



ECONOMIC-FINANCIAL STUDY ON PUBLIC ENTITIES EXCLUDED FROM THE NATIONAL ADMINISTRATION

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1. Executive Summary

This paper refers to the public entities expressly excluded from the National Administration and completes the series of reports of the Argentine Congressional Budget Office on the agencies provided for in Law No. 24,156, which are not part of the central or decentralized National Administration¹. These agencies - identified for the purposes of this analysis as "Other Entities"- constitute an institutional subsector within the framework of the national non-financial public sector (NFPS), made up of non-corporate state entities, with financial autonomy, legal status, and own equity.

The concept of "Other Entities", expressly excluded from the National Administration, is specific to the public financial administration. The origin of this concept dates back to the Budget Law for 2002 (No. 25,565), which included "Other Entities" and Trust Funds as part of the National Public Sector under the terms of Section 8 of Law No. 24,156. Since then, they receive the same general treatment as State enterprises and corporations.

The category does not include all agencies that share a homogeneous nature, which complicates the identification within its scope. The categorization of an agency as decentralized or as an "Other Entity" is rather due to a political-institutional decision than to a regulatory requirement derived from its mission and capabilities. The diversity of sources with different approaches to the issue, such as the Budget Classification Manual, the National Government Financial Report and the Financial Information System for State-Owned Enterprises, Trust Funds and Other Entities (SIFEP), also contributes to this difficulty.

This report focuses on the entities of the National Non-Financial Public Sector that comprise the National Non-Financial Public Sector Consolidated Budget and the National Government Financial Report, whose dimension in terms of resources and expenditures gives them a significant role in national public finances. This list includes both the Other Entities of the NFPS and the Armed and Security Forces *Obras Sociales* (Health insurances).

In the last two fiscal years, resources exceeded expenditures in terms of Gross Domestic Product.

In 2021, expenditures of Other Entities totaled ARS662.282 billion, equivalent to 1.42% of the GDP and 5.8% of the expenditures of the national NFPS. In 2022, this item rose to ARS 1,284.25 billion, 1.55% of GDP. Total resources in 2021 amounted to ARS775.498 billion, equivalent to 1.66% of the GDP, and in 2022 to ARS1,433.71 billion, representing 1.73% of the GDP.

These resources for 2021 and 2022 are composed, on average, of approximately 40% by Social Security contributions, mainly due to the incidence of the National Institute of Social Services for Retirees and Pensioners (INSSJP); 20% by transfers from the National Administration to such entity; 25% by tax resources earmarked for the AFIP; 6% by property income and the remaining 9% 9% from other current and capital resources.

"Other Entities" had approximately 38 thousand employees at the end of fiscal year 2022, a figure equivalent to about 8% of the total number of government employees, considering the National Executive Branch and the National Judiciary Branch combined. This figure includes permanent and temporary staff and includes entities with only 8 employees, such as the Special Unit of the Electric Power Transmission System (UESTEE), and others with more than 20 thousand, such as the Federal Administration of Public Revenues (AFIP).

"Other Entities" report financial information on the execution and closing of their balance sheets and financial statements to SIFEP. For example, the system reflects their savings-investment-financing accounts, the preliminary and final annual financial statements, and the versions audited by the National General Audit Office. However, such data is not always reported in due time and form.

¹ Available at: <https://www.opc.gob.ar/presupuesto-sector-publico/las-empresas-publicas-del-sector-publico-nacional-no-financiero/> (State-owned enterprises) and <https://www.opc.gob.ar/presupuesto-sector-publico/estudio-economico-financiero-sobre-fondos-fiduciarios/> (trust funds).

2. Introduction

The "Other Entities" play a significant role in the budget of the National Non-Financial Public Sector due to their size in terms of resources and expenditures. This is a universe of agencies that respond to different legal entities, which belong to different economic sectors, have different sizes in terms of personnel and budget, and have as their main financing mechanisms for the fulfillment of their purposes: social security contributions, transfers from the National Treasury and tax resources.

