



# BUDGET BILL 2023

## FINANCING

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## Executive Summary

This report contains a summary of the main aspects of the 2023 Budget Bill (PP2023) related to public debt service and budgetary financing. The analysis is based on the Bill and the Message submitted to Congress.

The gross financing needs of the National Government projected in PP2023 for next year total 20.3% of GDP, including the financial deficit (4.3% of GDP), debt amortizations (15.3% of GDP) and net financial investment (0.7% of GDP). They are expected to be covered by gross placements of government securities (15.1% of GDP, including intra public sector), gross granting of Temporary Advances from the Central Bank - BCRA (2.3% of GDP) and disbursements from international organizations (2.9% of GDP).

A payment of USD306 million is anticipated for the partial cancellation of the outstanding balance with the Paris Club with the remainder to be renegotiated and postponed beyond 2024.

The main source of net financing for next year is placements of securities in domestic currency, which would contribute 4.7% of GDP. This is followed by net placements of Temporary Advances (0.6% of GDP) and net financing from international credit organizations (0.1% of GDP, 0.3% of GDP excluding the IMF).

The BCRA's net assistance to the Treasury would reach 0.7% of GDP, which includes the net granting of Temporary Advances for 0.6% of GDP and the net issuance of non-transferable bills in favor of the BCRA for 0.1% of GDP to refinance expected interest payments on similar securities.

For next year, the National Government's interest expense is estimated at ARS2,906.429 billion, of which 46% will be in foreign currency. The weight of interest on total expenditure of the National Government would increase from 7.8% in 2022 to 9.3% in 2023. Also considering state-owned enterprises, trust funds and other entities, the estimated interest expenditure of the National Non-Financial Public Sector (NFPS) for 2023 is ARS 2,917.021 billion, equivalent to 2% of GDP, of which 0.2% of GDP would be intra-public sector. Part of the increase in expenditure results from the higher interest rates that will accrue in 2023 on securities issued in the framework of the restructuring of the public debt in foreign currency completed in September 2020.

Chapter VII of PP2023 contains several Sections that authorize the formalization of public debt operations during fiscal year 2023, under the terms of Section 60 of Law 24,156 on Financial Administration. A first set of Sections (37, 43 and 45) establishes limits to the gross amounts of issuance of securities and contracting of loans maturing after the end of fiscal year 2023, with a total authorized amount of ARS 23.33 trillion and USD 31.776 billion. As for the authorization to formalize loans for projects, 42% of the total amount authorized is for initiatives related to the energy sector.

A second set of Sections (38 and 39) authorizes the use of short-term credit (maturing within the same fiscal year), establishing limits on the outstanding amounts of such instruments for a total of ARS 7.86 trillion. The maximum outstanding amount of these instruments reached 83% of the authorized limit in 2019, 84% in 2020, 55% in 2021 and 81% so far in 2022.

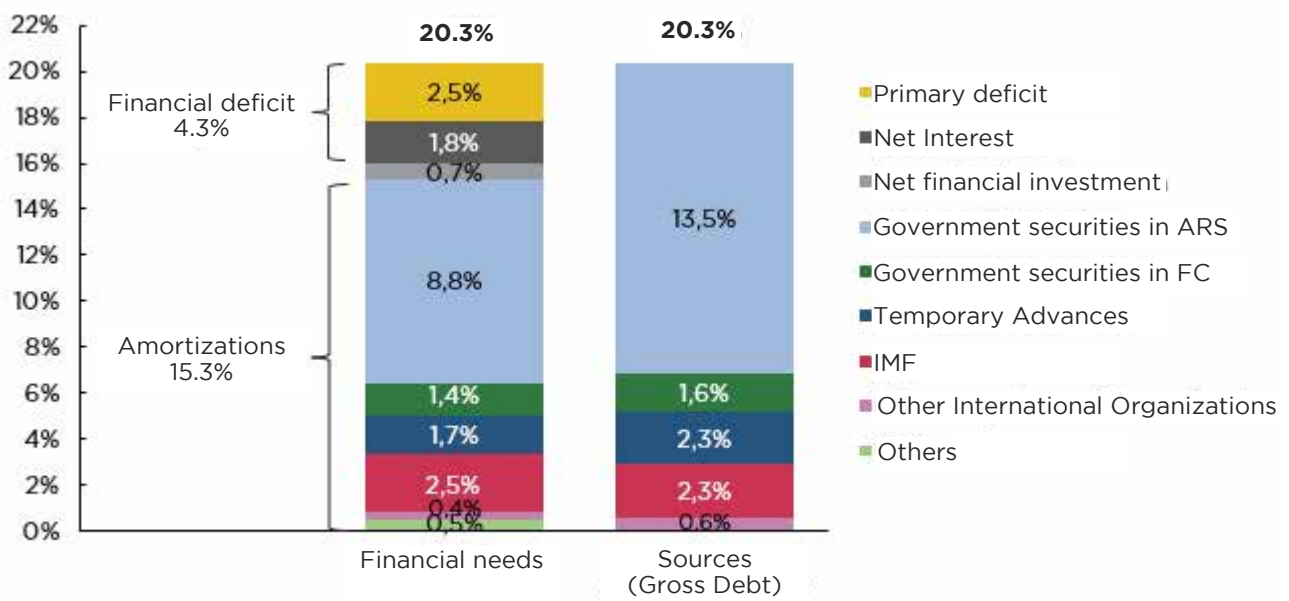
## National Government Financial Program

The 2023 Budget Bill (PP2023) forecasts a financial deficit for the National Government (NG) of 4.3% of GDP for next year, composed of a primary deficit of 2.5% of GDP plus interest expenses of 1.8% of GDP<sup>1</sup>. Adding net financial investment (0.7% of GDP) and debt amortizations (15.3% of GDP), gross financing needs would total 20.3% of GDP in 2023.

