



Project Information Document (PID)

Concept Stage | Date Prepared/Updated: 16-Sep-2022 | Report No: PIDC34754

**BASIC INFORMATION****A. Basic Project Data**

Country Argentina	Project ID P179636	Parent Project ID (if any)	Project Name Second Habitat and Urban Land Project (P179636)
Region LATIN AMERICA AND CARIBBEAN	Estimated Appraisal Date Dec 20, 2022	Estimated Board Date Feb 17, 2023	Practice Area (Lead) Urban, Resilience and Land
Financing Instrument Investment Project Financing	Borrower(s) Ministerio de Economía de la Nación	Implementing Agency Ministerio de Desarrollo Territorial y Hábitat	

Proposed Development Objective(s)

The proposed Project's Development Objective is to (i) promote formal and well-planned urban growth in selected cities; (ii) improve living conditions for households in selected precarious urban settlements[1]; and (iii) respond effectively in case of an eligible crisis or emergency.

[1] slums, informal settlements and degraded areas (VAA, for its acronym in Spanish)

PROJECT FINANCING DATA (US\$, Millions)**SUMMARY**

Total Project Cost	150.00
Total Financing	150.00
of which IBRD/IDA	150.00
Financing Gap	0.00

DETAILS**World Bank Group Financing**

International Bank for Reconstruction and Development (IBRD)	150.00
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Environmental and Social Risk Classification

Substantial

Concept Review Decision

Track II-The review did authorize the preparation to continue

B. Introduction and Context

Country Context

- 1. Argentina, with a gross domestic product (GDP) of US\$491 billion, was the third-largest economy in Latin America in 2021.** The country has a large territory of 2.8 million square kilometers, and its population of about 45 million inhabitants is highly urbanized with 91 percent of the total population living in cities. The Buenos Aires Metropolitan Area (AMBA) alone constitutes 33 percent of the national population and generates more than 40 percent of Argentina's GDP.
- 2. The middle class has historically been large and strong, with social indicators generally above the regional average; however, persistent social inequalities, economic volatility, and underinvestment have limited the country's development.** The rate of urban poverty reached 37.3 percent in the second semester of 2021, and 8.2 percent of Argentines live in extreme poverty. Childhood poverty, for those under 15 years old, is at 51.4 percent. Concomitantly, with Gini index rising since 2017,¹ income inequality has increased: according to the World Inequality Report 2022, the top 10 percent earns on average 13 times more than the bottom 50 percent, a growing tendency since the early 2010s as incomes progressively drop.² The high frequency of economic crises in recent decades—the economy has been in recessions during 21 of the past 50 years—has resulted in an average annual growth rate of 1.8 percent, well below the world average of 3.6 percent and the region's average of 3.2 percent. Decades of chronic underinvestment have led to sizeable gaps in capital stock relative to comparable countries, with public capital expenditures as a share of GDP stagnated at historically low records.
- 3. Bolstered by favorable external conditions, the economy recovered from the COVID crisis at a fast pace, reaching pre-pandemic activity levels by mid-2021.** Argentina's economy grew by 10.4 percent in 2021. Higher commodity prices and trading partners' growth, notably Brazil's, combined with public investment led to a robust growth recovery. However, since end-2021 increasing macro imbalances and a more turbulent global context, started to slow down the pace of GDP growth. The Government of Argentina (GoA) has concluded the process of restructuring its debt in foreign currency (both local and external) with private creditors, significantly improving the maturity profile for the next five to eight years. However, debt service obligations as of 2028 are projected to be equivalent to those that triggered the debt swap in 2020–2021.
- 4. In March-2022, Argentine authorities reached an agreement with the International Monetary Fund, on an Extended Fund Facility (EFF) program for a period of 30 months and an amount of US\$45 billion, to address the economy's macroeconomic imbalances and set the basis for sustainable growth.** This amount will cover the remaining obligations under the 2018 Stand-By Arrangement (US\$40.5 billion) and already provided a small net financing support for reserves accumulation (US\$4.5 billion). According to the memorandum of economic and financial policies, the EFF will support the government's objectives of (i) improving public finances in a gradual and sustainable manner to ensure debt sustainability without jeopardizing the economic recovery, (ii) durably reduce persistent high inflation, through a multi-pronged strategy, (iii) strengthening the balance of payments, and (iv) improving the sustainability and resilience of growth. Accordingly, the memorandum sets a gradual fiscal consolidation path toward a zero primary deficit in 2025 (2.5

¹ Argentina, Informe de País 2021 Seguimiento de los progresos hacia las metas de los 17 ODS.

