I. BASIC INFORMATION

A. Basic Project Data

<table>
<thead>
<tr>
<th>Country:</th>
<th>Argentina</th>
<th>Project ID:</th>
<th>P158791</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parent Project ID (if any):</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Project Name:</td>
<td>Children and Youth Protection Project (P158791)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Region:</td>
<td>LATIN AMERICA AND CARIBBEAN</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Estimated Appraisal Date:</td>
<td>16-May-2016</td>
<td>Estimated Board Date:</td>
<td>05-Jul-2016</td>
</tr>
<tr>
<td>Practice Area (Lead):</td>
<td>Social Protection &amp; Labor</td>
<td>Lending Instrument:</td>
<td>Investment Project Financing</td>
</tr>
<tr>
<td>Sector(s):</td>
<td>Other social services (100%)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Theme(s):</td>
<td>Social Safety Nets/Social Assistance &amp; Social Care Services (100%)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Borrower(s):</td>
<td>Republic of Argentina</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Implementing Agency:</td>
<td>ANSES - Administracion Nacional de la Seguridad Social, Ministerio de Desarrollo Social</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financing (in USD Million)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financing Source</td>
<td>Amount</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Borrower</td>
<td>0.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>International Bank for Reconstruction and Development</td>
<td>600.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Project Cost</td>
<td>600.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Environmental Category:</td>
<td>C - Not Required</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Appraisal Review Decision (from Decision Note):</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Decision:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Is this a Repeater project?</td>
<td>No</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

B. Introduction and Context
Country Context
A new administration took office in December 2015 and immediately introduced a set of core reforms that are fundamentally modifying the economic landscape. Aimed at reducing macroeconomic imbalances such as a growing fiscal deficit, dual exchange rates, deteriorating trade accounts and high inflation, the reforms included unifying the exchange rate, reducing export taxes and trade restrictions, implementing a subsidy reform, reaching an agreement with the holdouts to cancel outstanding external debt, and embarking on a process to restore credibility of public statistics.
These reforms are taking place against a backdrop of weakened economic activity with signs of contraction in employment and real income. Evidence shows that, after ten years of improvement, income of the bottom 40 percent of the income distribution fell by 10 percent in 2014, while poverty and extreme poverty incidence grew from 10.9 to 12.7 percent and 4.5 to 5.4 percent, respectively, between 2013 and 2014. While income inequality remained relatively stable, with the Gini coefficient worsening just slightly from 0.42 to 0.43 in 2014, inflation and pressures on the labor market may further worsen income distribution given the necessity of adjusting relative prices and restoring macroeconomics stability.
The economy is expected to experience a mild contraction during 2016, with impacts on poverty and income inequality. While the conditions are being created to facilitate a recovery (via reversing investors confidence and employment expansion), the magnitude of the necessary changes will most likely put pressure on the labor market. The unification of exchange rates, as well as the reduction of tariff subsidies has led to an increase in inflation with potential effects on poverty and inequality.
While medium term prospects for economic activity and employment creation are good, in the short term labor market and income pressures, especially for the poor and vulnerable, are likely to continue in 2016 and 2017. The much needed reforms are likely to initially slow down economic activity and job creation. While real GDP growth is forecasted to be -0.2 in 2016, it could increase to 3 percent by 2017, and reductions in poverty incidence would be significant afterwards.
A functioning and improved safety net is hence vital during the reform period, when there are limited employment opportunities. Argentina has developed a strong social protection system, with a particular focus on children and the elderly. While some policies focus mainly on temporary coverage expansion (pensions), others introduce innovative programs (e.g., child allowances) that provide automatic income stabilization to households affected by formal employment losses. The social protection system needs to act as a bridge to maintain living conditions and human capital investments during this period of transition.

