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***CIVIL IDENTIFICATION PROJECT
FOR PERU
FEASIBILITY STUDY***

***PREPARED FOR:
IDENTIDAD
PERU'S NATIONAL REGISTRY FOR IDENTIFICATION
AND CIVIL STATUS***

***BY:
THE INTERNATIONAL FOUNDATION FOR ELECTION
SYSTEMS
(IFES)***



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FEASIBILITY STUDY

PERU CIVIL IDENTIFICATION PROJECT

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INTERNATIONAL FOUNDATION FOR ELECTION SYSTEMS



FEASIBILITY STUDY FOR THE CIVIL IDENTIFICATION PROJECT IN PERU

EXECUTIVE SUMMARY

1. INTRODUCTION

- 1.1 The International Foundation for Election Systems (IFES) is a non-partisan, non-profit organization providing technical assistance to electoral officials and government ministers responsible for national registers and elections. Established in 1987, IFES has worked in more than 90 countries and currently has 122 employees in 19 regional offices in Europe, Asia, Africa and Latin America. IFES has been active in Peru under USAID contracts since 1992, and established an office in Lima in 1994 in order to provide on-site technical assistance to the electoral authorities and the National Registry of Identification and Civil Status (IDENTIDAD). This study represents a continuation of the support which IFES has been providing to IDENTIDAD in its important task of issuing reliable and secure identification documents to Peruvian citizens in order that they may, among other important activities, participate in the electoral processes of the country.
- 1.2 This feasibility study of the Civil Identification Project in Peru, hereinafter called the Project, was developed in accordance with a technical cooperation agreement issued to IDENTIDAD by the U.S. Trade and Development Agency (TDA). The study consists of five documents which cover various aspects of the Civil Identification Project in Peru and the issuance of a new National Identification Document (DNI).
- 1.3 The first document presents an Analysis of Financial Alternatives, intended to demonstrate the feasibility of financing the Project, with or without the support of international donors such as the Inter-American Development Bank (IDB). It is important to note that a loan from the IDB, for example, would allow a one-time free distribution of the DNI to all adults, including those who might otherwise be unable or unwilling to pay a fee for the new ID card, which would considerably increase the social benefit of the project and allow a substantial improvement in the quality of life in the country to be achieved in the short term, given the fact that the new document would safeguard citizens' rights and contribute to the climate of trust regarding the identity of persons.
- 1.4 The second document is the Technical Feasibility Study, which includes the technical details

of the Identification System, the Collection of Data and Images, the Data Base, the National Identification Document, the Communications System and the safeguards for any contingencies.

- 1.5 The third document presents a Social Impact Analysis of the Project. This analysis demonstrates that a new identification document would be of great value to the various social groups in Peru, and in fact is a necessity for the development of democracy and a market economy. This document includes specific recommendations and considerations to achieve the issuance of the DNI to marginal populations.
- 1.6 The fourth document is an analysis of the environmental impact which the production and the distribution of the new DNI may have.
- 1.7 The fifth document covers the legal aspects related to the project and constitutes a guide to legislation in force in Peru, relating to the process for issuing the DNI and exchanging the existing Voting Booklet for the new DNI, the contracting of suppliers for issuing the DNI, and the financing options for the project.

2. BACKGROUND

2. A The Electoral Register

- 2.A.1 Suffrage is mandatory for all citizens of Peru. From 1962 and until the adoption of the 1993 Constitution, the National Elections Board (JNE) was the State Entity responsible for administrating and conducting all electoral processes. One component of its institutional structure, the Electoral Register (el Registro Electoral), was the entity charged with issuing the so-called Voting Booklet (LE) to all citizens of legal age and with maintaining the corresponding registers. The LE was intended primarily for identifying those citizens able to vote, but it also perforce served as an identification document, attempting to fill the void which existed for identifying citizens in general.
- 2.A.2 In 1984, the JNE conducted a general re-registration of the population by issuing a new Voting Booklet. The data for the re-registration was taken from previous documents and allowed changes to be made to these data without any restriction, on the verbal request of the booklet holder. This resulted in the creation of a new Electoral Register based on a central file

which contained the Registration Forms. This entire process was carried out by hand.

- 2.A.3 The Electoral Register was established by 240 offices and 900 employees throughout the country with independent Registers at each office. Registrations were not compared between Offices, causing frequent cases of multiple registrations for a single individual. The source of information used was the Military Booklet (record of military service), and eventually Birth Certificates.
- 2.A.4 Following enactment of the 1993 Constitution and Law 26497 of July 1995, creating IDENTIDAD, this institution took charge of the Electoral Register. The Registry was, frankly, in chaos; the issuance of the LE and its duplicates frequently had errors, and its content was not consistent with the forms from the central files. Many cases of falsification and adulteration were detected and the Les, because of their age and frequent use, were in a deplorable condition, and they were not at all reliable for either the users or the authorities. The forms in the central files were also in very bad physical and environmental condition, lacking any security standard and with an unacceptable lack of updating. Based on this deficient information, a computer file had been created which was intended to be used for printing the list of voters, and which therefore contained only some data from the Forms. As a result, this file became a source of problems rather than a solution during electoral processes, because it is estimated that the percentage of errors in the voters list exceeded thirty percent, including numerous deceased persons, since the information contained in the file was not continuously updated.

2.B The National Registry of Identification and Civil Status (IDENTIDAD)

- 2.B.1 The 1993 Constitution of Peru created a new electoral structure which divided up the functions of the JNE and added others, creating three autonomous entities comprising a new Electoral System. The JNE ceased to be a State Entity and became a Board for Electoral Matters; the National Office of Electoral Processes (ONPE) was charged with the administration and conduct of elections; and IDENTIDAD was assigned the responsibility of a new Single Register of Identification and Civil Status for individuals, which would records the facts and acts (such as birth, marriage, death) relative to the civil status of citizens. IDENTIDAD is also responsible for issuing the national identification documents and the corresponding certifications.
- 2.B.2 Charter Law No. 26497 of July 1995 specifies that IDENTIDAD is an autonomous entity with authority in relation to registration, in all its technical, administrative,

commercial and financial aspects. IDENTIDAD includes the Electoral Register, the Civil Registers, the Personal Register and the Naturalization Register.

- 2.B.3 IDENTIDAD, which began its operations in December 1995, was organized as a private company. Strategic planning was carried out to achieve the goals assigned by Law, establishing schedules and assigning specific functions to ensure compliance with the established goals and allow adequate control and monitoring.
- 2.B.4 One of IDENTIDAD's key objectives is to achieve commercial autonomy, that is, to no longer require funds from the Public Treasury, thus ceasing to be a cost center for the national government and becoming a management center.
- 2.B.5 IDENTIDAD controls directly the management functions of planning, control and administration, while outsourcing technical and operational activities. This method of operation, which is increasingly accepted in institutions and companies throughout the world, is characterized by maintaining a small organization with the capacity to relate to experts in each of the specialized functions, particularly those which require a greater investment in technology or other resources, and this has translated into greater efficiency and lower costs.

