Issues with the My Number System Exposed by COVID-19 Measures

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────────────────────〈Summary〉────────────────────

◆ The My Number system serves not only as a social infrastructure that supports people's everyday lives, but also as a foundation for promoting the digitalization of the government. This is because the My Number system makes it possible to securely identify individuals online, authenticate them, and have them electronically sign documents, thus making it possible to connect government agencies and citizens. However, the My Number system has not yet penetrated society, and it is difficult to say that it is playing a sufficient role as a social infrastructure that supports people's everyday lives and as a foundation for promoting government digitalization. On the contrary, the online application for a special flat-rate benefit of 100,000 yen has brought to light the fact that (1) many people do not possess My Number cards, (2) even if they do have them, they do not use them, and (3) if they use them, the computer system cannot handle them.

◆ The reason why the My Number system has not permeated society is that it has not been designed from the standpoint of the people, who are the users. The system is complicated and difficult for the general public to understand, and the design and usability of the My Number cards and Mynaportal sites are problematic. In addition, while the acquisition of My Number cards is optional, there have been no clear incentives for the public to acquire them.

◆ The delay and insufficiency of the COVID-19 countermeasures in Japan have led to a strong call for the digitalization of the government, and to do this the reform of the My Number system, which is the foundation for the promotion, is essential. In the short term, it is

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necessary to consider how to improve the My Number system within the framework of the current system while making long-term efforts toward a fundamental review of the system. To begin with, it is necessary to implement measures to have the public obtain and use their My Number cards on a daily basis.

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1. Introduction

A special flat-sum cash benefit program of 100,000 yen was implemented for every resident in Japan as a countermeasure against COVID-19, but the online application caused a big confusion. This made the public strongly aware of the delay in digitalizing the government while causing disappointment with the My Number system. Originally, online applications using My Number cards would have been a good opportunity to increase public interest in My Number cards, which had been sluggish, and to push up the acquisition rate. In reality, however, problems arose one after another, and in some cases the payment of benefits for online applications took longer than for mail applications. As a result, people saw the My Number system as "unusable".

In this article, we examine the importance of the My Number system and the issues that have been highlighted by the confusion, and what is necessary for the system to fulfill its original role.

2. Two aspects of the My Number system

The My Number system, or formally the "Social Security and Tax Number System", is a system in which a unique identification number is assigned to each individual citizen, and consists mainly of three components: (1) My Number, (2) My Number card, and (3) Mynaportal. By utilizing these for social security, tax, and disaster response, it aims at "develop the efficiency in administration", "enhance the social security to people who truly need it", and "enhance public convenience".

The My Number system has two aspects.

The first aspect is the social infrastructure that supports people's everyday lives. The system makes it easier to identify individuals and enhances the mutual use of personal data collected by each administrative organization. This allows the administration to streamline its operations and prevent fraud in terms of both tax and social security burdens as well as benefits. In addition, individuals, when going through procedures at administrative organizations, no longer have to prepare documents issued by other administrative organizations as attachments.

The second aspect is the foundation for promoting the digitalization of the government. The My Number system initially focused on only the first aspect, but as the need for government digitalization grew, this aspect also came into focus.

Why is the My Number system the foundation for promoting the digitalization of the government? In this regard, we will examine each of the three components of the My Number system.

The first, My Number, makes it possible to reliably and quickly identify an individual online.

The second, the My Number card, embeds an IC chip, which contains two electronic certificates for authentication. They can be used to verify online that an individual is who they say they are (authentication) and to digitally sign an electronic document that the individual has created to verify that it is genuine and has not been forged or altered.

The third, Mynaportal, is a personal online site run by the government that allows individuals to view and use administrative services online.

These three aspects make it possible to connect government agencies and citizens while securely identifying

and authenticating the individuals and having them electronically sign documents online. Currently, there is no other system that ensures the same level of safety as the My Number system. The My Number system therefore acts as the foundation for government digitalization.

An authentication method is already popular in which individuals enter their ID and password (PIN) when making transactions online. What is the My Number System different from this? The My Number card is developed so that it can withstand online authentication in areas requiring high security, such as administrative services. To begin with, it is difficult to obtain a My Number card by using a false name or impersonation. This is because (1) the card is issued only to the person who is listed on the residence certificate, (2) only one card is issued per person, and (3) strict identification is carried out when the card is issued at the local government office. An electronic certificate mounted on the IC chip of the My Number card is used for authentication when the card is used online such as the Mynaportal. With this method, you need to have your My Number card in hand and also know your PIN, so the risk of impersonation is lower than just entering your ID and password.

