PUBLIC SECTOR FUTURE podcast – Episode 8 – Scaling Digital Transformation in Brazil

Olivia Neal [host]
Luis Felipe Monteiro [guest]

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OLIVIA NEAL: Hello, and welcome to Public Sector Future. This is a show for anyone who cares about using digital approaches in the public sector to deliver better outcomes.

I'm your host, Olivia Neal, and together we explore stories from around the world where public servants have been successful at driving change. We meet the people behind the stories, hear their firsthand experiences and their lessons learned.

Throughout the series, we discuss technology and trends as well as the cultural aspects of making change happen.

I'm joined today by Luis Felipe Monteiro, the secretary of digital government in Brazil. Luis Felipe is in charge of digital transformation of the federal government and ensuring the supply and quality of public services to Brazilian citizens. He's focused on implementing innovation actions in the public sector– focusing always on the needs of the citizen.

He was named in 2020 was one of the world's 50 most influential people revolutionizing governments. And we're really excited to have him here today.

We're going to be talking about how to scale digital transformation in a very large country, how digital approaches have enabled support of the most financially vulnerable people during the COVID-19 pandemic, and where he's going to be focusing next.

Luis Felipe, welcome to the show.

LUIS FELIPE MONTEIRO: Thank you very much, Olivia.

OLIVIA NEAL: To start off with, could you explain a little bit to our listeners about what is your role as the digital government secretary? And could you give us an idea of the scope and scale of Brazil and the people that you're serving?

LUIS FELIPE MONTEIRO: As the digital government secretary of Brazil, my main role is to coordinate and implement the digital transformation of public services and public policies within the federal government of Brazil.

Brazil is a federation. We're split up on the federal government, state and 5,500 municipalities. Brazil has a population of 211 million inhabitants – citizens that are right now receiving digital public services in a large scale.

I work together with more than 200 federal agencies to coordinate this effort. My team has around 7.5 thousand public servants, two main IT-owned enterprises and many private-sector companies that are working with us to do this transformation.

OLIVIA NEAL: So, the scale is huge. You're serving 211 million people across 5,500 municipalities. This is just a scale which is very large compared to some of the other countries that we've been talking to. That must pose some really unique challenges for you.

LUIS FELIPE MONTEIRO: Yes, exactly. Brazil is a continental country, so to speak. We have many differences among regions, among municipalities. The main challenge is to produce the right scale and to be exponential, to accelerate the digital transformation and to make the life of Brazilians better – easier.

Right now, we have more than 100 million Brazilians using every month the main platform that we have, which is gov.br, where we provide thousands of digital public services, notification mechanisms, digital ID, interoperability platforms, and many others – components of the digital transformation.

Also, we work with the states and municipalities in a digital transformation network that is coordinated by my team.

OLIVIA NEAL: Wow, okay, so you have a team of 7,500 people on the federal government side. And some of your areas of focus are really starting with that gov.br platform and how you build and scale the services on that.

And then, you're scaling your impact through the network that you're creating with the municipalities and with the local governments in order to get that reach right across the country.

LUIS FELIPE MONTEIRO: Exactly. The right way to do this in Brazil is to collaborate with everyone. So, it is not a one-man or one-woman effort.

OLIVIA NEAL: And you mentioned gov.br as your main platform for citizen services. Could you maybe tell us a bit about how gov.br came into existence? How did you get started?

LUIS FELIPE MONTEIRO: Brazil started the digital transformation government with a strategy within government back on 2016. So, it's quite new – this journey for us.

First of all, we made a benchmark with many other countries like U.K., Canada, Denmark, South Korea and many others. Some countries here in Latin America, too like Uruguay. And we understood that to accelerate the digital transformation within the public sector in this scale that I mentioned, we had to establish common platforms, cross-agency platforms. So, it would take so long if every agency needed to create from scratch their infrastructure that we decided to define what are the main building blocks for digital transformation?

We decided that one of the components should be a portal to showcase the services and to establish simple and easy-to-use user experiences. Back in 2019, the beginning of this new government, we had the stakeholder engagement, and many ministries came to us and say, okay, this is important. we know the government of the future, will be a digital government.

So, where to start? We decided to establish by the presidential decree one single channel to spread information on – institutional information, news about the policies, and also the provisioning of public services. Then, like gov.uk team did, we started to migrate the old infrastructure, the old website – I used to call that the digital mess that we had in the past, we started to move everything to gov.br.

