



EMERGING ISSUES IN DIGITAL ID PART 3  
**USING DIGITAL ID TO PROVIDE  
SOCIAL ASSISTANCE**

A Use Case and Issue Brief  
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## BACKGROUND

COVID-19 has quickly created a global health crisis forcing governments all over the world to impose drastic measures to contain and mitigate the virus. Various countries worldwide have instituted lockdowns, curfews and stay at home directives, all of which were much needed to contain the virus. This, however, imposed a significant economic burden, especially for those for whom one day's pay is the difference between putting food on the table and going to bed hungry.<sup>1</sup>

Reliance on technology has been one of the key ways governments have tried to address the effects of the virus and tried to address the short and long-term impacts of mass unemployment and social disruption as economies shut down.<sup>2</sup>

Digital ID has been embraced as a way to address the social and economic impact. Countries are expanding and putting in place new social support programs; direct cash transfers to the most vulnerable communities are among the most widely used social assistance intervention by governments. This type of social intervention is facilitated through digital payments.

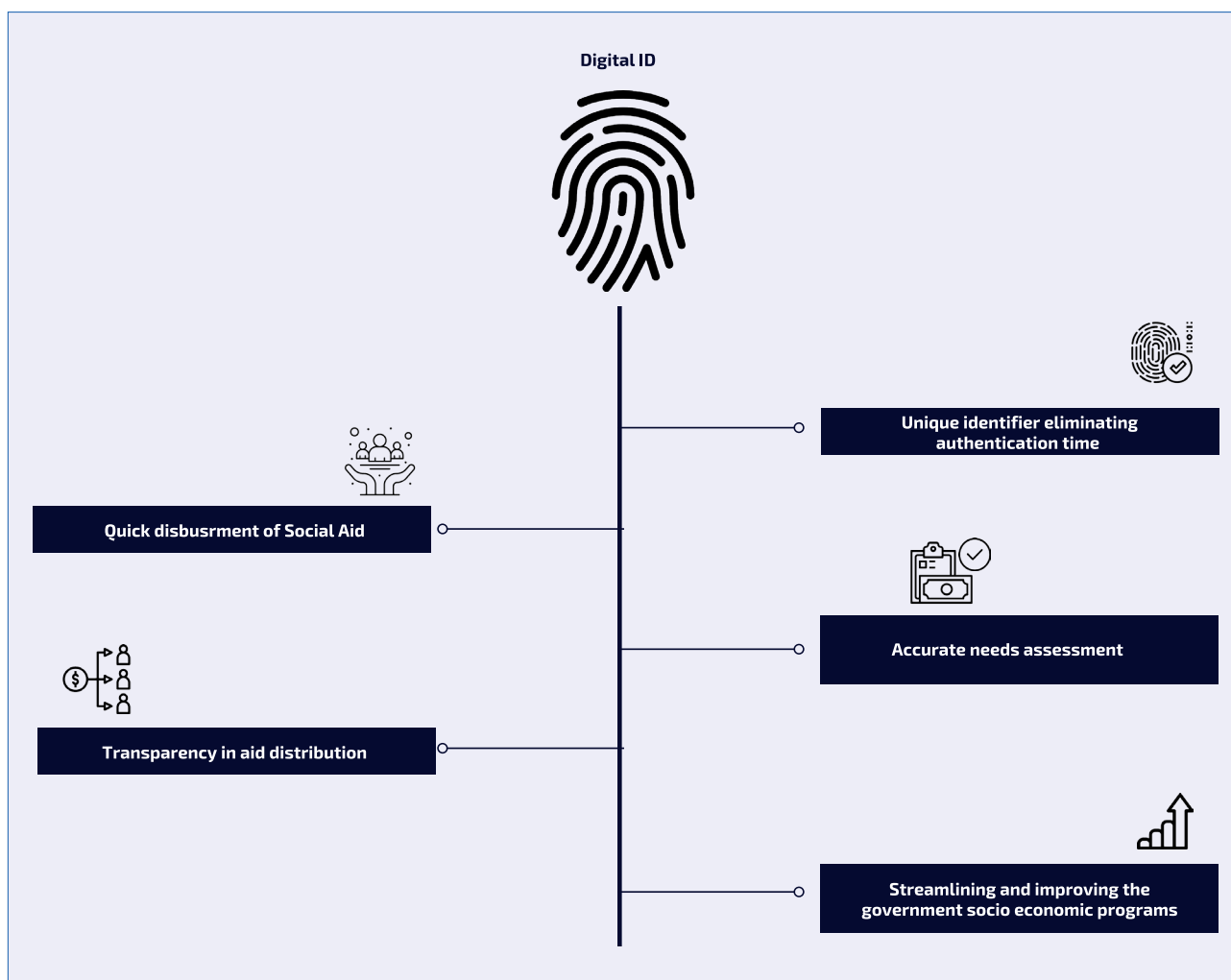


Fig. 1 Good ID Principles

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Rapidly expanding the scope of direct cash transfers increases government-to-people interaction, and may be dependent on the existence of a well-developed digital ID infrastructure that reaches all demographics of a population.

The hope is that direct transfers, facilitated by digital ID, protects the rights and fundamental freedoms of individuals, and ensures adequate and timely delivery of public services.<sup>3</sup> This brief takes a look at the implications of such programs.

### **JUSTIFICATIONS FOR THE USE CASE**

Digital ID has been repeatedly proposed as a fundamental aspect of providing social assistance for the following reasons:

1. Quick disbursement of social aid to the most vulnerable communities.
2. With a unique identifier, less verification is needed before individual interventions get to the intended person. Also fewer instances of double payments or other forms of fraud.
3. Streamlining and improving the government socio economic programs put in place.
4. Accurate needs assessment that aids in effective and efficient distribution.
5. Transparency in aid distribution.

### **DATA INVOLVED IN THE USE CASE**

Data collected for digital id for this use case may include,

1. Biographical data (Name, date of birth, gender, family information, address, email)
2. Biometric data (Fingerprints, facial recognition, iris scans)
3. Cell Phone number
4. Bank account number

### **RISKS INVOLVED IN THE USE CASE**

1. Risk of identity theft.
2. Unauthorised use of data.