These needs are expected to be covered mainly by gross borrowing from the market, through placements of government securities in domestic and foreign currency (including intra public sector) for 15.1% of GDP. In addition, PP2023 includes gross disbursements of Temporary Advances (TA) from the BCRA for 2.3% of GDP and from international organizations, including the International Monetary Fund (IMF), for 2.9% of GDP (Figure 1).

**Figure 1. Financial Program 2023**

National Government; as % of GDP



\* Excludes revenues and interest paid intra-public sector

SOURCE: OPC, based on 2023 Budget Bill

In terms of net financing (disbursements minus amortizations, without considering interest), the main source for next year would be the placement of government securities in domestic currency, which contribute 4.7% of GDP. This is followed by net placements of Temporary Advances (0.6% of GDP), placement of government securities in foreign currency (0.2% of GDP) and financing from international credit organizations (0.1% of GDP, 0.3% of GDP excluding the IMF) (Table 1).

PP2023 projects a reduction in debt with the IMF. In line with the 2022 Extended Fund Facility (EFF) agreement, disbursements under the 2023 EFF will only partially cover the principal maturities of the 2018 Stand-By Arrangement (SBA), resulting in a net cancellation equivalent to 0.2% of GDP.

<sup>1</sup> The Budget Law includes estimated revenues and authorized expenditures for the National Government (Central Administration, decentralized agencies, and social security institutions). In addition, the Budget Message includes, for information purposes, estimates for the rest of the National Non-Financial Public Sector (NFPS), which includes trust funds, state-owned enterprises, and other entities. For the NFPS, PP2023 projects a primary deficit of 2.0% of GDP and a financial deficit of 3.8% of GDP.

**Table 1. Net Debt 2023**

National Government, as % of GDP

Debt instrument	Amortizations (1)	Disbursements and placements (2)	Net debt (3) = (2) - (1)
Temporary advances	1.7	2.3	0.6
Government securities in ARS	8.8	13.5	4.7
Government securities in FC	1.4	1.6	0.2
IMF	2.5	2.3	-0.2
Other international organizations	0.4	0.6	0.3
Others	0.5	0.0	-0.5
<b>Total</b>	<b>15.3</b>	<b>20.3</b>	<b>5.1</b>

SOURCE: OPC, based on 2023 Budget Bill

## Financial Sources and Applications

In budgetary terms, Financial Sources and Applications are commonly referred to as "below the line" operations of the Savings-Investment-Financing (SIF) Scheme. They include the financing and payment of principal services of public debt operations with private creditors and public sector agencies, in addition to movements of liabilities that are not part of the public debt (such as the consolidation of debts with suppliers or payments arising from court orders) and other financial asset transactions classified as Financial Investments (advances to suppliers and contractors, cash and bank movements, among others).

The Bill forecasts that National Government Financial Applications will reach ARS 23,724.763 billion in 2023 (ARS 22,497.220 billion for Debt Amortization and Decrease in Other Liabilities and ARS 1,227.543 billion for Financial Investments). The Financial Sources would total \$30,124,615 million (\$29,946,764 million of Public Debt and Increase in Other Liabilities and \$177,851 million of Decrease in Financial Investment). The difference between Sources and Applications represents the Net Financing necessary to cover the Financial Deficit of ARS 6,399.852 billion (Table 2).

As for Public Debt and Increase in Liabilities, it is estimated that a total of ARS 22,291.158 billion<sup>2</sup> of government securities will be placed, of which ARS 12,290.368 billion are bonds, ARS 6,461.961 billion are Treasury Bills, ARS 3,428.643 billion<sup>3</sup> are direct placements to the FGS and ARS 12.100 billion are consolidation bonds. Securities in pesos represent 89% of the placements. On the other hand, disbursements of the IMF loan under the EFF program for the equivalent of ARS 3,428.643 billion and the granting of Temporary Advances from the BCRA for ARS 3,326.126 billion are projected. Also, new disbursements from other international organizations for ARS 900.836 billion are considered (IDB with USD 1.242 billion and China Development Bank Corporation with USD 898 million) (Figure 2).

<sup>2</sup> Financial sources include debt maturing after the end of the fiscal year. The placement and amortization of securities issued and maturing in the same fiscal year have no budgetary impact; only the interest paid is recorded.

<sup>3</sup> The 2022 EFF consists of ten quarterly reviews after which the scheduled disbursements are made and, based on the schedule, four disbursements are estimated for 2023 for a total of approximately USD15.66 billion.

