Loan Agreement

(Modernization and Innovation for Better Public Services in Argentina Project)

between

ARGENTINE REPUBLIC

and

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
LOAN AGREEMENT

Agreement dated as of the Signature Date (as defined in the Appendix to this Agreement), between ARGENTINE REPUBLIC ("Borrower") and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT ("Bank"). The Borrower and the Bank hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

1.01. The General Conditions (as defined in the Appendix to this Agreement) constitute an integral part of this Agreement.

1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the General Conditions or in the Appendix to this Agreement.

ARTICLE II — LOAN

2.01. The Bank agrees to lend to the Borrower, on the terms and conditions set forth or referred to in this Agreement, the amount of eighty million Dollars, (80,000,000), as such amount may be converted from time to time through a Currency Conversion in accordance with the provisions of Section 2.08 of this Agreement ("Loan"), to assist in financing the project described in Schedule 1 to this Agreement ("Project").

2.02. The Borrower may withdraw the proceeds of the Loan in accordance with Section IV of Schedule 2 to this Agreement. The Borrower’s Representative for purposes of taking any action required or permitted to be taken pursuant to this Section is its Minister of MoF or MoF’s Undersecretary of International Financial Relations.

2.03. The Front-end Fee payable by the Borrower shall be equal to one quarter of one percent (0.25%) of the Loan amount.

2.04. The Commitment Charge payable by the Borrower shall be equal to one quarter of one percent (0.25%) per annum on the Unwithdrawn Loan Balance.

2.05. The interest payable by the Borrower for each Interest Period shall be at a rate equal to the Reference Rate for the Loan Currency plus the Variable Spread; provided, however, that the interest payable shall in no event be less than zero percent (0%) per annum; and provided furthermore that, upon a Conversion of all or any portion of the principal amount of the Loan, the interest payable by the Borrower during the Conversion Period on such amount shall be determined in accordance with the relevant provisions of Article IV of the General Conditions. Notwithstanding the foregoing, if any amount of the Withdrawn Loan Balance remains unpaid when due and such non-payment continues for a period of thirty days, then the interest payable by the Borrower shall instead be calculated as provided in Section 3.02 (e) of the General Conditions.

2.06. The Payment Dates are March 15 and September 15 in each year.
2.07. The principal amount of the Loan shall be repaid in accordance with the amortization schedule set forth in Schedule 3 to this Agreement.

2.08. (a) The Borrower may at any time request any of the following Conversions of the terms of the Loan in order to facilitate prudent debt management: (i) a change of the Loan Currency of all or any portion of the principal amount of the Loan, withdrawn or unwithdrawn, to an Approved Currency; and (ii) a change of the interest rate basis applicable to: (A) all or any portion of the principal amount of the Loan withdrawn and outstanding from a Variable Rate to a Fixed Rate, or vice versa; or (B) all or any portion of the principal amount of the Loan withdrawn and outstanding from a Variable Rate based on a Reference Rate and the Variable Spread, or vice versa; or (C) all of the principal amount of the Loan withdrawn and outstanding from a Variable Rate based on a Variable Spread to a Variable Rate based on a Fixed Spread; and (iii) the setting of limits on the Variable Rate or the Reference Rate applicable to all or any portion of the principal amount of the Loan withdrawn and outstanding by the establishment of an Interest Rate Cap or Interest Rate Collar on the Variable Rate or the Reference Rate.

(b) Any conversion requested pursuant to paragraph (a) of this Section that is accepted by the Bank shall be considered a "Conversion", as defined in the General Conditions, and shall be effected in accordance with the provisions of Article IV of the General Conditions and of the Conversion Guidelines.

(c) Promptly following the Execution Date for an Interest Rate Cap or Interest Rate Collar for which the Borrower has requested that the premium be paid out of the proceeds of the Loan, the Bank shall, on behalf of the Borrower, withdraw from the Loan Account and pay to itself the amounts required to pay any premium payable in accordance with Section 4.05 (c) of the General Conditions up to the amount allocated from time to time for the purpose in the table in Section IV of Schedule 2 to this Agreement.

ARTICLE III — PROJECT

3.01. The Borrower declares its commitment to the objective of the Project. To this end, the Borrower, through MM, shall carry out the Project with the assistance of the Participating Entities in accordance with the provisions of Article V of the General Conditions.

