

# **African Union – Economic Commission for Africa**

## **Side Event**

### **Digital Identity for the 2030 Agenda and Agenda 2063**

#### **Extraordinary Session of the African Union Assembly**

**Sunday, 18 November 2018**

**7–9.30 a.m.**

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In Agenda 2063, the African Union commits to transforming the continent and ensuring irreversible and universal change of the African condition through a number of actions. These include eradicating poverty in a generation, catalysing education and promoting science and technology, fast-tracking the establishment of the African Continental Free Trade Area (AfCFTA), strengthening domestic resource mobilization and introducing an African Passport. An important foundation for the realization of these objectives is in establishing legal identities for African people. World Bank data show that today in Africa, an estimated 500 million people have no official identity. In many ways, the lack of robust identification buttressed by a poor Civil Registration and Vital Statistics system on the continent has contributed to marginalization and exclusion of many. Legal identities can facilitate citizens' access to social and political services, promote financial and economic inclusion and the mobilization of domestic resources on a continent whose informal economy is estimated to contribute between 50 and 80 per cent of gross domestic product. The importance of legal identity is reinforced by Sustainable Development Goal 16.9 which calls for “legal identity for all by 2030”.

Technology presents an important opportunity through Digital Identity systems to address existing challenges in order to harness the strategic benefits of legal identities to Africa's development. The continent is experiencing a technological revolution with an upsurge in the use of mobile devices, social media, information and communication technologies and big data, creating new channels for human interactions. In this regard, the provision of legal identities to African citizens can be given the needed boost through Digital Identity.

At the same time, digital trade has established a considerable footprint, with Digital Identity systems and platforms as the basis of such transactions. Digital Identity can also facilitate the participation of Africans in the digital economy, which is expected to grow in Africa to over US\$ 300 billion by 2025. In this context, Digital Identity can be a good vehicle to facilitate the creation of a digital internal market under AfCFTA.

Beyond this, Digital Identity will also be beneficial for overall inclusion on the continent, since digitalization of trade will be of particular benefit to micro, small and medium-sized enterprises, which constitute more than 80 per cent of African enterprises. Digital Identity can further assist countries to prevent vote rigging in elections, reduce leakages in the management of government payroll as well as social intervention programmes, and improve access of the poor to financial services. In sum, in the twenty-first century, where technology, trade and development are interconnected goals, Digital Identity can thus be a key enabler for the attainment of the 2030 Agenda and Agenda 2063.

A few African countries have already made progress in developing Digital Identity systems as a basis for legal identity, however, Africa as a whole has yet to fully harness the benefits of Digital Identity. Similarly, country experiences have shown that there are risks to the pursuit of Digital Identity programmes, including vendor-lock in and data ownership.

Cognizant of these developments and their relevance for African member States, the Economic Commission for Africa (ECA) is working with the African Union Commission on a Digital Identity initiative to help member States accelerate the attainment of the 2030 Agenda and Agenda 2063. Leveraging the ongoing technological revolution on the continent, the Digital Identity Initiative for Africa aims to support the harmonization and implementation of Digital Identity platforms in Africa in a manner that enhances inclusion on the continent, facilitates trade in the context of AfCFTA and safeguards the principles of “Good ID”.

The Digital Identity Initiative works with the regional economic communities and member States to define the minimum requirements for the establishment of Digital Identity platforms in African countries. This will help to maximize benefits for the country and continental aspirations while minimizing associated risks. It ensures universal coverage, safeguards for data security and ownership, and interoperability across other systems and across countries, while respecting country sovereignty. The Digital Identity Initiative will be harmonized with other ongoing work on the continent, such as legal identity and Civil Registration and Vital Statistics, which together form foundational identity systems. The Digital Identity Initiative is intended to support the promotion of a common understanding and implementation of Digital Identity platforms in Africa, including providing capacity-building to member States. This work is led by ECA in collaboration with the African Union Commission with support from external partners, including Omidyar Network and iSPIRT India. Discussions are ongoing with potential technical and funding partners, including the World Bank Group, the African Development Bank and the Rockefeller Foundation.

Work done already includes the preparation of an issues paper on “Digital Identity and AfCFTA”. This paper was prepared at the request of the Chairperson of the Executive Council of the African Union, and was discussed at the Senior Experts Meeting of the African Union Specialized Technical Committee (STC) on Trade, Industry and Minerals, which took place on 17 October 2018 in Addis Ababa. The goal is to have the STC issue policy recommendations serve as a basis for an ulterior decision on an initiative on Digital Identity for Africa, to be considered during the 34th Ordinary Session of the Executive Council of the African Union.

ECA in collaboration with the African Union Commission is convening a high-level meeting on the margins of the Extraordinary Session of the African Union Assembly to discuss the opportunities, risks and lessons for Digital Identity in the African context. Participants at the meeting will include select international experts on Digital Identity and practitioners who have successfully implemented Digital Identity systems. It is expected that the discussions in the meeting will generate recommendations that will guide African countries in the pursuit of Digital Identity systems to facilitate inclusive development and regional integration.

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