

**COMBINED PROJECT INFORMATION DOCUMENTS / INTEGRATED  
SAFEGUARDS DATA SHEET (PID/ISDS)  
ADDITIONAL FINANCING**

**Report No.:** PIDISDSA17909

**Date Prepared/Updated:** 09-May-2016

**I. BASIC INFORMATION**

**A. Basic Project Data**

<b>Country:</b>	Argentina	<b>Project ID:</b>	P159747
		<b>Parent Project ID (if any):</b>	P106752
<b>Project Name:</b>	AR Unleashing Productive Innovation - AF (P159747)		
<b>Parent Project Name:</b>	Unleashing Productive Innovation for Competitiveness (P106752)		
<b>Region:</b>	LATIN AMERICA AND CARIBBEAN		
<b>Estimated Appraisal Date:</b>	11-May-2016	<b>Estimated Board Date:</b>	05-Jul-2016
<b>Practice Area (Lead):</b>	Trade & Competitiveness	<b>Lending Instrument:</b>	Investment Project Financing
<b>Sector(s):</b>	Tertiary education (20%), General industry and trade sector (60%), Public administration- Industry and trade (20%)		
<b>Theme(s):</b>	Education for the knowledge economy (20%), Micro, Small and Medium Enterprise support (60%), Other Private Sector Development (20%)		
<b>Borrower(s):</b>	Government of Argentina		
<b>Implementing Agency:</b>	Agencia Nacional de Promoci?n Cientifica y Tecnologica		
<b>Financing (in USD Million)</b>			
<b>Financing Source</b>			<b>Amount</b>
Borrower			0.00
International Bank for Reconstruction and Development			45.00
Financing Gap			0.00
Total Project Cost			45.00
<b>Environmental Category:</b>	B - Partial Assessment		
<b>Appraisal Review Decision (from Decision Note):</b>	The review did authorize the team to appraise and negotiate		
<b>Other Decision:</b>			

<b>Is this a Repeater project?</b>	No
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## B. Introduction and Context

### Country Context

1. After taking office on December 10, 2015, the new administration has moved with significant speed to implement core reforms. The new government eliminated export taxes on major crops and beef, and reduced those on soy by 5 percentage points. Export taxes on most industrial manufacturing exports have also been eliminated, including autos, textiles, metals and toys. The government has unified the exchange rate, effectively ended most foreign exchange restrictions, and has moved from a system of discretionary to automatically provided import licenses in line with WTO procedures. Electricity tariffs were realigned. The new scheme reduces energy subsidies while including price incentives to reduce energy consumption and a social tariff destined to low income users. Similarly, transport tariffs were increased while protecting the poor. The new administration declared an emergency for statistics and the institute for statistics (INDEC) has been exempted from publishing statistics until a more credible methodology to measure inflation will be adopted. In INDEC, new staff has been appointed and a revision of inflation, economic activity, and poverty statistics are under way. The publication of more credible statistics is expected by mid-2016. Restoring the credibility of statistics will be important for gaining market confidence and designing appropriate economic policies based on robust data. Finally, the Government resolved the dispute with the debt holdouts. This allowed Argentina to restore access to international capital markets.

2. Economic growth is expected to experience a mild contraction in 2016 but accelerate in 2017 as the positive impact of the recent policy changes kick in and the global economy recovers. Hefty state intervention, policy uncertainty before the elections, and worsening external conditions affected economic performance in 2015 and exacerbated the country's existing macroeconomic imbalances. GDP growth for 2015 was recorded at 2.1 percent and it was supported mostly by consumption, especially public consumptions. Primary fiscal deficit is large (estimated at 5.8 percent of GDP for 2015, including provinces) and public spending increased significantly before elections in 2015. The trade account in 2015 registered a deficit for the first time since 1999 due to an overvalued exchange rate and worsening external conditions (economic contraction in Brazil, slowdown in China, and lower commodity prices). In a context of lack of access to international capital markets, the growing fiscal deficit was partly financed with monetary emission and inflation rose to 29 percent in 2015, according to private sector estimates. 2016 will be a year of transition. The much needed adjustment is likely to initially slow down economic activity. The need for fiscal consolidation would imply a reduction of both public consumption and public investments. Inflation, which is already high, will further increase, at least in the short-term, as a result of the devaluation of the exchange rate and the tariff increases for energy and transport. In absence of official inflation figures, unofficial figures (IPC Congreso) point to an acceleration of inflation in December 2015 (+3.8% mom), January 2016 (+3.6% mom), and February 2016 (+4.8% mom). Both inflation and exchange rate depreciation are likely to have a negative impact on private consumption. Overall, taking into account the deterioration of external conditions, the economy may experience a mild contraction in 2016, with resources shifting from the service sector to tradable sectors, and a possible temporary increase of unemployment. However, economic growth is expected to accelerate in 2017 and 2018 under the