Sectoral and institutional Context
As a result of the deep economic crisis experienced in 2002, Argentina undertook a major reform of the social protection system that significantly expanded coverage and increased expenditures. Today, the country’s social protection (SP) system is well prepared to cushion the social effects of higher inflation and pressures on the labor market. The main SP institutions in Argentina are the Social Security Administration (ANSES); the Ministry of Labor, Employment and Social Security (MTESS); and the Ministry of Social Development (MDS). Non-contributory schemes have recently complemented the traditionally contributory ones, providing quasi-universal coverage to the elderly and children and youth aged 18 years or less. The elderly are covered by pay-as-you-go schemes through pensions, survival, disability and other non-contributory programs. Children are covered by the Family Allowance (FA) system. Finally, SP programs in Argentina also include a contributory Unemployment Insurance scheme and a
scholarship program run by ANSES, workfare programs run by MDS, and training and intermediation services run by MTESS through a network of employment offices. MDS also manages five loosely articulated networks, which will be the basis for an integrated social protection network, a priority for the current administration.

The most recent and relevant reform to the Family Allowances system was introduced in October 2009 with the launching of the Universal Child Allowance program (AUH), a cash transfer with co-responsibilities in health and education, that covers children in the most vulnerable households. Family Allowances includes four programs: a) a contributory program for the children of formal workers in the private sector, civil servants working for the national government and, as of April 2016, self-employed workers registered through a simplified taxation system called Monotributo; b) a non-contributory program for the children of beneficiaries of other programs such as Pensions and Unemployment Insurance; c) the non-contributory Universal Child Allowance Program which covers the children of the inactive, unemployed or low-income informal workers; and d) several smaller FA programs that cover children of civil servants in sub-national governments, managed by the provinces. Approximately eight million of the thirteen million children in Argentina are covered by the FA system, most of them receiving a benefit from either the contributory program (3.1 million), AUH (3.7 million), other non-contributory FA programs for pensioners or public sector provincial civil servants (858,000). Program participation in AUH is subject to compliance with vaccination schemes, health checks and school attendance. Benefit amounts are the same in the three programs managed by the national government (although the benefit for formal workers declines with higher salaries), and amounts of provincial schemes are defined independently, although provinces tend to follow the national values. Benefits are adjusted twice a year using a formula that links them pro-cyclically to social security and fiscal revenues.

The AUH has become the cornerstone of Argentina’s social safety net, and a key instrument to cushion the effects of unemployment and informality among the most vulnerable. This program is fully aligned with the current administration’s strategy in social protection. Currently, the FA system spends nearly 1.3 percent of GDP, of which AUH represents half. Benefits as of April 2016 are AR$ 966 (US$ 65) per month, approximately 15 percent of the legal minimum wage. Due to its design, the coverage and costs of the FA system is not affected by labor market performance, as beneficiaries may move from AUH to the contributory program and vice-versa, depending on their employment status. The AUH program introduced two salient design features: a) all qualifying children in ANSES administrative records are automatically enrolled and eligibility is determined on a monthly basis; b) 80 percent of the benefit is paid monthly, while the remaining twenty percent is paid once a year upon verification of compliance with co-responsibilities, which is organized on the basis of an appointment scheme to avoid bottlenecks at local offices.

