



# THE SOCIO-ECONOMIC BENEFITS OF NATIONAL ID IN SOMALIA

## LEVERAGING LEGAL IDENTIFICATION TO STRENGTHEN GOVERNMENT-TO-PERSON (G2P) PROGRAMS IN SOMALIA

### Abstract

While social protection programs, such as cash transfers and social safety nets, are vital, the benefits of a national ID extend far beyond just these initiatives. A robust identity system can foster a more integrated and efficient socio-economic environment, enhancing governance, economic participation, and overall societal resilience.

# The Socio-Economic Benefits of National ID in Somalia

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### Introduction

Somalia's journey toward effective identification and registration of individuals is a testament to the resilience and determination of its people. It has evolved through various historical phases, each marked by unique challenges and developments. During the British and Italian colonial administrations, progress was notably slow. These administrations issued limited identification documents in the Northern and Southern regions, resulting in minimal registration among the population. Following independence, the Ministry of Interior of Somalia was responsible for managing registration and providing ID cards primarily at the municipal level. However, this system relied heavily on traditional paper methods, which restricted access, particularly for individuals in rural areas—where the population was estimated to be three times larger than that in urban centres.

The registration process largely depended on two key sources: identity verification at birth and vetting for those reaching adulthood. In rural regions, significant infrastructural deficiencies created barriers to accessing registration centres. Many residents lacked formal education, further complicating their understanding and compliance with registration requirements. Additionally, limited transportation options exacerbated these challenges, leaving countless individuals without official identification. Although the system had inherent weaknesses regarding trackability, security, and essential safeguards, it was still connected to crucial services like education, healthcare, employment, housing, and insurance.

The devastating civil war that erupted in 1991 led to the complete disintegration of Somalia's identification system. Subsequent attempts to establish regional and state-level ID frameworks proved unsuccessful, resulting in the emergence of fragmented systems that created a myriad of challenges. These included duplication, exclusion, erroneous inclusions, and the diversion of aid. The lack of a secure and unified identification system has remained a significant socio-economic barrier, obstructing access to vital social services such as housing, education, employment, and healthcare. It has also hampered economic growth and investment, as the lack of reliable identification hinders financial transactions and business operations. Therefore, implementing a secure and unified national identification system is not just a solution but a necessity.

In the context of global development, identification is not merely a bureaucratic necessity but a fundamental component of social progress. It is encapsulated as a critical target (16.9) within the Sustainable Development Goals (SDGs)<sup>1</sup>, which aim to "provide legal identity for all, including

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<sup>1</sup> United Nation. Available from: <https://sdgs.un.org/goals/goal16>

birth registration" by 2030. While identification systems are increasingly common in the developed world, many nations in Sub-Saharan Africa lag behind; the World Bank estimates that over 40 per cent of the global population without IDs resides in Africa<sup>2</sup>. The urgency of this issue cannot be overstated, and immediate action is required.

In response to these challenges, the Federal Government of Somalia (FGS) has initiated vital reforms to stabilise the country and lay the groundwork for recovery. Among these reforms is establishing the National Identification and Registration Authority (NIRA), a beacon of hope designed to address identity, authentication, and registration issues legally. This strategic move is intended to create a cohesive identification framework that will facilitate access to essential services, stimulate investment, and ultimately generate employment opportunities for the Somali people. The funding for this initiative will be sourced from a combination of government allocations, international aid, and public-private partnerships.

## Background

As the National Identification and Registration Authority (NIRA) advances its mission to provide essential services across Somalia, it is crucial to recognize the transformative potential of a comprehensive National ID system. While social protection programs, such as cash transfers and social safety nets, are vital, the benefits of a national ID extend far beyond just these initiatives. A robust identity system can foster a more integrated and efficient socio-economic environment, enhancing governance, economic participation, and overall societal resilience.

Somalia is currently grappling with the challenges of fragmented social protection programs, a situation that urgently demands our attention. This fragmentation often leads to inefficiencies and duplication of benefits. The absence of a centralized legal identification system has enabled issues like 'double dipping,' where individuals receive support from multiple sources, often without proper verification. This has prompted various agencies and international partners to initiate parallel biometric registration efforts, underscoring the critical need for a unified identification framework.

A 2019 report on harmonizing registration and identification in emergencies underscores the crucial role of a national ID system in improving the effectiveness of cash transfer programs<sup>3</sup>. A national ID can streamline data systems, ensure targeted welfare distribution, minimize errors, and enhance eligibility and benefit duration transparency. This need for robust identification credentials is critical for successfully implementing social protection programs.

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<sup>2</sup> World Bank. 2017. The State Of Identification Systems In Africa: Country Briefs. Available from: <file:///C:/Users/PC/Documents/ID%20reports/Enrollment/Docs/Report%205.pdf>

<sup>3</sup> Development Initiatives. (2019). Harmonizing registration and identification in emergencies in Somalia Available from: [file:///C:/Users/PC/Downloads/briefing\\_harmonising-registrations-and-identification-in-emergencies-in-Somalia.pdf](file:///C:/Users/PC/Downloads/briefing_harmonising-registrations-and-identification-in-emergencies-in-Somalia.pdf)

NIRA's national ID system will feature a Unique Identity Number (UIN) designed to significantly improve the accuracy and efficiency of identity verification across various sectors. The ID card will include advanced security features, adhering to Somalia's Data Protection Law (2023), ensuring individuals' legal identities are protected while respecting privacy and consent standards.

