

The Real Dangers of Synthetic ID

2 June 2023



Amy Stuart

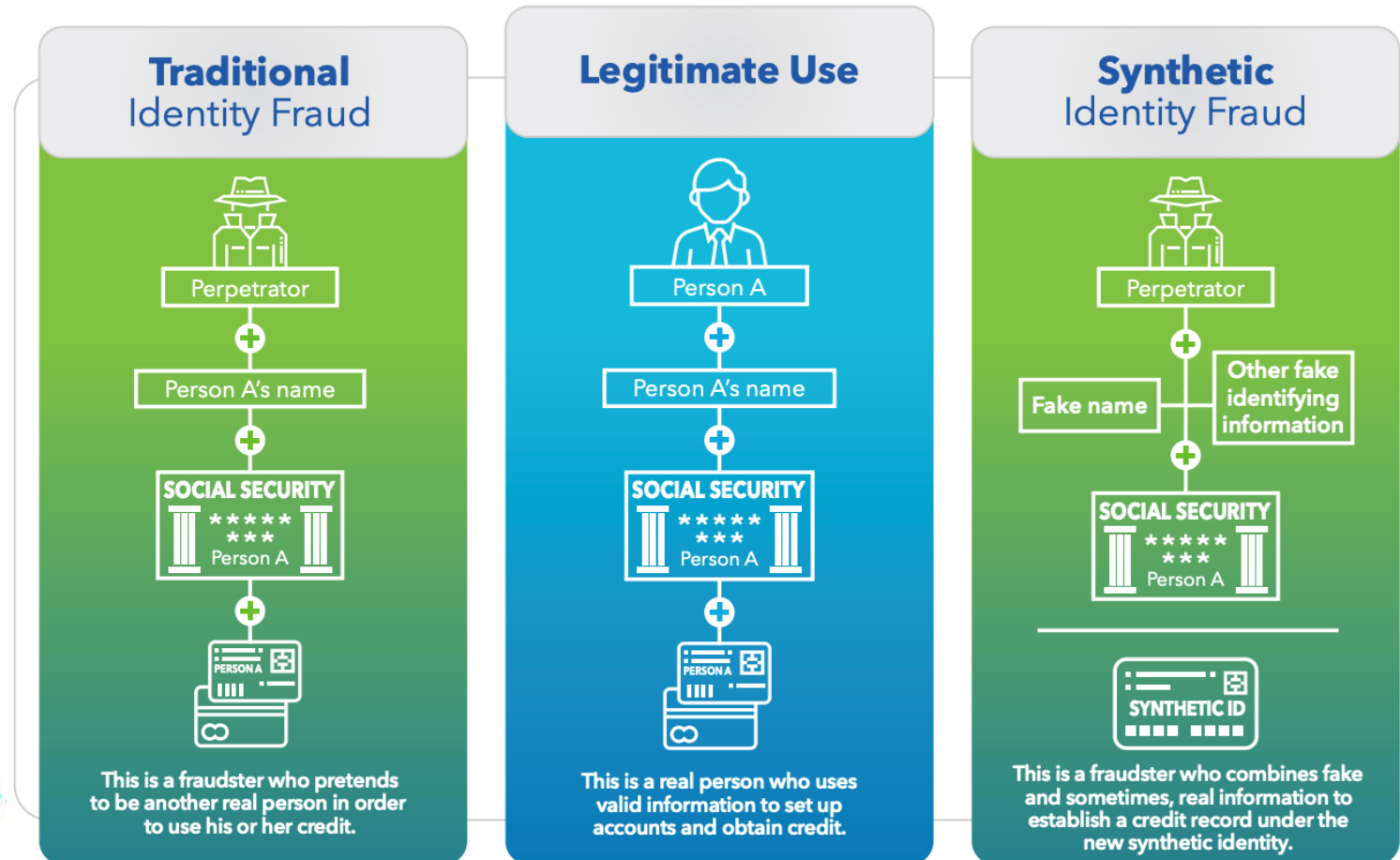
Head of North America Government Affairs and Policy
Director

