Cadastro Único - Operating a registry through a national public bank

International Labour Office

Brazil

The Cadastro Único database covers one third of Brazil's population. Cadastro Único could progressively be used as the reference registry for the whole social protection system (including contributory schemes).

Officially created in 2001, Cadastro Único is a shared registry for Brazil's vulnerable population, defined as households earning half of the minimum wage per capita (about US$170 per month).

Operated by a public bank, Caixa Econômica Federal, Cadastro Único is consistent with Brazil's decentralization efforts. The registry provides municipalities with clear roles and responsibilities, minimizes data collection efforts, and ensures consistency and efficiency of the social protection system.

The single registry's main client is the Family Grant (Bolsa Familia) programme. Bolsa Famililia disbursed more than 13 million payments per month in 2013.

Social Protection Floors (SPFs) guarantee access to health care for all and income security for children, persons of working-age, and older persons.

185 countries have adopted the Social Protection Floors Recommendation, 2012 (No. 202), an approach to achieve universal social protection.

This brief presents a successful country experience and gives a practical example of how SPFs can be implemented.

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Main lessons learned

The collection and compilation of data on Brazil's poor and vulnerable population has enabled local governments and policy-makers to develop a better understanding of this population and develop appropriate and coordinated programmes.

In addition, the installation of a single registry for the poor population operated by a federal bank has increased social assistance programme outreach and mitigated the risks of data manipulation, fraud, and clientelism. This arrangement provides service providers with consistent targeting and automatic payments to beneficiaries without intermediaries. It has also enabled beneficiaries to clearly understand their eligibility for various programmes and to easily claim benefits (98 per cent of the delivered benefits are withdrawn within one month).

Progressive adjustments and improvements to the single registry have allowed for better transparency and traceability of the social protection system, notably through online access and automatic controls with other existing administrative databases.

Social Protection in Action: Building Social Protection Floors

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1. The need for a unique and shared database on the poor population

Social assistance programmes targeting the poor and vulnerable have a long history in Brazil. Previously, each programme had its own tools and processes for collecting data and identifying beneficiaries. Registries were kept separate even within the same ministry or agency. As a result, the social protection landscape was scattered and inconsistent, which resulted in limited outreach and numerous inclusion/exclusion errors (partly as a result of fraud). The abundance of small databases and the absence of a consolidated database also led to a lack of information on poor populations and, consequently, to their invisibility to policy-makers.

Taking stock of the situation in 2001, the Government decided to consolidate four different cash transfer programmes targeting poor and vulnerable families and create a unique national registry. The consolidation was executed in 2003. The goals of Cadastro Único are to identify poor families, develop an understanding about their characteristics, and geo-reference poor households.

Since the outset, Cadastro Único has been part of the Government's national social protection strategy focused on poverty eradication (*Plano Brasil Sem Miséria*) to identify poor populations and their needs and centralize all this information in a single registry.

2. A single registry covering about 78 million people and operated by a federal bank

Cadastro Único targets Brazil's vulnerable population, which is defined as families who earn at or below half of the minimum wage per capita (US$6 per day or US$170 per month). The 2010 census led to the identification of 20 million low-income families in Brazil (67 million people or 35 per cent of the total Brazilian population). The registry contains data for over 23 million families.

The federal bank, Caixa, has been in charge of operating the single registry since the outset. The bank was selected mainly because of its large network of agencies (including national lottery shops), its experience with managing large databases, and its ability to handle the 13.8 million monthly payments targeted by Cadastro Único with no delays.

Data collection and data entry is done by the 5,570 local governments (municipalities) in Brazil. The software for data entry was developed on demand by Caixa. The latest version, launched in 2010, includes online access, which has helped to solve consistency and synchronization issues between the local governments' systems and the central Government database.

Data validation and cross-checking is the responsibility of the federal Government which guarantees harmonization and coherence across municipalities.

