

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

**ARGENTINA**

**PROGRAM TO SUPPORT INTEGRATED PUBLIC EXPENDITURE MANAGEMENT**

**(AR-L1292)**

**LOAN PROPOSAL**

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Proposed resolution

<b>Annexes</b>	
Annex I	Development Effectiveness Matrix (DEM) – Summary
Annex II	Results Matrix
Annex III	Fiduciary Agreements and Requirements

<b>REQUIRED LINKS</b>	
1	<a href="#">Multiyear execution plan / annual work plan</a>
2	<a href="#">Monitoring and evaluation plan</a>
3	<a href="#">Procurement plan</a>

<b>OPTIONAL LINKS</b>	
1	<a href="#">Project economic analysis</a>
2	<a href="#">Itemized budget</a>
3	<a href="#">Program Operating Regulations</a>
4	<a href="#">Third National Open Government Plan</a>
5	<a href="#">Progress on e-SIDIF interoperability with related systems</a>
6	<a href="#">Implementation Criteria – Program to Support Integrated Public Expenditure Management</a>
7	<a href="#">Safeguard policy filter (SPF) and safeguard screening form (SSF) for classification of projects</a>

## ABBREVIATIONS

APN	Administración Pública Nacional [National Public Administration]
AWP	Annual work plan
BAPIN	Banco de Proyectos de Inversión Pública [Public Investment Project Bank]
CFRF	Consejo Federal de Responsabilidad Fiscal [Federal Fiscal Responsibility Council]
COMPR.AR	Public Procurement Management System
CONTRAT.AR	Public Works Contracting Portal
DPYPEESA	Dirección de Programas y Proyectos Especiales con Enfoque Sectorial Amplio [Directorate of Special Programs and Projects with a Sector-wide Approach]
e-SIDIF	Sistema Integrado de Información Financiera [Integrated Financial Information System]
GAT	Gestor de Asistencias y Transferencias [Assistance and Transfer Management System]
IMF	International Monetary Fund
LFRF	Ley Federal de Responsabilidad Fiscal [Federal Fiscal Responsibility Law]
LOyS	Locación de Obras y Servicios [Works and Services Module]
MEP	Monitoring and evaluation plan
OECD	Organization for Economic Cooperation and Development
ONTI	Oficina Nacional de Tecnologías de Información [National Information Technology Office]
PCR	Project completion report
PROFIP	Programa de Fortalecimiento Institucional Productivo y de Gestión Fiscal Provincial [Program for Strengthening Production-related Provincial Institutions and Fiscal Management]
SEPA	Sistema de Ejecución de Planes de Adquisiciones [Procurement Plan Execution System]
SIAF	Sistema Integrado de Administración Financiera [Integrated Financial Administration System]
SIGEN	Sindicatura General de la Nación [National General Accounting Office]
SNPV	Social net present value
UEPEX	Sistema de Gestión de Unidades Ejecutoras de Préstamos Externos [Management System for External Loan Execution Units]

**PROJECT SUMMARY**  
**ARGENTINA**  
**PROGRAM TO SUPPORT INTEGRATED PUBLIC EXPENDITURE MANAGEMENT**  
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Financial Terms and Conditions				
<b>Borrower:</b>		<b>Flexible Financing Facility<sup>(a)</sup></b>		
Argentine Republic		<b>Amortization period:</b>	25 years	
<b>Executing agency:</b>		<b>Disbursement period:</b>	5 years	
Ministry of Finance, acting through the Office of the Secretary of Finance		<b>Grace period:</b>	5.5 years <sup>(b)</sup>	
<b>Source</b>	<b>Amount (US\$)</b>	<b>%</b>	<b>Interest rate:</b>	LIBOR-based
<b>IDB (Ordinary Capital):</b>	US\$40 million	100%	<b>Credit fee:</b>	<sup>(c)</sup>
			<b>Inspection and supervision fee:</b>	<sup>(c)</sup>
<b>Total:</b>	US\$40 million	100%	<b>Weighted average life (WAL):</b>	15.25 years
			<b>Currency of approval:</b>	U.S. dollars
Project at a Glance				
<b>Project objective/description:</b> The main objective of this project will be to improve the efficiency and transparency of public expenditure through support for the use of information in decision making and citizen oversight. The specific objectives will be: (i) to improve the efficiency of national public expenditure by generating timely, comprehensive information to improve the execution of priority programs; and (ii) to increase access to budget information at the subnational level by strengthening financial information systems.				
<b>Special contractual conditions precedent to the first disbursement of the loan proceeds:</b> Evidence will be provided that the program <a href="#">Operating Regulations</a> have entered into force on the terms and conditions previously agreed upon with the Bank (see paragraph 3.5).				
<b>Exceptions to Bank policies:</b> None.				
Strategic Alignment				
<b>Challenges:<sup>(d)</sup></b>	SI	<input type="checkbox"/>	PI	<input type="checkbox"/>
<b>Crosscutting themes:<sup>(e)</sup></b>	GD	<input type="checkbox"/>	CC	<input type="checkbox"/>
			IC	<input checked="" type="checkbox"/>

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

<sup>(b)</sup> Under the flexible repayment options of the Flexible Financing Facility, changes to the grace period are permitted, provided that they do not entail any extension of the original weighted average life of the loan or the last payment date as documented in the loan contract.

<sup>(c)</sup> 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 the relevant policies.

<sup>(d)</sup> SI (Social Inclusion and Equality); PI (Productivity and Innovation); and EI (Economic Integration).

<sup>(e)</sup> GD (Gender Equality and Diversity); CC (Climate Change and Environmental Sustainability); and IC (Institutional Capacity and Rule of Law).

## I. DESCRIPTION AND RESULTS MONITORING

### A. Background, problem addressed, and rationale

- 1.1 **Macroeconomic context in Argentina.** Argentina is now on a current account and fiscal adjustment path with no access to international debt markets under a stand-by arrangement with the International Monetary Fund (IMF). The central bank has also significantly tightened monetary policy. The macroeconomic adjustment path has been showing progress: the fiscal target for 2018 was met, Congress approved a 2019 budget with a primary balance, and the change in relative prices is helping to reduce the external imbalance. Despite these gains, inflation remains high, largely reflecting past and expected exchange rate adjustments, which are influenced by the election cycle. The tightening of fiscal and monetary policy, combined with the political uncertainty and its impact on country risk, is taking a toll on short-term economic activity, which is in recession. The market consensus is for GDP to decline 1.3% in 2019, after falling 2.5% in 2018. Economic activity should begin recovering in the second quarter of this year, buoyed by stronger farming activity as well as the potential recovery in real wages and relative prices, which favor exports, although the uncertainty surrounding the election will continue to have a negative impact on investment. In addition to stepping up fiscal and monetary adjustments in response to the currency crisis, Argentina has maintained the general macroeconomic policy and growth framework adopted in early 2016. The macroeconomic stabilization agenda has gained priority, but gradual pro-growth reforms continue to be promoted, albeit at a slower pace. This framework for action is characterized by re-establishing the private sector as the engine of development and building a more efficient and transparent State to support its growth. The government has made significant gains institutionally and in repositioning itself internationally, although it still faces considerable challenges in terms of growth, poverty reduction, deflation, and fiscal account balance.
- 1.2 Within this circumstantial context, the Argentine government has implemented financial information system improvement and integration projects that will enable it to make timely decisions and will, at the same time, provide the general public with access to this information. The implementation of an Integrated Financial Administration System (SIAF) in recent years has helped institutions operate more effectively and transparently. Nonetheless, Argentina still ranked 50th out of 100 on the Open Budget Index for 2017.<sup>1</sup> It also ranked lower than all Latin American countries in estimates for technical inefficiency in procurement, in payroll expenditure, and in targeted transfers for 2016.<sup>2</sup> This operation is part of the effort to achieve greater public management efficiency by integrating nonfinancial systems into the SIAF and implementing local versions of the SIAF and those systems in the subnational government.
- 1.3 Pursuant to 2017 Budget Law 27,341, Argentina undertook to develop a national budget system reform plan with the aim of achieving greater efficiency and detail in budget laws and increasing transparency across all stages of the budgetary cycle. This commitment builds on the work accomplished since the issuance of Law [24,156](#)

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<sup>1</sup> [International Budget Partnership, Open Budget Survey 2017](#). This evaluation is done once every two years, so the most up-to-date data are for 2017.

<sup>2</sup> Better Spending for Better Lives, Alejandro Izquierdo, Carola Pessino, and Guillermo Vuletin, 2018, IDB.

of 1992 on Financial Administration and Controls Systems in the National Public Sector, which governs financial administration as well as the internal and external control systems of Argentina's national public sector, seeking to generate criteria for efficient resource use and promoting the development of systems that provide timely and reliable information. To support this effort, the Office of the Budget Undersecretary within the Office of the Secretary of Finance developed a Strategic Plan<sup>3</sup> outlining a set of guidelines and actions to: (i) promote medium-term fiscal sustainability and the continuous improvement of public financial management; (ii) encourage the adoption of a planning system that sets policy priorities to guide budget formulation, execution, and evaluation; and (iii) interact with provincial and municipal governments to share experiences that foster improved management.