3. PILOT PLAN FOR THE PROJECT

3.A Issue of the Automated Voting Booklets (LEM)

- 3.A.1 In order to comply with its legal responsibilities and institutional strategy, in only four months IDENTIDAD planned, developed, contracted and started up by the end of November 1996, a pilot plan which allowed its organizational structure to be streamlined and its personnel reduced to 400 employees. The manual of forms and the old files for a computerized system with a single data base were changed.
- 3.A.2 The reorganized files allowed the centralized issue of new identification documents called Automated Voting Booklets (LEM), which introduced advanced security elements.
- 3.A.3 Furthermore, the functions and location of the public registry offices were re-assigned, giving them adequate technology, and using outsourcing to administer technical and operational activities.
- 3.A.4 This pilot project was designed to observe and adjust the operation of the overall strategic plan and thus to demonstrate the technical and financial feasibility and

social and environmental impact of the Project, and of the issuance of the DNI.

3.B The Provisional Identification Document (DPI)

- 3.B.1 Studies carried out by UNICEF, with which IDENTIDAD has an institutional cooperation agreement with, show that in Peru between 17 and 20% of the population has never been entered in the Civil Registers. That is to say, these citizens do not legally exist, they have no documents, they cannot exercise their rights as citizens and they are not integrated into the economy of the country or Peruvian society.
- 3.B.2 In order to resolve this problem, IDENTIDAD began the Provisional Identification Register, from which a Provisional Identification Document (DPI) is issued. The DPI is valid for two years, issuance began in October 1996, and it will allow at least 600,000 undocumented citizens to be incorporated into the National Registry. In order to issue the DPI, the technology which IDENTIDAD had implemented in the pilot LEM plan was used. The control of registrations, by the taking and recording of fingerprints, guarantees non-duplicated registration and avoids future attempts to change identity by documented individuals. The DPI will eventually be exchanged for a National Identification Document (DNI) and DPI holders will be automatically incorporated into the Single Identification and Civil Status Register.
- 3.B.3 The problem of registering births will be handled by IDENTIDAD when it incorporates the Civil Registers in the next stage of its strategic plan, solving the root of the problem of undocumented persons.

4. INSTITUTIONAL PROJECTIONS

IDENTIDAD has established a term of one year for the pilot plan and the delivery of the LEMs, ending in December 1997. The issuance of a total of 2,249,000 LEMs is planned, which is calculated to be approximately 15% of the total final data base of adult Peruvians. The institution believes that the term established and the production volume are sufficient to test the characteristics of the project and confirm its integral feasibility.

Once the pilot plan is completed, IDENTIDAD will start the issuance of the National Identification Document (DNI) to all citizens of legal age. The schedule established for 1998 - 1999 is as follows:

4.A January - December 1998

- 4.A.1 From January through June 1998, issue the DNI to the **2,249,000** citizens who obtained the LEM. This process will be free and will not require additional processing, due to the fact that the data base already contains the updated images and information.
- 4.A.2 From January through June 1998, issue the DNI to the 1,716,000 citizens who have the former LE. The process of registration, by law, must be suspended in July 1998 because in that month the schedule of preparations for the November 1998 municipal elections begins, with the issue of the list of citizens registered to vote. For this reason, it is necessary to halt additions or changes to the information in the data base for up to one month after the election process is carried out.
- 4.A.3 From July through November 1998, the DNI will be delivered to **an estimated 1,540,000** citizens who need a duplicate of their identification document, because it was lost or has deteriorated. Within the electoral schedule, the Law only allows the issue of duplicate documents for up to 24 hours before elections.
- 4.A.4 In December 1998, the new DNI will be issued to **154,000 citizens**, once the municipal electoral process has concluded.
- 4.A.5 The overall program which has the following totals:
 - DNI's delivered before municipal election: 5,505,000 (38% of the total)
 - DNI's delivered in all of 1998: 5,659,000 (39% of the total)

4.B January - December 1999

- 4.B.1 IDENTIDAD will deliver an average of **731,075** DNIs per month, reaching a total of **8,772,900** for the year, which represents the balance of 61% of the total number of adult Peruvian citizens of **14,431,900**.
- 4.B.2 Under this schedule, all Peruvian citizens will be able to use the DNI in the general elections of April 2000, and the first major objective which the law assigns to IDENTIDAD will have been achieved. The election process will be facilitated and a new environment of trust and security will be created among the population.

5. SUMMARY OF VIABILITY OF THE CIVIL IDENTIFICATION PROJECT PERU

In order to determine the viability of the Project, IFES observed the Pilot Plan for the issue of the LEM and reached the following conclusions:

5.A Technological Viability

- 5.A.1 The technology used is state of the art. The new data base records and uses finger prints as an identifying element. Through a computer-based process, the details of fingerprints are converted to an algorithm, the numeric result of which allows one fingerprint to be compared to all finger prints whenever the data base is updated. In this manner, multiple records for a single person are prevented. The images of the photo and signature of the registrant are also captured and stored, together with the fingerprints and the corresponding data such as date of birth.
- 5.A.2 In the LEM, high security paper is used with specific graphic characteristics, total printing (data and images) with laser technology, bar codes and coating with a plastic film with ultraviolet characters and molecular integration with the base, thus avoiding the possibility of altering the document, because it would be destroyed. From December 1996 through July 1997, more than 1,200,000 LEM's have been delivered. There is no indication of any instance of falsification or adulteration of the new documents. Under the previous system and during the same period, some 300,000 citizens were served, with the limitations indicated in Section A above.
- 5.A.3 At the same time, a service was implemented via the Internet for authorized users. The service allows access to the data base to verify non-confidential information. Other options from the Internet menu allow one to read the objectives of IDENTIDAD, the location of its offices, its list of fees and charges, and to use e-mail to communicate with IDENTIDAD.
- 5.A.4 The entire computerized system has an integral contingency plan. Security is sophisticated; for example, the information is copied to a second computer, magnetic disks are used with RAID technology (Redundant Array of Independent Disks), the images are stored on optical disks, there are internal and external backups on magnetic cartridges and a firewall processor protects the system from access through data base keys,

over the Internet.

- 5.A.5 What is stated in relation to the technology used and its practical operation, shows the technical viability of using the same technology and procedures for the issuance of the DNI.

