



# Invitation to Present Commercial Opportunities

Online Identity Services Commercial Relationships

**For**

**THE DEPARTMENT OF INTERNAL AFFAIRS**

Commercial in Confidence

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<b>Invitation to Present Commercial Opportunities (IPCO)</b>	
<b>1. Name</b>	<b>Online Identity Services Commercial Relationships</b>
<b>2. Reference</b>	DIA/2009/110
<b>3. Clarifications</b>	Clarification questions should be in writing to tenders@dia.govt.nz For use of information and IPCO conditions please see sections 19 and 20
<b>4. What is this IPCO about?</b>	<p>The Department wishes to explore options for commercial relationships with the private sector regarding two services it has built –</p> <ul style="list-style-type: none"> <li>• Logon Service - a logon management solution</li> <li>• Identity Verification Service (IVS) - an identity verification solution</li> </ul> <p>The services are currently branded as igovt (see <a href="http://www.igovt.govt.nz">www.igovt.govt.nz</a>). The services allow organisations to authenticate and verify the identity of individuals by electronic means. They do not provide open access to personal data held by government.</p> <p>The Logon Service is in full production with a number of government agencies. A pilot of the IVS is proposed as a limited service with a government agency from November 2009. The full service is intended to be rolled out by 2011/12.</p> <p>The services were originally developed for government use only, to:</p> <ul style="list-style-type: none"> <li>• Provide individuals with an easy, secure and privacy-protected way to access government services online and to verify their identity via the Internet</li> <li>• Enable users to have one logon for use with different government agencies websites</li> <li>• Allow users to avoid the cost and inconvenience of having to repeatedly prove their identity in-person to different government agencies</li> <li>• Remove the need for government agencies to build and maintain their own online identity establishment and verification capability.</li> </ul> <p>The Department is now looking at the possibility of extending the services to the private sector.</p> <p>Use of the igovt services by private sector organisations, along with government agencies, would provide scale and transactional density to increase the size of the community of users. This would also result in high volumes of traffic, presenting opportunities for revenue generation.</p> <p>The Department would like to receive responses from organisations</p>

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	interested in entering into a commercial relationship with the Department through a public-private partnership or other arrangement in relation to the igovt services, as set out in this IPCO.								
<b>5. Process timeline</b>	<p>The following timeline is expected to be followed during this process.</p> <table border="1"> <tr> <td>IPCO available from GETS web site</td> <td>27 August 2009</td> </tr> <tr> <td>Open briefing session (see <a href="http://www.dia.govt.nz">www.dia.govt.nz</a> for details)</td> <td>12pm-1pm 4 September 2009</td> </tr> <tr> <td>Interested parties respond to IPCO at <a href="mailto:tenders@dia.govt.nz">tenders@dia.govt.nz</a> by (Please use the Response Template)</td> <td>2pm 23 September 2009</td> </tr> <tr> <td>The Department's report to Government</td> <td>November 2009</td> </tr> </table>	IPCO available from GETS web site	27 August 2009	Open briefing session (see <a href="http://www.dia.govt.nz">www.dia.govt.nz</a> for details)	12pm-1pm 4 September 2009	Interested parties respond to IPCO at <a href="mailto:tenders@dia.govt.nz">tenders@dia.govt.nz</a> by (Please use the Response Template)	2pm 23 September 2009	The Department's report to Government	November 2009
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The Department's report to Government	November 2009								
<b>6. IPCO objective</b>	<p>The objective of this IPCO is for the Department to receive responses from organisations setting out credible and innovative commercial relationship options for the igovt services that the Department can consider as part of a report to Government on future development and funding for the igovt services.</p> <p>The Department is seeking options providing access to private sector specialised expertise, innovative ideas, and funding and the sharing of risk. Extending the reach of the services and building on the benefits of established branding and related market penetration are important aspects.</p> <p>The Department needs to understand the degree to which it can rely on the information the respondent provides. Hence, respondents are asked to outline the working assumptions underlying the options presented.</p> <p>The options presented can relate to the igovt services (ie the Logon Service and the IVS) separately or together.</p>								
<b>7. Commercial relationship outcomes</b>	<p>The Department is looking for outcomes from public-private partnerships or other arrangements along the following lines:</p> <ul style="list-style-type: none"> <li>• Convenient and efficient provisioning of the igovt services to a large percentage of the New Zealand public</li> <li>• Effective and efficient integration of more online services for delivery using the available infrastructure</li> <li>• Increasing the use of the igovt services through use of other delivery channels</li> <li>• Maintaining security of information and enhancing trust in igovt</li> </ul>								

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	<p>services.</p> <p>The responses:</p> <ul style="list-style-type: none"> <li>• Do not need to deal with specifics of technology, business design or the technical aspects of the Logon Service and IVS, rather the responses should focus on the commercial and use aspects of the options presented for the igovt services</li> <li>• Must meet the commercial relationship parameters regarding the Authentication Principles, sovereignty requirements, and ownership and protection limitations, as set out in section 9 of this IPCO.</li> </ul> <p>Please note that the Identity Verification Bill is currently included in the legislation programme. The bill outlines the purposes and boundaries of the IVS, sets out who can use the service, regulates the administration of the service, and prescribes relevant offences and penalties to deter abuse of the service. It is intended that this legislation will be in force by the time the full service is rolled out in 2011/12.</p> <p>Regulatory requirements relating to any commercial relationship between the private sector and the Department regarding the Logon Service and the IVS, if entered into, would be considered as part of that bill.</p>
<p><b>8. Commercial relationship categories</b></p>	<p>The Department is interested in receiving responses presenting credible and innovative commercial relationship options, including along the following lines:</p> <ul style="list-style-type: none"> <li>• <b>Operator of igovt services</b> - an organisation wanting to partner with the Department through a public-private partnership (for example, a partnership to lease/develop/operate the igovt services for use by the public with government and private sector organisations)</li> <li>• <b>Member of a cooperative (or consortium)</b> - an organisation wanting to co-ordinate with others and the Department to fund and develop the igovt services for the cooperative's use (for example, a consortium of large organisations with similar interests in being participating service providers that can provide upfront and ongoing funding for the development and operation of the igovt services)</li> <li>• <b>Co-developer of igovt services</b> – an organisation wanting to use the igovt services as a participating service provider and co-ordinate with the Department to fund and co-develop customised igovt services</li> <li>• <b>Direct user of igovt services</b> – an organisation wanting to use the services as a participating service provider only, with no involvement in delivery, uptake or distribution of the igovt services to users or other service providers</li> <li>• <b>Other commercial relationships</b> suitable to meet the Department's</li> </ul>

