

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

ARGENTINA

SOCIAL INCLUSION SUPPORT PROGRAM FOR PERSONS WITH DISABILITIES

(AR-L1366)

LOAN PROPOSAL

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ABBREVIATIONS

AGN	Office of the Auditor General of the Nation
ANDIS	Agencia Nacional de Discapacidad [National Disability Agency]
ANSES	Administración Nacional de la Seguridad Social [National Social Security Administration]
CRPD	Convention on the Rights of Persons with Disabilities
CUD	Certificado Único de Discapacidad [Certificate of Disability]
DEM	Development Effectiveness Matrix
DGTAL	Dirección General Técnica, Administrativa y Legal [Technical, Administrative, and Legal Division of ANDIS]
DLI	Disbursement-linked indicator
EAH	Encuesta Anual de Hogares [Annual Household Survey]
ENDI	Encuesta Nacional de Personas con Discapacidad [National Survey of Persons with Disabilities]
ESPS	Environmental and Social Performance Standards
ICAP	Institutional Capacity Analysis Platform
IDB	Inter-American Development Bank
INDEC	Instituto Nacional de Estadística y Censos [National Institute of Statistics and Censuses]
LBR	Loan based on results
MAPS	Methodology for Assessing Procurement Systems
MDB	Multilateral development bank
PAMI	Instituto Nacional de Servicios Sociales para Jubilados y Pensionados [National Social Services Institute for Retirees and Pensioners]
PFI	Institutional strengthening output
PwD	Persons with disabilities
SIIAPDIS	Sistema Integrado de Información y Administración de Prestaciones por Discapacidad del Programa Incluir Salud [Integrated Disability Benefits Information and Administration System of the Incluir Salud Program]
UFE	Unidad de Financiamiento Externo [External Financing Unit]
UGP	Unidades de Gestión Provincial [Provincial management units]

PROJECT SUMMARY
ARGENTINA
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Financial Terms and Conditions				
Borrower: Argentine Republic Executing agency: Borrower, through the National Disability Agency (ANDIS)			Flexible Financing Facility ^(a)	
			Amortization period:	25 years
			Disbursement period:	3 years
			Grace period:	5.5 years ^(b)
Source	Amount (US\$)	%	Interest rate:	SOFR-based
IDB (Ordinary Capital):	265,000,000	100	Credit fee:	^(c)
			Inspection and supervision fee:	^(c)
Total:	265,000,000	100	Weighted average life:	15.25 years
			Approval currency:	U.S. dollars
Project at a Glance				
Project objective: The general objective of the program is to reduce social exclusion levels among persons with disabilities. Consistent with the Convention on the Rights of Persons with Disabilities (CRPD), the specific development objectives of the program are: (i) to promote effective access to rights, services, and basic entitlements for persons with disabilities; and (ii) to build the capacity of the National Disability Agency (ANDIS) as the lead agency on disability, responsible for mainstreaming the disability perspective across the public and private spheres.				
Special contractual conditions precedent to the first disbursement of the loan: The borrower, acting through the executing agency, will present evidence of: (i) the approval and entry into force of the program Operating Regulations under terms and conditions agreed upon previously with the Bank; (ii) the approval and entry into force of the internal regulations of the External Financing Unit (UFE), formalizing its internal structure and relationship with the other organizational units of the executing agency; and (iii) the contractual engagement of the independent verification agent responsible for verification of the results corresponding to the disbursement-linked indicators (DLI) for the program, in accordance with terms of reference previously agreed upon with the Bank (paragraph 3.7).				
Exceptions to Bank policies: None.				
Strategic Alignment				
Challenges: ^(d)	SI <input checked="" type="checkbox"/>		PI <input type="checkbox"/>	EI <input type="checkbox"/>
Crosscutting themes: ^(e)	GE <input checked="" type="checkbox"/> and DI <input checked="" type="checkbox"/>		CC <input type="checkbox"/> and ES <input type="checkbox"/>	IC <input checked="" type="checkbox"/>

^(a) Under the terms of the Flexible Financing Facility (document FN-655-1), the borrower has the option of requesting changes to the amortization schedule, as well as currency, interest rate, commodity, and catastrophe protection conversions. The Bank will take operational and risk management considerations into account when reviewing such requests.

^(b) Under the flexible repayment options of the Flexible Financing Facility, changes to the grace period are permitted provided that they do not entail any extension of the original weighted average life of the loan or the last payment date as documented in the loan contract.

^(c) The credit fee and the inspection and supervision fee will be established periodically by the Board of Executive Directors as part of its review of the Bank's lending charges, in accordance with applicable policies.

^(d) SI (Social Inclusion and Equality); PI (Productivity and Innovation); and EI (Economic Integration).

^(e) GE (Gender Equality) and DI (Diversity); CC (Climate Change) and ES (Environmental Sustainability); and IC (Institutional Capacity and Rule of Law).

I. DESCRIPTION AND RESULTS MONITORING

A. Background, problem addressed, and rationale

- 1.1 In the framework of the United Nations Convention on the Rights of Persons with Disabilities (CRPD), in effect since 2014,¹ disability is defined as the result of the interaction between persons with impairments—long-term physical, mental, intellectual, or sensory—and barriers in their environment that hinder their full and effective participation in society on an equal basis with others. This definition has fundamental implications for public policy insofar as it views disability as a form of discrimination that is mutable in the presence of the necessary resources and supports. Accordingly, the CRPD instructs national governments to work towards removing the barriers faced by persons with disabilities, including attitudinal (stereotypes, discrimination), communication, information, physical, and policy barriers (e.g., public services or social, community, and work environments that have been designed without reasonable accommodation to make them accessible to everyone).
- 1.2 According to the National Institute of Statistics and Censuses (INDEC), Argentina was home in 2018 to at least 3.6 million people over the age of 6 with disabilities (10.2% of that age group) [1]. One of the main factors associated with disability is age, and INDEC estimates that 25.4% of people between 65 and 79 and 46.6% of people over 80 are persons with disabilities. Due to the aging of the population, the number of persons with disabilities in Argentina could increase by 50% between 2020 and 2050 [2].
- 1.3 **Development problem: greater social exclusion among persons with disabilities.** People with disabilities are among the most marginalized groups in the world, with lower educational achievement, less participation in the economy and under worse conditions, poorer health care, and higher rates of poverty than people without disabilities [3]. At present, there are no population surveys that adequately measure the population with disabilities and also provide information on income, education, and employment. The 2018 Annual Household Survey (EAH) reports on these gaps for the Autonomous City of Buenos Aires:² for persons with disabilities between the ages of 20 and 40 and between 20 and 50, the secondary school completion rate and the formal employment rate are 76% and 49%, respectively, but for persons without disabilities, the corresponding rates are 86% and 57%.³ Meanwhile, 23% of persons with disabilities are in the lowest income quintile, compared with 18% of persons without disabilities. Secondary school completion and formal employment rates are even lower among persons with disabilities who

¹ Argentina ratified the CRPD and granted it constitutional hierarchy under Law 27,044.

² The 2018 EAH applied a disability module using the methodology of the [Washington Group on Disability Statistics](#) [4] for measuring disability.

³ The age groups for the comparison were bounded to prevent the older average age of the persons-with-disabilities group from skewing the comparison on job and educational performance.

have significant assistance needs,⁴ at 58% and 26.4%, respectively, and their representation in the lowest income quintile is higher (26.6%).

- 1.4 **Determinants of public policy effectiveness in reducing the social exclusion of persons with disabilities.** Conceptually, public policies for reducing the exclusion of persons with disabilities can be grouped into one of two categories. The first encompasses policies to ensure that anybody in need has access to specific services that support their autonomy. Effective access to these services—i.e., timely, comprehensive, continuous, and quality access—is a determinant of social inclusion for persons with disabilities. In Argentina, [Law 24901](#) established the System of Basic Entitlements for Habilitative and Comprehensive Rehabilitative Services for Persons with Disabilities,⁵ which include:

- (i) *Educational services*, which includes early intervention services for boys and girls under 4 with disabilities and educational inclusion services, whether in the general education setting (e.g., through interdisciplinary support teams for scholastic integration) or, depending on the type of disability, in special education programs;
- (ii) *Therapeutic-educational services*, which includes services to facilitate educational inclusion through positive behavioral supports, the acquisition of basic levels of self-esteem and independence, and the incorporation of new models for interacting with other people;
- (iii) *Rehabilitation services*, which includes functional support services for the acquisition and/or restoration of physical and psychosocial skills that enable individuals to achieve social integration and professional rehabilitation; and
- (iv) *Social assistance services*, to cover basic living requirements (housing, food) for persons with disabilities in need of assistance due to the type of disability that they have or their social-family situation, delivered to individual households and through day programs.

- 1.5 A second group of public policies for reducing the exclusion of persons with disabilities seeks to mainstream the disability perspective. This means transforming public and private spheres by making reasonable accommodation within the environment (e.g., work, school, or community) and taking positive actions so that persons with disabilities have access and can participate under the same conditions as others. It also means ensuring that programs, services, and infrastructure are designed from the start to plan for the needs of a diverse population, to make them accessible for all, including persons with disabilities. Among the factors that help reduce the exclusion of persons with disabilities are policy frameworks and institutional arrangements that successfully mainstream the

⁴ This refers to people who face more severe limitations for autonomous functional performance or who have more than one impairment.

