



RESTRUCTURING PAPER
ON A
PROPOSED PROJECT RESTRUCTURING
OF
ARGENTINA RENEWABLE ENERGY FOR RURAL AREAS PROJECT
APPROVED ON APRIL 7, 2015
TO
ARGENTINE REPUBLIC

ENERGY AND EXTRACTIVES

LATIN AMERICA AND CARIBBEAN

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ABBREVIATIONS AND ACRONYMS

2G	Second Generation
3G	Third Generation
AGN	National Audit Agency
DNFOIC	National Direction of Financing with International Credit Organizations
GoA	Government of Argentina
IT	Information Technology
INTA	National Institute for Agricultural Technology
MTR	Mid-Term Review
PDO	Project Development Objective
PERMER	Spanish Acronym for “Argentina Renewable Energy for Rural Areas Project”
PIC	Integrated Community Plan (Plan Integral Comunitario)
PIU	Project Implementation Unit
PHC	Primary Health Care Centers
PPI	Native People’s Plan (Plan de Pueblos Indígenas)
SHS	Solar Home Systems
UEP	Provincial Project Executing Unit (Unidad Ejecutora Provincial)



BASIC DATA

Product Information

Project ID P133288	Financing Instrument Investment Project Financing
Original EA Category Partial Assessment (B)	Current EA Category Partial Assessment (B)
Approval Date 07-Apr-2015	Current Closing Date 31-Oct-2020

Organizations

Borrower Argentine Republic	Responsible Agency Dirección Nacional de Energías Renovables - Secretaría de Energía
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Project Development Objective (PDO)

Original PDO

The project's development objective is to provide and enhance access to modern energy services in selected rural areas of Argentina.

Summary Status of Financing (US\$, Millions)

Ln/Cr/Tf	Approval	Signing	Effectiveness	Closing	Net Commitment	Disbursed	Undisbursed
IBRD-84840	07-Apr-2015	09-Oct-2015	04-May-2016	31-Oct-2020	200.00	45.36	154.64

Policy Waiver(s)

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

No



I. PROJECT STATUS AND RATIONALE FOR RESTRUCTURING

Project Status

1. Since its effectiveness in 2016, a number of changes in energy authorities and ministerial reorganizations, delayed the implementation and administrative processes. However, the overall goal of providing electricity services to isolated populations through renewable energy technologies remained a high priority throughout the years, reiterated by the new government that took office in December 2019. The new energy sector authorities reiterated the importance of the PERMER project to accomplish this objective as expressed in their request for extension of this project. The recent COVID-19 pandemic and lockdown measures have shown the importance of electricity and the PERMER project to reduce poverty and provide better access to health services, education and jobs, as well as personal especially in remote and isolated areas.

2. The Argentina Renewable Energy for Rural Areas project (PERMER II) was approved in April 2015 and became effective in May 2016. Progress towards achieving the PDO was recently upgraded to Moderately Satisfactory (MS) with the 20-month extension of the Project, which will help compensate the past implementation delays. Overall Implementation Progress (IP) continues to be Moderately Satisfactory (MS) given the good capacity of the counterpart and PIU to carry out the project successfully. The project has currently disbursed US\$45.4 million (22.7 percent of the Loan) and has documented expenditures of US\$25.8 million (12.9 percent of the Loan). The project was prepared under one administration (which ended in December 2015), initiated implementation with a different one and with a new PIU team (which ended in December 2019), and now a third administration is taking over its implementation, showcasing its importance as an enduring policy of state to provide electricity to the disperse rural populations throughout the country.

3. The PIU has presented an updated action plan during the last supervision mission (August 2020), adjusting key milestones until the new closing date. The PIU's performance remains satisfactory, and the Bank and the Borrower agreed on a realistic Action Plan to complete the project focusing on strengthening implementation capacity of the PIU and completing activities that have been prepared and are on track.

4. After the new government took office there have been a number of changes in leadership and institutions, which delayed procurement processes, payments and disbursement. Despite these challenges, the project continued advancing and over 75,000 people already benefitted from the project. The new PIU team was strengthened and procurement processes were expedited.

5. **Impact of COVID-19 on the project.** The lockdown and delays in confirming authorities affected the PIU's project management work (e.g. processing of payment). Moreover, social isolation policies and work-from-home restrictions have affected project implementation, by delaying field work (installations and inspections), temporarily preventing contractors from accessing rural communities to perform works financed under the project. The Bank's team has worked quickly to make sure that relevant access and permissions to Bank's systems needed by government counterparts to be able to move forward were granted swiftly.