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	<p>objectives, outcomes and parameters set out in this IPCO.</p> <p>The Department is also interested in credible and innovative options for:</p> <ul style="list-style-type: none"> <li>• <b>Intellectual property and cost recovery payments</b> - Upfront and ongoing payments for use of existing intellectual property and recovery of the development costs in relation to the igovt services</li> <li>• <b>Partnership or other commercial arrangement set-up costs</b> - Meeting the upfront costs of establishing, and ongoing costs of maintaining, a public-private partnership or other arrangement with the Department, including payment of advisers engaged to act for the Department.</li> </ul>
<p><b>9. Commercial relationship parameters</b></p>	<p>The parameters applying to public-private partnerships or other arrangements between the Department and the private sector for igovt services would include:</p> <ul style="list-style-type: none"> <li>• <b>Authentication principles</b> – The policy principles (set out in Appendix A) require an approach that is fit for purpose, secure, protects privacy, is generally acceptable to potential users, and is optional for people to use</li> <li>• <b>Sovereignty</b> – Recognising that the manner in which information flows over the Internet using public service provider networks is difficult to control, the information obtained, created, processed, managed and stored for the purposes of the igovt services: <ul style="list-style-type: none"> <li>- Must remain under the sovereign control of New Zealand, in both legal and physical terms, to the greatest extent practicable</li> <li>- Must not be transmitted out of New Zealand, except in specific circumstances, such as for transactions by authorised individuals living abroad or with authorised overseas-based participating agencies</li> <li>- Must be subject to New Zealand law and there must not be any risk of it being subject to the laws of a foreign jurisdiction</li> <li>- <b>Ownership and protection</b> – Processes for establishing an individual’s identity for the purposes of the igovt services, and stewardship of the resulting databases of personal information remain under Crown ownership and protection. Particularly, the Crown would retain ownership and protection of identity data created through the process of individuals applying to use the services.</li> </ul> </li> </ul>
<p><b>10. What is the Logon Service?</b></p>	<p><b>Logon Service – a world class logon management solution</b></p> <p>The Logon Service provides an efficient and reliable means for ongoing user authentication. It is a shared service that allows individuals to use the same logon to access online services from different service providers – it is</p>

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like having a unique 'key' that opens many service provider doors. However, a user can still have the choice of using different 'keys' for different services.

The Logon Service is already operating and consists of:

- The core logon service (common logon website, logon management, secure messaging service) supported by a managed infrastructure
- Two logon strengths
  - Low, which is a username and password
  - Medium, which is a user name, password, AND second factor authentication such as a short message service (SMS) that sends a unique number to the customer's cell phone for the customer to input at logon or through use of a token providing unique codes
- Customer support (to service providers and service users) through freephone and email
- Integration support.

#### **Logon Service Features**

- Always available – 24 hours a day, seven days a week
- Opt in – provides a service provider's users with the convenience of using the logon to access online services across a number of participating service providers. The users are able to choose to use different Logon Service logons if they wish
- Scale – different logon levels to suit a service provider's current and future requirements
- Flexible – it can accommodate a service provider's individual business processes and brands
- Secure – rapid response to changing security and risk management requirements. There are a number of safeguards provided to protect the Logon Service, its data and its users
- Privacy protective – world leading privacy protective design
- Standards compliant – automatic adoption and implementation of the relevant standards relating to logon management.

#### **Logon Service Benefits**

- Reduces security threats faced using the online channel
- Frees a service provider from being involved in logon management and continuously investing in ever changing logon technologies
- Provides benefits of scale, expertise, and adoption of best practices
- Provides convenience and time savings for a service provider's users

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	<ul style="list-style-type: none"> <li>• Reduces the need for phone or email support through extensive online self-service tools</li> <li>• Gives inherent compliance with New Zealand E-GIF Identity Management and Authentication Standards</li> <li>• Avoids duplication of identity logon systems</li> <li>• Gives an organisation affordable access to high-quality authentication methods.</li> </ul> <p>See Appendices B and D for further detail and diagrams about the Logon Service.</p>
<p><b>11. What is the IVS?</b></p>	<p>The IVS is a way for service users to verify their identity with a service provider in an online environment in real time.</p> <p>The IVS ensures service users retain control of their identity data – it is like showing a service provider your passport to prove who you are - instead a similar process is happening online.</p> <p>To use the IVS, an individual needs to first enrol with igovt through a passport strength evidence of identity process. Once done, the individual is issued with an igovt ID that comprises four verified attributes; name, date of birth, place of birth and gender.</p> <p>The igovt ID is an electronic credential the individual can use online to assert their identity to organisations. To participate, organisations have to first enrol with igovt as a participating service provider.</p> <p><b>IVS Features</b></p> <ul style="list-style-type: none"> <li>• Always available - 24 hours a day, seven days a week service</li> <li>• Opt in – people choose to enrol in and use the service and they must give consent to send the information to a service provider</li> <li>• Flexible – igovt can accommodate a service provider’s individual business processes and branding</li> <li>• Secure - high level of security of data, systems and processes provides assurance that privacy information is appropriately handled. Rapid response to changing security and risk management requirements</li> <li>• Privacy protective - world leading privacy protective design. Physical separation of who a person is (IVS) from their ongoing usage of online service (Logon Service). No common external number or national identifier is generated</li> <li>• User centric – people using the IVS are in control of the transaction</li> <li>• Standards compliant - automatic adoption and implementation of the relevant standards relating to identity management</li> </ul>