This report analyzes the universe of "Other Entities" taking as a reference source those agencies identified as such in the consolidated budget of the National Non-Financial Public Sector and, respectively, in the National Government Financial Report:

- Federal Administration of Public Revenues (AFIP)
- National Institute of Social Services for Retirees and Pensioners (*Instituto Nacional de Servicios Sociales para Jubilados y Pensionados* - INSSJP)
- Special Unit for the Electric Power Transmission System (*Unidad Especial Sistema de Transmisión de Energía Eléctrica* - UESTEE)
- National Institute of Music (*Instituto Nacional de la Música* - INAMU)
- National Anti-Doping Commission (*Comisión Nacional Antidopaje* - CNAD)
- National Institute of Cinema and Audiovisual Arts (*Instituto Nacional de Cine y Artes Audiovisuales* - INCAA)
- Superintendence of Welfare of the Argentine Federal Police (*Superintendencia de Bienestar de la Policía Federal Argentina* - SBPFA)
- Office of the *Obra Social* of the Federal Penitentiary Service (*Dirección de Obra Social del Servicio Penitenciario Federal* - OSSPF)
- Institute of the *Obra Social* of the Armed Forces (*Instituto de Obra Social de las Fuerzas Armadas* - IOSFA)

There are two aspects to the analytical approach of this report. In the first place, a general conceptual characterization is made, including aspects such as institutional nature, regulatory background, and applicable regime, also including a brief overview of each of the entities comprising the category. In the second place, the analysis focuses on certain dimensions of interest: budgetary regime, transparency, employment, total resources and expenditures, revenue, earmarking, and transfers from the National Treasury, composition of expenditures, transfers to the private sector, and financial results.

Annex I present the fiscal data of "Other Entities" in the 2012-2022 term, focusing on the three agencies that together account for more than 97% of the resources and expenditures of the institutional subsector: AFIP, INSSJP and IOSFA.

The source of information used up to fiscal year 2021 was the National Government Financial Report which, in accordance with the provisions of the Financial Administration Law, are published on June 30 of the year following the closing of each fiscal year, whereas for fiscal year 2022 the preliminary data recorded by the entities in the "Financial Information System for State-owned Enterprises, Trust Funds and Other Entities" (SIFEP) were used.

3. General characterization

3.1. Institutional nature

The concept of "Other Entities expressly excluded from the National Administration" refers only to the field of public financial administration. Its origin dates back to the 2002 Budget Law (No. 25,565), which modified the composition of the National Public Sector provided for in the original wording of Law No. 24,156 (Section 8), including the categories of "Other Entities" and Trust Funds as institutional sub-sectors.

The concept of "Other Entities" is specific to public financial administration and includes organizations of different legal and institutional nature

The "Other Entities" are defined by such law as entities expressly excluded from the National Administration in which the State has majority control in terms of equity or decision making, including any non-corporate state organization, with financial autonomy, legal status, and its own equity. This constitutes a heterogeneous sub-sector, composed of organizations of diverse legal-

institutional nature.

This differential treatment is reflected in at least two main situations: entities with a certain degree of autarchy or autonomy with respect to the central administration and non-government public entities². Both cases imply a decentralization of the functions of the State whose nature, especially in the first case, does not a priori have different characteristics from those of the decentralized bodies that do form part of the national administration.

Considering an agency as decentralized or as "other entity" in the context of Law No. 24,156 becomes, in the end, a political-institutional decision rather than a regulatory imperative derived from its legal nature. In this line, there are also examples of agencies that went from being part of the National Administration to be included in the category of "Other Entities", and of "Other Entities" that were later excluded from the scope of that Law.

In fact, Executive Order No. 1,731/04, which regulates Law No. 25,917³, includes "Other Entities" in the category of "decentralized agencies", which it expressly defines as "entities with legal status, their own equity, autarchy or administrative and financial autonomy, including non-government Public Entities where the State has ownership of the equity or control over the decision-making process" (Section 2).

3.2. Regulatory background

The category "Other Entities" was not included in the original wording of Law No. 24,156 (1992) and was added through the 2002 Budget Law

Law No. 24,156 (1992) originally limited the scope of the national public sector to the national administration (comprising the central administration, decentralized agencies, and social security institutions) and to State enterprises and corporations, categories listed, respectively, in paragraphs a) and b) of Section 8 thereof; there was no differentiated treatment for "Other Entities" or for

Trust Funds.

This structure of the national public sector was substantially modified with the enactment of the Budget Law for fiscal year 2002 (No. 25,565), creating the category "Other Entities" and assigning it a treatment identical to that of the State enterprises and corporations. Specifically, Law No. 25,565 introduced four amendments of interest to Law No. 24,156 and Law No. 11,672 (Permanent Complementary Budget Law):