**Table 2. Financial sources and applications of the National Government**

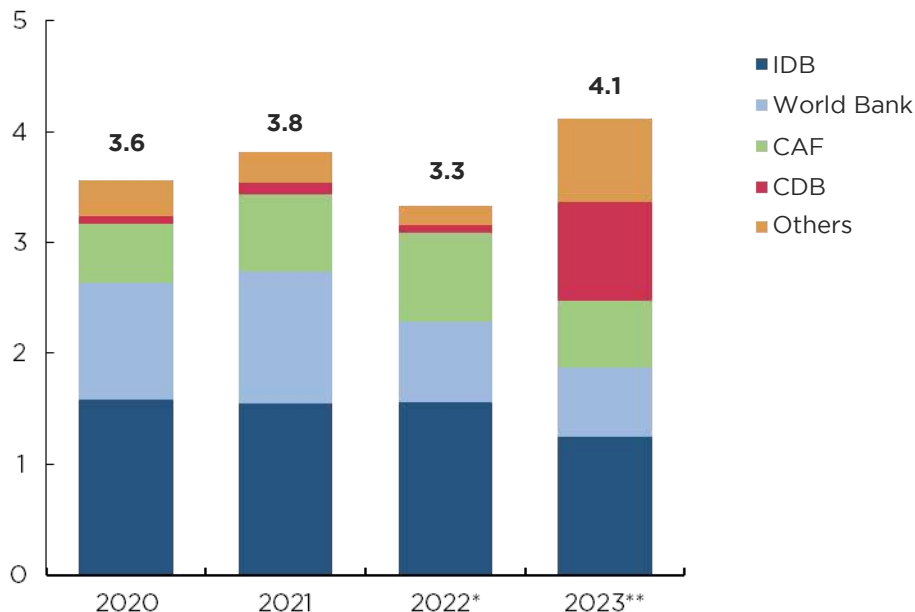
	Millions of ARS	Millions of USD	% of GDP
<b>Financial Result</b>	<b>-6,399,852</b>	<b>-29,232</b>	<b>-4.35%</b>
<b>Financial Sources</b>	<b>30,124,615</b>	<b>137,596</b>	<b>20.47%</b>
<b>Public Debt and Increase in Liabilities</b>	<b>29,946,764</b>	<b>136,783</b>	<b>20.35%</b>
Bonds	12,290,368	56,137	8.35%
Placement of <i>Bocones</i>	12,100	55	0.01%
Bills	6,461,961	29,515	4.39%
Sustainability Guarantee Fund (FGS)	3,526,729	16,108	2.40%
Disbursements from international organizations	4,329,480	19,775	2.94%
<i>IMF</i>	3,428,643	15,660	2.33%
<i>IDB</i>	271,870	1,242	0.18%
<i>World Bank</i>	137,617	629	0.09%
<i>China Development Bank Corporation (CDBC)</i>	196,534	898	0.13%
<i>CAF</i>	131,601	601	0.09%
<i>FONPLATA, IFAD and others</i>	163,215	745	0.11%
Temporary advances from BCRA	3,326,126	15,192	2.26%
Decrease in financial investment	177,851	812	0.12%
Reimbursement from provinces (Debt service for securities)	173,199	791	0.12%
Financial assistance to provinces	2,555	12	0.00%
Others	2,097	10	0.00%
<b>Financial Applications</b>	<b>23,724,763</b>	<b>108,364</b>	<b>16.12%</b>
Debt amortizations	22,497,220	102,757	15.29%
International organizations	4,182,293	19,103	2.84%
<i>IMF</i>	3,727,838	17,027	2.53%
<i>IDB</i>	178,690	816	0.12%
<i>World Bank</i>	59,222	271	0.04%
<i>CAF</i>	102,060	466	0.07%
<i>Others</i>	114,482	523	0.08%
Government securities	8,308,825	37,951	5.65%
<i>BONAR</i>	95,876	438	0.07%
<i>BONCER</i>	5,342,153	24,401	3.63%
<i>BONAD</i>	2,767,317	12,640	1.88%
<i>BONTE</i>	103,479	473	0.07%
Bills	6,773,964	30,940	4.60%
<i>Intra public sector</i>	449,010	2,051	0.31%
<i>Marketable</i>	4,555,338	20,807	3.10%
<i>BCRA</i>	1,769,616	8,083	1.20%
Cancellation Transitory advances BCRA	2,443,095	11,159	1.66%
Social Sec. Inst. - debt amortization in cash	209,311	956	0.14%
Consolidated debt ( <i>Bocones</i> )	12,100	55	0.01%
Various restructurings	162,674	743	0.11%
Paris Club	67,067	306	0.05%
Decrease in other long-term accounts payable	63,683	291	0.04%
<i>Debt Res. Sec. of Energy 406/03</i>	30,900	141	0.02%
<i>E.O. 458/2021 - Refinancing Agreements with Provinces</i>	9,953	45	0.01%
<i>Others</i>	22,830	104	0.02%
Court orders	64,399	294	0.04%
Others National Government	209,809	958	0.14%
<b>Financial Investment</b>	<b>1,227,543</b>	<b>5,607</b>	<b>0.83%</b>
Assistance to provinces and municipalities for Infrastructure and Production	22,369	102	0.02%
Increase in Cash and Banks	329,773	1,506	0.22%
National Treasury Contribution Fund (ATN)	128,683	588	0.09%
Advances to Suppliers and Contractors	140,794	643	0.10%
Increase in Temporary Financial Investments (ANSES)	15,000	69	0.01%
Acquisition of Securities (ANSES)	376,356	1,719	0.26%
Loans Argentine Integrated Pension System (ANSES)	114,565	523	0.08%
Trust Fund for Provincial Development	100,000	457	0.07%
Others	3	0	0.00%

Note: The average exchange rate and GDP of PP2023 were used to express the figures in USD and as a % of GDP.