3.02. Without limitation upon the provisions of Section 3.01 of this Agreement, and except as the Borrower and the Bank shall otherwise agree, the Borrower shall ensure that the Project is carried out in accordance with the provisions of Schedule 2 to this Agreement.
ARTICLE IV — EFFECTIVENESS; TERMINATION

4.01. The Effectiveness Deadline is the date one hundred and eighty (180) days after the Signature Date.

ARTICLE V — REPRESENTATIVE; ADDRESSES

5.01. Except as provided in Section 2.02 of this Agreement, the Borrower’s Representative is its Minister of MoF.

5.02. The Borrower’s Address is:

Ministry of Finance
Hipólito Yrigoyen 250
C1086 AAB, Buenos Aires
Argentina

Cable: MINISTERIO
Telex: DE FINANZAS
Facsimile: 121942-AR (5411) 4349-8815

5.03. The Bank’s Address is:

International Bank for Reconstruction and Development
1818 H Street, N.W.
Washington, D.C. 20433
United States of America

Telex: 248423(MCI) or 64145(MCI)
Facsimile: 1-202-477-6391
AGREED at Buenos Aires, Argentina, on behalf of the Bank on August 17, 2014 and on behalf of the Borrower on August 17, 2014.

ARGENTINE REPUBLIC

By

[Signature]

Authorized Representative

Name: Luis Andres Caputo

Title: Minister of Finance

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

By

[Signature]

Authorized Representative

Name: Jorge Familiar

Title: Vice President - Latin America and the Caribbean Region
SCHEDULE 1

Project Description

The objective of the Project is to improve the quality and accessibility of selected government administrative services and enhance transparency in the public administration.

The Project consists of the following parts:

Part 1. Improvements in Service Delivery to Citizens, Businesses and Government

1.1 Provision of support to improve the quality, accessibility and transparency of selected citizen and business services, at national and subnational levels, including:

(a) the provision of support for the implementation of a digital government strategy, including: (i) the development of a new architecture for the provision of citizen services, including the relaunching of the argentina.gob.ar portal as a single entry point for citizen interaction with the Borrower's relevant national authorities; (ii) the redesigning of digital interfaces and improved user-experience tools of up to 29 key selected processes; (iii) the adoption of a digital citizen profile service; and (iv) the establishment of a digital assistance program to assist citizens in accessing digital services;

(b) the provision of support to the MP for the modernization of SMEs services provision processes through: (i) the reengineering and streamlining of internal administrative processes; (ii) the development of online transactions through the adoption and configuration of a virtual services module (Trámites a Distancia); (iii) the provision of training to personnel for the operation of redesigned processes; and (iv) the acquisition of equipment and supplies for post offices to operate a new electronic system;

(c) the provision of support for the modernization of a set of key civil registry services in the Province of Buenos Aires, including, inter alia: (i) the analysis, standardization, and reengineering of civil registry administrative processes; (ii) the implementation of automated civil registry processes across selected main civil registry offices (cabeceras); (iii) the installation of specific remote electronic services for citizens; and (iv) the provision of training to selected main civil registry offices' personnel for the operation of the processes referred to in (ii) herein; and

(d) the provision of support for the carrying out of selected pilot interventions in government administrative services to citizens, including, inter alia, the updating, modernization and automation of processes for the online provision of government administrative services through the use of an online platform on a remote basis, automated management of selected social benefit programs' transfers, automated
processing of non-tax revenue management, and other remote citizen/business services.

1.2 Provision of support for improving the efficiency and transparency of selected internal government administrative services, including:

(a) the provision of support for enhancing transparency, competition and savings in public procurement, through: (i) the carrying out of an analysis of the procurement needs of the Borrower’s relevant national authorities and the identification of opportunities for the use of procurement framework agreements; (ii) the carrying out of supply and demand studies and the preparation of procurement framework agreements; and (iii) the implementation of procurement framework agreements for selected goods and services through the use of the e-procurement system referred to under Part 2.2 of the Project.

(b) the provision of support to OAC for updating and strengthening the management of the asset declaration system, including, *inter alia*: (i) the implementation of an electronic document management and automated workflows application; (ii) the adoption of business intelligence tools, including the creation of interfaces with other relevant government databases, and the enhancement of reporting and analytical capabilities of the OAC; and (iii) the provision of training to OAC’s personnel on data analysis and risk assessment techniques; and

(c) the provision of support for the carrying out of selected pilot interventions in government to government administrative services, including, *inter alia*: (i) the adoption and implementation of public-management toolkits in Participating Provinces covering the following cross cutting management systems: electronic procurement, electronic document management and human resources; and (ii) the adoption and implementation of modernized toolkits in Participating Municipalities aimed at improving the quality of, and access to, municipal services for citizens.

**Part 2. Strengthening of Cross-Cutting Public Sector Management Systems and Platforms**

2.1 Provision of support to the Borrower’s Chief of Cabinet Office (supported by the MoF and MM) and to other national line ministries, as applicable, for the development of a performance management system through: (a) the development of a two-level strategic planning methodology to provide parameters and guidance for: (i) strategic planning and monitoring; and (ii) monitoring methodologies and problem-solving protocols; (b) the design and development of a software application to support the operation of: (i) customized dashboard applications to support strategic planning and monitoring of progress and results; and (ii) an aggregated dashboard to monitor and inform interventions in selected priority areas; and (c) the deployment of the methodology and dashboards referred to in (a) and (b) herein through a participatory and gradual implementation process, including installation of the software application referred to in (b) herein and the provision of training to users.
2.2 Provision of support for: (a) the upgrading and adaptation of an e-procurement system for the national public administration, including the development of an interface with the national integrated budget and accounting information system (e-SIDIF); (b) the installation and roll out of the updated e-procurement system across purchasing units of the national public administration; (c) the provision of training to personnel responsible for public procurement and the creation of a help-desk; and (d) the elaboration of a national procurement strategy covering market analysis, opportunities for innovation, and policy options to further improve practices in public procurement and contract management for goods, services and public works.

