



Approach Paper

Argentina **2009-2015**

Country Program Evaluation





This work is distributed under a Creative Commons license <https://creativecommons.org/licenses/by-nc-nd/3.0/us/> **(CC BY-NC-ND 3.0 US)**. You are free to share, copy and redistribute the material in any medium or format, Under the following terms:



Attribution – You must give appropriate credit, provide a link to the license, and indicate if changes were made. You may do so in any reasonable manner, but not in any way that suggests the licensor endorses you or your use.



Non-Commercial – You may not use the material for commercial purposes.



No Derivatives – If you remix, transform, or build upon the material, you may not distribute the modified material.

No additional restrictions – You may not apply legal terms or technological measures that legally restrict others from doing anything the license permits.

The link provided above includes additional terms and conditions of the license.

© **Inter-American Development Bank, 2015**

Office of Evaluation and Oversight
1350 New York Avenue, N.W.
Washington, D.C. 20577
www.iadb.org/evaluation

CONTENTS

[ABBREVIATIONS](#)

I.	INTRODUCTION	3
II.	CONTEXT OF THE 2009-2015 COUNTRY PROGRAM.....	3
III.	IDB STRATEGY IN ARGENTINA	5
	A. The Bank's portfolio with the country, 2009-2015	7
IV.	EVALUATION QUESTIONS.....	9
	A. Relevance	9
	B. Implementation and effectiveness	10
	C. Sustainability	10
	D. Evaluation methodology	10
V.	TEAM AND TIMELINE.....	11

[Annexes](#)

ABBREVIATIONS

CABA	Ciudad Autónoma de Buenos Aires [Autonomous City of Buenos Aires]
CCLIP	Conditional Credit Line for Investment Projects
CPE	Country Program Evaluation
CPI	Consumer price index
EAP	Economically active population
OVE	Office of Evaluation and Oversight
PCR	Project Completion Report
PMR	Progress Monitoring Report
TFFP	Trade Finance Facilitation Program
UBN	Unsatisfied basic needs

I. INTRODUCTION

- 1.1 **This document defines the scope and methodology of the evaluation of the IDB Country Program with the Government of Argentina for the 2009-2015 period.** According to the Protocol for Country Program Evaluation (document RE-348-3), the main goal of a Country Program Evaluation (CPE) is to “provide information on Bank performance at the country level that is credible and useful, and that enables the incorporation of lessons and recommendations that can be used to improve the development effectiveness of the Bank’s overall strategy and program of country assistance.”
- 1.2 **This evaluation will seek to analyze the Bank’s relationship with the country from an independent and comprehensive perspective,** with particular reference to the relevance, efficiency, effectiveness, and sustainability of the program, including both the financial and nonfinancial products offered by the Bank during the period under review. As established under the protocol, this exercise is performed as one of the inputs for the process of preparing the new Country Strategy with Argentina for 2016-2019.
- 1.3 **The CPE for 2009-2015 will be the third independent evaluation of the IDB’s Country Program with Argentina carried out by the Office of Evaluation and Oversight (OVE).** The first (document RE-299) covered the 1990-2002 period and focused on analyzing Bank support prior to and during the 2001-2002 crisis. The second OVE evaluation (document RE-361, 2003-2008) covered support during the Argentine economy’s strong recovery in the post-crisis period. The 2009-2015 CPE will evaluate the Bank’s program with the country over the period subsequent to the 2009 international crisis, which was guided by the 2012-2015 strategy (document GN-2687) and updates to the 2004-2008 strategy (document GN-2328) over the 2009-2011 period.¹

II. CONTEXT OF THE 2009-2015 COUNTRY PROGRAM

- 2.1 **With 42.7 million inhabitants, Argentina is the fourth most populated country in Latin America and the Caribbean and the 31st most populated in the world; it also has one of the highest incomes in the region.** At the end of 2014, total GDP stood at US\$538 billion (around US\$900 billion at purchasing power parity), or US\$12,605 in per capita terms (US\$22,000 at purchasing power parity).² Argentina’s GDP is the third highest in Latin America and the Caribbean and the 24th highest in the world; per capita GDP is the fifth highest in Latin America and the Caribbean, the second in Latin America (after Chile), and the 60th highest in the world.
- 2.2 **During the initial years of the period under evaluation, the economy grew at a fast pace. However, economic growth slowed from 2012 onwards and inflationary pressures intensified.** According to official data (see Annex I), after slowing as a result of the 2009 international crisis, GDP grew by more than 8% in 2010 and 2011, but growth slowed beginning in 2012, reaching just 0.5% in 2014.

¹ The 2004-2008 strategy was updated in 2008 (document GN-2477) and in 2010 (document GN-2570 – Country Strategy Updates).

² *World Economic Outlook Database, October 2014*, International Monetary Fund, 2 November 2014.

Reduced growth in investment and exports has contributed to a decline in the pace of growth over the last three years (see Annex II). In terms of inflation, according to data from the National Institute of Statistics and Censuses of the Argentine Republic, the annual increase in the consumer price index (CPI) ranged between 10% and 11% from 2010 to 2013, but rose to nearly 24% in 2014. The exchange rate fell from 3.73 pesos per dollar in 2009 (annual average) to 8.14 in 2014 (annual average). Credit to the private sector has grown since the 2002 crisis and stands at 14.5% of GDP, although it remains one of the lowest in the region.

- 2.3 **As of 2014, services accounted for 63% of GDP in Argentina, followed by manufacturing (14.6%) and agricultural activity (7.9%).** The share of manufacturing—and to a lesser extent agriculture—in GDP has fallen over the last 10 years while that of services has risen. Argentina has traditionally specialized in exports of agricultural products, building on its low population density and favorable natural resources for agricultural production. The country accounts for 0.59% of the world's population but 2.10% of its land surface, 2.23% of its arable land, and 2.96% of its pasture and grassland.³ Argentina is the world's third largest producer of soy and soy products, the largest world exporter of soybean paste and oil, and the second largest exporter of corn and sunflower paste and oil.
- 2.4 **The national public debt has declined substantially since the 2002 crisis, with the restructuring after the payment default at the end of 2001.** According to the most recent official data (see Annex I), while public debt was equivalent to 33% of GDP in 2011, it stood at around 41% of GDP at the end of 2014. Total external debt (public and private) stood at 28.5% of GDP. The total public sector deficit (revenues minus expenditures) has risen since 2011, reaching 3.5% of GDP in 2014, with public expenditure at around 50% of GDP. Argentina has a federal political structure that grants broad autonomy to provincial governments, including responsibility for the delivery of most public services. Accordingly, in 2013, provincial and municipal public spending accounted for around 43% of total public expenditure.⁴
- 2.5 **Table 2.1 presents the most recent data for a number of selected social indicators. Most of these have improved since the middle of the last decade,** but there are marked variations at the provincial level and among regions. The table presents the indicators for the country as a whole, the province of Buenos Aires,⁵ and the Norte Grande region.⁶ The latter two were the focus of the Bank's strategy with the country for 2012-2015. There are marked regional disparities between the Autonomous City of Buenos Aires (CABA) and the less developed provinces. While 7% and 5.7% of the population in CABA and La Pampa, respectively, had unsatisfied basic needs (UBN) during the period, in Formosa and

³ Lence, Sergio, 2010, "The Agricultural Sector in Argentina: Major Trends and Recent Developments", *The Shifting Patterns of Agricultural Production and Productivity Worldwide*, Chapter 14, The Midwest Agribusiness Trade Research and Information Center, Iowa State University, Ames, Iowa.

