

# Social Protection during the Covid-19 pandemic: Brazilian's emergency aid and its extension

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MINISTÉRIO DA  
CIDADANIA



PÁTRIA AMADA  
**BRASIL**  
GOVERNO FEDERAL

# Emergency Aid

## Unprecedented initiative

- Law nº 13.982 of April 2<sup>nd</sup>, 2020.
- The biggest income transfer in Brazilian history
- Eligible public: 67.2 million
- Affected people: 117 million (55.8% of Brazilian population)
- Annual budget: R\$ 233 billion (5 months) – U\$ 42.51 billion (1U\$ = R\$ 5.48)
- Work effort: 125 millions of registries/applications analyzed

## Emergency character

- One of the main initiatives to face the crisis caused by Covid-19
- Operation organized in a very short time (the first payments were made six days after the approval of EA law)

## Many challenges

- Involves various actors in all state branches and the three levels of government
- Relies on main public data bases created to another ends, without liaison variables and updated at different times
- Local equipments of social assistance were closed or with reduced activities due to social distancing

# Emergency Aid

## High benefit value

- R\$ 600 (U\$ 109.85)
- Payments of double quotas to female single parent families R\$ 1.200 (U\$ 218.97)
- Limit of three quotas to eligible families R\$ 1.800 (U\$ 328.46)

## Bolsa Familia Program

- Average monthly BFP benefit: R\$ 190 (U\$ 34.67)
- Families receive the emergency aid if the value is higher than regular BFP benefit
- BFP benefit is suspended during payment of EA and resumed after its end
- 95% of BFP families start receiving EA because it was advantageous to them

## Use of technology to reach “invisible” people

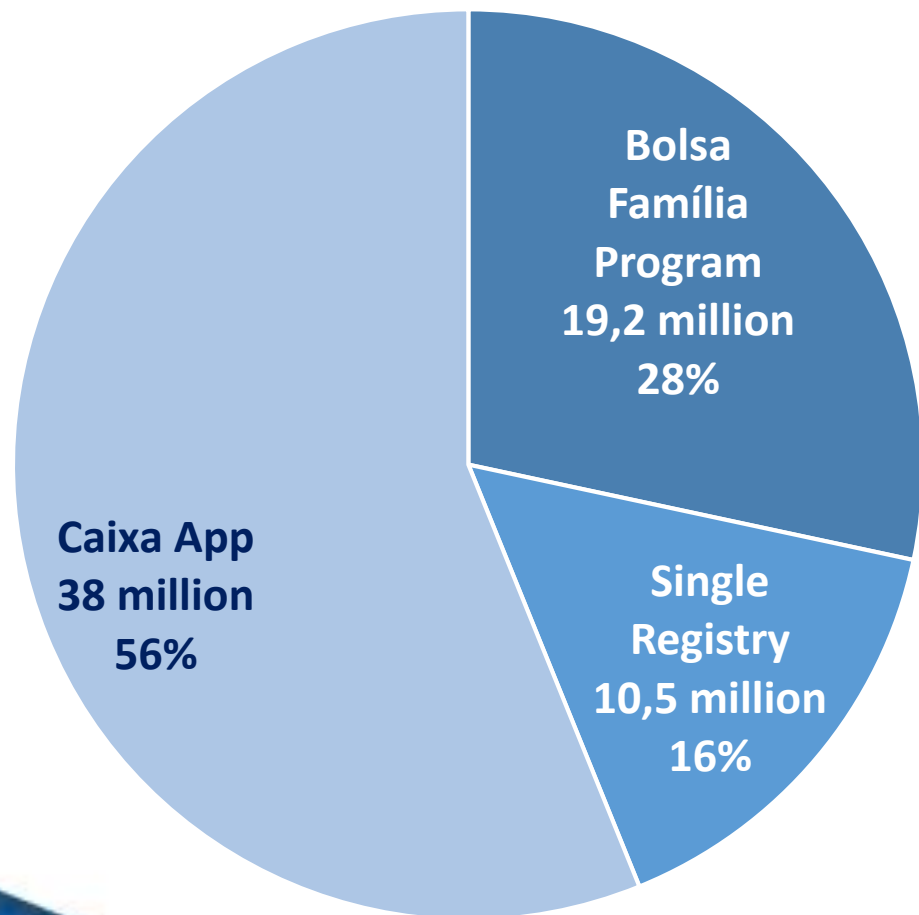
- Development of an app to register millions of people who were not included in the Single Registry
- Identifies workers of the informal labor market suffering the effects of the economic crisis created by Covid-19 pandemic
- Promoted an unprecedented inclusion of the population in the banking system

