



# ANALYSIS OF NATIONAL GOVERNMENT BUDGET EXECUTION

August 2024

Gabriel Esterelles  
OPC director

Ignacio Lohlé  
Director of Budget Analysis  
María Laura Cafarelli - María Pía Brugiafreddo - Romina Muras  
Julieta Olivieri - Walter Rabbia  
Analysts

Martín López Amorós  
Director of Fiscal and Tax Analysis  
Pedro Velasco  
Analysts

Joel Vaisman  
Director of Sustainability and Public Debt Analysis  
Eugenia Carrasco  
Analyst

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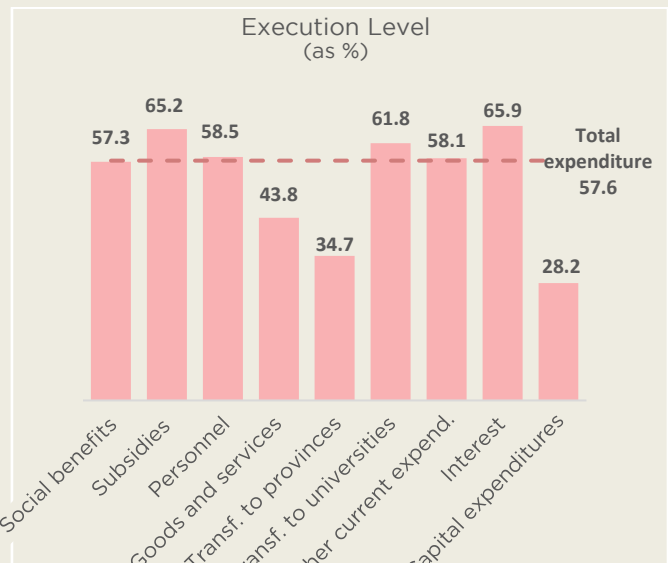
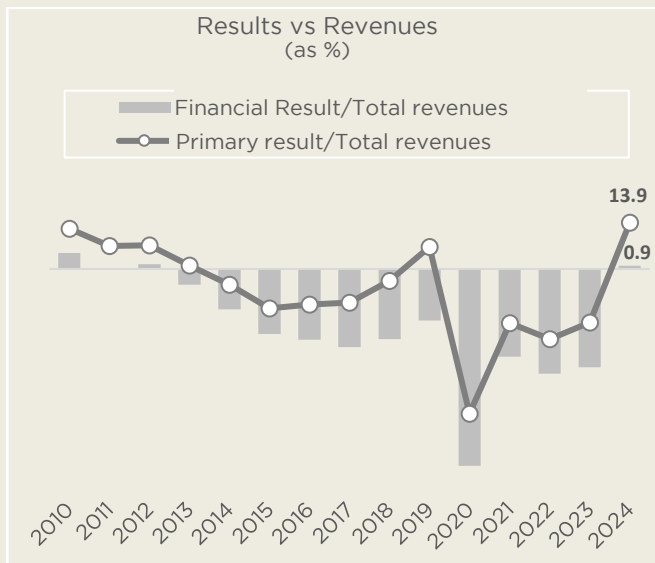
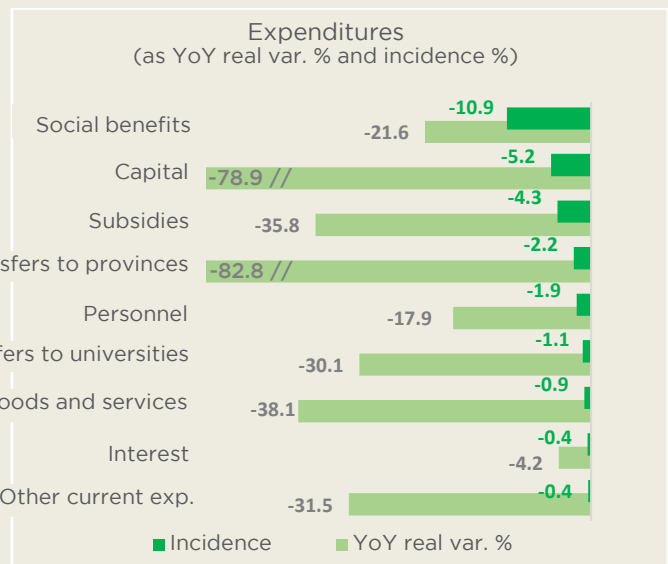
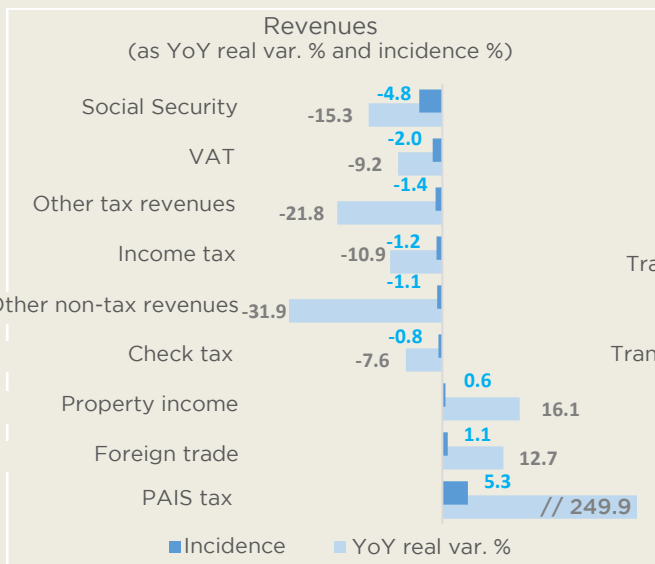
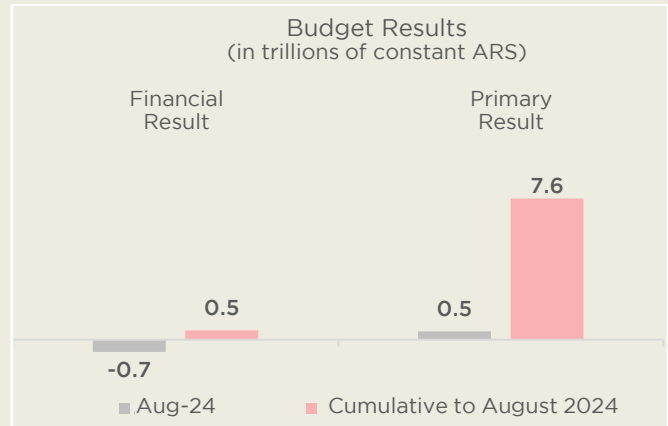
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# EXECUTIVE SUMMARY

## Budget execution - August 2024



(in trillions of constant ARS and YoY real var. %; Cumulative to August 2024)



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## National tax revenue<sup>1</sup>

In the first eight months of the year, total national tax revenues amounted to AR\$79.7 trillion, which implied a contraction in real terms of 7.9% year-on-year (YoY). The resources linked to the exchange rate<sup>2</sup> grew 16.7% YoY whereas the rest of the taxes contracted 14.8% YoY in real terms. This divergence was explained by the jump in the exchange rate (277.5% YoY in the first eight months of the year), by a series of regulatory changes with a positive impact on the resources linked to the exchange rate<sup>3</sup> and by the low base of comparison of Export Duties due to the drought that affected the last agricultural campaign.