⁴ IERAL, based on the Ministry of the Economy.

⁵ The province of Buenos Aires belongs to the Greater Buenos Aires area, which is divided administratively into the Autonomous City of Buenos Aires (CABA) and 24 municipios ("partidos") belonging to the province of Buenos Aires. The Greater Buenos Aires area has a population of 15 million, of which 3 million reside in CABA.

⁶ Argentina's Norte Grande is the least developed region of the country in economic terms. It includes the provinces of Tucumán, Salta, Misiones, Chaco, Corrientes, Santiago del Estero, Jujuy, Formosa, and Catamarca. In 2010, it had a population of 8.27 million.

Salta the figures were 25.2% and 23.7%, respectively. At the same time, while 98.2% of households had wastewater systems in CABA, the percentages in Misiones and Santiago del Estero were only 18.6% and 21.9%, respectively. Less than half of households in the province of Buenos Aires (47.6%) have wastewater systems.

Table 2.1: Argentina – Selected Social Indicators

Indicator	2001			2010		
	National	Bs. As. Province	Norte Grande	National	Bs. As. Province	Norte Grande
Life expectancy at birth	73.8	74.0	72.0	75.3	75.2	74.4
Percentage of the population with UBN	17.7	15.8	28.9	12.5	11.2	20.4
Infant mortality (per 1,000 live births)	16.3	12.4	14.4	11.1	11.4	12.9
Maternal mortality (per 100,000 live births)	43.0	32.0	76.0	35.0	30.0	45.0
Percentage of households not covered by public or private health care plans	48.1	48.8	58.3	36.1	35.4	47.4
Percentage of households with running water	77.0	67.6	75.9	83.9	75.1	83.6
Percentage of households with wastewater systems	42.5	38.7	31.1	53.1	47.6	40.9

Source: Ministry of Health, Office of the President of the Argentine Nation, and the Pan American Health Organization. Basic Indicators: Argentina. Years 2010 and 2014.

Note: The figures for maternal mortality, infant mortality, and life expectancy in Norte Grande are the median for the nine provinces (Catamarca, Chaco, Corrientes, Formosa, Jujuy, Misiones, Salta, Santiago del Estero, and Tucumán). The figures for infant and maternal mortality are for 2008 and 2012.

- 2.6 **Social spending exceeds 20% of GDP, and more than 5 million people receive transfers (mainly the Universal Allocation per Child and Noncontributory Pensions).** Pension coverage has increased substantially over the last decade and currently exceeds 90% (2010 Census).

III. IDB STRATEGY IN ARGENTINA

- 3.1 **Argentina is one of the Bank's most important partners in terms of portfolio, disbursements, and credit exposure.** In a reversal of the trend from the last evaluation period, Argentina received net financing flows of almost US\$2.5 billion between 2009 and 2014 (excluding interest payments and fees). As of 31 December 2014, Argentina's debt with the IDB stood at US\$11,456,600,000—13.85% of the Bank's total portfolio in the region.⁷
- 3.2 **The CPE will evaluate the Bank's program with the country over the 2009-2015 period, which was guided by the 2012-2015 strategy (document GN-2687) and updates to the Bank's 2004-2008 strategy with the country (document GN-2328) over the 2009-2011 period.**⁸ The updates to the 2004-2008

⁷ In 2009, Argentina's debt with the IDB represented 15% of the Bank's total portfolio in the region.

⁸ The 2004-2008 strategy was updated in 2008 (document GN-2477) and in 2010 (document GN-2570 – Country Strategy Updates).

strategy maintained the latter's objectives and main areas for action. The 2004 strategy was prepared against the backdrop of the political, financial, economic, and social crisis of 2001 and 2002, and it identified the attainment of equitable and sustainable economic growth as the country's overarching challenge and the central objective of the Bank's support. Within this framework, the strategy identified three major objectives: institutional strengthening to improve governance and fiscal sustainability; improvement of the investment climate and productivity growth to boost the country's competitiveness; and poverty reduction, rebuilding of human capital, and the promotion of sustainable and inclusive social development. The areas included in the 2004-2008 strategy were quite broad, involving actions across practically all the sectors of the Bank.⁹ Bank support for social programs and increased financing for infrastructure and competitiveness stood out during the period.

- 3.3 Positive findings in OVE's evaluation of the Bank's program with the country for the 2003-2008 period related to the precise diagnostic assessment of the country's main development challenges, well-targeted support for a number of social programs, and the Bank's value added.** The identified areas for improvement concerned a lack of focus and prioritization in key activities under the Bank's program; the Bank's absence in priority policy areas for program sustainability; insufficient follow-up on the Bank's involvement in many programs; uneven and negative net flows to the country; and over-reliance on (or inappropriate use of) certain loan modalities. Box 1 presents the CPE recommendations.

<p style="text-align: center;">Box 1: Recommendations of the Evaluation of the Bank's Program with Argentina, 2003-2008</p> <ol style="list-style-type: none">1. Invest in knowledge creation and use programming and execution as an opportunity for high-level dialogue on complex development issues.2. Maintain support for the social sector, strengthening evaluation components and improving program coverage.3. Establish a clear and evaluable strategy for the competitiveness sector, with emphasis on evaluating and creating knowledge in relation to program effectiveness, with a view to prioritizing and ordering the sector portfolio.4. Give priority to supporting areas of proven effectiveness with demonstrated institutional capacity.
--

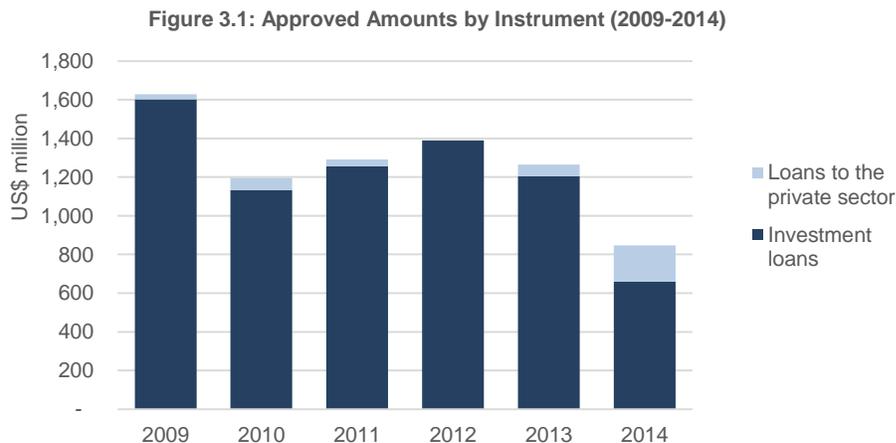
- 3.4 The 2009-2015 CPE will focus on evaluating the strategy document and the Bank's program for 2012 to 2015, as well as the operations approved from**