# Emergency Aid

## Eligibility criteria

- To have more than 18 years old;
- Not having an active formal job;
- Do not be receiving benefits from Instituto Nacional de Seguridade Social (INSS), as retirement benefits, pensions or the Benefício de Prestação Continuada (BPC);
- Do not be receiving unemployment insurance, closed fisherman insurance (Seguro Defeso) or any other federal income transfer program, with the exception of the Bolsa Família Program;
- **Be part of a family with monthly income per person of until ½ minimum wage (R\$ 522,50 – U\$ 100.82) or total monthly income of until three minimum wages R\$ 3.315,00 (U\$ 604.92);**
- In 2018, not having received taxable income above R\$ 28.559,70 (U\$ 5.211.62), which means that the person was not obligated to declare the income tax;
- To be an individual micro entrepreneur;
- To be an individual contributor of Regime Geral de Previdência Social (General Regime of Social Insurance) or an informal worker, even unemployed;
- **Workers enrolled at the Single Registry until April, 02th or receiving the BFP benefits received EA automatically, without having to required it, provided they fill the eligibility criteria of EA.**

# Emergency Aid: target population



**67.705.949 ELIGIBLE PEOPLE**

**32% of Brazilian population**

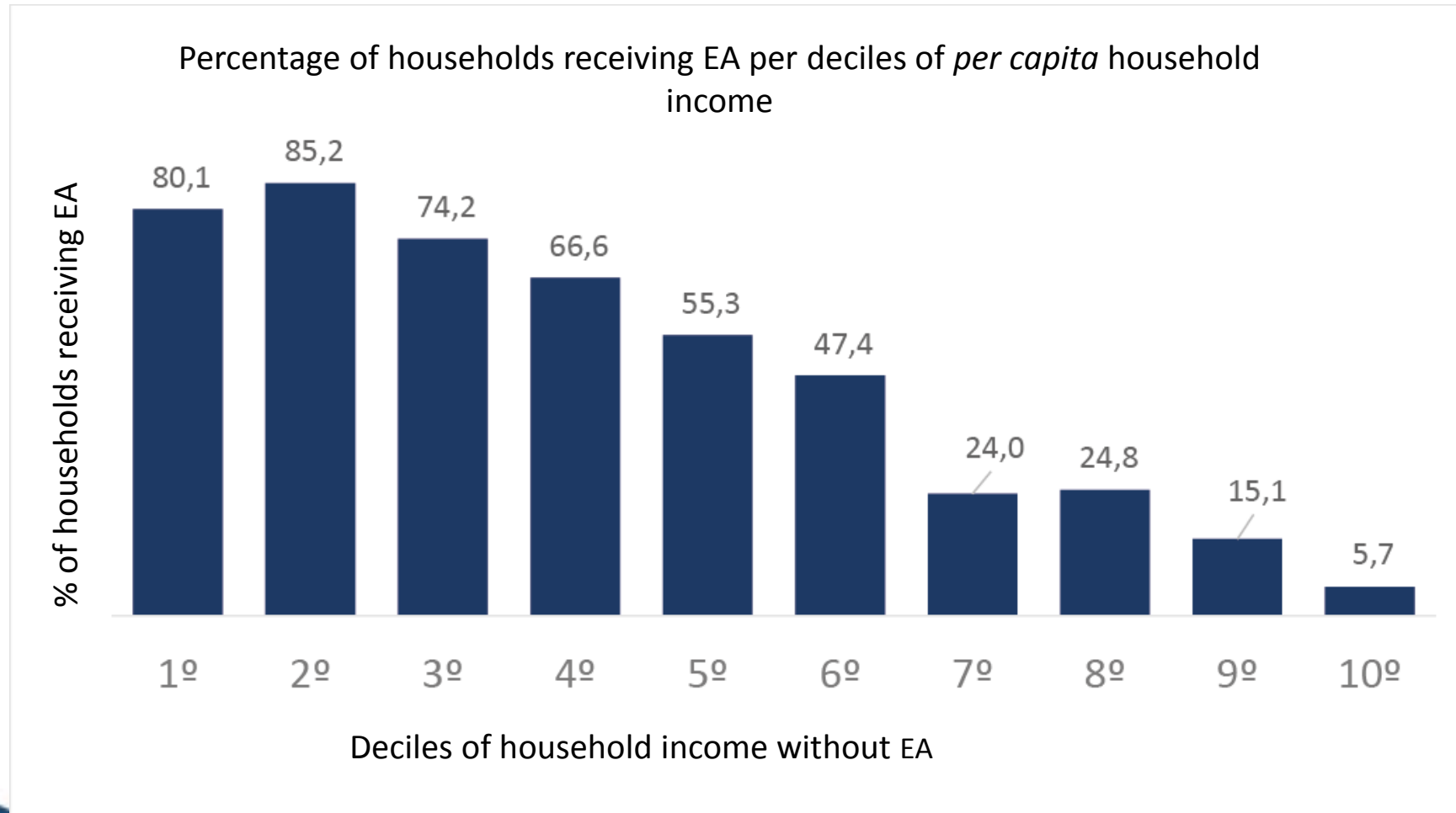
# Emergency Aid: coverage

## Proportion of the population receiving EA (%)

Region	Population	% Population	Eligibles	% EA
Southeast	88.371.433	42.1%	25.924.072	38.62%
Northeast	57.071.654	27.2%	21.681.674	32.30%
South	29.975.984	14.3%	7.655.018	11,40%
North	18.430.980	8.8%	6.843.881	10.20%
Center-West	16.297.074	7.8%	5.021.737	7.48%
<b>Total</b>	<b>210.147.125</b>	<b>100%</b>	<b>66.921.533</b>	<b>100%</b>

Source: Ministry of Citizenship (REF. 09/09). Elaboration: SAGI/DGI. In calculating the percentages were not included the eligible people without IBGE code in ExtraCad Registry (85,5 Thousand people). These are preliminary data that can change as new aid lots are liberated to payment by administrative or judicial procedures.