- 1.4 In keeping with international obligations, such as those with the Open Government Partnership, and Federal Fiscal Responsibility Law (LFRF), [Law 25,917](#) of 2004, mechanisms were created to improve public management transparency and provide citizens and civil society organizations with easier access to information. This law provides that provincial governments and the Autonomous City of Buenos Aires must implement integrated financial administration systems compatible with the national system. It also creates the Federal Fiscal Responsibility Council (CFRF), chaired by the Ministry of Finance, which is entrusted with monitoring its compliance.
- 1.5 **Transparency as the cornerstone of financial management.** Article 7 of the LFRF requires the State, provinces, and City of Buenos Aires to publish their financial and fiscal information, including annual budgets, quarterly expenditures, and public debt stock, on their websites. At the subnational level, compliance with the aforementioned transparency regulation has been mixed to date. Thus far, 21 provinces and the Autonomous City of Buenos Aires have adhered to the LFRF and publish their budget information. The 2018 CFRF report shows that just 9 of the 21 provinces published all the information required by the LFRF.
- 1.6 **Recent reforms and efforts.** Over the past three years, major institutional and regulatory changes have been introduced to improve administrative management and access to information of both the National Public Administration and provincial administrations. These changes include: (i) the creation of the Ministry of Modernization,<sup>4</sup> incorporated recently into the cabinet structure as the Office of the Government Secretary of Modernization; (ii) the establishment of the Federal Commitment for the Modernization of the State;<sup>5</sup> (iii) the issuance of [Interoperability](#)

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<sup>3</sup> Order 685/2015, Office of the Budget Undersecretary, Office of the Secretary of Finance, approves the Strategic Plan without a specific time horizon.

<sup>4</sup> Decree [434/2016](#) sets out the [five activity areas](#) of the Ministry of Modernization: (i) to eliminate government red tape; (ii) to establish a hierarchy within the civil service; (iii) to increase transparency in management and support innovation in order to provide public information and ensure citizen engagement; (iv) to strengthen results-based management and the quality of government policy and services; and (v) to incorporate technological infrastructure. The Ministry became the Office of the Government Secretary within the Cabinet of Ministers in July 2018, retaining its institutional structure and functions.

<sup>5</sup> The Federal Council for Modernization and Innovation in Public Management signed the Federal Commitment for the Modernization of the State on 18 April 2017, under which the National State and the provinces undertook to take actions in line with the [five activity areas of the Office of the Government Secretary of Modernization](#).

- [Decree 1273/2016](#);<sup>6</sup> (iv) the development of the National Open Government Plan;<sup>7</sup> and (v) the enactment of the Access to Public Information Law containing a chapter on active budget and public expenditure transparency, among others. These changes have fostered the implementation of new administration management support information systems within the National Public Administration, including Electronic Document Management, Public Procurement Management System (COMPR.AR), Public Works Contracting Portal (CONTRAT.AR), and Works and Services Module (LOyS),<sup>8</sup> as well as the modernization of the Integrated Financial Information System (e-SIDIF).<sup>9</sup>
- 1.7 **OECD access process.** Argentina made a formal access request to the Secretary-General of the Organization for Economic Cooperation and Development (OECD) on 16 May 2016 with the aim of making the institutional improvement process sustainable. At the time, the government proposed a joint action plan with the OECD structured around 16 priority public policy pillars.<sup>10</sup> The main focus of these pillars is the need to increase State transparency and provide citizens and civil society organizations with data and information on administrative transactions. Significant progress has been made thus far in implementing this action plan, including adherence to various OECD instruments and the production of policy reviews and studies, a reflection of the Argentine government's commitment to the access process.
- 1.8 **Empirical evidence.** At the international level, the working papers by Farhan Hameed entitled "Fiscal Transparency and Economic Outcomes" (IMF, 2005) and by A. Bellver and D. Kaufmann entitled "Transparenting Transparency: Initial Empirics and Policy Applications" (World Bank, 2005) conclude that the implementation of actions aimed at increasing transparency in public financial management bolsters corruption control. The benefits of integrating systems, meanwhile, are analyzed in the work by Dale L. Goodhue, Michael D. Wybo, and Laurie J. Kirsch entitled "The Impact of Data Integration on the Costs and Benefits of Information Systems," MIS Quarterly, Vol. 16, No. 3 (September 1992), which concludes that designing and implementing management systems in an integrated manner is the right way.
- 1.9 **Problem and causes.** The effects of progress made in managing fiscal information have yet to be reflected in the implementation of government budget programs. In the 2017 fiscal year, 14% of planned physical targets and 10.7% of outcome indicators corresponding to national government budget programs were not met.

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<sup>6</sup> Interoperability technical guidelines for the entities and jurisdictions listed in Article 8 of Law 24.156 to exchange public information they produce, obtain, or possess or over which they have control with any other public agency that requests such information, approved by Resolution SMA 6/2017. The implementation of the interoperability module as a public information sharing platform was approved by Resolution SMA 19/2018.

<sup>7</sup> The Office of the Budget Undersecretary within the Office of the Secretary of Finance is responsible for: (i) making the budget accessible to citizens, that is, disseminating the draft budget law and monitoring priority public policies; and (ii) building capacities among specific players in the analysis of public accounts, particularly with respect to resource and expenditure execution, and of the investment account as an accountability instrument for the national public sector. [Third National Open Government Plan](#).

<sup>8</sup> [Complete list of administrative systems](#).

<sup>9</sup> See [Progress on e-SIDIF Interoperability with Related Systems](#) (2016/17), Ministry of Finance, 2018.

<sup>10</sup> Argentina OECD Action Plan.



This proportion is 30% for planned social program outcomes,<sup>11</sup> which has a negative impact on the beneficiaries of these programs.<sup>12</sup> As for compliance with the requirements to publish financial information under the LFRF, the completeness of financial information published by each province, as measured by a recognized independent entity, reached an average of just 58.7% for all provinces in 2017.<sup>13</sup> An average delay of 531 days was also noted in the presentation of the investment account by the Ministry of Finance of La Rioja Province,<sup>14</sup> whereas the legal time limit is only 180 days.

- 1.10 The key problem to be addressed by this project is the poor management of available fiscal information supporting the effectiveness of public expenditure, which is reflective of problems that affect both the efficiency and the transparency of public expenditure. These are: (i) the limited availability and low use of comprehensive, timely information by officials who make public expenditure management decisions; and (ii) the limited provincial capacity to manage financial information comprehensively.
- 1.11 **Limited availability and low use of comprehensive, timely information by officials who make public expenditure management decisions.** The previous Bank programs, Program for Strengthening Production-related Provincial Institutions and Fiscal Management—PROFIP I and PROFIP II—were mainly concerned with achieving nearly complete coverage of the e-SIDIF system in the physical monitoring of budget programs (see paragraph 1.13), but not integrating it with other nonfinancial systems, so only 2% of public expenditure is managed through integrated information systems and only about 5% of users registered in the e-SIDIF management module regularly access management reports.<sup>15</sup> The determinants identified for the insufficient availability of information are: (i) multiple, fragmented information systems (just 4 of the 19 systems that support financial management are interoperable with e-SIDIF), which frequently generates contradictory data and leads to distrust; and (ii) failure to implement, in 23.9%<sup>16</sup> of budget programs, physical monitoring mechanisms that generate progress-related information. At the same time, the low use of information in decision-making is related to the lack of awareness of the value added of structured information: (i) just 31 of the 124 organizations accessed management reports in e-SIDIF; and (ii) strategic institutional users and bodies, such as the National General Accounting

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<sup>11</sup> Information from the Program for Strengthening Production-related Provincial Institutions and Fiscal Management (PROFIP III), Ministry of Finance, 2018. List included in the [monitoring and evaluation plan](#), Annex 3.

<sup>12</sup> The negative impact is the delay that beneficiaries would experience in receiving budget program results; the one presented in the [Economic assessment](#), Benefit 1, is approximate.

<sup>13</sup> Argentinian Public Budget Association, “*Información Fiscal de las provincias, Cumplimiento de la Ley de Responsabilidad Fiscal*,” September 2017.

<sup>14</sup> Results of the e-SIDIF financial management system implementation in La Rioja Province, a pilot case that is the only full study measuring the impact of financial system implementation.

<sup>15</sup> In the organizations that can access management reports, just 322 users on average accessed them in the first three months of 2018, out of a total of 6,427 registered public servants. Source: Metrics. PROFIP, Ministry of Finance.

<sup>16</sup> Programs with physical monitoring show better performance in meeting targets. Information from PROFIP III, 2018.

Office (SIGEN) and the National General Auditing Office, do not have access to integrated information online or to data marts in e-SIDIF.