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	<ul style="list-style-type: none"> <li>Information integrity - the identifier sent to the service provider is unique for that service provider and can not be used to match or share an individual's information.</li> </ul> <p><b>IVS Benefits</b></p> <ul style="list-style-type: none"> <li>Reduced costs of identity verification to a service provider and reduced total cost of ownership</li> <li>Savings from reducing identity fraud</li> <li>Enables a service provider to have confidence in the identity asserted by an individual to a high level of confidence</li> <li>Provides convenience and time savings for the people who use a service provider's services</li> <li>Builds trust in online transactions</li> <li>Avoids individual service providers investing in online identity verification infrastructure</li> <li>Enhances reputation – a service provider signed up will be seen as efficient, forward thinking and user focused</li> <li>Provides benefits of scale, expertise, and adoption of best practices</li> <li>Gives inherent compliance with New Zealand e-GIF Identity Management and Authentication Standards.</li> </ul> <p>See Appendices C and D for more detail and diagrams about the IVS.</p>
<p><b>12. Privacy issues already addressed</b></p>	<p>The Office of the Privacy Commissioner has been kept informed throughout the development of the igovt services and regular privacy impact assessments are carried out and published.</p> <p><b>How the Logon Service protects privacy</b></p> <p>The Logon Service separates the logon details (the 'key') that gives users access to a service provider's online services from any information the service provider might hold about the person.</p> <p>The Logon Service does not create any new information flows between service providers - an individual's personal information is not shared between igovt and participating service providers using the service.</p> <p>Every logon generates a federated identifier (unique code) when a username, password, and where required, second factor authentication, are correctly entered. The federated identifier is sent to the service provider to represent the igovt logon. The federated identifier for any given logon will be different for each service provider to which it is sent. This approach avoids the use of unique identifiers which could be used to facilitate data matching or any exchange of data about a user.</p> <p>For services that require extra levels of security the Logon Service process</p>

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	<p>also asks users to enter a code from an igovt token, or from a text message sent to a cell phone. The code displayed on the token changes every 60 seconds and is unique. The code sent to the phone is also unique. The codes are synchronised with the Logon Service, and must be entered correctly to log on. These types of logons are known as second factor authentication.</p> <p><b>How the IVS maintains privacy</b></p> <p>The IVS protects privacy in a similar way to the Logon Service. Each service provider involved with the IVS will identify people in a different way using an identifier or code unique to that service provider. There is no external national unique identifier. There is no way for service providers to share information about anyone through this service.</p> <p>Federated identifiers (unique codes) are sent to the service providers to represent igovt logons and igovt IDs. The federated identifier for any given logon or igovt ID is different for each service provider to which it is sent. This approach avoids the use of unique identifiers which could be used to facilitate data matching or any exchange of data about a user.</p> <p>The Logon Service and the IVS are two separate, distinct services. Each of the services will maintain the association between federated identifiers that they hold and the logon or igovt ID (respectively).</p> <p>The federated identifier generated from the Logon Service is called the Federated Logon Tag (FLT). The Federated Identifier generated from the igovt ID is called the Federated Identity Tag (FIT).</p>
<p><b>13. Why are igovt services important?</b></p>	<p>The Logon Service and the IVS enable service providers to:</p> <ul style="list-style-type: none"> <li>• Provide identity dependent services electronically</li> <li>• Reduce reliance on physical identity documents</li> <li>• Meet customer expectations for better access to more services online</li> <li>• Comply with privacy of personal information requirements in the online environment</li> <li>• Improve the integrity of data and processes that require a high level of confidence in uniqueness or consistency of identity</li> <li>• Increase operational process savings</li> <li>• Minimise the incidence of identity fraud.</li> </ul> <p>These issues are important to service providers because:</p> <ul style="list-style-type: none"> <li>• Service providers currently choose to use the trusted documents (including passports, birth and citizenship certificates) and services provided by the Department for the purposes of verifying identity of customers</li> </ul>

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	<ul style="list-style-type: none"> <li>• The volume of online identity dependent transactions is likely to increase significantly in the next 5-10 years</li> <li>• For service providers subject to the Anti-Money Laundering and Countering of the Financing of Terrorism (AML/CFT) legislation proposed to be passed later this year, the number of people requiring identity verification will increase.</li> </ul> <p>This indicates that the private sector will be interested, just as government is, in an electronic alternative to face-to-face, paper-based verification of identity processes. This is what the igovt services provide.</p>
<p><b>14. What would the Department bring?</b></p>	<p>The Department is well placed to enter into public-private partnerships or other commercial arrangements with the private sector because of the Department's role as steward for key New Zealand identity and life event information, and the fact that it has:</p> <ul style="list-style-type: none"> <li>• A well functioning operational business unit and supporting services (such as an award winning contact centre)</li> <li>• A good record of serving customers to a high level of satisfaction over many years with its existing base of products and services</li> <li>• A good reputation and working relationship with other government agencies and key stakeholders such as the Office of the Privacy Commissioner</li> <li>• Been working with a number of government agencies to develop a more detailed uptake strategy for igovt services where these are not already implemented</li> <li>• Deep experience with identity related issues</li> <li>• An international reputation for leadership in a range of related areas including online authentication services design, evidence of identity conceptual thinking and passport issuance standards and delivery processes</li> <li>• Participation in international standards bodies and other international organisations, so considers alignment with international standards important</li> <li>• Well-developed risk management processes, including risk assessment and management, internal controls, audit programme and business continuity planning.</li> </ul>
<p><b>15. Government Business Case Costing and tangible benefits (based on</b></p>	<p>The igovt services business case prepared by the Department views the costing and tangible benefits of government use of the igovt services as follows:</p> <ul style="list-style-type: none"> <li>• <b>For the Logon Service</b></li> </ul>