expectation that a more stable macroeconomic framework will promote private consumption and investment and facilitate access to capital markets.

3. Going forward, the country needs a sound macroeconomic program and a growth enabling policy framework to build credibility and support broad based growth and quality employment. First, less expansionary fiscal policies are needed to address the country's macroeconomic imbalances. Curbing inflation is key to restore confidence and reignite growth. The Central Bank has already stated that its main focus in 2016 will be on inflation and has been slowing down monetary emission by raising interest rates. Curbing inflation will require reducing significantly the monetization of the fiscal deficit. The Administration managed to restore access to capital markets and this will allow to make the much-needed fiscal consolidation effort more gradual. Second, improving spending efficiency in key social sectors and infrastructure will be critical to avoid major cuts in public spending and protect pro-poor expenditures. During transition to a more stable macroeconomic environment, short-term adjustments could have negative impacts on firms and employment. Small firms and the poor face the greatest risks because they lack instruments and resources to hedge against potential shocks. Therefore, carefully designed policies are key to avoid negative impacts on the poor and preserve important social milestones attained during the past years. Third, it will be critical to strengthen competitiveness and productivity of the economy in order to be able to fully reap the benefits of greater trade openness. Improved business environment, investment in infrastructure, increased competition in markets and improved regulatory framework in sectors would contribute to this objective. Fourth, for a broad based and inclusive growth, which is important for sustaining reform momentum and equally distributing potential welfare improvements, Argentina needs to improve public goods provision and reduce regional disparities (including transportation, health, and education).

### **Sectoral and institutional Context**

Promoting innovation and technology upgrading continues to be an important piece of any strategy to promote export-diversification, to increase value-added and to create skilled jobs. These issues are still very much relevant in Argentina, and they are part of the government's priorities as articulated in their Plan Argentina Innovadora 2020. The continuity of the Minister for Science, Technology and Productive Innovation under the new government signaled a strong endorsement of the innovation agenda for the country, which includes continued support for the nascent collaboration in applied R&D projects between researchers and companies, the creation of new technology based start-ups and in general the increased transferring of knowledge to the productive sector and society at large. A strong push to reach the interior of the country with these policies (federalización de la innovación tecnológica) has also renewed emphasis and priority.

## **C. Proposed Development Objective(s)**

### **Original Project Development Objective(s) - Parent**

The project would support the government's high level objective of sustaining growth by promoting export-diversification and an increase in value added in production. Specifically, the project development objective (PDO) is to expand Argentina's capacity to generate productive innovation in knowledge-based areas by (i) facilitating the creation of new knowledge-based companies; (ii) developing specialized human capital; (iii) supporting productive research innovation projects and their commercialization in three priority technology areas (biotechnology, nanotechnology, and information and telecommunications); (iv) upgrading research infrastructure

in the areas of science, technology and productive innovation; and (v) strengthening the policy framework governing science, technology, and productive innovation.

### **Key Results**

Expected results from this scaling-up include more start-ups being created, more private sector financing for innovation being leveraged, more products and services based on technology being developed and available for consumption and use, increased capacity from different actors in the innovation system to engage in technology transfer and commercialization activities, and more accurate information being produced on the effects of project activities that will inform policy making.

## **D. Project Description**

The original project (USD 150 million of Bank financing) was approved by the Board in 2008, and began implementation in September of 2009. The AF project seeks an additional loan of USD 45 million to continue MINCyT's efforts to strengthen the country's capacity to generate productive innovation.