- 1.12 **Main causal factor of limited provincial capacity to manage financial information comprehensively.** SIAF weakness as demonstrated through the 2016 Provincial SIAF Maturity Surveys.<sup>17</sup> These surveys qualitatively measure not only the operational status of information systems that support financial management, but also the normative aspects, integration with other systems, and the human resource capacity to administer them. The analysis was conducted for three provinces: Catamarca, Jujuy, and La Rioja.<sup>18</sup> These provinces specifically did not have integrated financial systems (or had/have systems that are obsolete) for the timely publication of the annual budget and its modification and execution.
- 1.13 **The Bank's experience with the country and lessons learned.** With the Bank's support, over the past 13 years the Ministry of Finance has implemented improvements to financial administration systems and has made institutional strengthening efforts for results-based management in both the National Public Administration and the provinces through two projects: PROFIP I and PROFIP II.<sup>19</sup> At the national level, the main outcome of these operations was the development, implementation, and update of e-SIDIF, a modern IT platform that supports financial management with a focus on results-based management. The main results of e-SIDIF implementation are as follows: (i) the platform is used for the physical monitoring of 76.1% of budget programs, corresponding to 93.5% of the budget appropriation approved for 2017; (ii) it contains 22 customized National Public Administration budget monitoring data marts accessed by 31 agencies; and (iii) it publishes budget and budgetary execution open data on the Ministry of Finance website.<sup>20</sup>
- 1.14 In carrying out PROFIP II and preparing this project, various support studies were conducted for the creation of knowledge on this operation, the most relevant being: (i) the measurement of transaction costs in Argentina's national administration<sup>21</sup> to define the potential impact of the integration of transactional systems with e-SIDIF; (ii) the results of the implementation of the e-SIDIF financial management system in La Rioja Province, focused on measuring time reductions in various processes most important to provincial financial management; and (iii) the identification, as an important aspect in the project completion report (PCR) for PROFIP II (currently in progress), of the modality for updating and implementing both e-SIDIF software and hardware components not only nationally, but also in La Rioja Province.
- 1.15 **The Bank's experience with the regions and lessons learned.** The Bank provided support to strengthen financial administration and public investment systems and to overhaul and streamline administrative processes. Recent experiences include: Performance Monitoring and Public Financial Management

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<sup>17</sup> Provincial SIAF Maturity Survey, PROFIP II, 2016.

<sup>18</sup> La Rioja Province has had an operational SIAF financed through PROFIP II as of 2016.

<sup>19</sup> PROFIP I (loan 1588/OC-AR) and PROFIP II (loan 2754/OC-AR).

<sup>20</sup> PROFIP III information, Ministry of Finance, 2018.

<sup>21</sup> The study evaluates the transactional cost of processes involved in a potential integration of e-SIDIF with the rest of the systems in a no-project situation. The measurement was based on data provided by internal administrative system clients and on an adapted Standard Costing Model methodology.

Reform (loan 3340/OC-BH); Public Management Strengthening Program (loan 3398/OC-UR); Support to Strengthen Trinidad and Tobago's Public Financial Management System (loan 3473/OC-TT) (2016); and Program to Strengthen the Public Investment System of Colombia (loan 2977/OC-CO). The preparation and execution of these operations show the importance of supporting not only improvements to the quality and timeliness of the information provided, but also its more systematic use to increase expenditure efficiency and effectiveness and its impact on the provision of government services. The PCR for the Fiscal and Financial Management Program (loans 1550/SF-GY, 1551/SF-GY) shows that improvements to budget processes are directly related to the effectiveness of public expenditure, measured by the reduction in deviation between what is programmed and what is carried out, in addition to enabling better resource planning.<sup>22</sup> The evaluation report prepared by the Office of Evaluation and Oversight on the IDB's role in the fiscal sector based on the Bank's experience in supporting relevant projects states that resource effectiveness also benefits from the implementation of more reliable information systems.<sup>23</sup>

- 1.16 **Complementarity with other Bank operations.** The Bank has supported various initiatives in Argentina in terms of not only credit operations, but also ongoing technical dialogue with the Ministry of Finance and the Office of the Government Secretary of Modernization. With the Bank's support, the Ministry of the Interior is currently implementing the Provincial Management Strengthening Program (loan 3835/OC-AR) and the Provincial Management Strengthening Program II (loan 4753/OC-AR),<sup>24</sup> which aim to contribute to growth and private-sector employment in the provinces by improving revenue, expenditure, and public investment management and implementing investment projects. Component 2 of this project complements these efforts by intervening in provinces that are seeking to use e-SIDIF as the preferred solution for their financial administration. In addition, the Ministry of the Interior and the Office of the Secretary of Finance are coordinating efforts to improve provincial financial management within the framework of the CFRF to ensure that all modernization efforts meet the standards required by the Council. In this instance, a joint territorial approach strategy will also be formulated in some jurisdictions prioritized by operations 3835/OC-AR and 4753/OC-AR that are requesting the installation of e-SIDIF.
- 1.17 This operation is supplemented by a programmatic policy-based loan related to transparency and integrity reforms—as system integration will generate comprehensive information on the use of public funds, and publication of this information will contribute to transparency—as well as by the Program for Strengthening of the Digital Agenda: Connectivity, Electronic Government, and Digital Productive Transformation (loan 4755/OC-AR; approved in February 2019), which focuses on support to strengthen the interface between government and citizens. The planned system integration could lead to a faster response for citizens in certain interactions as well as better operational efficiency. It will also contribute

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<sup>22</sup> [Program completion report, Fiscal and Financial Management Program \(loans 1550/SF-GY, 1551/SF-GY\).](#)

<sup>23</sup> [Evaluation of the IDB's Role in the Fiscal Sector.](#)

<sup>24</sup> Program 3835/OC-AR will benefit the provinces of Corrientes, Salta, Mendoza, and Neuquén, whereas 4753/OC-AR will assist the provinces of Misiones, Jujuy, Chaco, Entre Rios, Rio Negro, and Tierra del Fuego.

to the Argentine government's efforts to encourage more efficient use of public resources, fostering fiscal sustainability by ensuring a timely flow of quality information to decision-makers.

- 1.18 **Strategic alignment.** The program is consistent with the Update to the Institutional Strategy 2010-2020 (document AB-3008) and aligns with the crosscutting theme of Institutional Capacity and Rule of Law, as it contributes to improving efficiency in the use of fiscal resources through the availability of comprehensive, timely information to decision-makers. The program will contribute to the Corporate Results Framework 2016-2019 (document GN-2727-6) through the following indicator: "government agencies benefited by projects that strengthen technological and managerial tools to improve public service delivery." The operation is also in line with the IDB Group country strategy with Argentina 2016-2019 (document GN-2870-1), particularly the strategic objective of "institutional strengthening of government." Additionally, the operation is aligned with the Sector Strategy: Institutions for Growth and Social Welfare (document GN-2587-2), particularly dimension 2: "governments build the public sector's institutional capacities to design and implement fiscal policies that improve efficient mobilization and allocation of resources." It is also consistent with the Decentralization and Subnational Governments Sector Framework Document (document GN-2813-8), particularly dimension 2 under the lines of action: "(i) strengthen public expenditure management capacity and service delivery at the subnational level, aiming to improve their quality through the opportunities provided by the digital economy and the use of ICTs; (ii) strengthen core government functions to promote effective public policies, facilitate private sector development, and enhance the public and/or private delivery of citizen services at the subnational level; and (iii) improve public investment management." Lastly, the project is included in the 2019 Operational Program Report (document GN-2948).

## **B. Objectives, components, and cost**

- 1.19 **Program objective.** The main objective of this project will be to improve the efficiency and transparency of public expenditure through support for the use of information in decision making and citizen oversight. The specific objectives will be: (i) to improve the efficiency of national public expenditure by generating timely, comprehensive information to improve the execution of priority programs; and (ii) to increase access to budget information at the subnational level by strengthening financial information systems.
- 1.20 **Beneficiaries.** The beneficiaries are citizens targeted by the programs listed in Annex 3 of the [monitoring and evaluation plan \(MEP\)](#), which are aimed at both improving the country's infrastructure and directly supporting vulnerable groups. The users will be the staff of the agencies that manage public expenditure, mainly the Ministry of Finance and the Office of the Government Secretary of Modernization, as well as civil society organizations specializing in its analysis.

- 1.21 **Component 1. Integration and modernization of national expenditure management support information systems (US\$24 million).** This component will support the updating and integration of national budgetary, administrative, and financial management support systems involved in the public expenditure cycle.<sup>25</sup> Financing will be provided for: (i) software for the interoperability of seven existing systems<sup>26</sup> with e-SIDIF; (ii) purchase of software and hardware to update the technological infrastructure,<sup>27</sup> and evolutionary development of e-SIDIF to expand its coverage and add new functionalities; (iii) data analysis tools to support the generation and use of management information; and (iv) change management activities to implement the system, train institutional users on the systems, and educate civil society organizations and citizens in general about the use of budget information. The implementation of special projects to strengthen budget and financial management at agencies and institutions of the National Public Administration is planned within the scope of activity (iii) under Component 1 (Results Matrix output 1.10).<sup>28</sup> The national interventions to be financed under this component are identified in the [Implementation Criteria](#) to be included in the program Operating Regulations, and relate to three main areas: (i) the initiative must be connected to the intervention priorities and strategy of the Office of the Secretary of Finance and fall within the objectives and lines of action of this program; (ii) it must be viable in terms of its implementation options, given the scope, time, and resources required; and (iii) it must be relevant in terms of its contribution to improving the efficiency of financial management and public expenditure control.
- 1.22 **Component 2. Support for provincial and municipal expenditure management (US\$14 million).** The component will support increased transparency in resource management at the subnational level by strengthening how financial information is handled in provinces and municipios. Financing will be provided for: (i) the implementation of new processes and information systems, as well as management tools for the consolidation and visualization of information in keeping with the guidelines set by the National Public Administration; (ii) technical assistance in reviewing financial rules and operational processes and change management, so that new processes can be implemented; and (iii) training for individual and institutional users on the use of publicly available information.

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<sup>25</sup> For the purposes of this project, integrated systems are e-SIDIF and other administrative management support systems that interoperate on a regular basis. Interoperability allows for the constant exchange of data between separate systems and ensures the integrity of available information to support expenditure management.

<sup>26</sup> The seven systems selected are those that close the national budget expenditure cycle: Public Investment Project Bank (BAPIN); COMPR.AR; CONTRAT.AR; LOyS; Assistance and Transfer Management System (GAT); Debt Management and Analysis System (SIGADE); and Management System for External Loan Execution Units (UEPEX).