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<b>government only use)</b>	<ul style="list-style-type: none"> <li>- There is a ten-year tangible benefit range from July 2009 of between \$321 million and \$727 million (the 10<sup>th</sup> and 90<sup>th</sup> percentiles for likelihood respectively), with the mean value at \$514 million</li> <li>- The ten year sum of (government only) costs is estimated to be \$65 million, including a 15% contingency</li> <li>- The ten year net present value is \$160 million.</li> </ul> <ul style="list-style-type: none"> <li>• <b>For the IVS</b> <ul style="list-style-type: none"> <li>- There is a ten-year tangible benefit range from July 2009 of between \$320 million and \$646 million (the 10<sup>th</sup> and 90<sup>th</sup> percentiles for likelihood respectively), with the mean value at \$472 million</li> <li>- The ten year sum of (government only) costs is estimated to be \$57 million, including a 15% contingency</li> <li>- The ten year net present value is \$155 million.</li> </ul> </li> </ul> <p>The ten year sum of costs for the Logon Service and IVS comprise general costs for solution delivery and maintenance, agency integration, business management and operations, but excludes any direct costs that will be charged to organisations (for example, helpdesk costs, and costs for tokens).</p> <p>These high-level indicative figures are an initial estimate only, and should not be relied on for accuracy or completeness.</p>
<b>16. Current use of the igovt services</b>	<p>There are 9 government agencies using Logon Service, 3 currently implementing, and additional agencies in the planning phase.</p> <p>The Births, Deaths and Marriages business unit of the Department is proposed to pilot a 'limited service' IVS in November 2009.</p>
<b>17. Uptake potential</b>	<p>The ten-year view of the government's online population size requiring Logon Service and IVS is estimated as 1.6m.</p> <p>This figure would still only represent 45% of the population over the age of 15, and is likely to be conservative given the much more extensive use (78%) of the Internet by this population group already, as of 2007.</p> <p>These high-level indicative figures are an initial estimate only, and should not be relied on for accuracy or completeness.</p>
<b>18. Private sector involvement</b>	<p>The igovt services business case did not consider private sector involvement in terms of the potential impact on benefit streams. There is of course significant potential. People typically have more regular and frequent interactions with commercial organisations than they do with government organisations.</p>

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	<p>If it is assumed that 35% of GDP is related to government services, and assuming that existing private sector online communities are large and transact often with private sector organisations, it can be crudely extrapolated that an estimate of private sector access to the igovt services would create approximately \$1.4 billion of benefits over a ten year period.</p> <p>These high-level indicative figures are an initial estimate only, and should not be relied on for accuracy or completeness.</p>
<p><b>19. IPCO conditions</b></p>	<p>This IPCO does not reflect the Crown undertaking procurement for goods or services, nor has any decision been made on any possible procurement or other action in the future.</p> <p>The Crown may, at its absolute discretion and without limitation, amend or withdraw this invitation, or change the timetable, at any time.</p> <p>The Crown is not liable for any costs that respondents or any third parties may incur in answering this invitation or any request to meet.</p> <p>Respondents must not make any public statement in relation to this invitation without the Department’s prior written consent.</p> <p>Neither this invitation nor any discussions with any respondent nor any response to this invitation creates any legal and binding obligation on the part of the Department or the Crown or comprises a process contract.</p> <p>The Crown reserves the right at all times to decide not to issue any further selection process such as a tender or RFP process, or may take no further action.</p>
<p><b>20. Use of information</b></p>	<p>The Crown will rely on information provided by each respondent. In responding, please ensure the information provided is complete and accurate in all material respects, is not misleading and that in preparing the information all reasonable skill and care has been exercised.</p> <p>Responses to this invitation will become the property of the Crown on receipt by the Department. The Crown may use the information for:</p> <ul style="list-style-type: none"> <li>• The preparation of a business case or other report to recommend an intention to, or to explore further, sourcing particular goods or services, and/or entering into public-private partnerships or other arrangements</li> <li>• Budgetary, planning, and funding purposes</li> <li>• The preparation of Cabinet papers, and potentially, the preparation of selection process documentation (for example, a “Request for Proposal” document).</li> </ul> <p>Respondents may mark confidential parts of responses with “Commercial in Confidence”. The Crown will treat this material as confidential, however, each respondent acknowledges that:</p>

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	<ul style="list-style-type: none"> <li>• The Crown is subject to the Official Information Act 1982 and may be required to release information relating to responses to this invitation under that Act, unless there is good reason to withhold the information</li> <li>• The Department may be required to supply information relating to responses by New Zealand Parliamentary select committees</li> <li>• The Department may disclose any responses to any employee, adviser or contractor of the Department and of any other government department, Cabinet committee or Cabinet, for the purposes outlined above.</li> </ul> <p>The Department at its discretion may ask respondents to meet to clarify aspects of their response and discuss it.</p>
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**GLOSSARY OF TERMS**

<b>Term</b>	<b>Brief description</b>
DIA	Department of Internal Affairs
E-GIF	Government interoperability framework
igovt ID	igovt ID is an electronic credential that the user can present to participating service providers to prove their identity
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IVS	igovt identity verification service
Logon Service	igovt logon service
Participating service provider	An organisation signed up to use the igovt services to identify customers
PPP or Public-private partnership	See examples of definitions by the US National Council for Public-Private Partnership at <a href="http://www.ncppp.org">www.ncppp.org</a>
Service provider	An organisation providing a service to the public
Service user	An individual issued with a Logon Service logon and a igovt ID to use with participating service providers
The Department	Department of Internal Affairs