3.   Confusion over online applications for special flat-rate benefits

Seven years have already passed since the enactment of the four My Number related laws (2013) and four years have passed since the first issuance of My Number cards (2016). The initial system development alone cost more than 200 billion yen.[1] However, the My Number system has not yet penetrated society, and it is difficult to say that it is playing a sufficient role as a social infrastructure that supports people's everyday lives and as a foundation for promoting the digitalization of the government. On the contrary, the online application for the special flat-rate benefit of 100,000 yen has brought to light the fact that (1) many people do not possess My Number cards, (2) even if they do have them, they do not use them, and (3) if they use them, the computer system cannot handle them.

The number of issued My Number cards is only 20.33 million, or 16% of the population (As of April 1, 2020, Figure 1). As a result, when people discovered that they needed My Number cards to apply for the benefits online, many rushed to local government offices to make inquiries or to apply for the cards. And when these people were told that it would take about a month to receive the cards, they became acutely aware of the slow pace of response compared to credit cards and cash cards where same-day issuance has become the norm.

As for the use of My Number cards, the 16% that obtained the cards had little use and kept them in their closets. This was because public services

Figure 1. Issuance of My Number Cards
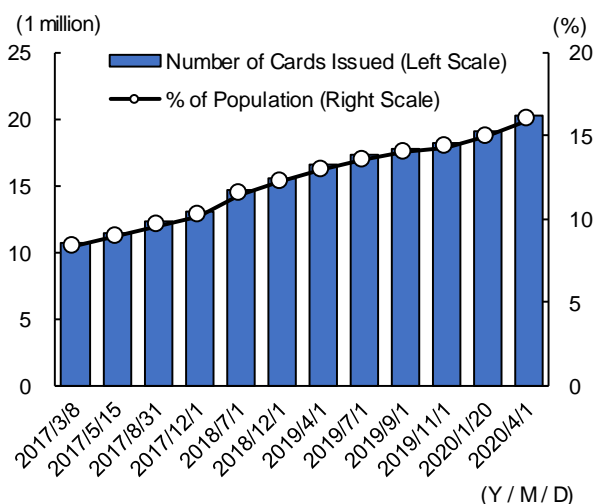
Source: Ministry of Internal Affairs and Communications "Issuance of My Number Cards"

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[1] Additional costs include assisting local governments in developing IT systems, sending out My Number notifications, issuing My Number cards, promoting the use of My Number cards, and maintaining and managing the systems. The total amount is said to be about 500 billion yen.

using My Number cards were limited. Under these circumstances, when the user accessed the Mynaportal site to apply online, he/she forgot his/her personal identification number (PIN), or entered the wrong PIN five times in a row, and was locked out of the site. The only way to reset the PIN is to do it at local government offices, so people flocked to the offices, crowding the place and making social distancing impossible.

As for computer issues, a number of system failures occurred due to the concentration of applications at the start of online application, as well as the concentration of access from terminals of local governments to the management system of the J-LIS (Japan Agency for Local Authority Information Systems) in order to reset the PIN. These are due to the sudden use of the computer system that in the past had been little used. In the meantime, many local governments, when receiving online applications, had to rely on manual labor unless they installed a new system for this purpose[2]. Local governments also had to tackle with the many responses to errors that occurred in the application forms[3]. As a result, the processing time was not shortened compared to the application by mail. A number of local governments even suspended online applications due to the heavy burden it caused them.

All in all, the confusion surrounding online applications for the special flat-rate benefits was caused by problems with the online application system, the government's lack of understanding of the actual state of local government operations, and, above all, the government's inability to imagine a situation that could arise if the My Number system was used while it did not penetrate society.

4. Lack of a Public Perspective in the My Number System

The reason why the My Number system has not permeated society is that it has not been designed from the standpoint of the people, who are the users. The system is complicated and difficult for the general public to understand. For instance, "using the My Number card" and "using My Number" are not necessarily equal[4], but no matter how many explanations are given, people do not fully understand the difference.