<sup>27</sup> [Infrastructure Obsolescence Report – Directorate of Special Programs and Projects with a Sector-wide Approach \(DGSIAF\)](#).

<sup>28</sup> The pre-identified projects are the following: (i) strengthening of the Argentine Tax Court; (ii) access to budget information for special users and supervisory bodies; (iii) development of open budget initiatives; (iv) implementation of a new Web portal for users of financial administration systems; (v) rollout of e-SIDIF at autonomous agencies of the National Public Administration; (vi) implementation of telephone exchanges to facilitate incident management and consultation; (vii) SIGEN; (viii) strengthening of the Federal Public Oversight Network; and (ix) strengthening of accounting.

- 1.23 For the intervention in a group of provinces and municipios, consideration will be given to the existing demand unmet by PROFIP II and the subnational government's commitment to bear the costs associated with the operation and with the maintenance and upgrade of the implemented digital solutions. The participation criteria for the provinces will be as follows: (i) signatory to the Fiscal Pact Agreement; (ii) not participating in other assistance programs with the same scope; (iii) municipios with over 100,000 inhabitants; and (iv) participation formalized through a letter of agreement. Thus far, four provinces have requested support from the Ministry of Finance to implement technological solutions enabling them to manage their financial information effectively: Santa Cruz, Catamarca, Santiago del Estero, and Chubut. The fifth province will be identified based on existing demand, in accordance with the [Implementation Criteria](#).
- 1.24 **Project administration, monitoring, evaluation, and audit.** The project involves US\$2 million in administration costs, equivalent to 5% of the project amount, including US\$1.4 million in planning, monitoring, evaluation, and audit costs.
- C. Key results indicators**
- 1.25 **Expected outcomes.** The expected impact will be measured by the increase in the percentage of budget programs that achieve their outturns, with an emphasis on prioritized budget programs. Component 1 is expected to lead to greater efficiency in national public expenditure management,<sup>29</sup> which will be reflected in increased budget execution relative to current credit at agencies of the National Public Administration, greater compliance with the execution schedules in priority programs, and lower administrative costs of processing competitive bids for goods. Under Component 2, the expected outcome is improved transparency in subnational management.
- 1.26 **Economic evaluation.** The program is expected to yield a social return, even though the assumptions are conservative as to the efficiencies that can be achieved. The benefits from the timely execution of social programs as scheduled are therefore being considered. The results are a social net present value (SNPV) of US\$11 million (at a social discount rate of 12%) and a social internal rate of return of 43.8%. The sensitivity analysis conducted using the Monte Carlo technique shows that the program has a positive SNPV in the majority of the analyzed conditions.

## II. FINANCING STRUCTURE AND MAIN RISKS

### A. Financing instruments

- 2.1 The program will be financed with a specific investment loan in the amount of US\$40 million from the Bank's Ordinary Capital resources. The disbursement period will be five years. Table 1 describes the budget by component. For more details, see the [Itemized Budget](#) and Table 2.

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<sup>29</sup> The execution of budget programs without the corresponding generation of planned products and services characterizes the inefficiency of public expenditure.

**Table 1. Estimated Program Costs (US\$000s)**

<b>Components</b>	<b>IDB</b>	<b>%</b>
<b>Component 1. Integration and modernization of national expenditure management support information systems</b>	<b>24,000</b>	<b>60.0</b>
Interoperability of seven existing systems with e-SIDIF	2,750	6.9
Update of technological infrastructure and evolutionary development of e-SIDIF	14,000	35.0
Data analysis tools to support the generation and use of management information	5,800	14.5
Change management and training for institutional users in use of systems, and for civil society and citizens in the use of budget information	1,450	3.6
<b>Component 2. Support for provincial and municipal expenditure management</b>	<b>14,000</b>	<b>35.0</b>
Implementation of information systems and management tools aligned with National Public Administration guidelines	12,000	30.0
Technical assistance in reviewing financial rules and operational processes and change management for new processes	1,000	2.5
Training for individual and institutional users on the use of publicly available information	1,000	2.5
<b>Administration, monitoring, evaluation, and audit</b>	<b>2,000</b>	<b>5.0</b>
Administration and finance	400	1.0
Planning and monitoring	710	1.8
Audits	40	0.1
Evaluations	650	1.6
Contingencies	200	0.5
<b>Total</b>	<b>40,000</b>	<b>100.0</b>

**Table 2. Program Disbursement Schedule (US\$000s)**

	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>	<b>TOTAL</b>
<b>IDB</b>	3,500	17,500	10,000	5,500	3,500	<b>40,000</b>
<b>% per year</b>	9%	44%	25%	14%	9%	<b>100%</b>

**B. Environmental and social safeguard risks**

2.2 No environmental or social risks are associated with the activities envisaged in this program under the Environment and Safeguards Compliance Policy (Operational Policy OP-703), so the operation is classified as category “C.”

**C. Fiduciary risks**

2.3 During the program design process, the institutional capacity of the executing agency was analyzed, taking into consideration that it had successfully implemented the two previous operations: PROFIP I (loan 1588/OC-AR) and PROFIP II (loan 2754/OC-AR). The Institutional Capacity Assessment System (ICAS) yielded a “medium” fiduciary risk level for the operation. The risk is medium because there is room for improvement in financial management as concerns the formalization of procedures. Although these procedures are being followed in practice, it is a matter of customs and usages among executing agency staff. For this reason, the executing agency is considered to possess the capacity to complete the actions identified in the evaluation in the short term and undertake most of the execution of the operation with satisfactory capacity. The formalization of procedures will be included or referenced in the program [Operating Regulations](#). Specific measures will

also be deployed in procurement to help close the gaps identified, including in particular: (i) review, improve, and reflect the selection and contracting processes in the Operating Regulations with the accent on efficiency and flexibility; (ii) strengthen the Directorate of Special Programs and Projects with a Sector-wide Approach (DPYPEESA) with specialists and focused training; and (iii) update and/or develop relevant manuals, ministerial resolutions, or annexes to the Operating Regulations, to prevent procurement bottlenecks.

**D. Other key risks and issues**

- 2.4 **Public management and governance.** The following are classified as medium risks: (i) personnel may resist the adoption of new systems, which could delay budget execution. Awareness and dissemination activities were identified as a mitigation measure to decrease potential resistance; and (ii) the project's priority may change in response to changes in authorities, affecting project targets and outcomes. Dialogue with future authorities to explain the program's benefits for the country was included as a mitigation measure for this risk.
- 2.5 **Macroeconomics and fiscal sustainability.** The possibility that fiscal constraints may lead to budgetary ceilings that limit performance of the project activities was classified as a medium risk. A monitoring and supervision and management mechanism with priority process flows has been established to track this risk.
- 2.6 **Program sustainability.** In recent years, the country has addressed the need to improve efficiency and transparency in the use of public resources, particularly those intended to finance priority programs, and the need to adopt measures aimed at overcoming shortcomings that limit the efficiency of expenditure management. Since this operation builds on the efforts of the previous operations and helps to consolidate and amplify the results achieved, and the current public policy seeks to improve the efficiency of fiscal resources, the outcomes of this program are very much aligned with the country's medium-term priorities. The information systems to be updated and integrated have now been operational for at least two years, with e-SIDIF being the oldest at five years. This shows the national government's commitment to maintaining them. Moreover, the technical criteria issued by the National Information Technology Office (ONTI) defining the requirements for subsequent sustainability of the systems are incorporated from the design of the specifications to system operationalization.

### **III. IMPLEMENTATION AND MANAGEMENT PLAN**

**A. Summary of implementation arrangements**

- 3.1 **Borrower and executing agency.** The executing agency will be the Ministry of Finance, acting through the Office of the Secretary of Finance with support from the Directorate of Special Programs and Projects with a Sector-wide Approach (DPYPEESA) in operational, administrative, budgetary, and financial/accounting management. Strategic program coordination will be the responsibility of the Secretary of Finance, or the delegated official for this task, who will serve as the General Director of the Program. The General Director will be responsible for meeting the program objectives and will make decisions on the program's general implementation, supervision, and technical management. DPYPEESA will be the direct liaison with the Bank.



