

IMPACT EVALUATION OF BOLSA FAMILIA

September 27th, 2005.

Outline of this Presentation

- INTRODUCTION
 - A Brief Description of Bolsa Familia
 - Evaluation Goals
 - Causal Models
 - Caveats on Experiments and quasi-experiments
 - Treatment and control in the screening process

THE BOLSA FAMILIA

- Conditional cash transfer programs are social policies that utilize integrated strategies to fight hunger and human capital development. Their use is becoming widespread in reducing and eliminating poverty in developing countries.
- Pioneer program: Mexico, the Programa de Educación, Salud y Alimentación (Progresá), began in 1992. In Nicaragua, the Red de Protección Social (RPS) has been operating since 2000. Honduras, Colombia and Bangladesh have also adopted similar social policies.

THE BOLSA FAMILIA

- In Brazil, the Bolsa-Escola (Conditioned School Attendance Income Transfer Program), from 1995, was the first of its kind, followed by the Bolsa Alimentação (Nutrition Program), Cartão Alimentação (Nutrition Card) and Vale-gás (Cooking Fuel Supplement). In 2003, these programs were combined into the Bolsa Família (BF).

THE BOLSA FAMILIA

- MAIN GOALS OF THE PROGRAM
 - To fight hunger, poverty and inequality through cash transfers associated with access to basic social rights - health, education, social assistance, and food security.
 - To promote social inclusion, contributing to the emancipation of beneficiary families, giving them the means and conditions to leave poverty.

The Target of Bolsa Familia

- Families with monthly per capita income up to 100 reais, registered in the Cadastro Único (Registration Administrative Records) of the Federal Government. The Cadastro Único has data on about 50 million people from around 10 million families. The monthly bill of benefits represent around 60% of registered families, most of them in the Northeast and Southeast regions of the country.
- Registration in the Cadastro Único is a precondition to participating in the BF. The selection of beneficiaries among registered families depends on following certain rules of eligibility of the program and the availability of slots, according to each municipality quota.

The Cash Transfers in Bolsa Familia

- BF transfers, monthly, benefits that vary between 50 and 95 reais (basic = 50 reais + 15 reais per child 0-15 years of age, up to the third child), for families with per capita income up to 49 reais.
- Families with per capita income between 50 and 100 reais, with children up to 15 years-old, pregnant or breastfeeding females receive benefits from 15 to 45 reais (variable = 15 reais per child 0-15, up to the third child).

CONDITIONALITIES OF BOLSA FAMILIA

- The receipt of the benefit is conditional on the follow-up of health and nutritional status of all families members. In addition, every school age child must be enrolled in school and have the required attendance. Finally, beneficiary families must participate in actions of nutritional education offered by the Federal Government, state, or municipality (county), whenever provided.

A PECULIAR CHARACTERISTIC OF THE BOLSA FAMILIA

- This is a program that was not created from the scratch, it was built on the migration of other cash transfer programs to this one: Bolsa Escola, Bolsa Alimentação, Vale Gas, etc.
- This is a massive program, aiming to universalize cash transfers coverage to the poor.
- The expansion of the program is built on the migration from previous programs and on new beneficiaries.

IMPACT EVALUATION GOALS

- To evaluate the impact of Bolsa Familia on several outcomes associated with the alleviation of budget constraints and the operation behavioral aspects linked to the conditionalities designed by the program.