So, right now, gov.br is one of the top five governmental portals in usage in the world. it has only one year and a half, so it's quite new. What I can say is that we learned from international experiences. The main suggestion that I make for those who are starting this journey is before starting, open your head for international experience. talk with international agencies, with universities, with companies like Microsoft that have international perspective and understand what the other countries are doing. This is the main suggestion to speed up the results.

OLIVIA NEAL: And I think one of the really interesting perspectives that you have is you've made an incredible amount of progress very quickly. So, from establishing the platform and commencing activity on the plan in 2019, you now have 100 million users of gov.br. So, you've done migration very quickly and you've really consolidated very useful information to people in a very short space of time. Is there anything that you can share which has meant that you have been able to move more quickly and really make that transformation happen?

LUIS FELIPE MONTEIRO: First, I say that the velocity that we got was possible, especially because Brazilians – the society, it's very digital. So, we are the fourth country in the world in number of internet users – more than 140 million Brazilians use internet daily. Brazilians spend in average nine hours per day connected. This is 30% higher than North Americans, for instance. So, Brazilians are very innovative, and they adopt technology easily.

So, we have huge demand. On the other hand, it was important to establish consensus. For that, we had also the support from international research centers and also international organizations. So, OECD made a peer review of the digital transformation in Brazil, and that peer review stated in a very precise way the highlights that we should focus to make that transformation.

Third, since we started later than, the previous countries, we were able to make less mistakes, so to speak. So, we were able to learn from their journeys and we stated our strategy based on that.

And fourth, I would say that the team inside the ministries and agencies, they enrolled with gov.br very fast. All the team, they understood, and we had a very precise cultural shift from the standard information technology way of working to the new digital transformation way of working where the citizen must be in the center of our decisions. Think on the transformation as a cultural shift. It's important to establish consensus to create a unique vision for the entire organization.

OLIVIA NEAL: I think those are some really interesting points. So, you talk there about citizen demand and citizen expectation being that government would be providing services in a joined-up digital manner, about the international learnings and approaches that you could take and implement in Brazil, the internal relationships that you had to build, and the internal readiness to push on this as well.

I remember when I was in the U.K., and we had to really sell the benefits of being citizen-centered and user-focused because it was such a big cultural change. But it sounds like that evolution is starting to happen and that makes these approaches a little bit more straightforward, hopefully.

LUIS FELIPE MONTEIRO: Yes. Well, the federal government in Brazil has 600,000 employees. we are 600,000 public servants, so it's a huge organization. To make a cultural shift in that scale, it takes time. So, you have to be very persuasive, and you have to be an internal seller and internal consultant.

So, one of the things we made, we established a commercial team, so to speak – a specific team to walk around the agencies and to spread the word. Okay, what are we doing? Why are we doing? What to achieve? What is our vision in the short, medium, and long term? So, those guys were really important to establish the portfolio to make the transformation happen.

Also, agility. So, we had to work in an agile way. we would not succeed if we had results in a medium- to long-term period. We had to have results from the first day every week until the end. So, everything we were pushing needed to be proved. So, to prove that, we had to establish an agile methodology, start-up thinking methodology to move forward to test our products and our hypothesis with the citizens and to evolve continuously every and single platform that we delivered.

OLIVIA NEAL: Fantastic. I love both of those areas of emphasis, really selling, thinking of your team as selling this to other departments – selling this vision, selling this idea, and getting that buy-in across all of the levels of people implementing. And then that real drive to implement an agile approach, where you're continually testing, continually making sure that things work for people, and showing results quickly. So, fantastic areas of focus for other people.

These foundations that you've put in place and the work that your team have been doing across the government must have helped get the country in a good place to respond quickly when some of the pressures of the COVID-19 pandemic came in. And one of the areas that I've heard of as being a really great example of the work of the Brazilian government is in supporting people without are very financially vulnerable and really getting emergency payments to a whole range of people very quickly and easily.

Could you tell us something about that project and how that rolled out?

LUIS FELIPE MONTEIRO: the capacity building and the networks we established since the beginning of the strategy, gave us muscles to work with the pandemic and the digital inclusion of the society.

So, we moved from 100% physical relationship to 100% digital in a few weeks. During the entire period, since the beginning of the pandemic to now, we transformed more than 1,000 public services that were previously only physical that are right now physical plus digital.