Sustaining the AUH program and expanding its coverage would be key to protecting the most vulnerable during the transition period, and would also contribute to long term goals such as breaking the intergenerational cycle of poverty. AUH ensures that families that lose formal jobs maintain access to child allowances, and thus mitigates negative welfare shocks in households. Moreover, the associated incentives to ensure that children remain enrolled in school and obtain adequate health care ensure the long term effects of the program on human capital accumulation and help to break the intergenerational cycle of poverty. The AUH has created synergies with other important programs such as the Plan Nacer/Sumar, a health insurance program, which registers newborns into ANSES individual registry (known as the ADP). The design of AUH also has incentives to encourage school enrollment, which is particularly relevant for the age group 16-18 years of age, which has a relatively large dropout rate.
The income transfer of AUH has a short-term effect in poverty reduction, which is higher among children and youth. Microsimulations show that the program would reduce overall poverty in 3 percent, and 6 percent among household with children (see Figure 1). AUH has had an important role since its introduction in providing basic income protection to households where both parents are either unemployed or informally employed. In fact, the incidence of AUH is largely concentrated on the lower deciles of the income distribution, complementing the coverage of the contributory FA programs (see Figure 2). However, a large number of potential beneficiaries are not receiving it either because their information at ANSES database is incomplete or they have failed to verify compliance with co-responsibilities. There is a coverage gap that requires an active effort by authorities to find and include potentially eligible children that are not participating in the program, due to missing information. This process would require fieldwork and database improvements and would benefit a large group of children who are disproportionately from poor and vulnerable households, further expanding the impact of AUH on poverty and inequality. According to ANSES, as of December 2015 the monthly process used to determine eligibility for the benefit excluded 1.5 million children (approximately 12 percent of the population younger than 18). In addition, as of February 2016, nearly 537,000 children have had their benefit suspended due to the absence of proof of compliance with co-responsibilities. This figure is higher than expected given the available data on education attainment by age, hinting that there are some weaknesses in the compliance verification process.

Closing the coverage gap requires a joint effort between ANSES and the Ministry of Social Development (MDS). While ANSES has proven to be key in the management (determining eligibility, processing payments and verifying compliance of co-responsibilities), MDS would be key to implement a pro-active enrollment approach and it would also be responsible for identifying and following up with participating households that have failed to comply with the co-responsibilities. Although ANSES carries out this process through a network of 375 local offices (UDAIs, Unidades de Atencion Integral), proximity may be a barrier to compliance verification. The new administration has set out to improve transparency of social programs. ANSES administrative processes are well designed and audited but have failed to publicly disseminate basic information about the performance and costs of its programs since the publication of its main statistical report (i.e. Informe de la Seguridad Social) was suspended in 2009. Similarly, no rigorous impact evaluations have been carried out, so policy decisions are not evidence-based. The current administration is committed to improve transparency, including the regular publication of ANSES monitoring reports.

C. Proposed Development Objective(s)

Development Objective(s)

The Project Development Objectives are to: (i) expand coverage of the Family Allowance programs; and (ii) improve transparency of social protection programs implemented by ANSES.

Key Results

- Number of children under 18 years old with complete records in ANSES? ADP database for AUH eligibility purposes.
- Number of published social security monitoring reports, including information on AUH.
- Number of children receiving a grant from the Family Allowance programs implemented by ANSES (SUAF and AUH).
D. Project Description

The proposed Project would support Government efforts to provide effective social protection to the most vulnerable population group (poor children), by contributing to ensure adequate financing of a core social program and including potential beneficiaries currently excluded from it.

The Project will contribute to financing grants under the AUH program, in a model that links this support to results, since disbursements under Component 1 will be subject to reaching pre-defined targets on two indicators on coverage and transparency. Through Component 2, the Project will finance the activities to close the coverage gap. This component will adopt an output-based disbursement scheme. Finally, the efforts to improve transparency and effectiveness of the institutions in charge of implementing the Project, including impact evaluations, will be supported through Components 3 and 4.

The four components are presented below, with a more detailed description in Annex 2.

Component 1: Universal Child Allowance program financing (US$ 522 million). This Component will finance grants to eligible beneficiaries of the AUH program, and is expected to reimburse approximately 5.9 percent of the program’s eligible expenditures during its implementation. The Component will disburse in the first two years of the Project, in three months intervals. The amount to be disbursed each quarter will decline over time, as the need to protect expenditures is particularly high in the short term, as fiscal restrictions will be tighter. Hence, the Component is expected to disburse $80 million in the first quarter after effectiveness, and then gradually decline to a final disbursement of $35 million two years after effectiveness.

Disbursements will reimburse Grants paid to AUH beneficiaries, and their approval will be linked to results. Hence, disbursements will be authorized only after: a) the targets are achieved for two Disbursement-Linked Indicators (DLI), and b) the stipulated period as set forth in Table 1.

