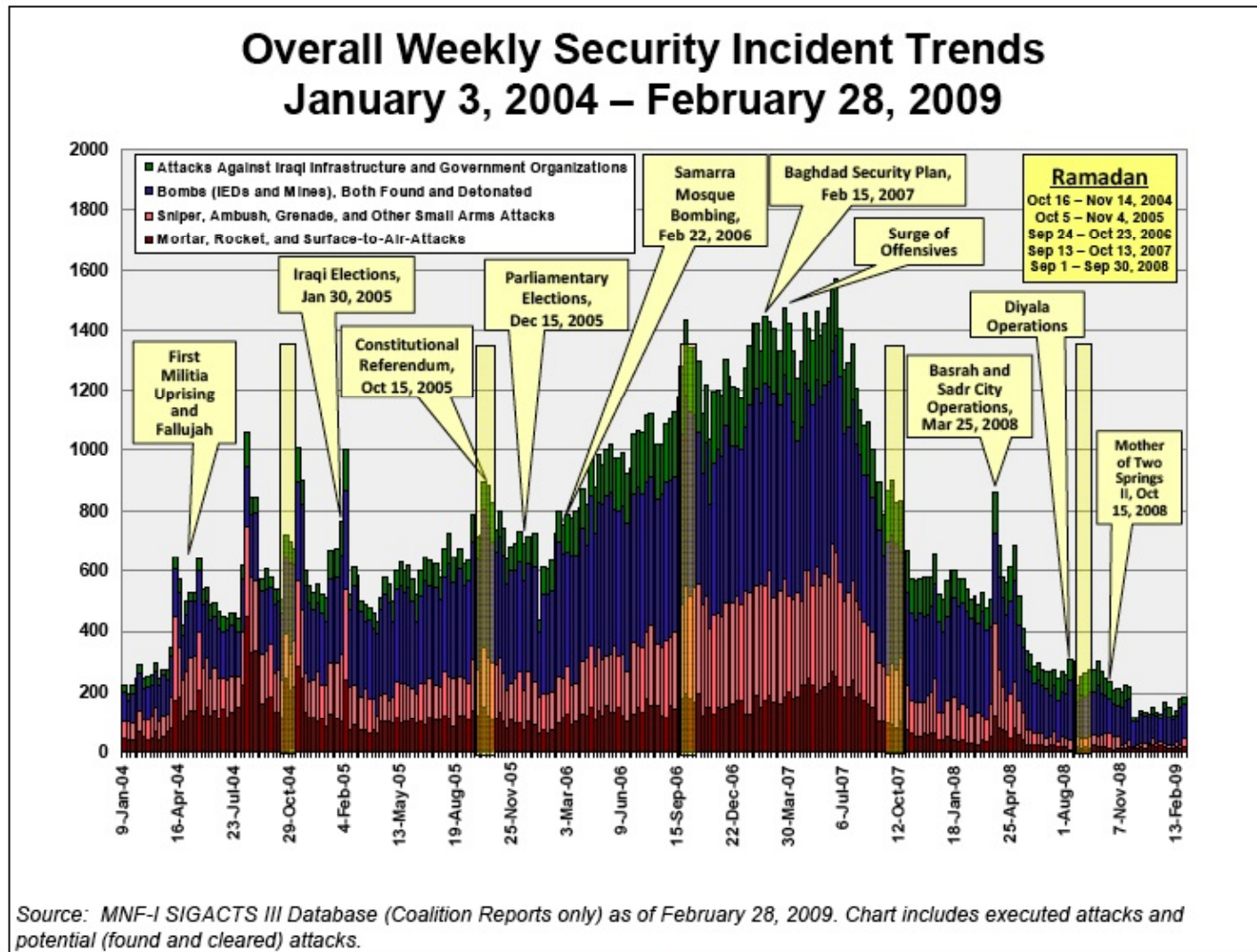
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IRAQ

Situation improving



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Banking sector in Iraq



- 7 State Owned Banks
 - 350 branches
- 28 Private banks
 - 200 branches
- Implementation of electronic banking infrastructure in the early phases
 - Challenges
 - security
 - Customer identification process
 - basic infrastructure
 - ...