- 3.2 The executing agency's roles and responsibilities will include: (i) coordinating financial and administrative procedures related to the program; (ii) coordinating, consolidating, preparing, and submitting to the Bank all information and documentation on the overall management of the program; and (iii) ensuring coordination, consistency, and compliance with the program management tools, to contribute to achieving the expected outcomes. DPYPEESA will be responsible for contracting. Its duties will include: (i) collaborating on the preparation and approval of terms of reference for contracting; (ii) preparing technical and administrative documentation for competitive bidding and contracting processes, as appropriate; and (iii) coordinating contracting processes as instructed by the General Director.
- 3.3 For the execution of projects under Components 1 and 2 of this program, letters of agreement, equivalent to agreements, will be signed, as applicable, between the Ministry of Finance and the program-eligible national and subnational entities to establish and formalize the commitments and obligations of the parties involved.<sup>30</sup> These letters of agreement will be signed prior to the implementation of activities with each beneficiary, replicating the execution method used for PROFIP I (loan 1588/OC-AR) and PROFIP II (loan 2754/OC-AR) with the same coordination plan, which worked effectively.<sup>31</sup>
- 3.4 **Program Operating Regulations.** The program Operating Regulations will describe the execution strategy for the operation and will include: (i) the requirement that eligible national and subnational institutions sign a letter of agreement with the executing agency, establishing the rights and obligations of the parties with respect to program execution; (ii) the organizational framework for the project; (iii) the technical and operational arrangements for its execution; (iv) the plan for programming, monitoring, and evaluation of outcomes; (v) guidelines for financial, audit, and procurement processes; (vi) operational guidelines for the selection of consultants; and (vii) details on the functions of the executing agency and the responsibilities of the other relevant ministerial bodies in the planned program processes. The annexes will include at least the following: (i) Results Matrix; (ii) Fiduciary Agreements and Requirements; (iii) monitoring and evaluation plan (MEP); and (iv) itemized budget.
- 3.5 **Special contractual conditions precedent to the first disbursement of the loan proceeds: Evidence will be provided that the program [Operating Regulations](#) have entered into force on the terms and conditions previously agreed upon with the Bank,** establishing the guidelines and procedures to be followed by the executing agency for successful execution of the program.
- 3.6 **Fiduciary agreements and requirements.** The main fiduciary management measures to be applied to the operation have been agreed upon (see Annex III) and relate primarily to: (i) the exchange rate to be used; (ii) audits; (iii) methods and thresholds for procurement processes, as stipulated in the Policies for the Procurement of Works and Goods Financed by the IDB (document GN-2349-9) and

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<sup>30</sup> [Implementation Criteria – Program to Support Integrated Public Expenditure Management.](#)

<sup>31</sup> The program's General Director will agree on the objectives of the letter of agreement with each institution participating in the program. Specific projects will subsequently be planned for inclusion in the letter of agreement, along with the terms of reference for services to be contracted. The projects outlined in the letter of agreement will be submitted for signature to the corresponding authorities of each institution in the various orders of government.

- the Policies for the Selection and Contracting of Consultants Financed by the IDB (document GN-2350-9), both approved in March 2011; (iv) the requirement that all procurements are to be included in the procurement plan approved by the Bank through the Procurement Plan Execution System (SEPA), and the methods and ranges established in it; and (v) the financial supervision plan. Specific details on intellectual property, software, or IT developments and their transfer will be established in contracts and agreements between vendors and the beneficiary public entities, as applicable.
- 3.7 The executing agency will use the Management System for External Loan Execution Units (UEPEX),<sup>32</sup> which identifies program funds and financing sources, as its financial administration system. The UEPEX system classifies program investments by expenditure matrix category, in keeping with the classification of accounts approved by the Bank. Accounting will be on a cash basis, following International Financial Reporting Standards, as applicable in accordance with the established country accounting criteria. The required financial reports will be: (i) financial execution plan for up to 180 days following the request for an advance of funds; (ii) audited annual financial statements, as stipulated in Article 7.03(a) of the General Conditions of the Loan Contract, to be prepared at the close of each fiscal year, and at the end of execution of the operation, within 120 days after the indicated cutoff dates; and (iii) other reports as requested by the fiduciary specialists.
- 3.8 Disbursements will be made using the advance of funds modality in accordance with the financial plan, which will cover a period of up to 180 days. Disbursements will be released when at least 80% of the funds have been spent. The disbursement request form, execution status, and financial plan for the next 180 days will be used to request disbursements. Supporting documentation for expenditures or payments made will not be required for accountability reporting, but this does not constitute approval of such expenditures by the Bank. The original supporting documentation for expenditures will be kept and made available for review by the Bank upon request.
- 3.9 **Retroactive financing.** The Bank may retroactively finance, against the loan proceeds, up to US\$8 million (20% of the proposed loan amount) in eligible expenditures incurred by the borrower prior to the loan approval date in the categories of works, goods, nonconsulting services, and consulting services, provided that requirements substantially similar to those established in the loan contract have been met.<sup>33</sup> Such expenditures must have been incurred on or after 22 October 2018 (the approval date of the project profile), but in no event will expenditures be included if incurred more than 18 months prior to the loan approval date.

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<sup>32</sup> <https://dgsiaf.mecon.gov.ar/uepex/>.

<sup>33</sup> The identified retroactive expenditures relate mainly to consulting and operating costs associated with the development of training activities for staff of apex agencies and other national agencies, consulting for the production of an OECD study as part of the process for the country to join that organization, and consulting services for operational support to the executing agency.

## **B. Summary of arrangements for monitoring results**

- 3.10 **Monitoring.** A system will be implemented for monitoring and evaluation of project execution on two levels: (i) completion of the execution of project activities; and (ii) achievement of the output and outcome indicators contained in the Results Matrix. Program monitoring will be based on the following instruments: (i) Results Matrix; (ii) multiyear execution plan; (iii) annual work plan (AWP); (iv) [monitoring and evaluation plan \(MEP\)](#); (v) procurement plan; (vi) program risk management matrices; (vii) progress monitoring reports; (viii) quarterly progress reports; (ix) audited financial statements; (x) consulting terms of reference; and (xi) administration missions or monitoring/inspection visits. An annual joint meeting will be held between the executing agency and the Bank to discuss such matters as: (i) progress of the activities identified in the AWP; (ii) the degree of achievement of the indicators established in the Results Matrix for each component; (iii) the AWP for the following year; and (iv) the procurement plan and potential changes to budget allocations by component. The features of each instrument, as well as other features of program monitoring, are described in the [MEP](#). The multiyear execution plan will be updated each year based on actual program progress. Annual revisions to the multiyear execution plan and AWP will be submitted to the Bank for approval.
- 3.11 **Midterm and final evaluation.** The Results Matrix and the MEP will be used for project evaluation, which will include a midterm and a final evaluation. The midterm evaluation will be conducted once the level of disbursements reaches at least 40%, or two years have passed since the effective date of the loan contract, whichever occurs first. The main objectives of the midterm evaluation will be to review the progress of all programmed activities thus far, along with any deviations and their causes, proposing corrective measures to be taken, as well as to determine whether the intermediate outputs have been generated and the risks set out in the risk matrix have occurred, and measures implemented to mitigate them. The final evaluation will be conducted once the level of disbursements reaches at least 90%. Its objectives will be to determine the progress made in achieving the targets set for each expected outcome and in generating outputs by component. The final evaluation will also include a review of MEP implementation. Once the program is complete, the Bank will prepare the PCR, on which the beneficiary will comment regarding program performance, and the process will close with a workshop presenting the main findings.
- 3.12 **Impact assessment.** The impact assessment will be conducted jointly with the Ministry of Finance and the National Directorate of Public Investment with the objective of improving evidence-based budgetary decision-making. Expenditure requests are currently channeled from implementation agencies through the Integrated Financial Information System (e-SIDIF) and the Public Investment Project Bank (BAPIN). The cost-benefit analyses in them are clearly unreliable. The evaluation will therefore focus on: (i) investment projects; (ii) e-SIDIF and BAPIN pilots for in-depth cost-benefit analyses for some projects; and (iii) cost-benefit studies on budget efficiency.
- 3.13 Of the 4,000 capital investment requests made by approximately 150 agencies, just 1,000 are financed. The study will answer the question of how the Public Investment Directorate selects these investment initiatives. This will shed light on the importance of the cost-benefit analysis in decision-making regarding budget allocation, on the

- best method for the cost-benefit analysis to be useful, and on the amount of resources that should be used for this analysis. The study will use the randomized controlled trial methodology.
- 3.14 **Ex post economic evaluation.** The ex post economic evaluation will be conducted six months after the last disbursement of the loan and will consist of an ex post cost-benefit evaluation of the program, based on the methodology used for the ex ante evaluation, and may include, at the discretion of the evaluators, other benefits associated with the program outcomes that can be feasibly measured.
- 3.15 The ex post cost-benefit analysis will determine whether the benefits and costs generated by the program are equal to or less than those foreseen in the ex ante cost-benefit analysis. The following will have to be taken into account for this purpose: (i) the analysis of costs and benefits will be incremental, that is, it will compare the condition “with the project” to the condition “without the project,” to identify the program benefits; and (ii) the benefit will be calculated based on the project’s positive external impact, measured in terms of the opportunity costs of the physical, human, and monetary resources used in the project.

Development Effectiveness Matrix		
Summary		
<b>I. Corporate and Country Priorities</b>		
<b>1. IDB Development Objectives</b>	<b>Yes</b>	
Development Challenges & Cross-cutting Themes	-Institutional Capacity and the Rule of Law	
Country Development Results Indicators	-Government agencies benefited by projects that strengthen technological and managerial tools to improve public service delivery (#)*	
<b>2. Country Development Objectives</b>	<b>Yes</b>	
Country Strategy Results Matrix	GN-2870-1	Institutional strengthening of government
Country Program Results Matrix	GN-2948	The intervention is included in the 2019 Operational Program.
Relevance of this project to country development challenges (if not aligned to country strategy or country program)		
<b>II. Development Outcomes - Evaluability</b>		
	<b>Evaluable</b>	
<b>3. Evidence-based Assessment &amp; Solution</b>	<b>8.3</b>	
3.1 Program Diagnosis	1.8	
3.2 Proposed Interventions or Solutions	4.0	
3.3 Results Matrix Quality	2.5	
<b>4. Ex ante Economic Analysis</b>	<b>8.0</b>	
4.1 Program has an ERR/NPV, or key outcomes identified for CEA	3.0	
4.2 Identified and Quantified Benefits and Costs	3.0	
4.3 Reasonable Assumptions	0.0	
4.4 Sensitivity Analysis	2.0	
4.5 Consistency with results matrix	0.0	
<b>5. Monitoring and Evaluation</b>	<b>10.0</b>	
5.1 Monitoring Mechanisms	2.5	
5.2 Evaluation Plan	7.5	
<b>III. Risks &amp; Mitigation Monitoring Matrix</b>		
Overall risks rate = magnitude of risks*likelihood	<b>Medium</b>	
Identified risks have been rated for magnitude and likelihood	Yes	
Mitigation measures have been identified for major risks	Yes	
Mitigation measures have indicators for tracking their implementation	Yes	
<b>Environmental &amp; social risk classification</b>	<b>C</b>	
<b>IV. IDB's Role - Additionality</b>		
The project relies on the use of country systems		
Fiduciary (VPC/FMP Criteria)	Yes	Financial Management: Budget, Accounting and Reporting. Procurement: Information System.
Non-Fiduciary		
The IDB's involvement promotes additional improvements of the intended beneficiaries and/or public sector entity in the following dimensions:		
Additional (to project preparation) technical assistance was provided to the public sector entity prior to approval to increase the likelihood of success of the project		

Note: (\*) Indicates contribution to the corresponding CRF's Country Development Results Indicator.

