



# Canada's Digital Identity Ecosystem

*Empowering Canadians with control over  
digital assets*



## What is an Identity Ecosystem for Canada?

Canadians transact anytime, anywhere, from any device, and are asked to prove their identity in different networks and for different types of services. They demand data portability across service providers and expect data security and privacy. How do Canadian businesses and governments deliver on these expectations?

A Canadian Digital Identity Ecosystem is:

1. The vehicle for enabling and growing the digital economy in Canada.
2. An open, client-focused ecosystem where all participants comply with a common framework for identity management.
3. An interoperable network where digital identity information can be requested and verified across all industries and all levels of government in Canada.
4. Where service providers can rely on a shared solution for authenticating, authorizing and managing identity enabling them to focus on their core business offerings.

## Why Canada needs a Digital Identity Ecosystem?

As digital is the preferred channel for many Canadians, this ecosystem enables secure, consent-based exchanges of identity and identity attributes among service providers and their clients, leveraging a common framework. It unlocks digital identity capabilities from both the public and private sectors to benefit people, businesses, and governments across Canada.

### *For Canadians*

Canadian users take on different personas in the digital economy and will evaluate this ecosystem not only as citizens and consumers, but also as privacy advocates, opinion leaders, and social media users. They expect to interact with their governments, businesses, as well as each other in a secure, private, and convenient online dialogue. More specifically, Canadians are looking to their government and industry to:

1. Reduce identity theft and fraud.
2. Offer choice and consent for their digital assets, as individuals want control of their personal information – and have a choice of what to share and when to share it.
3. Provide convenient, easy to use access to digital services, as a consistent user experience is expected. Access should reduce the number of username-password credentials and use a “tell us once” approach to data collection.
4. Deliver online, client-centric services that focus on the needs of the end-user, while maintaining their security and privacy. An integrated life event service offers single, intuitive access to manage the multiple government and private sector tasks/notifications associated with moving, having a baby, getting married or divorced, or turning 65.

### *For Canadian Businesses*

To succeed, Canadian businesses need to deliver fully online, integrated digital services in a trusted, privacy-enhancing manner. Canadian businesses can leverage the Canadian digital identity ecosystem to:

1. Mitigate risks for fraud
  - When identity and identity attributes are verified with authoritative sources in the digital ecosystem, companies can eliminate their dependence on fraud-prone paper proof documents and reduce disclosure of personal information.

2. Increase operating efficiency
  - Managing identity information can be expensive. With established, trust relationships, businesses can offer streamlined and higher-value service bundles with less risk and less cost.
3. Accelerate the adoption of electronic business processes
  - More sensitive, paper-bound processes such as contracting, exchange of invoices, or payments, can be migrated to end-to-end online processes, within and across enterprises.

### *For Canadian Governments*

All levels of government in Canada – municipal, provincial and federal – are working to transform themselves rapidly and securely to deliver modern, online services integrated across their portfolios.

The Canadian Digital Identity Ecosystem can help governments to:

1. Expand the breadth and depth of their online services
  - More sensitive, paper-bound processes require higher levels of identity and credential assurance. An ecosystem that delivers high assurance identity validation enables governments to move these services online.
2. Enable real-time service delivery
  - Trusted interoperability across multiple levels of government and private organizations enables full online service delivery. Out of band tasks such as physical mail, call centres, or in-person agents that introduce delays in today's identity validation workflow can be removed.
3. Reduce fraud risk for high-risk services
  - Governments can leverage the reach and frequency of private sector contact with the shared citizen-consumer to manage their online risks. Supportive identity information from trusted partners can verify the integrity of specific high-risk services. For example, the validation of direct deposit information to CRA from a bank to ensure that payments are deposited to a valid account of the tax payer.

### Who is part of this Ecosystem?

Participants in a Canadian Digital Identity Ecosystem are wide-ranging – from individuals to organizations, are across diverse industries in private and public sectors, and perform various roles such as identity providers, service providers, or users of identity information, as well as auditing and compliance.

More importantly is that participants are authorized as trusted stewards for Canadian identity information. By participating in this ecosystem, stakeholders agree to comply with a framework to ensure the data privacy, security and transparency of the identity information. For example, participants:

Only share what is asked for and nothing more:

- Identity information is only shared with trusted/authorized sources and only the minimal data is transferred. For example, to check whether a business is registered in Ontario, the answer shared is 'Yes' or 'No,' and the full address, date of registration, and type of business is not disclosed.

Provide Canadians choice and control:

- Users can provide consent on what information is shared and are notified of access to their personal information (e.g. a police background check).

## How is the ecosystem created?

The Digital ID & Authentication Council of Canada (DIACC) mandate is to deliver digital trust framework resources to secure participant interoperability and grow socioeconomic opportunities for all Canadians. Working with its member organizations, DIACC has established ten core principles<sup>1</sup> to guide the creation of the Canadian Digital Identity Ecosystem. Hand-in-hand with data privacy and security, builders of the ecosystem will adopt open, industry standards-based technologies that are robust and scalable for today's needs and spawn innovation into the future. The ecosystem will operate within a clearly defined governance in alignment with an auditable and enforceable framework.

The Pan-Canadian Trust Framework (PCTF) is a digital trust framework resource that defines a set of auditable processes and guidelines for the creation, management, and use of identity information that ensures the trustworthiness of the identity ecosystem.

The key benefits of the PCTF are that it:

- Provides a framework for digital identity interoperability.
- Establishes clear and transparent terms and conditions of use for identity information.
- Provides guidelines for simple, secure, privacy-enhancing identity solutions.
- Defines roles, rights and responsibilities within a Digital Identity Ecosystem.

## Summary

Identity and identity attributes are the foundation on which digital services rely; without them the digital economy falters. In a Canadian Digital Identity Ecosystem, identity is verified based on a federated set of identity information across multiple sources to give maximum assurance with minimum risk.

- For the citizen-consumer, the ecosystem enables more integrated and client-centric services across government and business. Canadians consent or revoke access to their identity information.
- For businesses, the result is reduced risk of online theft and fraud, more efficient business processes, and increased opportunity for revenue-generating services.
- For governments, it offers opportunities for increased service integration and responsiveness, more efficiency, and an improved citizen experience.

A Digital Identity Ecosystem built in Canada, for Canadians, will enable Canada's full and secure participation in the modern global digital economy while setting a new paradigm for citizen-consumer empowerment and economic growth.

For more information regarding the DIACC, please visit [diacc.ca](https://diacc.ca) or contact [info@diacc.ca](mailto:info@diacc.ca).

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<sup>1</sup> Digital Identity Ecosystem Principles at <https://diacc.ca/principles/>