

PUBLIC

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**ARGENTINA**

**ADVISORY SERVICES ON THE FINANCING OF THE ECONOMIC AND SOCIAL  
INFRASTRUCTURE OF THE BUENOS AIRES METROPOLITAN AREA**

**(TC8105159)**

**PLAN OF OPERATIONS**

**MAY 22, 1981**



## MEMORANDUM

FECHA/DATE: May 22, 1981

A : Committee for the Evaluation of Projects  
TO : Loans and Technical Cooperation

DE : Hernán Aldabe, Manager  
FROM : Economic and Social Development Department

ASUNTO : ARGENTINA. Short-Term Technical Cooperation. Advisory Services on the  
SUBJECT : Financing of the Economic and Social Infrastructure of the  
Buenos Aires Metropolitan Area. TC-81-05-15-9.

### I. BACKGROUND

In a letter of July 23, 1980 to the President of the Bank, the Secretaría de Planeamiento y Desarrollo de la Gobernación de la Provincia de Buenos Aires requested non-reimbursable Bank technical assistance to carry out a study on the financial requirements of the social and economic infrastructure of the Buenos Aires Metropolitan Area.

However, due to the ineligibility of Argentina as a Category A country to receive this type of technical cooperation, the Bank, as an alternative, indicated its willingness to finance a short term mission which would utilize the services of consultants to prepare the terms of reference for the study. Moreover, this would be done with the understanding that the Bank would not finance the mentioned study. At the request of the Secretaría de Planeamiento, the Bank contacted two highly qualified experts from the Regional Sciences and Urban Development Department of the University of Pennsylvania in Philadelphia, both of whom manifested their interest in undertaking the mission.

### II. OBJECTIVE

In accordance with the request of the Secretaría de Planeamiento, the short-term mission would assist the Office of the Secretaría preparing the terms of reference for a study which would analyze the infrastructural problems of the Buenos Aires Metropolitan area and develop strategies to deal with these problems.

### III. SCHEDULE OF THE MISSION

The mission would be composed of two highly qualified experts, preferably from the Regional Science Department of the University of Pennsylvania in Philadelphia, U.S.A. One expert would have wide experience in regional sciences and urban planning, and would also act as coordinator of the mission; the other would be experienced in the area of urban economy with emphasis on regional modeling, investment allocation criteria and demography. The experts would attend a briefing at IDB Headquarters in Washington, D.C. and then proceed to Argentina sometime toward the end of June to begin working on the first phase of this two phased mission. The phases would be as follows:

#### Phase I

This would involve a period of approximately 10 working days in Argentina, during which both experts would work closely with the Office of the Secretaría de Planeamiento to develop a framework to study the problems affecting the economic and social infrastructure of the Buenos Aires metropolitan area and to develop a series of planning analysis and strategies for dealing with the problems of the region (see Attachment I). On completion of these tasks, both experts working in conjunction would present and discuss their preliminary findings and recommendations with the Office of the Secretaría de Planeamiento of the Provincia of Buenos Aires. Subsequently, they would return to the U.S.A. and attend a 1-day debriefing at IDB Headquarters in Washington, D.C.

#### Phase II

The experts would carry out Phase II of the mission in Philadelphia, where they would analyse their data, and together, prepare the final report submitting it to the Secretaría de Planeamiento, with copy to the Bank within 30 days of the date of their meeting at IDB Headquarters.

### IV. ACTION TO BE TAKEN BY THE BANK

If this short-term mission is approved, the Secretaría de Planeamiento y Desarrollo de la Provincia de Buenos Aires would contract the consultants directly, in accordance with the procedures set forth in the Technical Cooperation Manual for direct hiring of individual consultants by the beneficiary.

The Subdepartment of Technical Cooperation, Division I would have the responsibility for this project.

## V. JUSTIFICATION

The Buenos Aires Metropolitan Area comprises the Federal Capital and the 19 districts of greater Buenos Aires, which together with the 3 districts of Gran La Plata form an area characterized by a high population density. In 1970 it comprised a total of 8,859,187 inhabitants concentrated in an area roughly equivalent to 1.5% of the Province of Buenos Aires and only 0.2 percent of the entire continental Argentina.

In comparative terms, these figures represent more than 75% of the population of Buenos Aires and almost 38% of the Argentinian population for 1971. Moreover, these figures were roughly equal to an average of 1831.7 inhabitants per square kilometer. Preliminary estimates for 1980 indicate a population of 10,531,168 for this area or the equivalent of 76 percent of the population of Buenos Aires and 39% of the national total.

