El Salvador’s Smart Driver’s License and Vehicle Registration Card
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The Challenge
El Salvador’s process for license issuance and revocation, vehicle registrations and payment of fines and taxes was time consuming, inefficient and heavily laden with cumbersome paperwork. The government wanted to streamline and centralize administrative processes as well as tighten up security in order to fight vehicle theft, illegal importation, identity theft, and to reduce fraud related to counterfeit documents.

In addition, the government wanted better visibility and full knowledge and control of the country’s driving population, from the issuance and revocation of licenses to the management of violation payments and traffic regulations. The new system also needed to ensure that drivers and vehicle owners became more responsible for their actions.

In order to make this happen, a central database was required to monitor the traffic-related activities of citizens, and it needed to be securely shared by the Departments of Interior, Transport and Finance.

The Solution
The government of El Salvador outsourced the program and integration services to Sertracen, a local private organization specializing in motor vehicle registration technology. Sertracen chose Gemalto as its exclusive smart card supplier, and they teamed to design and deliver a nationwide multi-application smart card solution to successfully manage the nation’s driver’s license, vehicle registration and tax payment procedures and processes.

The Sertracen solution includes a smart driver’s license and a national vehicle registration program which are managed through the Sertracen database. It is the only centralized nationwide database in the world that efficiently manages real time traffic violations and payments through the use of a smart card. Now in its 14th year of operation, more than 10 million Gemalto secure electronic documents have been issued in El Salvador and 76,000 new cards are issued every month.

Smart Driver’s License Provides Simplicity and Security
El Salvador’s smart driver’s license securely stores and manages a driver’s profile directly on the Gemalto smart card chip. This includes identity credentials, a photo ID, fingerprints and a digital signature.

High-security biometric checkpoints throughout a 30-minute card issuance process ensure identity uniqueness of all applicants, eliminating identity theft and complicity.

Thanks to the offline functionality of the card, authorities using portable terminals have instant access to the driver’s updated information, anytime, anywhere. Police officers in the field can issue traffic violations and fines -and even revoke licenses- eliminating the need to keep records or issue tickets and fines on paper.

Vehicle Registration Made Easy
Smart vehicle registration cards are issued to owners in order to securely identify, prove ownership and follow the life cycle of new and used cars that circulate within the country borders. At the time of purchase, car owners receive a smart card that proves ownership and contains important information including the Vehicle Identification Number (VIN), license numbers as well as information about the owner such as contact information, fingerprints and other demographic information.

All registration-related payments and data, including subsequent vehicle resale, are directly stored on the smart card chip by the program authorities at the time of the transaction and uploaded into the program database. Just like the smart driver’s license data, the card enables storage of any kind of information related to the vehicle registration including the history of car registrations and payments. The secure Sertracen solution can also remove any sensitive information regarding previous owners at the time of sale.
Easy Online Fee and Fine Payment
The centralized Sertracen database not only contains the latest information on El Salvador’s driving population and vehicles, it also helps track tax and fine payments.

Both the Ministry of Finance and the Ministry of Transport are networked to the central database for real-time updates, which makes it possible to manage payments of fines and taxes. These are automatically audited and collected online, so that due payments can go directly to the State’s account.

How it Works
All drivers are issued a license the size of a credit card with Gemalto secure embedded software. When a driver is pulled over for a traffic violation, the police officer requests the driver’s smart license and registration card. The officer inserts the cards in a portable card reader and via a screen on the reader terminal, the driver’s data is immediately validated including identity, vehicle registration status, type of license, vehicle tax data and history of traffic violations. For a double identity check, a biometrics reader integrated on the portable card terminal matches the driver’s fingerprint stored on the card. The traffic violation (speeding, illegal parking, etc.) is uploaded on the card and database in real time.

Program Benefits for Government
The smart card solution helped to automate procedures and processes for management of vehicle registration, licensing and tax and fine payments. In addition, it improved the Tax Administration’s ability to collect fees compared to previous procedures. In the first year of the new service, tax evasion was reduced with a 35 percent annual increase of taxes paid compared to the previous year. The higher rate of collection in the vehicle circulation tax was due to a greater control and ease of payment procedures.

Citizen’s Benefits
Thanks to the secure ID cards, Salvadorians enjoy improved safety, enhanced vehicle resale value and better access to credit due to increased protection of their property and identity. The risk of theft and of purchasing illegally imported vehicles is significantly reduced. Additionally, the program has been effective in compelling drivers and vehicle owners to be more accountable for their actions, resulting in more responsible driving habits, fewer accidents and lower insurance premiums.

New Applications and on-line Services
Throughout the years, the smart card platform has evolved, enabling the addition of new applications and value added services such as mandatory car insurance fulfillment and management. At the same time, it is the source of accurate and reliable data mining within the Vehicle Technical Inspection process. In the coming year, a digital signature feature will be implemented to facilitate both public and private transactions.

Fraud Reduction
Applied to the used car market, buyers, sellers and the government all benefit from the new systems, which establishes a simple, secure and reliable method for identification and tracking of vehicle lifecycles. The government benefits from fraud reduction by eliminating counterfeit license and registration documents as well as illegal importation. And drivers benefit from a significant reduction in car theft due to the use of secured vehicle identification cards.

The project
> First country to introduce, in 1998, a smart card-based driving license.
> 7 million inhabitants in El Salvador.
> 76,000 new cards issued every month.
> 30-minute biometric enrolment and issuance process.
> A highly integrated and efficient infrastructure linking the Ministry of the Interior, Transport, Police and Customs.

Benefits
> Tax evasion reduced by 35% after 1 year.
> Illegal car importation slashed.
> Car theft reduced dramatically.