Project Implementation

6. Currently about US\$64 million have been committed against ongoing contracts. A US\$54 million contract signed in December 2019, is expected to install 120,000 third generation (3G) solar home systems by 2022. In addition, around



100 schools already benefited from a contract signed in 2018 to install solar systems at schools in vulnerable areas. In addition, contracts for home-systems and school electrification systems are currently being signed. The project is about to start installing solar systems at health care centers (PHC). As a result, the project is expected to improve project implementation in the coming months, building on several years of preparation of technical specifications and procurement processes.

7. A total of around US\$24.4 million in contracts are currently being evaluated. Among others, PIU is reviewing the installation of four pilot mini-grids in rural towns, which will be followed by another ten mini-grids in the future. The PIU signed an agreement with the National Institute for Agricultural Technology (INTA) to implement solar panels at vulnerable rural population, including electricity systems for managing cattle (already procured and awaiting installation), and solar water pumping systems.

8. **M&E:** The PIU prepared a report on the evaluation of results of PERMER I and lessons learned for PERMER II. The main conclusions have helped inform and improve the engagements with provinces and private contractors. During the last years, the PIU has been reviewing project targets and better understand the benefits to target population.

9. **Fiduciary.** The PIU originally had an “in-house” procurement and financial management units, which were moved to a specialized team at the Ministerial level providing fiduciary services to the PIU in 2017. The aim was to improve project implementation through more efficient procurement and financial management processes but did not always produce the expected results. In addition, the PIUs' fiduciary staff changed twice after the new government took office in December 2019. Currently, the Secretary of General Management of the Ministry of Production is providing fiduciary services to the project, but the Secretary of Energy recently moved from the Ministry of Production to the Finance Ministry, so the PIU will most likely be supported by a new fiduciary team in the near future.

10. The Borrower's and PIU's performance remain satisfactory. The Project's audited financial statements until December 2018 were submitted and found satisfactory by the Bank. The audited financial statements until December 2019 have not been submitted yet due to the COVID-19 pandemic. Argentina's Supreme Audit Institution's (AGN) has not been able to carry out the evaluation and the Bank has extended the deadline to submit the 2019 audited financial statements to October 31, 2020. The team is closely monitoring progress and following up with AGN and DNFOIC.

Rationale for Restructuring

11. The Government requested an extension of the closing date by 20 months, a partial cancellation of US\$31.3 million and revise some indicator targets. The main reason is to enable the project to reach the estimated 450,000 beneficiaries, increase resilience of vulnerable and remote communities to the COVID-19 pandemic, and improve local penetration of the project in provinces included in the original project scope but not reached until now.

12. There partial cancellation is needed to redirect Bank and government resources to other projects related to the containment of the Covid-19 health pandemic, to support social protection programs, and foster economic recovery. It will reduce complexity and increase efficiency by concentrating efforts around activities that are already underway, considering the recent devaluation of the Argentina peso. The restructuring will adjust targets based on revised priorities and better information on potential beneficiaries and cancel part of the loan.

13. The Bank and the Borrower have agreed on realistic and acceptable Action Plan to complete the project whose axes are: the continued strengthening of the PIU's implementation capacity, focusing implementation efforts on the activities that have already been prepared and are on track to be implemented, and deepening the project's engagement with local actors. The proposed restructuring would allow the Project to capitalize on the extensive preparation work



already performed both internally and in partnership with Argentina's provinces in the identification and location of project beneficiaries, as well as the selection and agreement on the most adequate solution for each beneficiaries' needs.

14. It is worth highlighting that, despite the cancellation, the PDO remains achievable under the new project Closing Date of June 30th, 2022, albeit on a smaller scope (see Section II, below).

II. DESCRIPTION OF PROPOSED CHANGES

A. Changes in results framework

15. The PDO will remain the same, but the Results Framework will be adjusted to reflect the changes in scope, implementation period and the partial cancellation of the loan. Over the past years of project implementation, there is a better understanding of potential beneficiaries and a more realistic implementation schedule. The PIU has adjusted the targets up or down accordingly. The partial cancellation of the loan amount will also require some adjustments in the scope and targets of the project.