3. Misinformation where data is not regularly updated.
4. Discrimination of minority communities that form a big percentage of vulnerable communities.
5. Use of data for purposes inconsistent with human rights.
6. Misappropriation of funds due to data manipulation.
7. Cyber security risks.

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<sup>1</sup> Access Now, 'Government responses to COVID-19 reinforce the need to ask — #WhyID?' <<https://www.accessnow.org/government-responses-to-covid-19-reinforce-the-need-to-ask-whyid/>>

<sup>2</sup> Center for Global Development , 'COVID-19: How Countries Can Use Digital Payments for Better, Quicker Cash Transfers.' <<https://www.cgdev.org/blog/covid-19-how-countries-can-use-digital-payments-better-quicker-cash-transfers>>

<sup>3</sup> Center for Global Development , 'COVID-19: How Countries Can Use Digital Payments for Better, Quicker Cash Transfers.' <<https://www.cgdev.org/blog/covid-19-how-countries-can-use-digital-payments-better-quicker-cash-transfers>>

## ANALYSIS

The use of digital ID to assist the distribution of direct aid has been practiced by inter-governmental aid agencies such as those in the UN. Biometric-based ID is common among aid agencies in tracking distribution of aid to refugee camps and other settings. Emerging technologies are also used: the “Building Blocks” program at the World Food Program, for example, is piloting the use of Blockchain in aid distribution and monitoring.<sup>4</sup>

COVID-19 has been a further catalyst in pushing for the adaptation of Digital ID systems and is seen by governments to be the solution in addressing how best to deliver social assistance to vulnerable populations. The social assistance interventions heavily rely on digital ID systems, yet more than one billion people worldwide live without proof of identification, with an overwhelming majority coming from the world’s poorest populations.<sup>5</sup>

Centralized national identity systems and databases have over the past few years been viewed by governments and development sectors as a primary solution for improving access to public services. In this context social interventions are proposed to aid vulnerable sectors of the population and to ensure that everyone can receive the resources being distributed. However, the people most in need of the social interventions are from low-income and underserved communities, which often face obstacles when receiving social aid from the government that is pegged on having some specific form of ID. This may leave individuals unable to get the support they need as a result of failure to satisfy the requirements involved.<sup>6</sup>

Examples of using Digital ID for aid distribution include the United States, which distributed direct

aid to taxpayers. Payment of tax in the U.S. requires either a social security number or independent taxpayer identification number.