Trade Bank of Iraq



- Owned by the Ministry of Finance
- Established in 2003
 - Mission to facilitate Iraq's international trade and the reconstruction of the country
- 7 branches
 - Baghdad, Najaf, Basrah, Sulaimania and Erbil
- Implementing a Strategy to Modernize Iraqi Banking Infrastructure
- first principal member of VISA international in Iraq
- 2008 Result
 - Net profits of US\$359.3 million, up 41%
 - Net operating income of US\$447.1 million, up 51%
 - Total assets of US\$10 billion, up 64%
 - Issued share capital of US\$427 million, up from US\$96.1 million



Prerequisites of peace and prosperity

- Legitimate governance
 - The normative framework, e.g. laws & enforcement
 - Know Your Citizens
- Public expenditure
 - Building the infrastructure
 - Support the citizens
 - Reliable and efficient means to transfer funds between different actors in the economy
 - E.g. Payment of Salaries, pensions, social benefits
 - Know your Customer is the foundation



From Informal to Formal Economy

- Formal economy requires functional, modern banking sector
 - Facilitates flow of funds
 - Funds deposited in banks remain in circulation invigorating economic activity
 - The banking sector must be attractive alternative for traditional cash economy
 - Requires services beneficial for customers of all type
- Formal economy
 - generates income opportunities for government
 - Creates funding for the legitimate businesses
 - increases trust and transparency
 - Less room from corruption



Building Formal Economy

Banking services for all

The three pillars

1. Identified individuals
 - Cornerstone of secure transactions
2. Accounts owned by those individuals
 - Medium that facilitates the flow of funds in the economy
3. Means to access funds on those accounts
 - In modern banking environments: cards, internet banking



Project 'Akkad'

Building the three pillars on open, international standards

1.a customer database of reliably identified individuals with unique customer numbers

- In accordance with the Know-Your-Customer requirements
- Elimination of duplicate entries using AFIS

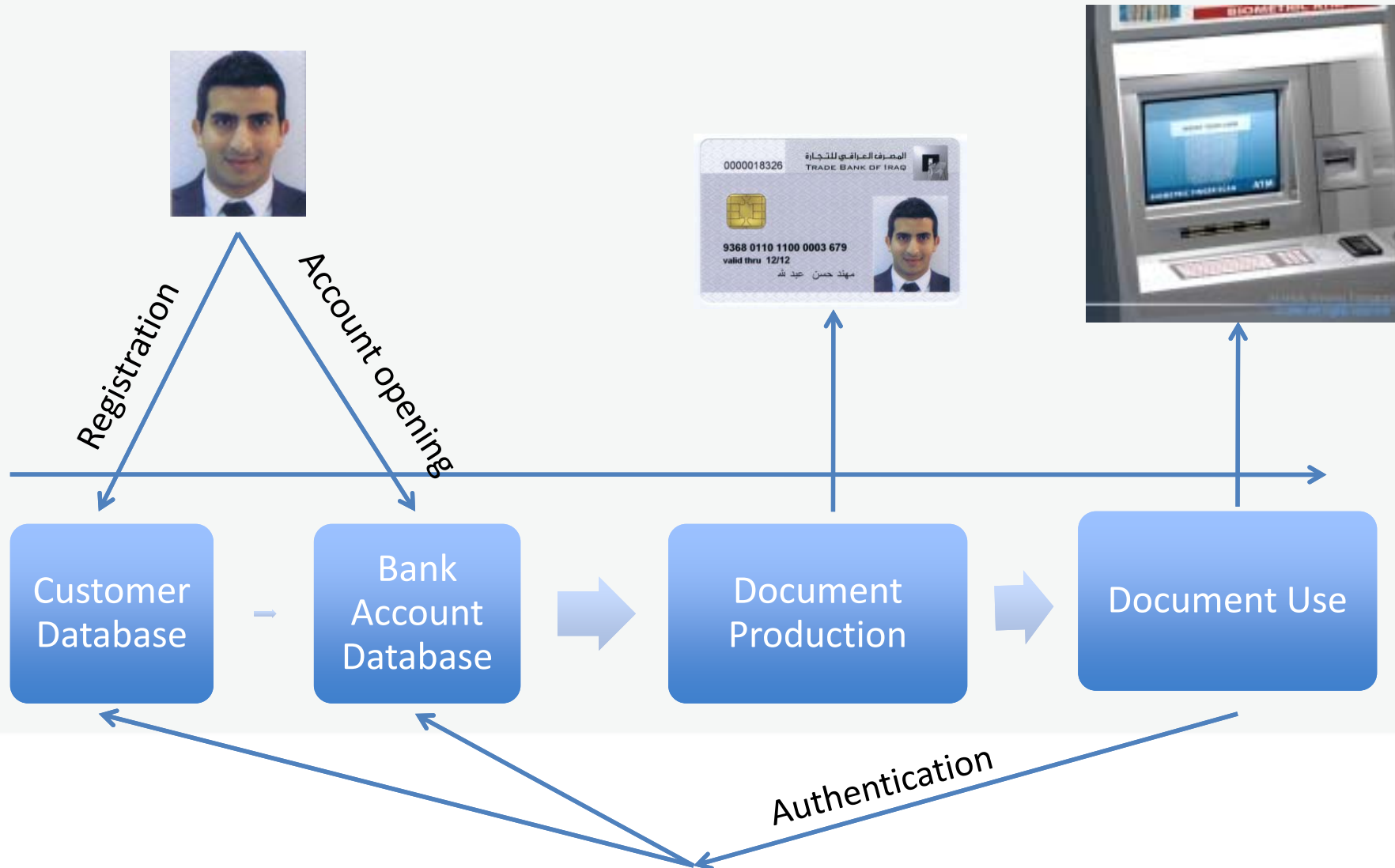
2.Biometric authentication in addition to visual and PIN or signature