**Evaluability Assessment Note:**

The main goal of the operation is to improve the efficiency and transparency of public spending in Argentina by supporting the use of information in decision making processes and citizen control.

To achieve this end, the operation defines an approach focused in two specific areas in which the project intervenes. The focus of the first area is to increase the efficiency of national public spending through the generation of comprehensive and timely information in order to achieve improvements in the execution of priority programs. The second area focuses on improving the access to budget information at the subnational level by strengthening financial information systems. Each of these areas defines a component. Additionally, the document includes a description of the gaps leading to weaknesses in each of these areas.

The economic analysis provides a quantification of the improvement in the effectiveness of the priority programs, measured by the social utility value of the advancement and the implementation of a public service or an infrastructure. The analysis concludes with a net present value of US \$ 11 million and an Internal Rate of Return of 43.8%.

The monitoring is based on reports from Argentina's Ministry of Treasury. The ex-post evaluation includes an experimental evaluation (randomized controlled trial) to identify changes in the prioritization of investment initiatives in the framework of the use of information and tools in the decision making process, such as cost-benefit analysis, among others. The remaining results not reached by the evaluation will rest on the before and after methodology.

Six risks were identified, out of which three classified as medium and the rest as low, none was classified as high. The main risks are resistance to the adoption of the system, change in priorities and budgetary constraints. Therefore, the mitigation measures presented comprise improvements in awareness, dialogue and flow monitoring of the system.

**RESULTS MATRIX**

<b>Project objective:</b>	The main objective of this project will be to improve the efficiency and transparency of public expenditure through support for the use of information in decision making and citizen oversight. The specific objectives will be: (i) to improve the efficiency of national public expenditure by generating timely, comprehensive information to improve the execution of priority programs; and (ii) to increase access to budget information at the subnational level by strengthening financial information systems.
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**EXPECTED IMPACT**

Indicators	Unit of measure	Base -line	Base year	Year 1	Year 2	Year 3	Year 4	Year 5	Final target	Means of verification	Comments
<b>IMPACT 1: GREATER EFFECTIVENESS OF PUBLIC EXPENDITURE MANAGEMENT</b>											
Achievement of planned social program targets with assigned results	Percentage achieved/ total targets	70%	2018	70%	73%	75%	77%	80%	80%	Annual investment account report (Volume II)	The indicator refers to the weighted average for the expenditure as a function of the ratio of the value achieved for the indicator target to the programmed value for the target. The outcome indicators for the social programs listed in Annex 2 of the <a href="#">MEP</a> will be considered universal.

**EXPECTED OUTCOMES**

Indicators	Unit of measure	Baseline	Base year	Year 1	Year 2	Year 3	Year 4	Year 5	Final target	Means of verification	Comments
<b>OUTCOME 1: GREATER EFFICIENCY IN NATIONAL PUBLIC EXPENDITURE MANAGEMENT</b>											
1.1 Compliance with execution time frames set out in priority programs	Percentage achieved/ total targets	86%	2017	87%	88%	89%	90%	93%	93%	Annual investment account report (Volume II)	The indicator refers to the achievement of the physical targets relative to the total physical targets planned, where a physical target is deemed achieved with a deviation of up to 3 months. The total priority budget programs with planned targets for the year, as described in Annex 3 of the <a href="#">MEP</a> , will be considered universal. The measurement will be taken every year in March.
1.2 Budget execution relative to current credit in agencies of the National Public Administration (APN)	Percentage executed/ total budget	88.9%	2017	91%	93%	95%	97%	100%	100%	Published report of the Office of the Secretary of Finance of Argentina	The indicator refers to the ratio of budget execution to current credit, particularly for the fixed assets and consumer goods categories (classification by purpose of expenditure). The details justifying the measurement are provided in Annex 4 of the <a href="#">MEP</a> .

Indicators	Unit of measure	Baseline	Base year	Year 1	Year 2	Year 3	Year 4	Year 5	Final target	Means of verification	Comments
1.3 Administrative cost of processing competitive bids for goods	Processing cost (in AR\$)	66,582	2017	66,582	66,582	63,253	63,253	59,924	59,924	Cost analysis for selected processes	The indicator refers to transaction costs associated with competitive bidding for goods, estimated for the Financial Administration System of Argentina's National Sanitary Waterworks Agency.
<b>OUTCOME 2: GREATER TRANSPARENCY IN SUBNATIONAL MANAGEMENT</b>											
2.1 Access to budget information published by beneficiary provinces	Number of accesses	44,186	2018	46,638	49,474	53,100	57,665	64,109	64,109	SimilarWeb	The indicator refers to the average number of monthly accesses (measured in "clicks") on the official financial information pages of each province. The baseline and targets were estimated based on SimilarWeb records in the four selected provinces: <sup>1</sup> Santa Cruz, Chubut, Catamarca, and Santiago del Estero (santacruz.gob.ar, gabierto.chubut.gov.ar, hacienda.catamarca.gov.ar, and meconse.gov.ar; respectively), as described in Annex 6 of the <a href="#">MEP</a> .

<sup>1</sup> The indicator targets will be reviewed during the launch workshop, when the fifth province is expected to be identified; the values will be adjusted accordingly.



Indicators	Unit of measure	Baseline	Base year	Year 1	Year 2	Year 3	Year 4	Year 5	Final target	Means of verification	Comments
<b>OUTCOME 2: GREATER TRANSPARENCY IN SUBNATIONAL MANAGEMENT</b>											
2.2 Delays in presenting the investment account to the legislature	Number of days	531	2018	531	531	491	374	282	282	Evaluation report on implementation results by province	<p>The indicator refers to the average delay for the selected provinces to submit the investment account to the provincial legislature, calculated based on the statutory time limit (180 days).</p> <p>The baseline and targets are estimated based on an evaluation of the results of the e-SIDIF rollout and setup in La Rioja Province, as described in Annex 7 of the <a href="#">MEP</a>.</p>

OUTPUTS

Outputs	Unit of measure	Baseline	Base year	Year 1	Year 2	Year 3	Year 4	Year 5	Final target	Means of verification	Comments
<b>Component 1: Integration and modernization of national expenditure management support information systems</b>											
<b>Interoperability of seven existing systems with e-SIDIF</b>											
O.1.1 Software developed and interoperable with e-SIDIF	Software	0	2018	0	1	1	0	1	3	Usage and/or access report of the Directorate General of Financial Administration Information Systems (DGSIAF)	Includes: (i) interconnection of BAPIN with e-SIDIF or development of BAPIN as an e-SIDIF module; (ii) treasury single account in foreign currency; and (iii) UEPEX.
O.1.2 e-SIDIF interface with APN crosscutting systems developed and interoperating	Interface support software	0	2018	1	1	2	0	0	4	Annual rollout and usage report	The following are considered fully interoperable with e-SIDIF: (i) CONTRAT.AR; (ii) COMPR.AR; (iii) LOyS; and (iv) GAT. <sup>2</sup>

<sup>2</sup> For both Output 1.1 and Output 1.2, the seven systems selected are those which close the national budget expenditure cycle.

Outputs	Unit of measure	Baseline	Base year	Year 1	Year 2	Year 3	Year 4	Year 5	Final target	Means of verification	Comments
<b>Component 1: Integration and modernization of national expenditure management support information systems</b>											
O.1.3 Agencies of the National Public Administration with systems rolled-out and operating	Agencies	0	2018	0	0	40	40	44	124	Annual rollout and usage report	The agency's systems are considered rolled out and operational when the following systems are operational and interoperating with e-SIDIF at this agency: (i) CONTRAT.AR; (ii) COMPR.AR; (iii) LOyS; and (iv) GAT.
O.1.4 Software developed for consolidating financial information with other jurisdictions	Software	0	2018	0	0	1	1	0	2	Consolidated financial information reports	Refers to IT solutions expected for dialogue between financial administration systems in local jurisdictions with e-SIDIF, such as: (i) SIGAF; and (ii) RAFAM.

