

The New Digital ID System in Ethiopia

Introduction

Many Countries in the world use different ID systems. Most states in the developing world are still using a traditional ID system while other countries, especially developed states have built modern Digital ID systems. The modern Digital ID system is very important to citizens and residents to maximize access to government programs and fully exercise their rights. It is also important for any government to protect national security, provide proper services to citizens, prepare a development plan, and ensure good Governance.

Even though the Council of Ministers approved a law governing the National ID system, the part of the law on ID is not still operational as it needs endorsement by the House of Peoples Representatives.

The country is using the Kebele ID system which is archaic, underdeveloped, and subject to different abuses and misuses. In this very brief article, we will try to explore the international experience with ID types, the current Ethiopian ID system, and the importance and aspiration of the current Ethiopian new digital ID system project. We will also try to see some provisions of the Digital

ID Draft ¹Proclamation which was approved by the Council of Ministers and directed to the FDRE House of People's Representatives for adoption.

Types of IDs

Even if there are different classifications of IDs, we will focus in this brief article on two types of IDs; namely the foundational ID and the functional ID. Foundational IDs are those that provide identification to the general population for a wide variety of services such as civil registers, National IDs, and population registers. Most foundational IDs are considered legal IDs because

¹ NATIONAL DIGITAL IDENTITY PROGRAMMES: WHAT'S it, available on:<https://www.accessnow.org/cms/assets/uploads/2018/>, accessed on 23/08/2022.

they enable a person to prove whom he issuing credentials recognized by law or regulation as proof of legal identity. Currently, Governments around the world are trying to transform their archaic ID system into modern national digital ID systems justifying their need on a range of issues from facilitating access to services, to national security and fighting corruption. If the digital ID system in one country is mandatory, we can consider that ID as a foundational ID type².

Functional IDs are used to manage the identification, authentication, and authorization for specific sectors or use-cases such as driver's licenses for driving purposes, the tax ID number for taxation purposes, community-based health insurance for insurance purposes, public sector pension card for pension purposes, and passports for travel purposes. Functional ID systems are typically not considered to be legal ID systems unless they are officially recognized as serving this purpose. In countries like Ethiopia which does not have a digital ID system, the kind of ID considered foundational is the one used as proof of legal identification of individuals for general service.

The Current Ethiopian ID system

The current Ethiopian Identification system mainly relies on the resident Kebele ID system. Anyone, who is of 18 years of age has the right to get this type of identification, which used to be issued by the lowest administration structure of the country called Kebele³. In Ethiopia, the Kebele resident Identification system has been serving as a Foundational ID. It provides identification to the general public for a wide variety of transactions and services. Right now, this type of ID is issued by the Woreda administration.

One of the main challenges with the current Ethiopian Kebele identification system is that the credentials indicated on the ID card are vulnerable to alteration and forgery. There are also no mechanisms that guarantee that identities are unique across the country and there is a high probability of individuals who could have more than one kebele ID from different Kebeles of the country. Moreover, with the traditional ID system in the country, it is very difficult for the

² digital-national-id-systems-ways-shapes-and-forms, Available on <https://privacyinternational.org/long-read/4656/>, accessed on 24/08/2022

³ World Bank; 2016. ID4D Country Diagnostic: Ethiopia, Washington, DC; World Bank license; Creative Commons attribution, 3.0 IGO, p. 5.

government to provide reliable services to citizens, ensure the protection of basic rights of individuals, prevent crimes, and hinder the preparation of proper development plans in the country. In addition, it gives an opportunity for the occurrence of different financial crimes in financial institutions in the country. Financial institutions especially the banking sector are losing huge amounts of money every year due to identity fraud.

In addition to the Kebele ID system, there are also functional ID cards that are tied to a particular purpose or program. Tax-Payer Identification Number (TIN), Driver's License (DL), Community-based Health Insurance (CBHI), Public Sector Pension card (PSP), and Public Servant Transport Users' ID card (PTUC) are some of the types of functional ID cards we have in Ethiopia.

Primarily, the idea of a national Identification system in Ethiopia was motivated by proclamation 760/2012. The proclamation states that the NID is to be managed by an appropriate Federal organ to be established through the Council of minister regulation. Still, this proposed federal organ is not established and the provisions of the proclamation about the national ID system are not implemented yet. Experts on the National ID system also argue that the provisions of this proclamation about the National ID are outdated and are not compatible with current International ID system thoughts and practices. So, Ethiopia is building a separate digital identification system to the earlier resident Kebele ID system.

The New Ethiopian Digital ID Ecosystem: 'Fayda Platform'

Currently, there is a need for a new and well-run form of digital ID ecosystem Towards this end, Ethiopia is in the process of adopting a 'New Digital ID System' called the 'Fayda System'. The unique number given by this system is called '*Fayda Number*'. The word '*Fayda*' (ፋይዳ) is customized from a local language. The meaning of 'Fayda' embraces 'value' or 'worth'. It has the same meaning in different local languages of Ethiopia. Thus, building this convenient, harmonized, effective, efficient, and reliable Fayda identification platform provides a unique identity for individual residents in the country.

