

# Analysis of procurement alternatives in social urban development using the example of the housing program "Minha Casa, Minha Vida" in Brazil

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## Introduction

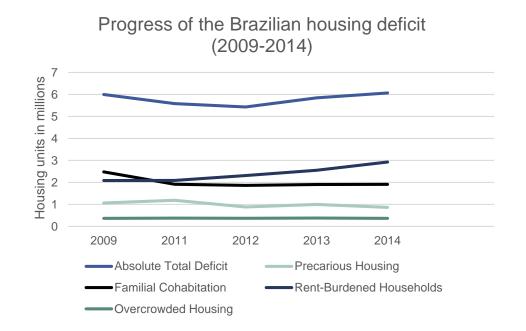
The housing deficit arises due to several reasons, among others, the emerging urbanization. In Brazil, the estimated deficit in 2009 was almost 6 million households, of which 90% represented families with incomes up to three minimum wages. In the same year, President Lula announced a social housing program called "Minha Casa, Minha Vida" that aimed at annulling the housing deficit with the initial objective of contracting 1 million housing units in the 2009-2010 biennium. The goal was to analyze the social program, outlining the key benefits and socioeconomic outcomes of its implementation.

#### **Methods**

- To measure the economic efficiency of the program developments, we used employment and income multipliers derived from the inputoutput model, also known as the Leontief Model.
- The João Pinheiro Foundation methodology was used to calculate the housing deficit, based on four major components. With the data accumulated from the foundation's information and statistics center from 2012 to 2016, the program's impact was analyzed.
- The main criticisms and positives were delivered according to the reports made by specialized groups that examined the project.

# **Results**

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Program's size and speed	Project locations		
Provision of subventions	Standardization of projects		
Housing deficit reduction and GDP growth	Quality of construction		



	2009	2014
Adequate households	58,566,000	67,039,000
Absolute total deficit	5,998,000	6,068,061
Relative deficit	10.24%	<u>9.05%</u>

Economic impacts in R\$ millions (2009-2015)						
	Group 1	Group 2	Group 3	Total		
Contracted amounts	163,988	331,457	82,134	577,579		
EVA	74,942	151,474	37,534	263,951		
Employment (people)	1,4	2,9	0,7	5		

## **Conclusion**

The PMCMV was an emblematic program conceived as a package of actions to boost the labor market, reduce poverty and combat social and economic inequality. The implementation of the program has resulted in significant economic impacts and laid the basis for a continuous reduction of the housing deficit in Brazil, however, there are still many challenges and room for improvement.