



FODER - Argentina Renewable Fund Guarantee (P159901)

LATIN AMERICA AND CARIBBEAN | Argentina | Energy & Extractives Global Practice |
Guarantees | Investment Project Financing | FY 2017 | Seq No: 8 | ARCHIVED on 29-Nov-2021 | ISR48529 |

Implementing Agencies: Finance Ministry (Ministerio de Hacienda), Energy Secretariat, BICE

Key Dates**Key Project Dates**

Bank Approval Date: 28-Feb-2017

Effectiveness Date: 07-Dec-2017

Planned Mid Term Review Date: --

Actual Mid-Term Review Date:

Original Closing Date: 01-Dec-2021

Revised Closing Date: 01-Dec-2021

Guarantee Expiration Date:

Guarantee Information

Coverage:	<input type="checkbox"/> Loan Guarantee <input checked="" type="checkbox"/> Payment guarantee
Type of Implementing entity:	Public
Guarantee beneficiary:	Banco de Inversion y Comercio Exterior S.A. (BICE) on behalf of the subprojects.
Includes Payment Guarantee	Yes
Guarantee fees:	On-going
Are guarantee fees current?	Yes
Guarantee fees payment due dates:	01-Dec-2021

Project Development Objective (PDO)

Project Development Objective

The project development objective is to increase electricity generation capacity from renewable energy sources through private investment in the energy sector.



Overall Ratings

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	<input type="checkbox"/> Moderately Satisfactory	<input type="checkbox"/> Moderately Satisfactory
Overall Implementation Progress (IP)	<input type="checkbox"/> Moderately Satisfactory	<input type="checkbox"/> Moderately Satisfactory
Overall Risk Rating	<input type="checkbox"/> Substantial	<input type="checkbox"/> Substantial

Implementation Status and Key Decisions

Overall Renovar. Sub-projects status. Of the 4,470 MW awarded in 146 subprojects in Rounds 1/1.5/2, 82 have started commercial operations (2,537MW), 5 have their PPA contracted terminated (160 MW), and 9 are under construction and may start commercial operations with delay or reduced capacity (280MW). Of the remaining 51 subprojects, 30 of them may seek mutually agreed contract termination (1,075 MW). The status and plans of the remaining 21 subprojects (415 MW) are unclear. GoA is reviewing options to facilitate the exit of delayed subprojects by easing the contractual requirements to do so. Once GoA makes such options official, it is expected that several sponsors of Renovar subprojects that have not started commercial operations will opt for exiting or adjust their contracts to reduced capacity, tariff adjustment, among other. Subprojects from Round 1/1.5 have been able to progress better than Round 2 subprojects. Of the 59 subprojects (2424 MW) awarded in Round 1/1.5, 45 subprojects (1823 MW) have started commercial operations, and one more subproject (95 MW) may become operational with reduced capacity. Of the 87 subprojects (2044 MW) awarded in Round 2, only 37 subprojects (714 MW) have started commercial operations, and 8 subprojects (188 MW) may become operational with reduced capacity.

IBRD guarantee coverage. As of September 2021, 19 subprojects are eligible for IBRD guarantee support. Out of these, 17 have signed Acknowledgement and Consent Agreements (A/C) with IBRD and therefore they are covered under the GA and represent a total committed IBRD guarantee of US\$447 million. The remaining 2 subprojects are from Round 2 and have until 3/18/2022 to sign the A/C. If both projects are signed, they will represent an additional guarantee commitment of US\$10.7 million.

Guarantee Conditions Precedent

Description	Status

Risks

Systematic Operations Risk-rating Tool

Risk Category	Rating at Approval	Previous Rating	Current Rating
Political and Governance	--	<input type="checkbox"/> Substantial	<input type="checkbox"/> Moderate
Macroeconomic	--	<input type="checkbox"/> High	<input type="checkbox"/> High
Sector Strategies and Policies	--	<input type="checkbox"/> Substantial	<input type="checkbox"/> Substantial
Technical Design of Project or Program	--	<input type="checkbox"/> Low	<input type="checkbox"/> Low
Institutional Capacity for Implementation and Sustainability	--	<input type="checkbox"/> Low	<input type="checkbox"/> Low
Fiduciary	--	--	<input type="checkbox"/> Low
Environment and Social	--	--	<input type="checkbox"/> Moderate



Stakeholders	--	<input type="checkbox"/> Low	<input type="checkbox"/> Low
Other	--	--	--
Overall	--	<input type="checkbox"/> Substantial	<input type="checkbox"/> Substantial

Results

PDO Indicators by Objectives / Outcomes

Generation capacity of renewable energy constructed under the Project				
▶ Generation capacity of energy constructed or rehabilitated (Megawatt, Corporate)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	619.50	990.00	1,638.00
Date	28-Feb-2017	30-Sep-2020	29-Oct-2021	01-Dec-2021
Comments:	Generation capacity of renewable energy (other than hydropower) constructed under the Project and covered by WBG guarantee			
<input type="checkbox"/> Renewable energy generation capacity (other than hydropower) constructed under the project (Megawatt, Corporate Breakdown)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	619.50	990.00	1,638.00
Date	28-Feb-2017	30-Sep-2020	29-Oct-2021	01-Dec-2021
▶ Generation capacity of renewable energy constructed Wind (MW) (Megawatt, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	524.85	696.00	881.00
Date	28-Feb-2017	30-Sep-2020	29-Oct-2021	01-Dec-2021
▶ Generation capacity of renewable energy constructed Solar (MW) (Megawatt, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	94.65	294.00	706.00
Date	28-Feb-2017	30-Sep-2020	29-Oct-2021	01-Dec-2021
▶ Generation capacity of renewable energy constructed Mini-hydro (Megawatt, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	15.00