Outputs	Unit of measure	Baseline	Base year	Year 1	Year 2	Year 3	Year 4	Year 5	Final target	Means of verification	Comments
<b>Component 1: Integration and modernization of national expenditure management support information systems</b>											
<b>Update of the technological infrastructure and the evolutionary development of e-SIDIF</b>											
O.1.5 Technological update projects implemented within DGSIAF	Document	0	2018	0	2	1	1	1	5	Usage check and implementation report	Includes renewal and update projects as well as support service and operational functionality improvement projects implemented within DGSIAF. Procurement details are included in the <a href="#">Procurement Plan</a> .

Outputs	Unit of measure	Baseline	Base year	Year 1	Year 2	Year 3	Year 4	Year 5	Final target	Means of verification	Comments
<b>Component 1: Integration and modernization of national expenditure management support information systems</b>											
O.1.6 Technological update projects implemented within the Office of the Secretary of Finance	Document	0	2018	0	2	1	1	1	5	Usage check and implementation report	Includes renewal and update projects as well as support service and operational functionality improvement projects implemented within the Office of the Secretary of Finance.
<b>Data analysis tools to support the generation and use of management information</b>											
O.1.7 Instruments for national budget and financial accounting management developed	Document	0	2018	0	1	1	0	0	2	OECD publication/ Publication of Official Gazette	Includes: (i) chart of accounts manual; and (ii) OECD study on infrastructure and budget governance.
O.1.8 Software for monitoring priority government initiatives and their budgetary relationship developed	Software	0	2018	0	2	0	0	0	2	Dashboard	Refers to IT solutions for the (i) exploration of expenditure; and (ii) monitoring of priority initiatives.

Outputs	Unit of measure	Baseline	Base year	Year 1	Year 2	Year 3	Year 4	Year 5	Final target	Means of verification	Comments
<b>Component 1: Integration and modernization of national expenditure management support information systems</b>											
O.1.9 Budget programs with outcome indicators assigned	Budget program	100	2018	20	20	20	20	20	200	Annual report on budget programs with outcome indicators (source: e-SIDIF)	Includes details in the list of budget programs presented in Annex 3 of the <a href="#">MEP</a> .
O.1.10 Special projects to strengthen budget and financial management implemented in the public sector	Document	0	2018	1	2	2	2	2	9	Implementation report	Includes: (i) strengthening of the Argentine Tax Court; (ii) provision of access to budget information for special users and supervisory bodies; (iii) development of open budget initiatives; (iv) implementation of a new Web portal for users of financial administration systems; (v) rollout of e-SIDIF in autonomous bodies of the National Public Administration;

Outputs	Unit of measure	Baseline	Base year	Year 1	Year 2	Year 3	Year 4	Year 5	Final target	Means of verification	Comments
<b>Component 1: Integration and modernization of national expenditure management support information systems</b>											
											(vi) implementation of telephone exchanges to facilitate incident management and consultation; (vii) SIGEN; (viii) strengthening of the Federal Public Oversight Network; and (ix) strengthening of accounting.

Outputs	Unit of measure	Baseline	Base year	Year 1	Year 2	Year 3	Year 4	Year 5	Final target	Means of verification	Comments
<b>Component 1: Integration and modernization of national expenditure management support information systems</b>											
<b>Change management, training for civil servants on the systems, and education of civil society and citizens about the use of budget information</b>											
O.1.11 Persons trained on financial administration and public budget	Training certificate	0	2018	800	950	1,250	1,400	950	5,350	Report on training certificates awarded	
O.1.12 Financial and budget training programs developed	Training course	0	2018	0	2	2	2	0	6	Report on training completed	Includes accounting, cash, budget, DGSIAF, results-based management, project management, and citizen budget for civil society organizations and interested parties.



Outputs	Unit of measure	Baseline	Base year	Year 1	Year 2	Year 3	Year 4	Year 5	Final target	Means of verification	Comments
<b>Component 2: Support for provincial and municipal expenditure management</b>											
<b>Implementation of information systems and management tools in keeping with National Public Administration guidelines</b>											
O.2.1 Provinces with e-SIDIF rolled out and operational	Software implemented	1	2018	1	1	1	1	1	6	DGSIAF usage and/or access report	Santa Cruz, Catamarca, Chubut, Santiago del Estero, and a fifth province to be identified.
O.2.2 Comprehensive projects for municipal financial administration improvement implemented	Document	0	2018	0	2	3	2	0	7	DGSIAF usage check and implementation report	Includes the following lines of action to be implemented in municipios with more than 100,000 inhabitants (69 municipios out of a total of 2,223 meet this criterion): (i) regulatory framework; (ii) organizational management and procedures; (iii) training; (iv) transparency and communication management; (v) results-based management; (vi) e-SIDIF transfer; and (vii) related transactional systems.

Outputs	Unit of measure	Baseline	Base year	Year 1	Year 2	Year 3	Year 4	Year 5	Final target	Means of verification	Comments
<b>Component 2: Support for provincial and municipal expenditure management</b>											
O.2.3 Provincial citizen budget portals implemented	Software	0	2018	0	1	1	1	2	5	Report on the publication of citizen budget on provincial portal	Santa Cruz, Catamarca, Chubut, Santiago del Estero, and a fifth province to be identified.
<b>Technical assistance in reviewing financial rules and operational processes and managing change on new processes</b>											
O.2.4 Provincial and municipal budget programs with physical and financial monitoring indicators	Budget program	0	2018	3	6	6	15	20	50	Report on budget programs with physical and financial monitoring indicators (source: e-SIDIF)	
<b>Training for individual and institutional users on using publicly available information</b>											
O.2.5 Persons trained on provincial budget and financial management	Training certificate	0	2018	310	730	990	1,310	990	4,330	Report on training certificates awarded	

## FIDUCIARY AGREEMENTS AND REQUIREMENT

<b>Country:</b>	Argentina
<b>Project number:</b>	AR-L1292
<b>Project name:</b>	Program to Support Integrated Public Expenditure Management
<b>Executing agency:</b>	Ministry of Finance, acting through the Office of the Secretary of Finance
<b>Fiduciary team:</b>	Roberto Laguado and Juan Carlos Lazo (FMP/CAR)

### I. EXECUTIVE SUMMARY

- 1.1 The Bank analyzed the institutional capacity of the executing agency using the Institutional Capacity Assessment System (ICAS), which, combined with the recent experience in executing Bank operations, yield a “medium” level of fiduciary risk, taking into account that the executing agency has successfully executed two operations: PROFIP I (loan 1588/OC-AR) and PROFIP II (loan 2754/OC-AR).

### II. FIDUCIARY CONTEXT OF THE EXECUTING AGENCY

- 2.1 The Ministry of Finance will be responsible for project execution, acting through the Office of the Secretary of Finance, which will receive support from the Directorate of Special Programs and Projects with a Sector-wide Approach (DPYPEESA). DPYPEESA currently has fiduciary staff with experience executing Bank-financed operations. Nonetheless, recent restructuring within the executing agency leaves open the option of strengthening the fiduciary team, once execution has begun.

### III. FIDUCIARY RISK ASSESSMENT AND MITIGATION ACTIONS

- 3.1 During the program design process, the executing agency’s institutional capacity was analyzed, taking into consideration the fact that the agency had successfully implemented the two previous operations: PROFIP I (loan 1588/OC-AR) and PROFIP II (loan 2754/OC-AR). The Institutional Capacity Assessment System (ICAS) yielded a “medium” fiduciary risk level for the operation. The risk is medium because there is room for improvement in financial management as concerns the formalization of procedures. Although these procedures are being followed in practice, it is a matter of customs and usages among executing agency staff. For this reason, the executing agency is considered to possess the capacity to complete the actions identified in the evaluation in the short term and undertake most of the execution of the operation with satisfactory capacity. The formalization of procedures will be included or referenced in the program [Operating Regulations](#). Specific measures will also be deployed in procurement to help close the gaps

identified, including in particular: (i) review, improve, and reflect the selection and contracting processes in the Operating Regulations with the accent on efficiency and flexibility; (ii) strengthen DPYPEESA with specialists and focused training; and (iii) update and/or develop relevant manuals, ministerial resolutions, or annexes to the Operating Regulations, to prevent procurement bottlenecks.

#### **IV. AGREEMENTS AND REQUIREMENTS FOR PROCUREMENT EXECUTION**

- 4.1 The fiduciary agreements and requirements for procurements establish the applicable provisions for the execution of all procurements planned under the operation.
- 4.2 **Retroactive financing.** The Bank may retroactively finance, against the loan proceeds, up to US\$8 million (20% of the proposed loan amount) in eligible expenditures incurred by the borrower prior to the loan approval date in the categories of works, goods, nonconsulting services, and consulting services, provided that requirements substantially similar to those established in the Loan Contract have been met.<sup>1</sup> Such expenditures must have been incurred on or after 22 October 2018 (the approval date of the project profile), but in no event will expenditures be included if incurred more than 18 months prior to the loan approval date.
- A. Procurement execution**
- 4.3 The Policies for the Procurement of Works and Goods Financed by the IDB (document GN-2349-9) and the Policies for the Selection and Contracting of Consultants Financed by the IDB (document GN-2350-9), both of April 2011, will apply. Of the country subsystems approved by the Bank, the information system will be used.
- 4.4 **Procurement of works, goods, and nonconsulting services.** Works, goods, and nonconsulting services<sup>2</sup> arising under the project and subject to international competitive bidding (ICB) will be procured using the standard bidding documents issued by the Bank. Bidding processes subject to national competitive bidding (NCB) will be executed using national bidding documents agreed upon with the Bank. The program sector specialist is responsible for reviewing the technical specifications of procurements during the preparation of selection processes.
- 4.5 **Selection and contracting of consultants.** Consulting service contracts arising under the program will be executed using the standard request for proposals issued by the Bank. The program sector specialist is responsible for reviewing the terms of reference for the contracting of consulting services.
- 4.6 **Selection of individual consultants.** Individual consultants will be selected through competitive processes on the basis of their qualifications to do the work, based on a comparison of the qualifications of at least three candidates. The

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<sup>1</sup> The identified retroactive expenditures relate mainly to consulting and operating costs associated with the development of training activities for staff of apex agencies and other national agencies, consulting for the production of an OECD study as part of the process for the country to join that organization, and consulting services for operational support to the executing agency.