Pakistan has embraced the social intervention of government-to-person cash transfers to aid the poorest 12.5 million households. The Pakistani government is set to rely on already existing social assistance infrastructure to disperse the cash through an emergency transfer program reliant on digital data. The emergency transfer program has been linked to the basic income scheme with selection criteria based on an already existing program, Ehsaas, which heavily relies on data. The program has been previously used in a program that facilitates the transfer of cash from the government to its citizens with the recipients being determined through data analytics. The database that guides Ehsaas is managed by the Poverty Alleviation and Social Safety Division, and the National Database and Registration Authority.<sup>7</sup>

Digital rights and identity in Pakistan are contentious. Although the system is intended to provide much needed aid, many fear that the system will exclude those in need if they do not meet the criteria set. With previous cases of corruption where government employees benefited from a similar cash transfer scheme intended for vulnerable members of the society through false registration, the fears are exacerbated by the lack of trust and transparency in the system and lack of control over personal data collected.<sup>8</sup>

Jamaica, in addressing the social and economic impact of COVID-19, has also embraced the use of digital ID with the Jamaican government taking steps to fast track the National Identification System. This is, in part, to help with aid and benefit distribution. The Prime Minister during a press conference noted that

it would have been easier for the government to provide individual aid and benefits to Jamaicans had it already implemented the National Identification System prior to the pandemic. He further emphasised the need for each citizen to have a unique identifier within the boundaries of the law enabling the transfer of government benefits directly to individuals.

In stating this, he dismissed claims of violation of individuals constitutional rights and maintained that the system would become Jamaican’s main source of identity verification with the benefits of streamlining and improving the governance of social, economic and security programs.<sup>9</sup>

A counterexample is Ireland, which has acknowledged the issues of ID and waived requirements to produce a national digital ID for accessing benefits in these challenging times.

