

**PROJECT ABSTRACT**  
**ARGENTINA**  
**AUSA ROAD SAFETY AND URBAN MOBILITY PROGRAM**

**I. OVERVIEW AND PROJECT DESCRIPTION**

- 1.1 The AUSA Road Safety and Urban Mobility Program (AR-L1166) consists of IDB support for the execution of the three year capital expenditures program of *Autopistas Urbanas S.A.* (“*AUSA*” or the “*Company*”), the concessionaire responsible for the operation, maintenance and expansion of an expressway system mixed between elevated and ground level highways that connects key residential, government and commercial areas within the City of Buenos Aires (the “*City*”).
- 1.2 AUSA is a *sociedad anonima* owned by the Government of the City of Buenos Aires (“*GCBA*”) and *Subterranos de la Ciudad de Buenos Aires Sociedad del Estado* and is responsible for the operation, maintenance and expansion of the system, under a concession law (Law No.3060) as well as corresponding decrees. AUSA has the rights and obligations to operate and maintain the system through September 2029.
- 1.3 The Bank has structured a long-term senior secured corporate obligation to AUSA to support AUSA’s program for road safety investment as part of the Company’s broader investment program for 2013-2015. The rationale for the operation is driven by the fundamentals of the IDB’s Road Safety Strategy and, more specifically, SCF’s Private Sector Road Safety Program, known as “*Highway+*.” The capital expenditures program consists of the execution of a series of civil works and the acquisition of road safety technology, US\$130mm of which will be funded by the IDB Loan (collectively, the “*Investment Program*”). The Investment Program is designed to reduce road and rail crashes and pedestrian accidents, reduce trip times and improve emissions-related environmental problems for the citizens of Buenos Aires. The investments are meant to support the City of Buenos Aires Plan for Sustainable Mobility (*Plan de Movilidad Sustentable*), which is designed to improve road safety, enhance urban road and rail mobility, increase non-motorized transportation and to upgrade the overall sustainability of the metropolitan road network.
- 1.4 The AUSA operation will also support the efforts of Buenos Aires as a member of the *C40 Cities Climate Leadership Group initiative* (“*C40*”), which is a network of the world’s megacities taking action to reduce greenhouse gas emissions. In less than a decade, C40 has positioned itself as one of the most effective global forums for addressing climate change. The City of Buenos Aires is not only a member city, but also part of the Steering Committee of the C40, which also includes the cities of Berlin, Hong Kong, Houston, Jakarta, Johannesburg, London, New York, Seoul and Tokyo. In addition to the road safety benefits of the operation, the capital expenditures under the Investment Program will reduce carbon emissions as a result of the elimination of idling vehicles at key intersections as well as enhancing mobility of the Bus Rapid Transit (“*BRT*”) system.
- 1.5 The investments contemplated in the Investment Program were identified by AUSA and the GCBA as part of the Environmental and Urban Development Plan approved in 2008 pursuant to Law No. 2930 by the City. The Investment Program is expected to reduce the risk of collisions between automobiles and pedestrians with trains as well as road incidents within the expressway operated by AUSA, thus reducing accident and fatality rates and increase the vehicular throughput in the urban area of the City, with the effect of reducing congestion, trip times and associated vehicle emissions due to idling cars.
- 1.6 The Project was classified as a Category “B” operation, in accordance with the requirements for categorization of the IDB Environmental and Safeguards Compliance Policy (OP-703).

## II. DEVELOPMENTAL IMPACT AND ADDITIONALITY

- 2.1 The Bank and AUSA will partner in two key areas. First, the Investment Program is part of a larger effort of the City to: i) eliminate all the level crossings between trains and automobiles; ii) reduce the severity of collisions of automobiles; and iii) improve the safety of commuters by improved signaling and advanced traffic management systems (“*ATMS*”) over the AUSA network. As priorities under the Investment Program, one of the critical safety and mobility challenges for the City are the numerous “at-level” intersections between commuters and trains. In response, AUSA will construct a series of underpasses and bridges to eliminate these hazards at critical intersections across the City. The second major initiative will be the construction of two tunnels to facilitate access and mobility for Bus Rapid Transit users in the recently-inaugurated BRT over the main avenue of the City. These primary initiatives will be accompanied by other road safety and mobility enhancements to the AUSA system, but more importantly, to the urban network of Buenos Aires as prioritized under the Sustainable Mobility Plan of the GCBA
- 2.2 Second, to accompany the capital expenditures under the Investment Program, the Bank and AUSA will also carry-out the IDB/AUSA Road Safety Action Plan. The RSAP was built upon the fundamentals of the Highway+ program and provides for specific and time-bound actions to be taken by AUSA and monitored by the Bank during the life of the loan. The objective is to capitalize on the efforts already taken by AUSA, but also to take this a step further in terms of proactivity, ambitious goal setting, transparency and engagement with the public on road safety matters.
- 2.3 Development impact shall include: i) reduction in the number of traffic incidents; ii) time savings for both the road and rail systems; iii) enhancements to the environmental sustainability regarding the road network; and iv) generation of jobs during construction and operation. The IDB/AUSA Road Safety Action Plan will: i) increase accountability and transparency of road safety performance between AUSA, the GCBA and the public; ii) improved data collection, management and analysis of road safety data and iii) move AUSA towards international best practices in road safety.
- 2.4 In addition to these impacts, significant non-financial additionality is expected to emanate from the Company’s and the GCBA’s agreement to work in partnership with the IDB on corporate governance initiatives, as well as the Company’s compliance with all Bank guidelines on environmental and social matters. Furthermore, the improvements in the Company’s data collection capabilities will enable AUSA to better track accident data. The learning process stemming from the availability of more granular information can allow for a better tailoring and targeting of potential future actions aimed at improving road user experiences and safety.