In August, revenues adjusted by CPI showed a 13.8% YoY decrease. This month presented several outstanding novelties. AFIP also reported that AR\$0.24 trillion was collected in August within the framework of the moratorium launched under Law 27,743 of Fiscal, Palliative and Relevant Measures, including AR\$0.07 trillion of the Solidarity and Extraordinary Contribution, classified as a non-tax revenue in the budget. In addition, AR\$133 million was collected from the Asset Regularization Tax created by the Law.

On the other hand, for the first time in the year, the real revenue from the PAIS Tax contracted (-7.3% YoY), due to the reduction in imports and the increase in the exchange rate at a lower rate than inflation. For its part, revenue from Wealth Tax showed a real drop of 24.5% YoY, being, despite this drop, the best performance of the tax so far in 2024. The positive impact was caused by the effect in August (later extended to September) of the option to file and pay the balance of the tax return of individuals, and by the receipt of the special payment on account of the personal income tax for the 2023 tax period (sixth advance payment). AFIP also reported that receipts related to the Special Regime for Wealth Tax were recorded.

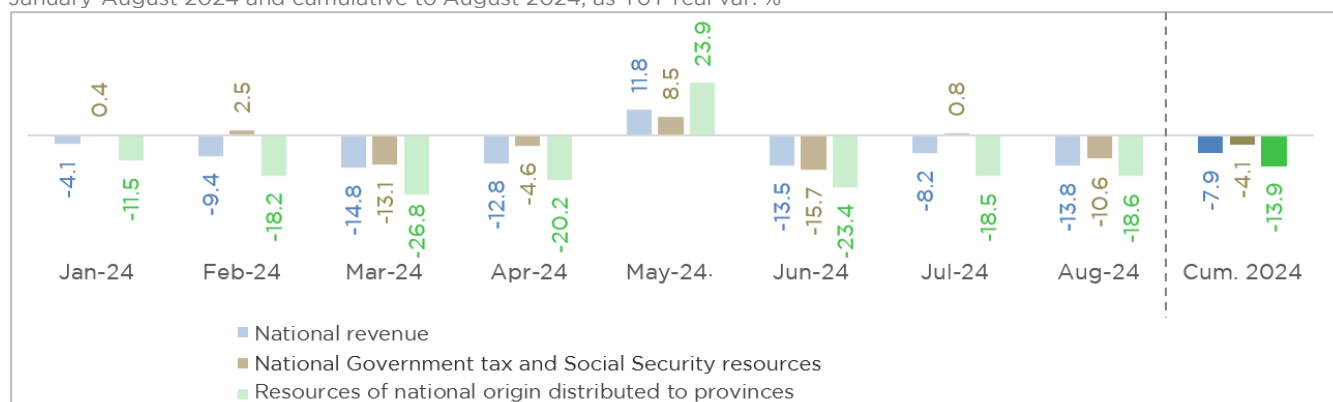
For Income Tax, the entry into force of the new scheme for the 4th category, approved in Law 27,743, stood out. The postponement of the first advance payment for individuals, the changes in payments, the annual adjustment for individuals due to the filing of the SIRADIG, and the high comparison base due to the extraordinary payment on account in August 2023, operated in a negative sense.

On the other hand, the resources of the Social Security System fell by 6.0% YoY in August, the smallest contraction since September 2023. As of August, these resources accumulated a decrease of 15.6% YoY.

As a result of the dynamics of taxes not subject to sharing or with specific allocation to the National Government, the resources distributed to the National Government have outperformed total resources and those distributed to the provinces up to August.

**Figure 1. Total revenue and allocation to National government and provinces**

January-August 2024 and cumulative to August 2024, as YoY real var. %



SOURCE: OPC, based on AFIP, E.Sidif, and National Directorate of Provincial Affairs.

<sup>1</sup> Refers to total revenue from national taxes as reported by AFIP, prior to the allocation of these resources.

<sup>2</sup> Export and Import Duties, Statistics Tax, PAIS Tax and customs receipts of VAT and Income Tax.

<sup>3</sup> Expansion of the taxable base of the PAIS Tax through Executive Order 377/2023 in July last year and increase of certain rates of the same tax in December through Executive Order 29/2023 and discontinuation of the certificates of non-withholding of VAT and Income Tax on imports in mid-April 2023. As from September, PAIS Tax collection will be negatively affected by the reduction of rates of Executive Order 777/2024, and because the increase in collection generated by Executive Order 377/2023 in the last months of last year will already have an impact on the YoY comparison.

## Year-on-year evolution of the National Government Budget execution

**Table 1. Revenues, expenditures, and results**

In trillions of ARS and YoY real var. %a

Concept	August 2024		Cumulative 8 months	
	Trillions of ARS	YoY real var. %	Trillions of ARS	Trillions of ARS
<b>I. Current revenues</b>	<b>7.83</b>	<b>-13.9</b>	<b>54.65</b>	<b>-3.6</b>
Tax revenues	5.16	-12.1	35.43	1.7
VAT	1.71	-14.7	11.26	-9.2
Income Tax	0.72	-29.4	5.87	-10.9
Foreign Trade	0.73	-6.2	5.64	12.7
Check tax	0.91	-1.1	5.55	-7.6
PAIS tax	0.59	0.6	4.25	249.9
Other tax revenues	0.50	-10.7	2.87	-21.8
Social Security	2.29	-7.1	15.32	-15.3
Property income (*)	0.15	-68.6	2.64	16.1
Other non-tax revenues	0.23	-17.2	1.26	-17.1
<b>II. Current expenditures</b>	<b>8.27</b>	<b>-20.9</b>	<b>53.12</b>	<b>-23.7</b>
Social benefits	4.43	-12.7	29.69	-21.6
Pensions	3.06	-10.1	20.46	-20.8
Family allowances	0.50	23.9	3.35	-1.4
Universal Child Allowance	0.30	66.6	1.94	23.2
Active pop., inactive pop., and others	0.20	-10.9	1.41	-22.7
Non-contributory pensions	0.34	-2.3	2.30	-15.5
INSSJP benefits	0.13	27.1	0.60	-24.7
Other social programs	0.40	-51.0	2.99	-41.8
<i>Potenciar/ Volver al Trabajo (**)</i>	0.07	-72.6	0.82	-60.2
Food Policies	0.16	-36.5	1.18	-20.6
<i>Progresar</i> grants	0.02	-78.5	0.20	-65.1
Others	0.14	-23.9	0.80	-22.8
Subsidies	1.04	-29.2	6.01	-35.8
Energy	0.75	-29.7	4.32	-36.4
Transportation	0.24	-19.5	1.26	-35.6
Other subsidies	0.06	-49.8	0.43	-30.5
Personnel expenses	0.90	-21.3	6.39	-17.9
Goods and services	0.26	1.6	1.07	-38.1
Transfers to provinces	0.10	-80.3	0.35	-82.8
Transfers to universities	0.28	-22.8	1.85	-30.1
Other current expenditures	0.15	9.7	0.63	-31.5
Interest (***)	1.11	-27.0	7.12	-4.2
<b>III. Economic result (I-II)</b>	<b>-0.44</b>	<b>-67.9</b>	<b>1.53</b>	<b>-115.8</b>
<b>IV. Capital revenues</b>	<b>0.02</b>	<b>-41.5</b>	<b>0.06</b>	<b>-86.6</b>
<b>V. Capital expenditures</b>	<b>0.23</b>	<b>-65.3</b>	<b>1.08</b>	<b>-78.9</b>
Real direct investment	0.08	-65.9	0.30	-79.9
Capital transfers	0.16	-64.4	0.76	-78.6
Financial investment	0.00	-98.9	0.02	-73.5
<b>VI. Total revenues (I+IV)</b>	<b>7.85</b>	<b>-14.0</b>	<b>54.71</b>	<b>-4.2</b>
<b>VII. Total expenditures (II+V)</b>	<b>8.51</b>	<b>-23.6</b>	<b>54.20</b>	<b>-27.4</b>
<b>VIII. Primary expenditures</b>	<b>7.40</b>	<b>-23.1</b>	<b>47.08</b>	<b>-30.1</b>
<b>IX. Primary result (VI-VIII)</b>	<b>0.46</b>	<b>-193.4</b>	<b>7.63</b>	<b>-191.9</b>
<b>X. Financial result (VI-VII)</b>	<b>-0.65</b>	<b>-67.4</b>	<b>0.51</b>	<b>-105.8</b>