**RESPONSE TO IPCO**

<p><b>Response to this IPCO</b></p>	<p>Respondents wishing to provide information to the Department can respond to: <b>tenders@dia.govt.nz</b> with the following details by <b>2pm, Wednesday, 23 September 2009</b>.</p> <p>Please address the items numbered below and respond using the attached <b>IPCO Response Template</b>.</p> <ol style="list-style-type: none"> <li>1. Respondent's contact details, including: <ul style="list-style-type: none"> <li>• Organisation name</li> <li>• Address</li> <li>• Contact person</li> <li>• Phone number(s)</li> <li>• Email address</li> </ul> </li> <li>2. Details of the respondent's organisation <ul style="list-style-type: none"> <li>• Organisation background</li> <li>• Size of organisation</li> <li>• Outline of the potential team(s) for these services</li> <li>• Location from where services and other activities would be provided</li> <li>• If a subsidiary, details of the parent organisation(s)</li> </ul> </li> <li>3. An outline of potential partnerships or other arrangements formed to respond to this IPCO, if applicable.</li> <li>4. Your knowledge of, or experience in, public-private partnerships or other arrangements with government or others to provide services including those similar to the igovt services set out in this invitation.</li> <li>5. How the respondent would meet the IPCO objective sought by the Department – that is, to enable access to specialised expertise, innovative ideas, and funding, and the sharing of risk, while extending the reach of the services and building on the benefits of established branding and related market penetration.</li> <li>6. Potential conflicts of interest. Please indicate whether there are any apparent conflicts of interest and detail their nature, if you were to ultimately enter into an arrangement of the type or types you have indicated in your response.</li> <li>7. The commercial relationship options. That is, details of public-private partnerships or other arrangements between the Department and the</li> </ol>
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	<p>respondent, along the following lines:</p> <ul style="list-style-type: none"> <li>• <b>Operator of igovt services</b> - an organisation wanting to partner with the Department under a public-private partnership (for example, a partnership to lease/develop/operate the igovt services for use by the public with government and private sector organisations)</li> <li>• <b>Member of a cooperative (or consortium)</b> - an organisation wanting to co-ordinate with others and the Department to fund and develop the igovt services for the cooperative's use (for example, a consortium of large organisations with similar interests in being participating service providers that can provide upfront and ongoing funding for the development and operation of the igovt services)</li> <li>• <b>Co-developer of igovt services</b> – an organisation wanting to use the igovt services as a participating service provider and co-ordinate with the Department to fund and co-develop customised igovt services</li> <li>• <b>Direct user of igovt services</b> – an organisation wanting to use the services as a participating service provider only, with no involvement in delivery, uptake or distribution of the igovt services to users or other service providers</li> <li>• <b>Other commercial relationship</b> suitable to meet the Department's objectives, outcomes and parameters set out in this IPCO.</li> </ul> <p>8. To enable the Department to understand your level of interest and ability to proceed, please provide an overview and details of the following:</p> <ul style="list-style-type: none"> <li>• Funding model/options, upfront and ongoing</li> <li>• Pricing model/options, including opportunities for revenue generation and estimated revenue streams</li> <li>• Potential service extensions and value-add ideas using other government and private sector services</li> <li>• Value for money justification for the Department to enter the commercial relationship</li> <li>• Market for users, either as service users or own use as participating service providers, or both</li> <li>• How you will meet the commercial relationship outcomes set out in this IPCO</li> <li>• How you will address the commercial relationship parameters set out in this IPCO</li> <li>• Estimated time it would take to establish the suggested</li> </ul>
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	<p>commercial relationship with the Department</p> <ul style="list-style-type: none"> <li>• Estimated time it would take to roll-out the full services to the private sector, or more government agencies, or both</li> <li>• Projections of igovt services user uptake.</li> </ul> <p>9. Details of credible and innovative options for:</p> <ul style="list-style-type: none"> <li>• <b>Intellectual property and cost recovery payments</b> - Upfront and ongoing payments for use of the intellectual property and recovery of the development costs in relation to the igovt services</li> <li>• <b>Partnership or other commercial arrangement set-up costs</b> - Meeting the upfront costs of establishing, and ongoing costs of maintaining, a public-private partnership or other arrangement with the Department, including meeting the costs of advisers engaged to act for the Department.</li> </ul> <p>10. Other matters which would be useful for the Department to consider.</p>
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## APPENDIX A – AUTHENTICATION PRINCIPLES

### *Policy Principles*

The following policy principles for the authentication of online G2P (Government to Person) transactions:

<b>Policy Principle</b>	<b>Explanation</b>
Security	Suitable protection must be provided for information owned by both people and the Crown
Acceptability	Ensuring that the proposed authentication approach is generally acceptable to potential users, taking into account the different needs of people and emerging industry standards, and avoids creating barriers
Protection of privacy	Ensuring that the proposed authentication approach protects privacy appropriately
All-of-government approach	Balancing public and agencies' concerns about independence with the benefits of standardisation while delivering a cost-effective solution
Fit for purpose	Avoiding over-engineering, recognising that the levels of authentication required for many G2P transactions will be relatively low
Opt-in	Ensuring that members of the public retain the option of authenticating their identity and carrying out transactions offline and are not disadvantaged by doing so. However, it will not be possible for an individual to conduct secure online G2P transactions without the use of the appropriate authentication process.