2.3 Provision of support for the implementation of modern human resource (HR) management practices and systems through: (a) the implementation of a HR management system based on electronic document management, automated workflows and business intelligence systems; (b) the harmonization of payroll systems across national line ministries and selected decentralized entities; (c) the carrying out of a workforce planning exercise to analyze each line ministry’s stock of human capital, establish its business needs and design action plans to reach optimum levels; and (d) the development of management and technical competencies of government officials at the national and subnational levels and the promotion of a shared vision of the Borrower’s strategic goals and shared set of values, including service excellence, ethics, transparency and integrity.

2.4 Provision of support for the promotion of open government, open data and open innovation principles, through, inter alia: (a) the strengthening of the National Open Data Initiative, and the promotion of access, use and re-use of public data by broader audiences; (b) the carrying out of activities related with the Argentina’s Open Government Strategy; (c) the development of Gob Lab, a platform to seek innovative solutions to specific public management and service delivery challenges; (d) the generation, testing, and implementation of innovation processes to identify and propose solutions to public sector challenges; and (e) the carrying out of pilot for public innovation activities at the Autonomous City of Buenos Aires.

Part 3. Enabling Technology and Reform Management

3.1 Provision of support for the development and implementation of a comprehensive and centrally managed change management and communication strategy, including: (a) the preparation of a high level risk assessment to prioritize interventions and develop a well-targeted change management plan; (b) the execution of specific stakeholder analyses; (c) the preparation of change management plans; (d) the development and implementation of a comprehensive communication strategy; (e) the development and implementation of targeted training programs for stakeholders; and (f) the provision of support for overall Project coordination and management; including the support for the carrying out of Project audits.

3.2 Provision of support for: (a) the adoption and implementation of an electronic workflow management platform for documents; (b) the implementation of electronic identification
document authentication mechanisms and expansion of the use of the digital signature; and (c) the installation of data warehouse and business intelligence tools aimed at enabling the Borrower’s relevant national authorities to store and exploit the data generated through digital services.

3.3 Provision of support for the expansion of ARSAT’s datacenter’s capacity to respond to increased data processing and storage demands, including: (a) the enhancements of ARSAT’s datacenter’s capacity to host information and communication services for the Borrower’s relevant agencies; (b) the expansion of ARSAT’s datacenter’s information technology capacity at its secondary center to strengthen business continuity services; (c) the establishment of an emergency response center team to provide cyber-security services; and (d) the provision of technical assistance to the Borrower’s relevant public institutions to: (i) support the effective provision of ARSAT’s datacenter’s services; and (ii) develop and implement environmentally friendly information and communication management protocols, including the design of protocols for the disposal of outdated equipment and hardware.
SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements

1. The Borrower, through MM, shall operate and maintain, at all times during Project implementation, the Project implementation unit ("PIU"), with structure, functions and responsibilities acceptable to the Bank, as set forth in the Operational Manual, including, inter alia, the responsibility of the PIU to implement, monitor and supervise the carrying out of the Project (including its financial, procurement and safeguards aspects).

2. The Borrower, through MM, shall ensure that the PIU is, at all times during Project implementation, assisted by professional staff (including, inter alia, a Project coordinator, a financial management specialist and procurement specialist) and administrative staff, all in numbers and with terms of reference, and qualifications and experience, acceptable to the Bank.

3. The Borrower, through the PIU, shall hire a firm with experience and qualifications acceptable to the Bank (the "Change Management Firm") in accordance with Section III of this Schedule, for purposes of assisting the PIU in the development and implementation of the strategy referred to under Part 3.1 of the Project.

4. Prior to the carrying out of any activity under the Project in which an implementation team is required, as determined by MM, the Borrower, through the MM, shall establish and maintain, throughout Project implementation, an implementation team for the corresponding activity, chaired by MM and comprised, if applicable, of representatives of the pertinent Participating Entity (as the case may be), all with functions and responsibilities acceptable to the Bank and in accordance with the terms defined in the Operational Manual, including the responsibility to provide technical support for the implementation of the corresponding Project activity.

5. Not later than three (3) months after the Effective Date, the Borrower, through the PIU, shall hire a consultant with experience, qualifications and terms of reference acceptable to the Bank in accordance with Section III of this Schedule, for purposes of assisting the PIU in the verification of compliance of selected DLIs.