16. The target number of individual assets supported by the project will be reduced from 71,000 to 60,000 (15 percent reduction). Given the increased focus on installation of individual systems in very remote areas, rather than mini-grids and community pumping systems, the target for "**Direct Project Beneficiaries**" were reduced from 765,000 to 454,000 (41% reduction). The targets for two linked sub-indicators, "**Beneficiaries with improved access**" and "**Beneficiaries that obtained access**", were reduced 50% and 36% respectively. However, the PDO indicator target for "**People provided with access to electricity by household connections**" will be increased from 175,000 to 197,000 (13% higher).

17. The number of solar systems at home and schools were increased, while the installations for mini-grids, solar pumping systems and solar thermal systems were reduced. The end-of-target date for all indicators were extended. The PDO indicator target for (c) "**Community electricity connections constructed under the project,**" measuring improved access through electrification of community infrastructure, was increased from 1,800 to 2,600 (45% higher). The PDO indicator (d) "**People that obtain daily and constant electricity service (through minigrids),**" was reduced from 42,000 to 3,600 (90% lower). The latter three indicators all refer to activities under Component 1, and illustrate how improved information and updated government priorities resulted in the prioritization of smaller electricity systems (household and community buildings) at the expense of larger scale systems (minigrids). In addition, two indicators under Component 2 were dropped as solar thermal activities have very low probability of being implemented before the new project closing date. The proposed revised Results Framework more clearly reflects the expected outcomes of the restructured project.

18. The project's construction of a clearer map of beneficiaries and realistic implementation possibilities for each activity through the past years allowed the PIU to reduce or increase the target quantities of installations for each type of activity (increasing installations in some and reducing them in other) and this, in turn, resulted in reduced or increased target values for most indicators. This all resulted in an overall reduction in the total number of beneficiaries to be reached by the project. The expected outputs for the main activities implemented are the installation of: more than 40,000 electricity solar home systems; 1500 electricity solar school systems; 300 electricity and thermal solar PHC systems; 5000 solar electric cattle management systems, and 1500 solar electric water pumping systems for productive uses. This

B. Components and costs

19. The main changes constitute reductions in the scope of components due to the partial loan cancellation. Despite maintaining interest in advancing all the Component 1 and 2 activities, the PIU will concentrate the main efforts towards activities that have already started implementation or are well advanced in preparation. They aim to (i) effectively



implement a wide variety of solar photovoltaic systems (Component 1); (ii) implement solar thermal systems for 300 selected rural PHC facilities (Component 2); and (iii) support the GoA’s capacities by covering costs of studies, training and project management (Component 3 and 4). Estimated component costs are shown in the table below.

Table 1. Change in components

Component	Original cost	Proposed cost	Percent change	Expenditures to	Available
	(\$)	(\$)		¹	(\$)
Component 1	183,400,000	160,538,579	-12%	23,910,500	136,628,079
Component 2	7,900,000	5,005,000	-37%	0	5,005,000
Component 3	5,700,000	772,441	-86%	425,000	347,441
Component 4	3,000,000	1,842,756	-39%	1,014,000 ²	828,756
Front-end fee		500,000		500,000	0
Total	200,000,000	168,658,776	-16%	25,849,500	142,809,276

20. The GoA has expressed its commitment to ensure required finance is available to complete investments after the closing date of June 30, 2022, if necessary.

¹ Data from Client Connection, as of June 30, 2020.

² Expenditures for Component 3 and 4 are both aggregated as part of Category 2 in Client Connection. Thus, the team had to make the assumption that expenditures in each component were proportional to the proposed final cost per component. Consequently, expenditures for these two Components were estimated prorating Category 2 expenditures based the proposed cost per component.



C. Cancellations proposed and Changes in Disbursement Categories

21. A partial cancellation of US\$31.3 million of the loan is requested due to the rationale expressed above. Categories 1 and 2 will be reduced, and no reallocation of funds between categories will take place. The proposed estimated amounts per category are shown in the table below:

Table 2. Change in Disbursement Categories

Category	Revised Amount of the Loan Allocated (expressed in US\$)	Percentage of Expenditures to be financed (inclusive of Taxes)
(1) Goods and Works under Parts 1 and 2 of the Project	165,543,579	100 percent
(2) Goods, Consultants' services (including audits), Non-consulting services, Training and Operating Costs under Parts 3 and 4 of the Project	2,615,197	100 percent
(3) Front-end Fee	500,000	Amount payable pursuant to Section 2.03 of this Agreement in accordance with Section 2.07(b) of the General Conditions of the Loan Agreement
(4) Interest Rate Cap or Interest Rate Collar Premium	0	Amount due pursuant to Section 2.08(c) of the Loan Agreement
SUBTOTAL	168,658,776	
Cancellation effective as of August 31, 2020	31,341,224	
TOTAL AMOUNT	200,000,000	