1. It ratifies the status given to the National Institute of Social Services for Retirees and Pensioners (INSSJP) by the Budget Law for the Fiscal Year 2001 (No. 25,401), as from which the INSSJP is treated as a "State enterprise" within the framework of Title II - Chapter III of Law No. 24,156 (Section 64, Law No. 25,401; Section 60, Law No. 25,565).
2. Adds "Other Entities expressly excluded from the National Administration" and Trust Funds as part of the national public sector through subsections c) and d) of Section 8, deleting the last paragraph of its original version concerning the accountability of private organizations receiving subsidies or contributions (Section 70, Law No. 25,565).
3. It changes the heading of Chapter III of Title II, from referring only to the public business sector to "On the Budgetary Regime of State-owned Enterprises, Trust Funds and Public Entities not included in the National Administration". It also adds "Other Entities" in all the Sections of the Chapter that mention State-owned enterprises, giving them the same treatment (Section 71, Law No. 25,565).
4. It includes a new Section in Law No. 11,672 which provides for the obligation of the authorities of the entities included in subsections b), c) and d) of Section 8 (i.e., companies, "other entities" and trust

² Non-government Public Entities perform functions of public interest but are not part of the Government structure.

³ Federal Fiscal Responsibility Regime.

funds) to submit the monthly economic and financial execution to the National Budget Office (ONP) before each 15th day of the following month (Sections 50 and 93, Law No. 25,565).

The Budget Law for the fiscal year 2004 (No. 25,827) introduced the wording still in force of Law No. 24,156 on the scope of the national public sector. It added to Section 8 of the Financial Administration Law the last paragraph of its original version (which had been deleted by Law 25,565) referring to the "accountability of private organizations to which subsidies or contributions have been granted and to institutions or funds whose administration, custody or preservation is in charge of the National Government through its jurisdictions or entities".

3.3. Applicable administrative-financial regime

The amendment of Law No. 24,156 introduced by the Budget Law for 2002 established that "Other Entities" are to be treated under the same regime as State enterprises and corporations. Although Trust Funds were also included in the heading of the respective Chapter of the Law, the lawmakers expressly excluded their inclusion in the Sections involved, as they did with "Other Entities", thus creating the regulatory conditions for them to receive a different treatment⁴.

3.4. Universe of agencies included in the subsector

The institutional scope of the "Other Entities" subsector is different in the Budget Classification Manual, the National Government Financial Report and SIFEP

The difficulties inherent to the category "Other Entities" in identifying the agencies covered by this category are complicated by two factors.

First, due to inaccuracies regarding the general institutional scope of the substantive regulations on public financial administration. As an example, it is useful to mention that Law No. 24,156 refers to the "national public sector" as its scope of application (specifying its composition in Section 8). On the other hand, Law No. 25,917 and its regulation (Executive Order No. 1,731/04) include the concepts of "non-financial public sector" and "non-financial public administration", implying -by definition- a narrower institutional scope than that of the "national public sector".

Second, due to the diversity of sources with different approaches to the subject, for example, the Budget Classification Manual, the National Government Financial Report and the Financial Information System for State-Owned Enterprises, Trust Funds and Other Entities (SIFEP)⁵.

3.4.1 Budget Classification Manual

The latest version published by the ONP of the Budget Classifications Manual of the National Public Sector (2016) stipulates -in the institutional classification- that the national public sector is not only composed of the National Administration, State Enterprises and Corporations, Trust Funds and Other Entities of the National Non-Financial Public Sector, but also of National Universities⁶, *Obras Sociales*⁷, Inter-State Entities and the Financial Public Sector.

This composition of the national public sector appears to be broader than the one provided for in Section 8 of Law No. 24,156. However, despite the reference to the national public sector, its application has not historically covered its financial dimension, i.e., the financial public sector (Official Banks, Financial Public Enterprises and Other Financial Public Institutions). In other words, in the manual, the category "Other Entities" refers only to those that comprise the non-financial public sector (NFPS).

⁴ In this line, for example, Law No. 11,672 Complementary Budget Law (2014) includes specific provisions for Trust Funds (Sections 16, 17 and 147).

⁵ The National General Treasury Forum also lists the "Other Entities" included in Section 8(c) of Law No. 24,156, including only INCAA, AFIP and the National Registry of Rural Workers and Employers (RENATRE). For further information see: <http://fortogn.mecon.gov.ar/gestion/Tecnica/orgaexcppto.html>

⁶ Regulatory Executive Order No. 1,344/07 of Law No. 24,156 defines National Universities as decentralized agencies.

⁷ Entities financed by means of the mandatory contribution of workers and employers, whose purpose is the administration of health-related contingencies and social services to users.

The list of organizations defined as "Other Entities of the NFPS" has changed over time with the different versions of the manual. For example, in its 2003 edition⁸, the National Institute of Yerba Mate (INYM) and the Institute for the Promotion of Argentine Beef (IPCVA) were listed, but they are not included in the latest version published in 2016.