6. (a) For purposes of carrying out Parts 1.1(b), 1.1(c), 1.2(b), 1.2(c), 2.4(e) and 3.3 of the Project, and prior to the carrying out of any activity under said Parts of the Project which falls under the administrative jurisdiction of a Participating Entity, the Borrower, through MM, shall enter into an agreement with the pertinent Participating Entity (as the case may be) (the Inter-institutional Agreement), all under terms and conditions acceptable to the Bank, which shall include, inter alia, the obligation of the Participating Entity to: (i) assist the Borrower, through MM, in the carrying out of the corresponding Part of the Project;
and (ii) if applicable, appoint a representative to the implementation team referred to in Section I.A.4 of this Agreement.

(b) The Borrower, through MM, shall exercise its rights and carry out its obligations under each Inter-institutional Agreement in such a manner as to protect the interest of the Borrower and the Bank and to accomplish the purposes of the Loan. Except the Bank shall otherwise agree, the Borrower, through MM, shall not assign, amend, terminate, abrogate, waive or fail to enforce any Interinstitutional Agreement or any provision thereof.

7. (a) In case any post office to be benefitted under Part 1.1 (b) (iv) of the Project is vested with legal personality, or owned/managed by a legal entity, the Borrower, through MM, shall, prior to the carrying out of said activity for the benefit of pertinent post office, enter into a separate agreement (the Post Office Agreement) with each said post office or legal entity (as the case may be), on terms and conditions acceptable to the Bank, which shall include, inter alia, the obligation of said post office or legal entity to undertake all necessary actions to enable the Borrower, through MM, to comply with the pertinent obligations under this Agreement as applicable to Part 1.1 (b) (iv) of the Project.

(b) (i) The Borrower, through MM, shall exercise its rights under each Post Office Agreement in such manner as to protect the interests of the Borrower and the Bank and to accomplish the purposes of the Loan; and (ii) except as the Bank shall otherwise agree, the Borrower, through MM, shall not assign, amend, abrogate, terminate, waive or fail to enforce any Post Office Agreement, or any provision thereof.

B. Operational Manual

1. Without limitation to the provisions of Section 3.01 of this Agreement, the Borrower, through MM, shall carry out the Project in accordance with the provisions of a manual (the Operational Manual), acceptable to the Bank, which shall include, inter alia: (a) the procedures for the carrying out, monitoring and evaluation of the Project, including verification protocols to confirm DLR achievement; (b) the organizational structure of the Project, including the functions and responsibilities of the PIU; (c) the Project procurement and financial management requirements and procedures; (d) the Project's chart of accounts and internal controls; (e) the indicators to be used for Project monitoring and evaluation; and (f) the Indigenous Peoples Plan (IPP).

2. Except as the Bank shall otherwise agree, the Borrower, through MM, shall not amend, terminate or waive the Operational Manual or any of its provisions. In case of any conflict among the terms of the Operational Manual and those of this Agreement, the terms of this Agreement shall prevail.

C. Anti-Corruption

The Borrower shall ensure that the Project is carried out in accordance with the provisions of the Anti-Corruption Guidelines.
D. Safeguards

1. The Borrower, through the PIU, shall carry out the Project in accordance with the National Indigenous Peoples Plan (IPP).

2. The Borrower, through the PIU, shall ensure that the terms of reference for any consultancies related to the technical assistance provided under Parts 2.2 (d) and 3.3(d) (ii) of the Project, shall be acceptable to the Bank following its review thereof and, to that end, such terms of reference shall duly incorporate the requirement of the Bank’s Safeguard Policies then in force, as applied to the advice conveyed through such technical assistance.

Section II. Project Monitoring Reporting and Evaluation

A. Project Reports

1. The Borrower shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 5.08 of the General Conditions and on the basis of indicators acceptable to the Bank and set forth in the Operational Manual. Each Project Report shall cover the period of one calendar semester, and shall be furnished to the Bank not later than forty five (45) days after the end of the period covered by such report.

B. Financial Management, Financial Reports and Audits

1. The Borrower, through the PIU, shall maintain or cause to be maintained a financial management system in accordance with the provisions of Section 5.09 of the General Conditions.

2. Without limitation on the provisions of Part A of this Section, the Borrower, through the PIU, shall prepare and furnish to the Bank not later than forty five (45) days after the end of each calendar quarter, interim unaudited financial reports for the Project covering the quarter, in form and substance satisfactory to the Bank.

3. The Borrower, through the PIU, shall have its Financial Statements audited in accordance with the provisions of Section 5.09 (b) of the General Conditions. Each audit of the Financial Statements shall cover the period of one fiscal year of the Borrower. The audited Financial Statements for each such period shall be furnished to the Bank not later than six months after the end of such period.

