



1. Project Data:		Date Posted : 09/09/2003	
PROJ ID: P049269		Appraisal	Actual
Project Name: Ar-social Protec.3	Project Costs (US\$M)	1,077	1,292
Country: Argentina	Loan/Credit (US\$M)	284	284
Sector(s): Board: SP - Other social services (96%), Central government administration (4%)	Cofinancing (US\$M)	0	0
L/C Number: L4366			
	Board Approval (FY)		98
Partners involved : --	Closing Date	06/30/2000	12/30/2002
Prepared by:	Reviewed by:	Group Manager :	Group:
Kavita Mathur	Soniya Carvalho	Alain A. Barbu	OEDST
2. Project Objectives and Components			
a. Objectives			
The project was to support the third phase of TRABAJAR, a social safety net program. Through the execution of small infrastructure facilities, it was expected that TRABAJAR would contribute to improvements in the living standards of the communities where the subprojects were located and would create opportunities for temporary employment for poor workers.			
b. Components			
The project consisted of the following three components:			
1. Financing of TRABAJAR subprojects (US\$ 1,265 million; 97.9% of total project cost).			
2. Project Administration (US\$ 25 million; 1.9% of total project cost).			
3. Monitoring and Evaluation of Employment program (US\$ 2 million; 0.15% of total project cost).			
c. Comments on Project Cost, Financing and Dates			
The change of government in late 1999 and economic and social crisis in 2000 had a negative effect on the project. Budget allocations, both for the Government contribution as well as for loan funds, were tightly constrained. Consequently, the project was extended for two and a half years.			
3. Achievement of Relevant Objectives:			
The project achieved its objective of improving the living standards of the communities where the subprojects were located and creating temporary employment for poor workers albeit with significant delays.			
<ul style="list-style-type: none"> The project financed 26,453 subprojects, compared to the appraisal estimate of 15,000. These include subprojects in the following sectors: drainage and sewerage (25.4%), urban roads (23.2%), housing (11%), secondary roads (7%), education (6.2%), cultural/community infrastructure (5.5%), community gardens (5%), potable water (4.7%) and others (12%). About 72% of the subprojects were completed satisfactorily. A study of the impact of the projects in communities, showed that on average 60 percent of the users of the projects were extremely poor, and 86 percent could be classified as poor (ICR page 9). 80% of the respondents considered most of the works financed by the project as relevant except for sporting facilities (66 percent) and multipurpose community centers (45 percent). The project created about 464,102 temporary jobs (with an average duration of five months), far exceeding the appraisal target of 300,000 jobs. The payment to beneficiaries amounted to US\$ 362 million. 			
4. Significant Outcomes/Impacts:			
<ul style="list-style-type: none"> Model safety net project with best practice elements (e.g., self-targeting the poor through appropriate wage rates etc). The program generated sizeable net income gains to the poor and the poorest effectively providing income support through work (ICR page 5). Lower cost of construction for low-cost housing under TRABAJAR, compared to the houses built under the 			

Government's traditional public housing program, FONAVI.

- Strong program of impact evaluations. Several evaluations were carried out during project implementation. These included: (i) the study of what happened to workers once they left the TRABAJAR Program; (ii) an evaluation of a wage subsidy for private employment provided by the Ministry; and (iii) an evaluation of the impact of a sample of TRABAJAR projects in the communities where they were carried out.

5. Significant Shortcomings (including non-compliance with safeguard policies):

Most of the shortcomings appeared after late 1999. The new Government that came to power in late 1999 did not fully embrace the TRABAJAR Program. Budget allocations during the year were not predictable, making it difficult to implement the program and maintain standards, particularly in the area of supervision of subprojects. Although funding was restored at the later stage, implementation - both the pace of disbursements and quality - started to deteriorate, due to the fiscal crisis and the lack of a clear employment strategy. In addition, the Ministry of Labor began to give the highest priority to ensuring that beneficiaries received payments, regardless of the quality of the work activities, and weakened the Program's supervision and monitoring activities.

6. Ratings:	ICR	OED Review	Reason for Disagreement /Comments
Outcome:	Satisfactory	Satisfactory	
Institutional Dev.:	Modest	Substantial	Serious impact evaluation work conducted by the Bank jointly with the government led to the strengthening of M&E capability in government with spill overs to other activities. The government's follow-on Heads of Household Program will continue to conduct impact evaluations using household surveys to assess targeting etc (ICR page 11).
Sustainability:	Likely	Likely	
Bank Performance:	Satisfactory	Satisfactory	
Borrower Perf.:	Satisfactory	Satisfactory	
Quality of ICR:		Satisfactory	

NOTE: ICR rating values flagged with '*' don't comply with OP/BP 13.55, but are listed for completeness.

7. Lessons of Broad Applicability:

Based on the ICR, a number of lessons are highlighted below:

- The cost effectiveness of safety net programs like TRABAJAR depends in large part on the value of the assets created through the subprojects. Effective subproject evaluation, monitoring and supervision are critical to ensuring that the subprojects produce benefits for poor communities that go beyond temporary income transfers to unemployed members.
- To ensure proper targeting of the poor, close monitoring is necessary during project execution.
- Project management can be much strengthened if resources are allocated (at appraisal) to carry out rigorous, high-quality evaluations during project execution and the results are used to inform decision-making.
- Self-targeted public works programs can successfully reach the poor, provided the wage rate is set no higher than the ruling market wage for unskilled labor.

8. Assessment Recommended? ☐ Yes ☒ No

9. Comments on Quality of ICR:

The quality of ICR is satisfactory. It gives detailed information and covers all the relevant issues relating to the implementation experience and the outcome of the project.