The design of the original loan was built around addressing various market failures related to innovation, by a combination of activities that were structured around 5 components. The AF will follow a similar structure, continuing 4 of the 5 components of the original loan. The activities selected for continued support under the AF have been chosen because of their good implementation record and overall perceived positive impact during the original loan and because of the ability to implement these activities within the timeframe of the AF.

The proposed additional loan would help finance the costs associated with the scale up of a well performing project, which will include expanding successfully implemented activities and adding impact evaluation activities that together are expected to enhance the project's impact and development effectiveness while helping both the Government of Argentina (GoA) and the World Bank draw lessons for future programs and operations. Among the activities that the project would help with scaling-up are: the support for the creation of new technology based companies, research consortia, innovation projects among SMEs, and impact evaluations.

### **Component Name**

Component 1: Developing human capital for productive innovation

### **Comments (optional)**

This component will continue to support the development of technology managers, with a focus on improving the overall quality of the program. This component will also continue the support for the technology transfer projects at universities (D-TEC), with the possibility of expanding the potential beneficiaries of such technology transfer to public institutions.

Support will continue for scholarships to encourage completion of undergraduate studies in ICT fields, as well as for increasing the institutional capacity within CONICET (including CONICET-TECNOLOGIAS) to improve its technology transfer and commercialization activities.

### **Component Name**

Component 2: Support to new knowledge-based companies

### **Comments (optional)**

This component will continue the support for the creation of technology based start-ups. Changes to the design of this component based on lessons learned during the implementation of the current loan include the dropping of the use of Deal Flow Facilitators as the "gate keepers" to the instrument, allowing the potential proposals to apply directly to project funds and hire freely with existing service providers the support needed to develop their proposals. In addition, the timelines will be shortened for project implementation, and additional and more intensive support will be provided to accelerate the development of the projects.

#### **Component Name**

Component 3: Support for Innovation Projects in Consortia and Individual Firms

#### **Comments (optional)**

This component will continue supporting innovation projects in public-private and public-public research consortia and individual firms. Changes to this component design based on lessons learned during implementation of the current loan include emphasizing more heavily during project selection of research consortia previous experience in doing R&D in association with other companies or institutions. One of the new calls for proposals intended for the innovation grants for individual firms will be focused on the new companies being created through Component 2 support, which will enhance synergies among project activities.

#### **Component Name**

Component 4: Strengthening the policy and institutional framework

#### **Comments (optional)**

This component will continue carrying on the activities under the parent loan's Component 5, that is, activities that aim to strengthen the policy framework governing science, technology, and productive innovation. This will be specially enhanced under the AF through the impact evaluations studies and assessments that are being planned.

### **E. Project location and salient physical characteristics relevant to the safeguard analysis (if known)**

Project's activities will be implemented in the capital as well as in provinces (national coverage).

### **F. Environmental and Social Safeguards Specialists**

## **II. Implementation**

### **Institutional and Implementation Arrangements**

The AF will be implemented by the National Agency for the Promotion of Science and Technology (Agencia Nacional de Promoción Científica y Tecnológica, ANPCyT) under the Ministry of Science Technology and Productive Innovation (Ministerio de Ciencia, Tecnología e Innovación Productiva, MINCYT). The ANPCyT is responsible for overall project coordination and the implementation of all project activities, including fiduciary and safeguards aspects.