SOURCE: OPC, based on 2023 Budget Bill

**Figure 2. Disbursements from international organizations, excluding IMF**

In billions of ARS



\* OPC Estimate

\*\* Budget Bill 2023

SOURCE: OPC, based on Ministry of Economy and 2023 Budget Bill

Within Debt Amortization, those related to government securities stand out, especially BONCER for ARS 5,342.153 billion and BONAD for ARS 2,767.317 billion. On the other hand, principal payments for loans from international organizations amount to ARS 4,182.293 billion, of which ARS 3,727.838 billion (USD17.027 billion) are for the IMF's SBA 2018 program. Amortizations of Treasury bills amount to ARS 6,773.964 billion, of which ARS 4,555.338 million are market bills, ARS 1,769.616 billion are non-transferable BCRA bills and ARS 449.01 billion are bills issued within the public sector. On the other hand, the gross cancellation of Temporary Advances of the BCRA for ARS 2,443.095 billion is projected.

Additionally, payments of amortization of debts in cash of Social Security Institutions for ARS 209.311 billion and of debts of other National Government entities for ARS 209.809 billion are included. Also budgeted are ARS 162.674 billion for restructuring, ARS 64.399 billion for payments arising from court orders, ARS 30.900 billion for consolidation of debts related to the operation of the Wholesale Electricity Market (MEM) in accordance with Resolution 406/2003 of the Secretariat of Energy, ARS 12.100 billion for consolidation of debts, ARS 9.953 billion for refinancing agreements with the provinces (Executive Order 458/2021) and other decreases in accounts payable for ARS 22.830 billion. An item for the equivalent of USD306 million is included for the partial cancellation of the outstanding balance with the Paris Club. Pursuant to the Budget Message, the remaining balance will be renegotiated and postponed beyond 2024.

On the other hand, the expected net financial investment amounts to ARS 1,049.692 billion. The acquisition of ANSES securities for ARS 376.356 billion, the increase in cash and banks for ARS 329.773 billion and advances to suppliers and contractors for ARS 140.794 billion stand out. Also included are contributions to the Provincial Development Trust Fund for ARS 100 billion and resources derived from the National Treasury Contribution Fund (ATN) for ARS 128.683 billion.

## Financial assistance from the Central Bank to the Treasury

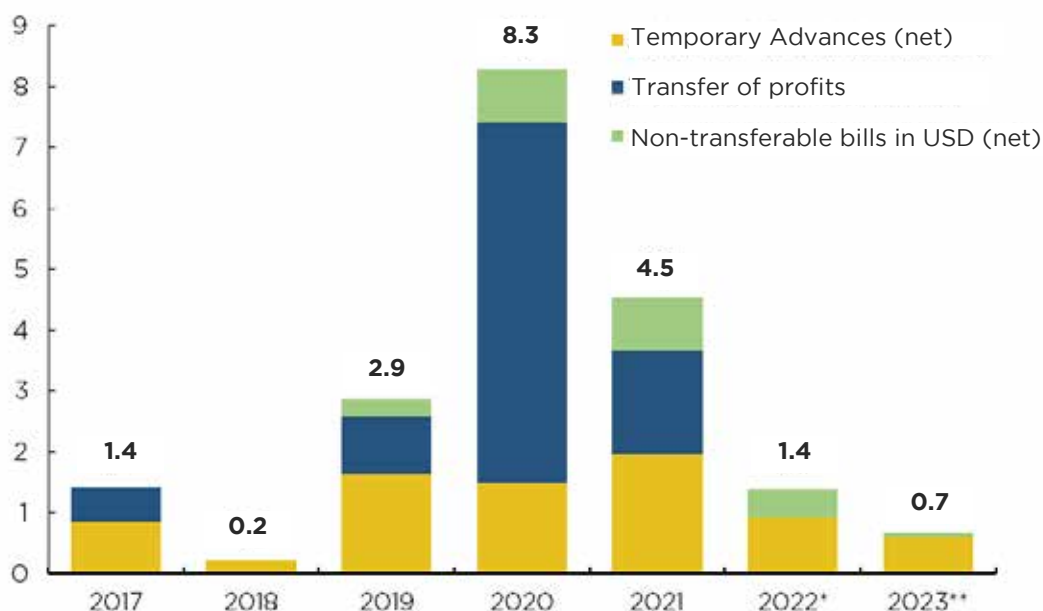
There are three main instruments through which the Central Bank (BCRA) can provide direct financial assistance to the Treasury: the transfer of profits, the granting of Temporary Advances and the primary subscription of government securities (typically non-transferable Treasury bills) by the monetary authority<sup>4</sup>. Temporary Advances and Treasury bills are part of the gross public debt, and their movements are recorded in the public accounts "below the line" as debt and amortizations. On the other hand, transfers of BCRA profits to the Treasury do not imply changes in public debt and are recorded in the budget as Treasury revenues from property income.

Net financing of Temporary Advances of ARS 883.031 billion (equivalent to 0.6% of GDP, in line with the IMF EFF program currently in force) is projected for 2023, resulting from gross payments of ARS 2,443.095 billion and new disbursements of ARS 3,326.126 billion. On the other hand, the non-transferable bills issued by the Treasury in favor of the BCRA would provide a net financing of 0.1% of GDP, since the maturity of two bills for USD 9.425 billion of principal and USD464 million of interest would be refinanced with the issuance of new securities for the same amount with maturity after 2025. Finally, no profit drawings by the BCRA to the Treasury are projected in 2023.