⁹ In the area of institutional strengthening, the subsectors included (i) the democratic system; (ii) rule of law and justice reform; (iii) State and market; and (iv) public management, including pension systems. In the area of competitiveness and productivity, the subsectors included (i) financial markets; (ii) modernization of innovation and technological development systems; (iii) support for productive development, agricultural services, tourism, the environment, and natural resources management; (iv) trade liberalization and integration; and (v) infrastructure. In the area of poverty reduction, human capital, and social development, the subsectors included (i) social protection; (ii) education; (iii) health; and (iv) housing and sanitation.

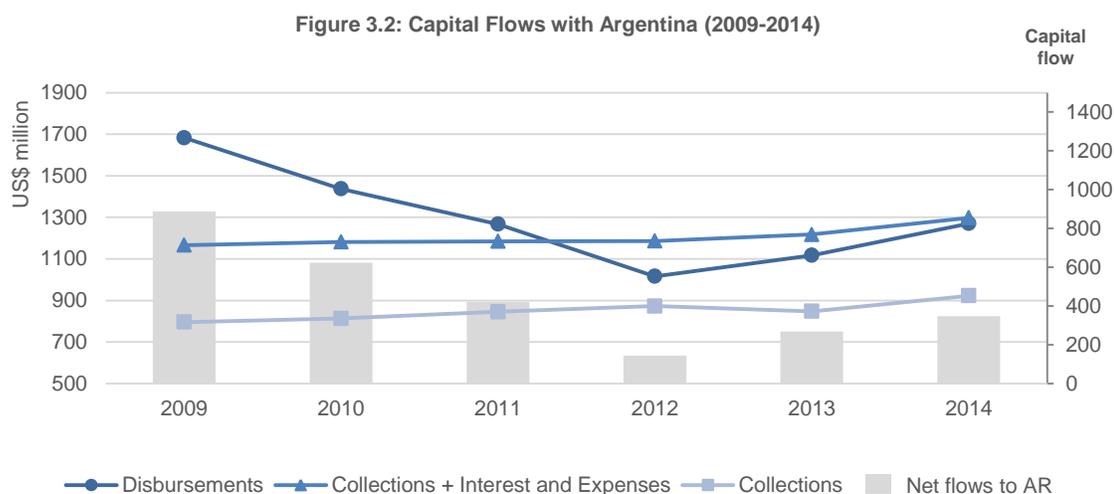
2009 onwards. Against the background of a transition to more moderate economic growth rates following the strong recovery experienced after the crisis at the beginning of the 2000s, the Bank's 2012-2015 strategy with the country defined three major objectives for Bank support. These priorities were 1. **Alleviation of obstacles to growth** (with actions in transportation, energy, rural and agricultural development, private sector development, and tourism development); 2. **Social and Economic inclusion of the population** (with actions in education and health); and 3. **Urban sustainability and habitat improvement** (with actions in potable water, sanitation and solid waste, and urban development). Environmental sustainability, climate change, and youth development were included in the strategy as cross-cutting areas. The strategic focus on these areas was complemented by a geographic focus on the Norte Grande region (for the areas of alleviation of obstacles to growth and social and economic inclusion) and Greater Buenos Aires (for urban sustainability and habitat improvement actions).

A. The Bank's portfolio with the country, 2009-2015

3.5 **During the evaluation period (2009-2015), 49 sovereign-guaranteed loans were approved for a total of US\$8,013,500,000.** Between 2009 and 2011, the Bank approved 24 operations with Argentina for a total amount of US\$4,009,500,000 (an average of US\$1,336,500,000 per year).¹⁰ For subsequent years, the financial envelope under the 2012-2015 strategy envisaged annual approvals of US\$1.5 billion (US\$6 billion over the period) and an average annual net flow of US\$485 million to the country. These targets were not met, as the amount approved annually averaged US\$1,084,700,000 (2012-2014). Approvals remained below target for the entire period and experienced a marked decline beginning in 2014 (see Figure 3.1). The net flow of resources fell between 2009 and 2012, due to a reduction in disbursements, a trend that was reversed in 2013 and 2014. Despite this recovery, net flows remained below the levels seen from 2009 to 2011 (see Figure 3.2), at US\$250 million and US\$235 million in 2013 and 2014, respectively. The undisbursed loan balance at 31 December 2014 stood at US\$4.16 billion. At 31 December 2014, Argentina's debt with the IDB reached US\$11,454,600,000, representing 2.12% of GDP, 52% of its debt with international institutions, and 5.2% of the country's total public debt.



¹⁰ From 2004 to 2008, 40 operations were approved for a total of US\$6,729,400,000.



3.6 Most loan resources approved between 2009 and 2015 were channeled through sovereign-guaranteed investment loans (95.36%). The rest was provided through non-sovereign guaranteed investment loans (4.64%). As established in the 2012-2015 strategy, no policy-based loans were approved over the period. From 2009 to 2015, 55 nonreimbursable technical-cooperation operations were approved for US\$24.5 million, together with 15 MIF grants for US\$12.3 million. A significant part of the Bank's support to the country has been provided through a set of investment lines (in the form of CCLIP loans) in the most important sectors of Bank support (Figure 3.1). Between 2007 and 2010, the main CCLIPs approved for Argentina totaled US\$9.06 billion.

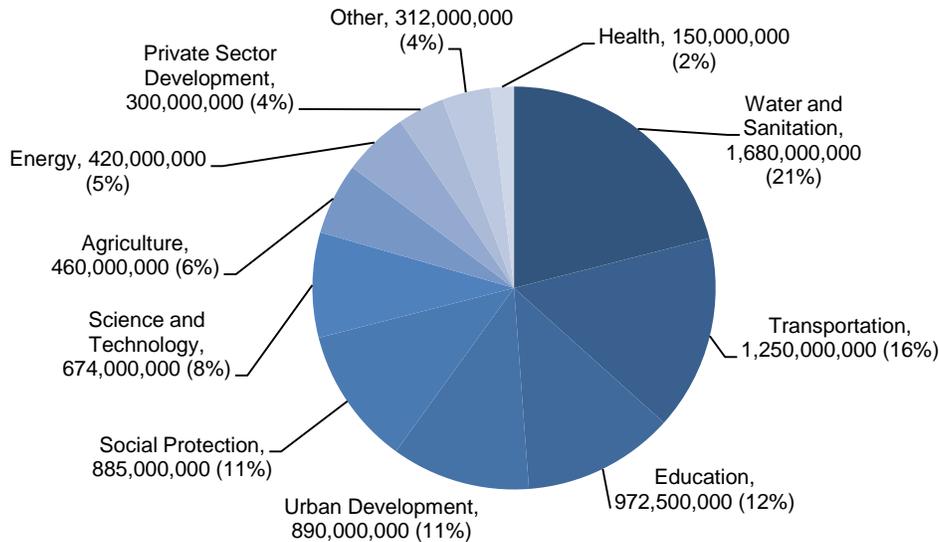
Table 3.1: Main CCLIPs between the IDB and Argentina