## **III. Safeguard Policies that might apply**

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	<p>The Parent loan comprises an ample diversity of activities in support of the Government's objective of expanding Argentina's capacity to generate productive innovation in knowledge-based areas. The proposed additional loan would help finance the costs associated with the scale up of successfully implemented activities and adding impact evaluation activities that together are expected to enhance the Project's impact and development effectiveness while helping both the Government of Argentina (GoA) and the World Bank draw lessons for future programs and operations. Among the activities that the AF would help with scaling-up are: the support for the creation of new technology based companies, public-private research consortia, innovation projects among SMEs, and impact evaluations.</p> <p>Under the AF sub-projects with (actual or potential) associated socio-environmental interactions are related to Components 2 and 3. Access to funding is demand-driven; new sub-projects to be financed are selected on the basis of competitive calls of proposals.</p> <p>Component 2 supports, by providing seed funding, the creation of Technology-Based Enterprises (TBEs) along the cycle that goes from the concept idea to an operational plan for the start-up of the TBE. Component 3 supports, by providing strategic funding with a clear focus towards selected priority areas with a high impact on the innovation of the productive sector, the creation of public-private or public-public consortia (academia, public institutions and the productive sector) for applied research and technology transfer. Potential impacts of both components depends on the characteristics of the different proposals that apply for funding; however, given that these components basically involves R&amp;D, risks and potential impacts are mostly related to occupational health and safety (OHS), other aspects of the indoor environment and ethics in experimentation. These risks and potential impacts are not assessed to be significant; legal compliance in connection with of OHS and ethical experimentation complemented, when necessary, by the application of recognized guidelines and good practices will lead to the prevention or mitigation of such risks and</p>

		<p>potential impacts.</p> <p>Under the Additional Financing no civil works will be carried out.</p> <p>Based on the nature of the activities to be carried out under the AF, which are essentially the same as those that were implemented under the Parent loan, and the assessed types and magnitude of the associated risks and adverse impacts, this AF triggers the World Bank Environmental Assessment OP/BP 4.01 and is classified as Category B according to such Policy.</p> <p>For the management of the original loan's risks and potential adverse impacts the ANPCyT, through its Socio-Environmental Management Unit (Unidad de Gestión Socio-Ambiental, UGSA) developed a Socio-Environmental Management Plan (the Project's ESMP), built upon the proven systems and procedures as well as the experience acquired by the Agency and its Environmental Unit through the implementation of three projects partially financed by IDB, and the incorporation of pertinent additional requirements to fulfill WB Safeguard Policies.</p> <p>Through the practical implementation of the ESMP, some areas of improvement were identified and, accordingly, new/upgraded procedures were developed and implemented. Given the proven adequacy of the instrument for the management of safeguards that was in place for the Argentina Unleashing Productive Innovation (P106752), i.e. the Project's ESMP complemented by practical guides and improvement procedures, it will continue to be applied to this Additional Financing (P159747).</p> <p>Note: more details on the contents of the ESMP and complementary new/upgraded procedures are provided in section IV A.4 "</p>
Natural Habitats OP/BP 4.04	No	<p>This policy is not triggered since the AF does not require the significant conversion of natural habitats or critical natural habitats and will not take place in protected areas or ecologically important sites.</p> <p>Although new sub-project specific locations would be selected during implementation of the AF, it is expected that (similarly to the original loan) the majority of sub-projects would take place in urban, suburban or industrial zones where research centers as well as commercial, service and production activities are usually established. In all cases sub-projects will be implemented in private, already converted land (beneficiaries of the funding's premises). In</p>

		addition, according to the Project's ESMP provisions, sub-projects that might cause negative impacts on natural habitats will not be eligible for financing.
Forests OP/BP 4.36	No	This policy is not triggered since the AF Project will affect neither forests nor forest-dependent communities, nor will it involve changes in the management of forests.
Pest Management OP 4.09	No	This policy is not triggered since the AF Project does not require the purchase or use of pesticides.
Physical Cultural Resources OP/BP 4.11	No	Sub-projects will not be placed in territories of (actual or potential) recognized cultural values: although new sub-project specific locations would be selected during Project implementation, it is expected that the majority of sub-projects would take place in urban, suburban or industrial zones where research centers as well as commercial, service and production activities are usually established; in all cases sub-projects will be implemented in private, already converted land (beneficiaries of the funding's premises). In addition, given the type of sub-projects to be financed under the Project, they not will entail large excavations or soil movements. Thus, this policy is not triggered. However, the Project's ESMP includes procedures to manage chance finds.
Indigenous Peoples OP/BP 4.10	No	Although new sub-project specific locations would be selected during Project implementation, it is expected that the majority of sub-projects would take place in urban, suburban or industrial zones where research centers as well as commercial, service and production activities are usually established. In all cases sub-projects will be implemented in private, already converted land (on the premises belonging to the beneficiaries). Thus, the Indigenous People Policy is not triggered because no indigenous groups are present in, or have collective attachment to, the sites where the Project will be implemented.
Involuntary Resettlement OP/BP 4.12	No	Sub-projects financed will be to private parties or public-private consortia and will not entail the involuntary taking of land that would result in the impacts covered by OP/BP 4.12. Therefore, this Policy is not triggered.
Safety of Dams OP/BP 4.37	No	This Policy is not triggered since the AF will not support the construction or rehabilitation of dams nor will it support investments that rely on the services