Thus, BCRA net assistance would total 0.7% of GDP in 2023, which implies a decrease with respect to the amount estimated for 2022 (1.4% of GDP, Figure 3).

**Figure 3. Net financial assistance from BCRA to the Treasury**

As a % of GDP



\* OPC estimate. Includes placement of non-transferable bills in USD in accordance with the provisions of DNU 576/2022, which introduced a temporary differential exchange rate for soybean exporters. Does not include purchases of government securities in the secondary market.

\*\* Budget Bill 2023

SOURCE: OPC, based on 2023 Budget Bill and BCRA.

<sup>4</sup> The BCRA may also finance the Treasury indirectly by purchasing government securities in the secondary market.



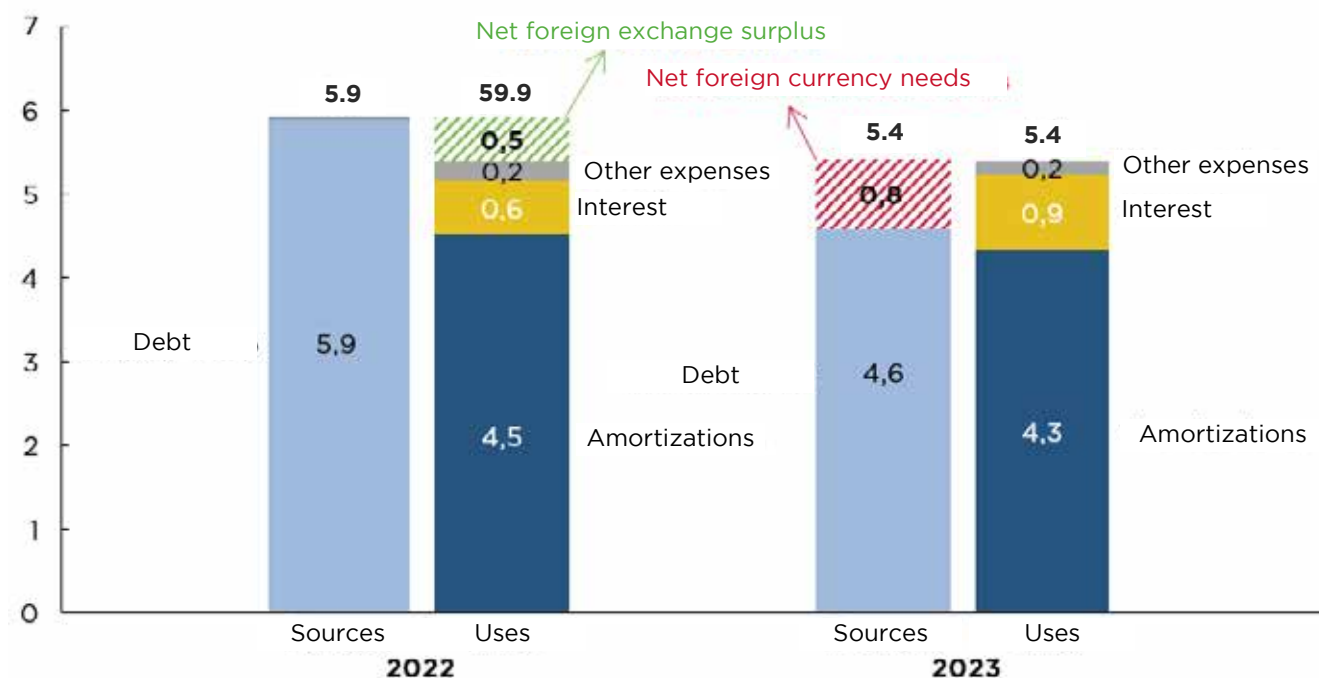
### Foreign Exchange Budget<sup>5</sup>

New foreign currency debt is projected at 4.6% of GDP for 2023, while projected foreign currency debt service includes amortization and interest of 4.3% and 0.9% of GDP, respectively, plus other expenses of 0.2% of GDP. Thus, the National Government would have net foreign currency needs for 0.8% of GDP, unlike the year 2022, when it is estimated to have a net foreign currency surplus for 0.5% of GDP, as foreign currency debt exceeds foreign currency disbursements (Figure 4).

Foreign currency debt service will account for 96.9% of total foreign exchange budget expenditures in 2023, whereas 99.9% of foreign currency resources are explained by public debt.

**Figure 4. Foreign Exchange Budget**

National Government; as a % of GDP



SOURCE: OPC, based on 2023 Budget Bill

### Interest Expense

Interest payments of the National Government are estimated at ARS 1,449.084 million for 2022, including interest to be paid to agencies within the National Government. For next year, PP2023 includes interest for ARS 2,906.429 billion, of which 46% would be in foreign currency. The weight of interest on the total expenditure of the National Government would increase from 7.8% in 2022 to 9.3% in 2023.

