



DOCUMENT OF THE WORLD BANK

RESTRUCTURING PAPER
ON A
PROPOSED PROJECT RESTRUCTURING
OF
URBAN TRANSPORT IN METROPOLITAN AREAS
APPROVED ON OCTOBER 20, 2009
TO
ARGENTINE REPUBLIC

TRANSPORT

LATIN AMERICA AND CARIBBEAN

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I. BASIC DATA

Product Information

Project ID P095485	Financing Instrument Investment Project Financing
Original EA Category Partial Assessment (B)	Current EA Category Partial Assessment (B)
Approval Date 20-Oct-2009	Current Closing Date 30-Jun-2019

Organizations

Borrower Argentine Republic	Responsible Agency Ministry of Transport
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Project Development Objective (PDO)

Original PDO

The overall development objective of the program is to improve the quality and sustainability of urban transport systems in Argentine Metropolitan Areas, through the improvement of sectoral decision making frameworks and by giving priority to public transport modes in the urban transport sector. The project (APL1) development objectives contribute to the overall program development objective by: (i) supporting the design and creation of a multijurisdictional Metropolitan Transport Agency for the Buenos Aires Metropolitan Area (AMBA); (ii) strengthening the institutional capacity of the transport authorities in decision making, planning, priority setting, and resource allocation in urban transport; (iii) improving the quality and performance of urban transport infrastructure and/or services in medium size Metropolitan Areas; and (iv) improving the physical integration and access to public transport networks in the Buenos Aires Metropolitan Area.

Summary Status of Financing

Ln/Cr/Tf	Approval	Signing	Effectiveness	Closing	Net		
					Commitment	Disbursed	Undisbursed
IBRD-87000	27-Jan-2017	09-May-2017	07-Jun-2017	30-Jun-2019	45.00	33.69	11.31
IBRD-77940	20-Oct-2009	11-Aug-2010	26-Nov-2010	31-Dec-2017	149.68	149.68	0



Policy Waiver(s)

Does this restructuring trigger the need for any policy waiver(s)?

No

I. SUMMARY OF PROJECT STATUS AND PROPOSED CHANGES

A. Summary of Proposed Changes

The proposed level two restructuring of the Project consist of an increase of the percentage of Bank financing for category 1, “civil works”, from 70 percent to 100 percent, of the Additional Financing Loan 8700-AR.

B. Project Status

The Project was approved by the Board on October 20, 2009, in the amount of USD 149.68 million (Loan 7794-AR now fully disbursed and closed since December 31, 2017). An Additional Financing of USD 45.0 million was approved in January 2017 with an original closing date of June 30, 2019. The Additional Financing has currently disbursed USD 33,7 million, which represents about 75 percent of the loan. Progress towards achievement of the Development Objective (DO) and the Overall Implementation Progress (IP) are both rated Satisfactory. Most targets for the intermediate indicators have been met and all planned activities that contribute to the overall development objective of the project have been completed, with the exception of the Saenz Transfer Station, which is the only remaining investment currently underway.

C. Rationale for Restructuring

The increase in the Bank financing of eligible expenditures for category 1 (civil works) from 70 percent to 100 percent has been requested by the Borrower to accelerate the completion of civil works by providing the PIU with more flexibility to execute payments, without the need of having counterpart funds available. The increase in the Bank financing would be applied retroactively to payments made from January 1, 2019.

The Bank and the Borrower have agreed on the cut-off procedures to submit Withdrawal Applications under the proposed new financing percentages, effective January 1, 2019. No adjustment is required to the format of the IFR's. All contracts for which adjustments/re-imputations are needed, have been clearly identified. There is only one remaining investment, the Saenz Transfer Station, with a total contract amount initially estimated at USD 43 million. Given the exchange rate fluctuations, a balance of approximately USD 4 million is projected to remain uncommitted when the works are completed.

This restructuring will not change the PDO, physical goals of ongoing civil works, monitoring indicators, or safeguards category. The restructuring satisfies the requirements of the Bank's procedures for Investment Project Financing in that:

- i. Neither the loan in particular, nor the country (Argentina) in general, is subject to an ongoing suspension of disbursements; and
- ii. No audit reports for the project are outstanding or are not satisfactory to the Bank.

II. DETAILED CHANGES



REALLOCATION BETWEEN DISBURSEMENT CATEGORIES

Ln/Cr/TF	Current Expenditure Category	Current Allocation	Actuals + Committed	Proposed Allocation	Disbursement % (Type Total)	
					Current	Proposed
IBRD-87000-001 Currency: USD	CW-Integration Subp - Parts C2 & C5	42,216,671.00	22,963,387.60	42,216,671.00	70.00	100
	GO, CS and Non-CS	2,570,829.00	1,612,778.46	2,570,829.00	100.00	100.00
	OP under Part E of the Project	100,000.00	597.19	100,000.00	100.00	100.00
	Interest Rate CAP/COLLAR premium	0.00	0.00	0.00		
	Total	44,887,500.00	24,576,763.25	44,887,500.00		