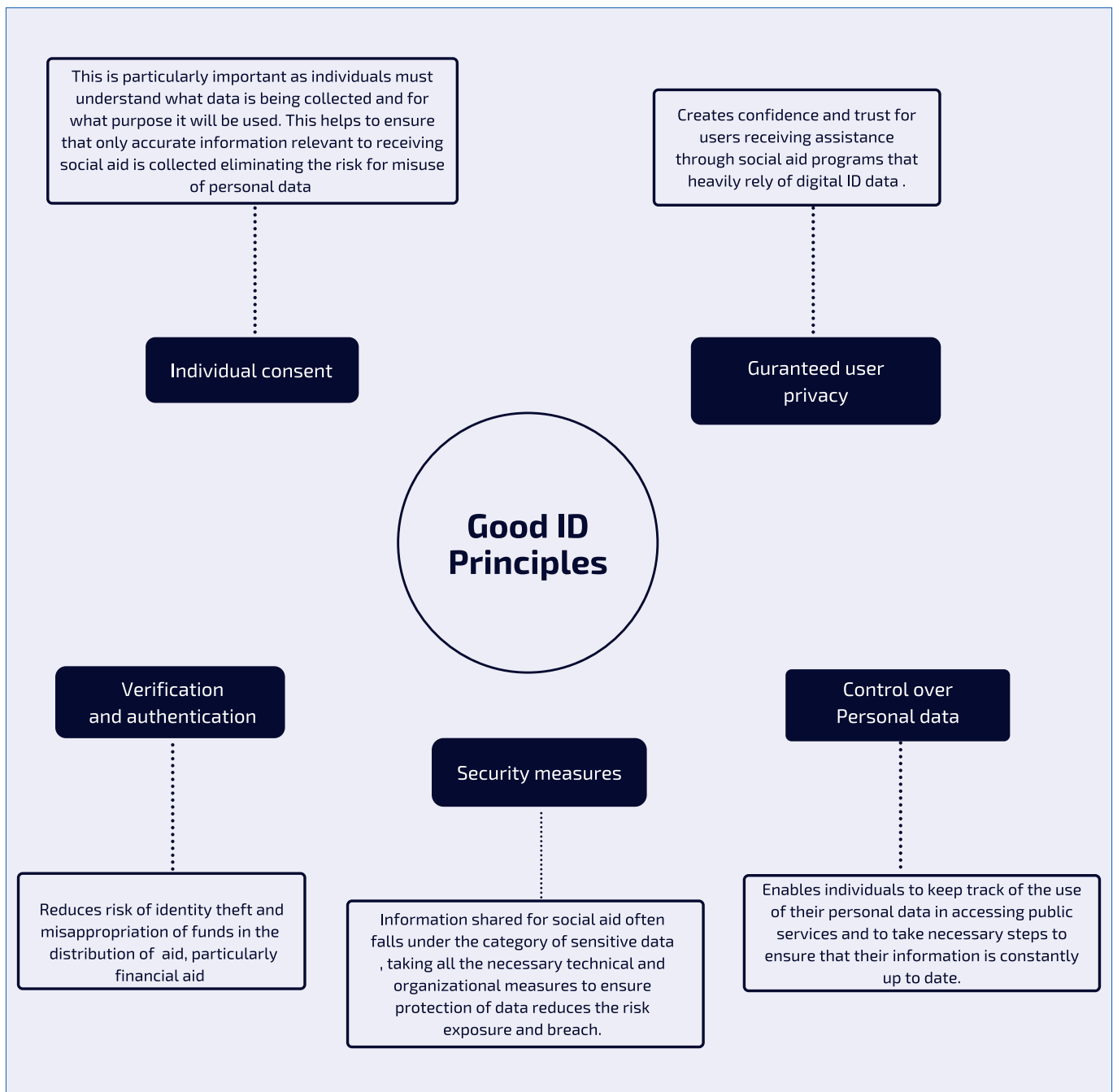


Fig. 2 Principles

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As shown by these and other examples, there are clear benefits to integrating social assistance programs such as direct aid distribution with a digital ID system. Where the ID system works well, is inclusive of the population, and is backstopped in an appropriate legal framework, the distribution of financial aid can be carried out more efficiently. It is critical to remember, however, that digital ID systems are often not inclusive inasmuch as certain people or groups of people may have difficulty producing appropriate documents to obtain the ID. Systems may also be inefficiently implemented – registering or updating data in the system may require time, money, or further documentation. As a result, vulnerable populations may lack a digital ID or be unwilling to go through the process of procuring a digital ID, and are therefore excluded when direct aid programs rely on such ID.

### **GOOD ID PRINCIPLES IN THE USE CASE**

1. Verification and authentication.
2. Individual consent.
3. Guaranteed user privacy
4. Control over personal data.
5. Technical and organizational security measures to maintain integrity and confidentiality.
6. Decentralized national identity systems to minimize risk of cyber-attacks.
7. Accuracy of data being processed and used.

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<sup>4</sup> <https://innovation.wfp.org/project/building-blocks>

<sup>5</sup> C.ALVAREZ, 'The Promise and Peril of Digital Identification for Aid Distribution.' <<https://future-rrcc.com/2019/01/15/the-promise-and-peril-of-digital-identification-for-aid-distribution/>>

<sup>6</sup> Access Now, 'Government responses to COVID-19 reinforce the need to ask — #WhyID?' <<https://www.accessnow.org/government-responses-to-covid-19-reinforce-the-need-to-ask-whyid/>>

<sup>7</sup> The Conversation. 'Coronavirus: how Pakistan is using technology to disperse cash to people in need .' <<https://theconversation.com/coronavirus-how-pakistan-is-using-technology-to-disperse-cash-to-people-in-need-134873>>