Sector	Lines	Year line approved	Total amount of the line (IDB share)
• Agriculture	PROSAP	2008	600
	SENASA	2008	300
• Water and sanitation	PAYS	2010	710
	PAYS Bs As	2008	720
• Urban Development	PROMEBA	2007	1,500
• Education	PROMEDU	2008	2,700
• Science and Technology	Technology Innovation Program	2009	750
• Transportation	Productive Road Infrastructure	2009	2,500

3.7 The five sectors with the largest shares in the total volume of sovereign-guaranteed lending between 2009 in 2014 are: Water and Sanitation (21%), Transportation (16%), Education (12%), Urban Development (11%), and

Social Protection (11%). Together, these accounted for 71% of total sovereign-guaranteed financing approved over the period.

Figure 3.3: Public Investment Loans, Approved Amounts by Sector (2009-2015)



IV. EVALUATION QUESTIONS

4.1 **The CPE will use the traditional evaluation dimensions of relevance, effectiveness, and sustainability** (OECD-DAC). These dimensions provide a comprehensive vision of the program—not only in terms of its importance, but also its outcomes and the means used to achieve them. The portfolio analyzed in the Country Program Evaluation for 2009-2015 will encompass all outstanding operations during the period (86 sovereign-guaranteed loans, 83 technical cooperation operations and grants, and 20 private sector loans). Details of the evaluation questions the CPE will seek to answer are contained in the Protocol for Country Program Evaluation approved by the Bank's Board of Executive Directors (document RE-348-3, paragraph 19 and Annex I). Details of the evaluation dimensions are provided below, with examples of the most important questions for the CPE.

A. Relevance

4.2 **Relevance** refers to the degree to which (i) the design and objectives of the Bank's strategy and program of assistance were consistent with (ii) the needs of the country and with the government's development plans and priorities. In this area, the CPE will seek to answer the following questions:

- What was the Bank's positioning in the country given its economic and social context, its development challenges, and the government's priorities?
- Were the Bank's strategic objectives relevant to the country's long-term needs and the government's priorities? What was the degree of alignment

between the Bank's program and its strategic objectives—particularly the geographic targeting and the projected financial envelope?

- To what extent did the instruments used (particularly the CCLIPs) and project designs support attainment of the development impacts of the Bank's program? How was the design of the Bank's program adapted to sector policy frameworks and the powers and responsibilities of the various levels of government in the country (federal, provincial, and municipal)?

B. Implementation and effectiveness

4.3 **The *implementation* analysis examines to what extent the Bank's program achieved proposed outputs at a reasonable cost and within a reasonable timeframe**, touching on cross-cutting elements such as the efficiency of executing units, the use of country systems, and the quality of technical and administrative support from the IDB's Country Office and Headquarters. **The *effectiveness* analysis refers to the extent to which the objectives of the program agreed between the Bank and the country were achieved.** Indicative questions include:

- To what extent did project execution mechanisms contribute to the efficiency and effectiveness of executed projects?
- How efficient was project implementation (in terms of preparation and implementation costs and timeframes)?
- How effective was the Bank's program? Which were the most effective interventions? What were the success factors? Did the interventions contribute to the attainment of the Bank's strategic objectives?
- How effective was the technical cooperation program, and how much did it contribute to the Bank's strategic objectives with the country?
- What were the role and effectiveness of the Bank's private sector windows in the country?

C. Sustainability

4.4 **Sustainability refers to the probability that program results will persist over the long term.** In this area, the CPE will try to answer the following questions:

- What evidence is there that the results obtained under the Bank's program are sustainable?
- To what extent did the Bank anticipate sustainability challenges/risks in the design of the program and operations?
- What mechanisms have contributed—positively or negatively—to the sustainability of program results?

D. Evaluation methodology

4.5 **The evaluation will use a wide range of information sources.** These include interviews with key informants: current and former government employees, project executing units, the Bank's sector specialists, international cooperation agencies (particularly the Andean Development Corporation and the World Bank), and academics and civil society representatives familiar with the country's development challenges and the different sectors in which the Bank operates. The Bank's programming, supervision (PMR), and evaluation (PCR) documents will also be

analyzed. OVE will supplement analysis of the documentation with statistical analyses using internal and external databases. The internal databases that are normally used are: administrative budget (BUDGET), project preparation (OPUS), contractual conditions (OPMAS), procurement (PRISM), use of staff time (TRS), and financial transactions (LMS). The evaluation methodology will include a sector analysis comparing modes of intervention and will have a regional perspective (given the emphasis of the Bank's strategy on the Norte Grande region and Greater Buenos Aires).

V. TEAM AND TIMELINE

- 5.1 **The evaluation of the country program with Argentina will be carried out by a multidisciplinary team** made up of Oliver Azuara, Cesar P. Bouillon (team leader), Kate Britton, Maria Elena Corrales, Juan Carlos Di Tata, Maya Jansson, Maria Paula Mendieta, Juan Manuel Puerta, Oscar Quintanilla, Jonathan Rose, and Miguel Soldano. To ensure that the evaluation will be relevant and useful, the team has established a dialogue with Bank Management and, in particular, the Country Office in Argentina.
- 5.2 **The evaluation will involve at least two missions to Argentina.** The main tasks of the missions are to (i) identify the main aspects of the relationship between the Bank and the country; (ii) collect data and validate project analyses; (iii) visit specific projects to collect information from executing agencies and beneficiaries; (iv) hold workshops and focus groups.
- 5.3 **The evaluation timeline is designed to coincide in a timely manner with decision processes for the new Bank strategy with the country for the 2016-2019 period.** Consistent with the Protocol for Country Program Evaluations, the findings of a CPE should be provided at a moment in which the government is willing to make strategic decisions about the use of external assistance. In practice, this means having a draft report available for consideration by Bank Management and the country authorities within the first months of a new administration. The proposed timeline is laid out in Table 5.1.