5.B Financial Viability

- 5.B.1 The financial results for December 1996 through July 1997 have been positive: income of USD 8,001,000 and total expenses, including all services, of USD 7,836,000. This includes the free delivery of the LEM's to new citizens and to those undocumented persons receiving the DPI.
- 5.B.2 The cash flow for the pilot project (December 1996 through December 1997) had total income of USD 14,995,000 and total expenses of USD 14,686,000, yielding a positive financial balance.
- 5.B.3 The issuance of the DNI will proceed in this same manner of operation. Our financial projections are consistently positive in the long term, in an analysis of options which use economies of scale and which range from -10% to +26% of the current cost per document in the Pilot Project. All the options include operational and administrative expenses, and all show the Project's financial viability.

5.C Social Impact

- 5.C.1 With the Pilot Project for the issue of the LEM, a new method of operation was implemented, rationalizing the location and the technology of IDENTIDAD's offices. In addition, in order to improve service to the user and to facilitate acceptance of the changes, an extension service was placed in operation, which serves people at their place of work. Institutional efforts to improve the quality of service and the dissemination of information concerning the benefits of exchanging documents generated new demand, of which 50% was comprised of persons who voluntarily exchanged their LEMs. These persons saw in the LEM the benefits of having a secure and reliable ID document.
- 5.C.2 In December 1996, IDENTIDAD began serving 2,000 persons daily, a

volume similar to the number served by the previous manual method, and by June 1997 was serving 11,000 persons daily. IDENTIDAD is planning infrastructure which will be capable of serving up to 30,000 persons per day.

- 5.C.3 The growing interest and acceptance by the public of the LEM and the reliability which this document provides to public and private institutions, clearly shows the need for exchanging the LE's for a document with the characteristics of the DNI. The consolidation of a data base which allows a unique and national registry of citizens, and which is regularly updated according to the law, also benefits the Peruvian State, by facilitating the integration of all its citizens into the economy and the society, and facilitating the delivery of social services.

5.D Environmental Impact

- 5.D.1 The technology used in the production of the LEMs complies with internationally accepted standards for conserving and protecting the environment. The handling of supplies includes recycling of the printing inks and paper. The degradation of materials such as paper and plastic film is within the standards of the industry. Therefore, the projected environmental impact of the issuance of the DNI is minimal and does not represent any threat to the environment.

ALTERNATIVE FINANCING ANALYSIS

INTERNATIONAL FOUNDATION FOR ELECTION SYSTEMS



PROJECT FOR CIVILIAN IDENTIFICATION IN PERÚ

ANALYSIS OF FINANCIAL ALTERNATIVES

1. INTRODUCTION

- 1.1 For the purpose of this analysis, the Project for Civilian Identification in Perú, planned by IDENTIDAD, has as its goal and chief objective to allow all Peruvian citizens of legal age to exercise their right to vote in the general elections of the year 2000 by means of the new DNI. This document will offer greater assurance of citizen identity and improve transparency of the electoral processes. In order to comply with the aspired goal, issuance of approximately 14 million documents has been foreseen for the years 1998 and 1999, to an equal number of citizens.
- 1.2 This purpose in mind, it is beneficial to analyze, from a financial standpoint and in an unified manner, three factors that directly correlate to the success of this project and for which financing is required. The first, refers to the financial capacity required to venture into a project of such magnitude within a limited lapse of time (two years). The second one extends to the financial essentials required to adopt a strategy that allows the development of an educational plan directed toward creating social consciousness of participation in the project. And, the third requires gathering with the constituents of the Joint Venture Society that shall proceed with the production and distribution of the DNI, to thus, establish a final cost for production and distribution of the document.
- 1.3 This analysis contemplates the fundamental aspects involved in these affairs, from a purely financial perspective. The projections on the evolution of the project, in terms of production requirements, are based on experience obtained from the Pilot Project for Emission of the Mechanized Electoral Card (LEM), begun in 1997, and to be continued until the latter part of the present year. The viability of the project pertaining other aspects directly related to the success of this Project is envisioned in other reports which, as this one, form part of the Integral Feasibility Study effected by the International Foundation for Election Systems (IFES).

- 1.4 The pilot project, which includes participation of the private sector in charge of the operational aspect of production and distribution of the LEM, through a Joint Venture Association with IDENTIDAD and other private enterprises, has yielded highly positive results regarding the viability of the established goals for the project for emission of the DNI. Consequently, we could ascertain that the favorable conditions involved in the production and distribution of the identification documents will be maintained for the issuance of the DNI. In order to comply with this purpose, adequate financing is indispensable to fund the operations required for execution of project. The foremost objective of this report is to study the financial viability and possible alternatives for project financing.
- 1.5 To comply with the described objective, a financial feasibility study has been prepared, incorporated in this document. Several cost scenarios have been developed, that include particular models directed to the analysis of the financial viability and financing alternatives of the project. Embodied in this financial evaluation are the following factors: gratuitous distribution of the DNI for all adults; and the requisite for citizens to contribute with the tariff in force, when applying for duplicates and renewal of DNI.
- 1.6 The drawn charts, presented in this document, include several financial strategies which represent variation alternatives in the production cost of the DNI. The possibility of financing through a multilateral credit entity, such as the Inter-American Bank for Development (IDB), is analyzed as a viable means for the project. The suggested financing setting would comply with the conditions and credit policies used by the IDB in similar credit operations. To this effect, a separate draft has been developed which presents a functional example of the document required by the IDB for this type of financing.
- 1.7 Part of the conclusion of this study pertains to charts that represent summaries of the detailed analysis of alternatives presented. Details on the alternatives, represented in charts, are enclosed in Annex A of this document.

As follows, two charts holding the summary of the analysis done using the base alternative, in which the present cost per unit is maintained:

Project Cost For Emission of DNI			
	Costs	Loan	%
Loan Required		60,718	100%
Total Cost of Project	48,382		80%
Work Capital required	12,336		20%

Calculated in thousands of dollars US

Total Operation Cost for IDENTIDAD - First Years 4 years				
	Income	%	Expenses	%
Income from IDENTIDAD	52,072	46%		
Operation Expenses IDENTIDAD			64,408	57%
Total Cost DNI Project			48,382	43%
Contribution IDB	60,078	53%		
Donation IDB	640	1%		
TOTAL OPERATION	112,791	100%	112,791	100%

Loan Calculations	
SUPPOSITIONS	BASE*
Loan	60,078
Annual Interest(%)	6%
Term in years	20
Term in months	240
Monthly Payment	\$430
Annual payment	\$5,165

* Payment of principal begins on the fifth year.