### *Implementation Principles*

In considering the options for implementation, the following principles will be followed:

<b>Implementation Principle</b>	<b>Explanation</b>
User focus	Ensuring the recommended solutions are as convenient, easy to use and non-intrusive as possible
Enduring solution	Providing a solution that is enduring yet sufficiently flexible to accommodate change and a wide range of current and future transactions
Affordability and reliability	Ensuring the recommended solutions are affordable and reliable for the public and government agencies
Technology neutrality	Ensuring a range of technology options is considered, and as far as possible avoiding 'vendor capture'
Risk-based approach	Providing an approach based on agreed trust levels that protects identity and personal information
Legal compliance	The solution must comply with relevant law, including privacy and human rights law
Legal certainty	Relationships between the parties should be governed in a way that provides legal certainty
Non-repudiation	The issue of non-repudiation must be considered for those transactions that require it, so that the risk of transacting parties later denying having participated in a transaction is minimised
Functional equivalence	Authentication requirements should be similar to those that apply to existing transactions except where the online nature of the transaction significantly changes the level of risk

**APPENDIX B – IGOVT LOGON SERVICE DETAILS**

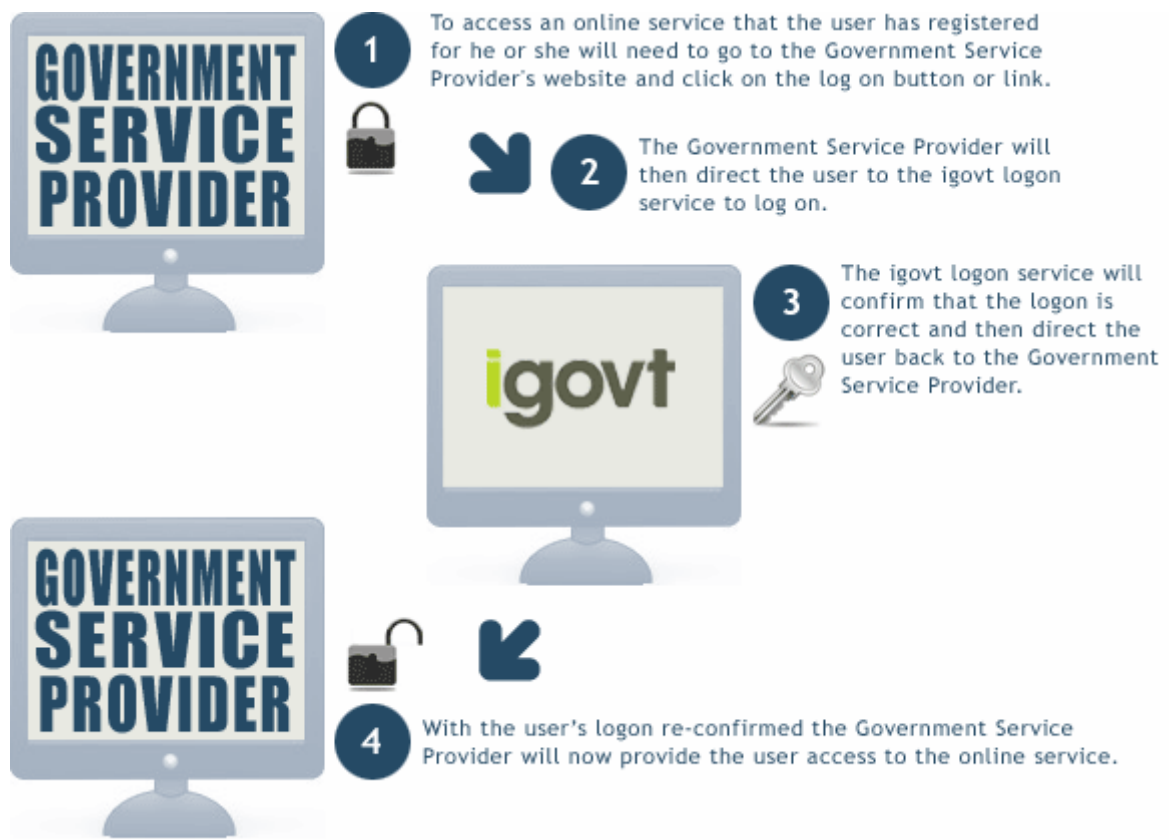
Most secure online services follow a standard three stage process for identity management:



The Logon Service provides for second stage in this process - the ongoing confirmation of a person’s identity in an online service.

There are two core processes involved.

1. The registration process for an online service and associating this with a person’s igovt logon details (such as a username and password). In this process the person obtains a new igovt logon, or they can use one they have already set up.
2. The ongoing usage of the online service. The person uses their igovt logon to re-confirm their identity each time they access the online service. This process is detailed below (in this instance, showing a government agency as the participating service provider).

