Lifting Families Out of Poverty in Brazil - Bolsa Familia Program

Second Bolsa Familia Program

Brazil's conditional cash transfer (CCT) program *Bolsa Familia* helped millions out of the poverty and is among the most effective social protection programs in the world, having helped raise approximately 20 million people out of poverty between 2003 and 2009 and well as significantly reducing income inequality.

In September 2010, at least 12.7 million families (or nearly 50 million people) were benefited by the program, according to Brazil's Ministry of Social Development and Hunger Alleviation. Bolsa Familia is a CCT program which provides direct cash transfers to poor families who keep their children in school and under regular medical supervision. By this, it seeks to reduce both immediate and future poverty.

The **Bolsa Familia Program** was launched in October 2003, during Brazilian President Luiz Inácio Lula da Silva's first term, as the Government's flagship social program in support of his “Zero Hunger” initiative. In fact, Brazilian efforts to address the structural causes of poverty started in 1995, with municipal CCT programs, which led to the creation of several national CCT programs in the early 2000s. In 2003, four existing federal CCT programs were merged into **Bolsa Familia**.

Since the program’s inception in 2003, the World Bank played an important role in the consolidation of [first phase of Bolsa Familia](#), when the program was supported by a US$572 million loan approved in 2004, to help develop, strengthen and expand Brazil’s flagship social protection program.

In September 2010, the World Bank approved a US$200 million loan for the [second phase of support to Brazil’s Bolsa Familia](#), which aims to further strengthen Bolsa Familia’s ability to achieve its objectives of reducing poverty and inequality and promoting the use of education and health services of the poor population. Between 2003 and 2009, poverty (PPP $2 per day) has fallen from 22 percent of the population to 7 percent.

The **Second Bolsa Familia Program** will help to

- strengthen program management, accountability and control functions in three main areas: the registry of beneficiaries, management of benefits, and monitoring of conditionalities;
- consolidate the program’s monitoring and evaluation system; and
- integrate other social protection programs with Bolsa Familia, to promote innovations and strategies for beneficiaries’ exit from poverty through investments in areas such as education incentives, and links with the labor market and productivity programs.

The second phase will support reforms and adjustments to improve Bolsa Familia’s effectiveness in reaching outcomes such as:

- at least 75 percent of families in the 20 percent poorest group receiving Bolsa transfers;
- at least 90 percent of primary-age school children in extremely poor beneficiary families attending school;
- and at least 75 percent of children aged 0-6 year old and pregnant women complying with health conditionalities.

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**Financing Second Bolsa Familia Program**

**Total cost**: US$ 15,200 million  
BIRD loan amount: US$200 million

**More details**

- [Second Bolsa Familia Program](#): **Full project information & documents**
- [First Bolsa Familia Program](#): **Full project information & documents**
- [Read article about Bolsa Familia Program](#)
- [Brazil's Ministry of Social Development and Hunger Alleviation (in Portuguese)](#)