⁵ By law, persons with disabilities who have health care coverage through the provincial or national union-administered health insurance funds (*obras sociales*) or prepaid medical companies receive these benefits free of charge through their respective provider.

principles of reasonable accommodation and universal design across all public institutions and the private sphere.

- 1.6 Effective disability mainstreaming necessitates the intervention of a lead agency that can promote the incorporation of this perspective into policies across the board, making them inclusive. Lack of awareness and coordination perpetuates a fragmented institutional response and precludes an approach that would comprehensively address the determinants of exclusion [5]. To remedy this situation, an institutional lead is needed with the technical and operational capacity to guide efforts to promote and implement inclusion policies.

1. Government policies to promote the inclusion of persons with disabilities in Argentina

- 1.7 **National Disability Agency (ANDIS).** In accordance with [Decree 698](#), the National Disability Agency (ANDIS) was created in 2017 as a decentralized agency of the Office of the Secretary General of the Presidency of the Nation, with responsibility for the design, coordination, and general execution of public policies on disability, including the promotion and implementation of actions to advance or facilitate the ability of persons with disabilities to fully exercise their rights in public and private spheres. ANDIS centralized the competencies, resources, and functions of a number of existing programs and institutions: the National Advisory Commission for the Integration of Persons with Disabilities; the National Commission on Non-contributory Pensions; the National Rehabilitation Service; and the federal program “Incluir Salud.”
- 1.8 **National disability certification system.** Compared with other countries in the region, Argentina has a long track record with disability certification, starting with a law enacted over 40 years ago.⁶ Originally, there were no standardized national certification criteria, but since 2009 the Certificate of Disability (CUD) has been issued by every jurisdictional board under the leadership of ANDIS in every province in the country and the Autonomous City of Buenos Aires, and its validity is recognized nationwide. Certification is voluntary, and certificates remain in effect for up to 10 years. First-time applications, renewals, and updates must be evaluated by an interdisciplinary board, which makes a determination to issue or deny a certificate based on the CRPD’s biopsychosocial approach. The certificate enables persons with disabilities to access the rights, services, and benefits guaranteed to them by national law. In particular, the CUD covers the full cost of the basic benefits provided to persons with disabilities as described in paragraph 1.4, free public transportation, exemption from the payment of tolls, municipal taxes, and business licensing fees, and the international symbol of access for transit and parking, among other items.
- 1.9 **Incluir Salud program.** Individuals who experience a decrease of 76% or more in their work capacity and do not have medical coverage through the union-administered health insurance funds (Obras Sociales), the National Social Services Institute for Retirees and Pensioners (PAMI), or prepaid medicine companies are eligible to join the Incluir Salud program run by ANDIS. The program provides healthcare coverage through its affiliates, and as established by

⁶ Law 22,431.

law, it covers 100% of the cost of basic disability benefits for its CUD-carrying members. Disability benefits are covered through direct agreements with private providers. At present, the program has 900,000 members, 35,000 of whom make regular use of disability benefits.

2. Challenges for improving effective access to benefits and services that promote autonomy and improve social inclusion for persons with disabilities

- 1.10 ANDIS regularly consults with representatives of government agencies in the provinces and the Autonomous City of Buenos Aires, as well as civil society organizations run by or for persons with disabilities in the framework of the [Federal Disability Council](#), and has generated lessons learned from its experience with processes related to issuing and updating CUDs, membership in Incluir Salud, and payment of benefits. Based on this information, ANDIS estimates that there is significant potential demand for disability benefits that could be met by Incluir Salud. Although no qualitative estimate of this gap is currently available, supply and demand factors suggest that benefits coverage could be increased through the Incluir Salud program.
- 1.11 **Demand factors: barriers to certification.** Just 33.4% of persons with disabilities are believed to have a current CUD (1.5 million).⁷ Among the main reasons for this gap in certification coverage are: lack of awareness among the user population about the benefits and services to which they are entitled and have access with the CUD [6], difficult access to the disability evaluation boards,⁸ insufficient human resources specialized in comprehensive disability assessments, and lack of equipment and infrastructure for the evaluation boards.⁹
- 1.12 **Supply factors: excessive wait times for enrollment in Incluir Salud and delays in payments to private providers.** The effective and quality access to services and benefits that is enabled by the CUD is limited by the lack of availability, timeliness, continuity, and quality of these services, especially for those who do not have medical insurance through Obras Sociales or prepaid medicine companies. Administrative delays and the complexity involved in enrolling in Incluir Salud and obtaining authorization for benefits adversely affects the ability of persons with disabilities to access the services that they need on a prompt and continuous basis. For example, enrolling in Incluir Salud involves the following: (i) applicants must go in person to the provincial management units (UGP) of the jurisdictional health ministries, which constitutes a physical barrier for the many applicants who do not live in proximity to the units; (ii) the UGPs must send, asynchronously, hard copies of the application documents to ANDIS; and (iii) in the event that the documents contain mistakes that must be corrected or are missing information that must be provided, ANDIS returns the application packet to the UGP, which only becomes aware of the problem upon receipt of the packet,

⁷ CUD coverage is lower than in countries like Spain (78%) and Colombia (41%).

⁸ Based on a survey by ANDIS (2018), most of the boards are located in capital cities, which impedes access for people living in distant areas. In addition, 37% of the country's boards report that the space allocated for them is inadequate because the waiting areas and meeting rooms have not been made accessible.

⁹ A full 55% of the boards report that their technology resources are insufficient, and 11% do not have an Internet connection.

at which point it can notify the applicant. As a result, the enrollment process can take between 30 and 90 days. Meanwhile, there are also significant delays in the processing of payments to the private providers that contract with Incluir Salud (average delay of 30 days). Delayed payments have major implications for the continuity and quality of services used by persons with disabilities, inasmuch as most of the providers are small companies with little financial margin, so habitually delayed payments obligate them to adjust the quantity and/or quality of the service that they provide and may even force them to close, reducing the supply of services, a critical development when it occurs in a small town with few providers to begin with. These administrative delays also have the effect of dissuading some providers from entering into contractual relationships with ANDIS.

- 1.13 **Challenges for improving disability mainstreaming.** The literature on effective leadership in interagency coordination suggests that a legal mandate, such as the one for ANDIS, is an indispensable factor, but insufficient on its own, for an agency to exercise its leadership in mainstreaming the disability perspective. Other factors that enable effective interagency leadership include: (i) institutions and their personnel must share the same values and have a common base of knowledge; (ii) the lead agency must generate useful information for other agencies to make decisions; and (iii) opportunities must be created to resolve specific problems that are common to the mandate of the agencies [7]. With respect to the first factor, ANDIS has demonstrated real progress in providing training on accessibility and the disability perspective to civil servants at the national and subnational levels (over 9,000 certified between 2000 and 2022). However, there is still considerable room for improvement: according to information from INDEC, the national government alone employs over 229,000 people. Regarding the second enabling factor, Argentina lacks sufficiently detailed, up-to-date population data on the characteristics of persons with disabilities, their self-perceptions and aspirations, and their access to, and experience with, the services and benefits to which they are entitled, among other dimensions of interest.¹⁰ Moreover, ANDIS lacks the instruments that would allow it to evaluate the experience that persons with disabilities have with obtaining and updating the Certificate of Disability (CUD) and with the benefits that the CUD enables them to receive, which is a critical factor when it comes to designing and implementing effective policies for the inclusion of persons with disabilities [3]. Regarding the third enabling factor, there is a gap in knowledge for the inclusion of persons with disabilities that is related to the design and implementation of policies for educational and workplace inclusion at scale.

3. Program strategy

- 1.14 The program has been designed around two areas of activity that determine the effectiveness of ANDIS in reducing social exclusion among persons with disabilities. In the framework of a loan based on results (LBR), the program will work to increase effective access to disability benefits for girls and boys and adults with disabilities who do not have coverage through Obras Sociales or prepaid plans, lowering the supply and demand barriers previously identified, by:

¹⁰ The National Survey of Persons with Disabilities (ENDI) was conducted just once, in 2002-2003. In 2018, INDEC ran the National Study on the Profile of Person with Disabilities, which represents the entire country but is nevertheless limited in scope in comparison with the ENDI. The 2002 National Census of Population, Households, and Homes will facilitate a precise characterization of the population with disabilities but also lacks the analytical depth of the ENDI.

- (i) expanding the operating capacity of the interdisciplinary evaluation boards and instituting mobile interdisciplinary evaluation boards; (ii) deploying communication strategies to raise awareness among persons with disabilities who have not applied for a CUD about the benefits and services to which they are entitled and can access by doing so; (iii) simplifying and digitalizing procedures for obtaining a CUD, enrolling in Incluir Salud, and obtaining disability benefits; (iv) improving payment processing to providers (timing, tracking, and transparency) to incentivize a greater supply of better-quality services and to justify additional public financing; and (v) establishing a georeferenced registry of providers that identifies the provider closest to the client and improves geographic information on the population and its support needs. In addition, the program will work to strengthen ANDIS as the lead agency on policies and programs for the social inclusion of persons with disabilities, investing in the enabling factors for effective leadership of interagency coordination, by: (i) expanding the rollout of training on the disability perspective for civil servants at the national and subnational levels; (ii) updating and further elaborating statistics and information on persons with disabilities; and (iii) closing knowledge gaps on how to promote educational and workforce inclusion at scale.
- 1.15 **Theory of change.** Figure 1 summarizes the problem and solution tree, as well as the chain of results for the program, which are presented in greater detail in the Theory of Change Annex ([optional link 1](#)).
- 1.16 **Improvements in the administration of Incluir Salud benefits.** In 2020, with technical support from the IDB (through nonreimbursable technical cooperation project [ATN/JF-17279-AR](#)), ANDIS started to develop the Integrated Disability Benefits Information and Administration System under the Incluir Salud Program (SIIAPDIS). By digitalizing and integrating processes and databases that were previously standalone, the new system is expected to significantly shorten the times involved in enrolling new beneficiaries and authorizing and issuing payment for provision of benefits. The process of enrolling in the program could be shortened to 48 hours, down from over a month, which is how long it takes at present.¹¹ The process for authorizing a program benefit will also be greatly simplified and accelerated, down from a period of 30 days to 24 hours.¹² Lastly, the improvements will also extend to the settlement of payments to providers, which will be executed immediately, as opposed to taking 30 days.¹³
- 1.17 **Beneficiaries.** The program will benefit the universe of persons with disabilities, estimated at 3.6 million people, 54.5% of whom are women. In particular, it will benefit individuals who already have a Certificate of Disability (CUD) or obtain one

¹¹ With the new system, the UGPs will generate the application for enrollment and attach the corresponding documents online, directly in the SIIAPDIS, and will be able to check the status of each application in real time, drastically shortening processing times.