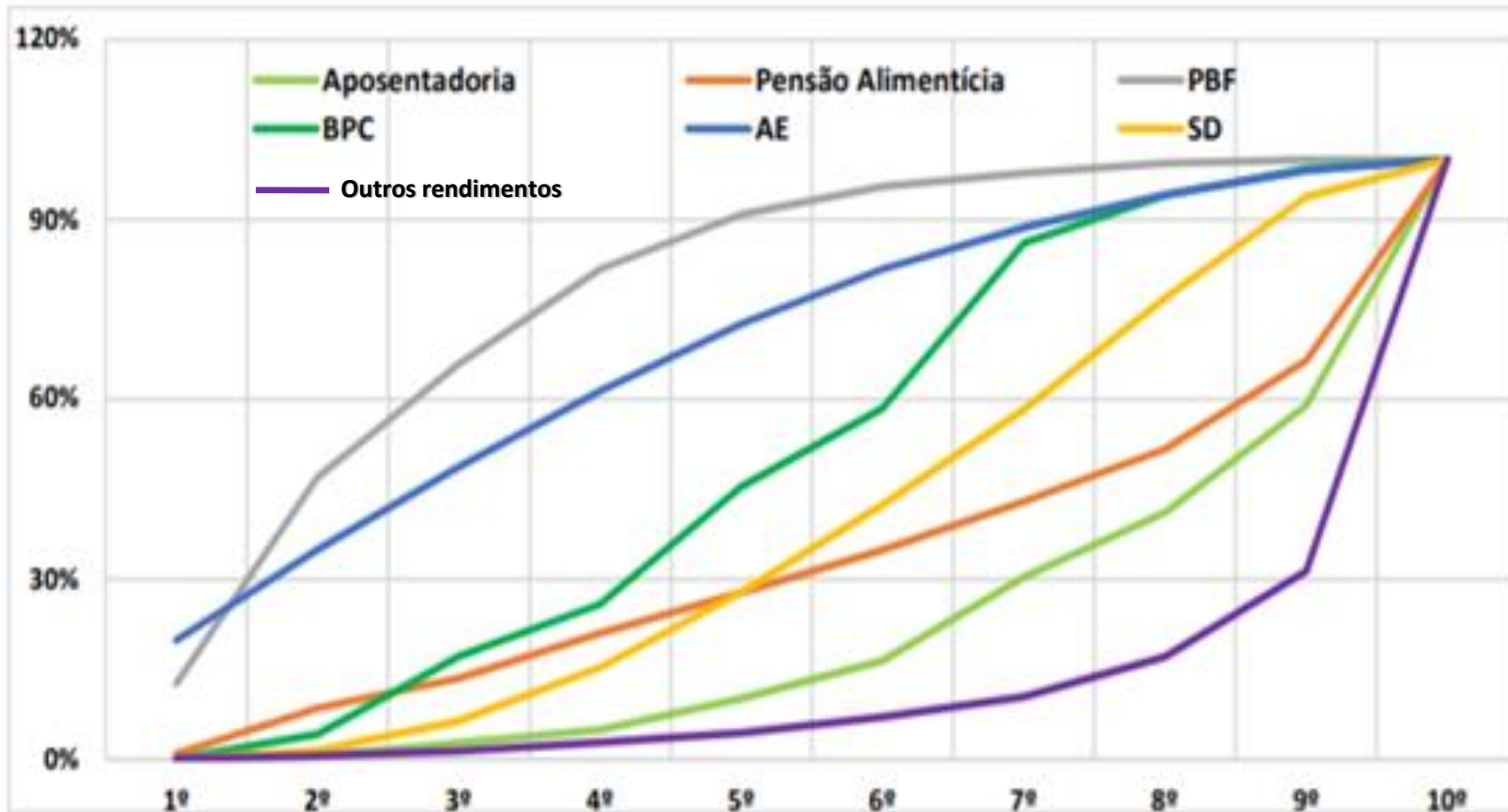
# Focalization of emergency Aid: PNAD Covid 2019



Source: IBGE. National Household Sample Survey (PNAD) COVID19

# Focalization of emergency aid: PNAD Covid 2019

Focalization of types of benefits per tenths of *per capita* income without EA, July, 2020 (accumulated percentages)



Fonte: PNAD/COVID.

EA guaranteed a good allocation of resources by concentrating on the most vulnerable public: 53% of EA were destined to the 30% poorest households.

**In July, 2020 EA only stays behind BFP in terms of focalization, with 71,4% of beneficiaries concentrating on the 30% poorest households.**



# Extension of the emergency aid: main innovations

- Provisional Measure nº 1.000 of September 2<sup>nd</sup>, 2020
- Same target population of the emergency aid
- Value of the benefit reduced to R\$ 300 a month (U\$ 54,74)
- Pays until four monthly benefits, starting only after the fifth and last payment of the emergency aid
- Payments end at December, 31st
- Income level evaluated each month to verify if the person got a formal job or are receiving benefits from social assistance or social insurance
- Includes new eligibility criteria in comparison to the emergency aid
- Each family only receives two benefits, even the ones headed by women

# Extension of the emergency aid: quotas

The number of quotas of the extension of EA to be received depends on when the person will receive the fifth and last quota of the EA, not after December, 31st.

