

The Asia Pacific ePassport & eVisa Industry Report

Regional Market Analysis and Forecasts

Comprehensive Market Data. Critical Insight. Targeted Revenue Forecasts

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by



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Report Overview

- Scope:** This report presents unique insight into the opportunity for the development of secure electronic and biometrically enabled passport and visa documents in the Asia Pacific Region. The current state of the market is evaluated in terms of how this market will likely evolve and where the most lucrative opportunities will be. This comprehensive report offers unbiased critical perspective and previously unpublished data and statistics on the ePassport and eVisa marketplace.
- OBJECTIVE:** Provide the basis for short-term, mid-range, and long-term strategic planning for technology and solution development, market investment, and phased adoption of ePassport and eVisa solutions.
- AUDIENCE:** Individuals responsible for strategic planning, business and market development, and sales related to ePassport and eVisa initiatives including vendors, integrators, investors, consultants, solution providers, and public sector staff responsible for developing and implementing ePassport and eVisa policies and programs.
- METHODOLOGY:** Analysis is drawn from significant market and technical developments, tests, pilots and deployments, public domain and private data sources, research and reports, surveys, and interviews with vendors, integrators, intermediaries, customers, privacy and civil liberties advocates, and other relevant technology and leading industry experts. Forecasts are derived from modeling market opportunities based on public domain and proprietary primary data and secondary data sources and are flexibly structured to account for known and predictive factors. Primary data determines known model data. These include data points like population, annual passports issued, program costs, and the number and type of visas issued. Models are adjusted to account for market conditions, current deployments, anticipated projects, and existing and planned infrastructure. Conservative assumptions for predictive factors such as technology pricing and anticipated adoption rates are introduced to determine forecasts.
- KEY CONCLUSION:** The ongoing development and production of secure ePassport and eVisa infrastructures will provide sustainable market opportunities as countries stabilize existing programs, continually incorporate new document and IT security features, update and replace aging equipment, and re-issue documents and reengineer processes in five to ten year cycles. By 2014, the deployment of a secure global border-crossing infrastructure that leverages the proliferation of ePassports and eVisas will begin in earnest. With an emphasis on automated self-service verification of documents and identity and global data exchange, there will be increasing efforts to integrate global systems that process ePassports and eVisas so that any given automated solution can process any ePassport holder with or without an accompanying eVisa. In this way the imminent global travel and border control transformation will both be driven by and drive ePassport and eVisa market evolution.
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Preface

February 2011

Acuity Market Intelligence originally published much of the content in this report as part of *The Global ePassport and eVisa Industry Report* (GePPEV) in June 2010. The GePPEV was developed in response to explicit market demand for reliable ePassport and eVisa industry data and was subsequently received as breakthrough research providing critical, previously unavailable market data, and analysis. Prior to the publication of the GePPEV, this type of data had existed only in bits and pieces, if at all, and was prohibitively expensive and time consuming to aggregate.

The GePPEV was Acuity's initial response to this market demand, the first in a series of reports designed to provide the kind of hard data, "hype free" insight, meaningful analysis, and believable forecasts that provide critical support to the healthy evolution of the electronic identity marketplace. *The Asia Pacific ePassport and eVisa Industry Report* is the first follow-up to the GePPEV providing regionally based forecasts and analysis. We hope the presentation of this content in this targeted format continues to meet the needs of the identification solution community.

As we stated when we published the GePPEV last year, and continue to believe, ePassports and eVisas are *poised to fundamentally change world travel* by delivering on the promise to create a secure, consistent, and far more reliable global identification infrastructure. The markets for ePassports and eVisas (those that incorporate biometrics) are large, complex, and difficult to quantify. These markets include enrollment, credentialing, and verification processes as well as solutions integration and the associated physical and logical technology and infrastructure required to deploy and leverage biometric passports and visas. Requirements and processes differ from



country to country, employ various levels of automation, and may or may not be integrated with local and regionally based border control and facilitation systems.

Penetration in the Asia Pacific is growing with 30 countries currently or planning to issue ePassports by 2014. Most significantly, China and India have begun issuing ePassports driving Asia with its vast population and sustained economic growth, to surpass Europe in number of ePassports issued by 2014.

The visa situation is not as clear. Japan, South Korea, and recently Indonesia and Malaysia have adopted border-screening programs but have yet to incorporate biometric visas into their processes. At least 12 Asia Pacific countries are projected to issue eVisas by 2015 including Australia, which announced a limited eVisa program in 2010 that it has already begun to implement.

Regardless of specific adoption status on a country-by-country basis, ePassports and eVisas are becoming commonplace and these markets will provide sustainable revenue. While the cost and complexity of deployments will remain a significant obstacle for small and developing nations, investment and expertise provided by larger, wealthier states that have a vested interest in securing the global travel infrastructure will address this market gap. For those countries that have fully deployed programs, sustained revenues associated with lifecycle upgrades, updates, and security enhancements will be substantial.

Cheers,

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Introduction

The Asia Pacific ePassport and eVisa Industry Report is a data driven analysis of the state of the market for these two critical biometric based travel credentials in the Asia Pacific Region. The report relies extensively on primary sourced data (which for the purposes of this report is defined as quantitative data obtained from sources directly tabulating or producing this data), and on secondary sourced data from trusted sources. The report then leverages model-derived forecasts to present a comprehensive view of these markets. Data acquired, modeled, and forecast includes the number of credentials issued, the distribution of biometrics enrollment and verification units and ePassport document readers, the value and projected growth of the markets, as well as key solution components and technology forecasts.

A detailed discussion of Definitions, Methodology, Data and Data Acquisition, Model Development and Market Analysis can be found in Appendix 1.





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February 2011

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The Asia Pacific ePassport and eVisa Industry Report

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