Under the latest version, the "Other Entities of the NFPS" are:

- Federal Administration of Public Revenues (AFIP)
- Special Unit of the Yacyretá Transmission System (UESTY)
- National Institute of Music (INAMU)
- National Institute of Cinema and Audiovisual Arts (INCAA)
- National Institute of Social Services for Retirees and Pensioners (INSSJP)

The latest update of the institutional classifier⁹ includes the National Anti-Doping Commission (CNAD) and changes the name of the former UESTY, now known as the Special Unit for the Electric Energy Transmission System (UESTEE)¹⁰.

3.4.2 Financial Information System for State-Owned Enterprises, Trust Funds and Other Entities

The SIFEP database presents "Other Entities" as a typology of organizations consisting of four subtypes "according to their budgetary classification": 1. "Other Entities of the NFPS", 2. State *obras sociales*, 3. Other Inter-state Entities y 4. Other Public Financial Institutions. Also identified are "Other Entities" that do not belong to any subtype. This categorization does not coincide with that of the Manual of Budget Classifications:

- a) "Other Entities of the NFPS" of the SIFEP coincide with the category of the same name in the 2016 Budget Classifications Manual.
- b) "Other Inter-State Entities" of the SIFEP are a subcategory of the "Inter-State Entities" in the Budget Classification Manual.
- c) "Other Financial Public Institutions" of SIFEP is a subcategory of the "Financial Public Sector" in the Manual of Budgetary Classifications.
- d) "State *obras sociales*" of SIFEP is a separate category in the Budget Classification Manual.
- e) Among "Other Entities" with no subcategory in SIFEP are the CNAD, defined as "Other Entities of the NFPS" in the Manual; the Matanza-Riachuelo Basin Authority (ACUMAR), defined as "Other Inter-State Entity" in the Manual; Institute of the *Obra Social* of the Armed Forces (IOSFA), defined as State *Obra Social* in the Manual; and the Garrahan Hospital, the National Institute of Yerba Mate (INYM) and the Space for Memory are not included in the Manual.

3.4.3 National Government Financial Report

The National Government Financial Report for 2021 (last published), which is prepared by the National General Accounting Office, devotes a specific section to "Other Entities", expressly specifying that the universe of entities included in the category is based on the list provided for in the Consolidated Budget of the National Non-Financial Public Sector (NFPS), approved by Administrative Decision No. 438/21. Consequently, the universe of "Other Entities" included in the 2021 National Government Financial Report was:

- Federal Administration of Public Revenues (AFIP)
- National Institute of Social Services for Retirees and Pensioners (INSSJP)
- Superintendence of Welfare of the Argentine Federal Police (SBPFA)
- Office of the *Obra Social* of the Federal Penitentiary Service (OSSPF)
- Institute of the *Obra Social* of the Armed Forces (IOSFA)
- Special Unit for the Electric Power Transmission System (UESTEE)

⁸ Resolution of the Executive Directorate No. 71/2003

⁹ Resolution of the Executive Directorate No. 1,122/DE/17.

¹⁰ Resolution of the Secretariat of Energy No. 293/19.

- National Institute of Music (INAMU)
- National Anti-Doping Commission (CNAD)
- National Institute of Cinema and Audiovisual Arts (INCAA)

This list combines two categories with different treatments both in the Manual and in the SIFEP: the "Other Entities of the NFPS" and a group of State *Obras Sociales*. Despite its wording, it could be interpreted that the National Government Financial Report does not refer to organizations that share the same legal nature or budgetary category, but to those that receive similar fiscal treatment within the framework of the consolidated budget and the Financial Report.

It is important to note that Executive Order No. 1,776/07 states that, by virtue of the provisions of Executive Order No. 1,731/04, the *obras sociales* administered by the Armed Forces, the Argentine Federal Police and the Federal Penitentiary Service are subject to the regime set forth in Section 8, subsection b) of Law No. 24,156. In other words, they are defined as part of the corporate public sector, whose treatment is similar to that of the "Other Entities" under the terms of Chapter III of Title II of Law No. 24,156.

As stated in the recitals of said Executive Order, these *obras sociales* "belong to the Central Administration with special regimes given the nature of their functions". In this sense, it also states that "because of the nature of the services they provide, and the origin of the resources allocated to them, they do not fall under the concept of administrative agencies but, on the contrary, due to the necessary administrative flexibility required for the fulfillment of their functions, they are considered to be productive agencies not subject to the regulations of the former".