TECHNICAL FEASIBILITY STUDY

INTERNATIONAL FOUNDATION FOR ELECTION SYSTEMS



1. SUMMARY

In order to comply with the primary purpose of the National Register of Identification and Marital Status, hereinafter called "IDENTIDAD", to identify individuals, a central database is needed, as well as the positive identification of individuals and the issue of a National Identification Document (DNI) which offers the guarantees of a very secure document which is very difficult to falsify and alter.

With the project for the issuance of Automated Electoral Cards (L.E.M.) the bases for a technological platform for the development of these three requirements has been established.

The database to be implemented must have the capacity to handle biographical and biometric data in a population of 26 million citizens with an annual growth of 3%. The database system which is most suited to these requirements is the relational model for the handling of data and the use of pointers for access to photographic images, fingerprints and the signature of each person.

In order to guarantee that there is a single entry per person, the fingerprint must be used as the invariable and unique biological characteristic of a person. Two basic processes must be carried out for this purpose: 1) the identification process, where the codes for the fingerprints are compared against all others, and 2) the verification process, where the fingerprint code stored on a transport medium is compared against the code of a fingerprint entered using a fingerprint scanner.

In order to perform one-to-one verification of the person with the document which they hold, the two dimensional bar code will be used as a transport medium, since it has the greatest storage capacity at the lowest cost. The two dimensional bar code will contain the fingerprint code and the unique identification code.

In order to establish the database with the required information and process the fingerprints of the citizens, a decentralized strategy is established for collecting information. The collection systems to be used, whether manual, automated or mixed, will depend on the volume of attention, ease of access, electrical infrastructure and communications infrastructure, and the level of preparation of the parties carrying out the registration.

There are provinces where the volume of attention to the public does not justify the costs incurred in maintaining a registration office in the region. In these cases, mobile offices will visit these sites on a monthly, weekly or other basis, depending on the volume of people and the average processing capacity of one worker. For these cases, manual data collection forms will be used.

In order to serve large volumes of persons, local area networks (LAN's) will be used, which will be connected to the central server via a dedicated line, in order to have access to the central data base and to verify the applicant's data on site. Image capture stations with special devices will be used. These devices will consist of digital cameras for taking photographs, fingerprint scanners and signature digitizing tablets. By using these devices, we are assured of obtaining adequate quality in order to obtain a quality DNI and process fingerprints satisfactorily. The data captured will then be sent to the central site in order to carry out the identification process using an AFIS system.

Depending on the volume of information to be transmitted from the collection sites to the central site, switched or dedicated lines will be used. In both cases, the interconnection will allow the collection site to become part of the central site's network, forming a wide area network (WAN).

Once the person is identified, the National Identification Document (DNI) is issued.

The DNI will be issued centrally. Central issue sacrifices speed for greater security for the document and its supplies.

The document will be printed on security paper because it has been determined that the number of security elements which may be applied to it is greater. In this manner, the DNI will be less susceptible to changes and falsification.

The level of security of the document is proportional to the number of elements applied to the materials, and constant efforts must be maintained in order to improve this level by means of technological changes. The issue will have several levels of security involving each of the following aspects: 1) base material, 2) printing, 3) optical/graphics elements, and 4) coating material.

Due to the importance of the process within the purposes of civil and identification registers, the registers must be permanent, they must not experience interruptions of any kind and they must be completely available. For this reason, we will have two processing and issuing centers which will back each other up.

2. INTRODUCTION

2.1 Background Information

The National Register of Identification and Marital Status - IDENTIDAD - was created in July of 1995, with the primary mission of organizing and maintaining the Single Identification Register for individuals, and registering the facts and acts relative to their capacity and marital status. It was also intended to issue the National Identification Document (DNI) with a unique identification code.

At the time of its creation, the electoral register and the civil, personal and naturalization registers were transferred to IDENTIDAD. The first of these contains the data on those persons who reached legal age (18 years), and therefore have the right and obligation to vote, and the latter registers include births, marriages, deaths, adoptions and naturalizations, among other items.

The Electoral Register

When IDENTIDAD was stated, it had 240 electoral registration offices and 900 employees who, using a manual system, had the capacity to process 2,000 persons per day. These offices operated independently and no information was cross-listed between them, and it was possible for a person to be registered in several offices under different "identities".

The electoral register gave a voting card as a voting document and at the same time as an identification document, using pre-printed forms, without security elements. It was possible to obtain pre-printed forms on the black market and thus give new or alternate identities to an individual. The data on the person were handwritten and the photo was glued to the document. The Voting card also included a fingerprint, but it apparently had no practical application.

This situation rendered the document unreliable and unsafe, due to its frequent forgeries and falsifications.

It was necessary to create a unique database, a method for avoiding duplicate records and a document which was secure against forgeries and falsifications.

A Unique Identifications Register was created for the adequate identification of the people, including civil acts which are subject to registration. In the first stage people of legal age were included. The files of the Electoral Register which include personal data and electoral data on active citizens (those 18 years of age or older) had to be purged.

In order to achieve this the Mechanized Electoral Card (LEM) project was implemented. At a later stage, the civil registers will be incorporated into the unique identification register.

Now we have a computerized system, with a central database which contains the demographic data on the individuals, as well as the biometric data from the photo, the fingerprint and the signature of the person. Any new record for a person is first compared against the database in order to ensure

the accuracy of the information. The complete purging of the database will be carried out by voluntary re-registration, for the issue of the Mechanized Electoral Card or the re-registration of the people for the issue of the DNI.

The Mechanized Electoral Card is 2/3 the size of the previous Voting Card and it uses bar codes and other security elements which prevent changes to the data and make it difficult to forge. In this manner, individuals and institutions are ensured that a person is who they claim to be. The document is printed in its entirety, including the fingerprint and the photo, using a laser printer, on high security white paper. The printing is centralized, and the excess paper is controlled. The Card is then laminated with molecular integration between the paper and a security coating.

Currently the Register has 87 stationary offices and 107 rotating offices for serving work centers or clubs, and 180 people. Seven thousand people are processed daily, and it is expected that this figure will increase to 9,000 and 12,000 in 1997.

The collection of data is manual and later, automated. The data is keyed in and the images are digitized. In the registration process, the data from the form are compared against those from the original record and any change must be documented.

Civil Registers

In a subsequent project, after the issue of the DNI, which includes only people of legal age, the Unique Identification Register must include individuals from their birth and all actions which change their marital status. As a result of the inclusion of the civil registers in the unique identification register, a National Identification Document (DNI) and a unique identification code will be issued.