With such a high population concentration, the concomitant problems of inadequate housing, health and sanitation facilities, education, plus environmental pollution and a generally weak infrastructure, have become extremely acute. The ability of the local government to deal with these problems has been effectively reduced by the fact that, as additional strains are placed on the system by population growth, local jurisdictional boundaries become less clearly demarcated. Thus, duplication of effort, uncertainty with respect to decision making and an inability to formulate effective solutions to the problems, have become the outstanding feature of the administration of the area in question.

This short-term mission, would assist the Secretaria de Planeamiento y Desarrollo in analyzing the problems and formulating a plan of action to deal with them.

As indicated in the Technical Cooperation Manual (Section TC. 303 (f)), the Bank foresees the use of FSO funds for the financing of short-term missions, which furnish advisory services to institutions or agencies of member countries for developing actions not directly related to operations with the Bank, but which the countries and the Bank are interested in promoting for development purposes.

## VI. COST OF THE MISSION

The cost of the mission is estimated to be the equivalent of US\$15,600 to be charged to the net income of the Fund for Special Operations, in accordance with paragraph b) of Resolution DE-4/81 approved by the Board of Executive Directors on January 15, 1981. A general breakdown of the cost by category is as follows:




2. Individual Consultants

2.1	Honoraria (1 expert x 18 working days)	4,158
	(1 expert x 18 working days)	4,158
2.4	<u>Other Remunerations and Benefits</u>	
2.4.3	Insurance	
	(US\$100 per expert)	200
2.5	Business Travel	
2.5.1	International	
2.5.1.1	Tickets	
	1 round trip ticket per expert	
	Philadelphia/Washington/Buenos Aires/ Washington/Philadelphia.	2,888
2.5.1.2	Per Diem	
	Buenos Aires (1 exp.x 10 day x US\$134)	1,340
	(1 expert x 10 days x US\$134)	1,340
2.5.2	Local	
2.5.2.2	Per diem	
	Wash. D.C. (1 expert x 2 days x US\$84)	168
	(1 expert x 2 days x US\$84)	168
98.	<u>Contingencies</u>	1,180
	TOTAL	15,600

VII. RECOMMENDATION

The Manager of the Economic and Social Development Department through the Committee recommends that the President of the Bank pursuant to paragraph b) of Resolution DE-4/81 of January 15, 1981, authorize the expenditure of the equivalent of US\$15,600 from the resources of the Fund for Special Operations to finance the cost of this short-term technical cooperation mission to Argentina.

  
p. Beatriz Harretche,  
Deputy Manager, TEC

  
Ferruccio Accame, Chief  
Chief, TC1

Terms of Reference of the Consultants

Preparation of the terms of Reference for a Study on Financing the Social and Economic Infrastructure of the Buenos Aires Metropolitan Area.

The consultant will coordinate their mission with the Secretaría de Planeamiento y Desarrollo de la Gobernación de la Provincia de Buenos Aires (La Secretaría).

A) Consultant on Regional Sciences and Urban Planning (Coordinator)

This consultant, in addition to acting as coordinator of the mission, would be mainly in charge of the following functions described below:

1. Analysis of demographic, physical, social and economic information that may be available and determination of the requirements to complete it, proposing the methodology for the obtention and processing of said additional information.
2. Analysis and projection of the expansion trends of the Buenos Aires metropolitan area.
3. Recommendations regarding the physical design of the metropolitan area with a view to minimizing costs and the obtention of the best land use possible.
4. Identification of the priority problems in the metropolitan area and formulation of a series of planning analyses and strategies to their solution.
5. Collaborate with the expert on urban economy to prepare the terms of reference for the study on the financing of the Economic and Social infrastructure of the Buenos Aires metropolitan area.
6. Have the primary responsibility for preparation and completion of the final report.

B. Consultant on Regional Sciences and Urban Economy

This expert would be mainly in charge of the functions described below:

1. Examination and analysis of the present economic situation of the Buenos Aires metropolitan area.
2. Projections of the economic situation.
3. Formulation of policies and specific plans to develop the economic base of the area. These plans and policies would focus on resource allocation and investment criteria.
4. Collaborate with the expert in Regional Science and Urban Planning in the preparation of the terms of reference for the study on the financing of the economic and Social Infrastructure of the Buenos Aires metropolitan area.
5. Provide any assistance which the coordinator may require for preparation and completion of the final report.

Reports

Once the first phase of the mission is completed, the experts will present to and discuss with the Secretaria their preliminary findings and recommendations. On their return to the USA the experts will do the same at the debriefing in Washington. Within 30 days after they receive the comments and observations from the Bank and the Secretaria, the coordinator/expert with the collaboration of his colleague, will prepare a final report and submit copies to both Institutions taking into account the comments and observations of each.