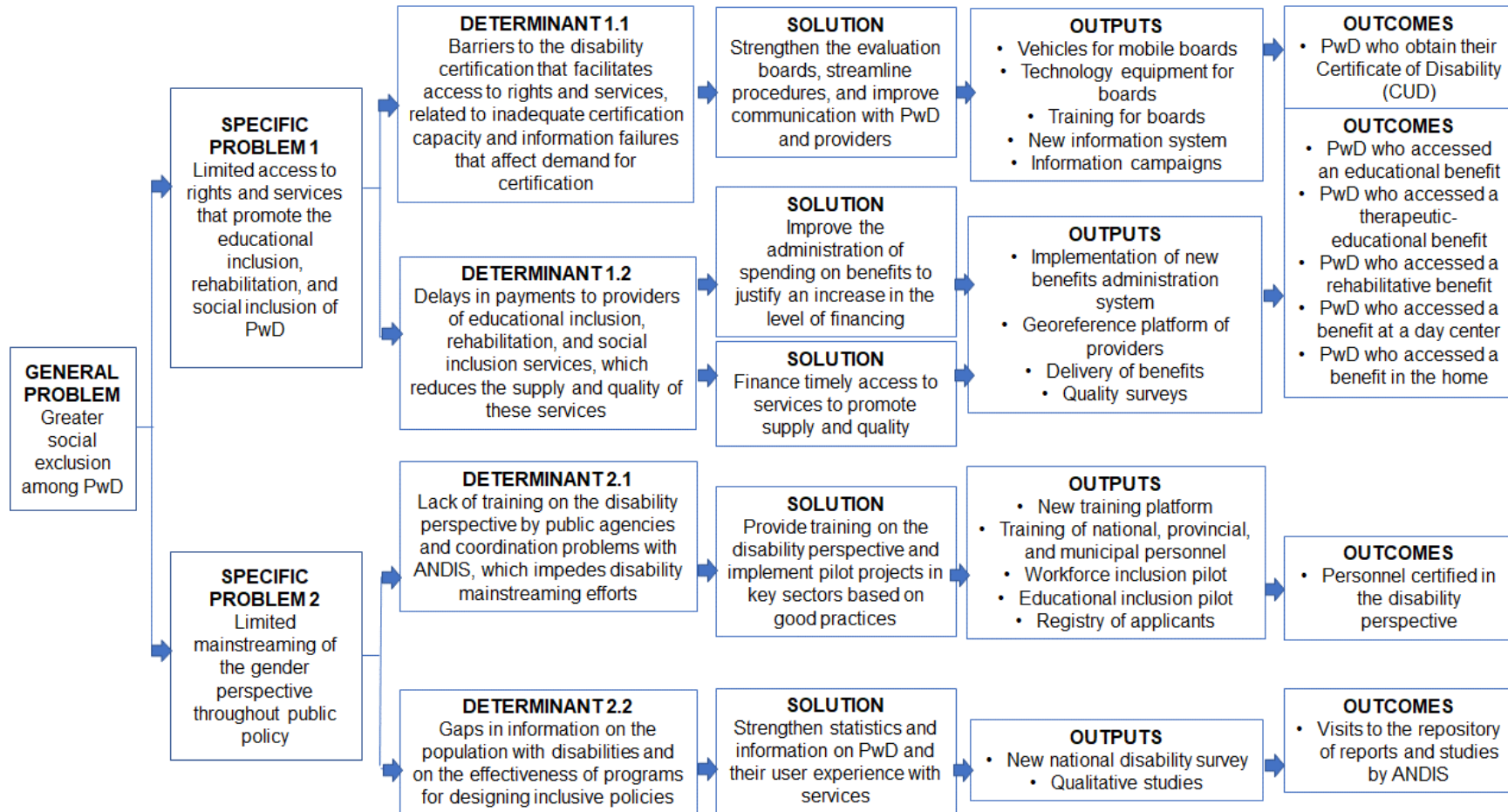
¹² The new system will conduct all verifications automatically as soon as the private provider enters the request for authorization into the system.

¹³ With implementation of the SIIAPDIS, the provider will be able to download, from the same system where ANDIS authorizes the benefits, a preliminary statement that will indicate the precise amount that the provider should invoice in a given month, eliminating the possibility of discrepancies between the amount invoiced and the final amount to be paid after applying any debits (e.g., if any invoiced service was not authorized or if there was an error in uploading information). In addition, the provider will be able to track the status of submitted invoices in real time.

in the framework of the program, who tend to be younger and with a greater prevalence of mental or intellectual disabilities, compared with the universe of persons with disabilities (see [optional link 7](#)).

- 1.18 **Gender and diversity gaps.** There is considerable evidence indicating that the prevalence of disability is greater among women and that women face more obstacles in gaining access to rights and services to address it [3]. For example, although a larger percentage of women than men are estimated to have a disability in Argentina (10.8% versus 9.5%), the proportion of men who have a CUD surpasses the proportion of women by nearly 10 percentage points (38.6% versus 28.9%).
- 1.19 **Gender and diversity actions.** There is a gap in knowledge as to why women have less access than expected to the CUD, given their overrepresentation in the population of persons with disabilities. The program will finance the development of an instrument to elucidate the experience that men and women have had with the disability certification mechanism, which will allow ANDIS to design specific strategies to close this gender gap, including communication campaigns targeting women, which is reflected in the program's outcome targets.

Figura 1: Esquema de la lógica vertical del programa



- 1.20 **Lessons learned.** The design of this operation incorporates the following lessons learned from other Bank-financed operations. Two cross-sector projects for disability inclusion ([5127/OC-PN](#) and [4614/OC-EC](#)) have demonstrated the crucial role that certification plays as a gateway to a wide variety of programs that further social and economic autonomy. The pandemic slowed the pace of evaluations in many countries in the region, and the resulting delays in certification and recertification processes emerged as an obstacle to programs and benefits. These experiences have informed the design of Component 1, in terms of improving process efficiency to reduce the likelihood that core services might be disrupted or become more difficult to access. These projects have also demonstrated the need for more solid data to inform public policy on the inclusion of disability. Component 2 also reflects these lessons through the emphasis placed on actions, outputs, and outcomes related to the generation of information and knowledge. Meanwhile, the program's administration and execution mechanism (see paragraph 3.3) reflects a recommendation made in the [project completion report](#) for the first operation of under the Program for Strengthening and Integration of Health Networks in the Province of Buenos Aires ([4821/OC-AR](#)), in reference to the need to build specific organizational capacity for the management of loans based on results (LBR).
- 1.21 One lesson learned from the experience with operations [5032/OC-AR](#), [4791/OC-GU](#), and [4612/OC-BO](#) has to do with the need for a digital architecture design exercise when applications will be developed that change major processes within an institution. In the case of ANDIS, the institution received support in the form of technical cooperation funds to create this architecture and develop a clearer vision as to the desired results of an acceleration of its digital transformation process ([ATN/JF-17279-AR](#)). Operations [5032/OC-AR](#), [4612/OC-BO](#), and [5296/OC-BH](#) yielded lessons on the need to incorporate change management components into projects involving technology to improve management, optimize processes, and enhance services, which has been considered in the selection of the strategic institutional strengthening activities (Components 1 and 2) for this operation.
- 1.22 **Nonfinancial additionality and innovation.** As mentioned previously, disability benefits financed by ANDIS under the program Incluir Salud are processed through an information system that has been supported under the technical cooperation project "Strengthening ANDIS" (ATN/JF-17279-AR) with resources allocated for the design of improvements and an implementation plan. The consolidation of this system will make it possible to track and audit benefits, as well as simplify the process by which providers submit documentation for payment requests, preventing any interruptions in the delivery of benefits. With these improvements, results indicators for the credit operation can be incorporated, associated with the timeliness, transparency, and quality with which benefits are delivered. Currently, the technical cooperation project is financing a change management consulting assignment for gradual implementation of the SIIAPDIS, a key input for project execution planning. The innovations that this operation plans to support include: (i) development and implementation of instruments to measure ease of access and quality of benefits from the perspective of persons with disabilities; and (ii) the incorporation of institutional strengthening outputs (PFI) for

the implementation of pilot initiatives to improve the social inclusion of persons with disabilities in workplace and educational settings.