Also considering state-owned enterprises, trust funds and other entities, the estimated interest expense of the National Non-Financial Public Sector (NFPS) for 2022 is ARS 1,457.572 billion, equivalent to 1.8% of GDP. Of this total, 11% (0.2% of GDP) relates to interest paid to agencies of the NFP, mainly the FGS (Sustainability Guarantee Fund). For next year, PP2023 includes interest payments on the NFPS debt for ARS 2,917.021 billion, equivalent to 2% of GDP, of which 11% (0.2%

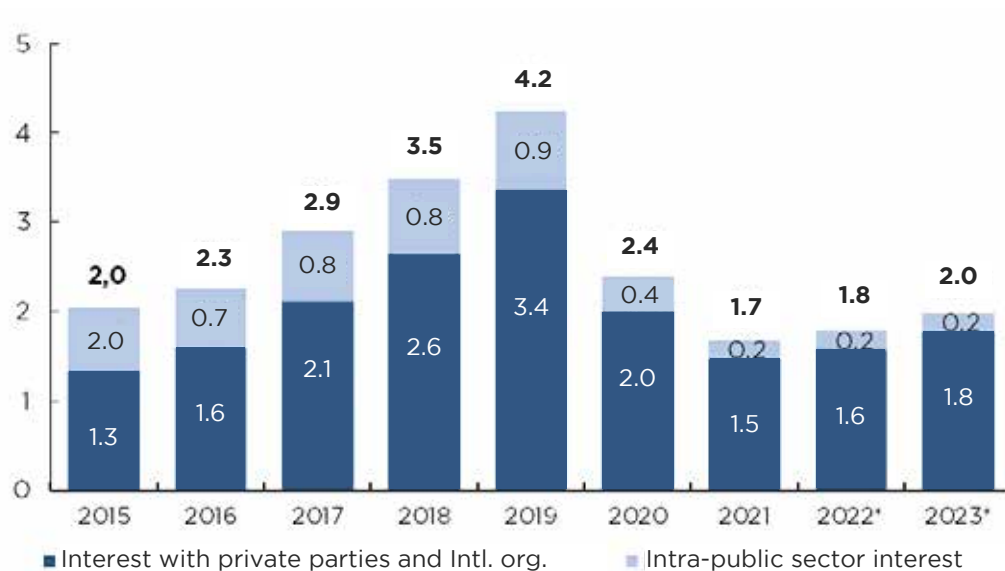
<sup>5</sup> Section 24 of Law 24,156 on Financial Administration provides for the submission of the foreign currency budget for information purposes, as a support for the analysis of the Budget Bill, and with the purpose of knowing the impact of Government transactions recorded in foreign currency. It includes all transactions that imply an effective movement of revenues or expenditures of foreign currency.

of GDP) would be paid within the public sector. Thus, total interest expenditure would increase by 0.2 percentage points of GDP with respect to 2022.

Part of the increase in expenditure is due to higher interest rates accruing in 2023 on securities issued under the foreign currency public debt restructuring completed in September 2020, which have a step-up structure and would generate interest payments of USD2.045 billion next year. On the other hand, the increase in international interest rates observed in recent months would impact the cost of external debt instruments with variable rates, such as IMF loans and others linked to the SOFR rate (successor to the LIBOR rate).

**Figure 5. National Non-Financial Public Sector Interest Expenses**

As a % of GDP



\* Budget Bill 2023

SOURCE: OPC, based on 2023 Budget Bill and Ministry of Economy

## Debt Authorizations

Chapter VII of 2023 Budget Bill contains several Sections that authorize the formalization of public credit operations during fiscal year 2023, pursuant to the terms of Section 60 of Law 24,156 on Financial Administration.

A first set of Sections (37, 43 and 45) establishes limits to the amounts for the issuance of securities and contracting of loans maturing after the end of fiscal year 2023. The authorized amount is ARS 23.33 trillion and USD 31.776 billion.

It is important to mention that PP2023 does not include a maximum percentage for the issuance of government securities in foreign currency and under foreign legislation and jurisdiction with respect to the total amount of government securities issuances authorized for the fiscal year, a requirement established in Section 1 of Law 27,612 on Strengthening the Sustainability of the Public Debt, enacted in March 2021.

**Table 3. Debt Authorizations: Sec. 37, 43 and 45**

Limits on issuance amounts; in millions

Sec.	Instrument	Authorized entity	Purpose	Minimum term	Currency	Authorized amount
37	Securities or loans	Central Administration	Debt and non-operating expenses	90 days to 4 years	ARS	23,317,000
	Loans	Central Administration	Various	3 years	USD	28,595
43	Guarantees	Secretariats of Finance and Treasury	Various	At sight/3 years	USD	3,181
45	Consolidation bonds	Secretariats of Finance and Treasury	Various	-	ARS	12,100