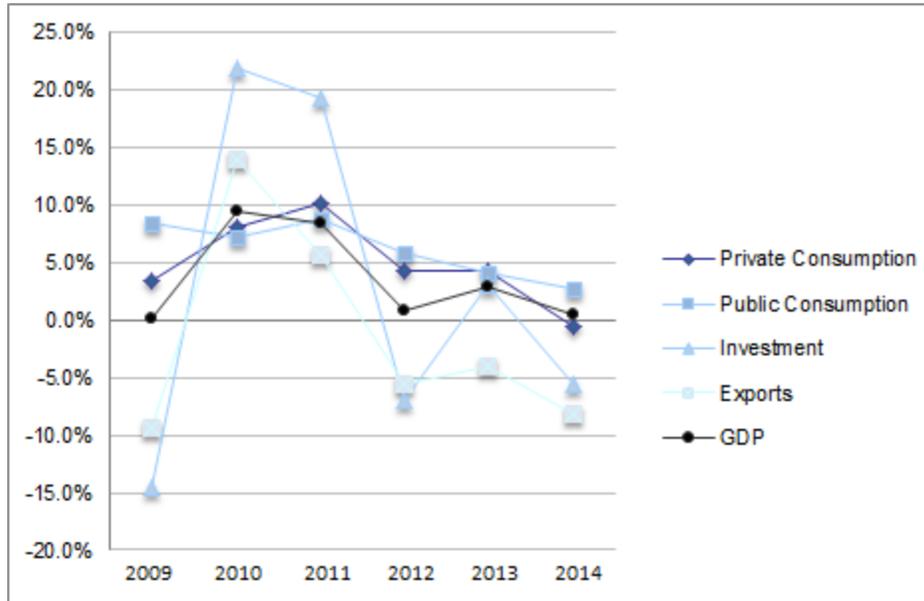
Table 5.1: Schedule of Activities

Activity	Date
Contextual analysis and first project visits - 1st mission	May-June 2015
Approach Paper	August 2015
Project analysis and missions to Argentina	August 2015 - March 2016
Draft shared with Management and the Government of Argentina for consideration	March - April, 2016
Final document submitted to the Office of the Secretary	April 2016
Presentation to the Programming Committee of the Board	May 2016

Table I.1 Selected Economic Indicators

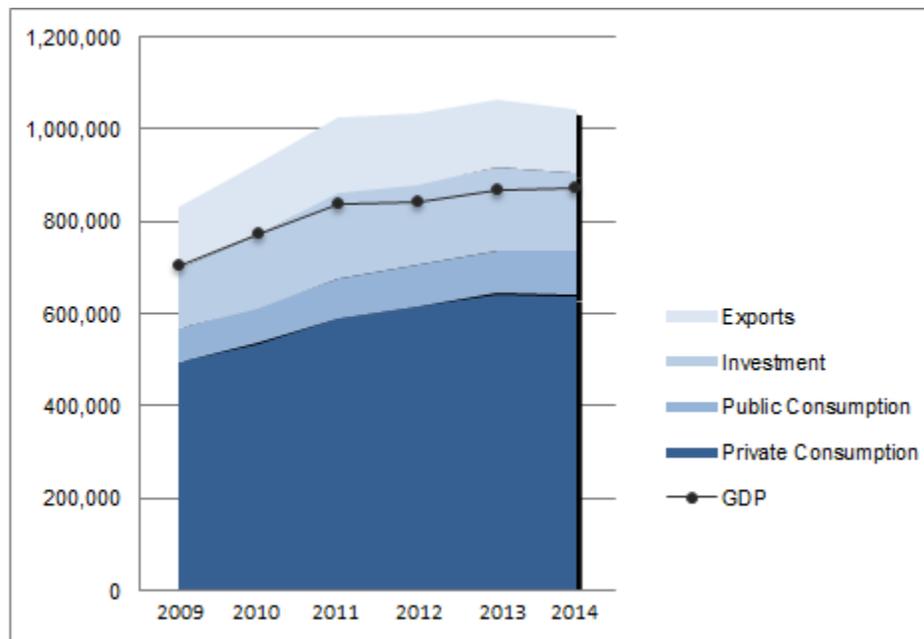
	2008	2009	2010	2011	2012	2013	2014
National accounts, population, and employment							
Nominal GDP (US\$ billion)	405.9	378.5	462.8	559.8	607.7	621.8	538.0
Population (million)	39.7	40.1	40.8	41.3	41.7	42.2	42.7
GDP per capita (US\$)	10,214	9,431	11,347	13,568	14,560	14,732	12,605
Real GDP (% annual change)	3.1	0.1	9.5	8.4	0.8	2.9	0.5
Real private consumption (% annual change)	5.2	3.4	8.1	10.2	4.3	4.3	-0.5
Real investment (% annual change)	7.7	-14.6	22.0	19.4	-7.0	3.1	-5.6
Real investment (% of GDP)	21.7	18.5	20.6	22.7	21.0	21.0	19.7
Unemployment rate (% of EAP)	7.3	8.4	7.3	6.7	6.9	6.4	6.9
Prices							
Inflation (CPI, % annual change)	7.2	7.7	10.9	9.5	10.8	10.9	23.9
Inflation (CPI, average %)	8.6	6.3	10.4	9.8	10.0	10.6	29.9
Nominal wages (% annual change)	22.3	19.7	19.7	27.7	26.9	25.1	32.8
Public Finances							
Government financial balance (% of GDP)	0.7	-1.3	0.3	-1.8	-2.8	-2.9	-3.5
Government primary balance (% of GDP)	2.3	0.7	1.9	0.1	-0.5	-1.2	-1.4
General public spending (% of GDP)	26.4	29.7	30.6	32.8	35.2	35.9	38.7
Federal government financial balance (% of GDP)	1.1	-0.5	0.2	-1.3	-2.0	-1.9	-2.5
Federal government primary balance (% of GDP)	2.5	1.2	1.4	0.2	-0.2	-0.7	-0.9
Gross public debt (% of GDP, year-end)	39.2	39.6	36.1	33.3	35.1	38.8	43.0
Monetary Base and Credit							
Broad money (M2, % of GDP)	15.3	16.2	17.5	17.0	19.3	19.8	19.6
Domestic credit (% of GDP)	19.7	22.7	23.3	25.0	29.4	33.2	36.0
Domestic credit (% annual change)	9.0	26.8	31.4	37.0	40.0	37.7	41.9
Domestic credit to private sector (% of GDP)	11.0	11.0	11.6	13.3	14.6	15.7	14.5
Domestic credit to private sector (% annual change)	20.5	9.4	36.1	44.8	31.5	31.2	20.2
External sector							
Nominal exchange rate (Arg\$/US\$)	3.2	3.7	3.9	4.1	4.6	5.5	8.1
Exports (% of GDP)	20.2	17.6	17.7	17.8	15.7	15.5	16.0
Imports (% of GDP)	16.8	13.1	14.8	15.9	13.7	14.3	14.8
Net foreign direct investment (US\$ billion)	8.3	3.3	10.4	9.2	11.1	7.9	4.5
Programmed debt payments (US\$ billion)	6.6	4.3	5.4	9.0	5.8	6.2	5.3
External debt (US\$ billion)	143.2	134.5	137.6	149.2	150.2	148.1	154.5
Public (US\$ billion)	82.7	80.7	77.7	81.3	80.1	78.6	84.7
Private (US\$ billion)	60.5	53.8	59.8	67.9	70.2	69.5	69.8
External debt (% of GDP)	35.3	35.5	29.7	26.7	24.7	23.8	28.7
External debt (% of exports)	174.2	201.8	168.2	149.7	157.3	153.7	180.0
International reserves (US\$ billion)	46.4	48.0	52.2	46.4	43.3	30.6	31.4

Figure II.1 GDP by category of expenditure: annual % change (2009-2014)



Source: Global Source Partners, based on official data.

