INTERNATIONAL SEMINAR

Rethinking Social Registries in Latin America and the Caribbean

Summary and recommendations

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INTERNATIONAL SEMINAR

Rethinking social registries in Latin America and the Caribbean

The international seminar Rethinking Social Registries was held online on July 18 and 19, 2023. It was organized by the Social Registry Unit of Ecuador and the Ministry of Development and Social Inclusion of Peru, with support from the Inter-American Development Bank (IDB) and the German Development Cooperation (GIZ).

The COVID-19 pandemic and the years that followed it yielded important lessons about the fundamental role of social registries and social information systems. Social registries were key to quickly and efficiently supporting as many people as possible in order to protect their income. They were also central to efforts to identify people who have been overlooked or marginalized.

The pandemic accelerated relevant innovations and information technology uptake to reach vulnerable populations. Many countries have therefore shifted from a vicious cycle to a virtuous one in the area of data collection: they have made investments, enhanced the targeting of their efforts, improved their use of information, and expanded the capabilities of those who use the data. Because of this shift, different actors—other sectors, local governments, researchers, etc.—have come to value this information more, which allows it to be used in more diverse ways. The data is now useful not only for program targeting, but also for planning, designing social policies, and even for gaining a better understanding of poverty.

We are building out the digital data infrastructure, which is the most important infrastructure in our 21st-century societies. Social registries are just one component of this digital infrastructure. Countries also need to conduct a comprehensive analysis of their digital ecosystem and take further action to refine the interoperability and governance needed to solidify this infrastructure. The initial steps on this path are to develop a vision for the social protection sector and use technology to make it a reality. But first comes the vision, which is to progressively include people until reaching universal social protection, followed by the technology to support it.

The seminar consisted of five technical sessions, covering interoperability, collecting and updating data, data quality assurance strategies, new digital data sources, and data protection.

Interoperability

In technology, interoperability is the ability of two systems to interlink, interact, and operate in a connected manner, exchanging information and operations.

For social protection, interoperability includes technical, semantic, organizational, legal, and political dimensions, which means that institutions have to have specialized and multidisciplinary teams. Additionally, interoperability is fundamentally shaped by countries' political and social objectives and the organizational architecture of the social security and social protection systems in each context.

The COVID-19 crisis made it clear that the ability to swiftly share information is essential for launching emergency programs, and that institutions' capacity to share data and to use information from other institutions is key. Interoperability is crucial for updating and validating social registry information from administrative records, and it is critical to have unique identification codes that link together the individual information from different databases. Integrating information is the way forward. But, as the presentation on Brazil's Cadastro Unico made clear, achieving this integration requires constant coordination and a strong emphasis on inter-institutional arrangements. This area has persistent challenges related to how to exchange information while protecting the confidentiality of the data.

With regard to technological opportunities, universities, research centers, and industry should take the lead on researching and developing innovative ways to make these technologies available to social protection and social security institutions. These institutions, in turn, are responsible for analyzing their benefits and potential uses, finding the most efficient options to meet constantly evolving social needs. It therefore makes sense to pilot technological tools and alternatives to respond to new challenges and meet the needs of younger populations that require more modern access channels.

Mechanisms for updating information

The socioeconomic situation of households and individuals is constantly changing. It is therefore extremely important to have dynamic methods for updating data to reflect these continually evolving social needs.

Countries relied on social information systems to respond to COVID-19. They drew not only on the data they already had compiled, but also on their pre-existing capacity to leverage available administrative data and on the capabilities of the underlying systems to implement more flexible and innovative processes for collecting and updating information. Today, administrative data has become the primary source for updating and validating social registry information.

It is essential to use a differentiated data collection methodology and avoid the rigidity of a single method. Peru's Household Targeting System has already taken this approach, gradually adapting

social data collection methods to strategically increase coverage and use tailored solutions to reach different population groups.

Another tactic is to devise separate strategies for updating information for different population segments. This way, more detailed socioeconomic information collection methods can be designed for certain population groups and simpler collection and updating methods for others.

Data quality

Ensuring data quality is essential. Data is the raw material of social information systems and social registries and is the backbone of the assessments of needs and socioeconomic conditions used to identify potential beneficiaries. Data quality has to do with detecting and addressing potential inconsistencies, as well as the possible causes of these inconsistencies and the options and measures for mitigating them.

Separate quality assurance strategies are needed depending on how inconsistencies impact data processing objectives, which can include targeting, planning, or monitoring. Not all inconsistencies in data quality have the same impact, as is evident in the gradated scheme established in Chile's Social Household Registry, where strategies for addressing inconsistencies vary according to the case.