EA first month of payment	EA last month of payment	First month of extension of EA	Number of quotas of the extension of EA
April	August	September	4
May	September	October	3
June	October	November	2
July	November	December	1

# Extension of the emergency aid: payments in September, 2020

## Public from Single Registry and Extra Single Registry

27 million people

R\$ 9 billion

(U\$ 1.6 billion)

R\$ 1 = U\$ 5.48

## Public from Bolsa Familia Program

Ext. EA

16.3 million people

R\$ 4.3 billion

(U\$ 782 billion)

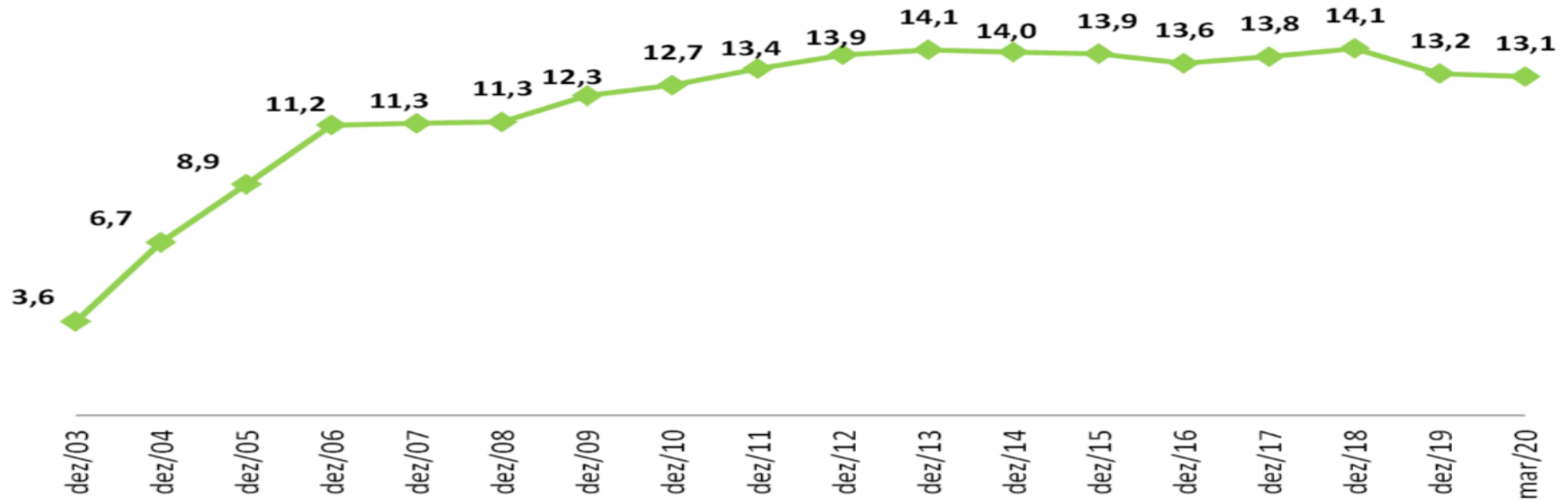
BFP

R\$ 2.7 billion

(U\$ 499 billion)

# Bolsa Família Program

Annual evolution of the number of beneficiary families  
Brazil. December. 2003 to March. 2020 (in millions)



# Bolsa Família Program

## Payments of emergency aid to families of BFP - April/2020

BFP without EA			BFP with EA		
Families entering in BFP in April	Total families	N.º of municipalities with BFP admissions	Persons receiving EA	Families receiving EA	Total value of EA payroll (R\$,00)
1.220.000	14.274.274	4.734	41.863.826	13.566.568	15.176.395.800