Section III. Procurement

All goods, works, non-consulting services and consulting services required for the Project and to be financed out of the proceeds of the Loan shall be procured in accordance with the requirements set forth or referred to in the Procurement Regulations and the provisions of the Procurement Plan.
Section IV. Withdrawal of Loan Proceeds

A. General

1. The Borrower may withdraw the proceeds of the Loan in accordance with the provisions of Article II of the General Conditions, this Section, and such additional instructions as the Bank shall specify by notice to the Borrower (including the “World Bank Disbursement Guidelines for Projects” dated May 2006, as revised from time to time by the Bank and as made applicable to this Agreement pursuant to such instructions), to finance Eligible Expenditures as set forth in the table in paragraph 2 below.

2. The following table specifies the categories of Eligible Expenditures that may be financed out of the proceeds of the Loan (“Category”), the allocation of the amounts of the Loan to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category.

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Loan Allocated (expressed in USD)</th>
<th>Percentage of Expenditures to be financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Underlying Expenditures under Parts 1.1(a), 1.1(c), 2.2 and 3.2 (a) of the Project</td>
<td>20,000,000</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Goods, works, non-consulting services, consulting services, Training and Workshops, and Operating Costs under Parts 1.1(b), 1.1(d), 1.2, 2.1, 2.3, 2.4, 3.1, 3.2(b), 3.2(c), and 3.3 of the Project.</td>
<td>59,800,000</td>
<td>100%</td>
</tr>
<tr>
<td>(3) Front-end Fee</td>
<td>200,000</td>
<td>Amount payable pursuant to Section 2.03 of this Agreement in accordance with Section 2.07 (b) of the General Conditions</td>
</tr>
<tr>
<td>(4) Interest Rate Cap or Interest Rate Collar premium</td>
<td>0</td>
<td>Amount due pursuant to Section 2.08(c) of this Agreement</td>
</tr>
<tr>
<td>TOTAL AMOUNT</td>
<td>80,000,000</td>
<td></td>
</tr>
</tbody>
</table>

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made:

   (a) for payments made prior to the Signature Date, except that withdrawals up to an aggregate amount not to exceed USD 16,000,000 may be made for payments made
prior to the Signature Date but on or after August 1, 2016 (but in no case more than one year prior to the Signature Date), for Eligible Expenditures, provided that the pertinent obligations/conditions set forth in this Agreement and in the Additional Instructions, as applicable to each Eligible Expenditure have been complied with in a manner acceptable to the Bank; and

(b) under Category (1), unless the Borrower has furnished to the Bank in respect of any DLR, supporting documentation acceptable to the Bank confirming the achievement of the respective DLR or DLRs in form and in substance, as further elaborated in the Additional Instructions.

2. Notwithstanding the provisions of paragraph 1(b) of this Section, if the Bank is not satisfied that any DLR under Category (1) has been achieved, the Bank may at any time, and by notice to the Borrower, decide, in its sole discretion to:

(a) withhold the unwithdrawn proceeds of the Loan then allocated to said DLR until the Bank is satisfied that said DLR has been fully achieved; or

(b) (i) reallocate all or a portion of the proceeds of the Loan then allocated to said DLR to any other DLR; and/or (ii) cancel all or a portion of the proceeds of the Loan then allocated to said DLR.

3. If, at any time, the Bank determines that any portion of the amounts withdrawn by the Borrower under Category (1) was made: (i) for ineligible expenditures; or (ii) not in compliance with the provisions of paragraph 1(b) of this Section, the Borrower shall promptly refund any such amount to the Bank as the Bank shall specify by notice to the Borrower. The Bank may thereafter cancel such refunded amount.

4. The Closing Date is June 30, 2021.
SCHEDULE 3
Amortization Schedule

1. The following table sets forth the Principal Payment Dates of the Loan and the percentage of the total principal amount of the Loan payable on each Principal Payment Date ("Installment Share"). If the proceeds of the Loan have been fully withdrawn as of the first Principal Payment Date, the principal amount of the Loan repayable by the Borrower on each Principal Payment Date shall be determined by the Bank by multiplying: (a) Withdrawn Loan Balance as of the first Principal Payment Date; by (b) the Installment Share for each Principal Payment Date, such repayable amount to be adjusted, as necessary, to deduct any amounts referred to in paragraph 4 of this Schedule, to which a Currency Conversion applies.

<table>
<thead>
<tr>
<th>Principal Payment Date</th>
<th>Installment Share (Expressed as a Percentage)</th>
</tr>
</thead>
<tbody>
<tr>
<td>On each March 15 and September 15, Beginning March 15, 2024 through September 15, 2048</td>
<td>1.96 %</td>
</tr>
<tr>
<td>On March 15, 2049</td>
<td>2.00 %</td>
</tr>
</tbody>
</table>

2. If the proceeds of the Loan have not been fully withdrawn as of the first Principal Payment Date, the principal amount of the Loan repayable by the Borrower on each Principal Payment Date shall be determined as follows:

(a) To the extent that any proceeds of the Loan have been withdrawn as of the first Principal Payment Date, the Borrower shall repay the Withdrawn Loan Balance as of such date in accordance with paragraph 1 of this Schedule.