- 1.23 **Sustainability.** The outcomes associated with the specific development objectives of the project are sustainable. Achieving higher levels of access to rights, services, and benefits will be sustained over time as a result of the investments to drive effective supply and demand for these benefits and because their coverage is guaranteed by law. Implementation of the SIIAPDIS is expected to have a permanent impact in terms of reducing the supply-side factors that determine the level of effective access to disability benefits. The outputs whose costs are logically associated with increasing the number of persons with disabilities holding CUDs (e.g., strengthening of evaluation boards) are likely to sustainably reduce demand-side barriers to effective access to benefits. It is likewise expected that the outcomes associated with the institutional strengthening of ANDIS (training for civil servants on the disability perspective, reduction of gaps in knowledge on interventions for educational and workplace inclusion) will endure after the project has concluded.
- 1.24 **Rationale for the loan-based-on-results instrument.** This operation will use the loan based on results (LBR) as the investment loan instrument. Use of this instrument is justified as a mechanism for transforming the way in which ANDIS is run from a model that responds to demand for benefits to a results-based management model geared towards effective access to benefits that actively promotes efforts to close gaps in explicit and potential demand. By laying the groundwork for a more efficient and nimble management of disability benefits, the LBR is expected to lead to a larger supply of higher-quality benefits, contributing to achievement of the results. In addition, use of the LBR has helped identify actions for the institutional strengthening of ANDIS, not only in terms of its effective leadership as the agency in charge of disability policies and programs in Argentina but also in terms of its internal procurement, administrative, and financial and accounting processes.
- 1.25 **Institutional capacity assessment.** In compliance with the policy set out in the Proposal to Establish the Bank's Sovereign Guaranteed Loan Based on Results (document GN-2869-10), the Bank applied the Institutional Capacity Analysis Platform, which indicates that the results of the various assessments find that ANDIS's fiduciary systems could be improved in the areas of management of projects financed by multilateral donors, particularly in terms of financial management and procurement. The main recommendations to come out of application of this methodology in the framework of LBRs include the following: (i) develop and implement a Manual of Administrative Procedures of the External Financing Unit (UFE) for coordination and management of ANDIS's portfolio of projects that are externally financed; (ii) strengthen the operational capacity of the work teams that the UFE requires for implementation of its functions and proper execution of the technical and fiduciary aspects of the program; and (iii) develop and implement a Manual of Missions and Functions for UFE human resources.
- 1.26 **Strategic alignment.** The operation is consistent with the second Update to the Institutional Strategy of the Bank (document AB-3190-2) and is aligned with the development challenge of social inclusion and equality, inasmuch as it seeks to improve effective access to rights, services, and benefits for persons with

disabilities. The program is also aligned with the crosscutting areas of: (i) diversity, as a direct investment for persons with disabilities, given that its general development objective is to promote the inclusion of persons with disabilities, and its components are focused on that objective; (ii) gender equality, inasmuch as it works towards closing gaps between men and women holding CUDs, the gateway to disability benefits for individuals not participating in Obras Sociales or prepaid programs; and (iii) institutional capacity and the rule of law, inasmuch as it plans to strengthen the institutional capacity of ANDIS as the lead agency on policies and program for the social inclusion of persons with disabilities in Argentina. The program is also aligned with Category 2 of the Employment Action Framework with a Gender Perspective (OP-2289-1; GN-3057), by promoting the inclusion of persons with disabilities in the workplace. The operation has been analyzed using the Joint Framework of the MDBs, and on that basis it is considered aligned with the mitigation and adaptation goals of the Paris Agreement. The project will contribute to the Corporate Results Framework 2020-2023 (document GN-2727-12) through the indicators “Countries with strengthened gender equality and diversity policy frameworks” and “Agencies with strengthened digital technology and managerial capacity.” The program is aligned with the objectives of the IDB Group Country Strategy with Argentina 2021-2023 (document GN-3051), specifically with the priority area of poverty reduction and social protection of the most vulnerable. The operation is aligned with the IDB Group Gender and Diversity Action Plan 2022-2025 (document GN-3116-1) as an operation that invests directly in the inclusion of persons with disabilities. It is consistent with the Social Protection and Poverty Sector Framework Document (document GN-2784-7), with its line of action 3 “Support for services for the inclusion and autonomy of persons with disabilities,” by contributing to a current national registry of persons with disabilities.

B. Objectives, components, and cost

- 1.27 **Objectives.** The general objective of the program is to reduce social exclusion levels among persons with disabilities. Consistent with the Convention on the Rights of Persons with Disabilities (CRPD), the specific development objectives of the program are: (i) to promote effective access to rights, services, and basic entitlements for persons with disabilities; and (ii) to build the capacity of the National Disability Agency (ANDIS) as the lead agency on disability, responsible for mainstreaming the disability perspective across the public and private spheres.
- 1.28 **Component 1. Support to improve the national disability certification system and benefits assurance systems (US\$262.4 million).** This component will contribute directly to achievement of the first specific objective of the program by working towards the following outcomes: (i) an increase in the number of persons with disabilities who have a current CUD, through investments to be made by ANDIS to remove barriers to applying for or renewing CUDs, such as the implementation of mobile devices that bring the service to areas that are distant from the provincial capitals, equipment, technification, and training of personnel on the interdisciplinary evaluation boards on new CUD procedures and dissemination of information through mass media campaigns and other communications strategies; and (ii) an increase in access to basic entitlements for persons with disabilities, promoting timeliness, continuity, and quality of service through improved administration of the

program Incluir Salud, monitoring of user satisfaction, and a budget increase to handle the increased rate of coverage of benefits.

- 1.29 To this end, financing will be provided to cover the cost of goods and services procured by ANDIS that are logically associated with the expansion of CUD coverage, with a gender perspective. In the framework of the SIIAPDIS, the program will finance a portion of the cost associated with a significant expansion in coverage of disability benefits, partially recognizing payments by ANDIS for services from private providers.¹⁴ Financing will also be provided to cover the cost of developing and deploying a platform that georeferences providers so that beneficiaries can identify the ones closest to home.
- 1.30 Associated with the estimated cost of the activities and outputs considered to be logically necessary to achieve the results corresponding to the disbursement-linked indicators (DLIs) for the program, the development and annual implementation costs (2024 and 2025) of a survey of user experiences with disability entitlements will be recognized. With a gender perspective, the survey will inquire about the potential barriers that men and women with disabilities face when they apply for, or renew, a CUD, as well as the experience that persons with disabilities have with disability entitlements in terms of timeliness, relevance, and quality of service. Among other benefits, these surveys are expected to inform strategies for expanding CUD coverage and reducing the gender gap that currently exists (see paragraph 1.18).
- 1.31 **Component 2. Strengthening the institutional capacity of ANDIS (US\$2.6 million).** This component will directly contribute to achievement of the second specific development objective of the program. It will promote achievement of the outcomes associated with training for personnel at national, provincial, and municipal public agencies on the disability perspective and the development of institutional strengthening outputs (PFI) for bidirectional engagement between ANDIS and other government agencies through the design, implementation, and evaluation of pilot projects in education and employment, and the strengthening of policy design and planning capacity by generating quantitative and qualitative information and data on the situation of persons with disabilities.
- 1.32 In the framework of an interagency agreement between ANDIS and the Ministry of Labor, Employment, and Social Security of the Nation, financing will be provided for the institutional strengthening output consisting in the design, implementation, and evaluation of a pilot project to promote the workforce inclusion of persons with disabilities through training for companies and financial support to make reasonable accommodations in places of work, such as the procurement of software to magnify computer screens for people with low vision or adaptations to work stations and furnishings. These actions have proven to be effective in other contexts, such as funds to support reasonable accommodations in the federal government of [the United States](#) and [Australia](#).

¹⁴ Up to 13% of the cost of services during the first tranche of the program (approximately 6.5% of the 2023 budget approved for the ANDIS-run federal program Incluir Salud) and up to 23% for the second and third tranches. This mechanism will incentivize the expansion of coverage of services, which is expected to be proportionally greater in the last two tranches of program execution.

- 1.33 In the framework of an interagency agreement in effect between ANDIS and the Ministry of Education, financing will be provided for the institutional strengthening output consisting in the design, implementation, and evaluation of a pilot project to provide public schools and their teachers with the capacity to make reasonable accommodations that facilitate the inclusion and learning of boys and girls and adolescents with disabilities in the public education system. This strategy features important innovations that do not presently exist in Argentina's education system and represent a high-impact affirmative measure to facilitate access for students with disabilities and help them remain in school. These include devices for co-teaching pairs in the classroom (teamwork between a regular teacher and a special education teacher), a student support modality that will benefit not only the immediate students receiving support but also the entire educational community based on this inclusive classroom pedagogy.
- 1.34 The component will also provide financing for, as an institutional strengthening output (PFI), the implementation of a consolidated registry of applicants, to facilitate fulfillment of the workforce quota for persons with disabilities in the public sector (Law 22,431). In accordance with this law, the government, across its three branches, must employ persons with disabilities in at least 4% of positions. The principle of universal design calls for persons with disabilities to have access to, and use, standard job placement platforms, so this registry is considered to be a temporary solution. The registry will seek to involve employers from the private sector in order to carry out job placement services, as well as connect applicants with inclusive workforce training opportunities.
- 1.35 In line with Article 31 of the Optional Protocol of the Convention on the Rights of Persons with Disabilities (CRPD), which calls on States to gather and disseminate statistics that allow them to formulate policies in this area, the cost of implementing the 2024 National Disability Survey will also be associated with the costs of the DLIs.
- 1.36 The project will provide financing for, as an institutional strengthening output, annual qualitative studies (2023, 2024, 2025) that elucidate the views and opinions of persons with disabilities regarding their self-assessment, the barriers they face on a daily basis in public and private spheres, and the type of support or policies that could help vanquish these barriers.
- 1.37 The cost of the consulting assignments for independent verification of results and financial audits will be distributed proportionally among the costs associated the results corresponding to the disbursement-linked indicators (DLIs) for the program.