The design of the My Number card itself has a flaw. On the one hand, the government has been warning people that the My Number should not be revealed to others. On the other hand, the My Number is printed on the back side of the My Number card so when one uses it as an identification card and hands the card to someone else, you risk that the My Number will be revealed to that person[5].   The Mynaportal sites also have UI/UX[6] issues that go against the ironclad rule of government services that they must be readily available to anyone regardless of age, disability, or level of IT skills.

Furthermore, when the issuance of My Number cards started, it accompanied little efforts to make the public want to acquire them. Acquiring the card is voluntary, so if there is no clear benefit, the motivation of the public to take the trouble to acquire remains low. According to the results of a questionnaire survey conducted by the

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[2] The Mynaportal used for online applications is a computer system developed by the central government and is different from the computer systems developed independently by each local government.

[3] Errors in on-line applications occurred frequently. For example, applications came from people other than the heads of households (only heads of households can apply), the names of household members were incorrectly entered, and names of people other than household members were entered. No error messages even for obvious errors contributed to the errors in the application. In addition, since it was possible to apply as many times as possible, there were many overlapping applications, which also lengthened the local governments' time for processing.

[4] For example, when using the electronic certificate mounted on the IC chip of the My Number card, the My Number is not used.

[5] When the My Number card is used as an identification card, it is assumed that only the front side of the card is checked where the face photo, name, address, and date of birth are printed.

[6] UI (User Interface) is the point of contact between products and services and the users, and UX (User Experience) is the experience you can get through using the products and services.

Cabinet Office, the most common reason given for not obtaining the My Number card was "I don't feel the need to obtain it." (57.6%) (Figure 2). Because access to Mynaportal requires a My Number card, a low penetration of My Number cards inevitably leads to a low usage of the Mynaportal.

Figure 2. Reasons for Not Obtaining My Number Cards
(Results of the questionnaire survey)
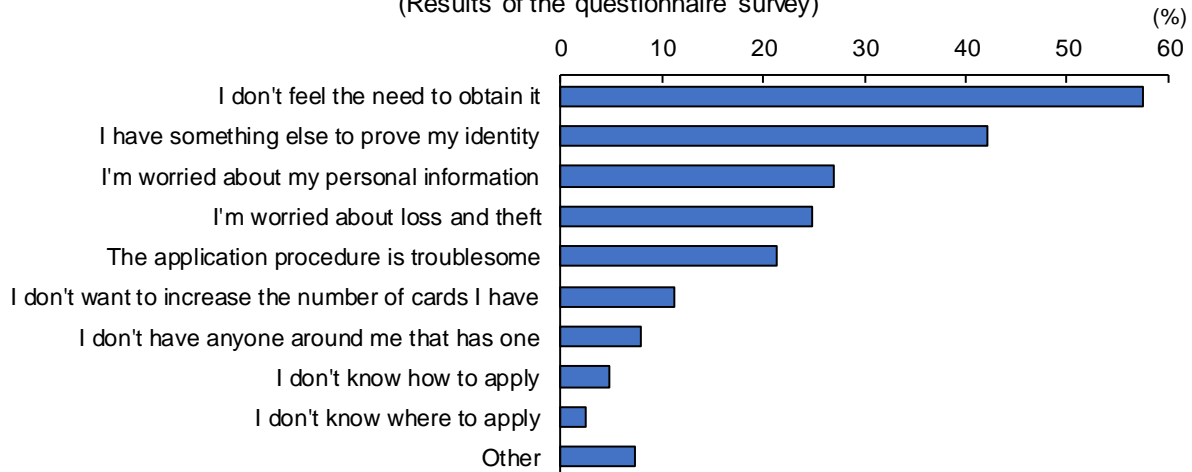
Source: Cabinet Office, "Overview of 'Public Opinion Survey on the My Number System'" November 2018
Note: Of the respondents that answered "I have not obtained a My Number card and do not plan to do so."
Multiple answers.

As for the Mynaportal, few administrative services have been provided other than those related to child rearing, and so their usage has been sluggish. Even the three executive officers of the Ministry of Internal Affairs and Communications, who are deeply involved in the My Number system, have stated in the Diet that they have My Number cards but have never used the Mynaportal (As of February 2019). The local governments have more contact with individuals than the national government, so they should have the initiative in providing services through the Mynaportal. However, they are not willing to do so because they think it does not match the cost as the penetration of My Number cards are so low. 806 municipalities, nearly half of the total 1,741, have not even connected their computer systems to the Mynaportal (As of May 1, 2020)[7] .