(b) Any amount withdrawn after the first Principal Payment Date shall be repaid on each Principal Payment Date falling after the date of such withdrawal in amounts determined by the Bank by multiplying the amount of each such withdrawal by a fraction, the numerator of which is the original Installment Share specified in the table in paragraph 1 of this Schedule for said Principal Payment Date ("Original Installment Share") and the denominator of which is the sum of all remaining Original Installment Shares for Principal Payment Dates falling on or after such date, such amounts repayable to be adjusted, as necessary, to deduct any amounts referred to in paragraph 4 of this Schedule, to which a Currency Conversion applies.

3. (a) Amounts of the Loan withdrawn within two calendar months prior to any Principal Payment Date shall, for the purposes solely of calculating the principal amounts payable on any Principal Payment Date, be treated as withdrawn and outstanding on the second Principal Payment Date following the date of withdrawal and shall
be repayable on each Principal Payment Date commencing with the second Principal Payment Date following the date of withdrawal.

(b) Notwithstanding the provisions of sub-paragraph (a) of this paragraph, if at any time the Bank adopts a due date billing system under which invoices are issued on or after the respective Principal Payment Date, the provisions of such sub-paragraph shall no longer apply to any withdrawals made after the adoption of such billing system.

4. Notwithstanding the provisions of paragraphs 1 and 2 of this Schedule, upon a Currency Conversion of all or any portion of the Withdrawn Loan Balance to an Approved Currency, the amount so converted in the Approved Currency that is repayable on any Principal Payment Date occurring during the Conversion Period, shall be determined by the Bank by multiplying such amount in its currency of denomination immediately prior to the Conversion by either: (i) the exchange rate that reflects the amounts of principal in the Approved Currency payable by the Bank under the Currency Hedge Transaction relating to the Conversion; or (ii) if the Bank so determines in accordance with the Conversion Guidelines, the exchange rate component of the Screen Rate.

5. If the Withdrawn Loan Balance is denominated in more than one Loan Currency, the provisions of this Schedule shall apply separately to the amount denominated in each Loan Currency, so as to produce a separate amortization schedule for each such amount.
**SCHEDULE 4**

<table>
<thead>
<tr>
<th>Parts of the Project</th>
<th>DLIs</th>
<th>Disbursement Linked Result</th>
<th>Amount of the Loan Allocated (expressed in USD)</th>
</tr>
</thead>
</table>
| **Part 1.**  
Improvements in Service Delivery to Citizens, Businesses and Government | DLI#1.  
Implementation of cumulative number of key citizen centric processes redesigned with support from the MM and available online in the argentin.gob.ar portal (from a baseline of 0) | DLR# 1.1: Website available with an updated catalog of citizen services | 1,000,000 |
|  |  | DLR# 1.2: At least 3 redesigned citizen services available online | 750,000 |
|  |  | DLR# 1.3: At least 8 redesigned citizen services available online | 750,000 |
|  |  | DLR# 1.4: At least 11 redesigned citizen services available online | 750,000 |
|  |  | DLR# 1.5: At least 14 redesigned citizen services available online | 750,000 |
|  |  | DLR# 1.6: At least 18 redesigned citizen services available online | 500,000 |
|  |  | DLR# 1.7: At least 22 redesigned citizen services available online | 500,000 |
|  | DLI#2.  
Cumulative number of main civil registry offices (cabeceras) within the Province of Buenos Aires with an operating electronic civil registry (from a baseline of 0) | DLR# 2.1: Inter-institutional Agreement signed between the Borrower, through, MM and the Province of Buenos Aires for the implementation Part 1.1(c) of the Project | 500,000 |
|  |  | DLR# 2.2: 10 main regional offices with an operating electronic civil registry | 300,000 |
|  |  | DLR# 2.3: 30 main regional offices with an operating electronic civil registry | 700,000 |
|  |  | DLR# 2.4: 50 main regional offices with an operating electronic civil registry | 400,000 |
|  |  | DLR# 2.5: 80 main regional offices with an operating electronic civil registry | 600,000 |
|  |  | DLR# 2.6: 100 main regional offices with an operating electronic civil registry | 200,000 |
|  |  | DLR# 2.7: 137 main regional offices with an operating electronic civil registry | 300,000 |
| **Part 2.**  
Strengthening of Cross-Cutting Public Sector Management | DLI#3.  
Percentage of purchasing units (out of a total of 98 purchasing units) within the national public | DLR# 3.1: 11% of purchasing units | 500,000 |
<p>|  |  | DLR# 3.2: 25% of purchasing units | 200,000 |
|  |  | DLR# 3.3: 50% of purchasing units | 300,000 |
|  |  | DLR# 3.4: 60% of purchasing units | 500,000 |
|  |  | DLR# 3.5: 75% of purchasing units | 500,000 |
|  |  | DLR# 3.6: 85% of purchasing units | 400,000 |</p>
<table>
<thead>
<tr>
<th>Parts of the Project</th>
<th>DLIs</th>
<th>Disbursement Linked Result</th>
<th>Amount of the Loan Allocated (expressed in USD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Systems and Platforms</td>
<td>administration operating with the new procurement system</td>
<td>Target 3.7: 95% of purchasing units</td>
<td>600,000</td>
</tr>
<tr>
<td>Part 3. Enabling Technology and Reform Management</td>
<td>DLI#4. Cumulative number of government internal administrative processes mapped and modelled with eDMS across national line ministries and other entities of the national public administration (from a baseline of 0)</td>
<td>DLR# 4.1: 30 government internal administrative processes mapped and modelled with eDMS</td>
<td>1,000,000</td>
</tr>
<tr>
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<td>DLR# 4.2: 80 government internal administrative processes mapped and modelled with eDMS</td>
<td>1,200,000</td>
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<tr>
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<td>DLR# 4.3: 130 government internal administrative processes mapped and modelled with eDMS</td>
<td>1,800,000</td>
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<tr>
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<td></td>
<td>DLR# 4.4: 200 government internal administrative processes mapped and modelled with eDMS</td>
<td>1,000,000</td>
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<tr>
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<td>DLR# 4.5: 280 government internal administrative processes mapped and modelled with eDMS</td>
<td>1,500,000</td>
</tr>
<tr>
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<td></td>
<td>DLR# 4.6: 350 government internal administrative processes mapped and modelled with eDMS</td>
<td>1,100,000</td>
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<tr>
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<td></td>
<td>DLR# 4.7: 460 government internal administrative processes mapped and modelled with eDMS</td>
<td>1,400,000</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td></td>
<td>20,000,000</td>
</tr>
</tbody>
</table>
APPENDIX