² Chancel, L., Piketty, T., Saez, E., Zucman, G. et al. World Inequality Report 2022, World Inequality Lab.



percent of GDP in 2022, 1.9 percent in 2023, and 0.9 percent in 2024), a reduction of monetary financing of the deficit (eliminated by 2024), and the framework for monetary policy involving positive real interest rates, as part of a strategy to fight inflation.

5. **The First Review of the EFF program has been completed by the IMF Executive Board, amidst increasing uncertainty and country risk perception for the future.** All quantitative program targets in the first quarter 2022 were met, while the Second Review is expected to be released by end September 2022. However, risks are still high, due to still large macro imbalances and increasing political uncertainty. Fiscal deficit, as well as its monetary financing are higher than previously expected, while Central Bank reserve accumulation is far below the committed target for Q3 (as of end-August 2022), despite historically high terms of trade. Inflation has further accelerated to an annual record above 70 percent, derailing expectations for the months ahead (i.e., inflation expectations for end-2022, as measured by the Central Bank Survey, stood at 90.2 percent in July). In this context, sovereign risk premium spiked up to 2,905 bps by end-July and partially reverted to 2,300 bps in early-September. Similarly, the gap between official and alternative exchange rate have widened since June driven by a new round of confidence crisis regarding domestic debt, climbing over 140 percent by mid-July and reverting only partially (90 percent) in early-September. Thus, despite still positive—albeit lower—economic growth figures, the economic outlook looks much more uncertain.

Sectoral and Institutional Context

1. **With 91 percent of its population living in urban areas, most of Argentina’s housing and habitat deficits are concentrated in cities.** Poor housing and habitat outcomes over time are evident in the growing housing deficit and the proliferation of slums on one hand, and in persistent low living standards in existing vulnerable neighborhoods on the other. Drivers of these poor housing outcomes can be partly attributed to inefficiencies and constraints in the housing sector writ large. Municipalities have not been able to address these challenges, given the weak planning and implementation capacity at the local government level; and their sectoral policies are largely restricted to fragmentary interventions and reactive planning for urban growth. As a highly urbanized country, Argentina’s path to economic and social prosperity must be through more efficient, sustainable, inclusive, and economically thriving cities and empowered local governments.

2. **Argentina’s housing deficit is increasing and affects 3.5 million households, approximately one third of the population.**³ Around 230,000 new households are created every year, however, the formal housing market is only able to produce an estimated 190,000 housing units annually.⁴ As a result, every year, the deficit continues to increase while households must find alternative solutions through the informal market and/or overcrowding. Almost two thirds of this housing deficit is qualitative, yet the quantitative deficit has been increasing at a higher rate in recent years. With overheated real estate markets in the main urban agglomerations, the housing gap is exacerbated by affordability aspects such as limited access to housing finance, high inflation, and nominal interest rates, which inhibit the provision of long-term housing finance from the private sector (even for middle-income households). The result has been a stagnant housing sector dominated by a limited provision of public housing (directly or through the provision of subsidized housing finance from public banks) which is unsustainable in the long-term.

3. **Access to urban land with services is increasingly constrained for middle- and low-income groups.** As land prices grow steadily and household purchasing power falls behind, access to well-located land, with adequate provision of urban

³ Argentina Urbana, Plan Estratégico Territorial 2018.