		of existing dams.
Projects on International Waterways OP/BP 7.50	No	The AF will not affect international waterways as defined in the policy, therefore the policy is not triggered.
Projects in Disputed Areas OP/ BP 7.60	No	The Policy is not triggered because the AF will not be implemented in or will not affect areas known to involve disputed areas.

#### IV. Key Safeguard Policy Issues and Their Management

##### A. Summary of Key Safeguard Issues

<p><b>1. Describe any safeguard issues and impacts associated with the proposed project. Identify and describe any potential large scale, significant and/or irreversible impacts:</b></p> <p>The parent loan (Unleashing Productive Innovation for Competitiveness, P106752) comprised an ample diversity of activities in support of the Government's high level objective of sustaining growth by promoting export-diversification and an increase in value-added in production. From an environmental analysis perspective, the Additional Financing that is being sought (AR Unleashing Productive Innovation -AF, P159747) would limit the diversity of potential sub-projects, since it will focus on expanding successfully implemented activities. Under the Additional Financing no civil works will be carried out.</p> <p>No large scale, significant or irreversible potential negative impacts were anticipated for the parent loan, and neither for its AF. Potential adverse socio-environmental implications of the AF are related to its Components 2 and 3. Potential impacts depends on the characteristics of the different new proposals that will apply for funding (component 3) and on the characteristics of the sub-projects currently under implementation (components 2 and 3); however, given that these components basically involves Research and Development (R&amp;D), risks and potential impacts are mostly related to common occupational health and safety (OHS) aspects (such as handling of hazardous materials and waste, storage/use of flammable substances, storage of pressurized gases, etc.), other aspects of the indoor environment (such as biosafety) and ethics in experimentation (for example, ethical treatment of lab animals for experimentation). These risks and potential impacts are not assessed to be significant; legal compliance in connection with OHS, including biosafety, and ethical experimentation complemented by, when necessary, the application of recognized guidelines and good practices will lead to the prevention or mitigation of such risks and potential impacts. During the operational stage, technological upgrades are expected to cause minor or negligible additional or increased negative impacts; individual sub-projects may pose some operational issues but the incremental adverse effects are expected to be low.</p> <p>In all cases, as the sub-projects to be financed will take place within the premises of the beneficiaries of the funding, no potential involuntary use of land or expropriations are foreseen for the Project.</p>
<p><b>2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:</b></p> <p>The AF is expected to result in positive environmental outcomes in accordance with the PDO of the Project. Support for the innovation agenda is expected to have positive social ramifications to the Argentine population, enhancing the competitiveness of its industry and generating new and better remunerated employment.</p>