(\*) Includes property income generated by assets of the National Government held by the Sustainability Guarantee Fund (FGS). Excludes ARS0.4 trillion in BCRA profits received in July and August 2023.

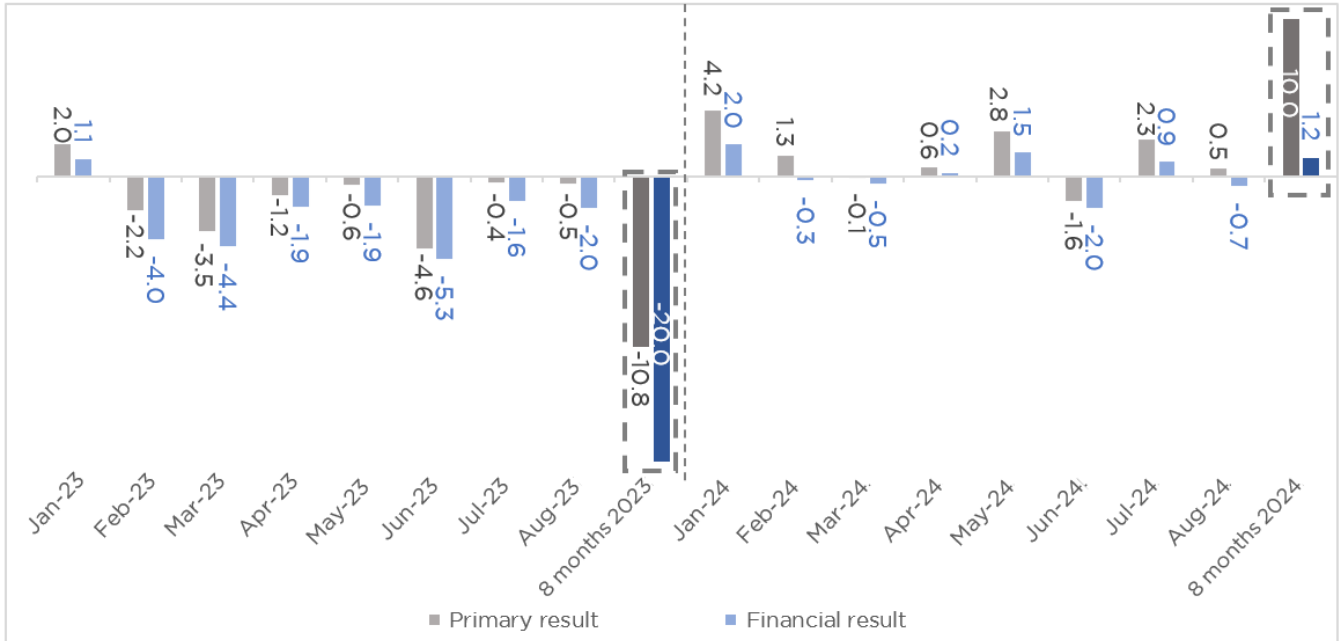
(\*\*) Executive Order 198/2024 provided for the creation of the *Acompañamiento Social* and *Volver al Trabajo* programs, to which the holders of the *Potenciar Trabajo* program will be transferred.

(\*\*\*) In August, interest recorded as of the cut-off date of this report for ARS1.25 trillion for the month of July for the payment of global bonds and bonds for the 2020 restructuring are excluded, and are imputed to the month of July in accordance with the moment in which they were effectively disbursed (Source: E.Sidif and DMFAS). Includes interest paid intra-public sector, as shown in the E.Sidif.

SOURCE: OPC, based on E.Sidif data.

**Figure 2. Primary and Financial Results (\*)**

January-August 2024 and cumulative to August 2023 and 2024, in trillions of constant ARS of August 2024



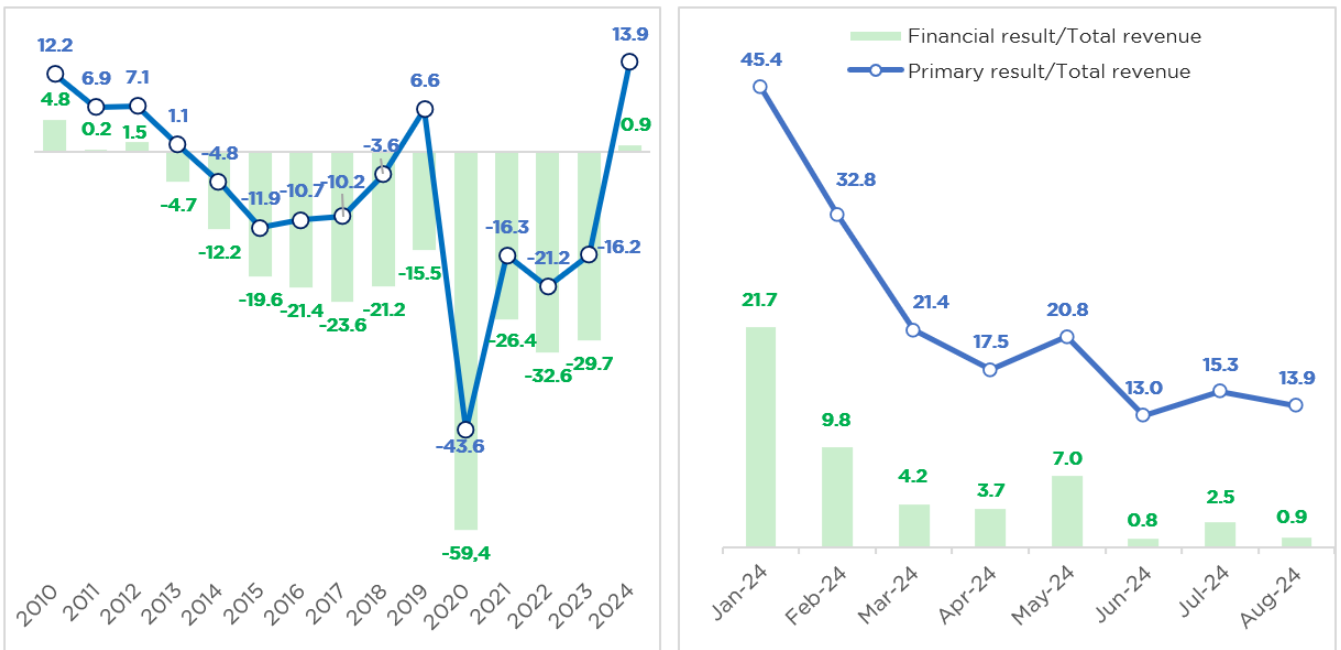
(\*) Excludes ARS0.4 trillion in BCRA profits received in July and August 2023.