SOURCE: OPC, based on 2023 Budget Bill

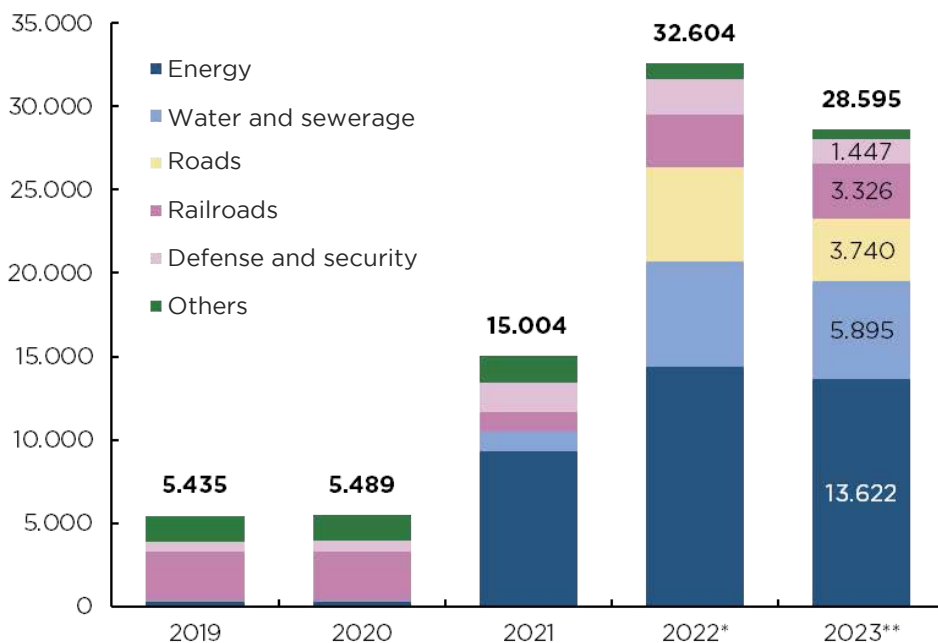
The authorization under Section 37 to place securities or loans to finance debt service and non-operating expenses totals ARS 23.32 trillion and is disaggregated into different minimum amortization terms, ranging from 90 days to 4 years. However, as usual, it includes the power for the Ministry of Economy to make modifications to the schedule if the total amount and purpose of the financing is not altered.

The authorizations for the arrangement of loans for Section 37 projects are detailed in an attached schedule<sup>6</sup>. They cover 41 loans, of which 32 are included in the current 2022 authorization schedule and the remaining 9 are new. As for the purpose of the financing, 48% of the total amount authorized is for energy projects, such as the Atucha III Nuclear Power Plant (USD 7.9 billion), the Chihuidos Multipurpose Project (USD 2.3 billion), the Transport.Ar Gas Pipeline System (USD 1.619 billion) and the expansion of the Energy Transportation System (Stage I) (USD 963 million). Of the financing for water and sanitation projects, the USD3.9 billion for aqueducts stands out. On the other hand, USD 3.74 billion of the authorized amount is for financing works on national roads and USD 3.326 billion for the rehabilitation, modernization, and acquisition of rolling stock for various railroad networks (Figure 6).

<sup>6</sup> It does not include loans from international credit organizations since these do not require individual authorization in each Budget Law, in accordance with the exception provided for in Section 60 of Law 24,156 of Financial Administration.

**Figure 6. Authorizations for loans for projects (Sec. 37)**

Limits on total loan amount, in billions of USD



\* Authorized amount in effect as of September 15, 2022.

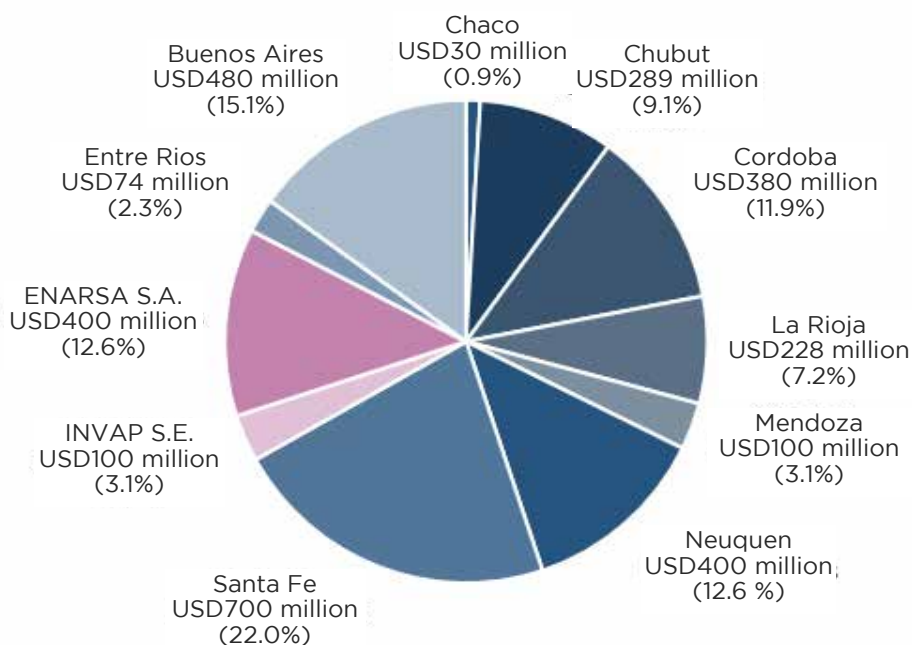
\*\* Budget Bill 2023

SOURCE: OPC, based on 2023 and previous Budget Bill as amended

Section 43 authorizes the granting of guarantees to provinces and state-owned enterprises for a total amount of USD3.181 billion, of which USD 2.681 billion are for provinces and the remaining USD500 million are two guarantees to INVAP S.E. and ENARSA S.A. The authorization includes 23 guarantees to facilitate the financing of different operations, among which the most important are the import of natural gas from Bolivia by ENARSA S.A. (USD400 million) and projects such as the expansion of the renewable energy network in Chubut (USD289 million), the development of the Coronda-San Francisco biprovincial aqueduct in Cordoba and Santa Fe (USD400 million, half for each province), the development of infrastructure for the electric transportation system in the Province of Buenos Aires (USD200 million), the development of energy and productive infrastructure in Santa Fe (US\$200 million), the development of social infrastructure in Santa Fe (US\$200 million) and the development of renewable energy infrastructure in Neuquén (US\$200 million). Of the list of guarantees, 21 are included in the authorization schedule in force for 2022, and the remaining two are new (the project to expand the renewable energy network in Chubut and a water and sanitation program in Santa Fe for US\$100 million).

