PMR Operational Report

Operation Number	AR-L1280	**Chief of Operations Validation Date**	10/22/19
Year- PMR Cycle	First period Jan-Jun 2019	**Division Chief Validation Date**	
Last Update	10/04/19	**Country Representative Validation Date**	
PMR Validation Stage	Validated by Chief of Operations		

Basic Data

Operation Profile

Operation Name	Promoting Risk Mitigation Instruments and Finance for Renewable Energy and Energy Efficiency Investments	**Loan Number**	4565/GN-AR
Executing Agency	BANCO INVERSION Y COMERCIO EXTERIOR	**Sector/Subsector**	FM-FES - FINANCIAL MARKETS-FINANCING FOR ENVIRONMENTAL SUSTAINABILITY
Team Leader	NETTO DE A. C. SCHNEIDER, MARIA E.	**Overall Stage**	Effective/Pending Eligibility
Operation Type	Loan Operation	**Country**	ARGENTINA
Lending Instrument	Investment Loan	**Convergence related Operation(s)**	
Borrower	Republica Argentina		

Environmental and Social Safeguards

Impacts Category	B13	**Was/Were the objective(s) of this operation reformulated?**	NO
Safeguard Performance Rating		**Date of approval**	
Safeguard Performance Rating - Rationale			

Financial Data

Item	Total Cost and Source					Available Funds (US$)			
	Original IDB	Current IDB	Local Counterpart	Co-Financing / Country	Total Original Cost	Current IDB	Disb. Amount to Date	% Disb	Undisbursed Amount
AR-L1280	100,000,000	100,000,000	60,000,000		0	160,000,000	100,000,000	0	0.00%	100,000,000
Aggregated	**100,000,000**	**100,000,000**	**60,000,000**		**0**	**160,000,000**	**100,000,000**	**0**	**0.00%**	**100,000,000**

Expense Categories by Loan Contract (cumulative values)

Please note that inactive indicators and outputs are not displayed; totals in the actual cost table may not match the sum of the cost of the outputs displayed, due to the cost of inactive outputs.

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RESULTS MATRIX

IMPACTS

Impact Nbr. 0: Promote the efficiency in the production and use of energy in Argentina

Observation:

Indicator		Unit of Measure	Baseline	Baseline Year		2023	EOP 2023
0.0	1. Power generation from RE sources (excludes large hydro) as a share of total demand	%	1.80	2016	P		6.80
					P(a)		
					A		
Details							

Means of verification: Source: Official data from the Ministerio de Energía y Minería (MINEM).

Observations: This measure includes all new investments added to the system, including those supported by the program. This impact is related to RE projects under the program. Target estimate is based on country's authority projections.

Pro-Gender	No		**Pro-Ethnicity**	No

Indicator		Unit of Measure	Baseline	Baseline Year		2023	EOP 2023
0.1	2. Energy intensity to Gross Domestic Product (GDP).	toe/1,000 US$	0.19	2015	P		0.16
					P(a)		
					A		
Details							

Means of verification: Source: IEA and official data from the MINEM.

Observations: Measures the quantity of energy required to generate US$1,000 of GDP. This impact is related to EE projects under the program.

Pro-Gender	No		**Pro-Ethnicity**	No

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OUTCOMES

Outcome Nbr. 0: i) increase SME (defined as per Argentine's government classification) investments in RE and EE, by providing access to medium and long-term finance; and (ii) contribute to the reduction of GHG emissions.

Observation:

	Indicator	Unit of Measure	Baseline	Baseline Year		2018	2019	2020	2021	2022	2023	EOP 2023
0.0	1. Financing from third parties mobilized by the program. 1.1 Financing from third parties mobilized by RE projects from Small and Medium Enterprises (SME financed. 1.2 Financing from third parties mobilized by EE projects from SMEs financed.	Millions of US$	0.00	2018	P	6.50	13.00	18.20	22.60	6.70		67.00
					P(a)							
					A							

Details

Means of verification: Source: Annual Report (AR) on program execution by BICE.