Figure II.2 Composition of GDP at 1993 constant prices (Arg\$ million, 2009-2014)



Portfolio

Table III.1 Sovereign-guaranteed loans approved during the period

Operation	Name	Year	Division	Original approved amount (US\$)	% disbursed (current amount)
Social Sectors					
AR-L1098	Program to Support Argentina's Social Protection and Inclusion System - Phase I.	2009	SPH	850,000,000	100%
AR-L1118	Strengthening of Policies on Childhood, Adolescence, and Family	2011	SPH	10,000,000	76%
AR-L1142	Multiphase Primary Health Care Program for Managing Diseases	2012	SPH	150,000,000	74%
AR-L1108	Program to Support the Policy on Improving Equity in Education-PROMEDU II	2010	EDU	492,500,000	100%
AR-L1152	Program to Support the Policy on Improving Equity in Education-PROMEDU III	2013	EDU	280,000,000	55%
AR-L1180	Program to Improve Equity and Quality in Education - PROMEDU IV.	2015	EDU	200,000,000	0%
Institutional and Municipal Sectors					
AR-L1074	Citizen Security and Inclusion Program.	2009	ICS	25,000,000	47%
AR-L1092	Export Promotion	2009	TIU	6,000,000	17%
AR-L1078	Strengthening of the Ministry of Foreign Relations, International Trade, and Worship II	2011	TIU	3,000,000	54%
AR-L1124	Strengthening of the Ministry of Economy and Finance	2011	ICS	13,000,000	CANCELLED
AR-L1127	Program to Strengthen Provincial Institutions and Fiscal Management Phase II (PROFIP II)	2012	ICS	36,000,000	49%
AR-L1101	Development Program for Metropolitan Areas Outside the Capital	2010	FMM	40,000,000	24%
AR-L1119	Barrio Improvement Program, Second Individual Operation	2011	FMM	400,000,000	45%
AR-L1149	Multisector Preinvestment Program IV (CCLIP)	2012	FMM	20,000,000	15%
AR-L1148	Urban Municipal Infrastructure Program	2013	FMM	250,000,000	10%
AR-L1179	Barrio Improvement Program, Third Individual Operation	2015	FMM	200,000,000	0%
Infrastructure Sectors					
AR-L1045	First Productive Road Infrastructure Program	2009	TSP	120,000,000	100%
AR-L1106	Productive and Tourism Infrastructure Program – Province of Río Negro	2010	TSP	30,000,000	6%
AR-L1131	Second Productive Road Infrastructure Program	2011	TSP	200,000,000	66%
AR-L1133	Norte Grande Road Infrastructure Program	2012	TSP	300,000,000	45%
AR-L1144	Norte Grande Road Infrastructure Program III	2013	TSP	300,000,000	15%
AR-L1158	Gral Roca Railroad Improvement Project: Constitución - La Plata Branch Line	2013	TSP	300,000,000	21%
AR-L1080	CCLIP: Water and Sanitation Program for the Buenos Aires Metropolitan Area	2009	WSA	200,000,000	97%
AR-L1084	Water and Sanitation Program for Urban and Suburban Centers	2010	WSA	200,000,000	38%

Operation	Name	Year	Division	Original approved amount (US\$)	% disbursed (current amount)
AR-L1122	Water and Sanitation for the Buenos Aires Metropolitan Area	2011	WSA	200,000,000	32%
AR-L1136	Norte Grande Provinces Development Program: Water and Sanitation Infrastructure	2012	WSA	500,000,000	18%
AR-L1121	Reconquista River Basin Environmental Sanitation Program	2014	WSA	230,000,000	0%
AR-L1151	Integrated Urban Solid Waste Management Program	2014	WSA	150,000,000	0%
AR-L1162	Water and Sanitation Program for Urban and Suburban Centers	2015	WSA	200,000,000	0%
AR-L1095	Additional Financing - Norte Grande Electricity Transmission Program	2009	ENE	300,000,000	90%
AR-L1079	Program to Supply Electricity to the Country's Various Regions under the Federal Electricity Transmission Plan	2011	ENE	120,000,000	63%
Natural Resources, Tourism, and Agriculture Sectors					
AR-L1064	Strengthening of the Agricultural Innovation System	2010	RND	170,000,000	44%
AR-L1071	Development of Tourism Corridors	2011	RND	80,000,000	19%
AR-L1120	Provincial Agricultural Services Program - PROSAP III	2011	RND	230,000,000	57%
AR-L1134	Emergency program in response to the Puyehue Volcano eruption	2011	RND	20,000,000	100%
AR-L1067	Forest Sustainability and Competitiveness Program	2012	RND	60,000,000	6%
AR-L1068	Program for Rural Development and Family Agriculture, PRODAF	2012	RND	30,000,000	26%
AR-L1140	Sustainable Tourism Development in the Province of Salta	2012	RND	34,000,000	13%
AR-L1159	Sustainable Fishery Development Program	2014	RND	30,000,000	0%
Competitiveness, Innovation, and Productive Sectors					
AR-L1126	National Microfinance System Strengthening and Consolidation Program	2011	CMF	1,700,000	CANCELLED
AR-L1130	Lending Program for Productive Development in the Province of San Juan	2012	CMF	60,000,000	24%
AR-L1073	CCLIP: Technological Innovation Program	2009	CTI	100,000,000	100%
AR-L1111	Technological Innovation Program II	2010	CTI	200,000,000	86%
AR-L1141	Technological Innovation Program III	2012	CTI	200,000,000	70%
AR-L1145	MSME Competitiveness Support Program	2013	CTI	50,000,000	5%
AR-L1156	Science and Technology Scholarship Program BECAR	2013	CTI	24,000,000	26%
AR-L1154	Program for the Competitiveness of Regional Economies	2014	CTI	200,000,000	10%
AR-L1157	Program for the Technological Development of Mendoza	2014	CTI	50,000,000	30%
AR-L1181	Technological Innovation Program IV	2015	CTI	150,000,000	0%

**Table III.2 Sovereign-guaranteed loans outstanding in 2009, approved in previous years
(excludes loans approved before 2002)**