<sup>8</sup> The Conversation. 'Coronavirus: how Pakistan is using technology to disperse cash to people in need .' <<https://theconversation.com/coronavirus-how-pakistan-is-using-technology-to-disperse-cash-to-people-in-need-134873>>

<sup>9</sup> Find Biometrics, 'Jamaican Government Aims to Fast-Track National Identification System to Help with COVID-19 Aid.' <<https://findbiometrics.com/jamaican-government-aims-fast-track-national-identification-system-help-covid-19-aid-033103/>>

## CONCLUSION

Although Digital ID has become a component of the solution to addressing the social and economic impact of COVID-19, upholding the right to privacy is an essential component of any COVID-19 response. There is a temptation to use the crisis as justification to accelerate the implementation of digital identity programs.

Nevertheless, data, once collected, is incredibly difficult to control, and data breaches can do irreversible damage. This is especially true where biometrics and other highly sensitive information are involved. This temptation should therefore be tempered by the longer term considerations of public safety, digital rights, and rule of law.<sup>10</sup>

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<sup>10</sup>Access Now, 'Government responses to COVID-19 reinforce the need to ask — #WhyID?' <<https://www.accessnow.org/government-responses-to-covid-19-reinforce-the-need-to-ask-whyid/>>



## ADDENDUM: KENYA'S COVID -19 AID RESPONSE HINDERED BY LACK OF DIGITAL ID DATA.

Kenya's digital identity infrastructure has morphed over the past two years with the inception of the National Integrated Identity System (NIIMS). The objective of the system is to create and manage a centrally integrated database with biometric data on all Kenyan citizens and foreign nationals. Kenyan citizens and foreign nationals were called upon in 2019 to register their biometrics and other details, which would then be used to generate a unique identifying number commonly known as the Huduma number; this number would enable one to have access to various government services.

The registration process was, however, met with backlash and uncertainty, with a substantial percentage of the Kenyan population expressing fears of violation of their right to privacy or services based on the intrusive nature of the data being collected. Members from the minority Nubian and Somali communities feared specific discrimination and exclusion, and these fears were further fueled by the fact that Kenya at the time had yet to enact sufficient legislation governing the lawfulness of the process as well as legislation on the protection of personal data.

The process was challenged in court by civil society organizations on the basis of the stated fears. The High Court of Kenya through an interim decision halted the process of collecting GPS and DNA as unnecessarily intrusive and a violation of the right to privacy as enshrined in the constitution of Kenya. Other parts of the national data collection process were allowed to proceed, but in a final decision the High Court stated that relevant data protection legislations is a prerequisite to completing the implementation of the digital ID.<sup>11</sup>

The court case led, in part, to the enactment of the Data Protection Act 2019 as well as the drafting of the NIIMS Regulations 2020 and the Data Protection (Civil Registrations) Regulations 2020 which are yet to be enacted.

The government of Kenya in its fight against COVID-19 has also embraced technology, heavily relying on the foundational digital identity infrastructure created through digital finance. Several measures and directives have been put in place to cushion Kenyans from the social and economic impact of the virus. Social interventions such as cash transfers have been a go-to solution for the government, having set aside 10 billion KES targeting a population of 1 million members from the most vulnerable communities. 170 million KES has so far been dispersed through the government-to-person cash transfer payment system. The ICT Principal Secretary, however, stated that the process would have been far more effective and swift had they used digital ID data collected during the registration process for the Huduma number. The Principal Secretary was of the opinion that the High Court decision to halt the process has now negatively impacted efforts to map out and assist needy Kenyans.<sup>12</sup>

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<sup>11</sup> Nubian Rights Forum & 2 others v Attorney General & 6 others; Child Welfare Society & 9 others (Interested Parties) [2020] eKLR <<http://kenyalaw.org/caselaw/cases/view/189189/>>

<sup>12</sup> KBC, 'Inaccurate Data Hindering Cash Transfer to the Vulnerable.' <<https://www.kbc.co.ke/inaccurate-data-hindering-cash-transfer-to-the-vulnerable/>>





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