Targets for both components need to be reached in order to authorize disbursements. The first DLI is the number of children under 18 years old with complete records in ANSES database for AUH eligibility purposes. This DLI reflects the progress of Government’s efforts in expanding coverage of AUH to include children who could be eligible, but have missing information in ANSES records or for whom there is no record at all. The second DLI is the publication of a quarterly AUH monitoring report, a critical action to ensure that the system is transparent. The quarterly reports will focus on the Social Protection programs run by ANSES including the FA system, detailing coverage, expenditures, benefit amounts, co-responsibility compliance, and etcetera. The minimum required contents of this report and the means of publication will be defined in the Operational Manual. The adoption of these DLI targets aims at reinforcing the focus on results of the whole Project. A detailed description of the disbursement scheme is included in Annex 2.

Component 2: Closing the coverage gaps of the Universal Child Allowance program (US$ 53.6 million). This Component will support (i) an active search to complete missing information of nearly 1.5 million children that prevent them from being considered as potential beneficiaries of AUH; and (ii) correcting information on compliance in ANSES database that, as of February 2016, excludes 537,000 children from receiving benefits. A set of complementary activities will be jointly implemented by ANSES and MDS to achieve these goals. This Component is expected to be implemented over the course of four years, and will comprise three Subcomponents:

Subcomponent 2.1: Gathering information from Provincial Civil Registries and other agencies (US$10.9 million). This Subcomponent will include two activities: 2.1.a) ANSES will reach out to civil registries to collect data from birth certificates. The civil registries will i) prepare a plan to implement the activity in collaboration with ANSES and ii) find, scan, complete and transfer the
information to ANSES; and 2.1.b) ANSES and MDS will coordinate activities with provincial
Ministries of Education and the ANSES local offices (Unidades de Atencion Integral, UDAIs) to
complete the reporting on co-responsibilities for a group of children and youth who have not
evidence on compliance on record.
Subcomponent 2.2: Gathering information at the local level (US$ 40.2 million). This
Subcomponent will include two activities. First, through Subcomponent 2.2.a), MDS and ANSES
will support municipalities to develop a Territorial Approach Plan (Plan de Abordaje Territorial -
PAT) to reach families with children and youth that were not identified through component 2.1.
Once the PAT is prepared and approved by ANSES and MDS, the Subcomponent will support its
implementation, including the field work necessary to collect information at schools or visiting
beneficiaries’ homes. Second, Subcomponent 2.2.b) will finance activities to support the field
work: (i) preparation of communication campaigns and dissemination materials, (ii) installation of
kiosks in key spots like hospitals and public locations, and (iii) provision of mobile units with
connectivity.
Subcomponent 2.3: Improving access to AUH for Indigenous Populations (US$ 2.5 million).
ANSES and MDS will implement specific actions, as described in the National Indigenous
Peoples Plan (NIPP), to reach out to indigenous communities including: a) special field
arrangements and management of benefits and services in indigenous communities’ areas, b)
training workshops on social security for indigenous leaders, c) training on the ANSES webpage
use to allow them to access information and procedures remotely, d) dissemination in indigenous
languages (oral, digital or any other appropriate format) including contents in indigenous radios
programs (in indigenous languages) and non-indigenous that reach indigenous community areas,
as well as other type of suitable telecommunication.
Activities included in Subcomponent 2.1.a and Subcomponent 2.2.a will be financed through an
output-based model, based on national and uniform unit costs (details in Annex 3).
Subcomponent 2.1.b, 2.2.b and 2.3 would also finance consultant and non-consultant services,
goods (IT equipment, furniture and software for creating the structural capacities to initiate the
activities at the civil registries and municipalities), training and operating costs.
Component 3: Institutional Strengthening of ANSES in information procedures and transparency
and Project Management (US$ 10.5 million). This Component aims to provide solutions to avoid
further coverage gaps of the AUH program, by strengthening the data collection systems of
ANSES; improvements in transparency through access to information on social security programs
and improvements in grievance mechanisms and citizen engagement related to social security
benefits, particularly in the AUH Program, as well as supporting project management.
Subcomponent 3.1: Improving information of management procedures and transparency (US$5.7
million). This Subcomponent will finance (i) the development of a protocol and the related
software for a systemic exchange of information between ANSES and the National Registry
(Registro Nacional de las Personas - RENAPER) and subnational civil registries; (ii) training to
staff at Civil Registries on recording accurate information of newborns and deaths; and (iii)
hardware capacity of selected Civil Registries to support activities under Subcomponent 2.1.
Moreover, this subcomponent will also improve the information flow between ANSES-MDS and
the Ministries of Health and Education on AUH co-responsibilities by creating mechanisms for
direct verification of compliance. Actions for taking advantage of progress in other programs and
projects such as Plan SUMAR in the health sector, and Conectar Igualdad in the education sector,
will be also facilitated by this Subcomponent. The system will also include the generation of
alerts and notifications of non-compliance. Finally, this subcomponent will support the
improvement of ANSES grievance redress mechanism (GRM) and citizen participation,
financing communication on the use of the GRM already in place; monitoring and analysis of the
mechanism(s) information to be used as an input for decision making process, and training and exchange of experience of good practices with other social protection agencies at the international level, especially on citizen participation and the use of the information generated by the institutions. This activity will also support data exchanges with related public institutions (such as agencies managing other social programs); the preparation of studies and publications on social security; and dissemination events and workshops to improve transparency and access to information on social security programs.

