UIDAI effects a security makeover of Aadhaar to further protect privacy

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The Unique Identification Authority of India (UIDAI) on Wednesday put in place a two-layer security to reinforce privacy protection for Aadhaar ID number holders.

Accordingly, it has introduced a virtual identification for the ID holders so that the actual number need not be shared to authenticate their identity. Simultaneously, it has further regulated the storage of the Aadhaar number within various databases.

Not only does this address the privacy concerns which have resulted in a legal challenge to Aadhaar in the Supreme Court, it also prevents potential misuse of an individual's Aadhaar details.

UIDAI has been under the scanner over the past few months over allegations of access of personal information by random entities without the consent of individual Aadhaar holders.

The virtual ID will be a 16-digit random number mapped with the Aadhaar number. It can only be generated, replaced or revoked by the Aadhaar number holder from time to time. "It will not be possible to derive the Aadhaar number from the virtual ID," a circular issued by UIDAI said.

Till now, a person had to give his/her 12-digit identity number along with other attributes (demographic and/or biometrics and/or through a one-time password) during authentication or e-KYC (know your customer) for accessing various benefits and services from service providers such as banks or telcos.

At the same time, UIDAI has introduced the concept of a limited KYC category which does not access the Aadhaar number. To enable this, UIDAI has introduced two categories of an Authentication User Agency (AUA)—an entity engaged in providing Aadhaar-enabled services. The limited KYC category is a local AUA—compared with a global AUA, which will have access to e-KYC using the Aadhaar number.

An AUA may be a government, public or a private legal agency registered in India which uses Aadhaar authentication services provided by UIDAI.

To enable the local AUA to uniquely identify customers in a limited e-KYC environment—since the virtual ID is a temporary number and storage of Aadhaar is restricted—UIDAI is launching a token mechanism. In response to an authentication request from a local AUA, UIDAI will return a unique identity token—a 72-character alpha-numeric string that will only work in the local AUA's system.

Experts welcomed the changes initiated by UIDAI to enhance security and protect privacy. "If someone authenticates you, they will only have the virtual number, and even if their database gets hacked, all that gets lost is the virtual ID number which doesn't put you at risk because you can always change this number," said Rahul Matthan, partner at law firm Trilegal and a *Mint* columnist.

"Aadhaar is here to stay! Happy that the @UIDAI has introduced virtual ID and limited KYC in the spirit of continuous innovation to enhance privacy and security," former UIDAI chairman Nandan Nilekani tweeted.

UIDAI will be releasing necessary APIs (application programming interfaces) by 1 March and all agencies have been directed to make the necessary changes for the use of virtual ID, UID token and limited KYC and operationalize it by 1 June.

"If virtual IDs are made mandatory (and they aren't) that would address the privacy concern of multiple private entities being able to create detailed profiles of you by using your Aadhaar number. But it wouldn't address concerns people have relating to security, to exclusion from benefits, to the centralized biometric database, nor to Aadhaar facilitating various governments gaining an overall view of your life," said Pranesh Prakash, policy director at think tank Centre for Internet and Society.

What UIDAI has done

○ Introduced a 16-digit temporary virtual ID to be used by Aadhaar number holders at the time of authentication, or KYC, instead of the 12-digit Aadhaar number.

○ Local authentication user agencies will have access to limited KYC details and will not be allowed to store Aadhaar numbers within their system.

Implication

○ This will enhance privacy and make the Aadhaar database more secure.