OLIVIA NEAL: So, that was 1,000 services from the beginning of the pandemic just to now? So, just in a year?

LUIS FELIPE MONTEIRO: Yeah. Exactly.

OLIVIA NEAL: Wow.

LUIS FELIPE MONTEIRO: So, we had a huge effort to make the services accessible through digital channels because the citizenship needed that. We had to include people financially and to make their lives at least sustainable during the peaks of the pandemic.

So, many Brazilians lost their jobs. Many companies closed the doors for some period. So, in one month, from the start of the pandemic, in only 30 days, we established the financial aid – the emergency aid that achieved 65 million Brazilians in peak.

So, in 30 days, we established the legislation, the platform, the registers, all the payroll technology, communications, and everything to start receiving the requirements from the citizens and to start working with them to make the payments.

The entire government engaged in this movement, and we worked with the financial sectors – banks and the IT companies to create the emergency aid

One of the challenges regarding digital and technology is that the financial sector, the banks were closed back on that period and most of the Brazilians, especially those that needed the emergency aid, did not have bank accounts. So, we had to create in a very accelerated way financial digital inclusion of that population. So, in the end, we established more than 30 million digital bank accounts for Brazilians, and they had all the digital features that we have in a bank account to use, transfer, pay for goods, things like that. So, it was a challenging period for everyone, and I will say that we did a great job to sustain the families and our cohabitants.

OLIVIA NEAL: So, that was an incredibly time-pressured challenge. You had new legislation coming through, you had Brazilian citizens who really needed financial aid to support them when they'd lost their jobs or they really needed additional support during COVID,

That must have been just an overwhelming challenge, almost, to get to 65 million people. That must be one of the largest implementations of this type of project anywhere around the world.

LUIS FELIPE MONTEIRO: As far as we heard about, it is the largest one. Also, during that, we had many investments on the digital health to make sure that we had information – real-time information, to manage the situation of COVID. So, I would say that last year and it's still a challenge this year, it was something we never expected, and I think we evolved as society and especially within the digital transformation, we evolved many years in a few months.

OLIVIA NEAL: And as you're thinking about going forward into the next year, one of the areas that I've heard you're thinking about is how you establish and implement digital identity for citizens in Brazil in order to be able to access these types of services more securely and more efficiently. Could you tell us a little bit about your plans in that area?

LUIS FELIPE MONTEIRO: Digital identity is a platform that is structured digital transformation. We started within the public service, so we have a product called gov.br id, where it's the digital identity from gov.br.

We have right now around 4,000 public services connected to the identity. So, all the services within the federal level and in many areas like health, education, revenue, social security — and many states and municipalities are right now connected and integrating their services to the platform to make sure we have a single-sign-on secure identity for each and every citizen.

So, our identity is based on three levels of security. So, we started with auto provisioning of the identity, so the citizen gave us information and we check those informations within the database

and say, "Okay, you're supposed to be that citizen." So, you have one level of authenticity, and we will give you some services.

The second level that we call the silver is we make an integration among the financial sector and among many other databases. So, we can check – if you have a bank account and– previously, you did the onboarding process within that bank, so that bank knows exactly who you are, we decided that we trust in the banking ID.

So, we connected the gov.br ID with right now seven banks in Brazil – the larger banks. So, if you are a citizen and you have that bank account, you can use your banking credential to access any services. So, that is what we call the level – the silver level for authenticity.

And we have the gold level, that is the biometric verification. So, Brazil has already a biometric database for electoral system, for electoral process. For Brazil, voting is mandatory. So, every citizen more than 18 years old has to vote. And in order to vote, he has to register to vote. And that registration process includes biometric collection, and it creates a biometric database that is very precise and unique.

So, using that biometrics database that is handled by the electoral court, we are providing a platform that check biometric facial recognition and fingerprint to make sure the citizen can achieve the gold level of the digital identity.

So, in each of these levels, we have some sort of services that can be delivered based on the risk and the security needed for each services. Right now, we have 100 – 103 million Brazilians with digital identities in those three levels of security that I mentioned. And we are working with the private sector. We had many workshops with the private sector to open the digital ID for the private sector to reduce frauds, to increase digital adoption, and all the other benefits that a digital ID can deliver to a country.