One of the reasons why the My Number system has such problems is related to the history of the system's establishment. The introduction of a unified national identification number system, such as the My Number system, raises deep-rooted concerns among the public about invasion of privacy, strengthened government surveillance and control, and leakage of personal information. In order to overcome these hurdles and pave the way for the passage of the My Number system, the government strictly limited the scope of application and established a rigid control system. As a result, laws and regulations concerning the system have become complicated and difficult to understand, and the My Number system and My Number card have become difficult to use. However, poor UI/UX on the Mynaportal sites, for example, has little to do with institutional constraints. It cannot be denied that the government, despite the fact that there are many aspects that can be improved under the current system, has failed to do so.

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[7] As an exception, the online application for the special flat-rate benefit is available for the municipalities that have not yet connected their computer systems to the Mynaportal system.

5. Improving the My Number System

The necessity of digitalization of the government is becoming a national consensus. The delay and insufficiencies of COVID-19 countermeasure in Japan compared with other countries were exposed, and the slow pace of government digitalization was recognized as one of the causes. As the COVID-19 pandemic is expected to last for quite a while, there is a growing need among the public for noncontact, nonpresent access to administrative services. As mentioned above, the My Number system is indispensable for promoting the digitalization of the government. However, the My Number system was of little use in dealing with COVID-19, and rather a mountain of problems became apparent.

Reform of the My Number system is essential, but what should be done specifically? The narrow scope of application and strict management system deprive the My Number system of convenience and flexibility. However, the purpose of such a structure is to respond to the aforementioned concerns of the people, and in this sense, it reflects the will of the people. A drastic reform of the current system should be carried out through sufficient dialogue with the public, which will take time. It is not appropriate to try to change it hastily on the pretext of COVID-19.

While making long-term efforts toward a fundamental review of the system, in the short term, we should consider how to improve the system within the framework of the current system. The first priority is to implement measures to have the citizens obtain and use their My Number cards on a daily basis.

In this regard, from September 2020 to the end of March 2021, the "Mynapoint Program" using the My Number card[8] will be implemented. Moreover, from March 2021, My Number cards will be available as health insurance cards. As a result of these two measures, the government has set a goal of having the My Number cards in most people's hands by the end of March 2023. The introduction of the My Number card as a health insurance card that many people use on a daily basis is expected to increase the incentive to acquire it, even though whether being able to achieve the government's goal is still uncertain. Another measure that should be considered is integrating My Number cards with driver's licenses, as they also are used daily by many people.

In addition to promoting the acquisition and use of My Number cards, the effective use of Mynaportal should be seriously considered. Administrative services offered through Mynaportal have so far been limited. There are many possibilities in Mynaportal. Mynaportal is a virtual point of contact between an administrative organization and an individual, and various functions can be envisioned, such as making it possible to perform administrative procedures in a one-stop manner, and sending information tailored to the individual from the administrative organization. In particular, there is a high potential for local governments to extract residents who can receive specific administrative services, and to provide information to residents through Mynaportal. This can be the first step to overcome the adverse effects of the application principle of administrative services in Japan, that is, one must first apply before receiving administrative services, and to provide administrative services to those who truly need them. As more and more people are expected to suffer from the effects of the COVID-19 pandemic, this kind of push information will become more important than ever to help them. If the

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[8] A cash-back program that earns you 25% of the amount you charge for cashless payments or purchase cashless (Up to ¥5,000 per person). First, after obtaining your My Number card, you set up a "Mykey ID" (an ID to participate in the program) using your My Number card and your PC or smartphone. Next, you select the cashless payment service you want to use, and when you charge or shop with the cashless payment, you receive the cash-back points.

attractiveness of Mynaportal can be enhanced, more people will likely obtain My Number cards as they are necessary in order to access the Mynaportal site.

Unfortunately, there is no silver bullet to promote the acquisition and use of My Number cards, and we have no choice but to steadily implement various measures. What should be carried through in all efforts is the viewpoint of the people as users. Only then will people acquire and use the My Number cards. This step is necessary for the My Number system to become the social infrastructure that supports the people's everyday lives as well as the foundation for the promotion of government digitalization.