The establishment of this comprehensive, consistent and reliable digital identification system in Ethiopia has diverse objectives. The first and foremost importance of a 'New Digital ID System'

is enabling residents to be legally identified in the country. The system gives residents to have a unique digital identity by providing a unique identification number which is called 'Fayda Number'. Second, it creates favorable conditions to have streamlined service delivery systems and contributes a significant role to the peace and security of the country. Moreover, the digital identification system is a trust-based framework that ensures transparency and accountability in the country's economic, social and political sectors. Therefore, building a reliable digital identification system will not only ensure residents' rights to be legally recognized and identified but also develop conviction in the relationship between service providers and users operating in the government, private as well as different social sectors. Third, the system also helps to properly prepare national development plans which are instrumental to create an economic transition. Further, the system will help the nation ensure good governance. When policies are formulated and socio-economic development activities are carried out, it is necessary to establish a system that can help to achieve national development goals by easily identifying and addressing the problem of redundancy and non-inclusiveness, reducing the loss of resources, establishing justice among residents, and reducing crime-related threats.

In Ethiopia, there was no robust, reliable, and technology-based digital identification system. Thus, it was difficult to distinguish legal residents from illegals. The social and economic service delivery processes were uneven and created an opportunity for persons participating in various criminal activities by holding multiple IDs with different identities. Currently, the country is trying to build a new digital ID ecosystem that will be implemented using the country's own capacity. In order to make this a reality, a project office is established at the Office of the Prime Minister which is tasked with processing the personal demographic and biometric information of individual residents. This project office has already started work. It has already started to issue a digital ID with a unique number to each resident and preserves information collected from individuals to give this ID to a central sovereign database. The scope of application of the system is at the national level and the data are to be collected directly from individuals who want to have National Digital ID. This digital ID system is consent-based. An individual who wants to register with the digital ID system must express his consent to provide the information required to get the ID issued. To verify the identity of individuals who apply for Digital ID, the system bases itself on recording and storing information collected from individuals. So, data collected for a digital

ID system must be accurate and non-duplicated. The office is expected to build technological frameworks and a national database to achieve this.

The information collected from individuals for the digital identification system is used to differentiate the identity of the citizens and helps the system provide efficient and reliable services to citizens. It is believed that the new digital ID system is very important to ensure data privacy and security and to create accountability and transparency for those involved in data processing.

According to the new draft proclamation, digital identity data collection is continuous and ongoing. And the digital ID system is being built in a way to serve as a source of statistical information for the government. The draft law also emphasizes that personal data collected for the digital ID system must be properly protected and used only to provide a standardized and strong digital ID that can be used to verify and identify users of service in a secure way.

The other critical principle of Ethiopia's digital identity system is, establishing a comprehensive, non-discriminatory, accessible and easy-to-use, trustworthy, and legally based identification authentication system. The system follows a data minimization approach and uses those specific data for the specific intended purpose only. That means data shall be collected for digital identification purposes only and it should be adequate, relevant, and limited to what is reasonably necessary to issue give a digital ID or *Fayda* Unique Number to individuals and should be used for the intended purpose only. The digital identity system should ensure the data privacy, security, and protection of data collected from individuals. The draft law has also provisions for the protection of personal data collected from individuals including provisions that prohibit institutions or relevant bodies from sharing or exposing the information to third parties without the person's consent or legal procedure.

In order to make the digital ID service accessible to everyone without discrimination, a unique digital ID *Fayda* number will be provided based on the principle of non-exclusion. The draft Proclamation stipulates that when developing a digital identification system to verify the identity of individuals, they must comply with and implement in accordance with the digital identification technology system. Moreover, the draft law stipulates that the ID system should be established or organized in a manner to incorporate important information about individuals

residing in the country so that the government can use it as a source of information to make different decisions.

According to the draft law, institutions that can collect basic data including biometric data are only the digital ID office running the project and/or a third party authorized by the project office. The draft law stipulates that personal data entered into the digital identity system should include the demographic data and biometric data of each registrant based on the principle of quantitative data collection described above. According to this, the digital ID system includes only the following four types of information include: full name, (father's name, last name, or legal name), date of birth, month and year; gender, and residential address. However, the nationality, phone number; email address; and postal address of individuals could be optionally collected and included in the ID system. Individuals who provide information to get the digital ID to have an obligation to ensure that the information they provide is correct and not falsified.

The draft law also provides that an independent and reliable complaint resolving system should be established under the project office to resolve individuals.

To make the digital ID system effective, everyone is under a duty to cooperate when requested. The draft proclamation has no provisions about criminal liability because issues in the draft are already covered by other existing criminal laws. So, anyone who violates this law is criminally liable through other relevant criminal laws depending on the type of violation.