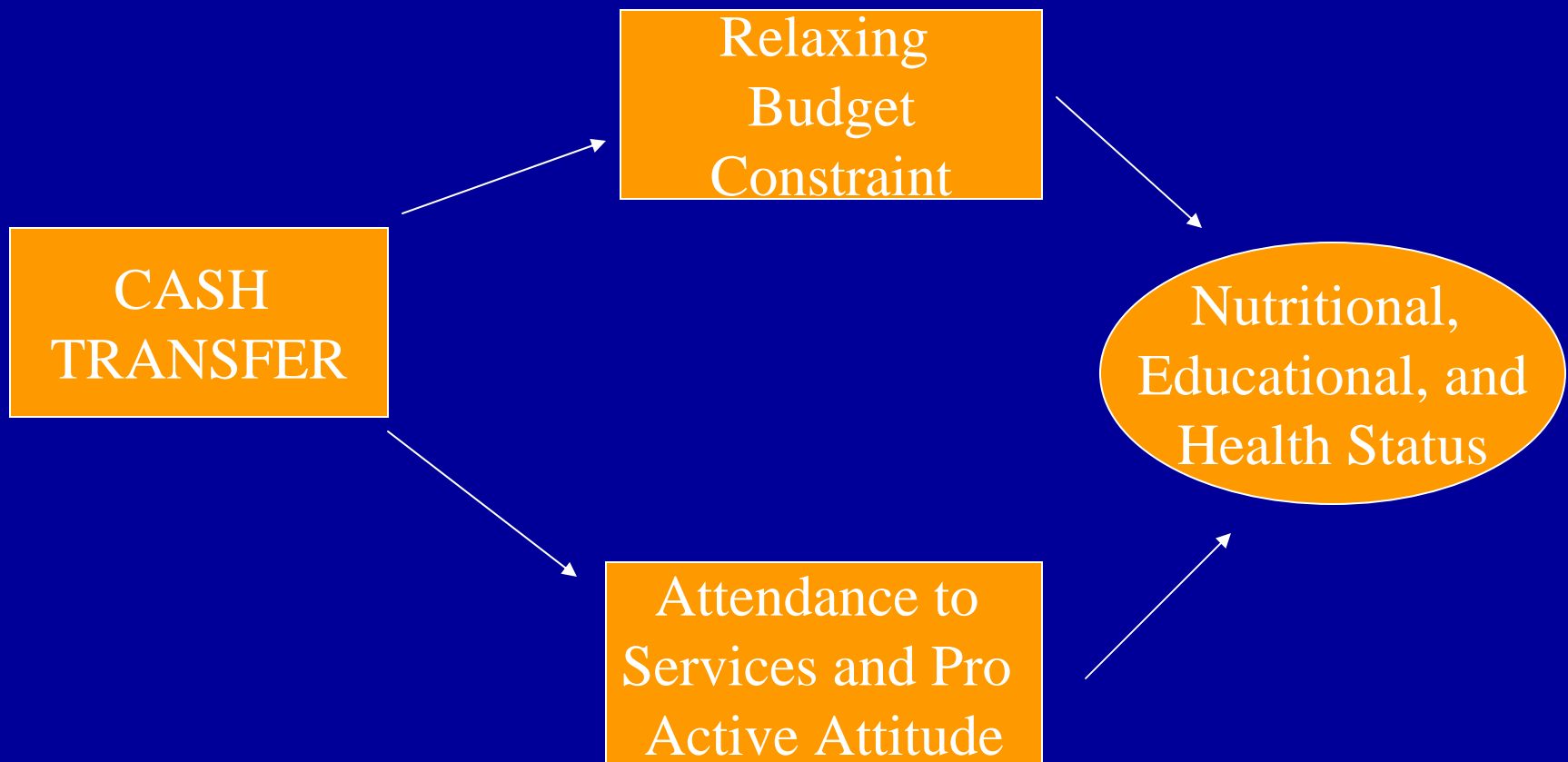
IMPACT EVALUATION GOALS

- IMPACTS ON
 - Household Consumption - Food, medicines, expenditures with children, a decline in typically adult goods (tobacco and alcohol), etc.
 - Nutrition - Anthropometry .
 - School Enrollment, attendance, and child labor.
 - Health Status and utilization of health facilities (adult and child health status).
 - Other unintended or second order impacts: intra-household allocation and bargaining power by gender, social activism, self-esteem, etc.

CAUSAL MODELS

- There are variations on the causal models to be applied, depending on the type of outcome (dependent variable) studied, but they are variations of household economic models, with some kind of household production framework, heavily influenced by the concept of human capital (both for market and household activities).

CAUSAL MODELS



CAVEATS ON EXPERIMENTS AND QUASI-EXPERIMENTS

- Bolsa Familia is a ongoing program, making it difficult to design a random experiment prior to program start up.
- Furthermore, there is the migration from previous programs issue.
- Finally, there is the stated goal of full coverage or to universalize attendance to the poor.

CAVEATS ON EXPERIMENTS AND QUASI-EXPERIMENTS

- The option taken was to invest on a good baseline survey, aimed at accounting and covering all possibilities of treatment and control groups, so that at least a quasi-experimental approach would be warranted.
- Given this baseline survey, with a good representation of the true coverage at the population, an experimental design could be devised in the future within a sub-sample of the full sample.

TREATMENT AND CONTROL IN THE SCREENING PROCESS

- Since the Bolsa Familia Program is not entirely a new program, but is a reform and merger of previous conditional cash transfer programs, the definition of the counterfactual and sampling methodologies are quite complex. Figure 1 illustrates this complexity. The line that divides the Brazilian population between non-poor and poor (which could further be divided into moderate poor and extreme poor) serves simply as a reminder that targeting (of programs or the cadastro único) is not perfect and these programs/registries capture some of both.

Population Groups Linked to Bolsa Familia

- **Cadastro Unico Registrants**, which are highlighted in blue in Figure 1. These totaled about 10.3 million families as of December 2004.
- **Bolsa Familia Beneficiaries**, which are represented in green in Figure 1. These totaled 6.57 million families as of January 2005. This would be the "treatment group." There is significant variation in **dose (level of benefits)** and **duration** - including the fact that most BF beneficiaries migrated from the pre-reform programs and have hence been receiving benefits for several years (in varying doses).

Population Groups Linked to Bolsa Familia

- **Non-BF Beneficiaries.** This is the comparison group. It is divided into three sub-groups:
- **Non-Recipients** ("Virgin" comparison group). Those families that do not receive BF benefits and have never received any other benefits from pre-reform federal CCT programs (such as Bolsa Escola, Bolsa Alimentação, Cartão Alimentação, or PETI). Some of these households are in the Cadastro Único, the majority are not (and they may be poor or non-poor).
- **Pre-Reform Beneficiaries.** Some families have not yet migrated to PBF benefits. Most are in the cadastro único, but not all (some just in SIBES, for example, but have not yet been registered in the cadunico). It is important to separate this group from the "virgin" comparison group.