2.2 Purposes of the Document

The DNI must be reliable and secure. For this purpose, it must utilize security technology which prevents its alteration and makes it difficult to falsify, thus protecting the person and the institutions. In order to avoid alterations, the data printed on the document as well as the photo and the fingerprint must be protected with a laminate which, when one attempts to remove it, destroys the laminate and the document. In order to avoid forgeries, the DNI must be printed on exclusive materials, or materials which are difficult to obtain. Various printing processes must be used, such as offset micro-printing, laser printing, etc., and it must include additional security features, such as holograms, kinegrams, two-dimensional bar codes, among others.

The validity of the document must be proven at three levels:

1. By sight.
2. With portable, low-cost equipment (e.g.: fingerprint vs. two-dimensional bar code).
3. Comparison against the data base (one-to-one).

The information contained in the DNI must come from the database which includes the biographical data as well as the images of the photo, the fingerprint and the signature. It shall also contain the unique identification code assigned to each individual, which will identify him/her with the state and society from the moment of their registration. The information from the database must be updated with the periodic renewals which the DNI shall be subject to.

The DNI must be used for identification and for electoral processes. IDENTIDAD will give the electoral authorities the list of individuals who have reached majority and are qualified to vote, based on the Unique Identification Register data base. The DNI must include the voting information in its design.

The DNI will be reissued periodically, every three years, up to the age of 6 [sic.] and every six years up to the age of 65. The fingerprints, photograph and signature will be updated in the database every 6 years.

2.3 Identification Requirements

- A database for the Unique Identification Register, which has the capacity to determine the identity of persons in a population of 26 million, with an annual growth rate of 3%.
- That the system not allow multiple registrations of a single individual, verifying in the collection process that this person is not registered in the database under another identity. Using biometric characteristics which are unique for each individual, in a tested, automated system used in similar citizen identification applications.
- That the system allow all acts related to civil registers, personal registers and naturalization registers to be recorded, such as:
 - Births, marriages and deaths;
 - Resolutions which declare a person incapacitated, and which limit the capacity of persons,
 - Resolutions which declare that a person has disappeared, is absent, is presumed dead and the acknowledgment of their existence;
 - Rulings which declare a person not qualified, which impose a civil restriction or loss of parental rights and duties;
 - Acts for determination of guardians, listing the property inventoried and the list of guarantees provided, as well as when the guardianship is completed, or when the person is no longer the guardian;
 - Resolutions which prohibit the exercise of civil rights;
 - Resolutions which declare a marriage to be annulled, or divorce, separation and reconciliation;
 - Separation of assets agreement and its replacement, non-conventional separation of assets, the corresponding security measures and their termination;
 - Declarations of bankruptcy;
 - Adoption rulings;
 - Name changes or additions;

- Recognition of children;
 - Adoptions;
 - Naturalizations and the loss or return of citizenship;
- The data base must include demographic information on the individuals, such as name and surname, date and place of birth, physical characteristics, marital status, among others; as well as biometric data such as a photo, signature and fingerprint. It must also include family relationships, such as marriage relationships, mother and father, as well as relationships with children using the unique identification code.
 - That the data collection system for individuals be low-cost and the technology used must be consistent with the volume of transactions, the power and communications infrastructures, access routes, etc.
 - That the process for issuing documents be quick and low-cost, without sacrificing the reliability of the data contained therein. This means that the comparison of the information presented by the individual and the verification that said individual is not already registered in the database, shall always have priority over the speed with which the document is issued.
 - That the identification be verified on three levels:
 - Basic level, not requiring special training or the use of auxiliary equipment using photography.
 - Middle level using simple, economical equipment which allows a one-to-one verification to be made of any biometric characteristics, against the code stored on the card.
 - High level, using sophisticated equipment which allows a one-to-one verification of any biometric characteristics with the code stored in the database.
 - That the system verify the identity of the individual at high speed, in real time, using the coding of the biometry in a mathematical formula.
 - That the document have variable optical security elements for the verification of its authenticity, without requiring special training or the use of auxiliary equipment. That these elements help to reveal any attempts at corrupting the data on the card. Examples of this are:
 - Chemical reactions to solvents.
 - Protective sheets with variable optical elements which are destroyed if one attempts to separate the card in order to corrupt the data contained therein.
 - Ghost image over biographical data.
 - That the document have security elements which prevent the falsification of data, such as:
 - Micro-printing which is not seen at first glance, but which when photocopied, causes the word "COPIA" [copy] to appear.
 - Printing with inks only visible under ultraviolet light.
 - Variable optical elements on the materials, which cannot be photocopied.
 - Variable optical elements on the cover laminate.
 - The materials to be used for the DNI must be exclusive and difficult for any person to acquire.

- That these security elements be applied at various levels, and using various technologies so that forgery is difficult, because it would require an entire organization and the acquisition of sophisticated and costly equipment.
- The system must be continuously available.
- The system must include high-tech communications resources, but it must not depend on the same for the collection of information, so that complete autonomy is achieved vis-à-vis the collection sites.

SOCIAL IMPACT ANALYSIS

INTERNATIONAL FOUNDATION FOR ELECTION SYSTEMS



SOCIAL IMPACT OF THE CIVIL IDENTIFICATION PROJECT IN PERU

SUBJECT SUMMARY

The purpose of this study is to present an analysis of the possible social impact on various social spheres of Peru by the Civil Identification Project, which is being conducted by the National Identification and Marital Status Register, known as IDENTIDAD.

The study was carried out in Peru, between January and August of 1997, during which time IDENTIDAD was implementing a pilot project for the issue of an Augomated Electoral Booklet (LEM) which has allowed concrete observations to be made regarding the reactions by the people to the replacement of a document which gives very few guarantees to the bearer, with an identification document which provides security and reliability and which is solidly supported by a data base. The on-site observations have been made by personnel and specialized consultants from the International Foundation for Election Systems (IFES).

1. INTRODUCTION

1.1 A national identification document is:

- a means of identification which is valid for day-to-day life;
 - a voting document;
 - a symbol; and
 - a mechanism which facilitates the promotion of development.0
- 1.1.a As an instrument which proves parentage and biometric data, it facilitates the legal security of citizens. Issued with adequate guarantees, it allows the entire population to trust the processing carried out between individuals and promotes a fluid relationship between citizens and state institutions. Peruvian legislation, in addition, requires each citizen to carry an identification document at all times.