Subcomponent 3.2: Project Management (US$ 4.8 million). This Subcomponent will finance the project implementation unit (PMU) in ANSES, including the cost of audits.

Component 3 will finance consultant and non-consultant services (publications), training (workshops), goods (IT equipment, hardware and software) and operating costs.

Component 4: Institutional Strengthening of the Ministry of Social Development and Project Management (US$12.4 million) This Component will finance activities aimed at strengthening the MDS’s capacity to manage, coordinate, and monitor social protection programs and its Project implementation unit. Activities will focus on MDS’s three strategic axes: (i) establish a social protection system in the country; (ii) focus the MDS actions on the extreme poor; and (iii) strengthen capacities for planning, monitoring and evaluation of social policies. There are two subcomponents:

Subcomponent 4.1: Strengthening planning and coordination functions of MDS and Project Management (US$ 7.2 million) will finance four activities to strengthen the planning, budgeting and implementation of MDS social protection programs and services. They include: a) creation of an integrated social protection network to promote the coordination of social protection programs and services of the national and sub national governments, clarifying roles and responsibilities, reducing segmentation, improving targeting, and creating a basic set of programs and services; b) improvement the design and the operational functions of MDS programs and services; c) development and implementation of a plan for continuous training of civil servants to improve the implementation social programs and services; and d) support the project management unit at MDS.

Subcomponent 4.2: Strengthening of MDS’s capacity on monitoring and evaluation (US$ 5.2 million). This Subcomponent will support two activities: a) development of tools and instruments to collect and analyze data on MDS programs and social policies; b) evaluation of social protection policies and programs, specifically to create capacity in evaluation methodologies to generate evidence-based recommendations and guidelines, and to evaluate the impact of AUH other social programs, while also developing capacity within MDS to carry out future evaluations. Activities in Component 4 will finance consultant and non-consultant services (surveys and publications), training, goods (IT equipment, hardware and software) and operating costs.

**Component Name**
Component 1: Universal Child Allowance program financing

**Comments (optional)**

**Component Name**
Component 2: Closing the coverage gaps of the Universal Child Allowance program

**Comments (optional)**
Component Name
Component 3: Institutional Strengthening of ANSES in information procedures and transparency and Project Management
Comments (optional)

Component Name
Component 4: Institutional Strengthening of the Ministry of Social Development and Project Management
Comments (optional)

E. Project location and salient physical characteristics relevant to the safeguard analysis (if known)

This project would support a nationwide policy applied all over the Argentine territory.