OLIVIA NEAL: And so, in each stage of that, you're integrating with systems that already exist and people are comfortable using and already have awareness of. And I'm wondering whether is this a topic that is controversial in Brazil? Are people comfortable with the concept of digital identity or are they just used to this idea because they already have to register to vote, and this is increasing the quality of service delivery to them?

LUIS FELIPE MONTEIRO: I say that Brazilians were used to bureaucracy. So, that is the – the worst thing to be used to. in Brazil, the physical identification process can be handled by 40 different agencies – 40. As a citizen, you can have 40 documents of identity. So, it's complete insane. So, no one understands and agrees with that setup.

That was historical.

Within the digital ecosystem, we had to fix that, you had to say okay, we will not have 40 digital IDs, this is not something logical. We want to have one.

So, for that, we had to establish a secure and precise way to identify citizens that needed to have scalability in Brazilian case. So, we must have a digital onboarding process. So, since the electoral court has started this biometric process to increase the usage of technology within the electoral process – by the way, the electoral process of Brazil is very advanced. We have national elections results in three to four hours after the ending of the process.

So, since those base platforms and capacity were already in place, we collaborate to the electoral court to use that. Some services were not able to be digital prior than the digital ID because the agencies could not rely on the identification process that they had. So, citizens say, okay, they simplified my life. Right now, what they are asking for and we are promoting is let's check the privacy concerns. Let's make privacy 100% compliant within the digital ID, too. So, what we now know, and we are delivering that to the citizens, the digital ID itself, it's a platform for privacy. the data is owned by the citizen, not by the government. So, citizen owns the data and he or she decide where to use it.

And also, he or she has within the digital ID transparency on which data is accessed by each governmental agency and for what objective. if they see any unusual usage of data, they can claim with a red button to say okay, this seems not right. if any civil servants made a mistake or used the data inappropriately, they are punished because of that.

OLIVIA NEAL: So, that's really – wow, so you're really increasing the transparency of data access by implementing this platform and you're giving people a lot more information – a lot more insight into how their data is being used and accessed than they would ever have had before.

LUIS FELIPE MONTEIRO: Exactly. we used to say that there is no efficient government without digital government. There is no digital government without interoperability. And there is no interoperability without privacy.

So, all of those requirements must be in place, and privacy first is something that is on our minds every day right now.

OLIVIA NEAL: Fantastic. One very final question from me. You talked a lot about countries that you had learned from over the past few years in establishing the success of your programs. Is there any country or any project that you're looking to around the world right now as a real leading-edge example of where you might want to go to next?

LUIS FELIPE MONTEIRO: The resource journey that we made and the benchmarks with multiple countries. I have to thank the Danish government that worked with us for many years,

from the U.K. government that has a memorandum of understanding with my team and we share a lot – from many others, like Estonia, that are very close to us.

Right now, we want to transform the platforms that we have, they are still reactive platforms. So, the citizen must ask something to the government and then the government digitally provide that necessity. But we want to use the platforms with the consensus of the citizen to be more proactive, to anticipate the needs of the citizen based on the data that they consent to share with us and all the usage of data, artificial intelligence, and mass personalization of our channels in a multichannel approach, is what we are looking forward right now.

I have to tell you that as I researched, many countries are on the same pace right now working with the same objective. it's good that – since we have the main challenges in the same time, we can share lots of knowledge and learnings. But what we are really doing, we are talking with the private-sector marketplace.

For sure, here we have to be much more concerned on privacy because we handle sensible information. But with that privacy requirement on the table, we are talking with many marketplaces in many countries to understand how they do personalization within the digital ecosystem for the citizens.

OLIVIA NEAL: So, looking to countries around the world, but also to other areas, other industries who are pushing the boundaries and really exploring how to do responsible delivery of citizen services. I think that's great.

Thank you so much. I think that's all we have time for. And we have to let you go and continue with your incredibly busy day but thank you so much for spending the time with us and sharing those lessons.

LUIS FELIPE MONTEIRO: Thank you, Olivia. Thank you for having me here. And it's a great opportunity to share and to learn from you and from other countries. Thank you very much.

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OLIVIA NEAL: Thank you to our guest, Luis Felipe Monteiro. And thank you to you for joining me today on Public Sector Future.

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Reach out, send your questions and feedback. You can find me on Twitter @livneal or on LinkedIn or please do e-mail us at ask-ps@microsoft.com.

Thank you very much and we'll see you next time.

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