- 1.1.b As a voting document, it allows the exercise of civic rights in electoral processes and/or popular consultation.
 - 1.1.c As a symbolic item, possession of an identification document affirms the processes of citizenship and the feeling of belonging to a national political community. This point is of substantial importance in a context such as that of Peru, where society is pluralistic and heterogenous, as a result of complex historical-cultural processes.
 - 1.1.d As a mechanism for promoting development, it allows the establishment of data bases which, in turn, tend to improve governability, the processes of constructing the capital necessary in order to develop economic growth in an equitable manner.
- 1.2 The unique nature of the document allows:
- 1.2.a A reduction in the number of pieces of identification which are necessary vis-à-vis the State and private companies. This results in greater satisfaction for the user and reduced time and costs spent for conducting procedures and actions; and
 - 1.2.b Rationalization of the management of State organizations, contributing to lessening bureaucracy and reducing public expenditures.
- 1.3. The Civil Identification Project in Peru is national in scope. It is planned to be developed in two stages:
- 1.3.a The first stage covers persons greater than 18 years of age and must be completed in December of 1999 with the issue of 14,431,875 documents. This first stage marks not only the identification process but also the promotion of active citizenship, improving the performance of electoral organizations and affirming individual guarantees;
 - 1.3.b A second stage in the planning process involves the identification of minors, related to the right of identity which is guaranteed to every child and adolescent according to international conventions. This stage is not the subject of this study.

- 1.4 The observations were made during the period of the issue of the Automated Electoral Booklet (LEM) and the considerations of price or collection from the user were made in reference to the current price for obtaining the same (S/. 24). Nevertheless, IDENTIDAD has not determined whether any collection will take place from citizens in order to obtain the National Identification Document (DNI).

2. IMPACT ON VARIOUS SOCIAL SECTORS

- 2.1. Anyone who is fully incorporated into the operation of a market economy and those who travel with any frequency, have the need to interact frequently with a series of public and state organizations, and they find the use and existence of documents to be natural. This sector believes it to be advantageous to have an identification document which is unique and they want it to have security characteristics which allow one to trust in its use.
- 2.2 Sectors A and B, in the social stratification of the population - upper, upper middle and middle class -, constitute approximately fourteen percent of the population. We believe, as such, the economically active groups of the population with average incomes in excess of one thousand new soles per month. [sic.]. These sectors agree with replacing the current Voting Booklet with a DNI, with the guarantees that the latter will offer, but they expect the issuing process to be effective and efficient. These are sectors which would be disposed to pay for the document, but which requires that obtaining the same involve no more than a short process and that the delivery of the document occur as quickly as possible. In some cases, they assume that the period of time for processing should not exceed one hour in a single day. There is also the expectation that the service will be provided in duly equipped locations, which are conveniently located.
- 2.3 The middle to lower sectors of society (Sector C), which approximately include ~~thirty-three~~ percent of the Peruvian population, are in a different situation. This sector includes those economically active members of nuclear families, who have an average income of between 700 and 1000 new soles. These are individuals with a more incidental relationship with the State and the formal economy, who travel less and although they are well integrated into the market, in many cases they do so precisely under informal conditions. In this sector, in addition to the problem of the outlay of money to obtain the DNI, there is the greater obstacle, the opportunistic costs which the process means to them, given the productive work time which they must sacrifice in order to obtain it.

- 2.4 Lastly, the popular sectors (Sector D) total fifty-three percent of the population. This includes the sectors which depend on economically active members, whose compensation is less than 700 new soles. The top layer of this sector (D-1) comprises about eighteen percent of the population, and their income ranges from 300 to 700 new soles. In this case, the possible fee for the document is important, but the opportunistic cost continues to be the most relevant factor, accentuated in this case by problems involving their geographic location and access to services which the institution provides. In general this sector is on the periphery of the major urban sectors, and in particular in the areas surrounding Metropolitan Lima.
- 2.5 The rest of the sectors, a total of approximately thirty-five percent of the total population, include those who are in extreme poverty and who have a major portion of their basic needs unsatisfied. These people present the greatest difficulties. These are people whose commercially active members receive less than 300 new soles per month. Nearly one-half of this sector is indigent. For this sector, the substantial problem is money, followed by the problem of dedicating time to the processing. The members of this sector cannot pay the possible fee for the issue of a DNI and do not have the ability to get to the offices where they are issued. The indigent population, which normally comes from marginal groups in urban environments, are members of communities which are not very well integrated into the market and modern culture, coming from indigenous populations from the mountains and the forest, which are completely withdrawn and from a very low cultural level, and they perceive the processing to obtain the document as a bother, since they do not see the benefits of identification. Among these people, in addition to the practical difficulties, there is a lack of awareness of the value of the DNI. Nevertheless, it is necessary to point out that, for the Peruvian State, the identification of precisely these citizens may, in many cases, constitute a tool which is necessary in order to promote minimum social action which must be carried out in order to attain the primary goals in the context of security, health and education, and with others which are related, which point to the social development of these communities.

3. SOCIAL HETEROGENEITY AND IDENTIFICATION. SPECIFIC CHALLENGES OF THE CIVIL IDENTIFICATION PROJECT IN PERU

- 3.1 Peru is a multilingual nation. According to official data, the accuracy of which may be questioned, ninety-one percent of the adult population claims Spanish as its native language. The remaining nine percent of adults would have an alternative to Spanish as their native language. If we include estimates with minors, the figure could reach up to twenty percent of the total population of the country, and some surveys indicate that it could be even more. In the mountain region of southern Peru, the number of Quechua or Aymara speakers, as a first linguistic reference, could account for thirty-nine percent of the population, which decreases in the Andean or central mountain region to twelve percent and to eight percent for the northern mountains. In the rest of the country, this figure decreases to five percent. In this case, the language barrier, reinforced by the fact that many people's mastery of Spanish is rudimentary, points to a social problem which must be overcome. For these persons, the value of the DNI as an instrument for incorporation into modern society and citizenship is difficult to understand, but they are precisely the people who will benefit most from a document which allows them to become part of the political and/or economic processes of the nation. For anyone who does not use Spanish as their first language, common political concepts relative to the nation state are somewhat foreign. In this case, overcoming the difficulties of motivation to carry out the process of replacing or substitution and obtaining the identification document, would require citizen education campaigns which are geared specifically to the various cultural universes and sectors, which are able to make modern concepts intelligible and point out the benefits of adequate identification, in daily terms.
- 3.2 The problem of indigenous peoples residing in jungle regions must be taken in a special context. Although nearly nine percent of the total population may be considered to be in this category, only a portion of them continue to reside in environments which are not integrated into the market loop and in places which are practically inaccessible. For this group, a special effort at integration would have to be made, which would probably require the registrars to travel to the regions where they live.
- 3.3 Furthermore, it must be pointed out that a specific goal for IDENTIDAD is the problem of undocumented persons, all those Peruvians who have never had an identification document and who lost access to any document proving their nationality. UNICEF has indicated to IDENTIDAD that, according to their estimates, the percentage of undocumented persons in Peru may be twenty percent. IDENTIDAD has already established a program through which citizens in this category are able to obtain the Provisional Identification Document (DPI) which gives them the same benefits as the DNI except for voting. The provisional period of the same (two years) is what the Institution has determined to be necessary in order that once the data from these citizens

is entered into the Unique Identification Register and the legitimacy of the registration data is confirmed, they may immediately obtain the DNI.