F. Environmental and Social Safeguards Specialists

Carlos Tomas Perez-Brito (GSU04)
Isabel Tomadin (GSURR)

II. Implementation

Institutional and Implementation Arrangements

The Project will be implemented through ANSES and MDS, under the general coordination of ANSES, that will have a PMU managing a designated account and responsible for all financial management reports to the Bank. ANSES ➢ (PMU will also be responsible for the implementation of activities in components 1, 2, and 3, while MDS will manage an operative account and will be responsible for the implementation of activities in Component 4 through its own PMU. The activities in Component 2 will require the coordinated effort of both agencies. Other institutions (i.e., provinces and municipalities) are also expected to participate, but they will not manage proceeds from the loan. Rather, their work will be supported by implementation agreements with ANSES and/or MDS. Both PMUs will responsible for carrying out the corresponding procurement processes, while ANSES will be responsible to carry out the financial reporting. The processes and procedures governing project implementation would be outlined in detail in the Project's Operational Manual (OM), which will be acceptable to the Bank and made available before negotiations (details in Annex 4).

III. Safeguard Policies that might apply

<table>
<thead>
<tr>
<th>Safeguard Policies</th>
<th>Triggered?</th>
<th>Explanation (Optional)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Environmental Assessment OP/BP 4.01</td>
<td>Yes</td>
<td>The project is proposed as C category. None of the Project-supported activities are expected to lead to any adverse environmental impacts.</td>
</tr>
<tr>
<td>Natural Habitats OP/BP 4.04</td>
<td>No</td>
<td>This policy is not triggered since no impact is expected on natural habitats.</td>
</tr>
<tr>
<td>Policy</td>
<td>Triggered</td>
<td>Reason</td>
</tr>
<tr>
<td>------------------------------</td>
<td>-----------</td>
<td>-----------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Forests OP/BP 4.36</td>
<td>No</td>
<td>This policy is not triggered given that the project will not finance activities that affect forests.</td>
</tr>
<tr>
<td>Pest Management OP 4.09</td>
<td>No</td>
<td>This policy is not triggered because the project will not finance the purchase or use of pesticides.</td>
</tr>
<tr>
<td>Physical Cultural Resources OP/BP 4.11</td>
<td>No</td>
<td>The policy is not triggered because there are no project activities that will impact the quality or management of physical cultural resources as defined under the policy.</td>
</tr>
<tr>
<td>Indigenous Peoples OP/BP 4.10</td>
<td>Yes</td>
<td>This policy is triggered given that this is a project with national coverage and Indigenous Peoples, as defined by OP 4.10, are present in Argentina. Indigenous Peoples are among the most vulnerable groups participating in social programs, and they could potentially benefit from project activities given the project's focus on the inclusion of vulnerable children and youth in the social programs.</td>
</tr>
</tbody>
</table>

As a result, a National Indigenous Peoples Plan (NIPP) has been developed as part of Project. The design of the NIPP was informed by lessons learned from other NIPPs from ongoing social projects in the country, particularly AR Basic Project, AF Basic Protection projects, and AR Youth Employment Support Project, as well as from the Bank experience in the country and region. In addition, a social assessment was conducted by the client and a public consultation was carried out in March 2016 to present and discuss the project and particularly the scope of the NIPP before Council of Indigenous Participation (Consejo de Participación Indígena - CPI), that is a leadership's body of the National Institute of Indigenous Affairs (Instituto Nacional de Asuntos Indígenas - INAI). During Project's implementation, collaboration between ANSES, MDS and INAI would continue to aim at improving the efficiency and cultural appropriateness of the specific activities of the Project.

The NIPP will guide national, provincial and municipal level interventions through the implementation of territorial approach for indigenous populations (IPs) to improve access to AUH for IPs. The project will be implemented at local level including provinces and municipalities with significant IP populations.