⁴ World Bank Group, 2017. Integrated Housing and Habitat Project, Project Appraisal Document.



services, infrastructure, and connectivity to major employment areas, becomes difficult for a significant portion of the population. This lack of access to land pushes low-income families outwards where land is cheap and more affordable but connectivity and access to services suffer. This growth pattern is one of the main causes of informality and urban sprawl. In addition, subnational governments' ineffective implementation of land and planning policies often results in the location of large social housing projects in the urban periphery where construction costs per unit can be minimized.⁵ However, this approach often exacerbates household vulnerability by limiting the community's life chances in schooling, employment, health, intergenerational mobility, and other vital outcomes.⁶

4. **Argentina's cities expanded their built-up areas at a faster rate than their population growth, consuming land at an unsustainable rate.** From 2001 to 2010, the built-up area of agglomerations expanded by 36 percent⁷ and have incorporated a total of 1,023 km² of built-up land.⁸ On average, the growth rate of the built-up area for that decade was 2.9 times higher than population growth. Agglomerations mostly grew by extension, or contiguous growth, over the period 2001–10. Only 27 percent of the agglomerations' new development was infill in existing urban areas, while 20 percent was leapfrog development, that is, expansion into new noncontiguous urban areas. At the same time, in cities with more than 20,000 inhabitants, more than 23 percent of surfaces in urban areas are vacant land.⁹ As a result of urban expansion outpacing population growth, the population density of built-up areas declined by 2.2 percent annually on average in most agglomerations between 2001 and 2010.¹⁰ Low-density expansion and lack of consolidation negatively affect urban mobility, employment opportunities, and access to social services, particularly for low-income groups, deepening spatial inequality and socio-economic segregation. They have important environmental impacts as well, which include, among others, air pollution resulting from automobile dependency, water pollution and the loss, disruption and occupation of environmentally sensitive areas.

5. **The demand for urbanized land to meet the expansive growth of cities, combined with the housing deficit and migration to cities, has led to the proliferation of slums, informal settlements, and degraded areas (VAA, for its acronym in Spanish)¹¹ with limited access to basic services.** Approximately 12 percent of the population in the country—5.3 million people—lives in slums and informal settlements (also called "*barrios populares*"). The official National Slums Registry (RENABAP)¹² included 5,687 slums as of December 2018, of which 22.7 percent were less than 10 years old. They are

⁵ Goytia C.; Dorna, G., 2016. What is the Role of Urban Growth on Inequality, and Segregation? The Case of Urban Argentina's Urban Agglomerations. CAF.

⁶ Lens, M.; Monkkonen, P., 2016. Do Strict Land Use Regulations Make Metropolitan Areas More Segregated by Income? Journal of the American Planning Association

⁷ INDEC, 2010. National Census (Latest data comes from the National Census carried out in 2010. 2022 National Census data is not available yet. Preliminary data is expected to be public at the end of 2022 and would potentially inform the Project preparation).

⁸ Goytia C., 2015. Rapid Diagnostics: Urban Expansion Patterns in Argentina. Research Center for Urban Policy and Housing (CIPUV), Torcuato Di Tella University. The study analyses urban expansion patterns for 26 of the 31 agglomerations sampled in the Permanent Household Survey of the National Institute of Statistics and Censuses (INDEC) using population census data and satellite imagery over the decade 2001–10.

⁹ Goytia C., 2015. Rapid Diagnostics: Urban Expansion Patterns in Argentina.

¹⁰ Goytia C., 2015. Rapid Diagnostics: Urban Expansion Patterns in Argentina.

¹¹The concept of "slums, informal settlements and degraded areas" is used by the National Government (*villas, asentamientos informales y áreas degradadas, VAA*), and refers to: (i) slums: vulnerable neighborhoods arising from spontaneous self-constructed occupations, whose morphology is characterized by having an irregular urban fabric, high density and an intensive occupation of its urban spaces; (ii) informal settlements: vulnerable neighborhoods with deficiencies in terms of construction and access to basic services, whose occupation has been informal but followed a regular urban configuration that may allow a future urban consolidation; degraded areas: understood as the deteriorated urban environment in its physical, environmental, and social aspects, where the three are impacted simultaneously, provoking conditions of risk and vulnerability. "Barrios Populares"

