

Risk Appetite Statement

V1.0

2021-01-11

Ethics and Risk Advisory Committee (ERAC)

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To pursue the mission of ID2020 we, as an organization, must be bold and be willing to take measured risks, lest we become paralyzed through inaction.

The development and implementation of digital identity is complex, and the challenges for communities and persons without them are many. As ID2020 fulfills its missions, it will engage in thought leadership on difficult legal, policy and technological issues and will participate in programs serving communities and persons on the margins of society. To enable ID2020, our partners and our projects to succeed, we must be willing to take significant risks in an effort to move the world of digital identity forward.

In assessing ID2020's operations, we, the Board, have determined to weigh three forms of risk: resource risk (e.g., the allocation of resources and risk of loss due to project failure or partner mismanagement), reputational risk (e.g., the risk that partners or policy positions assumed with risk the ongoing credibility of the organization) and stakeholder risk (e.g., that our actions may cause net harm to the communities and persons we are trying to help). The Board acknowledges that resource, reputational and stakeholder risk are unavoidable, but may be mitigated by diligence and oversight. In addition, the Board will weigh risks against the potential benefits of ID2020 programming, including the general harm caused by failing to act altogether. We are walking a path as yet untrodden, and must be able to let things fail in controlled ways in order to learn and move forward.

Our most important stakeholder is the individual, directly or indirectly through group association, and the most important risk is, therefore, stakeholder risk. We will always strive to reduce the risk faced by the communities and persons with and for whom we work. Our partner selection process will be such that we endorse or fund organizations or projects that prioritize transparency, commit to minimizing the risk and mitigating any remaining risk faced by these individuals.

We will endeavor to affirm that work with which ID2020 is affiliated does not reduce the data subject's rights, reduce their access to services or reduce their protection from persecution. We acknowledge that no system collecting, storing, sharing or analyzing personal data is perfectly secure. We also recognize that when it comes to personal data, many mistakes or security failures are permanent, and the data that are lost or exposed can never be "un-lost" or made secret again.

Despite these risks, we believe that inaction is worse than informed, mitigated risk. The Board will continue to work with our staff and Advisory Committees to highlight mitigation strategies. For example, our partnership and funding strategies will empower organizations that we reasonably determine will think and act with great care when it comes to personal data, and will collect as little data as possible in order to provide proportional or greater benefits.

ID2020 has a commitment to the most marginalized people and seeks meaningful input on projects directly from them or at the very least organizations who work directly with them.

Much as we cannot guarantee that our partner organizations will always share the values, policies and security they reflect today, we recognize that technology itself evolves in unanticipated ways. For digital identity technologies, including hardware, software, data transfer protocols, etc., new functionalities will create new risks or challenge the security and practices that were once deemed safe. The Board must be willing to make decisions today in good faith and with reasonable understanding, and accept that in the future they could look like bad decisions because the context in which they were made has changed.

We also cannot assume that our assessments of technology and policy determinations will be shared by the community at large, or by governing bodies in jurisdictions in which we operate. It is possible that others will form an inaccurate perception of our determinations, which could lead to sentiments of confusion, frustration, rejection, and other negative opinions. ID2020 will continue to engage with our partners and advisors to both advocate for our positions and to hear other opinions that may inform our own.

Finally, to achieve our goals, we will only partner with other organizations, including governments, that subscribe to our ethical standards and our tolerance for risk. ID2020 acknowledges that partnerships introduce elements of risk that are outside of our control and that projects may not succeed or may fail. In assessing our fiduciary duties over ID2020 funds, the Board will seek to identify opportunities that maximize the greater good – whether measured on the macro or micro scale – against the risks presented.