Consultations with key national indigenous people's
stakeholders took place in March 2016 helping the Project team to identify and address the specific barriers that IPs face in participating in social programs in Argentina, including targeted and culturally appropriate information and communication. It also helped incorporating actions on how to include those segments of the population already not participating due to incomplete information or absence in the administrative records of ANSES, so that the Program can reach out IPs and be offered in a way that is relevant and culturally appropriate to them.

<table>
<thead>
<tr>
<th>Involuntary Resettlement OP/BP 4.12</th>
<th>No</th>
<th>This policy is not triggered given that the project will not require land acquisition that would result in the impacts covered under OP 412.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Safety of Dams OP/BP 4.37</td>
<td>No</td>
<td>This policy is not triggered as the project will not finance any dams nor rely on the operations of existing dams.</td>
</tr>
<tr>
<td>Projects on International Waterways OP/BP 7.50</td>
<td>No</td>
<td>This policy is not triggered since the project will not finance activities that impact international waterways as defined by the policy.</td>
</tr>
<tr>
<td>Projects in Disputed Areas OP/BP 7.60</td>
<td>No</td>
<td>This policy is not triggered given that the project will not finance activities in disputed areas as defined by the policy.</td>
</tr>
</tbody>
</table>

### IV. Key Safeguard Policy Issues and Their Management

#### A. Summary of Key Safeguard Issues

1. **Describe any safeguard issues and impacts associated with the proposed project. Identify and describe any potential large scale, significant and/or irreversible impacts:**

   The indigenous population in Argentina is small and dispersed all over the country representing 2.4 percent of the total population, approximately 955,000 based on the 2010 census. Results from the Indigenous Peoples Survey (Encuesta Complementaria de Pueblos Indígenas - ECPI) of 2004-05, shows that 23.5 percent the households does not cover basic needs. Most of the vulnerability issues faced by indigenous peoples are associated to the lack of access to social services, affecting particularly children and youth. In this context, in 2009 the government began implementing the AUH in conjunction with other social programs including benefits for indigenous peoples. However, there still are gaps to reach universal coverage in the country, particularly for indigenous peoples and the current Project is a direct respond to reduce gaps still existing. Given the nature of the Project, no negative impacts are expected. On the contrary, the Project aims to reduce access barriers that have historically limited the participation of vulnerable communities, including indigenous peoples in national social programs (Subcomponent 2.3).

2. **Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:**

   No negative potential indirect and/or long term impacts have been identified.

3. **Describe any project alternatives (if relevant) considered to help avoid or minimize adverse**
Due to the fact that Argentina’s main citizen information system does not have ethnic variables to identify indigenous populations in the country, the Project will use a geographic targeting including municipalities with significant indigenous populations, making the application of the requirements under OP 4.10 relevant to these areas. Thus, geographic targeting was used as alternative to identify areas of the country where IPs have historically live and it is well documented.

4. Describe measures taken by the borrower to address safeguard policy issues. Provide an assessment of borrower capacity to plan and implement the measures described.

A National Indigenous Peoples Plan (NIPP) has been developed as part of Project. The main component of the NIPP is the implementation of a territorial approach for indigenous populations to improve access to AUH for IPs. ANSES and MDS are responsible for developing and executing the NIPP, taking advantage of their experiences in responding to needs and demands of indigenous populations. Both institutions have the technical and human capacity to implement all activities. Nevertheless, the Project includes specifics components and activities to improve their institutional capacity to implement all Project’s activities.

5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.

A public consultation was carried out in March 2016 to present and discuss the project and particularly the scope of the NIPP before the Council of Indigenous Participation (Consejo de Participación Indígena - CPI), that is a leadership’s body of the National Institute of Indigenous Affairs (Instituto Nacional de Asuntos Indígenas - INAI). In addition, during Project's implementation, collaboration between ANSES, MDS and INAI would continue to aim at improving the efficiency and cultural appropriateness of the specific activities under this Project.