95% of BFP families start receiving EA because it was advantageous to them

# Bolsa Família Program

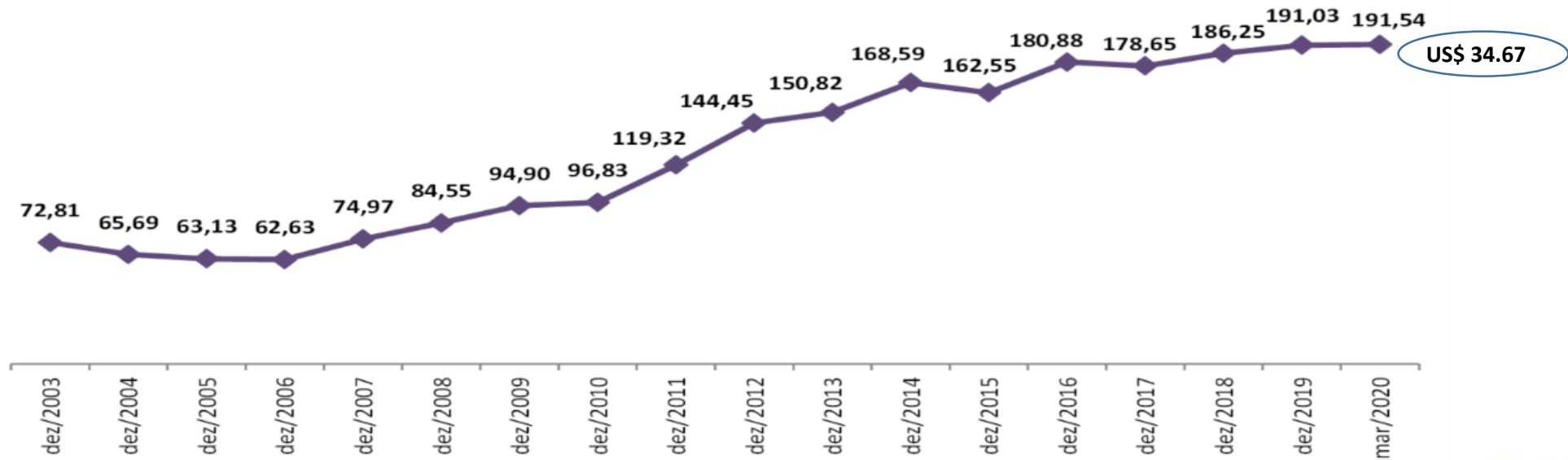
DATE	Basic benefit (R\$)	Variable benefits (R\$)	Variable benefit for the youth (R\$)
01/10/2003	50,00	15,00	-
01/08/2007	58,00	18,00	-
01/07/2008	62,00	20,00	30,00
01/09/2009	68,00	22,00	33,00
01/04/2011	70,00	32,00	38,00
01/06/2014	77,00	35,00	42,00
01/07/2016	85,00	39,00	46,00
01/07/2018	89,00	41,00	48,00

**BFP's current eligibility lines: extreme poverty R\$ 89 (U\$ 16.24) and poverty R\$ 178 (U\$ 32.48)**

\*  
R\$ 1 = US\$ 5.48

# Bolsa Família Program

Evolution of the average benefit value (R\$)  
Brazil, December/2003 to March 2020 (in millions)



# Extension of the emergency aid: Bolsa Família Program

- The value of the extension of the emergency aid is R\$ 300 (U\$ 54.74)
- Limit of two quotas of R\$ 300 (U\$ 54.74) per family
- The value of BFP benefit is complemented up until R\$ 300 (single quota) or 600 (double quota)
- BFP will remain suspended if at least one person in the family is receiving the emergency aid
- BFP will be resumed after the payment of the last quota of the emergency aid or of the extension of the emergency aid
- The value received by BFP families depends on two factors: the number of quotas that the family is eligible to receive; and the value that the family receives from BFP.
- If the family receives more from BFP than R\$ 300 (U\$ 54,74) the BFP payment will be maintained

Type of benefit	Value
BFP	R\$ 160 (U\$ 29.19)
EA (double quota)	R\$ 600 (U\$ 109,48)
Extension of EA	R\$ 420 (U\$ 76,64)



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