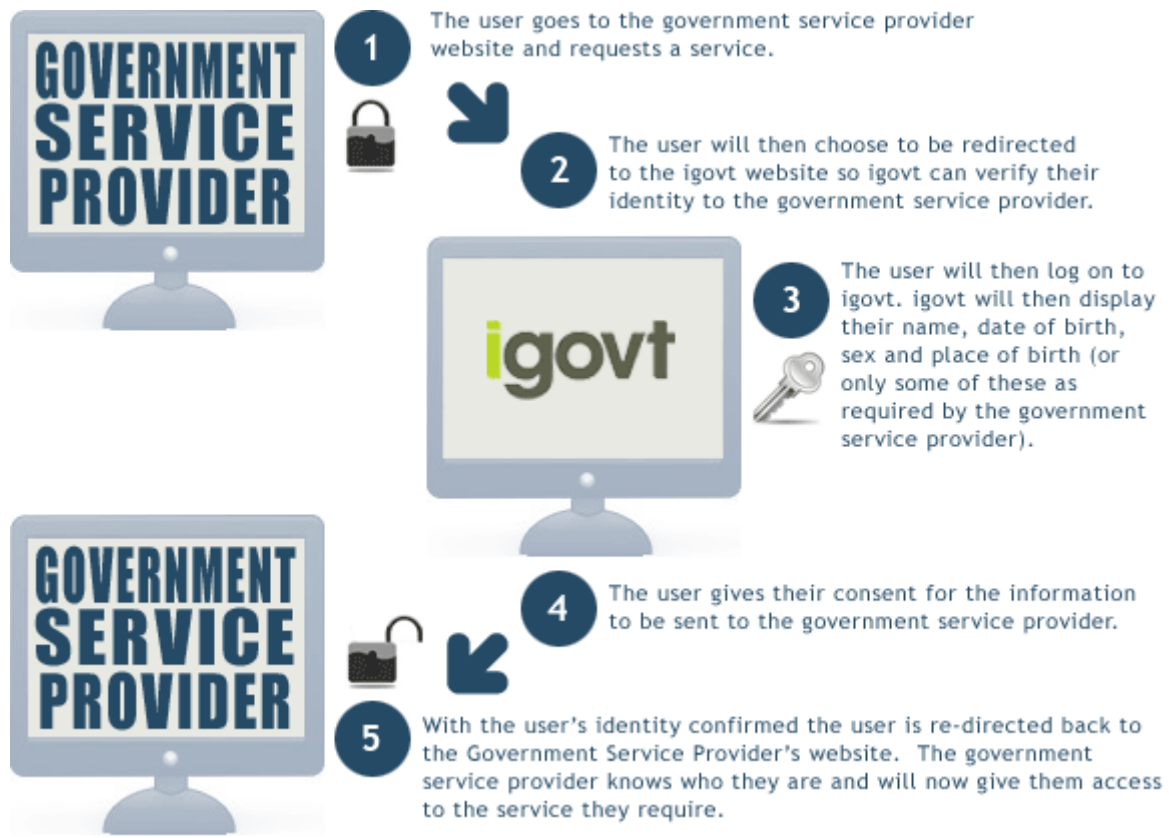


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**APPENDIX C – IGOVT IDENTITY VERIFICATION SERVICE (IVS) DETAILS**

People wishing to register with the IVS will need to do so in person. They'll need to provide a current New Zealand passport (less than five years old), or provide a citizenship certificate granted in the last five years. Once a person has joined the IVS they can use it to verify their identity using the Internet to service providers (that use the IVS) whenever they need to.

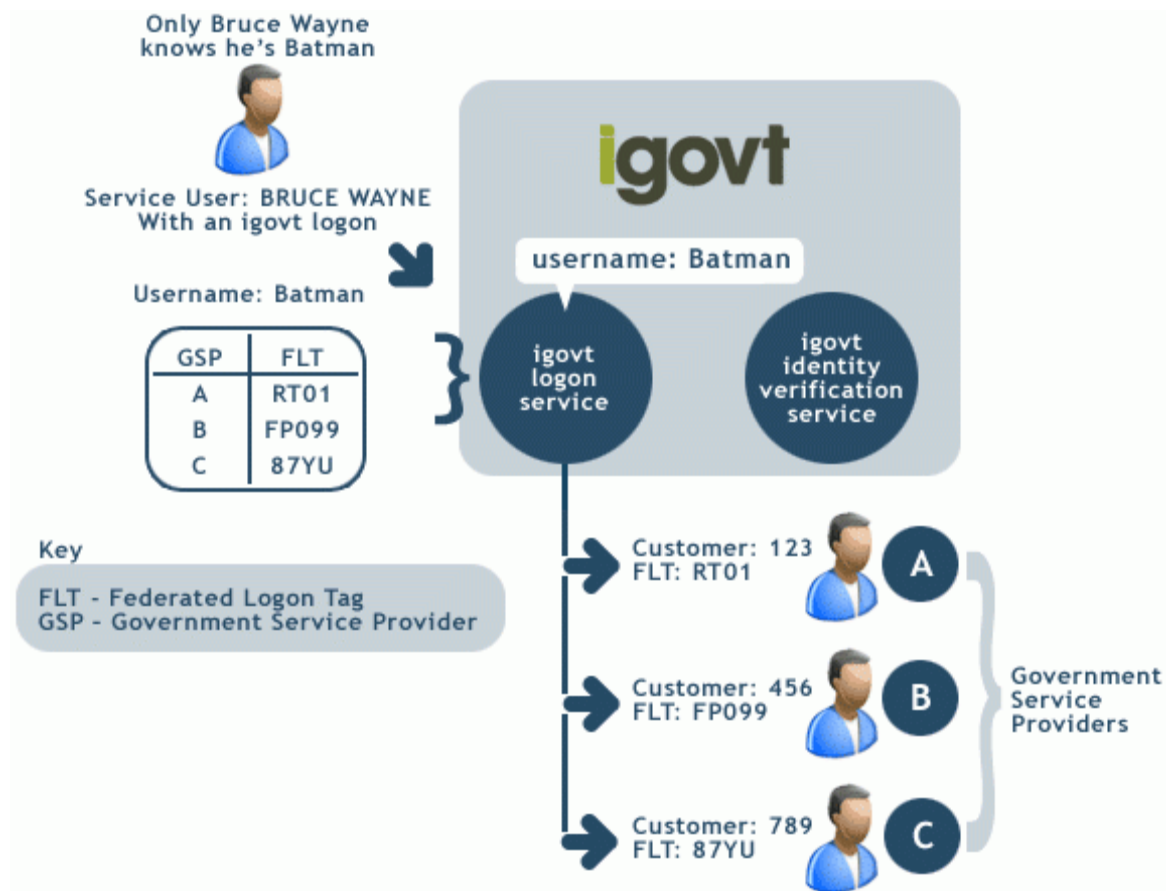
The process of using the IVS works in five key stages (in this instance, showing a government agency as the participating service provider)



**APPENDIX D – IGOVT SERVICES RELATIONSHIP DIAGRAMS**

The following two diagrams illustrate the basic relationship between the Logon Service, IVS and service providers.