<p>No long term negative impacts are expected. Cumulative incremental adverse effects from sub-projects are not expected to be significant, as per sub-projects general characteristics and the fact that the AF is nationwide in scope.</p>
<p><b>3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.</b></p>
<p>Since the access to the funding under the AF will be demand-driven, analysis of alternatives of sub-project locations does not apply; sub-projects will be implemented in the beneficiary premises. In a similar way, sub-projects' technological features will be proposed by applicants. However, recommendations on sub-project design improvements might arise from the environmental screening and assessment process.</p>
<p><b>4. Describe measures taken by the borrower to address safeguard policy issues. Provide an assessment of borrower capacity to plan and implement the measures described.</b></p>
<p>For the management of the Parent loan's risks and potential adverse impacts, the ANPCyT, through its Socio-Environmental Management Unit (Unidad de Gestión Socio-Ambiental, UGSA) developed a Socio-Environmental Management Plan (Project's ESMP), built upon the systems and procedures of the long and proven track record and experience acquired by the Agency and its Environmental Unit through the implementation of three projects partially financed by IDB. This Project's ESMP incorporates additional pertinent requirements to fulfill WB Safeguard Policies; for example, adjustments in the selection procedures for sub-projects to include environmental and occupational health &amp; safety categories in order to allow the UGSA to better screen proposals and identify those that may have a potential negative impact, and determine subsequent actions: in the case of a possible negative environmental impact, the subproject applicant would need to elaborate an environmental assessment and/or elaborate an environment &amp; OHS management plan, acceptable for the UGSA. Only environmentally sound subprojects will receive funding. The Project's ESMP is a comprehensive document that establishes, inter alia, i) role and responsibilities of the UGSA (and also other pertinent actors, such as evaluators committees) along the sub-projects' cycle (from the ANPCyT perspective): preparation of the call of proposals, evaluation of proposals, selection of proposals, contents of the contracts, and supervision of the implementation of sub-projects.; and ii) Guidelines on occupational safety and environmental management for construction of civil works' (Annex of the Project's ESMP). Following procedures, UGSA intervenes in all stages of the definition of the eligibility of a sub-project for funding, and the corresponding conditions to be followed by the beneficiary during the development and implementation (if applicable) of his proposal. OHS and environmental management clauses are incorporated into official bidding rounds for transparency purposes and to adequately inform applicants; associated covenants are incorporated in the corresponding contracts afterwards In addition, UGSA's staff has been and continue participating in capacity building activities and providing training on OHS and socio-environmental management to other ANPCyT's technical areas, evaluators committees and also to beneficiaries. Furthermore, the ANPCyT Internal Audit Unit monitors that sub-projects comply with environmental and OHS management guidelines. The Project's ESMP was included in the Parent loan Operational Manual.</p> <p>During Parent loan preparation, an environmental specialist assessed the environmental policies and implementation capacity of the ANPCyT and the UGSA. Given the ANPCyT environmental policies and experience, it was considered the best agency to continue monitoring that sub-projects to be carried out under the project adequately comply with WB's safeguards. The project environmental specialist completed the environmental assessment including an analysis of the ANPCyT's capacity for managing environmental and social issues in April 2008. Overall, it</p>

was found that ANPCyT had sound systems in place, but they could be further strengthened. These recommendations were incorporated in the project design and in the development of the Project's ESMP, as explained above. It was also found that UGSA had a proven track record of supervising sub-projects through the implementation of three projects partly financed with IDB lending. However, its staff received further training on environmental impact assessments and World Bank's Safeguards Policies, which inform the development of the Project's ESMP, as explained above.

The Parent loan implementation has been supported by the same environmental specialist since 2010. Although at the beginning the UGSA required close guidance from the Bank to appropriately implement the established procedures, it quickly could accomplish its responsibilities and even improve agreed tasks and procedures. Today, UGSA is a consolidated Unit within the ANPCyT, staffed by nine professionals that cover the required different areas of expertise: environmental assessment and management, occupational health and safety, biosafety, legal compliance, experimentation with animals, occupational health and safety in research laboratories, civil works supervision and management. UGSA also counts on a list of experts in the fields of biotechnology, nanotechnology and ICTs, to support the Unit in particular aspects as required. Through the practical implementation of the Project's ESMP, some areas of improvement were identified and, accordingly, new/upgraded procedures were developed and implemented. This includes, among others: i) the inclusion, as a clause in official bidding rounds related to nanotechnology, the requirement of observance of the following recognized guidelines: a) Communication from the Commission to the European Parliament, the Council and the European Economic and Social Committee: regulatory aspects of nanomaterials [sec(2008) 2036]. Commission of the European Communities. Brussels, June 2008.com (2008) 366 final; b) ISO/TR 12885:2008 Nanotechnologies - Health and safety practices in occupational settings relevant to nanotechnologies; and c) British Standard, BSI 6699-2:2007 Nanotechnologies - Part 2: Guide to safe handling and disposal of manufactured nanomaterials; ii) the development of instructions and practical guides aimed at applicants and beneficiaries (as it corresponds) for: a) filling the formularies and preparing the information pertinent to the OHS and environmental management of sub-project at the proposal stage; b) developing of environmental assessments (adapted to the type of sub-projects); c) developing OHS and environmental management plans - operation stage. The UGSA also performed a close supervision of sub-project implementation by means of systematic and periodic site audits; these audits and follow up activities (as it corresponds) were scheduled along with the representatives of the pertinent ANPCyT's technical areas. The environmental specialist of the Bank team accompanied UGSA in more than 20 of these site visits -all of which showed an appropriate OHS and environmental management in place-; and also in some of its capacity building activities targeted to beneficiaries.