C. Key results indicators

- 1.38 The overall impact of the program will be measured by the employment rate and the literacy rate among persons with disabilities.
- 1.39 The disbursement-linked indicators (DLI) for Component 1 of the program are: (DLI 1) persons with disabilities who obtain their CUD for the first time or renew their expired CUD; (DLI 2) persons with disabilities who accessed at least one educational benefit in the previous 12 months; (DLI 3) persons with disabilities who accessed at least one benefit at a therapeutic-educational center in the previous 12 months; (DLI 4) persons with disabilities who accessed at least one

rehabilitative benefit in the previous 12 months; (DLI 5) persons with disabilities who accessed at least one benefit at a day center in the previous 12 months; and (DLI 6) persons with disabilities who accessed at least one benefit provided in the home in the previous 12 months. For Component 2, they are: (DLI 7) workers at national, provincial, and municipal public agencies who have become certified in accessibility and the disability perspective; (PF 1) report completed on results of the 2024 National Disability Survey; (PF 2) qualitative studies completed on the inclusion status of persons with disabilities; (PF 3) consolidated registry of disability applicants for workplace inclusion implemented; (PF 4) pilot project for workplace inclusion of persons with disabilities designed and implemented; and (PF 5) pilot project for educational inclusion of persons with disabilities designed and implemented.

- 1.40 **Cost-benefit evaluation.** An economic analysis was conducted of the operation's components ([optional link 2](#)) using a discount rate of 3%. The expected benefits of the program flow from improvements in near- and medium-term quality of life and health conditions of the direct beneficiaries, direct impacts on the near-term employability of persons with disabilities who are able to work, long-run improvements among younger beneficiaries through schooling, and the ability in the near term for caretakers to return to the job market. The ratio of benefits to costs is 1.20. Longer-term benefits attributable to the program that are associated with years of schooling among persons with disabilities include an extension in working life by up to 20 years, in line with the regulations set by the National Social Security Administration (ANSES). The operation has a net present value of US\$249,333,517, considering both the disbursements associated with the program and all expenditures required for the provision of services. This scenario assumes that all targeted beneficiaries will be reached, with a total internal rate of return for the program of 1%. The results of the analysis are robust to the various discount rates that were considered, and the loan retains its positive net present value in an unfavorable scenario for discount rates of up to 3%.

II. FINANCING STRUCTURE AND MAIN RISKS

A. Financing instruments

- 2.1 The operation is structured as an investment loan under the loan-based-on-results (LBR) modality (see paragraph 1.24). The amount of the operation will be for up to US\$265 million, from the Bank's Ordinary Capital.
- 2.2 **Eligibility criteria for use of the LBR as the loan instrument for the program.** This operation meets the requirements for an LBR as set out in the Proposal to Establish the Bank's Sovereign Guaranteed Loan Based on Results (document GN-2869-10) and the Guidelines to Process the Bank's Sovereign Guaranteed Loan Based on Results (document GN-2869-3), inasmuch as: (i) it supports a government program that is already being run by the executing agency, namely, Incluir Salud; (ii) it improves the performance of the existing program by incorporating good practices in benefits administration and focusing the program on achievement of results, as well as by strengthening the institutional capacity of ANDIS as the lead agency on policies and programs for the social inclusion of persons with disabilities; (iii) it promotes the use of the executing agency's fiduciary

systems, which are compatible with the principles and good practices for use of an LBR; and (iv) the institutional capacity assessment of the executing agency shows that it has management systems in place to ensure proper technical (monitoring) and fiduciary (procurement and financial) execution of the program.

- 2.3 **Program cost and financing.** The program budget by component and source of financing is presented in Table 1 and in the matrix of estimated costs for activities associated with project results ([optional link 3](#)). The disbursement period for the program will be three years, in accordance with the schedule and tranches/parts described in Table 2.2. Based on ANDIS's prior experience with issuing and renewing CUDs and processing disability benefits, and on the Bank's institutional capacity assessment of the agency, this execution period is considered suitable for implementing, in accordance with the multiyear execution plan ([required link 1](#)), the activities and outputs that are logically necessary for obtaining high enough values in the development indicators to ensure that the program achieves a favorable cost-benefit ratio ([optional link 2](#)).

Table 2.1. Estimated program costs (US\$265 million)

Components	IDB	%
Component 1. Support to improve the national disability certification system and benefits assurance systems	262,348,139	99.00
R.1.1 PwD who obtain their CUD for the first time or renew their expired CUD	5,260,000	1.98
R.1.2. PwD who accessed at least one educational benefit in the previous 12 months	36,327,155	14.00
R.1.3. PwD who accessed at least one benefit at a therapeutic-educational center in the previous 12 months	48,012,356	18.00
R.1.4. PwD who accessed at least one rehabilitative benefit in the previous 12 months	19,546,524	7.00
R.1.5 PwD who accessed at least one benefit at a day center in the previous 12 months	71,990,047	27.00
R.1.6 PwD who accessed at least one benefit provided in the home in the previous 12 months	81,242,057	31.00
Component 2. Strengthening the institutional capacity of ANDIS	2,621,861	1.00
Total	265,000,000	100.00

Table 2.2. Disbursement schedule and tranches (US\$265 million)¹⁵

Components	Year 1	Year 2	Year 3	Total
	Tranche/ Part 1	Tranche/ Part 2	Tranche/ Part 3	
Component 1. Support to improve the national disability certification system and benefits assurance systems	39,598,552	104,699,079	118,080,508	262,378,139
Component 2. Strengthening the institutional capacity of ANDIS	151,448	362,107	2,108,306	2,621,861
Total	39,750,000	105,061,187	120,188,813	265,000,000

¹⁵ The disbursement-linked indicators, whose activities and outputs are expected to be financed through the initial disbursement, are described in paragraph 3.8, as is the way in which the value of this disbursement will be determined by the results to be achieved in the framework of the program.

B. Environmental and social risks

- 2.4 In accordance with the IDB's Environmental and Social Policy Framework, the program has been classified as a category "C" operation inasmuch as it is expected to have minimal negative environmental or social impacts.
- 2.5 The Environmental and Social Performance Standards (ESPS) that have been activated for this operation are ESPS 1 (Assessment and Management of Environmental and Social Risks and Impacts), ESPS 2 (Labor and Working Conditions), and ESPS 10 (Stakeholder Engagement). The borrower's environmental and social management system includes the environmental, social, and health safety procedures needed to execute program activities in accordance with the various ESPS that apply to this operation.

C. Fiduciary risks

- 2.6 During program preparation, three medium-high fiduciary risks were identified: (i) if budgetary credit is not allocated in a timely manner during the life of the program, it could have an impact on achievement of the results, due to possible delays in execution of the corresponding activities and necessitating an extension in the execution period or the cancellation of resources; (ii) if there are not enough human resources in place who are trained in financial management, it could cause delays in the preparation of reports, which would lead to delays in the established disbursement periods; and (iii) if there are not enough human resources in place who are trained in procurement and have experience with both the Compr.AR system and national procurement and contracting regulations, there would be delays in the planned program procurements. The first risk will be mitigated with ongoing comprehensive planning of the activities needed to achieve the expected results for the program, in order to identify resource needs and expedite budget allocations with the corresponding agencies (see paragraph 3.3). The second risk will be mitigated by strengthening and training the executing agency team on financial administration and monitoring aspects for proper execution of the program, and by incorporating protocols for the preparation of financial reports based on accounting records. The third risk will be mitigated by strengthening the executing agency team on procurement matters and incorporating the roles and responsibilities of each stakeholder into the program Operating Regulations, with an emphasis on application of the Compr.AR system. Lastly, the Bank will provide support to train the fiduciary team.

D. Other key issues and risks

- 2.7 A medium-high risk to the program was identified, associated with the economic-financial and human resources environment: if there is a low rate of adoption of the new benefits administration procedures among personnel at ANDIS and the UGPs, implementation of the SIIAPDIS may be delayed, which means that the DLI targets would not be met on time. Actions to mitigate this risk are as follows: (i) engage a consulting firm to conduct preventive, correction, and evolutive maintenance and perform change management using resources from the technical cooperation project (ATN/JF-17279-AR); and (ii) implement a permanent technical assistance and help desk module for the SIIAPDIS.