Figure 1: Process to register in Cadastro Único and receive the Family Grant (one of the main benefits delivered using the single registry)
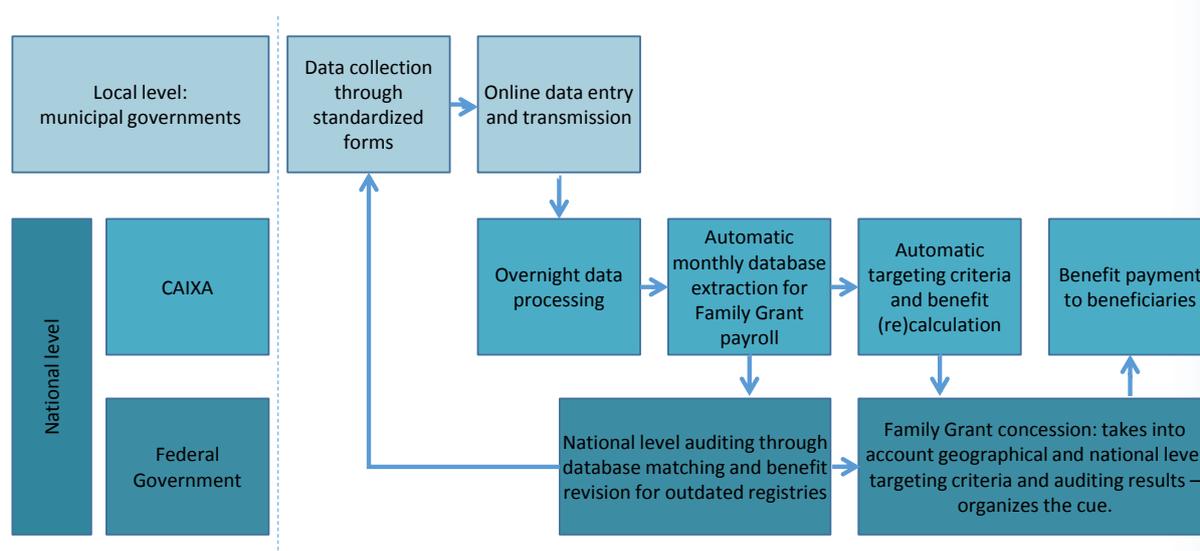
Coverage increased from 6 million families in 2003 to 11 million families in 2006 and 13.9 million in 2013. The bold expansion of the Family Grant brought the single registry's flaws and inconsistencies into the spotlight. Most of the issues were the result of two pitfalls:

- the technical fragility of the data collection form, which had been developed without seeking expertise on social programmes or questionnaire and survey techniques;
- the low quality of data inherited from previous existing databases.

To overcome these challenges, the Ministry of Social Development, in association with the Brazilian Institute of Geography and Statistics and the Applied Economics Research Institute, organized a debate on the data collection form from 2005 to 2007. These discussions have resulted in an improved and more consistent form (similar to the national census and the household survey forms), as well as better capacity building initiatives (manual and training) at the local level.

To reduce inclusion errors, a data verification process has been installed, which systematically matches entries with other administrative records.

3. The single registry is part of Brazil's decentralization process and has resulted in more consistent pro-poor policies

Cadastro Único has facilitated the development of in-depth knowledge about the poor population, greatly improving the ability of local and central governments to formulate and implement appropriate policies for the poor.

From an operational aspect, Cadastro Único has considerably improved the consistency of social welfare policies: all programmes now use common targeting criteria and tools to select their beneficiaries and a common delivery mechanism for cash benefits.

The use of the single registry has also contributed to the improvement of the transparency and traceability of information: all data are available online and, in the first quarter of 2013, 98 per cent of benefit payments were performed automatically through the payroll system.

Benefit cancellation is also automatic and is regulated and controlled by the central Government.

Finally, the implementation of Cadastro Único has empowered subnational authorities in the management and delivery of social protection programmes through providing them with concrete roles and responsibilities. In order to ensure the quality of the database, the programme includes incentives for municipalities to keep data updated.

4. What's next?

The main challenge facing Cadastro Único remains the maintenance of such a large database on vulnerable populations. It is particularly complex since the single national Management Information System does not yet cover local-level registration and analysis needs. Hence, local-level managers often duplicate data, resulting in synchronization issues and data security problems, or deviate from the original purpose of the centrally defined processes to match their local needs.

Connectivity and system availability are remaining challenges for the Cadastro Único. Even though an online solution is ideal, the stages of local government institutional and economic development are not homogeneous, making it complex to implement an online system and utilize the system on a daily basis.

From a development perspective, the registry could be used as the reference registry for the whole social protection system (including contributory schemes). Maintaining a larger database will be even more challenging, but should result in savings for the social protection system as a whole through resource pooling, increase the efficiency of identifying beneficiaries, and facilitate the implementation of social protection floors covering the whole population.

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INTERNATIONAL LABOUR OFFICE

4, route des Morillons
1211 Genève 22
Switzerland

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