D. Redefinition of Disbursement Categories and Reallocation Between Disbursement Categories

22. Allocations for disbursement categories 1 and 2 will be reduced as shown above due to the following reasons:
- a. The amount for the category (1) "Goods and Works under Parts 1 and 2 of the Project" will be reduced as a result of the focus on specific activities to be implemented, and the partial reduction in the breadth of these activities, considering the expected availability of funds.
 - b. The amount for the category (2) "Goods, Consultants' services (including audits), Non-consulting services, Training and Operating Costs under Parts 3 and 4 of the Project" will be reduced as a result of the current budget restrictions and the fact that the devaluation of the Argentinian Peso (AR\$) has made it cheaper (in USD) to implement activities and procure services under this category.



E. Disbursement Estimates and Loan Balance

23. The Disbursement Schedule has been updated in accordance with the PIU’s most recent implementation plan, considering the available implementation timeline and budget restrictions due to the cancellation.

Table 3. Disbursement estimates by Quarter

FY	Q1	Q2	Q3	Q4	Total
2021	0	16,000,000	29,000,000	22,000,000	67,000,000
2022	22,000,000	16,000,000	12,000,000	6,298,957	56,298,957

Total Pending disbursements (\$): 123,298,957

Disbursed pending documentation:³ 19,510,432

F. Risk Ratings

24. No changes were made to the Risk ratings, that have been recently been updated through a project ISR.

G. Legal Covenants

25. No changes in legal covenants have been included in this restructuring.

H. Fiduciary Management

26. No changes in Fiduciary Management have been included in this restructuring.

³ Data from Client Connection, as of June 30, 2020.



III. SUMMARY OF CHANGES

	Changed	Not Changed
Results Framework	✓	
Components and Cost	✓	
Loan Closing Date(s)	✓	
Cancellations Proposed	✓	
Reallocation between Disbursement Categories	✓	
Disbursement Estimates	✓	
Implementation Schedule	✓	
Other Change(s)	✓	
Implementing Agency		✓
DDO Status		✓
Project's Development Objectives		✓
PBCs		✓
Disbursements Arrangements		✓
Overall Risk Rating		✓
Safeguard Policies Triggered		✓
EA category		✓
Legal Covenants		✓
Institutional Arrangements		✓
Financial Management		✓
Procurement		✓
Economic and Financial Analysis		✓
Technical Analysis		✓
Social Analysis		✓
Environmental Analysis		✓

IV. DETAILED CHANGE(S)



COMPONENTS

Current Component Name	Current Cost (US\$M)	Action	Proposed Component Name	Proposed Cost (US\$M)
1. Renewable electricity service provision	215.61	Revised	1. Renewable electricity service provision	161.04
2. Solar thermal energy service provision	9.67	Revised	2. Solar thermal energy service provision	5.01
3. Project deployment support	6.71	Revised	3. Project deployment support	0.77
4. Project management	8.10	Revised	4. Project management	1.84
TOTAL	240.09			168.66

LOAN CLOSING DATE(S)

Ln/Cr/Tf	Status	Original Closing	Revised Closing(s)	Proposed Closing	Proposed Deadline for Withdrawal Applications
IBRD-84840	Effective	31-Oct-2020		30-Jun-2022	30-Oct-2022

CANCELLATIONS

Ln/Cr/Tf	Status	Currency	Current Amount	Cancellation Amount	Value Date of Cancellation	New Amount	Reason for Cancellation
IBRD-84840-001	Disbursing&Repaying	USD	200,000,000.00	31,341,224.00	31-Aug-2020	168,658,776.00	LOAN RESTRUCTURING, COST SAVINGS

REALLOCATION BETWEEN DISBURSEMENT CATEGORIES

	Current Allocation	Actuals + Committed	Proposed Allocation	Financing % (Type Total)	
				Current	Proposed