III. IMPLEMENTATION AND MANAGEMENT PLAN

A. Summary of implementation arrangements

- 3.1 **Borrower and executing agency.** The borrower will be the Argentine Republic. The executing agency will be the National Disability Agency (ANDIS), which will be responsible for fully executing the program, coordinating implementation with its organizational units, and acting as direct interlocutor with the Bank in the framework of the operation.
- 3.2 The executing agency's functions will include the following: (i) coordinate the planning, execution, and supervision of technical aspects of the activities planned as part of the program to achieve the expected results; (ii) monitor and control overall execution of the program; (iii) manage the financial resources needed for execution of the program; (iv) obtain the effective engagement of other organizational units reporting to ANDIS that are involved in execution of the program; (v) fulfill, vis-à-vis the Bank, the contractual conditions of the program; (vi) serve as the focal point for the independent verification of results by the independent verification agent, including consolidation and delivery of the information needed for verification; (vii) submit loan disbursement requests; and (viii) present the audited financial reports, in accordance with the provisions of the Loan Contract. Execution of the program will be governed by the Operating Regulations, which give a detailed description of the functions and responsibilities of the executing agency.
- 3.3 **Program administration and execution mechanism.** Program activities will be planned using a multiyear execution plan ([required link 1](#)) shared among the various organizational units of ANDIS. Program monitoring will be coordinated by the various stakeholders at monthly monitoring meetings that will be organized by the executing agency. Through this mechanism, the executing agency will have the information needed to monitor the progress of the program, generate execution reports, expedite the budget allocations needed to carry out activities according to the program execution schedule, and request disbursements from the Bank. The flow of documents for reporting results will be described in the program Operating Regulations.
- 3.4 **External verification of results.** The external verification of results will be carried out by a specialized firm or an individual consultant who will act as the independent external verification agent (independent verification agent) for both the borrower and the Bank. The independent verification agent will verify fulfillment of the DLI targets in accordance with the audit protocols included in the monitoring and evaluation plan ([required link 2](#)) and the program Operating Regulations. The independent verification agent will be responsible for presenting a results verification report to the Bank in advance of each disbursement request. The terms of reference for this assignment will be agreed upon previously with the Bank in accordance with the procedures established in the Policies for the Selection and Contracting of Consultants Financed by the IDB (document GN-2350-15) and the LBR Policy (document GN-2869-10).
- 3.5 **Disbursement mechanism.** For the processing of disbursements: (i) the executing agency will prepare a report on the status of program execution and the

DLIs and submit it, with supporting documentation, for external verification of results by the independent verification agent; (ii) the independent verification agent will verify fulfillment of the DLIs, taking into account the verification protocols for each DLI included in [required link 2](#) and in the program Operating Regulations, according to the timeframes agreed upon in the terms of reference; and (iii) once fulfillment of the DLIs has been verified by the independent verification agent, the executing agency will submit the corresponding disbursement request, and the Bank, following the usual procedures and timeframes, will deposit the disbursement into the account indicated by the borrower. The Bank will disburse the amount corresponding to each DLI if and only if the external verification done by the independent verification agent finds that the value of the DLI in question meets or exceeds the established target. In the event of partial fulfillment of a DLI (short of the target), the amount disbursed will be in proportion to the degree of fulfillment of the verified target, and unused balances may be reprogrammed for subsequent disbursements to be made once the target has been fully met and the results have been newly verified.

- 3.6 **Program Operating Regulations.** Execution of the program will be governed by the provisions established in the Loan Contract, as well as in the program Operating Regulations, which will include, at least: (i) the Results Matrix; (ii) the DLI matrix; (iii) the terms of reference for contracting the independent verification agent and the financial audit; (iv) the organizational chart for the program, the mechanism for coordination between the stakeholders, and the diagram of institutional relationships for the program; (v) a description of the responsibilities of each program stakeholder, as well as the functions of the coordination divisions within the UFE; (vi) the technical and operational arrangements for program execution; (vii) the plan for programming, monitoring, and evaluating results; and (viii) the protocols for verification of the DLIs.
- 3.7 **Special contractual conditions precedent to the first disbursement of the program.** The borrower, acting through the executing agency, will present evidence of: (i) the approval and entry into force of the program Operating Regulations under terms and conditions agreed upon previously with the Bank; (ii) the approval and entry into force of the internal regulations of the UFE, formalizing its internal structure and relationship with the other organizational units of the executing agency; and (iii) the contractual engagement of the independent verification agent responsible for verification of the results corresponding to the disbursement-linked indicators (DLI) for the program, in accordance with terms of reference previously agreed upon with the Bank. Condition (i) is necessary to ensure that the executing agency has detailed regulations in place for program execution that establish the necessary guidelines and responsibilities of each stakeholder involved in the program. Condition (ii) is necessary to ensure that the functions of the UFE are supported by rules and regulations, particularly as regards its relationship with the organizational units of the executing agency that are involved in program execution (paragraph 3.2). Condition (iii) is necessary to ensure that results are verified in accordance with the Proposal to Establish the Bank's Sovereign Guaranteed Loan Based on Results (document GN-2869-10).
- 3.8 **Initial disbursement.** An initial disbursement of up to 20% of the loan amount is anticipated, in order to cover the needs for financing to achieve the most immediate

specific development outcomes, once the loan has been declared as eligible for disbursement. This initial disbursement will be deducted from the final amount to be disbursed under the loan. The amount anticipated for the initial disbursement is associated, mainly, with the results corresponding to DLIs 1, 2, 3, 4, 5, 6, and 7, and will be used primarily to finance the following outputs: (i) mobile devices to process CUDs; (ii) equipment for the interdisciplinary evaluation boards; (iii) mass communication campaigns and other communication strategies to encourage people to obtain or renew their CUD; and (iv) payment of services from private organizations to increase disability benefits coverage.

- 3.9 **Fiduciary agreements and requirements.** Annex III reflects the financial management and procurement execution guidelines that will apply to the program. Based on the corresponding evaluation, the executing agency's own procurement systems will be used for program execution, as per the requirements set out for a LBR in document GN-2869-10. Procurements will be made directly by ANDIS following the executing agency's policies and using its systems, validated by the Bank. The procurement system was evaluated by the Bank and is considered as compatible with internationally accepted principles, practices, and standards for all procurement methods, including the possibility of participation by bidders from other countries ([optional link 8](#)). The system will be used for the procurement of goods, consulting services (firms and individuals) and nonconsulting services.
- 3.10 **Financial audit.** During execution, the executing agency will present audited financial reports on the program on an annual basis, according to the terms required by the Bank in its policies. The audited financial reports will be presented within 120 days after the end of the fiscal year. The closing audit report for the program will be presented within 120 days after the last disbursement. The audit for this operation, based on terms of reference agreed upon with the Bank, may be conducted by a Bank-eligible firm of independent auditors or by the Office of the Auditor General of the Nation. Each year, and at the end of the disbursement period, the executing agency will notify the Bank of the difference between the total expenditure incurred to achieve program results and the sum of all disbursements made by the Bank, as part of the financial reporting.

B. Summary of arrangements for monitoring results

- 3.11 **Arrangements for monitoring.** The program will adopt the Bank's supervision mechanisms. The monitoring arrangements for the program will include: (i) definition of the protocols for external verification of achievement of the DLIs; (ii) a monthly meeting to review the technical and operational progress of the program, solve problems, and mitigate risks (including an update of the risk analysis), with participation by the relevant institutional stakeholders and the Bank, and followed by adequate dissemination of any agreements reached in relation to program management; (iii) semiannual reports on achievements and problems encountered in each component and program performance as measured against the agreed upon Results Matrix (Annex II), which will be presented by the executing agency to the Bank within 60 days following the end of each six-month period throughout the loan disbursement period and any extensions thereto; and (iv) use of the management tools referred to in [required link 2](#) and agreed upon at the launch workshop, in order to have instruments in place for planning the activities and processes needed to achieve the expected program results.

- 3.12 **Arrangements for evaluating results.** The program evaluation plan calls for an evaluation using an experimental methodology for the attribution of results related to obtaining or renewing a CUD. Data will also be collected and an evaluation will be conducted using a before-and-after methodology to assess the program's impact on satisfaction with the services financed by Incluir Salud and the perceived quality of the services, from the point of view of the users.

Development Effectiveness Matrix		
Summary		AR-L1366
I. Corporate and Country Priorities		
Section 1. IDB Group Strategic Priorities and CRF Indicators		
Development Challenges & Cross-cutting Issues	-Social Inclusion and Equality -Gender Equality and Diversity -Institutional Capacity and the Rule of Law	
CRF Level 2 Indicators: IDB Group Contributions to Development Results	-Countries with strengthened gender equality and diversity policy frameworks (#) -Agencies with strengthened digital technology and managerial capacity (#)	
2. Country Development Objectives		
Country Strategy Results Matrix	GN-3051	Poverty reduction and social protection of the most vulnerable
Country Program Results Matrix	GN-3154-1	The intervention is included in the 2023 Operational Program.
Relevance of this project to country development challenges (If not aligned to country strategy or country program)		
II. Development Outcomes - Evaluability		
3. Evidence-based Assessment & Solution	10.0	
3.1 Program Diagnosis	2.5	
3.2 Proposed Interventions or Solutions	3.5	
3.3 Results Matrix Quality	4.0	
4. Ex ante Economic Analysis	10.0	
4.1 Program has an ERR/NPV, or key outcomes identified for CEA	1.5	
4.2 Identified and Quantified Benefits and Costs	3.0	
4.3 Reasonable Assumptions	2.5	
4.4 Sensitivity Analysis	2.0	
4.5 Consistency with results matrix	1.0	
5. Monitoring and Evaluation	10.0	
5.1 Monitoring Mechanisms	4.0	
5.2 Evaluation Plan	6.0	
III. Risks & Mitigation Monitoring Matrix		
Overall risks rate = magnitude of risks*likelihood	Medium High	
Environmental & social risk classification	C	
IV. IDB's Role - Additionality		
The project relies on the use of country systems		
Fiduciary (VPC/FMP Criteria)	Yes	Financial Management: Budget, Treasury, Accounting and Reporting, External Control. Procurement: Information System, Price Comparison, National Public Bidding.
Non-Fiduciary	Yes	Statistics National System.
The IDB's involvement promotes additional improvements of the intended beneficiaries and/or public sector entity in the following dimensions:		
Additional (to project preparation) technical assistance was provided to the public sector entity prior to approval to increase the likelihood of success of the project	Yes	ATN/JF-17279-AR

This project corresponds to a Loan Based on Results (LBR) aimed at reducing the levels of social exclusion of Persons with Disabilities (PWD), with a disbursement structure based on the achievement of goals related to the increase in the number of PWD with certified disability, who receive educational benefits, in an educational therapeutic center, rehabilitation center, day center or at home. In addition, payments will be disbursed against the increase in the number of personnel of public agencies certified in accessibility and disability perspective and will finance Institutional Strengthening Products aimed at improving the management and understanding of the problems related to PWD (National Survey on Disability, a qualitative study, 2 pilot programs and the implementation of a Single Registry of Applicants with Disabilities for Labor Inclusion). The project involves financing of US\$265 million in ordinary capital from the IDB. The specific objectives of the project are: (i) to promote effective access to rights, services and basic benefits for PWDs; and (ii) to strengthen the capacity of ANDIS as the governing body on disability issues and responsible for mainstreaming the disability perspective in the public and private spheres.