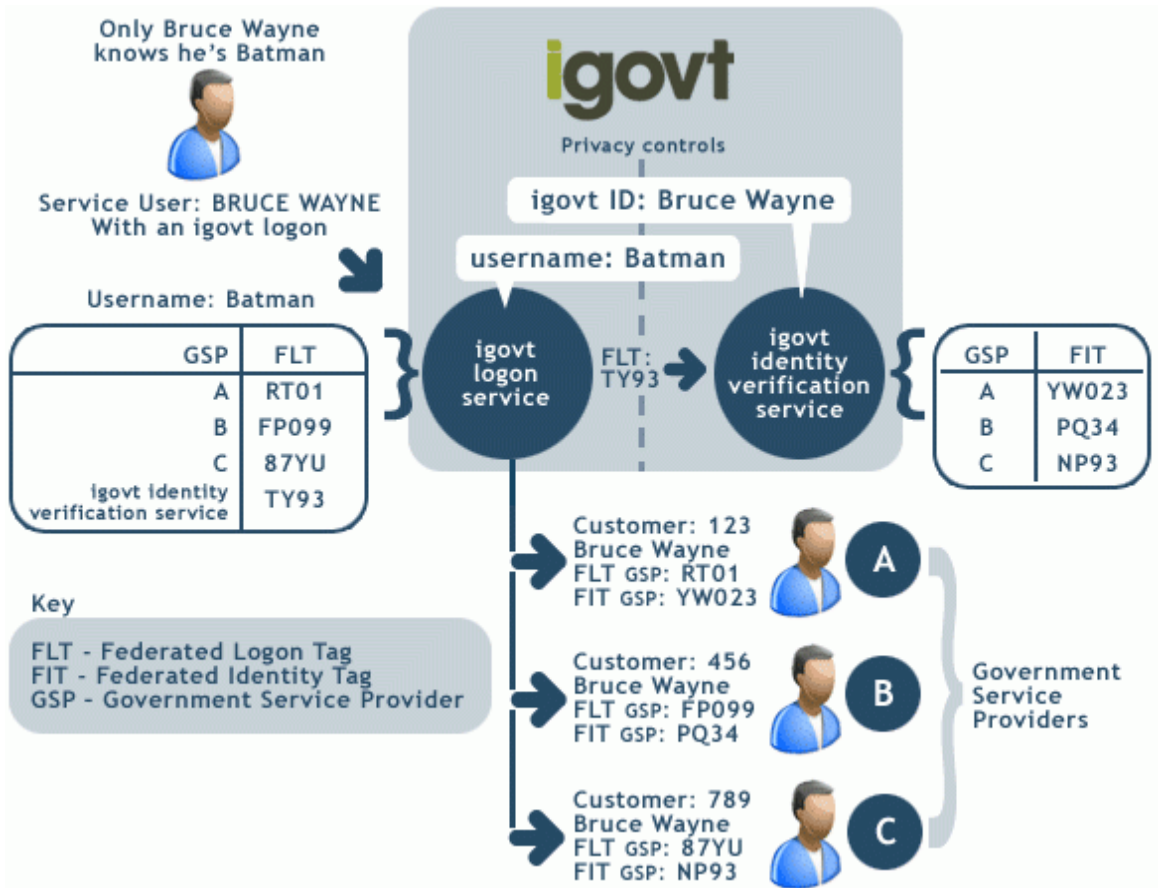
This diagram shows the operation of the Logon Service with service providers (no IVS involved).



A person, 'Bruce Wayne' has an igovt logon, his user name is 'batman'. He used this logon to access service providers' web sites. For each service provider a unique Federated Logon Tag is created.

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This diagram shows the operation of the Logon Service and IVS with service providers.



**IPCO RESPONSE TEMPLATE**

This template can be down-loaded as a read/write file for you to fill in electronically. Please expand any of the boxes or add appendices, if you need to. A downloadable version is also at [www.dia.govt.nz](http://www.dia.govt.nz)

Invitation to Present Commercial Opportunities Online Authentication Programme Relationship		
<b>TO: Department of Internal Affairs – DIA/2009/110</b> tenders@dia.govt.nz		
ITEM	DETAIL	
<b>1. Respondent's details</b>	Organisation name	
	Address	
	Contact person	
	Phone number(s)	
	Email address	
<b>2. Respondent's organisation</b>	Organisation background	
	Size of organisation	
	Outline of the potential team(s) for these services	
	Location where services and other activities are provided	
	If a subsidiary, details of the parent organisation(s)	
<b>3. Outline partnerships or other arrangements formed to</b>		

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<b>respond to IPCO</b>		
<b>4. Knowledge and experience of PPPs or other arrangements</b>		
<b>5. How you will address IPCO objective</b>	Specialised expertise	
	Innovative ideas	
	Sharing risk	
	Branding benefits	
	Market penetration	
	Other attributes	
<b>6. Potential conflicts of interest</b>		
<b>7. Type of PPP or other arrangement presented</b>	Operator (PPP)	
	Member of a cooperative (or consortium)	
	Co-developer	
	Direct user	
	Other commercial relationship	
<b>8. Overview and details of PPP or other arrangement presented</b>	Funding model/options	
	Pricing model/options	
	Potential service extensions	
	Value for money justification for entering into commercial	

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	relationship	
	Market for users, including own use levels	
	How you will meet the commercial relationship outcomes	
	How you will address the commercial relationship parameters	
	Estimated time period for commercial relationship set-up	
	Estimated time period for full service roll-out to private sector or government agencies, or both	
	govt services user uptake projections	
<b>9. Details of credible and innovative payment options</b>	Payments for intellectual property and cost recovery	
	Payment of partnership or other arrangement set-up and maintenance costs (incl. payment of advisers engaged by the Department)	
<b>10. Other matters</b>		
This response is in accordance with the IPCO issued by the Department on 27 August 2009. The respondent acknowledges the conditions, parameters, objectives and outcomes in the IPCO.		