IBRD-84840-001 | Currency: USD



iLap Category Sequence No: 1	Current Expenditure Category: GO, CW - Parts 1 & 2			
190,800,000.00	23,910,519.62	165,543,579.00	100.00	100.00
iLap Category Sequence No: 2	Current Expenditure Category: GO, CS (INCLUDING AUDITS), NON-CS, TRG, OP - P. 3 & 4			
8,700,000.00	1,438,866.91	2,615,197.00	100.00	100.00
iLap Category Sequence No: 4	Current Expenditure Category: Interest Rate Cap/Collar Premium			
0.00	0.00	0.00		
Total	199,500,000.00	25,349,386.53	168,158,776.00	

DISBURSEMENT ESTIMATES

Change in Disbursement Estimates

Yes

Year	Current	Proposed
2015	0.00	0.00
2016	20,000,000.00	20,000,000.00
2017	0.00	0.00
2018	0.00	0.00
2019	18,000,000.00	18,000,000.00
2020	44,000,000.00	20,000,000.00
2021	63,000,000.00	90,000,000.00
2022	50,000,000.00	20,658,776.00
2023	3,000,000.00	0.00



Results framework

COUNTRY: Argentina

Argentina Renewable Energy for Rural Areas Project

Project Development Objectives(s)

The project's development objective is to provide and enhance access to modern energy services in selected rural areas of Argentina.

Project Development Objective Indicators by Objectives/ Outcomes

Indicator Name	PBC	Baseline	End Target
Direct project beneficiaries			
Direct project beneficiaries (Number)		0.00	454,300.00
Action: This indicator has been Revised	<p>Rationale: <i>The August 2020 supervision mission and the restructuring request were taken as an opportunity to update the indicator target and align them with the updated project objectives and targets, taking into account the new implementation period and the partial cancellation of a loan amount.</i></p> <p><i>The partial cancellation of the loan amount reduces the scope of the project and, even though it does not require a change in the PDO definition, does require a reduction in this indicator's target. The loan amount was reduced, resulting in an expected reduction in the number of individual assets supplied by the project in a 15% (71,000 to 60,000). Due mainly to an increased focus in small scale assets installed (with a reduction in small-town minigrids and community pumping systems) the PDO indicator target for "Direct Project Beneficiaries" (number of total beneficiaries) was reduced by 41% (from 765,000 in the PAD to 454,000 in the RP).</i></p> <p><i>The sub-targets under this indicator "Beneficiaries with improved access" and "Beneficiaries that obtained access" were reduced 50% and 36% respectively when compared with the PAD targets.</i></p>		
Direct project beneficiaries that obtained enhanced access (daily hours and quality of service) to modern energy services		0.00	118,784.00



Indicator Name	PBC	Baseline	End Target
(electricity, water pumping, productive uses, solar thermal applications) (Number)			
Action: This indicator has been Revised	<p>Rationale: Target Value updated taking into account project extension, partial cancellation, and updated objectives of the Government of Argentina. The target for this indicator was reduced 50% when compared with the PAD targets, from 241,000 to 119,000 people.</p>		
Direct project beneficiaries that obtained access to modern energy services (electricity, water pumping, productive uses, solar thermal applications) (Number)		0.00	335,515.00
Action: This indicator has been Revised	<p>Rationale: Target Value updated taking into account project extension, partial cancellation, and updated objectives of the Government of Argentina. The target for this indicator was reduced 36% when compared with the PAD targets, from 524,000 to 336,000 people.</p>		
Female beneficiaries (%) (Percentage)		0.00	40.00
People provided with access to electricity by household connections			
People provided with access to electricity by household connections (CRI, Number)		0.00	193,991.00
Action: This indicator has been Revised	<p>Rationale: Target Value updated taking into account project extension, partial cancellation, and updated objectives of the Government of Argentina. Due to an increased focus in small scale assets installed (with a reduction in small-town minigrids and community pumping systems) the PDO indicator target for “People provided with access to electricity by household connections” was risen by 11% when compared to the original PAD indicators (from 175,000 in the PAD to 194,000 in the RP). Mainly, the planned number of installations for smaller scale systems (solar home systems and solar school systems) was increased, while target installations for larger systems (minigrids, solar pumping systems) was reduced.</p>		



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Indicator Name	PBC	Baseline	End Target
People provided with new elec. by household connection.– Offgrid/minigrig–Only renewable sources (Number)		0.00	193,631.00
Action: This indicator has been Revised	Rationale: Target Value updated taking into account project extension, partial cancellation, and updated objectives of the Government of Argentina. The target is risen 12% from 173,000 people in the PAD to 194,000 people in this restructuring. The main reasons for the change have been mentioned above.		
People provided with new electricity by husehold connection.–Offgrid/minigrig–Any source except only renewable (Number)		0.00	360.00