Onfido

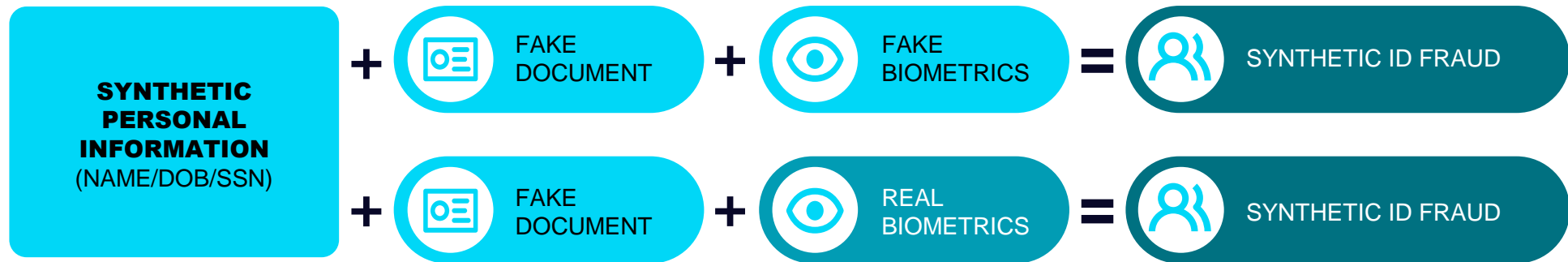
“Synthetic Identity Fraud is the use of personally identifiable information (PII) to fabricate a person or entity in order to commit a dishonest act for personal gain or financial gain.”

—)

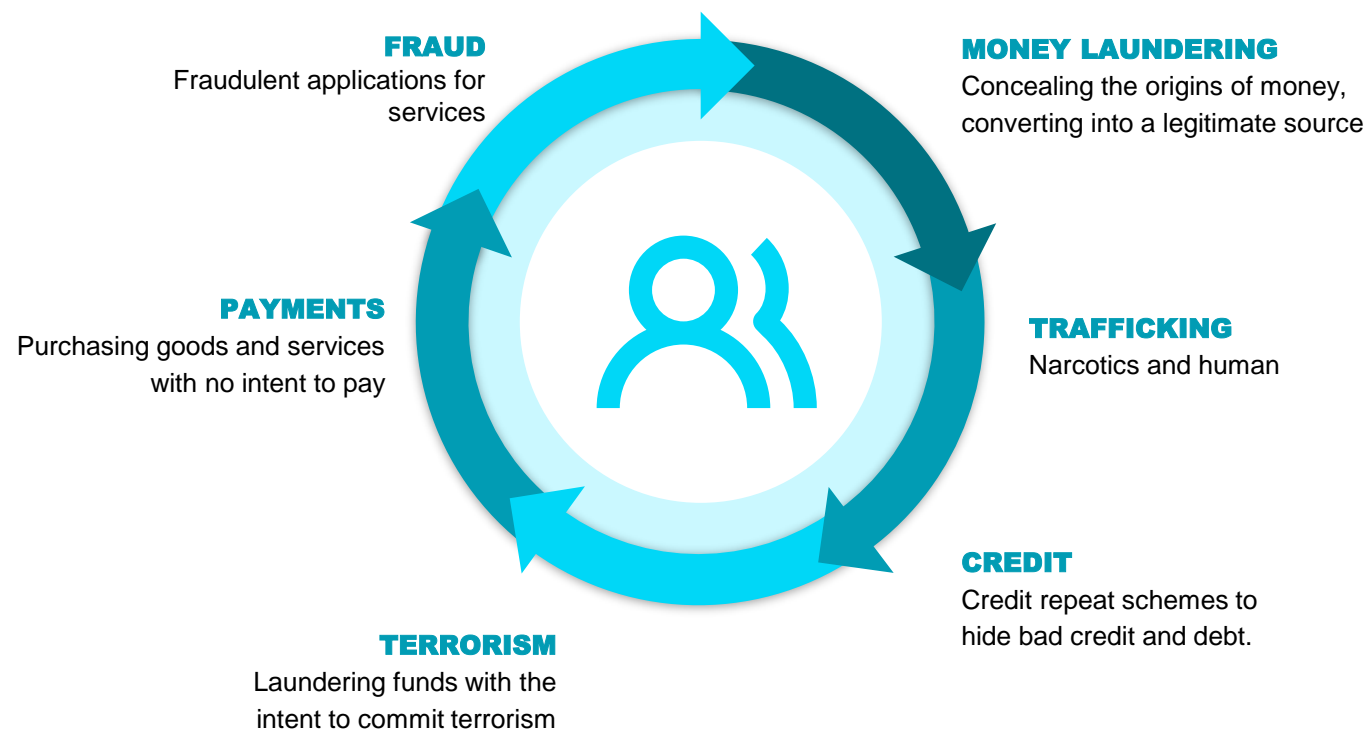
Creating a synthetic identity



Using a synthetic identity, fraudsters deploy “mix & match” attack vectors



The Global Impact of Synthetic Identity Fraud



How big of a deal is this?

\$20bn

Estimated losses
to Synthetic Identity Fraud

Fiverty

85%

Synthetic Identities
account for 85% of fraud

Federal Trade Commission

\$100,000

Avg. amount stolen
by fraudsters
before the synthetic
fraud is found

PYMNTS

Deploying a layered approach to fraud prevention



“Today the lack of secure, privacy-preserving, consent-based digital identity solutions allows fraud to flourish, perpetuates inequity, and adds inefficiency...Operating independently, neither the private nor public sectors have been able to solve this problem.”