SOURCE: OPC, based on E.Sidif data.

**Figure 3. Primary and financial results in relation to total revenue (\*)**

Cumulative to August, 2010-2024, as a %

January-August, 2024, cumulative to each month, as a %

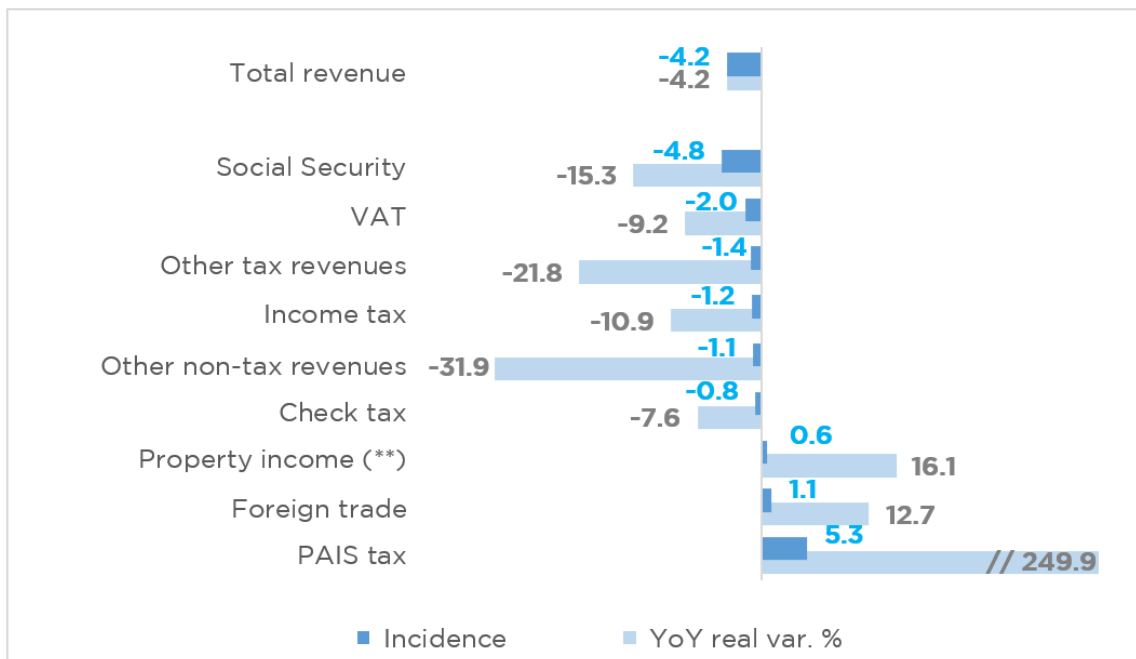


(\*) Total revenue excludes profits received from BCRA.

SOURCE: OPC, based on E.Sidif data.

### Figure 4. Total revenue

Cumulative to August 2024, in trillions of ARS, YoY real var. %, and incidence as % of total revenues (\*)



(\*) Incidence refers to the contribution in percentage points that each item makes to the total variation.

(\*\*) Excludes ARS0.4 trillion in BCRA profits received in July and August 2023.

SOURCE: OPC, based on E.Sidif data.

### Table 2. Total revenue Nacional<sup>4</sup>

Cumulative to August 2024, in trillions of ARS, as YoY real var. %, and incidence %. In order of incidence.

Concept (trillions of ARS)	Incidence %	Main YoY variations
<b>Social Security</b> ARS15.32 -15.3 YoY real	-4.8	Employer Contributions, ARS9.71 trillion (-14.0% YoY real) and Personal Contributions, ARS5.58 trillion (-16.3% YoY real), both impacted by the reduction in employment and real wages.
<b>Other revenues</b> ARS1.32 -31.9% YoY real	-1.1	-Other non-tax current revenues, ARS1.32 trillion (-31.9% YoY real): fees collected by agencies, ARS0.22 trillion (-5.8% YoY real). National Justice Fund, ARS0.21 trillion (-1.2% YoY real). Directorate of the Registry of Motor Vehicles, ARS0.16 trillion (-14.4% YoY real). Appropriations and refunds, \$0.06 trillion (-1.3% YoY real). -Capital revenues, ARS0.06 trillion (-86.6% YoY real). Contrary to these behaviors, there was an increase in the year-on-year comparison of the collection for the National Administration of the Solidarity and Extraordinary Contribution (Law 27,605), \$0.06 trillion (281.7% YoY real) for the settlement of obligations owed.

<sup>4</sup> During the first eight months of the year, tax and Social Security revenues of the National Government amounted to ARS50.75 trillion, with a drop in real terms of 4.1% YoY. The discrepancy between this drop and that of the total revenue from national taxes (-7.9% YoY in real terms) shown in the section “National Tax Revenue”, is explained by the behavior of resources that are not subject to sharing or that are specifically allocated to the National Government, as is the case of the PAIS Tax, Export Duties, Import Duties and the Statistics Tax.

Concept (trillions of ARS)	Incidence %	Main YoY variations
<b>Tax revenues<sup>5</sup></b> <b>ARS35.43</b> <b>1.7 YoY real</b>	1.1	<p>The following taxes are the main drivers of the rise in tax revenues:</p> <ul style="list-style-type: none"> <li>-PAIS tax, ARS4.25 trillion (249.9% YoY real, 5.3% incidence in the decline of total revenues) due to the increase in the exchange rate, in its taxable base and its rates, and to the changes in its distribution<sup>6</sup>. Although its collection shows positive year-on-year variations in the first eight months of the year, its growth rate slowed down from 420.0% to 249.9% YoY in the cumulative to August.</li> <li>- Foreign Trade, ARS5.64 trillion (12.7% YoY real, 1.1% of incidence in the decline of total revenue), mainly due to Export Duties, ARS3.53 trillion (34.8% YoY real), affected by the increase in the exchange rate and by the basis of comparison due to the drought of 2023. On the other hand, Import Duties, ARS1.76 trillion (-12.1% YoY real) and the Statistical Rate, ARS0.35 million (-8.6% YoY real), decreased, mainly due to the decrease in imports.</li> </ul> <p>On the other hand, there were falls in the year-on-year comparison of:</p> <ul style="list-style-type: none"> <li>-VAT, ARS11.26 trillion (-9.2% YoY real, -2.0% incidence in the decline of total revenues) due to lower economic activity and higher tax credits related to customs receipts.</li> <li>-Income Tax, ARS5.87 trillion (-10.9% YoY real, -1.2% incidence in the decline of total revenues) due to the deferral of due dates for Individuals and to the “cedular” tax.</li> <li>-Check Tax, ARS5.55 trillion (-7.6% YoY real, -0.8% of incidence in the decline of total revenues).</li> <li>- Other tax revenues, ARS2.87 trillion (-21.8% YoY real, -1.4% incidence in total revenues).</li> </ul>
<b>Property income</b> <b>ARS2.64</b> <b>16.1 YoY real<sup>7</sup></b>	0.6	<p>Interest on deposits in domestic currency, ARS0.84 trillion (434.2% YoY real). On the other hand, income from the Sustainability Guarantee Fund (FGS) ANSES, \$1.73 trillion (-12.0% YoY real), decreased in the year-on-year comparison.</p>