### Multifaceted Benefits of a National ID

- ❖ **Enhanced Social Protection:** A national ID system will close social protection gaps by reducing duplication risks and ensuring that assistance reaches those most in need. This system will particularly benefit vulnerable populations, such as internally displaced persons (IDPs) and migrants, safeguarding their rights and access to essential services.
- ❖ **Economic Inclusion:** By providing a reliable means of identification, the national ID will facilitate access to formal employment, banking services, and credit opportunities. This inclusivity can boost economic participation, enabling individuals to contribute to the economy and improve their livelihoods.
- ❖ **Interoperability Across Sector:** Introducing a unique ID will promote the seamless sharing of identification data among government agencies, NGOs, and private entities. This interoperability can enhance the efficiency of various programs and services, reducing administrative burdens and fostering collaboration. For instance, Slovenia's integration of identity data across multiple databases resulted in significant cost savings in social services<sup>4</sup>.
- ❖ **Improved Governance and Accountability:** A national ID system will enhance governmental transparency and accountability, facilitating better tracking of benefits and services. This can help curb fraud and financial leakages, ultimately increasing government revenues and ensuring that donor funds are utilized effectively.
- ❖ **Support for Displaced Populations:** A reliable identification system is crucial for addressing the needs of displaced individuals. It can ensure that migrants and refugees receive the necessary support, facilitating safe migration and reducing their vulnerability to exploitation. The World Bank has emphasized that access to identification can mitigate displaced populations' challenges.
- ❖ **Strengthened Societal Cohesion:** A national ID can help integrate marginalised communities into the broader society by fostering a sense of belonging and legal

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<sup>4</sup> The New Slovene Biometric Identity Card: A major step towards digitalised services in the Republic of Slovenia: [chrome-extension://efaidnbnmnibpcjpcglclefindmkaj/https://www.gov.si/assets/ministrstva/MNZ/SOJ/Novice/2023/3-Marec/BOI\\_nagrada\\_08032023/The-new-Slovene-biometric-identity-card\\_brochure\\_2023.pdf](https://www.gov.si/assets/ministrstva/MNZ/SOJ/Novice/2023/3-Marec/BOI_nagrada_08032023/The-new-Slovene-biometric-identity-card_brochure_2023.pdf)

recognition. This cohesion is essential for national stability and development, promoting social harmony and reducing tensions.

### Addressing Challenges

While the potential benefits of a national ID system are significant, challenges remain. These include logistical hurdles in reaching remote and conflict-affected areas, ensuring data security and privacy, and managing the transition from fragmented systems. Overcoming these challenges will require careful planning, resource allocation, and stakeholder engagement.

- ❖ **Geographical Dispersion:** Access to registration services can be complex for those in remote areas, necessitating innovative outreach strategies.
- ❖ **Nomadic Populations:** Mobile lifestyles of specific communities, including IDPs and returnees, pose challenges for consistent identification.
- ❖ **Gender Norms:** Cultural barriers may limit women's access to identification and participation in economic activities, requiring targeted interventions to promote gender equity.
- ❖ **Household Dynamics:** Implementing a household-level recording system may disrupt traditional power structures, particularly regarding gender roles, warranting careful consideration in design and execution.
- ❖ **Interoperability Issues:** It is crucial to ensure that the new digital identification system works seamlessly with existing systems to maximise its effectiveness.

### Opportunity for Collaboration

The implementation of the ID system in Somalia, through a collaborative approach, offers significant socio-economic benefits that go beyond social protection programs. It improves governance, promotes economic inclusion, and fosters societal cohesion. The system facilitates access to financial services, such as banking and microloans, by providing individuals with a verifiable identity. It also allows for better targeting of social welfare programs, ensuring resources reach those most in need. Additionally, it creates opportunities for employment and entrepreneurship by enabling individuals to verify their qualifications and experience. For example, India's Aadhaar program has effectively used a collaborative approach to provide unique identification numbers to over a billion residents. As a result, millions of individuals have gained access to a wide range of government services, improved the distribution of government subsidies, and have been able to participate in the financial system. In Rwanda, the national ID system has significantly boosted financial inclusion, with more citizens able to open bank accounts and access credit.<sup>5</sup> Estonia's e-Residency program is another success story. It allows global entrepreneurs to establish and manage businesses within the EU, boosting the country's economy. Considering the preceding, the National Identification and Registration Authority is committed to closely working with donors and implementing agencies engaged in social protection programs to improve the

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<sup>5</sup> ID4D World Bank: Country Diagnostic, Rwanda:  
<https://pubdocs.worldbank.org/en/573111524689463285/Rwanda-ID4D-Diagnostic-Web040318.pdf>

quality of their work through verifiable sources of information. In reciprocity, NIRA anticipates social program financiers and implementers to make the national ID a vital prerequisite for accessing social benefits. Bringing our strengths behind the National ID system minimises duplication, eliminates ghost beneficiaries, and makes program implementation cost-effective.

**Specific areas of cooperation with NGOs would be:**

1. Getting the National ID Registration message going across various areas they work in.
2. Link their services to the National ID; beneficiaries must show their national IDs.
3. Facilitate, where necessary, the registration of IDPs