— National Cybersecurity Strategy, 2023

What's the role of governments in stopping synthetic identity fraud?

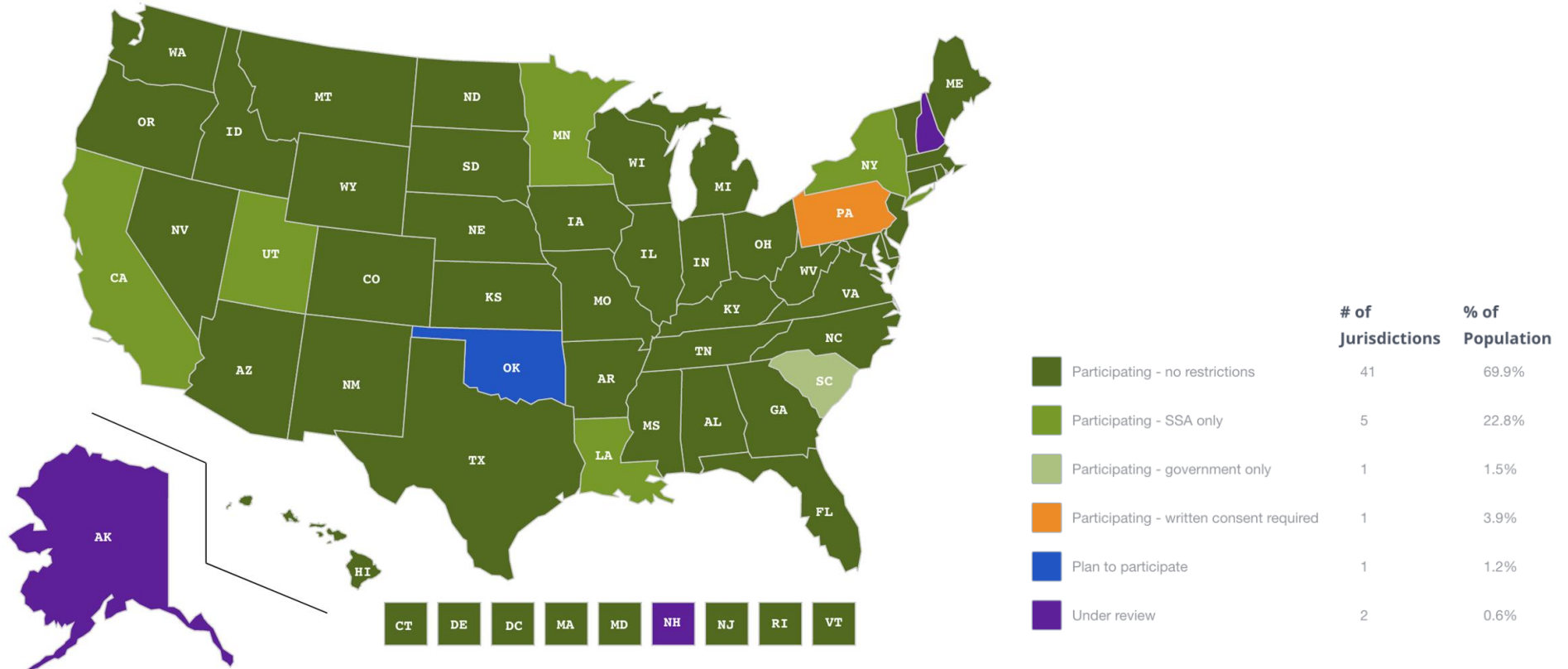
“Agencies that are authoritative sources for attributes (e.g. SSN) utilized in identity proofing events...shall establish privacy enhanced data validation APIs for public and private sector identity proofing services...based on consumer consent.”

— Office of Management and Budget
Enabling Mission Delivery through Improved Identity, Credential, and Access Management (M-19-17)

US Government's first identity attribute validation service: eCBSV

- Created to stop synthetic identity fraud
- Match name, date of birth, and Social Security number and provides death indicator
- Challenges:
 - Limited to financial services industry
 - Lack of transparency on matching logic
 - Expensive

State DMV participation varies



Where do we go from here?

118TH CONGRESS
1ST SESSION

S. 884

To establish a Government-wide approach to improving digital identity, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MARCH 21, 2023

Ms. SINEMA (for herself and Ms. LUMMIS) introduced the following bill; which was read twice and referred to the Committee on Homeland Security and Governmental Affairs

A BILL

To establish a Government-wide approach to improving digital identity, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Improving Digital
5 Identity Act of 2023”.



THANK YOU!