<sup>5</sup> For further details see the tax revenue monitor prepared by the OPC at: <https://www.opc.gob.ar/monitores-fiscales/monitor-de-recaudacion-tributaria-nacional/>. The figures shown in this report may differ from those shown in the monitor due to the different scenarios analyzed and the time of recording in the different Public Sector systems.

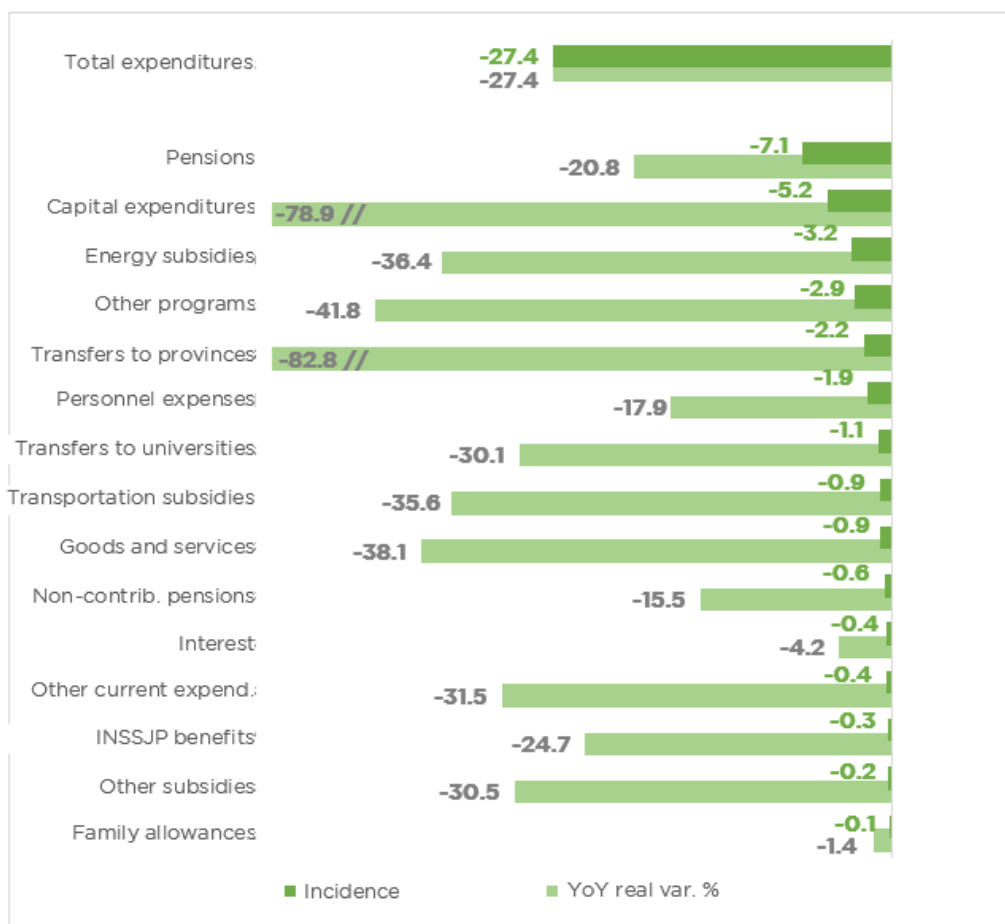
<sup>6</sup> See reference 3

<sup>7</sup> Excludes ARS0.4 trillion in BCRA profits received in July and August 2023.



**Figure 5. Total expenditure**

Cumulative to August 2024, in trillions of ARS, YoY real var. %, and incidence as % of total expenditure (\*)



(\*) Incidence refers to the contribution in percentage points that each item makes to the total variation.

SOURCE: OPC, based on E.Sidif data.

**Table 3. Total expenditure**

Cumulative to August 2024, in trillions of ARS, as YoY real var. %, and incidence %. In order of incidence.

Concept (trillions of ARS)	Incidence %	Main YoY variations
<b>Pensions</b> <b>ARS20.46</b> <b>-20.8% YoY real</b>	-7.1	Pension expenditure fell as a result of the below-inflation update of benefits, partially offset by the bonus granted to lower-income pensioners. The average purchasing power for the eight months of 2024 recorded a real drop of 26.6% YoY compared to the same period of 2023; and the minimum pensions (with bonuses) lost 16.7% YoY. However, due to the implementation of a new adjustment scheme (DNU 274/24), added to the deceleration of inflation, in August pension benefits above the minimum showed a recovery of 9.8% in real terms with respect to December 2023, while minimum benefits (with bonuses) fell 5.4% in real terms with respect to December, given the impact of the bonuses, which have not been increased since March. On the other hand, it should be noted that since March, pension expenditure has slowed down its fall, from 32.1% in real terms in the cumulative to February (maximum fall) to 20.8% in the cumulative to August. Expenditure executed by ANSES totaled ARS18.43 trillion (-21.2% YoY real), of which ARS16.53 trillion corresponds to the regular settlement (-24.0% YoY real) and ARS1.90 trillion (15.9% YoY real) to income supplements for the lowest pensions (bonuses). Benefits for retired personnel of the Armed and Security Forces, ARS2.02 trillion (-17.3% YoY real).