¹² National Registry of Slums (Registro Nacional de Barrios Populares, RENABAP), 2022. In 2016, the government of Argentina and NGOs conducted a census of slums and informal settlements and established the National Register of Informal Settlements (ReNaBaP, Registro Nacional de Barrios Populares), the first official survey that mapped and characterized these neighborhoods in the country. In accordance with the adopted definition, the so-called "barrio popular", are neighborhoods of at least eight grouped or adjacent families, half of whom do not have legal land rights, nor



unequally distributed across the country, with almost 60 percent concentrated in the Metropolitan Area of Buenos Aires (AMBA). According to the RENABAP, 90 percent of the population in *Barrios Populares* (BP) lack formal access to the water network, 97 percent do not have formal access to a sewerage network, 99 percent do not have formal access to a natural gas network and 66 percent do not have formal access to electricity¹³. The likelihood of not having waste collection services is five times higher for residents in informal settlements, and 40 percent of households in these settlements live less than three blocks away from an open dumpsite.¹⁴

6. **Sub-standard housing conditions, inadequate service provision and the location of many communities in disaster-prone areas, exacerbate the exposure of slum dwellers to climate change effects.** It is estimated that 45 percent of VAA are located in areas subject to some type of environmental risk¹⁵ and, in particular, almost 50 percent of these neighborhoods are located in flood prone areas¹⁶, making these neighborhoods subject to regular flood and other extreme events and vulnerable to the anticipated increased impacts of climate change¹⁷. Lack of adequate open or green space for ventilation, along with lack of access to electricity may compound the urban heat island effect. Lack of infrastructure increases risks to health, productivity, and livelihoods especially in the informal economy, and slum households' limited incomes hamper their ability to bounce back after major climatic events.

7. **The low socio-economic indicators and lack of social services in informal settlements is a major barrier to inclusive growth and disproportionately affect women, children, and youth.** Fifty-six percent of the population in *Barrios Populares* are children and youth between 0 and 24 years old and 63.7 percent of housing in these neighborhoods have a woman in charge of the household¹⁸. Unemployment and underemployment are common, and job opportunities are often limited to informal sector jobs. Only 31 percent of women living in slums have a job with a regular income (both formal and informal employment), compared to 73 percent of men living in slums and 46 percent of women in urban areas overall¹⁹. For 34 percent of women in these neighborhoods, their main activities revolve around the household and caregiving, much higher than men (1 percent). Social and gender-related issues identified in informal settlements also include gender-based violence, gender gaps in property ownership and tenure, as well as rights and roles in decision making processes. Despite their high needs, households living in precarious urban settlements lack social and community services, including health care, day care for children, green areas, schools, recreational activities, and community centers²⁰. This lack of access to services reinforces the vicious cycle of poverty and inequality, particularly for women; leads to social divisions, and prevents households from full inclusion in the formal economy.

8. **Poor housing and habitat outcomes are largely associated with the inadequate integration of diverse land uses within communities, scarce local fiscal resources, lack of public well-located land and outdated or inexistent planning and land management instruments.** Those shortcomings in urban management have contributed to sprawl and unequal

regular access to at least two basic services (drinkable water networks, electric energy networks with a household measuring system, and a sewage system). The 2016 survey registered 4.416 "barrios populares" in urban localities of up to 10,000 inhabitants. The RENABAP was updated and expanded in 2022, registering slums and informal settlements created before December 2018 in urban areas of more than 2,000 inhabitants.

¹³ RENABAP, 2022.

¹⁴ World Bank Group, 2016. Building Clean and Inclusive Cities in Argentina.

¹⁵ Programa de Investigación sobre la Sociedad Argentina Contemporánea (PISAC), 2015. Encuesta Nacional de Estructura Social (ENES).

¹⁶ IADB, 2022. Cuarta Operación Individual Bajo la Línea de Crédito Condicional para Proyecto de Inversión (CCLIP) – Programa de Mejoramiento de Barrios (PROMEBA).

¹⁷ World Bank Group, 2017. Habitat PAD. From 1960 to 2010, an increase in the average temperature was observed in most of the country. (ENES, 2015).