Operation	Name	Year	Division	Original approved amount	% disbursed (current amount)
Social Sectors					
AR-L1006	Support for Plan Familias I	2005	SPH	700,000,000	100%
AR-L1007	Province of Buenos Aires Social Investment Program	2005	SPH	230,000,000	100%
AR-L1027	Province of Córdoba Social Development Program	2006	SPH	180,000,000	100%
AR-L1020	Program to Strengthen the Primary Health Care Strategy	2007	SPH	230,000,000	100%
AR-L1038	Program to Support a Policy on Improving Equity in Education	2008	EDU	630,000,000	100%
AR-L1043	Extended School Day Program for Río Negro Province	2008	EDU	58,500,000	100%
Institutional and Municipal Sectors					
AR-L1001	Strengthening of the Economic Policy Secretariat	2004	ICS	4,800,000	100%
AR-L1002	Program for Strengthening Production-related Provincial Institutions and Fiscal Management	2004	ICS	18,000,000	100%
AR-L1008	Institutional Strengthening Program for the National Senate	2004	ICS	4,800,000	100%
AR-L1016	Program to Improve Municipal Management	2007	FMM	72,000,000	61%
AR-L1019	CCLIP Barrio Improvement Program, First Individual Operation	2007	FMM	350,000,000	100%
AR-L1035	Multisector Preinvestment Program III (CCLIP)	2007	FMM	20,000,000	100%
Infrastructure Sectors					
AR-L1003	Productive Development and Competitiveness of the Province of Mendoza	2005	TSP	70,000,000	100%
AR-L1014	Norte Grande Road Infrastructure Program	2007	TSP	1,200,000,000	94%
AR-L1036	Multiphase Program for Production Support Infrastructure Development in Entre Ríos	2007	TSP	100,000,000	87%
AR-L1044	PROPEF: AR-L1045 Productive Road Infrastructure Program	2007	TSP	1,500,000	100%
AR-L1015	Water Infrastructure Project: Northern Provinces Development	2007	WSA	240,000,000	100%
AR-L1025	Solid Waste Management in Tourist Municipios	2007	WSA	60,000,000	85%
AR-L1031	CCLIP: Water and Sanitation for Small Communities	2007	WSA	120,000,000	61%
AR-L1021	Norte Grande Electricity Transmission Program	2006	ENE	580,000,000	100%
Natural Resources, Tourism, and Agriculture Sectors					
AR-0292	Program to Support Integrated Development of the Tourism Sector in the Province of Salta	2003	RND	34,100,000	100%

Operation	Name	Year	Division	Original approved amount	% disbursed (current amount)
AR-L1004	Program to Enhance Tourism Sector Competitiveness	2005	RND	33,000,000	100%
AR-L1026	Environmental Management Program for Sustainable Production in the Productive Sector	2007	RND	40,000,000	69%
AR-L1030	Provincial Agricultural Services II - PROSAP II	2008	RND	200,000,000	100%
AR-L1032	Food and Agriculture Health and Quality Management Program (CCLIP)	2008	RND	100,000,000	94%
AR-L1063	Project to Integrate Small Producers into the Wine Production Chain	2008	RND	50,000,000	100%
AR-L1088	PROPEF: Project to Integrate Producers into the Wine Production Chain	2008	RND	750.000	CANCELLED
Competitiveness, Innovation, and Productive Sectors					
AR-0279	Program to Support the Modernization of Production in the Province of Río Negro	2003	CMF	51,900,000	100%
AR-L1022	Lending Program for Productive and Job Development in the Province of San Juan	2006	CMF	32,600,000	100%
AR-L1012	Technological Modernization Program III	2006	CTI	280,000,000	100%
AR-L1017	Program for the Development of a Satellite System and Applications	2006	CTI	50,000,000	97%
AR-L1033	MSME Credit Access and Competitiveness Program	2007	CTI	50,000,000	93%
AR-L1013	Norte Grande Competitiveness Program	2008	CTI	16,000,000	59%

Table III.3 Non-sovereign guaranteed loans approved during the period and outstanding in 2009, approved in previous years

Operation	Name	Year	Division	Original approved amount	% disbursed (current amount)
AR-L1093	Banco Supervielle S.A. - TFFP	2009	SCF	10,000,000	0%
AR-L1094	Banco Patagonia S.A. - TFFP	2009	SCF	15,000,000	0%
AR-L1099	Banco Municipal de Rosario - TFFP	2009	SCF	1,500,000	0%
AR-L1100	Banco Finansur S.A. Argentina - TFFP	2009	SCF	1,000,000	0%
AR-L1113	Banco de Galicia y Buenos Aires - TFFP	2010	SCF	30,000,000	0%
AR-L1116	Banco de Galicia y Buenos Aires S.A. Sustainable Facility	2010	SCF	30,000,000	CANCELLED
AR-L1132	Plaza Logística	2011	SCF	20,000,000	40%
AR-L1135	Banco CMF - SME Facility	2011	SCF	15,000,000	25%
AR-L1168	Banco de Galicia y Buenos Aires S.A. - Argentina - TFFP A Loan	2013	SCF	15,000,000	100%
AR-L1169	Banco de Galicia y Buenos Aires S.A. - Argentina - 2nd TFFP A Loan	2013	SCF	15,000,000	100%
AR-L1170	Banco Macro S.A. - Argentina - 2nd TFFP A Loan	2013	SCF	15,000,000	100%
AR-L1171	Banco Macro S.A. - Argentina - 1st TFFP A Loan	2013	SCF	15,000,000	100%
AR-L1166	AUSA Road Safety and Urban Mobility Program	2014	SCF	130,000,000	90%
AR-L1174	Banco de Galicia y Buenos Aires S.A. - Argentina - 3rd TFFP A Loan	2014	SCF	1,500,000	100%
AR-L1175	Banco de Galicia y Buenos Aires S.A. - Argentina - 4th TFFP A Loan	2014	SCF	2,800,000	100%
AR-L1176	Banco de Galicia y Buenos Aires S.A. - Argentina - 5th TFFP A Loan	2014	SCF	32,884,475	100%
AR-L1177	Banco Santander Río (Argentina) - 1st TFFP Loan	2014	SCF	10,000,000	100%
AR-L1178	Banco Santander Río (Argentina) - 2nd TFFP Loan	2014	SCF	10,000,000	100%
AR-L1182	Banco de Galicia y Buenos Aires S.A. (Argentina) - TFFP AB Loan, 6th disbursement	2015	SCF	7,000,000	100%
AR-L1183	Banco de Galicia y Buenos Aires S.A. (Argentina) - TFFP AB Loan, 8th disbursement	2015	SCF	5,100,000	100%
AR-L1184	Banco Santander Río (Argentina) - 3rd TFFP Loan	2015	SCF	1,600,000	100%
AR-L1096	Cooperativa La Riojana	2010	OMJ	2,900,000	100%
OUTSTANDING AT THE BEGINNING OF THE PERIOD					
AR-L1085	Timbues Crushing Project	2008	SCF	65,000,000	100%
AR-L1086	ADECO	2008	SCF	31,000,000	100%
AR-L1089	Loma Negra	2008	SCF	20,000,000	100%
AR-L1023	BBVA Banco Francés TFFP Loan	2005	SCF	25,000,000	0%
AR-L1028	Banco Río de la Plata S/A TFFP Loan	2005	SCF	20,000,000	0%

