National ID Program - Background

✔ **Why Digital ID?**

- Current ID issued by lowest administrative unit- not foundational, analogue, vulnerable to fraud and not traceable.

- eKYC and Authentication needs at financial institutions, digitalization of government services, need to prevent fraud and double benefit in social protection program.

- DID key enabler of digital transformation and digital economy- Digital Strategy 2025.

- Recognized under the National Payment System Strategy and the National Financial Inclusion Strategy.

✅ Objective

- Issue a Unique Identifier that will serve as the Primary Proof of Identity to Access Services

- Build a Sustainable Digital ID supporting all Use-Cases

- Issue DIgital ID to 90 Million Residents by 2026

✅ Status

- ID law enacted on March 2023 *Ethiopian Digital Identification Proclamation 1284/2023*

- Over 1.4 Million Digital ID credentials

- Integration public and private institutions. i.e. Ministry of Revenues, Financial Service Providers, Ministry of Education

- Available in over 180 locations in revenue offices and banks

- Collaborations on progress with development partners

Digital ID Proclamation 1284/2023 – Sneak Peek

- Inclusion primary principle (Leave NO ONE behind!)
  - resident based
  - free registration
  - proof exception
  - disability exception
  - minors exception
- Data minimization and sensitive data
- Privacy by design
- Data protection
- Criminal liability

FAYDA Platform

- Modular Open Source Identity Platform based on MOSIP

- Made by International Institute of Information Technology, Bangalore India

- Accepted as Digital Public Goods.

- Digital Public Goods Alliance - UNDP,UNICEF

- Open Standards
  - ✓ Avoids Vendor lock ins

- Scalable and Customizable
  - ✓ Scale Up/Down
  - ✓ Country Context
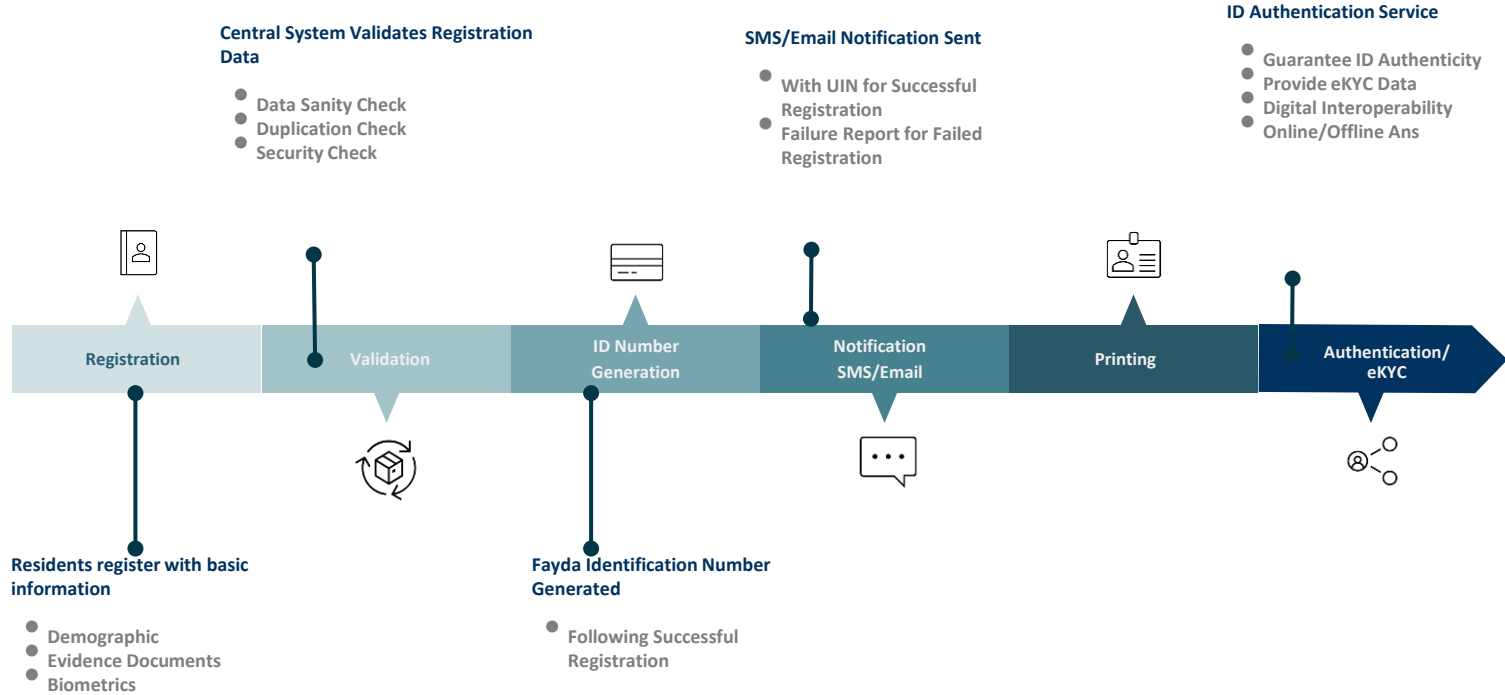