¹⁸ RENABAP, 2017.

¹⁹ INDEC, 2019. Encuesta Permanente de Hogares.

²⁰ Observatorio de Géneros y Políticas Públicas, 2020. Desigualdad Social y Desigualdad de Género. Radiografía de los barrios populares en la Argentina actual.



provision of services between core and periphery of urban areas, thus affecting the efficiency of urban development. Municipalities are responsible for land use planning, but they do not use all available planning tools to guide development of their territory. On the contrary, local land use practices have fostered unsustainable patterns of urban development by extension of the urban fabric. With weak planning instruments, low technical and implementation capacity, scarce fiscal resources with increased urban development responsibilities at the local government level, and no mechanisms for institutional coordination, the span of interventions of municipalities is restricted to piecemeal and reactive planning for urban growth. Furthermore, the lack of adequate land use regulations and instruments to regulate land markets contributes to constrain access to formal land and housing, thus promoting the growth of informal settlements.

9. **The proposed project aims to improve the living conditions in existing precarious urban settlements, while at the same time advancing policies to stem the creation or expansion of slums, by gradually increasing formal access to well-located urban land.** This two-pronged approach will, in the long term, address the unmet demand for affordable and well-located land that leads to slum formation, while in the short term it will tackle the needs of those currently living in slums. The Project is fully consistent with the national sectoral approach: in 2020, the Ministry of Territorial Development and Habitat announced the National Urban Land Plan, which encompasses strategies to amplify the offer of urbanized land through sites and services projects; offers capacity building on land policy and instruments to subnational governments and creates different land monitoring instruments, such as the Registry of Adequate Land and the National Observatory of Land Prices. Regarding habitat, the Ministry continues implementing a well-established integrated slum upgrading program. The World Bank is already supporting this agenda through the Integrated Habitat and Housing Project (P159929) and the Metropolitan Buenos Aires Urban Transformation Project (P159843), whose lessons learned will help to avoid identified shortcomings and inform the preparation and implementation of this Project.

Relationship to CPF

10. **The Project contributes to the World Bank Group's Twin Goals of reducing poverty and promoting shared prosperity in a sustainable manner** by promoting inclusive urban growth, low-carbon and climate resilience development, economic development and improved access to services that reduce the vulnerability of the urban poor.

11. **The Project is aligned with the World Bank Group's Country Partnership Strategy (CPS) for Argentina for the Period FY19-FY22.** Specifically, it would contribute to CPS Focus Area 2: "Addressing Key Institutional Constraints for Better Governance and Service Delivery", and in particular Objective 5 "Improving service delivery through enhanced inter-jurisdictional coordination", by providing support to develop Urban Expansion Plans in prioritized areas, enhancing urban planning and coordination capacities at the subnational level and providing basic services infrastructure through sites and services and slum upgrading interventions. The Project also aligns to Focus Area 3: "Supporting Argentina to implement its Nationally Determined Contributions (NDC)" and Objective 10 "Building Resilient and Low-Carbon Cities", by promoting green and energy-efficient interventions, nature-based solutions and other climate resilience measures in the habitat interventions.

12. **Finally, the Project would build on the lessons learned from the Integrated Habitat and Housing Project (P159929)** which aims to: (i) increase access to formal housing for eligible households; and (ii) improve living conditions for households in selected precarious urban settlements.



C. Proposed Development Objective(s)

The proposed Project's Development Objective is to (i) promote formal and well-planned urban growth in selected cities; (ii) improve living conditions for households in selected precarious urban settlements[1]; and (iii) respond effectively in case of an eligible crisis or emergency.