Figure 1 - Relevant Population Groups for Bolsa Família Program

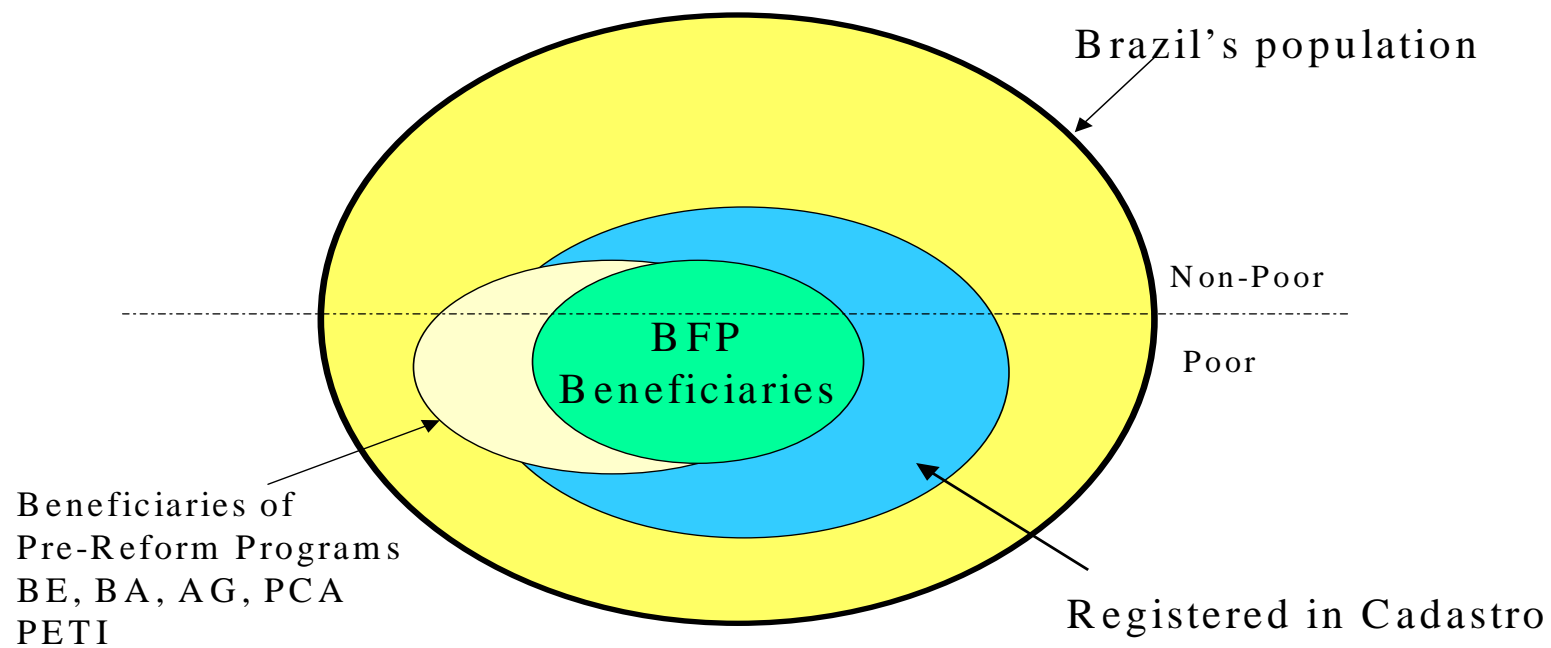


Table 1 - Accounting of Different Population Sub-Groups with respect to Cadastro Único, Bolsa Familia Program, and Pre-PBF Programs

		Not in Cadastro	Registered In Cadastro Único (10.3 mn families, Dec 2004)
		Receive Bolsa Familia or Not?	
		NO	YES
Receive benefits of Pre-BF Programs (BE, BA, PCA, PETI)	NO	C_1 = No BF or Pre-BF (Virgin Comparison Households)	T_1 = New PBF Beneficiaries (about 900,000 as of Dec 2004)
		C_{11} Not Registered In Cadastro	
	YES	C_2 = Beneficiaries of Pre-BF (all registered somewhere, SIBES or Cadunico....) Number of families?	T_2 = Migrated PBF Beneficiaries (about 5.67 mn families as of Jan. 2005)
		Total number of families?	Total number of families?
			Total: 6.57 mn families as of Jan. 2005)

RESEARCH QUESTIONS

- What is the impact of the BF Program? Variations: compared to what?
- Compared to people with no program ever (virgin sample)?
- Compared to people with previous pre-reform programs (marginal impact)?
- What is the impact of the BF Program over time - varying doses and duration?
- How does impact vary by the quality of implementation? What factors matter more for effective implementation and impacts?
- See sampling discussion

Other relevant aspects not covered in this presentation

- **METHODOLOGY**
 - Screening
 - Sampling
- **PLANNING FIELD ACTIVITIES**
 - Validation workshop, pre-tests, training, field including screening.
- **QUESTIONNAIRE**