Indicator Name	PBC	Baseline	End Target
<p><i>Action: This indicator has been Revised</i></p>		<p>Rationale:</p> <p><i>Target Value updated taking into account project extension, partial cancellation, and updated objectives of the Government of Argentina.</i></p> <p><i>The target is reduced 82% from 2,000 people in the PAD to 360 people in this restructuring. The main reason for the change, in addition to what has been mentioned above, is that in the original project design this indicator corresponds to people that obtained (new) electricity access through hybrid (renewable + thermal) minigrids. This type of minigrids became the larger part of the minigrids to be constructed under the project but, as the total amount of new minigrids was reduced, most minigrids currently planned by the project will provide enhanced service so populations that already had partial service, and it is expected that only 10% of total beneficiaries from these minigrids will have actual "new" service. Thus, this indicator is aligned with the indicator "People that obtain a daily and constant electricity service (through minigrids) and without prior access to the service (Number) " below.</i></p> <p><i>It is worth mentioning that, in the original design, it was expected that most minigrids constructed would be exclusively powered with renewable energy but in addition to the reduction in the overall number of minigrids, the PIU learned through experience that a 100% renewable minigrid would be extremely difficult and expensive to achieve. Thus, most people receiving new or enhanced electricity access through minigrids installed under the project will do so hybrid minigrids.</i></p> <p><i>To install these, the PERMER has made agreements with provincial governments, in which PERMER provided the renewable portion and the provinces provided the thermal generation equipment.</i></p>	
<p>Community electricity connections constructed under the project</p>			
<p>Community electricity connections constructed under the project (Number)</p>		<p>0.00</p>	<p>2,615.00</p>
<p><i>Action: This indicator has been Revised</i></p>		<p>Rationale:</p> <p><i>Target Value updated taking into account project extension, partial cancellation, and updated objectives of the Government of Argentina.</i></p> <p><i>This indicator was increased by 45% (from 1,800 in the PAD to 2,600) due mainly to the increased prioritization of smaller scale systems (schools).</i></p>	



Indicator Name	PBC	Baseline	End Target
Community elec. connections constructed–Offgrid/minigrd–Only renewable sources (Number)		0.00	2,555.00
Action: This indicator has been Revised	<p>Rationale: Target Value updated taking into account project extension, partial cancellation, and updated objectives of the Government of Argentina. This indicator was increased by 46% (from 1,750 in the PAD to 2,555) due mainly to the increased prioritization of smaller scale systems (schools).</p>		
Commy elec. connection constructd–Offgrid/minigrd–Any source except only renewable (Number)		0.00	60.00
Action: This indicator has been Revised	<p>Rationale: Target Value updated taking into account project extension, partial cancellation, and updated objectives of the Government of Argentina. This indicator was increased by 20% (from 50 in the PAD to 60) due mainly to the increased prioritization of smaller scale systems and taking into account community connections energized in villages powered by hybrid microgrids (renewable+thermal).</p>		
People that obtain a daily and constant electricity service (through minigrids)			
People that obtain a daily and constant electricity service (through minigrids) as a result of the project (Number)		0.00	3,600.00
Action: This indicator has been Revised	<p>Rationale: Target Value updated taking into account project extension, partial cancellation, and updated objectives of the Government of Argentina. In addition, the baseline was updated to 0. Due to an increased focus in small scale assets installed (with a reduction in small-town minigrids and community pumping systems) the indicator target was reduced by 91% when compared to the original PAD indicators (from 42,000 in the PAD to 3,600 in the RP). The planned number of minigrids was reduced by the PIU to account for the change in priorities.</p>		



Indicator Name	PBC	Baseline	End Target
People that obtain a daily and constant electricity service and with prior access to the service, as a result of the project (Number)		0.00	3,240.00
Action: This indicator has been Revised	Rationale: Target Value updated taking into account project extension, partial cancellation, and updated objectives of the Government of Argentina. In addition, the baseline was updated to 0. In accordance with the reduction in the planned number of minigrids, this indicator target was reduced by 90% when compared to the original PAD indicators (from 33,000 in the PAD to 3,240 in the RP).		
People that obtain a daily and constant electricity service (through minigrids) and without prior access to the service (Number)		0.00	360.00
Action: This indicator has been Revised	Rationale: Target Value updated taking into account project extension, partial cancellation, and updated objectives of the Government of Argentina. In accordance with the reduction in the planned number of minigrids, this indicator target was reduced by 96% when compared to the original PAD indicators (from 9,000 in the PAD to 360 in the RP). Most minigrids currently planned by the project will provide enhanced service so populations that already had partial service, and it is expected that only 10% of total beneficiaries from these minigrids will have actual "new" service.		