- Data Privacy
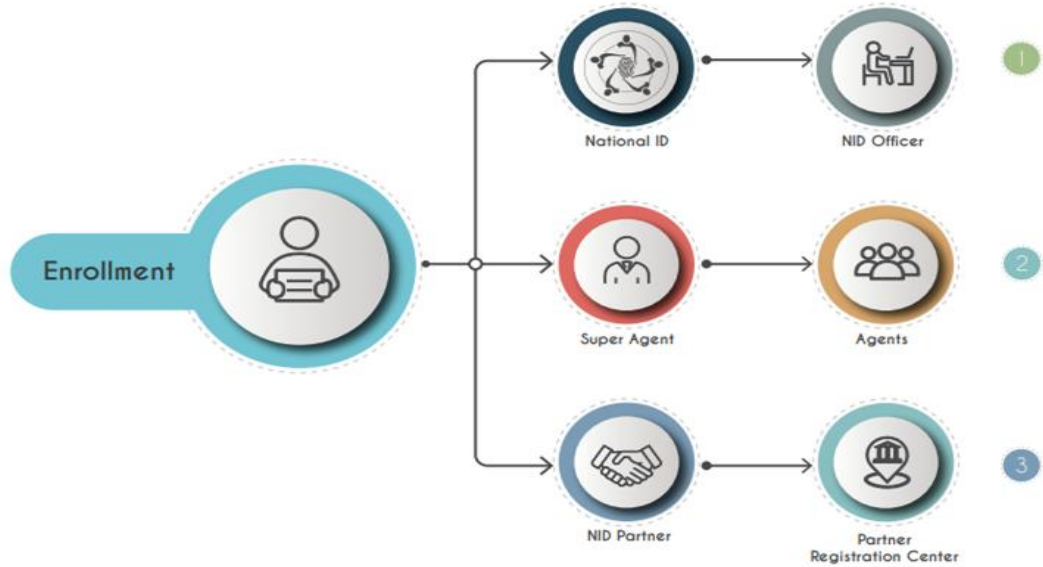 - ✓ Minimal Data Collected
  - ✓ Data is encrypted at all times

- Manageable
  - ✓ Easily maintenance
  - ✓ Monitoring and auditing

3

Process Flow

Central System Validates Registration Data

- Data Sanity Check
- Duplication Check
- Security Check

SMS/Email Notification Sent

- With UIN for Successful Registration
- Failure Report for Failed Registration

ID Authentication Service

- Guarantee ID Authenticity
- Provide eKYC Data
- Digital Interoperability
- Online/Offline Ans

Registration	Validation	ID Number Generation	Notification SMS/Email	Printing	Authentication/ eKYC