**Table III.4 Nonreimbursable operations approved during the period
(technical cooperation funding and investment grants)**

Operation	Name	Year	Division	Original approved amount	% disbursed (current amount)
Social Sectors					
AR-T1067	Support for the Consolidation of the Social Protection and Inclusion Policy Framework	2009	SPH	500.000	100%
AR-T1087	Analytical Support for the Comprehensive Management of Cardiovascular Diseases	2012	SPH	500.000	19%
AR-T1088	Monitoring and Evaluation of Youth-at-risk Programs at the Local Level	2014	SPH	400.000	6%
AR-T1130	Recovery of Drug-addicted Adolescents and Youth	2014	SPH	600.000	28%
AR-T1110	Alternative Pedagogical Models for Secondary Education	2012	EDU	17.100	100%
AR-T1128	Analysis and Evaluation of Education Quality Policies	2014	EDU	300.000	31%
AR-T1094	Promotion of the Rights of People with Disabilities and Best Practices	2011	CSC	546.900	100%
AR-T1127	Support for the Design of the Development with Identity Program El Impenetrable	2014	GDI	695.000	38%
Institutional and Municipal Sectors					
AR-T1064	Enhancing Transparency in the Allocation of Subsidies	2009	ICS	115.562	100%
AR-T1103	Strengthening Management for Results in the Province of Tucumán	2012	ICS	499.950	98%
AR-T1104	Strengthening Management for Results in Chaco	2012	ICS	516.400	100%
AR-T1105	Strengthening Management for Results in Mendoza	2012	ICS	494.500	27%
AR-T1114	Development of the Evaluation Function in the Executive Branch	2013	ICS	496.000	35%
AR-T1115	Strengthening Management for Results in the Province of Salta	2013	ICS	450.250	32%
AR-T1116	Strengthening Management for Results in Entre Ríos	2013	ICS	624.750	23%
AR-T1117	Strengthening Management for Results in the Municipio of General Pueyrredón	2013	ICS	457.500	44%
AR-T1119	Strengthening Results-based Public Management in Argentina	2013	ICS	1,500,000	0%
AR-T1121	Strengthening Management for Results in Buenos Aires	2013	ICS	500.000	39%
AR-T1096	Labor Market Analysis and Barriers to Productivity	2012	LMK	700.000	51%
AR-T1086	Technical Support for International Investment in the Province of Río Negro	2010	TIU	300.000	100%
AR-T1099	Support for the Development of the Export Services Sector at the Subnational Level	2013	TIU	250.000	28%

Operation	Name	Year	Division	Original approved amount	% disbursed (current amount)
Infrastructure Sectors					
AR-T1057	Modernization of Urban Transport in San Miguel de Tucumán	2009	TSP	800.000	100%
AR-T1063	Sustainable Mobility Plan for the Buenos Aires Metropolitan Region.	2010	TSP	400.000	100%
AR-T1073	Río Negro-Puerto San Antonio Este Transportation Infrastructure and Sustainable Development	2010	TSP	400.000	100%
AR-T1075	Río Negro-Provincial Highway 1 Transportation Infrastructure and Sustainable Development	2010	TSP	500.000	100%
AR-T1084	Support for Sustainable Urban Mobility in the City of Bariloche	2011	TSP	400.000	100%
AR-T1108	Preparation of the First Operation under the Metropolitan Railway Recovery Program	2012	TSP	1,000,000	46%
AR-T1112	Eldorado-Mayor Otaño Bridge Study	2014	TSP	550.000	0%
AR-T1132	Support for the Buenos Aires Subway Transfer and Management Program	2014	TSP	600.000	0%
AR-T1134	Strengthening Capacities in PPP Projects	2015	TSP	10.616	49%
AR-T1077	Sewerage Master Plan for the Northwestern Region of the Province of Buenos Aires	2010	WSA	750.000	100%
AR-T1082	Exchange of Best Practices in Sanitation	2010	WSA	20.000	100%
AR-T1083	Sustainable Environmental Management Program for the Reconquista River Basin	2010	WSA	1,000,000	100%
AR-T1102	Support for Preparation of the Norte Grande Water Project II	2012	WSA	500.000	100%
AR-T1109	Sustainable Mar de Plata - Implementation of the Action Plan	2012	WSA	700.000	39%
AR-T1122	Implementation of the Emerging and Sustainable Cities Initiative Methodology in Paraná	2013	WSA	150.000	100%
AR-T1126	Integrated Management Plans for Drainage and Flood Control	2013	WSA	1,000,000	2%
AR-G1003	Adaptation to the Consequences of Climate Change for the Hydrological Cycle in Cuyo	2014	WSA	1,500,000	43%
AR-T1066	Alternative Energy Comprehensive Development Program for the Provinces of Buenos Aires and Salta	2009	ENE	680.000	100%
AR-T1072	Support for the Renewable Energy Program Centrales Eólicas del Sur	2009	ENE	500.000	100%
AR-T1074	Support for the Renewable Energy Program Centrales Eólicas del Sur	2009	ENE	300.000	100%
AR-T1106	Sustainability Indicators for the Production and Use of Bioenergy	2012	CCS	228.000	82%
AR-T1107	Preparation of GEF Project AR-G1002	2012	CCS	160.780	100%
AR-T1120	Support for GEF Project AR-G1002	2013	ENE	1,000,000	1%

Operation	Name	Year	Division	Original approved amount	% disbursed (current amount)
Natural Resources, Tourism, and Agriculture Sectors					
AR-T1068	Disaster Risk Management in the Province of Santa Fe	2009	RND	640.000	100%
AR-T1092	Support for Preparation of the Tourism Corridors Development Program	2011	RND	99.800	100%
AR-T1118	Emergency flood assistance for City of La Plata	2013	RND	200.000	100%
AR-T1129	Salta Sustainable Tourism Program – Pueblos Mágicos	2014	RND	19.000	100%
AR-T1133	Fishing and Aquaculture Development Program - Fisheries Management Research	2014	RND	20.000	100%
AR-T1135	Agricultural Development Priorities in Norte Grande	2015	RND	200.000	0%
Competitiveness, Innovation, and Productive Sectors					
AR-T1076	Strengthening of Information Systems at the National Scientific and Technological Promotion Agency	2010	CTI	460.000	100%
AR-T1101	Strengthening of the National Institute of Industrial Technology's Capacities for Technology Extension to SMEs	2012	CTI	300.000	100%
AR-T1125	Creation and Management of Scientific and Technological Parks	2013	CTI	12.100	100%
AR-T1062	Free Stall Bio Gas and Feedlot Bio Gas Project	2009	SCF	120.000	100%
AR-T1093	Buenos Aires Residential Solid Waste Collection and Source Separation Studies	2011	SCF	288.000	100%