- Easy to use
- Safe
- Utilizes relatively low-cost fingerprint authentication technology

3.Project 'Akkad' card is a multifunction banking card

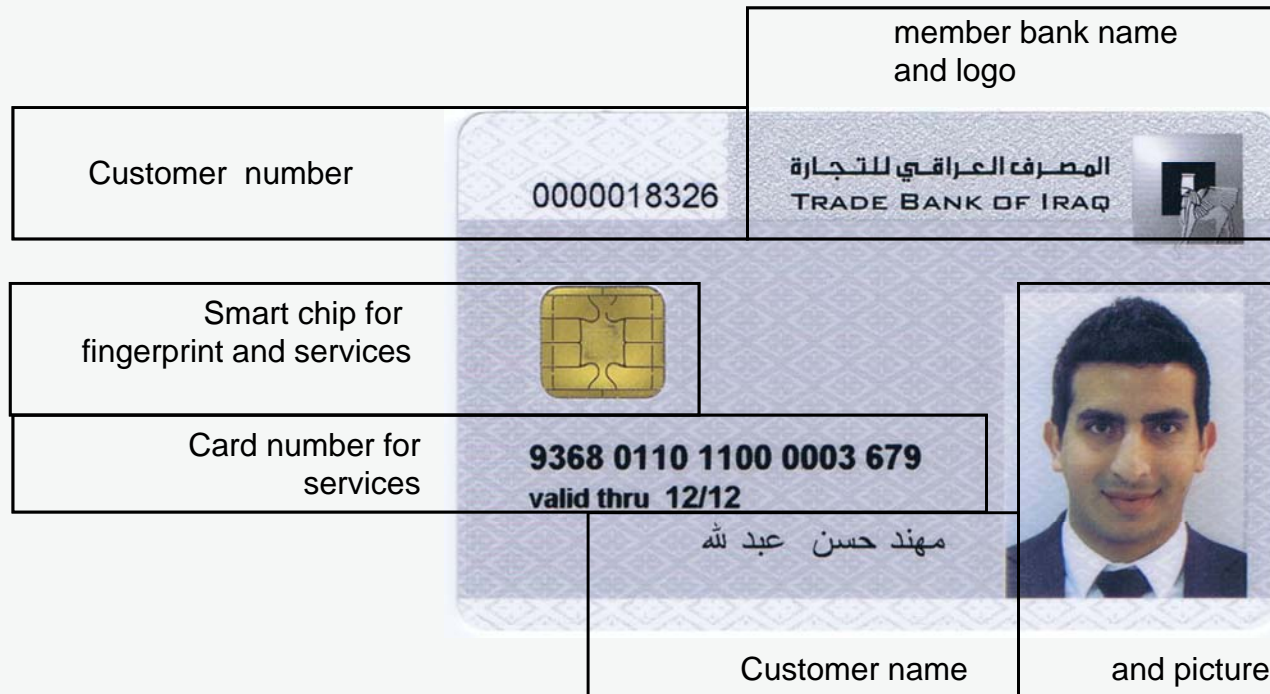


INTEGRATED PROCESS





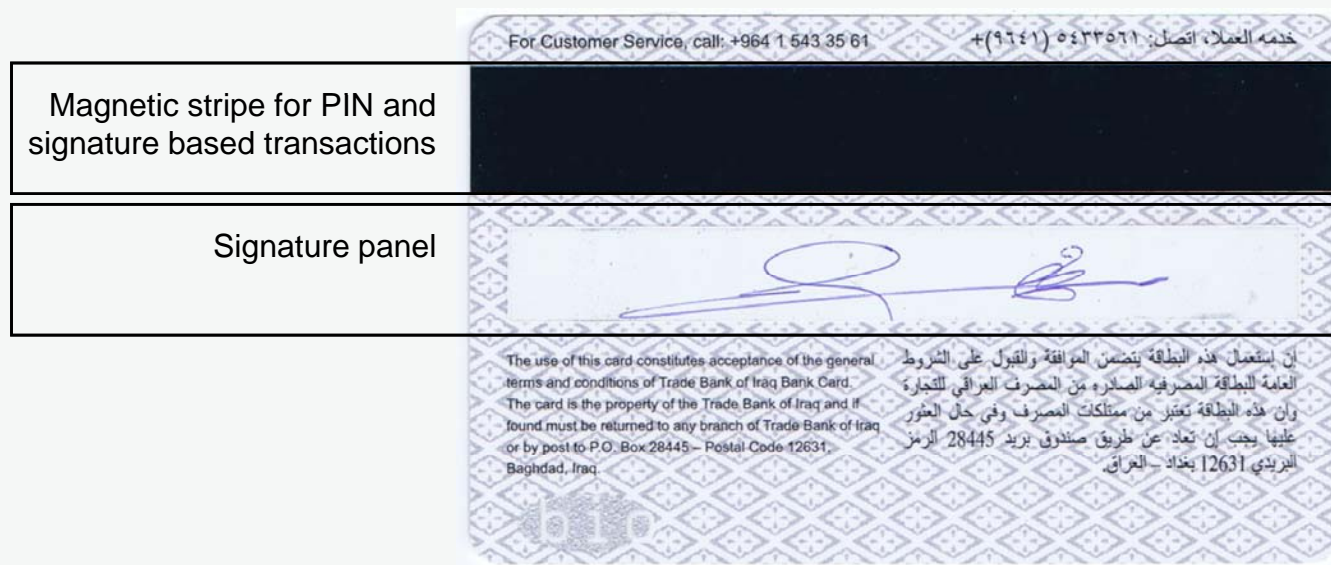
Project 'Akkad' Card



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Project 'Akkad' Card



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Technology

- Trade Bank of Iraq defined the functional requirements
 - Solution must
 - Deliver the three pillar functionality
 - be based on open, international standards
 - support integration to international card schemes, e.g. Visa, MasterCard
 - facilitate competitive bidding for various components of the system, e.g. cards, atms



Technology

A consortium of Finnish and international Technology companies designed Project 'Akkad' and delivered the 'turn key' solution to Trade Bank of Iraq





To Sum Up

- Peace and Stability can Only Be Achieved Where The Basic Building Blocks of Functioning Society Are Present
- No Functioning Economy - No Peace
- Banking Infrastructure is the Medium of Economic Activity
- Solutions Based on Existing Technologies Must Be Adapted to Meet the Specific Requirements of Each Society – Project “AKKAD” Serving as an Example

Thank You



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