Concept (trillions of ARS)	Incidence %	Main YoY variations
<b>Capital expenditures</b> <b>ARS1.08</b> <b>-78.9% YoY real</b>	-5.2	<p>Capital expenditures maintained a monthly average decrease of 80.1% YoY in real terms during the first seven months of the year. This decrease was reduced to 65.3% YoY in August, totaling a cumulative reduction of 78.9% YoY.</p> <p><b>-Real Direct Investment</b>, ARS0.30 trillion (-79.9% YoY): the reduction in this item was driven, in the first place, by the lower expenditures in works by the National Directorate of Roads, ARS0.10 trillion, (-82.0% YoY). In addition, the decrease of investment in the Ministry of Education (-96.5% YoY real) and in the Ministry of Public Works (-97.3% YoY real) stands out.</p> <p><b>-Capital transfers</b>, ARS0.76 trillion (-78.6% YoY real): the reduction is driven by the lower execution of financial assistance to: 1) provinces and municipalities, ARS0.03 trillion (-96.7% YoY real); 2) state-owned enterprises, ARS0.6 trillion (-65.3% YoY real); and 3) trust funds, ARS0.16 trillion (-76.3% YoY real).<sup>8</sup></p>
<b>Energy subsidies</b> <b>ARS4.32</b> <b>-36.4% YoY real</b>	-3.2	<p>Transfers to CAMMESA, ARS2.67 trillion (-32.6% YoY real), to cover the gap between costs and tariffs of electricity generation. Transfers to ENARSA, ARS1.45 trillion (-36.8% YoY real), mainly to cover the purchase of imported natural gas<sup>9</sup>. In August 2024, transfers to CAMMESA decreased, -49.5% YoY real, while those to ENARSA showed a growth of 147.7% YoY real.</p>
<b>Other social programs</b> <b>ARS2.99</b> <b>-41.8% YoY real</b>	-2.9	<p>Food Policies, ARS1.18 trillion (-20.6% YoY in real terms), among whose initiatives the <i>Alimentar</i> Benefit (99.9% of the program this year) stands out, with a real drop of 16.2% YoY in the cumulative to August. Despite the increases granted to the benefit amount (137.5% compared to December 2023), the purchasing power of this benefit shows a real drop of 13.0% in the cumulative of eight months of 2024 compared to the same period of 2023. There were almost no transfers to community kitchens and soup kitchens (-99.3% YoY real).</p> <p><i>Volver al trabajo</i> and <i>Acompañamiento Social</i> (formerly <i>Potenciar Trabajo</i>), ARS0.82 trillion (-60.2% YoY real), mainly explained by the loss of purchasing power of the benefits. The social plans have not increased in value since December, with a loss of purchasing power of 48.5%.</p> <p>Health Care for beneficiaries of non-contributory pensions, ARS0.31 trillion (-18.0% YoY real); <i>Progresar</i> grants, ARS0.20 trillion (-65.1% YoY real); and <i>Acompañar</i> program, ARS0.02 trillion (-83.5% YoY real).</p> <p>In the opposite direction, Unemployment Insurance, ARS0.14 trillion (107.5% YoY real), Nutrition Actions - 1,000 Days Program, ARS0.08 trillion (110.9% YoY real) and Educational Vouchers, ARS0.05 trillion (new program).</p>
<b>Transfers to provinces<sup>10</sup></b> <b>ARS0.35</b> <b>-82.8% YoY real</b>	-2.2	<p>The reduction is mainly driven by the termination of the National Teacher Incentive Fund (FONID), with an accrual of ARS0.06 trillion (-88.8% YoY real) within the National Teacher Salary Compensation Program<sup>11</sup>. In addition, no transfers were made to the Provincial Pension Funds (ARS0.08 trillion as of August 2023)<sup>12</sup> or to the Fiscal Strengthening Fund of the Province of Buenos Aires (ARS0.13 trillion as of August 2023). Also contributing to the fall were transfers to school canteens, ARS0.08 trillion (-2.3% YoY real), those made through the program for the universalization of the full or extended school day in primary education, ARS0.12 trillion (-5.9% YoY real) and those made within the</p>

<sup>8</sup> As for state-owned enterprises, the decreases in the transfers to ENARSA, ARS0.4 trillion (-50.8% YoY real), to AYSA, ARS0.09 trillion (-74.9% YoY real) and to ADIF SE, ARS0.02 trillion (-85.8% YoY real) stand out. For trust funds, the reduction was driven by lower transfers to the *Procrear* Trust Fund, ARS0.08 trillion (-47.2% YoY real), to the Social Housing Trust Fund, ARS0.06 trillion (-83.9% YoY real) and to the National Fund for Productive Development (FONDEP), which did not receive transfers in 2024 (ARS0.02 trillion as of August 2023).

<sup>9</sup> The last Report on Relevant Variables of the Wholesale Electricity Market published by CAMMESA shows that the Coverage of the Cost of Electricity Generation by Total Demand Tariff for July 2024 was 64% as a result of the elimination of subsidies.

<sup>10</sup> Transfers made by the Ministry of Health for the functioning of national hospitals of the Comprehensive Medical Care Service for the Community (SAMIC) are included in Other current expenses since they are transferred directly to these entities. For more information on this item, see OPC publication: <https://www.opc.gob.ar/tematicas-especificas-sobre-el-presupuesto/analisis-de-transferencias-no-automaticas-a-gobiernos-provinciales-y-municipales/>.

<sup>11</sup> The Teacher Salary Compensation Program, whose outlays are recorded as an Activity within FONID, is intended to contribute to the compensation of inequalities in initial teacher salaries in those provinces in which it is reliably assessed that, despite the financial effort devoted to the sector and the improvements in the efficiency of resource allocation, it is not possible to overcome such inequalities (Law 26,075, Section 9). To date, ARS0.01 trillion of the accrued amounts has been paid.

<sup>12</sup> DNU 280/2024 (03/26/24) establishes, in its Section 18, that Sections 92, 93 and 94 of Law 27,701 of the General Budget of the National Government for Fiscal Year 2023, in force pursuant to Section 27 of Law 24,156, are not included in the extension provided by Executive Order 88/23. These sections refer to the time and manner in which the National Government shall transfer funds to the provinces that did not transfer their pension systems to the National Government, as an advance payment on account of the final result of the deficit of each pension system.

Concept (trillions of ARS)	Incidence %	Main YoY variations
		framework of the National Treasury Contributions to the provinces (ATN) <sup>13</sup> , ARS0.03 trillion (-62.2% YoY real).
<b>Personnel expenses</b> <b>ARS6.39</b> <b>-17.9% YoY real</b>	-1.9	National Executive Branch, ARS4.97 trillion (-18.4% YoY real), Judicial Branch, ARS0.81 trillion (-14.7% YoY real), Public Prosecutor's Office, ARS0.33 trillion (-12.4% YoY real) and Legislative Branch ARS0.28 trillion (-23.3% YoY real). The salary guidelines agreed upon during the period under analysis were below inflation <sup>14</sup> . As for the variation of the positions held in June 2024 <sup>15</sup> with respect to the annual average of the positions held during 2023: Executive Branch: 0.9% for permanent and transitory positions and -15.1% for contracted personnel. Judicial Branch and Public Prosecutor's Office: 1.7% for permanent and temporary personnel.
<b>Transfers to universities</b> <b>ARS1.85</b> <b>-30.1% YoY real</b>	-1.1	Funds for the payment of salaries of teaching personnel and authorities, ARS1.05 trillion (-30.4% YoY real), of salaries of non-teaching personnel, ARS0.62 trillion (-26.7% YoY real). Financial Assistance for University Operation, ARS0.14 trillion (-23.1% YoY real). Financial Assistance to University Hospitals, ARS0.04 trillion (-19.3% YoY real).
<b>Transportation subsidies</b> <b>ARS1.26</b> <b>-35.6% YoY real</b>	-0.9	Transfers to the Fiduciary Fund of the Transportation Infrastructure System, ARS0.66 trillion (-29.8% YoY real), to cover the difference between the operating cost of public passenger transportation in the Metropolitan Area of Buenos Aires (AMBA), and which until last year also included the assistance to the Compensation Fund for Automotive Transportation outside the AMBA. Transfers to <i>Operador Ferroviario S.E.</i> , ARS0.44 trillion (-38.1% YoY real), to cover the difference between the operating cost of public passenger railroad transportation in the AMBA and that covered by the fares paid by users. <sup>16</sup>
<b>Goods and services</b> <b>ARS1.07</b> <b>-38.1% YoY real</b>	-0.9	Expenditures on goods and services for management and administration activities of National Government agencies, ARS0.18 trillion (-41.3% YoY real). Expenditures for CONICET fellowships, ARS0.07 trillion (-18.1% YoY). Expenditures related to food purchases under the Food Policies program, ARS0.04 trillion (-56.3% YoY real). On the other hand, there was an increase in the year-on-year comparison of expenditures related to schedule vaccines, ARS0.12 trillion (27.1% YoY real), in expenditures for information and intelligence activities under the Secretariat of State Intelligence of the Presidency of the Nation, ARS0.08 trillion (vs. 0.001 billion from January to August 2023), and of the expenses related to the Access to Medicines, Inputs and Medical Technology of the Ministry of Health, ARS0.05 trillion (16.9% YoY real).
<b>Non-contributory pensions</b> <b>ARS2.30</b> <b>-15.5% YoY real</b>	-0.6	As a consequence of the updating of the benefits below inflation, partially offset by the granting of bonuses.
<b>Interest</b> <b>ARS7.12</b> <b>-4.2% YoY real</b>	-0.4	Lower interest payments on securities in domestic currency partially offset by higher interest payments in foreign currency on securities issued under the September 2020 debt restructuring process and IMF loans.