Self-reported data can be more relevant in terms of attributes surveyed, since the questionnaires are tailored to the needs of social registries and social programs. However, the benefits offered by social programs may incentivize people to self-report biased information. Administrative records are less exposed to these biases but are not always available. Additionally, high levels of informality make administrative records alone an insufficient source for updating the social registry. Even with robust administrative records, a mature interoperability scheme is needed to allow this data to be exchanged and to include a unique identifier with widespread coverage, such as Chile’s RUN.

Allocating more resources to ensure the quality of information increases the unit cost of production. This means that a limited budget will result in lower coverage with higher quality. However, in emergencies, coverage should be prioritized over quality. In such contexts, tolerance for errors increases, so countries should collect simpler data and set up smaller structures with a lower unit cost to reach a greater share of the population.

Finally, policy dialogue should precede the development of systems, algorithms, technologies, and processes for producing information. To achieve this dialogue, it is important to ensure bidirectional and continuous exchanges between social programs and the social registry. Skipping this ongoing dialogue and bilateral exchange can lead to highly sophisticated systems that make inefficient use of public resources.

New digital data sources for social protection: opportunities and challenges

In the field of social protection, a number of non-traditional digital data sources have emerged in recent years. These sources offer many advantages but have collateral risks that need to be evaluated, so countries should analyze the ethical and human rights risks of each one.

Among these new data sources, **satellite images** appear to hold the greatest potential. For example, Ecuador's Social Registry Unit has already been successfully using them for geographic targeting. These images are also a very useful tool for adaptive social protection because they can be used to identify areas affected by natural disasters. Finally, these images provide one way to evaluate the impact of cash transfer programs, as they can track infrastructure development over time, reflecting changes in the value of people's assets.

Satellite images are just one source of digital data. Others include **onsite remote sensors,** which are used at the intersection of humanitarian aid, disaster response, and the social protection system to determine preparedness for climate shocks. Cell **phone data** can be used for outreach and two-way communication with citizens; it can also be used for mobile money payments and to manage beneficiaries. **Web and social media data** are often used to track the mobility of large population groups, based on analyses of smartphone data. Finally, **digital finance** can become an accessible source of data because of the more widespread use of digital currency.

However, digital exclusion is a major problem with each of the above sources. In addition, access is also a critical issue, as this data is usually held by private companies. Likewise, managing privacy and data security are important considerations. There are also issues related to transparency, fairness and power: being able to access a new data source does not necessarily mean that it is right and ethically justifiable to use it.

Data protection

In the digital age, any use of personal data is an invasion of the fundamental right to privacy unless it complies with the data protection requirements established by law. These requirements include clear obligations for those who use personal data. The safeguards also give individuals more information about their right to control the use of their data.

At all stages of providing their services, social protection programs collect and process a large amount of personal data, some of which is highly sensitive. Digital systems make data protection more urgent because data from our transactions and interactions is generated and collected through a variety of computer systems and devices that could mishandle our information.

The Implementation Guide - Good Practices for Ensuring Data Protection and privacy in Social Protection Systems, SPIAC-B commissioned, describes how data protection should be carried out in practice, particularly in the digital age. The guide is intended for those involved in designing and implementing nationwide protection systems and programs: primarily national authorities and

government officials, as well as leaders of humanitarian and development agencies that support the countries.

The Colombian Social Registry of Households is a particularly interesting case in relation to this topic because its data protection was designed around three aspects: (i) regulatory, with a history of rules that evolve to ensure data protection; (ii) technological, with measures to guarantee cybersecurity; and (iii) operational, with an emphasis on processing data in ways that protect it and storing it in clusters (with different levels of access restrictions to guarantee proper use). These three aspects are interconnected to mitigate the risk of cyber-attacks. Another good practice is the procedure of having employees who access the information sign an individual commitment to protect the data.

It is also important to create a data culture and to bear in mind that the owners of the data are the data subjects, and that the responsible institutions have a duty to safeguard, protect, and use the data for the requested purposes. To implement security and effective data governance, institutions have to make daily and constant efforts to shape their institutional culture rather than take a single definitive action.

As mentioned above, data infrastructure is currently our societies' most important infrastructure, and its security should be commensurate with that importance. Collecting, processing, analyzing, using, and exploiting data is an integral part of all our economies and everyday life worldwide. It is therefore key to take all necessary steps to protect data and privacy while still prioritizing the need to reach people in situations of poverty and vulnerability and offer them social protection services by using this data in a visionary manner that could involve creative and unconventional methods.