- 3.4 IDENTIDAD has also given particular consideration to the case of the affected populations due to the political violence which prevailed until the beginning of the 1990's. According to various estimates, nearly 600,000 people had to move from their homes due to this violence. As a result, many of them lost all documentation proving their identity. In almost all the cases, these correspond to populations in a situation of extreme poverty, marginal populations and populations with a language other than Spanish as their mother tongue, for whom the cultural universe in which the criteria of belonging to a national political community are framed, are very weak. From this sector of displaced persons, the number of undocumented persons has not been able to be precisely determined, but their number may be around 200 to 300 thousand persons. The Peruvian government has launched the PAR Program (Program for Repopulation Support and Development of Emergency Zones) and one of its activities has been specifically to provide logistic support so that IDENTIDAD may provide them with the benefit of the DPI.

4. RECOMMENDATIONS AND FINAL OBSERVATIONS

- 4.1 In order to more accurately measure the levels of social impact of the issue of the DNI, one must determine whether said document will be issued at no cost to the user. If the user must pay a fee, it must also be determined whether this fee will be uniform or scaled.
- 4.1.a If the document is issued at no cost, the methods for financing the operation must be determined, which assumes a constant renewal of the DNI every six years, as specified by law.
 - 4.1.b If obtaining the DNI represents a cost for the users, as stated in the considerations of impact in various social sectors, it would be necessary to consider the difficulties which a majority of the population would face in paying the fee. This could imply the development of a subsidy program for the sectors which are unable to pay due to their critical poverty.
- 4.2 In order to avoid hidden and/or additional costs for the user when processing the DNI, the process must be substantially reduced in terms of time, attempting to concentrate it into one day.

- 4.3 Along with the issue of the DNI, as activities with a favorable social impact, it is recommended to develop agreements with other institutions and IDENTIDAD and other institutions. As an example we can cite the driver's license and passport with the same number as the DNI. Furthermore, one could favor the implementation and control of social development programs, through the computerization of data related to health and education, referenced to the DNI number, which even in the future may be feasible to be incorporated into the DNI itself.
- 4.4 In order to achieve with the purposes related to the commercial and social development and, in order to serve as a means for affirming the relevance to a political community, the DNI must reach to all the residents of the country. Nevertheless, it is recommended, as IDENTIDAD has proposed, that this process be started with the adults who become citizens as of 18 years of age. To this end, specific, appropriate campaigns would have to be conducted for each sector which poses problems of incorporating citizens, as detailed above. Again we must point out the indigenous communities, sectors affected with critical poverty, which are not part of the cultural complex which expresses adequate mastery of the Spanish language, and displaced persons. There are growing indications that women, in particular those of middle age, constitute the majority of the undocumented persons since, still, they predominate in the older cultural popular sectors where women are not recognized as being on equal footing with the men.
- 4.5 Lastly, for the youth, the issue of the DNI is an opportunity for motivation to strengthen the awareness of their belonging to the political community, facilitating the process of conforming within a common social framework which is necessary in order to facilitate growth leading to equality.

Data was taken from the National Statistics and Data Processing Institute, Peru- Statistical Compendium 1995-1996 LIMA: INE, 1996 and Apoyo, Opinion y Mercado S.A. Data Bank.

ENVIRONMENTAL IMPACT ANALYSIS

INTERNATIONAL FOUNDATION FOR ELECTION SYSTEMS



ENVIRONMENTAL IMPACT OF THE CIVIL IDENTIFICATION PROJECT IN PERU

SUBJECT SUMMARY

1. INTRODUCTION

- 1.1 For the purposes of this summary regarding the environmental impact of the project to produce the National Identification Document (DNI) in Peru, we have used as reference the current process for producing the Automated Electoral Booklet (LEM). Given the fact that the projected dimensions of the DNI will be at least 50% smaller than those of the LEM, one may anticipate that the volume of supplies and/or the decline in the volume of supplies will be proportional. Based on the findings from the direct observation of said process, it may be specified that the contractor(s) will not face greater difficulties in satisfying domestic and international requirements regarding the protection of the environment.
- 1.2 The Automated Electoral Booklet has been produced on high security paper, printed on a laser system and laminated. Although IDENTIDAD has proposed improving even further the security and durability characteristics of the DNI, the materials which are planned to be used do not vary significantly* in relation to the current materials, therefore these observations on the production process for the LEM are sufficient to anticipate the environmental impact of the production of the DNI.

* To date, an increase in the thickness of the lamination to 125 microns is planned, which will give the DNI greater stiffness and durability.

SUMMARY OF LEGAL ASPECTS OF PROJECT BASED ON PERUVIAN LAW

INTERNATIONAL FOUNDATION FOR ELECTION SYSTEMS



PRECEDENTS

According to our Constitution, the electoral system is formed by three public institutions:

- a. The National Electoral Jury
- b. The Office of Electoral Processes
- c. The National Registration of Identity and Civil Status.

With this project a substantive change is introduced into the former electoral system, in which only the National Electoral Jury will perform all these duties.

In accordance with this modification, the final paragraph of Art. 183 of the Constitution reads as follows:

" It is the responsibility of the National Registration of Identity and Civil Status to record all births, marriages, divorces, deaths and all other acts that change a person's legal status. It issues the corresponding documents and maintains the electoral registry up-to-date. It provides the necessary information to the National Electoral Jury and to the National Office of Electoral Processes so that these institutions can perform their duties. It maintains a registry of identification of all citizens and provides the documents that attest to their identity. It performs all the other functions required by the law."

That is to say that this institution has the constitutional authority to maintain the Identification Registry of the citizens as well as the duty to issue documents of personal identification.

This constitutional authority is also included in the Registration Law (Ley Orgánica del Registro, Ley No. 26497), which in Art. 2 establishes that:

" The National Registry of Identity and Civil Status is the institution in charge of the organization and maintenance of the only registry for the identification of individuals and the recording of facts and acts related to their civil qualifications and status. For this purpose, it will develop automated techniques and procedures that allow for an integrated and efficient management of the information".

Furthermore, this law declares in Art. 6 that, among others, it is the function of the National Registry of Identity and Civil Status to maintain the Registry of Identification of individuals and to issue the only ID document, as well as its duplicates.