<sup>2</sup> Policy document GN-2349-9, paragraph 1.1: Nonconsulting services are treated as goods.

program sector specialist is responsible for reviewing the terms of reference for the contracting of consulting services.

- 4.7 For the contracting of the technical and specific services envisaged in the program, to be conducted in accordance with Bank policies, the executing agency may engage the facilitation and technical and administrative support services of national, provincial, or regional public universities or agencies specializing in contract and/or project management.

**Table 4.1 Threshold Amounts for ICB and International Short List (US\$)**

Works			Goods			Consulting services	
ICB	NCB	Shopping	ICB	NCB	Shopping	International publicity	Short list 100% national
≥ 25,000,000	< 25,000,000 ≥ 350,000	< 350,000	≥ 1,500,000	< 1,500,000 ≥ 100,000	< 100,000	> 200,000	≤ 1,000,000

## B. Main procurement processes

**Table 4.2 Type of Bidding Process and Amounts**

Activity	Type of process	Estimated date	Estimated amount (US\$)
Computer equipment for the update and renewal of the technological environment at DGSIAF and Office of the Secretary of Finance	ICB	Jul-20	6,200,000
Computer equipment for the delivery of DGSIAF and Office of the Secretary of Finance services	ICB	Jul-21	2,600,000
Computer equipment to guarantee the necessary operational functionality at DGSIAF and Office of the Secretary of Finance	ICB	Jul-20	5,200,000
Computer equipment for implementation of special projects	ICB	Jun-20	1,720,000
Computer equipment for modernization of the technological environment to conduct training	NCB	Jun-20	250,000
Computer equipment to develop a platform/portal for online training	Shopping	Apr-19	100,000
Computer equipment to roll out e-SIDIF in beneficiary provinces	NCB	Jun-19	1,125,000
Equipment for central storage of provincial data	NCB	Jun-19	450,000

## C. Procurement supervision

- 4.8 Procurement supervision will be as indicated in the procurement plan, but generally ex ante with the exception of shopping, selection of consulting firms based on qualifications, and individual consulting, which will be subject to ex post supervision. The ex post review visits will be conducted every 12 months. Ex post review reports will include at least one physical inspection visit, selected from among the procurement processes subject to ex post review. At least 10% of the reviewed contracts will be subject to physical inspection during the program.

- 4.9 The threshold amounts established for ex post review apply based on the fiduciary capacity for execution of the Ministry of Finance as examined during operation design and may be modified by the Bank should that capacity change.

**Table 4.3 Thresholds for Ex Post Review (US\$)**

Works	Goods	Consulting services	Individual consulting
< 5,000,000	< 600,000	< 300,000	< 50,000

**D. Special provisions**

- 4.10 **Measures to prevent prohibited practices.** The provisions of documents GN-2349-9 and GN-2350-9 regarding prohibited practices will be followed (lists of firms and individuals declared ineligible by multilateral agencies).

**E. Records and files**

- 4.11 The documentation on procurement processes will be kept at the offices of DPYPEESA as the entity responsible for program procurement. For ex post reviews, the records and files of each procurement and contracting process will be kept properly ordered, filed, and updated.

**V. FINANCIAL MANAGEMENT**

- 5.1 The Financial Management Guidelines for IDB-financed Projects (document OP-273-6) and the Financial Management Operational Guidelines for IDB-financed Projects (document OP-274-2) will be applicable.

**A. Programming and budget**

- 5.2 The executing agency budget has programmatic categories and other classifications by purpose of expenditure (headline items). Depending on their economic nature, items are current expenditures, capital expenditures, or financial investments. The budget must be allocated in advance, to ensure that the operation is executed within the established time frame.
- 5.3 The executing agency is responsible for formulating and programming the annual budget and completing all procedures for consolidation of the annual budget for approval. As the need arises to expand or reallocate budget items, the executing agency will request the changes and facilitate the process for their approval. Budgetary credits will be executed through quarterly commitment and monthly accrual amounts, which are allocated by the National Budget Office.
- 5.4 The source of any local contribution during execution must be identified, guaranteeing that it will be available in a timely manner.

**B. Treasury and disbursement management**

- 5.5 Disbursements will be made on the basis of an itemized financial plan based on the program's actual liquidity needs.
- 5.6 The executing agency will manage the bank accounts opened for the exclusive and separate management of the loan proceeds. It will also be responsible for

checking the balance of special accounts in dollars on a monthly basis and reconciling program bank accounts.

- 5.7 The Bank will recommend that the executing agency use the IDB's Web-based e-Disbursements system to electronically prepare and send disbursement requests to the Bank. This lowers transaction costs and enables the Bank to review and process requests submitted remotely.

**C. Accounting, information systems, and reports**

- 5.8 The executing agency will use the Management System for External Loan Execution Units (UEPEX),<sup>3</sup> which identifies program funds and financing sources, as its financial administration system. The UEPEX system classifies program investments by expenditure matrix category, in keeping with the classification of accounts approved by the Bank. Accounting will be on a cash basis, following International Financial Reporting Standards, as applicable in accordance with the established country accounting criteria. The required financial reports will be: (i) financial execution plan for up to 180 days following the request for an advance of funds; (ii) audited annual financial statements, as stipulated in Article 7.03(a) of the General Conditions of the Loan Contract, to be prepared at the close of each fiscal year, and at the end of execution of the operation, within 120 days after the indicated cutoff dates; and (iii) other reports as requested by the fiduciary specialists.

- 5.9 For the purpose of accountability reporting for the loan proceeds, the effective exchange rate on the date of conversion from the currency of approval or disbursement to the local currency of the borrower's country will be used, pursuant to Article 4.10(b)(i).

- 5.10 For the purpose of disbursements in a currency other than United States dollars and the Argentine pesos, in the case of direct payment and repayment of the letter of credit guarantee, the equivalence of the loan currency will remain fixed in accordance with the amount actually disbursed by the IDB.

**D. Internal control and internal audit**

- 5.11 The national internal control entity is the National General Accounting Office (SIGEN). The internal audit of each executing agency is performed through the Internal Audit Unit. Reporting directly to the minister, this unit is responsible for conducting audits and making recommendations in accordance with the authority granted by Law 24,156 (Financial Administration Law).

**E. External control: external financial audits and program reports**

- 5.12 For flexibility in contracting the auditing service for the operation, there will be the option to use any of the institutions eligible for auditing IDB-financed operations. When the time comes to begin the contracting process, the executing agency will ask the Bank for the short list of institutions that can be invited to participate.

**F. Financial supervision plan**

- 5.13 The initial financial supervision plan is based on risk and fiduciary capacity assessments conducted on the basis of on-site and desk reviews scheduled for

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<sup>3</sup> <https://dgsiaf.mecon.gov.ar/uepex/>.

the program and includes the scope of operational, financial, and accounting activities, enforcement and legal considerations, frequency, and identification of responsible parties. The plan is to conduct annual financial inspection visits. The ex post review method will be adopted for disbursements.

**G. Execution mechanism**

5.14 **Borrower and executing agency.** The executing agency will be the Ministry of Finance, acting through the Office of the Secretary of Finance. Strategic program coordination will be the responsibility of the Secretary of Finance, or the delegated official for this task, who will serve as the General Director of the Program. The General Director will be responsible for meeting the program objectives and will make decisions on the program's general implementation, supervision, and technical management. DPYPEESA will be the direct liaison with the Bank. For the execution of subnational projects, letters of agreement will be signed with the program's beneficiary agencies, to establish and formalize the commitments and obligations of the parties involved.

**H. Disbursement management**

5.15 Disbursements will be made using the advance of funds modality in accordance with the financial plan, which will cover a period of up to 180 days. Disbursements will be released when at least 80% of the funds have been spent. The disbursement request form, execution status, and financial plan for the next 180 days will be used to request disbursements. Supporting documentation for expenditures or payments made will not be required for accountability reporting, but this does not constitute approval of such expenditures by the Bank. The original supporting documentation for expenditures will be kept and made available for review by the Bank upon request.



DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

PROPOSED RESOLUTION DE-\_\_\_/19

Argentina. Loan \_\_\_/OC-AR to the Argentine Republic. Program to Support Integrated Public Expenditure Management

The Board of Executive Directors

RESOLVES:

That the President of the Bank, or such representative as he shall designate, is authorized, in the name and on behalf of the Bank, to enter into such contract or contracts as may be necessary with the Argentine Republic, as borrower, for the purpose of granting it a financing to cooperate in the execution of the Program to Support Integrated Public Expenditure Management. Such financing will be for an amount of up to US\$40,000,000 from the resources of the Bank's Ordinary Capital, and will be subject to the Financial Terms and Conditions and the Special Contractual Conditions of the Project Summary of the Loan Proposal.

(Adopted on \_\_\_ \_\_\_\_\_ 2019)