### B. Disclosure Requirements

<table>
<thead>
<tr>
<th>Environmental Assessment/Audit/Management Plan/Other</th>
<th>Date of receipt by the Bank</th>
<th>Date of submission to InfoShop</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>21-Apr-2016</td>
<td>02-May-2016</td>
</tr>
</tbody>
</table>

"In country" Disclosure

<table>
<thead>
<tr>
<th>Argentina</th>
<th>29-Apr-2016</th>
</tr>
</thead>
</table>

Comments:

<table>
<thead>
<tr>
<th>Indigenous Peoples Development Plan/Framework</th>
<th>Date of receipt by the Bank</th>
<th>Date of submission to InfoShop</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>21-Apr-2016</td>
<td>02-May-2016</td>
</tr>
</tbody>
</table>

"In country" Disclosure

<table>
<thead>
<tr>
<th>Argentina</th>
<th>29-Apr-2016</th>
</tr>
</thead>
</table>

Comments:

If the project triggers the Pest Management and/or Physical Cultural Resources policies, the respective issues are to be addressed and disclosed as part of the Environmental Assessment/
Audit/or EMP.

If in-country disclosure of any of the above documents is not expected, please explain why:

C. Compliance Monitoring Indicators at the Corporate Level

<table>
<thead>
<tr>
<th>OP/BP/GP 4.01 - Environment Assessment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Does the project require a stand-alone EA (including EMP) report?</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>OP/BP 4.10 - Indigenous Peoples</th>
</tr>
</thead>
<tbody>
<tr>
<td>Has a separate Indigenous Peoples Plan/Planning Framework (as appropriate) been prepared in consultation with affected Indigenous Peoples?</td>
</tr>
<tr>
<td>If yes, then did the Regional unit responsible for safeguards or Practice Manager review the plan?</td>
</tr>
<tr>
<td>If the whole project is designed to benefit IP, has the design been reviewed and approved by the Regional Social Development Unit or Practice Manager?</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>The World Bank Policy on Disclosure of Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Have relevant safeguard policies documents been sent to the World Bank's Infoshop?</td>
</tr>
<tr>
<td>Have relevant documents been disclosed in-country in a public place in a form and language that are understandable and accessible to project-affected groups and local NGOs?</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>All Safeguard Policies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies?</td>
</tr>
<tr>
<td>Have costs related to safeguard policy measures been included in the project cost?</td>
</tr>
<tr>
<td>Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies?</td>
</tr>
<tr>
<td>Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents?</td>
</tr>
</tbody>
</table>

V. Contact point

World Bank
Contact: Juan Martin Moreno
Title: Senior Social Protection Econo

Contact: Marcela Ines Salvador
Title: Sr Social Protection Specialis

Borrower/Client/Recipient
Name: Republic of Argentina  
Contact: Martin Soto  
Title: Subsecretario de Relaciones Financieras Internacionales, Min  
Email: marsoto@mecon.gov.ar  

Implementing Agencies  
Name: ANSES - Administracion Nacional de la Seguridad Social  
Contact: Emilio Basavilbaso  
Title: Executive Director  
Email: ebasavilbaso@anses.gob.ar  

Name: Ministerio de Desarrollo Social  
Contact: Carolina Stanley  
Title: Minister  
Email: cstanley@desarrollosocial.gob.ar  

VI. For more information contact:  
The InfoShop  
The World Bank  
1818 H Street, NW  
Washington, D.C. 20433  
Telephone: (202) 458-4500  
Fax: (202) 522-1500  
Web: http://www.worldbank.org/infoshop  

VII. Approval

<table>
<thead>
<tr>
<th>Task Team Leader(s):</th>
<th>Name: Juan Martin Moreno, Marcela Ines Salvador</th>
</tr>
</thead>
<tbody>
<tr>
<td>Approved By</td>
<td></td>
</tr>
<tr>
<td>Practice Manager/Manager:</td>
<td>Name: Truman G. Packard (PMGR)</td>
</tr>
<tr>
<td>Country Director:</td>
<td>Name: Renato Nardello (CD)</td>
</tr>
</tbody>
</table>