[1] slums, informal settlements and degraded areas (VAA, for its acronym in Spanish)

Key Results (From PCN)

The key PDO level results indicator for the proposed project are the following:

- (i) Number of serviced plots developed in well-located urban areas
- (ii) Number of low-income households provided with improved living conditions in selected precarious urban settlements
- (iii) Number of municipalities that have adopted new instruments for planning and/or land management

D. Concept Description

13. **The proposed Project would support the government to (i) create access to urbanized and well-located land; (ii) improve basic standards of living, climate resilience and access to opportunities in slums, informal settlements, and degraded areas (VAA)²¹ of the country; and (iii) increase national and local governments' capacities for planning and land management and to scale up habitat interventions in an efficient manner** The approach of the Project is based on the "Integrated Habitat and Housing Project" ("Habitat 1", currently under implementation) and would support government actions already underway, such as policies for the integrated improvement of habitat and degraded areas, urban development, promotion of low-carbon interventions and the access to serviced land, among others. To achieve these goals, the Project would have the following components:

14. **Component 1: Formal and Planned Urban Growth.** This component would promote planned, sustainable, climate resilient, and inclusive urban growth by supporting the production of sites and services. It would be implemented in two subcomponents.

15. **Subcomponent 1.1: Urban Regulations, Urban Expansion Plans, and Instruments to Improve Urban Management Capacities.** The subcomponent would support the development of the policy and normative frameworks to steer compact low-carbon and climate-resilient urban development and to strengthen eligible municipalities' capacities to promote a more effective management of urban land. It would also create adequate planning and regulatory conditions at the local level to move forward with sites and services interventions to be executed under Subcomponent 1.2. Among other activities, it could finance the development or update of sub-national urban regulations and urban expansion plans (when appropriate) considering a climate-resilient approach, and the development and implementation of urban land management instruments (e.g., land value capture, vacant land taxation, municipal land banks, territorial registries of suitable land, and observatories related to land policies).

16. **Subcomponent 1.2: Sites and Services.** The subcomponent would finance the design and development of sites and services, and promote access to affordable urbanized land in environmentally, socially, and economically suitable areas. The activities to be financed would comprise (a) preliminary plans and land preparation, including (i) measurement,

²¹ VAA stands for "villas, asentamientos y áreas degradadas" in Spanish.



preparation, and processing of surveys and subdivision plans; and (ii) processes for subdivision approval and mutation of the land records, etc.; (b) works to prepare and grade the site, considering climate vulnerability; (c) the installation of basic infrastructure networks, including drinkable water, storm drainage and sewerage investments, gas distribution networks, electricity connections and internet connectivity; and (c) improved public spaces and community infrastructure, including (i) LED street lighting; (ii) road, bike, and pedestrian paths, considering universal accessibility; (iii) urban forestry to reduce carbon footprint; (iv) nature-based solutions to minimize flooding; (v) community, recreational and social service facilities; and (vi) urban furnishing such as urban signaling devices and bus stops. Interventions will be designed considering projected climate impacts and a climate-resilient approach.

17. **Component 2: Sustainable Habitat Improvement.** This component would improve the living conditions of households in selected slums, informal settlements, and degraded areas (VAA), in a scalable, efficient, low-carbon and climate resilient way. Each subproject would aim to transform the settlements *in situ* through integrated interventions to improve land tenure security, provide access to basic services, public spaces, and community infrastructure; reduce environmental and climatic risks, and promote community development and gender specific programs.

18. **Subcomponent 2.1: Increased security of land tenure.** The subcomponent would include activities to facilitate the formalization of existing parcels such as: the carrying out of surveys, plans, physical demarcation, cadastral incorporation of new plots and other activities (including technical assistance) to facilitate the physical and legal regularization of land parcels and to enhance land tenure security for beneficiaries.²²

19. **Subcomponent 2.2: Integrated Urban Infrastructure.** The subcomponent would finance the following infrastructure investments in VAA: (a) infrastructure and basic services including, inter alia: (i) design, implementation and supervision of an integrated package of investments, including drinkable water, storm drainage and sewerage investments, gas distribution networks, electricity connections and internet connectivity; (ii) installation of infrastructure and equipment to connect houses to the existing water, sewerage and drainage, gas and/or electricity networks, as the case may be; (iii) low-carbon housing for minor relocations/resettlement of project-affected people (such as possible relocation needs in connection with opening/widening of streets, identified structural deficits of houses, etc.), addressing minor environmental issues in degraded areas; and (b) improved public spaces and community infrastructure, including, inter alia: (i) LED street lighting; (ii) road, bike and pedestrian paths, considering universal accessibility; (iii) improvement of public spaces and green areas; (iv) environmental risk mitigation works and nature-based solutions, such as sustainable drainage systems, to reduce environmental and climatic risks; and (v) community, recreational and social service facilities. Interventions will be designed considering projected climate impacts and climate-resilient measures.