<sup>13</sup> The following provinces received ATN transfers: Misiones (ARS9 billion), Chubut (ARS4.5 billion), Entre Ríos (ARS3.8 billion), Santa Cruz (ARS3 billion), Tucumán (ARS2 billion), Jujuy (ARS1.5 billion), Santa Fe (ARS1.5 billion) and Corrientes (ARS1 billion).

<sup>14</sup> During the period analyzed, in the National Executive Branch, whose cumulative expenditure as of August 2024 represented 77.9% of the total, increases for personnel under the General Collective Bargaining Agreement for the National Government (E.O. 214/06) accrued 141.2% YoY. In the Judicial Branch and the Public Prosecutor's Office, with a 17.8% share of total personnel expenses, salary guidelines accrued 147.2% YoY. The Legislative Branch (4.3% of the total), accrued 95.5% YoY.

<sup>15</sup> Source: Integrated Human Resources System (SIRHU), based on the latest available data.

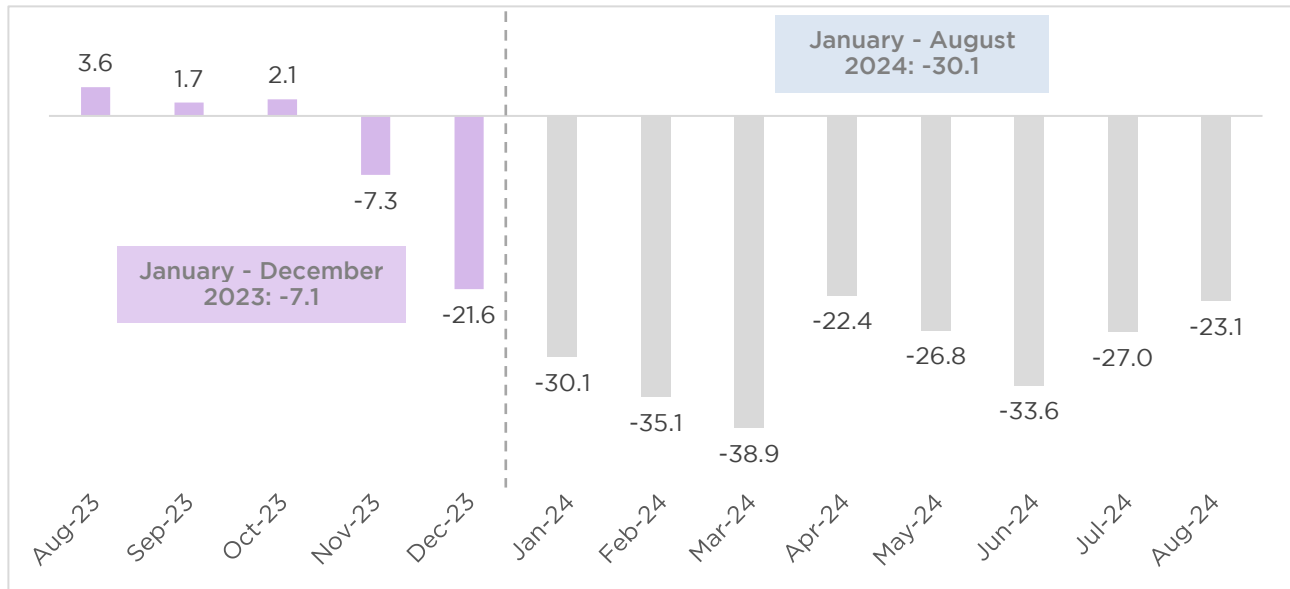
<sup>16</sup> The railroad operating statistics published by the National Commission for Transportation Regulation (CNRT) show that the average fare in dollars increased from 0.08 in August 2023 to 0.21, according to the latest publication. For urban passenger transportation, the current update of average costs and revenues of the system establishes a fare cost coverage for the CABA of 27%, being the one set for August 2023 of 16%.

Concept (trillions of ARS)	Incidence %	Main YoY variations
<b>Other current expenditures</b>  <b>ARS0.63</b> <b>-31.5% YoY real</b>	-0.4	<p>Unlike the previous fiscal year, there was no execution in items associated with the Socio-Urban Integration Fund or electoral expenses, while other current expenses were cut for the Higher Education Development program, ARS0.03 trillion (-60.1% YoY real), for public debt commission expenses, ARS0.08 trillion (-18.5% YoY real) and for the management activities of National Government agencies (Central Activities), ARS0.16 trillion (-15.9% YoY).</p> <p>On the other hand, higher transfers were made by the Ministry of Health for operating expenses of SAMIC Hospitals, ARS0.31 trillion (13.2% YoY real), and higher contributions were made to international organizations by the Ministry of Foreign Affairs, International Trade and Worship, ARS0.08 trillion (65.4% YoY real). Although the cumulative to August shows a 31.5% YoY decrease in other current expenditures, in August there was a 10.2% YoY increase, reversing the dynamics of the previous five months.</p>
<b>INSSJP benefits</b>  <b>ARS0.60</b> <b>-24.7% YoY real</b>	-0.3	<p>As a consequence of the evolution of ANSES pension expenditure net of bonuses (which constitutes the expenditure subject to contributions to PAMI).</p>
<b>Other subsidies</b>  <b>ARS0.43</b> <b>-30.5% YoY real</b>	-0.2	<p>Transfers to <i>Radio y Televisión Argentina S.E.</i>, ARS0.05 trillion (-26.1% YoY real). There were no transfers to promote production and development to small and medium-sized producers and regional economies and to the National Fund for Productive Development - FONDEP, which together amounted to ARS0.03 trillion in the cumulative amount as of August 2023.</p> <p>On the other hand, there were increases in transfers to: <i>Correo Argentino</i>, ARS0.18 trillion (16.6% YoY real) and <i>Casa de Moneda</i>, ARS0.02 trillion (100.0% YoY real).</p>
<b>Family allowances</b>  <b>ARS3.35</b> <b>-1.4% YoY real</b>	-0.1	<p>Family Allowances (active and inactive population), ARS1.41 trillion (-22.7% YoY real), due to the update of benefits below inflation: the purchasing power of monthly benefits fell 34.0% YoY in real terms in the first eight months of 2024 with respect to the same period of 2023. The real fall in family allowances was partially offset by the increase in the annual school allowance and the increase in the number of allowances paid (child allowances went from an average of 4.08 million in the first seven months of 2023 to 4.45 million in the same period of 2024). It should be noted that, compared to December 2023, the monthly allowance values showed a recovery of 0.9% in real terms.</p> <p>Universal Allowances, ARS1.94 trillion (23.2% YoY real terms). The increase is mainly due to the doubling of benefits in January 2024 (E.O. 117/23), in addition to the increase in March, June, July and August due to the new adjustment scheme. In the period analyzed, the purchasing power of the Universal Child Allowance (AUH) recorded a real increase of 32.0% YoY in the first eight months of 2024 compared to the same period of 2023. Compared to December, there was an increase of 101.8% YoY in the real value of the AUH.</p>