Observations: Includes all sources of financing (debt or equity) other than the IDB and Banco de Inversión y Comercio (BICE) own resources. Target estimate based on the average total investment required per project and an average 70/30 debt to equity ratio observed in similar projects. Total investment = US$160 million from the program + equity + other sources

Pro-Gender	No		**Pro-Ethnicity**	No

	Indicator	Unit of Measure	Baseline	Baseline Year		2018	2019	2020	2021	2022	2023	EOP 2023
0.1	2. Small and Medium Enterprises (SME) that finance EE projects with resources from the program.	Project	0.00	2018	P	4.00	8.00	23.00	34.00	45.00		114.00
					P(a)							
					A							

Details

Means of verification: Source: AR on program execution by BICE.

Observations: Measures number of EE projects implemented and in operation.

Pro-Gender	No		**Pro-Ethnicity**	No

	Indicator	Unit of Measure	Baseline	Baseline Year		2018	2019	2020	2021	2022	2023	EOP 2023
0.2	3. Annual electricity generation from RE sources by projects financed by the program (accumulated).	GWh	0.00	2018	P	0.00	28.03	84.10	154.18	238.27		238.27
					P(a)							
					A							

Details

Means of verification: Source: AR on program execution by BICE. Can be validated with information from national utility.

Observations: Final target was estimated based on an average production factor for RE technologies expected to be financed, namely biogas and biomass. Electricity prod (GWh) = Installed capacity (GW) x 24 x 365 x production factor The indicator shows the accumulated value for each year, and the target is equal to the sum of the five years of execution.

Pro-Gender	No		**Pro-Ethnicity**	No

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RESULTS MATRIX

OUTCOMES

	Indicator	Unit of Measure	Baseline	Baseline Year		2018	2019	2020	2021	2022	2023	EOP 2023
0.3	4. Average annual energy savings from EE projects financed by the program (accumulated). 4.1 Average annual energy savings from electricity-sourced EE projects financed. 4.2 Average annual energy savings from fuel-sourced EE projects financed.	MWh	0.00	2018	P	4,210.00	12,630.00	38,569.00	76,664.00	126,913.00		126,913.00
					P(a)							
					A							

Details
Means of verification: Source: AR on program execution by BICE.
Observations: Final target was estimated based on an average consumption of firms and savings ratios of EE technologies installed. Savings for fuel-sourced systems are estimated by converting Gal to MWh. Energy savings = Baseline energy consumption (MWh or Gal) x % savings produced by system installed The indicator shows the accumulated value for each year, and the target is equal to the sum of the five years of execution

Pro-Gender	No		Pro-Ethnicity	No

	Indicator	Unit of Measure	Baseline	Baseline Year		2018	2019	2020	2021	2022	2023	EOP 2023
0.4	5. GHG emissions annual reduction, from projects financed by the program (accumulated). 5.1 GHG emissions annual reduction from RE projects financed. 5.2 GHG emissions annual reduction from EE projects financed.	tCO2e	0.00	2018	P	1,814.00	20,440.00	61,465.00	115,178.00	181,579.00		181,579.00
					P(a)							
					A							

Details
Means of verification: Source: AR on program execution by BICE and conversion factor specific to Argentina (included in periodical publications of CAMMESA).
Observations: Indicator is based on the CO2e emissions displaced by RE power generation added by the program and the energy savings (electricity and fuel) from EE projects financed. Final target was estimated based on envisaged RE production and EE savings, using a country specific conversion factor for electricity and fossil fuels (0.535 tCO2/MWh and 0.015 tCO2/Gal).

Pro-Gender	No		Pro-Ethnicity	No

RESULTS MATRIX

OUTPUTS: ANNUAL PHYSICAL AND FINANCIAL PROGRESS

Component Nbr. 1 Component 1: Access to medium and long-term finance

	Output	Unit of Measure		PHYSICAL PROGRESS		FINANCIAL PROGRESS	
				2019	EOP 2023	2019	EOP 2023
1.1	Installed RE generation capacity financed by the program.	MW	P	4	34		
			P(a)	4	34		
			A		0		
1.2	Credit line used in SME EE projects	Millions US$	P	1.4	40		
			P(a)	1.4	40		
			A		0		

CHANGES TO THE MATRIX

No information available for this section

IMPLEMENTATION STATUS AND LEARNING

Lesson Learned - Categories