**Figure 7. Authorization for the granting of guarantees by guaranteed entity (Sec. 43)**

In USD and as % of the total



SOURCE: OPC, based on 2023 Budget Bill

A second set of Sections (38 and 39) establishes limits on the use of short-term credit (maturing within the same fiscal year), setting limits on the outstanding amounts of such instruments totaling ARS 7.86 trillion. In such cases, instead of establishing limits on the gross amount to be issued, maximum limits are set on the outstanding amounts of these instruments. Therefore, as these instruments mature, they free up room for new issuances. The maximum outstanding amount of these instruments reached 83% of the authorized limit in 2019, 84% in 2020, 55% in 2021 and 81% so far in 2022 (Figure 8).

**Table 4. Debt Authorizations: Sec. 38 and 39**

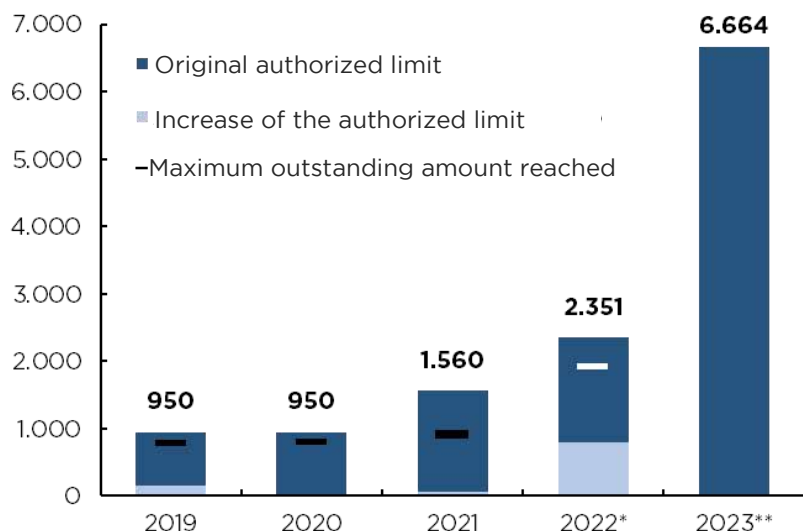
Limits on outstanding amounts; in millions of ARS

Sec.	Instrument	Authorized entity	Purpose	Minimum term	Authorized amount
38	Treasury bills	Secretariats of Finance and Treasury	Financial Program	Same fiscal year	6,664,451
39	Short-term credit	General Treasury of the Nation	Seasonal cash deficiencies	Same fiscal year	800,000
	Short-term credit	National Social Security Adm. (ANSES)	Seasonal cash deficiencies	Same fiscal year	400,000

SOURCE: OPC, based on 2023 Budget Bill

**Figure 8. Debt authorizations: intra-year bills for the fulfillment of the financial program (Sec. 38)**

Limits on outstanding amounts; in billions of ARS



\* The maximum outstanding amount for 2022 is the maximum recorded as of September 15.

\*\* Budget Bill 2023

SOURCE: OPC, based on 2023 and previous Budget Bill as amended

There are several factors that contribute to explain the difference between the amounts of debt authorized and the Financial Sources included in the Budget:

- Financial Sources include disbursements from international organizations (World Bank, IDB, CAF) that do not require specific authorization in each Budget Law, in accordance with the exception provided for in Section 60 of Law 24,156 on Financial Administration.
- The authorizations to contract loans maturing after fiscal year 2023 (Section 37) refer to the total amount thereof, which could be disbursed in stages over different budget years, whereas the Financial Sources only include the disbursements projected for 2023. Similarly, the budgeted Financial Sources may include disbursements of loans arranged in previous fiscal years.
- Authorizations under Section 37 include loans for specific projects (works, purchase of capital goods) that may not be included in the budget appropriations (neither the debt nor the related expenditure). For these cases, Section 8 of 2023 Budget Bill empowers the Chief of Cabinet of Ministers to increase budget appropriations to the extent that they are financed with such loans or with disbursements from international organizations. In other words, they may be later included in the budget if the authorized loans are eventually paid.
- The amount of authorized debt includes instruments maturing within fiscal year 2023 (Sections 38 and 39, mainly Treasury bills), the issuance of which is not recorded under Financial Sources in the Budget. Their cancellation is also not recorded under Financial Applications, only the respective interest is recorded under current expenditures.
- As it is an indirect debt (in which the main debtor is not the Treasury), the authorized issuance of guarantees does not provide financing to the Treasury and therefore is only recorded under Financial Sources when the guaranteed entity is within the National Government.
- Financial Sources include financing through Temporary Advances from the BCRA, which is not authorized by each Budget Law, but is made in accordance with the limits set forth in Law 24,144 of the BCRA's Charter.

#### OPC Publications

The Argentine Congressional Budget Office was created by Law 27,343 to provide support to the Legislative Branch and deepen the understanding of issues involving public resources, democratizing knowledge and decision making. It is a technical office of fiscal analysis that produces reports open to the public.

This report does not contain binding recommendations.

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