SOURCE: OPC, based on E.Sidif data.

### Figure 6. Year-on-year primary expenditures variation

August 2023-August 2024, as YoY real var. %



SOURCE: OPC, based on E.Sidif data.

## National Government Expenditure Execution Level

**Table 4. Cumulative expenditure execution level**

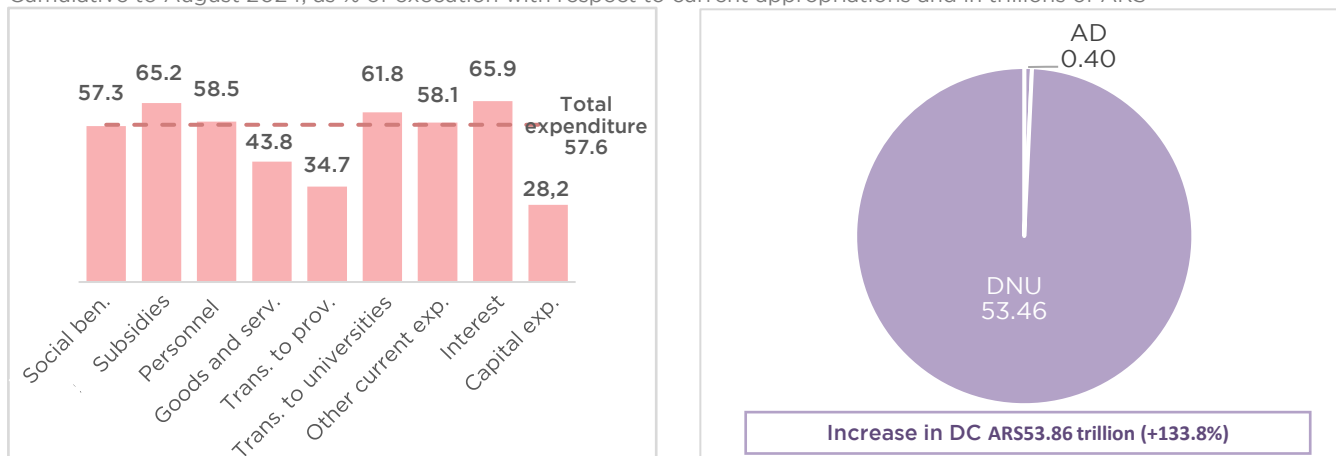
Cumulative to August 2024, in trillions of ARS and as execution %.

Concept	Initial appropriation	Current appropriation	Accrued	Exec. %	DC var. (%)
<b>Total expenditures</b>	40.25	94.11	54.20	57.6	133.8
Current expenditures	37.17	90.28	53.12	58.8	142.9
Social benefits	19.61	51.79	29.69	57.3	164.1
Pensions	13.05	36.15	20.46	56.6	176.9
Family Allowances	1.57	5.59	3.35	60.0	255.7
Universal Child Allowance	0.70	3.36	1.94	57.9	377.7
Others	0.87	2.23	1.41	63.0	157.0
Non-contributory pensions	1.42	3.83	2.30	60.0	169.9
INSSJP benefits	0.39	1.07	0.60	55.8	170.4
Other social programs	3.17	5.15	2.99	58.1	62.7
<i>Potenciar/ Volver al Trabajo/ Acomp. Social (*)</i>	1.02	1.08	0.82	75.8	5.7
Food Policies	0.73	1.85	1.18	63.6	152.8
<i>Progresar grants</i>	0.29	0.43	0.20	46.3	46.7
Others	1.13	1.80	0.80	44.5	59.6
Subsidies	4.28	9.23	6.01	65.2	115.5
Energy	2.81	6.32	4.32	68.4	125.0
Transportation	1.01	2.01	1.26	62.8	99.0
Other subsidies	0.47	0.91	0.43	47.7	94.2
Personnel expenses	4.39	10.92	6.39	58.5	148.9
Goods and services	1.09	2.44	1.07	43.8	123.0
Transfers to provinces	1.52	1.01	0.35	34.7	- 33.8
Transfers to universities	1.36	3.00	1.85	61.8	120.7
Other current expenditures	0.49	1.09	0.63	58.1	119.8
Interest (**)	4.43	10.80	7.12	65.9	144.1
<b>Capital expenditures</b>	3.08	3.82	1.08	28.2	24.3
Real direct investment	0.89	1.19	0.30	25.0	33.0
Capital transfers	2.11	2.45	0.76	30.8	16.5
Financial investment	0.07	0.18	0.02	12.4	141.5

(\*) Includes interest paid intra Public Sector, as recorded in the E.Sidif.  
SOURCE: OPC, based on E.Sidif data.

**Figure 7. Execution level and budget amendments**

Cumulative to August 2024, as % of execution with respect to current appropriations and in trillions of ARS



SOURCE: OPC, based on E.Sidif data.

## Methodological aspects

- The Budget Execution Report refers to the National Government, a jurisdictional aggregate whose budget is approved by a Law of the National Congress.
- The National Government includes the Central Administration, decentralized agencies, and Social Security institutions.
- The data used in the preparation of this report come from the Integrated Financial Information System of the Secretary of Treasury, with a cut-off date of September 4, 2024.
- For the calculation of real variations, the Consumer Price Index (CPI) variation of the National General Level (INDEC) is used as a deflator. For the month of July 2024, the inflation estimated in the report: "*Resultados del Relevamiento de Expectativas de Mercado (REM)*", prepared by the BCRA, which shows a monthly variation of 3.9%, is used.
- For expenditures, the accrual stage is considered. In this concept, interest paid by the National Government is considered in full and without offsets.
- For revenues, the time of receipt is considered.
- Transfers made by the Ministry of Health for the functioning of national hospitals of the Comprehensive Medical Care Service for the Community (SAMIC) are included in Other Current Expenses as they are transferred directly to these entities.

#### 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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Hipólito Yrigoyen 1628. Piso 10 (C1089aaf) CABA, Argentina.  
T. 54 11 4381 0682 / [contacto@opc.gob.ar](mailto:contacto@opc.gob.ar)

[www.opc.gob.ar](http://www.opc.gob.ar)