The diagnosis is adequate and well documented by international evidence, highlighting the specific problems of PWD in Argentina. The main problems are related to the lack of materialization of the rights and access to services of PWD - caused by barriers to disability certification and problems in the payment of service providers to this population - and to an incipient adoption of disability mainstreaming in all public policies, caused by gaps in training, coordination, information and effectiveness of programs for the design of inclusive public policies.

The results matrix is consistent with the vertical logic of the operation and presents reasonable, well-specified and adequate impact and results indicators to measure the achievement of the specific objectives. The evaluation includes an experimental impact evaluation that seeks to quantify the effect of informative interventions on disability certification. The cost-benefit analysis yields an IRR of 20.5% in the baseline scenario. The project has received a medium-high overall risk rating, highlighting potential risks of a budgetary nature, staff adaptation to new management processes or human resources in financial management or procurement. Appropriate and monitorable mitigation or escalation measures have been proposed throughout the project.

RESULTS MATRIX

Project objective:	The general development objective of the project is to reduce social exclusion levels among persons with disabilities. The specific development objectives are: (i) to promote effective access to rights, services, and basic entitlements for persons with disabilities; and (ii) to build the capacity of the National Disability Agency (ANDIS) as the lead agency on disability, responsible for mainstreaming the disability perspective across the public and private spheres.
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GENERAL DEVELOPMENT OBJECTIVE

Indicators	Unit of measure	Baseline	Expected year of achievement	Target	Means of verification	Comments
General development objective: To reduce social exclusion levels among persons with disabilities						
I.1 Literacy rate among persons with disabilities (PwD)	Percentage	85%	2025	86%	ANDIS user experience survey	See the monitoring and evaluation plan for detailed information on the calculation methodology and sources of information for measuring fulfillment of these indicators.
I.2 Employment rate among persons with disabilities (PwD)	Percentage	12%	2025	13%		

SPECIFIC DEVELOPMENT OBJECTIVES

Indicators	Unit of measure	Baseline	Year 1	Year 2	Year 3	Project completion	Means of verification	Indicator for disbursement (yes/no)	Comments
Specific development objective 1: To promote effective access to rights, services, and benefits for persons with disabilities									
R.1.1 PwD who obtain their CUD for the first time or renew their expired CUD	Persons	307,940	315,000	320,000	360,000	995,000	National Registry of Persons with Disabilities	Yes	See required link 2 for a detailed discussion of the targets.
Milestone: Men who obtain their CUD for the first time or renew their expired CUD	Men	176,758	180,810	179,200	194,400	554,410		No	
Milestone: Women who obtain their CUD for the first time or renew their expired CUD	Women	131,182	134,190	140,800	165,600	440,590		No	
R.1.2. PwD who accessed at least one educational benefit in the previous 12 months	Persons	0	4,967	8,416	9,533	22,916	Integrated Disability Benefits Information and Administration System of the Incluir Salud Program (SIIAPDIS)	Yes	Considering that the means of verification for indicators R.1.2 to R.1.6 is the new benefits administration system (SIIAPDIS) that will be implemented in 2023, the baseline is zero. SIIAPDIS will be characterized by the integration of information, making it possible to track users and benefits. Required link 2 describes how the project targets compare with benefits coverage through 2022.
R.1.3. PwD who accessed at least one benefit at a therapeutic-educational center in the previous 12 months	Persons	0	5,392	9,136	10,349	24,877		Yes	
R.1.4. PwD who accessed at least one rehabilitative benefit in the previous 12 months	Persons	0	2,483	4,208	4,767	11,458		Yes	
R.1.5 PwD who accessed at least one benefit at a day center in the previous 12 months	Persons	0	9,000	15,670	17,758	42,428		Yes	
R.1.6 PwD who accessed at least one benefit provided in the home in the previous 12 months	Persons	0	2,700	4,575	5,183	12,458		Yes	
R.1.7 Average days required to enroll in Incluir Salud from the day on which the PwD presents documentation	Number of days	30	10	3	3	3		No	

Indicators	Unit of measure	Baseline	Year 1	Year 2	Year 3	Project completion	Means of verification	Indicator for disbursement (yes/no)	Comments
R.1.8 Average days required to process provider payments	Number of days	60	30	20	0	0		No	
R.1.9 Average unique visits per month to the geographical information system of the National Providers System	Number of visits	0	360	390	420	420	ANDIS website	No	
Specific development objective 2: To build the capacity of the National Disability Agency (ANDIS) as the lead agency on disability, responsible for mainstreaming the disability perspective across the public and private spheres									
R.2.1 Workers at national, provincial, and municipal public agencies who have become certified in accessibility and the disability perspective	Number of persons	0	9,028	9,931	10,924	29,883	Certificates issued through the training platform	Yes	
R.2.2 Monthly average of unique visits per day to the repository of reports and studies published by ANDIS on its website	Number of visits	1,126	1,200	1,300	1,400	1,400	ANDIS website	No	

MATRIX OF DISBURSEMENT-LINKED INDICATORS

		Year 1		Year 2		Year 3		Project completion	
	Baseline	Target	Associated amount	Target	Associated amount	Target	Associated amount	Target	Associated amount
R.1.1 PwD who obtain their CUD for the first time or renew their expired CUD	0	315,000	4,250,000	320,000	610,000	360,000	400,000	995,000	5,260,000
R.1.2. PwD who accessed at least one educational benefit in the previous 12 months	0	4,967	5,048,653	8,416	14,689,103	9,533	16,589,400	22,916	36,327,156
R.1.3. PwD who accessed at least one benefit at a therapeutic-educational center in the previous 12 months	0	5,392	6,648,940	9,136	19,417,322	10,349	21,946,094	24,877	48,012,356
R.1.4. PwD who accessed at least one rehabilitative benefit in the previous 12 months	0	2,483	2,749,876	4,208	7,898,356	4,767	8,898,292	11,458	19,546,524
R.1.5 PwD who accessed at least one benefit at a day center in the previous 12 months	0	9,000	9,702,240	15,670	29,221,698	17,758	33,066,108	42,428	71,990,046
R.1.6 PwD who accessed at least one benefit provided in the home in the previous 12 months	0	2,700	11,198,843	4,575	32,862,601	5,183	37,180,613	12,458	81,242,057
R.2.1 Workers at national, provincial, and municipal public agencies who have become certified in accessibility and the disability perspective	0	9,028	111,448	9,931	52,107	10,924	56,318	29,883	219,873
P.2.1 Report completed on results of the 2024 National Disability Survey	0	0	0	0	0	1	500,000	1	500,000
P.2.2 Qualitative studies completed on the inclusion status of PwD	0	2	40,000	1	40,000	1	30,000	4	110,000

		Year 1		Year 2		Year 3		Project completion	
P.2.3 Master registry of disability applicants for workplace inclusion implemented	0	0	0	1	270,000	0	0	1	270,000
P.2.4 Pilot project for workplace inclusion of PwD designed and implemented	0	0	0	0	0	1	1,000,000	1	1,000,000
P.2.5 Pilot project for educational inclusion of PwD designed and implemented	0	0	0	0	0	1	521,988	1	521,988

Country: Argentina

Division: SPH

Operation No.: AR-L1366

Year: 2023

FIDUCIARY AGREEMENTS AND REQUIREMENTS

Executing agency: Borrower, through the National Disability Agency (ANDIS)

Name of the operation: Social Inclusion Support Program for Persons with Disabilities

I. FIDUCIARY CONTEXT OF THE EXECUTING AGENCY

1. Use of country systems in the operation

<input checked="" type="checkbox"/> Budget	<input checked="" type="checkbox"/> Reporting	<input checked="" type="checkbox"/> Information system	<input checked="" type="checkbox"/> National competitive bidding (NCB)
<input checked="" type="checkbox"/> Treasury	<input type="checkbox"/> Internal audit	<input checked="" type="checkbox"/> Shopping	<input type="checkbox"/> Other
<input checked="" type="checkbox"/> Accounting	<input checked="" type="checkbox"/> External control	<input type="checkbox"/> Individual consultants	<input type="checkbox"/> Other