Residents register with basic information

- Demographic
- Evidence Documents
- Biometrics

Fayda Identification Number Generated

- Following Successful Registration
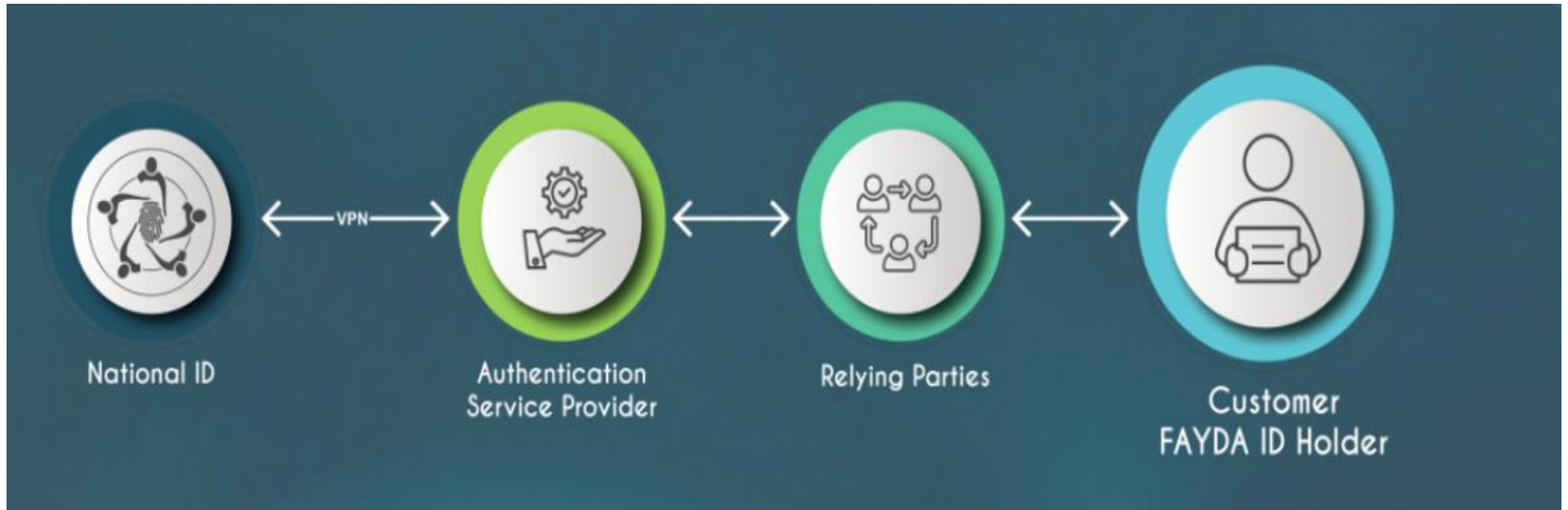
Enrollment Ecosystem

Authentication Ecosystem

Pilot Summary

- Identity is proved using functional ID
- Ease of getting Fayda ID
  - Minimal Data Collected
  - Free of Charge and inclusive of all
- Use-case Centered

1.4 M	100 K
Total Registrants	Pilot Registration

22 K	4
rPSNP Registrants	Regions

Opportunities and Outcomes

✓ **Beneficiary Identification and Targeting**

- Help the PSNP accurately identify beneficiaries, ensuring that aid is targeted towards those who need it most

✓ **Reduce Duplication of Efforts**

- Help avoid duplication of efforts and resources, such as when different programs unknowingly support the same individuals or families

✓ **Farmer Support**

- Digital IDs could be used to manage the distribution of agricultural inputs like seeds, fertilizer, and farming equipment

✓ **Food Security Program**

- Distribute food aid or manage enrollment in nutrition programs

Opportunities and Outcomes cont'd

Education and Training
- Register beneficiaries for education and training programs, whether for children's schooling or adult vocational training.
- Identify who is accessing these services could help to identify gaps and improve program design.

Access to Healthcare Services
- Access healthcare services, such as vaccinations or check-ups. This could be used to monitor health trends within the beneficiary population and inform public health initiatives.

Accelerate Digital Economy
- Income generation for governments
- Utilize DPGs and open sources

Financial Inclusion
- Open bank accounts, apply for microloans, or receive direct cash transfers. This could help to reduce reliance on informal and often risky forms of credit and improve financial resilience.

Challenges

- ✔ **Low Level of Infrastructure**

- ✔ **Low digital Literacy especially in the rural areas**

- ✔ **Aligning all government priorities and strategies to reduce effort duplication**

- ✔ **High budget demand**

Lessons Learnt

- Identify pain points of service providers and customers
- Find selling points to other government agencies and partners
- Compliance with human rights standards
- Pilot with the marginalized and vulnerable group of people
- Consider both offline and online options for authentication
- Take critical issues into account- gender and digital divide