Section I. Definitions

1. “Additional Instructions” means the instructions referred to in Section IV.A.1 of Schedule 2 to this Agreement.


4. “ARSA” means Empresa Argentina de Soluciones Satelitales S.A., a telecommunications company wholly owned by the Borrower.

5. “Category” means a category set forth in the table in Section IV of Schedule 2 to this Agreement.

6. “Disbursement-Linked Indicator” or “DLI” means any given indicator set forth in the second column of the table set forth in Schedule 4 of this Agreement.

7. “Disbursement Linked Result” or “DLR” means any given result set forth in the third column of the table in Schedule 4 to this Agreement on the basis of the achievement of which, the amount of the Loan under Category (1) allocated to said result as set forth in the fourth column of the table in said Schedule 4 may be withdrawn in accordance with the provisions of Section IV.B.1(b) of Schedule 2 to this Agreement.

8. “eDMS” means electronic document management system (sistema de gestión electrónica de documentos - GDOS).


10. “Inter-institutional Agreement” means any of the agreements referred to in Section I.A.6 (a) of Schedule 2 to this Agreement.

11. “Indigenous Peoples Plan” or “IPP” means the plan prepared by the Borrower and approved by the Bank, dated January, 2017, published in the Borrower’s territory on January 13, 2017 and in the Bank’s external website on January 13, 2017, describing the specific measures and implementation arrangements to be undertaken to guide the interventions and consultations with indigenous peoples under the Project.
12. "National Open Data Initiative" means the Borrower’s initiative aimed at publicly disclosing data in a proactive, complete and timely manner, through channels, means, formats and licenses that best facilitate their local accessibility, processing, use, reuse and redistribution, in accordance with Borrower’s Decree No. 117, dated January 12, 2016, as published in the Borrower’s Official Gazette on January 13, 2016.

13. “MoF” means Ministerio de Finanzas, the Borrower’s Ministry of Finance, or any successor thereto acceptable to the Bank.

14. “MM” means Ministerio de Modernización, the Borrower’s Ministry of Modernization, or any successor thereto acceptable to the Bank.

15. “MP” means Ministerio de Producción, the Borrower’s Ministry of Production, or any successor thereto acceptable to the Bank.

16. “OAC” means Oficina Anticorrupción, the Borrower’s Anti-Corruption Office established within the Borrower’s Ministry of Justice and Human Rights.

17. “Operating Costs” means reasonable recurrent expenditures (other than consulting services), based on annual budget previously approved by the Bank, that would not have been incurred by the Borrower, through MM, absent the Project, for transportation and per diem costs of the Borrower’s staff, Project administration costs (including office rent, operation and maintenance of equipment and non-durable goods).


19. “Operational Manual” means the Borrower’s manual, acceptable to the Bank, set forth in Section I.B.1 of Schedule 2 to this Agreement, dated January 2017, as the same may be amended from time to time with the agreement of the Bank.