2. Fiduciary execution mechanism

<input checked="" type="checkbox"/>	Specific aspects of fiduciary execution	<p>This is an individual operation structured as a loan based on results (LBR). The executing agency's own procurement and contracting systems will be used based on the national procurement information system, Compr.AR. The loan proceeds will be disbursed on the basis of fulfillment of verified results (intermediate outcomes and products) attributable to the program and specified in the results matrix.</p> <p>The borrower will be the Argentine Republic. The executing agency will be the borrower, acting through the National Disability Agency (ANDIS), which will be responsible for fully executing the program, coordinating implementation with its organizational units, and acting as direct interlocutor with the Bank in the framework of the operation.</p>
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3. Fiduciary capacity

Fiduciary capacity of the executing agency	<p>In compliance with the policy set out in the Proposal to Establish the Bank's Sovereign Guaranteed Loan Based on Results (document GN-2869-10), the Bank applied the Institutional Capacity Analysis Platform (ICAP) and conducted an analysis of the country procurement system using the Methodology for Assessing Procurement Systems (MAPS). The results of the various assessments find that ANDIS's fiduciary systems could be improved in the areas of management of projects financed by multilateral donors, particularly in terms of financial management and procurement. Thus, the fiduciary risk level is medium-high. Accordingly, the following recommendations have been made to the executing agency: (i) arrange for timely and sufficient allocations of budgetary funds through adequate planning of activities and the resources needed for their execution; (ii) strengthen the executing agency team on financial and fiduciary administration and monitoring aspects (procurements and finances); (iii) incorporate protocols for the preparation of financial reports based on accounting records; (iv) incorporate the roles and responsibilities of each stakeholder into the program Operating Regulations, in reference to application of the Compr.AR system and national laws and regulations on procurements and contracting; (v) develop a manual of internal procedures that clearly sets out the role of ANDIS in this program, identifying coordination arrangements between the various stakeholders, including a chart of institutional relationships.</p>
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4. Fiduciary risks and risk response

Risk classification	Risk	Risk level	Risk response
Execution environment	If sufficient budgetary credit is not allocated during the life of the program, it could have an impact on achievement of the results, due to possible delays in execution of the corresponding activities and necessitating an extension in the execution period or the cancellation of resources.	Medium-high	Ongoing comprehensive planning of the activities needed to achieve the expected results for the program, in order to identify resource needs and expedite budget allocations with the corresponding agencies.
Fiduciary	If there are not enough human resources in place who are trained in financial management, it could cause delays in the preparation of reports, which would lead to delays in the established disbursement periods.	Medium-high	Strengthening and training of the executing agency team on financial administration and monitoring aspects for proper execution of the program, and incorporation of protocols for the preparation of financial reports based on accounting records.
Fiduciary	If there are not enough human resources in place who are trained in procurement and have experience with both the Compr.AR system and national procurement and contracting regulations, there would be delays in the planned program procurements.	Medium-high	Strengthening of the executing agency team on procurement matters and incorporation of the roles and responsibilities of each stakeholder into the program Operating Regulations, with respect to application of the Compr.AR system. The Bank will provide support to train the fiduciary team.

5. Policies and guidelines applicable to the operation: For financial management of the program, the Financial Management Guidelines for IDB-financed Projects (document GN-2811-1) (OP-273-12) will be used. As this operation involves an LBR, the executing agency's own procurement and contracting systems will be used, based on the national procurement information system, Compr.AR.

6. Exceptions to policies and guidelines: None.

II. CONSIDERATIONS FOR THE SPECIAL PROVISIONS OF THE LOAN CONTRACT

Special conditions precedent to the first disbursement. (N/A)
<p>Exchange rate: For the purposes of Article 4.09 of the General Conditions, the Parties agree that the exchange rate to be used will be the rate stipulated in subparagraph (b)(i) of that Article for expenditures made in local currency. For those purposes, the agreed upon exchange rate will be the rate in effect on the first working day of the month in which the borrower, executing agency, or any other natural or legal person to whom the authority to incur expenses has been delegated makes the respective payments to the contractor, vendor, or beneficiary. For expenditures made using proceeds from the initial disbursement, the exchange rate to be used will be the rate indicated in subparagraph (b)(i) of the Article, corresponding to the rate of "pesofication" applied to the disbursement received.</p>

Audited financial reports: The audited annual financial reports for the program will be presented to the Bank within no more than 120 days following the close of each fiscal year of the executing agency, having been duly issued by a firm of independent auditors acceptable to the Bank or by the Office of the Auditor General of the Nation. The final set of audited annual financial reports will be presented within 120 days after the date of the last program disbursement.

III. AGREEMENTS AND REQUIREMENTS FOR PROCUREMENT EXECUTION

<input checked="" type="checkbox"/>	Use of country systems	Inasmuch as this operation involves an LBR, the executing agency's own procurement and contracting systems will be used, based on the national procurement information system, Compr.AR.
<input checked="" type="checkbox"/>	Retroactive financing of prior achieved results	The operation will not provide financing for results achieved between the date of approval of the project profile (9 January 2023) and the loan eligibility date.
<input checked="" type="checkbox"/>	Records and files	The executing agency will keep the original files for the procurements, contracts, and financial records for which it is responsible, in the framework of execution of the program.

IV. AGREEMENTS AND REQUIREMENTS FOR FINANCIAL MANAGEMENT

<input checked="" type="checkbox"/>	Programming and budget	The executing agency is responsible for the process of formulating and programming the annual budget and for taking all steps conducive to consolidation of the annual budget, for its approval. The executing agency's budget has programmatic categories and other classifications by type of expenditure, such as personnel, supplies, nonpersonnel services, fixed assets, transfers, debt service and reduction of other liabilities, other expenses, and representational expenses. As the need arises to expand or reallocate line items, the executing agency will request the modification and follow it through to approval. The budgetary allocation should be planned in advance to ensure that the operation is executed within the established timeframe.
<input checked="" type="checkbox"/>	Disbursements and cash flow	<p>Bank accounts. The executing agency will notify the accounts in dollars in which it will receive the program disbursements. The executing agency has stated that it would be able to take receipt of the funds for partial reimbursement at an account at the Treasury and the rest in an ANDIS account. Payments will be made using local funds, and disbursements will then be processed based on the achievement of results. In addition, the executing agency may open an account in dollars for the exclusive use of the program in the event that a request is made for the initial disbursement covered in the policies (document GN-2869-10), and it may also use the Treasury account partially for the initial disbursement.</p> <p>Financial plan. A financial plan is not needed for program disbursements (which will be made in accordance with the matrix of disbursement-linked indicators agreed upon with the Bank), except in the case of a request for an initial disbursement. In that case, a financial plan will be presented that reflects all actual financing needs for achievement of the most immediate results.</p> <p>Disbursement methods. Inasmuch as this operation involves an LBR, the Bank will disburse resources under the reimbursement of expenditures modality, provided that an independent firm, entity, or individual specialists have conducted an independent verification of the results achieved. However, the advance of funds method may be used to process the initial disbursement established in the Loan Contract. The executing agency will use the "Online Disbursement" platform to process disbursements vis-à-vis the Bank.</p>

<input checked="" type="checkbox"/>	Accounting, information systems, and reporting	Steps should be taken to ensure that income and expenditure associated with the program can be monitored using the country's accounting systems. The executing agency may utilize the System of Executing Units of External Loans (UEPEX) as the financial administration system, which will help identify the funds corresponding to the program and also the sources of financing. The UEPEX assigns program investments by component from the cost table. Accounts will be recorded on a cash basis, following the International Financial Reporting Standards as applicable, in accordance with established national criteria.
<input checked="" type="checkbox"/>	External control and financial reports	<p>External control is performed by the Office of the Auditor General of the Nation (AGN). The AGN is a lead external control agency that reports and provides support to the National Congress on control of public sector accounts. Its creation and operation are regulated by Title VII, Chapter I, of Law 24.156 on Administration of Finances and External Control Systems.</p> <p>The annual financial reports for the program, based on terms of reference previously agreed upon with the Bank, will be audited by an independent auditor acceptable to the Bank, which could be either the AGN or a firm of independent auditors. The annual and final audited financial reports for the operation will indicate the total expenditure incurred to achieve the project results and the total amount disbursed for the operation.</p>
<input checked="" type="checkbox"/>	Financial supervision of the operation	The financial supervision plan will be based on the risk evaluations and fiduciary capacity assessments of the executing agency and will include supervision visits comprising physical inspections and desk reviews, as well as monitoring and analysis of the findings and recommendations of the audits of the annual financial reports for the program.

DOCUMENT OF THE INTER-AMERICAN DEVELOPMENT BANK

PROPOSED RESOLUTION DE-___/23

Argentina. Loan ____/OC-AR to the Argentine Republic. Social
Inclusion Support Program for Persons with Disabilities (PcD)

The Board of Executive Directors

RESOLVES:

That the President of the Bank, or such representative as he shall designate, is authorized, in the name and on behalf of the Bank, to enter into such contract or contracts as may be necessary with Argentine Republic, as borrower, for the purpose of granting it a financing to cooperate in the execution of the Social Inclusion Support Program for Persons with Disabilities (PcD). Such financing will be for the amount of up to US\$ US\$265.000.000, from the resources of the Bank's Ordinary Capital and will be subject to the Financial Terms and Conditions and the Special Contractual Conditions of the Project Summary of the Loan Proposal.

(Adopted on ____ 2023)