It should also be noted that Title V of Law No. 26497 regulates the framework related to the National Identity Document (DNI).

Thus Article 26 of this Law establishes that:

" The National Identity Document (DNI) is a public document, personal and non-transferable. It is the only Personal Identification to be recognized in all civil, commercial, administrative and judicial acts, and in general, in all those cases in which, under legal order, it must be presented. It is also the only title to the right to vote of the person to whom it has been issued".

The legal significance of the DNI is clearly derived from the above statement because it is the essential identification of all persons entitled to Peruvian nationality and is, therefore, the instrument for the exercise of personal rights, including the right to vote.

PROCESS OF ISSUANCE AND EXCHANGE OF THE ELECTORAL CARD FOR THE DNI

As it has been stated, with enforcement of the Constitution of 1993, a significant change in the Registration of Individual Identity was introduced.

The earlier government had ruled that the National Electoral Jury would issue a document called Electoral Card, which had a double function.

- a) It was the element of citizen identification in all electoral processes
- b) It also served as a document for individual identification.

It should be noted that this document is still in use, even though the Registry has started the process of replacing the old cards with the new "Automated Electoral Cards", as an early stage and pilot plan for the issuance of the DNI.

However, it should also be noted that the current electoral cards are causing a series of problems that make the task of individual registration and identification rather difficult.

In the first place, they are only issued to individuals of legal age. Thus, individuals under the age of 18 do not have an identification document.

In the second place, the process of issuance, started at the beginning of the process of re-registration of 1984, until its replacement by the automatic electoral cards, has suffered a series of deficiencies and shortages that must be corrected. The most serious of these problems is that the whole processing was done manually.

The third problem is related to the materials used for the manufacturing of the document. Due to the poor quality, it can be easily counterfeited.

Even though these are only some of the aspects that must be improved, they are sufficient to show the urgency of putting in place a radical change in the process of citizen registration and the need to proceed, in the shortest possible time, to the issuance of the DNI.

It should also be noted that the Registry, with the beginning of the issuance of the so called "Automated Electoral Cards" has already taken the first step in that direction. This action must obviously be consolidated with the proper issuance of the DNI.

III. CONTRACTING THE SERVICES OF THIRD PARTIES FOR THE ISSUANCE OF THE DNI

It is obvious that the Registry has several alternatives to provide the necessary materials and services for issuing the DNI.

However, it is also clear that this process is, by nature, tremendously complex, making its execution extremely difficult.

With these ideas in mind, it is perfectly feasible that the Registry calls for bids for an integral service that includes the different stages corresponding to the incorporation into the only Registry for Identity and Civil Status and the production of the DNI.

In this case, we would be facing requirements that could be called "a turnkey operation", that is, a process that assumes the delivery of the final product, and allows the official entity to save itself from being in charge of all the material and operative process for the production of the DNI.

Considering the difficulties of obtaining, within the internal market, a plurality of companies with the technical capabilities to fulfill the necessary requirements of the job, it would be advisable that the Registry considers the option of applying the system provided by Decree Law No.25565 that creates the Systems of Bids and Competition called "International Processes Evaluation" to facilitate the development of bidding of this nature.

Because of the structure of the providers with the capabilities to offer the goods and services required, it is necessary to invite bids in an international competition that achieves the highest level of the stated requirements.

For this purpose, it is evident that the Registry must follow the norms established by Decree Law No. 25565 and its Regulations D.S. No. 13392-EF and No. 036-97-EF. It is necessary, therefore, to obtain the respective Supreme Resolution authorization.

It is also appropriate to note that the competition must be first approved by the Budget Director. After obtaining the corresponding authorization to apply the system of "International Processes Evaluation", the technical documents have to be delivered to the international organization that will assume the duties of running the contest.

After these considerations it can also be clearly seen that with the application of this procedure, the transparency that the Registry is trying to obtain in the process of issuing the DNI can also be achieved.

IV. FINANCING OF THE PROJECT

In accordance with the provisions of Art. 24 of Law No. 26497, the Registry has the possibility of counting its own cash flow among other resources, its especially those funds collected from charges for issuing certificates of the registrations recorded by its offices and those for the services it provides.

Accordingly, the Supreme Decree No. 010-97-PCM has the approval of the updated "TUPA" (Texto Único de Procedimientos Administrativos) in force, which determines the fees to be paid for the services offered by the Registry.

This practice, furthermore, underscores the fact that the Registry counts with sufficient income to finance its activities. It is also true that starting the process of issuance of the DNI presumes taking into consideration one important aspect that affects the financing of the project.

On this subject it is useful to remember that the DNI will not only fulfill a function as an ID document, but also as a document for electoral identification. Consequently, its initial issuance must be free of cost to the individual, since the exercise of voting is, by Constitutional command, compulsory. Therefore, any charge for this service would be legally questionable.

This circumstance could, consequently, create a period of financial shortfall that would require the Registry to look for an alternative sources of financing to cover the initial stage of the process of issuing the DNI.

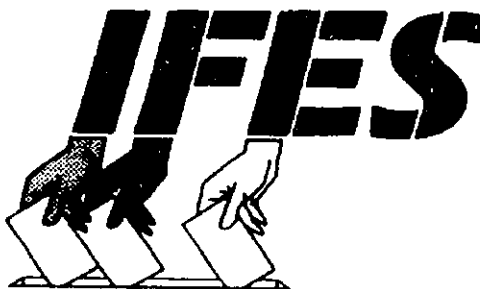
With this in mind, the Registry could look for and obtain financial support from a multinational financial institution for the execution of the Project.

The Registry will, therefore, have to analyze two aspects that will permit the viability of this financing. First, to obtain credit with a grace period to facilitate the immediate start of the project. Second, to obtain payment conditions that can be reconciled with its own cash flow.

It should be underscored that, with this alternative, the Registry would comply with the rules of public indebtedness and channel all the corresponding formalities through the Direccion General de Creditos Publicos del M.E.F. (General Directorate of Public Credit of the M.E.F.

CONCLUSIONS

1. The Registry is the institution that has the Constitutional command to maintain the registration of identification of the citizens and the issue of the documents to prove their identity.
2. The DNI is the document that must identify all individuals of Peruvian nationality, as well as serve all citizens to identify themselves at the time of voting.
3. It is urgent for the Registry to start the process of issuing the DNI, since this document replaces the current electoral card. Thus, the problems of lack of security that these cards have caused since their inception, can be solved.
4. The Registry is perfectly capable of applying the system of "International Processes Evaluation" referred to in Decree Law No. 25565.
5. The Registry counts with its own resources to guarantee the payment of any international financing that is appropriate to its income flow assured by the services it provides.



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