20. “Participating Entity” means any Participating Province, any Participating Municipality, OAC, MP and/or ARSAT.

21. “Participating Municipality” means the Borrower’s Autonomous City of Buenos Aires or any political subdivision of any Participating Province, which meets the eligibility criteria set forth in the Operational Manual to participate in the Project.

22. “Participating Province” means any of the Borrower’s political subdivisions, as per title Two of the Borrower’s 1994 Constitution (excluding the Borrower’s Autonomous City of Buenos Aires which, for purposes of the Project, has been defined as a Participating Municipality), which meet the eligibility criteria set forth in the Operational Manual to Participate in the Project.

23. “PIU” means the unit referred to in Section I.A.1 of Schedule 2 to this Agreement, or any successor thereto acceptable to the Bank.
24. "Post Office Agreement" means any of the agreements referred to in Section I.A.7 (a) of Schedule 2 to this Agreement.

25. "Procurement Plan" means the Borrower’s procurement plan for the Project, dated January 16, 2017 and provided for under Section IV of the Procurement Regulations, as the same may be updated from time to time in agreement with the Bank.


27. "Province of Buenos Aires" means a Participating Province.

28. "Signature Date" means the latest of the two dates on which the Borrower and the Bank signed the Loan Agreement.

29. "SME" means a micro, small or medium sized enterprise, defined as such in the Operational Manual.

30. "Training and Workshops" means expenditures (other than those for consulting services) incurred by the Borrower, through MM, as approved by the Bank on the basis of an annual budget acceptable to the Bank in connection with the carrying out of workshop and/or training activities, including reasonable transportation costs and per-diem of trainees and trainers or workshop participants (if applicable), training registration fees, and rental of training or workshop facilities and equipment under the Project.

31. "Underlying Expenditures" means expenditures within the MM’s budgetary allocation for modernization of government administrative services, which consist of salaries of the MM’s staff and utilities costs (such as electricity, water, gas, telephone, internet, cellular phones, and post) all which have been incurred by MM in connection with the implementation of Parts 1.1(a), 1.1(c), 2.2 and 3.2 (a) of the Project (and thus said set of expenditures constitute a subset of the Eligible Expenditures defined in the General Conditions).

Section II. Modifications to the General Conditions

The General Conditions are hereby modified as follows:

1. In the Table of Contents, the references to Sections, Section names and Section numbers are modified to reflect the modifications set forth in the paragraphs below.
2. Section 3.01. *Front-end Fee* is modified to read as follows:

"Section 3.01. *Front-end Fee; Commitment Charge*

(a) The Borrower shall pay the Bank a front-end fee on the Loan amount at the rate specified in the Loan Agreement (the "Front-end Fee").

(b) The Borrower shall pay the Bank a commitment charge on the Unwithdrawn Loan Balance at the rate specified in the Loan Agreement (the "Commitment Charge"). The Commitment Charge shall accrue from a date sixty days after the date of the Loan Agreement to the respective dates on which amounts are withdrawn by the Borrower from the Loan Account or cancelled. The Commitment Charge shall be payable semi-annually in arrears on each Payment Date."

3. In the Appendix, **Definitions**, all relevant references to Section numbers and paragraphs are modified, as necessary, to reflect the modification set forth in paragraph 2 above.

4. The Appendix is modified by inserting a new paragraph 19 and a new paragraph 88 with the following definition of "Commitment Charge" and "Signature Date", respectively, and renumbering the subsequent paragraphs accordingly:

"19. "Commitment Charge" means the commitment charge specified in the Loan Agreement for the purpose of Section 3.01(b)."

"88. "Signature Date" means the latest of the two dates on which the Borrower and the Bank signed the Loan Agreement."

5. In the renumbered paragraph 49 (originally paragraph 48) of the Appendix, the definition of "Front-end Fee" is modified by replacing the reference to Section 3.01 with Section 3.01 (a).

6. In the renumbered paragraph 68 (originally paragraph 67) of the Appendix, the definition of the term "Loan Payment" is modified to read as follows:

"68. "Loan Payment" means any amount payable by the Loan Parties to the Bank pursuant to the Legal Agreements or these General Conditions, including (but not limited to) any amount of the Withdrawn Loan Balance, interest, the Front-end Fee, the Commitment Charge, interest at the Default Interest Rate (if any), any prepayment premium, any transaction fee for a Conversion or early termination of a Conversion, the Variable Spread Fixing Charge (if any), any premium payable upon the establishment of an Interest Rate Cap or Interest Rate Collar, and any Unwinding Amount payable by the Borrower."

7. In the renumbered paragraph 73 (originally paragraph 72) of the Appendix, the definition of "Payment Date" is modified by deleting the word "is" and inserting the words "and Commitment Charge are" after the word "interest".
8. Any reference to "the date of the Loan Agreement" shall be modified with the term "Signature Date".