Intermediate Results Indicators by Components

Indicator Name	PBC	Baseline	Intermediate Targets	End Target
			1	
1 - Renewable electricity service provision:(Cost \$215.61 M)				
Community electricity connections constructed under the project (schools) (Number)		0.00		1,821.00
<i>Action: This indicator has been Revised</i>		<p>Rationale: Target Value updated taking into account the project extension and updated objectives of the Government of Argentina. This indicator was increased by 52% (from 1,200 in the PAD to 1,820) due mainly to the increased prioritization of smaller scale systems (schools).</p>		
Community electricity connections constructed under the project (other public facilities) (Number)		0.00		376.00
<i>Action: This indicator has been Revised</i>		<p>Rationale: Target Value updated taking into account the project extension and updated objectives of the Government of Argentina. This indicator was reduced by 37% (from 600 in the PAD to 376) due mainly to the increased prioritization of schools in detriment of other types of small scale systems (PHC, community centers, etc.).</p>		
Generation Capacity of Hydropower constructed or rehabilitated under the project (Megawatt)		0.00		0.21
<i>Action: This indicator has been Revised</i>		<p>Rationale: Target Value updated taking into account project extension (and limited time before project closing date), partial cancellation, and updated objectives of the Government of Argentina. The indicator was reduced by 98% (from 14 to 0.2 MW) in accordance with the reduced priority given to minigrid developments, and even lower priority given to hydro-powered microgrids, due to the particular difficulties these pose and due to the extended timeframes required for their design and installation.</p>		



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Indicator Name	PBC	Baseline	Intermediate Targets	End Target
			1	
Generation Capacity of Hydropower constructed under the project (Megawatt)		0.00		0.21
Action: This indicator has been Revised				
Rationale: <i>Target Value updated taking into account project extension (and limited time before project closing date), partial cancellation, and updated objectives of the Government of Argentina.</i> <i>The indicator was reduced by 98% (from 14 to 0.2 MW) in accordance with the reduced priority given to minigrid developments, and even lower priority given to hydro-powered microgrids, due to the particular difficulties these pose and due to the extended timeframes required for their design and installation.</i>				
Generation Capacity of Renewable Energy (other than hydropower) constructed (MW) (Megawatt)		0.00		9.66
Action: This indicator has been Revised				
Rationale: <i>Target Value updated taking into account project extension, partial cancellation, and updated objectives of the Government of Argentina.</i> <i>The indicator was reduced by 3% (from 10 to 9.7 MW) in accordance with the reduced priority given to minigrid developments, and higher priority given to small-scale systems. The main bulk of installed power generation under the project corresponds to Solar PV generation (9.5MW).</i>				
Generation Capacity of Renewable Energy constructed-Solar (MW) (Megawatt)		0.00		9.48



Indicator Name	PBC	Baseline	Intermediate Targets	End Target
			1	
Action: This indicator has been Revised		<p>Rationale: Target Value updated taking into account project extension, partial cancellation, and updated objectives of the Government of Argentina. The indicator was increased by 18% (from 8 to 9.5 MW) in accordance with the reduced priority given to minigrid developments, and higher priority given to small-scale systems, which run mainly on solar PV generation. For the planned minigrids, the project is planning for them to be powered mainly with solar generation, too.</p>		
Generation Capacity of Renewable Energy constructed – Wind (MW) (Megawatt)		0.00		0.18
Action: This indicator has been Revised		<p>Rationale: Target Value updated taking into account project extension, partial cancellation, and updated objectives of the Government of Argentina. The indicator was reduced by 91% (from 2 to 0.2 MW) in accordance with the reduced priority given to minigrid developments, and higher priority given to small-scale systems, which run mainly on solar PV generation. For the planned minigrids, the project is planning for them to be powered mainly with solar generation, too, and the participation of wind generation will be minor.</p>		
People that obtained access to an electricity service for water pumping only (Number)		0.00		124,200.00
Action: This indicator has been Revised		<p>Rationale: Target Value updated taking into account project extension, partial cancellation, and updated objectives of the Government of Argentina. This indicator was reduced by 33% (from 185,000 in the PAD to 124,000) due mainly to the reduction in the final amount of water pumping systems to be installed, and the prioritization of smaller scale water pumping systems, which result in less individual beneficiaries per intervention.</p>		
Micro-enterprises that obtained an electricity service under the project (Number)		0.00		8,940.00
Action: This indicator has been Revised		<p>Rationale:</p>		