No adverse impacts or issues that were not previously identified as of potential occurrence have appeared during the Parent loan implementation; risk and impacts associated to sub-projects funded by the Parent loan could be successfully managed with the safeguards instruments developed for the Project.

As a result of the performance of the UGSA and the proper application of safeguards instruments, the Parent loan environmental compliance has been consistently rated to be satisfactory.

Given the proven adequacy of the instrument for the management of safeguards that is currently in place for the Argentina Unleashing Productive Innovation (P106752), i.e. the Project's ESMP complemented by practical guides and improvement procedures, it will continue to be applied to this Additional Financing (P159747).

**5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.**

During Parent loan preparation, the Ministry of Science, Technology and Productive Innovation and the ANPCyT together with the Bank team have held extensive consultations with a large number of stakeholders from the national innovation system. The results of these consultations are reflected in the project's design. All calls for proposals under the project include information on the ANPCyT environmental policies, and the Project's ESMP along with environmental instructions and guidelines have also be posted on the ANPCyT website.

**B. Disclosure Requirements**

<b>Environmental Assessment/Audit/Management Plan/Other</b>	
Date of receipt by the Bank	15-May-2008
Date of submission to InfoShop	30-Jun-2008
For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors	
"In country" Disclosure	
<i>Comments:</i>	
<b>If the project triggers the Pest Management and/or Physical Cultural Resources policies, the respective issues are to be addressed and disclosed as part of the Environmental Assessment/Audit/or EMP.</b>	
<b>If in-country disclosure of any of the above documents is not expected, please explain why:</b>	

**C. Compliance Monitoring Indicators at the Corporate Level**

<b>OP/BP/GP 4.01 - Environment Assessment</b>	
Does the project require a stand-alone EA (including EMP) report?	Yes [ ] No [ <input checked="" type="checkbox"/> ] NA [ ]
<b>The World Bank Policy on Disclosure of Information</b>	
Have relevant safeguard policies documents been sent to the World Bank's Infoshop?	Yes [ <input checked="" type="checkbox"/> ] No [ ] NA [ ]
Have relevant documents been disclosed in-country in a public place in a form and language that are understandable and accessible to project-affected groups and local NGOs?	Yes [ <input checked="" type="checkbox"/> ] No [ ] NA [ ]
<b>All Safeguard Policies</b>	
Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies?	Yes [ <input checked="" type="checkbox"/> ] No [ ] NA [ ]
Have costs related to safeguard policy measures been included in the project cost?	Yes [ <input checked="" type="checkbox"/> ] No [ ] NA [ ]
Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies?	Yes [ <input checked="" type="checkbox"/> ] No [ ] NA [ ]
Have satisfactory implementation arrangements been agreed	Yes [ <input checked="" type="checkbox"/> ] No [ ] NA [ ]

with the borrower and the same been adequately reflected in the project legal documents?	
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**V. Contact point**

**World Bank**

Contact: Cristian Quijada Torres  
 Title: Senior Private Sector Developm

**Borrower/Client/Recipient**

Name: Government of Argentina  
 Contact:  
 Title:  
 Email:

**Implementing Agencies**

Name: Agencia Nacional de Promoci?n Cientifica y Tecnologica  
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**VI. For more information contact:**

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**VII. Approval**

Task Team Leader(s):	Name: Cristian Quijada Torres	
<b>Approved By</b>		
Practice Manager/ Manager:	Name: Marialisa Motta (PMGR)	Date: 10-May-2016
Country Director:	Name: Renato Nardello (CD)	Date: 10-May-2016