Date	28-Feb-2017	30-Sep-2020	29-Oct-2021	01-Dec-2021
Comments:	5.57 MW were supported, when including projects with terminated guarantee.			
► Generation capacity of renewable energy constructed – Biogas and Biomass (Megawatt, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	20.20
Date	28-Feb-2017	30-Sep-2020	29-Oct-2021	01-Dec-2021

Private capital mobilized (million US\$)				
► Private capital mobilized (million US\$) (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	1,279.37	1,422.67	4,294.00
Date	28-Feb-2017	30-Sep-2020	29-Oct-2021	01-Dec-2021

Intermediate Results Indicators by Components

IBRD guarantee to partially backstop the termination payment obligations				
► GHG emissions avoided (million tCO₂) (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	2.35	4.32	2.02
Date	02-Feb-2017	30-Sep-2020	29-Oct-2021	01-Dec-2021

Performance-Based Conditions

Data on Financial Performance

Disbursements (by loan)

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
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P159901	IBRD-G2460	Closed	USD	480.00	479.26	0.74	0.00	479.26		0%
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P159901	IBRD-G2570	Effective	USD	250.00	248.44	1.56	0.00	248.44		0%
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Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P159901	IBRD-G2460	Closed	28-Feb-2017	09-Aug-2017	07-Dec-2017	01-Aug-2020	01-Aug-2020
P159901	IBRD-G2570	Effective	15-Mar-2018	14-Jan-2019	18-Mar-2019	01-Dec-2021	01-Dec-2021

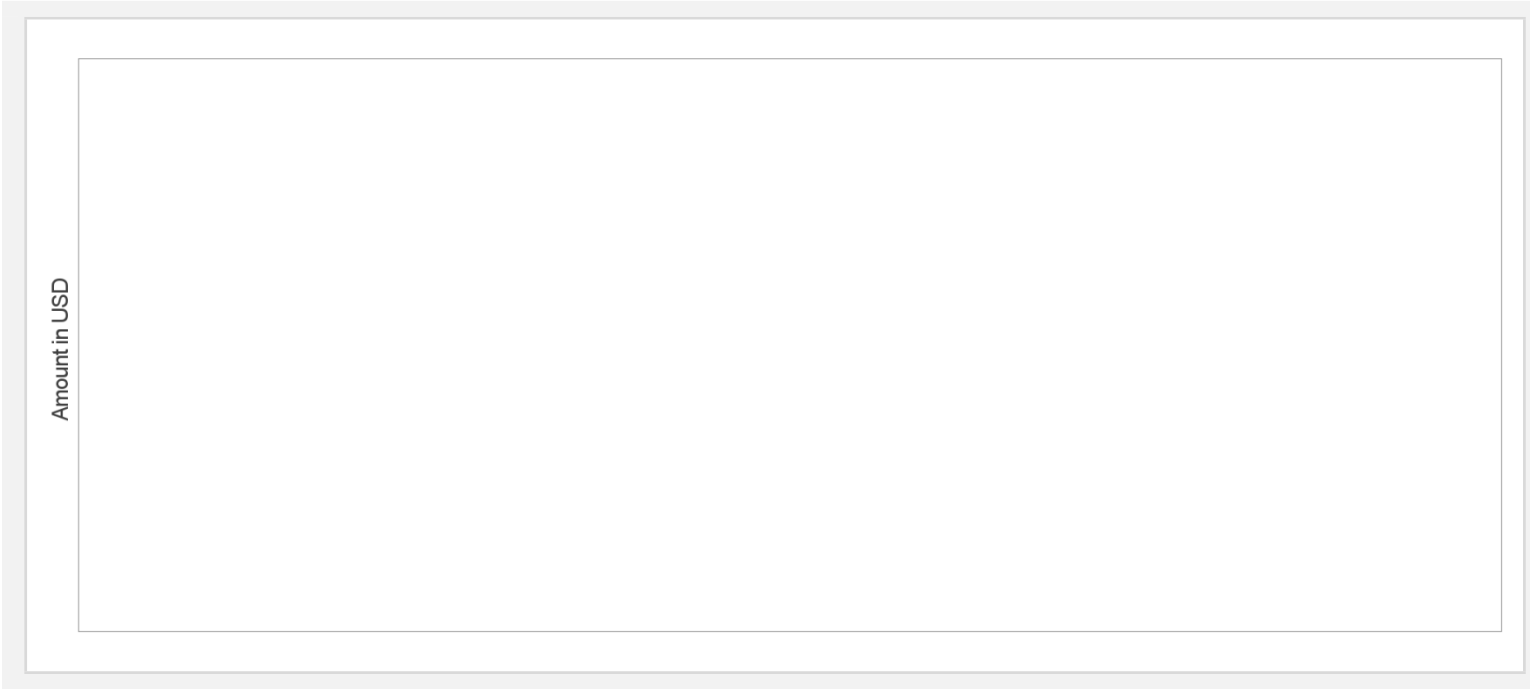
Guarantee Amount

Project	Guarantee No.	Status	Currency	Original	Revised	Cancelled	Current Amount
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Guarantee Dates

Project	Guarantee No	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Guarantee Expiration Date	Rev. Guarantee Expiration Date
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Cumulative Disbursements



Restructuring History

There has been no restructuring to date.

Related Project(s)

P165085-Renewable Fund Guarantee