20. **Subcomponent 2.3: Community development.** The subcomponent would finance community development activities such as strengthening community organizations; public health promotion and vector and water borne disease prevention; social vulnerability and environmental risk prevention; safety, management and long-term maintenance of works; information and communication technology (ICT) and incorporating gender inclusion aspects into Project activities. The subcomponent would also include the implementation of workshops and/or strengthening training for community organizations and social actors involved in the subprojects. In addition, it would finance Community Initiative Projects (PIC), considering a climate resilience approach, and Projects to Strengthen Social and Human Capital (PFCSyH), which include activities for the participatory design and community execution of low complexity works prioritized by residents, considering particular needs and interests of women and LGTBI+.²³

²² Due to time limitations, the Project is not expected to finalize the titling process to each Beneficiary.

²³ Lesbian, gay, trans, bisexual, intersex, and others who may face discrimination based on gender identity or sexual orientation.



21. **Component 3: Institutional Strengthening and Project Management:** this component would finance studies and activities to strengthen the national and subnational governments' capacities for the efficient and scalable implementation of habitat, land and housing policies and projects and support Project management. It would be comprised of two subcomponents.

22. **Subcomponent 3.1: Support for Habitat, Housing and Land Policies and Strengthening the Capacity of National and Subnational Governments.** The subcomponent would support activities to strengthen the national government's capacity for the definition and implementation of policies and projects in the sector by, *inter alia*: (i) performing an evaluation and update of national guidelines for habitat, housing, and land policies, which would guide the urbanization process of vulnerable neighborhoods, increase climate resilience and promote access to land and housing; (ii) designing strategies to enhance efficiency and implement at-scale habitat projects; (iii) analyzing the existing housing and habitat deficit, using the recently Census 2022 data to be published in 2023/24; and (iv) undertaking studies on demand- and supply-side constraints to adequate housing, in order to set a baseline to define future programs such as mortgage access and demand-side subsidies. In addition, support may be given to municipalities that have not been selected for Component 1 and 2 to strengthen their capacities and allow them to be prioritized in a later stage. The support to subnational governments may include activities to (i) improve technical, administrative, environmental, climatic, and social management capacities of Municipalities to implement local habitat and land projects; (ii) design and implement land policies and innovative urban management instruments; (iii) define and implement low-carbon, climate resilient, and sustainable urban design standards; and (iv) implement workshops, exchange sessions and/or training for local governments and community organizations.

23. **Subcomponent 3.2: Project Management.** The subcomponent would include comprehensive support for the management and operation of the implementing agency (travel expenses, technological and/or computer support, etc.), individual consulting services, and external audit of the Project, among others.

24. **Component 4: Contingent Emergency Response.** This component is a contingent financing mechanism available to Argentina to have immediate access to Bank financing to respond to an eligible crisis or emergency, defined as "an event that has caused, or is likely to imminently cause, a major adverse economic and/or social impact associated with natural or man-made crises or disasters." The mechanism for the triggering of the CERC would be established in the CERC Manual, detailing the applicable fiduciary, environmental and social, monitoring, reporting, and any other implementation arrangements necessary for the implementation of the proposed activities to be financed. In case of an event triggering the component, a reallocation of funds would be introduced to loan disbursement categories, to be able to fund the proposed activities under this component in order to be able to respond to the emergency. The implementation agency for this CERC would be determined in accordance with a CERC Manual.



Legal Operational Policies	Triggered?
Projects on International Waterways OP 7.50	TBD
Projects in Disputed Areas OP 7.60	No

Summary of Screening of Environmental and Social Risks and Impacts

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