

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

ARGENTINA

**EMERGENCY PROGRAM FOR AN IMMEDIATE RESPONSE TO THE FLOODING
IN ARGENTINA**

(AR-L1245)

LOAN PROPOSAL

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EXECUTIVE SUMMARY

Borrower:	Argentine Republic.	
Executing agency:	Ministry of the Interior, Public Works, and Housing, through the Central Execution Unit (UEC).	
Financing:	IDB	US\$20 million
	Total:	US\$20 million
Terms:	Amortization period:	25 years
	Grace period:	5.5 years
	Disbursement period:	12 months
	Commitment period:	9 months
Interest rate:	LIBOR-based.	
Inspection and supervision fee:	*	
Credit fee:	0.50%.*	
Currency:	United States dollars from the Flexible Financing Facility (FFF).**	
Objective:	<p>The program's objective is to collaborate with the government's efforts to restore infrastructure and basic services affected by the heavy rains that caused varying degrees of flooding in seven provinces along Argentina's coast.</p> <p>In particular, the program aims to support the affected population's transition to recovery of its regular social and economic activities by rehabilitating road infrastructure such as roads and highways; water infrastructure related to flood defense systems; public structures, such as damaged schools and public buildings appropriate as evacuation centers. It also intends to help reestablish basic utilities such as water and electricity service in affected areas; and lastly, to</p>	

* The credit fee and inspection and supervision fee will be established periodically by the Board of Executive Directors as part of its review of the Bank's lending charges, in accordance with applicable policies.

** Under the Flexible Financing Facility (document FN-655-1), the borrower has the option of requesting changes to the amortization schedule, as well as currency and interest rate conversions. The Bank will take operational and risk management considerations into account when reviewing such requests.

contribute to the cleanup efforts in areas capable of enhancing vector effects.

Special contractual conditions:

The presentation of evidence of the request for proposals for hiring of the firm to conduct the reasonable assurance audit and submission of the final project abstracts by province and the program's special execution manual will be special conditions precedent to the first disbursement (paragraph 5.32).

Exceptions to Bank policy:

None.

Environmental and social review:

Given the nature of this program, no prior environmental impact assessments will be conducted. Nonetheless, any activities undertaken will comply with national rules and specifications on the prevention and mitigation of environmental and social impacts. (paragraph 5.30).

Benefits:

Program resources will fund activities that will benefit families and the economies of areas affected by the recent flooding. The main indicators programmed include: (i) rehabilitation of 40 km of roads and highways; (ii) rehabilitation of 18 km of defense systems; (iii) 14 communities with rehabilitated basic services, including electricity, water, and sanitation, as well as the cleanup of areas where vectors could proliferate; (iv) rehabilitation of 103 public buildings, including schools, evacuation centers, and other public buildings; and (v) five studies for the development of a comprehensive disaster risk management program (paragraph 5.14).

Procurement:

The procurement of works and goods financed by the Bank (document GN-2349-9) and the policies for the selection and hiring of consultants financed by the Bank (document GN-2350-9). The Bank may provide retroactive financing, charged against the loan proceeds, for eligible expenses incurred by the borrower prior to the loan approval date on infrastructure, services, and studies, in an amount up to US\$13 million, provided that requirements substantially analogous to those set forth in the loan contract have been met. Such expenses will have been incurred as of the date the provincial emergency was declared, since the floods in the provinces occurred prior to the national emergency declaration (paragraph 5.25).