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Indicator Name	PBC	Baseline	Intermediate Targets	End Target
			1	
			<p>Target Value updated taking into account project extension, partial cancellation, and updated objectives of the Government of Argentina.</p> <p>This indicator target was doubled (from 4,200 in the PAD to 8,900) due mainly to the increased prioritization of this component by the new administration's PIU.</p>	
Collective micro-enterprises that obtained an electricity service under the project (Number)		0.00		665.00
Action: This indicator has been Revised			<p>Rationale:</p> <p>Target Value updated taking into account project extension, partial cancellation, and updated objectives of the Government of Argentina.</p> <p>This indicator target increased (from 20 in the PAD to 665) due mainly to the increased prioritization of this component by the new administration's PIU.</p>	
Individual micro-enterprises that obtained an electricity service under the project (Number)		0.00		8,276.00
Action: This indicator has been Revised			<p>Rationale:</p> <p>Target Value updated taking into account project extension, partial cancellation, and updated objectives of the Government of Argentina.</p> <p>This indicator target increased (from 4,200 in the PAD to 8,270) due mainly to the increased prioritization of this component by the new administration's PIU.</p>	
Micro-enterprises supported under the project that increase their production (Percentage)		0.00		65.00
Action: This indicator has been Revised			<p>Rationale:</p> <p>The indicator target had been set in 100% by mistake. The PAD reads 65%</p>	
People that are satisfied with the benefits arising from obtaining access or an enhanced access to		0.00	70.00	80.00



Indicator Name	PBC	Baseline	Intermediate Targets	End Target
			1	
electricity through household connections (Percentage)				
People that are satisfied with the benefits arising from obtaining access or an enhanced access to electricity through community connections (Percentage)		0.00	0.00	80.00
2 - . Solar thermal energy service provision:(Cost \$9.67 M)				
People that obtained access to thermal energy provision (modern spatial heating, cooking, and water heating) in public institutions (Number)		0.00		28,350.00
Action: This indicator has been Revised	<p>Rationale: Target Value updated taking into account project extension, the GoA's updated priorities, and to adjust to the partial cancellation of the loan. The indicator: "People that obtained access to modern water heating systems" was reduced by 83% (from 205,000 to 28,350) and the indicators: "People that obtained access to modern cooking appliances" and "People that obtained access to modern spatial heating systems" have been marked for deletion due to the fact that the project currently is not certain it will have enough time to pursue these objectives. However, there is a possibility that these can be pursued in the future.</p>			
People that obtained access to modern cooking appliances (Number)		0.00		0.00
Action: This indicator has been Marked for Deletion	<p>Rationale: The indicator has been marked for deletion taking into account that the updated priorities of the Government of Argentina, project delays and partial cancellation have forced the PIU to postpone some of the activities originally planned. At this point, the PIU is not certain if they will be able to implement the activities whose impact is measured through this indicator.</p>			
People that obtained access to modern water heating systems (Number)		0.00		28,350.00



Indicator Name	PBC	Baseline	Intermediate Targets	End Target
			1	
Action: This indicator has been Revised				
	<p>Rationale: <i>Target Value updated taking into account project extension, partial cancellation, and updated objectives of the Government of Argentina. The target was reduced by 83% (from 164,000 to 28,000) to account for the GoA's updated priorities, and to adjust to the partial cancellation of the loan.</i></p>			
People that obtained access to modern spatial heating systems (Number)		0.00		0.00
Action: This indicator has been Marked for Deletion				
	<p>Rationale: <i>The indicator has been marked for deletion taking into account that the updated priorities of the Government of Argentina, project delays and partial cancellation have forced the PIU to postpone some of the activities originally planned. At this point, the PIU is not certain if they will be able to implement the activities whose impact is measured through this indicator.</i></p>			
3 - Project deployment support:(Cost \$6.71 M)				
Capacity building, outreach, and training activities implemented under the project (Number)		0.00		70.00
Clean energy studies and strategies supported under the project (Number)		0.00		10.00

