



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	43.14	1.86
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. 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 35,7 million, which represents about 79 percent of the loan.

This would be the second level II restructuring and the first extension the original closing date of the Additional Financing. In April 2019, the Bank approved a restructuring of the Project to increase the Bank financing of eligible expenditures for category 1 (civil works) from 70 percent to 100 percent 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.

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.

B. PROPOSED CHANGES

The proposed Level Two restructuring of the Urban Transport in Metropolitan Area consists of (i) reallocation of proceeds among the existing categories of expenditures to adjust for overspending in civil works; and (ii) a 6-month extension of the loan closing date from June 30, 2019 to December 31, 2019 that would allow the Project to fully achieve the PDO objective by allowing the completion of the Saenz Transfer Station works.

The borrower has requested to increase to funds available in Category 1 “civil works” by USD 388.832 (less the 1% of the original amount), by reallocating of remaining funds form Category 2 “goods and service” and Category 3 “operating costs”.

The proposed six-month extension is based on the current action plan discussed with the Borrower, to ensure the completion of all project activities by December 2019. Nonetheless, the Borrower has agreed with the Contractor an Acceleration Plan to increase the monthly progress to conclude the works in October 2019 to allow for contingency time.

C. RATIONALE FOR RESTRUCTURING

The justification of the proposed restructuring is to achieve the PDO through ensuring the completion of this major infrastructure investment, that have been delayed due to the following unforeseen circumstances and modifications:

(i) Additional works and modifications that were not planned have generated deviations from the work plan. These include additional electrical works for the temporary station, the installation of a security video surveillance system for the temporary station as well as the modification of the architectural layout of the temporary station.



The World Bank

Urban Transport in Metropolitan Areas (P095485)

IBRD- 87000-001 Currency: USD	CW-Integration Subp - Parts C2 & C5	42,216,671.00	32,077,168.56	42,605,503.00	100.00	100
	GO, CS and Non- CS	2,570,829.00	1,949,815.59	2,281,182.00	100.00	100.00
	OP under Part E of the Project	100,000.00	713.18	815.00	100.00	100.00
	Interest Rate CAP/COLLAR premium	0.00	0.00	0.00		
	Total	44,887,500.00	34,027,697.33	44,887,500.00		