3.4.4 Alternatives for the scope of the subsector

From the sources analyzed, at least three alternatives emerge to determine, in practice, the composition of "Other Entities" provided for in subsection c) of Law No. 24,156 as a category of agencies comprising the national public sector.

Such options intertwine the institutional scope attributed to the national public sector in Law No. 24,156 with the tax treatment given to the "types" of "Other Entities" identified:

- To link the "Other Entities" category with that of "Other Entities of the NFPS" provided for both in the Budget Classifications Manual (classifier) and in the SIFEP (subtype). This would imply interpreting that the concept of national public sector of Law No. 24,156 is limited to its non-financial dimension.
- To understand "Other Entities" as a category composed of subtypes in line with the SIFEP list, i.e., as a universe of organizations composed not only of "Other Entities of the NFPS" but also of State *Obras Sociales*, certain Inter-state Entities and Public Financial Institutions.
- To consider the "Other Entities" category as comprising both the "Other Entities of the NFPS" and the Armed and Security Forces *obras sociales*, applying as an association criterion the common fiscal treatment received by both subcategories, in line with the National Government Financial Report and the Consolidated Budget of the National Public Sector.

This report takes the third alternative presented as the reference universe for the analysis, i.e., the list of "Other Entities", similar to the list presented by the respective Governing Bodies in the Consolidated Budget of the National Non-Financial Public Sector and in the National Government Financial Report.

This choice is based on the legal support of both documents, given their regulation within the framework of Law No. 24,156 (in Chapter IV of Title II and Title V, respectively), which in turn considers them among the "basic elements" to initiate the annual process of drafting the Budget Bill (Section 24).

4. Characterization by Agency

This section presents a brief regulatory characterization of each "Other Entities" based on the choice made in the previous section, i.e., on each organization part of the "Other Entities of the NFPS" and the *Obras Sociales* of the Armed and Security Forces.

As for the "Other Entities of the NFPS", the purpose of the analysis is to identify the characteristics from which they can be considered as such. Following the general characterization, these characteristics refer mainly to their degree of autarchy or autonomy in their internal organization and operation, to their non-government public nature, and to State control over their decisions.

Although it is not the focus of this report, it should be noted that, given the "decentralization" that distinguishes the nature of this group of entities, and their differentiated treatment with respect to the national administration at the administrative-financial level, they all have, by definition, the power to adopt their own rules in key aspects of their organization and operation, for example, in the areas of personnel, organizational structure and procurement and contracting.

4.1. Other Entities of the National Non-Financial Public Sector

4.1.1. National Institute of Cinema and Audiovisual Arts (INCAA)

Pursuant to Law No. 17,741 on the Promotion of the National Film Activity (2001), as amended (Section 1), the INCAA is a "non-government public entity", expressly subject to the provisions of Section 8(c) of Law No. 24,156 by virtue of Necessity and Urgency Decree (DNU) 1,536/02 (Section 2). In accordance with this decree, the INCAA also has its own procurement and contracting regime (Section 2) and must quarterly submit the evolution of its financial statements and budget execution, and the status of its debts and credits every six months (Section 4).

The nature and administrative-financial powers of the INCAA reflect the functions of promoting and regulating the national film industry conferred by Law No. 17,741 (2001), as amended, which are materialized, for example, in the administration of the Film Development Fund, the allocation of subsidies for the production and exhibition of national films, the granting of industrial credits and the management of the Public Registry of the Film and Audiovisual Activity.

It should be noted that the INCAA is governed and administered in accordance with Law No. 17,741 (2001), as amended, by a Director and a Deputy Director appointed by the National Executive Branch; a Federal Board composed of representatives of all the provinces and of the Autonomous City of Buenos Aires (CABA); and an Advisory Council appointed by the National Executive Branch at the proposal of the Federal Board and of entities representing different sectors of the film industry (Section 2).

4.1.2. Electric Power Transmission System Special Unit (UESTEE)

Under Executive Order No. 1,174/92, which created the Special Unit of the Yacyretá Transmission System (UESTY), its institutional predecessor, the UESTEE is an "autarchic agency" with the purpose of starting the operation of the First Section of the Transmission System associated to the Yacyretá Hydroelectric Power Plant. The E.O. states that its creation is based on the fact that the Yacyretá Binational Entity's treaty does not include any mechanism to make feasible the execution of non-common works of the project.

Therefore, the UESTEE should not be confused with the Yacyretá Binational Entity, a body included in the Budget Classification Manual as a Binational Entity within the framework of the "Inter-State Entities", as well as, for example, the Mixed Technical Commission of Salto Grande and the Binational Entity for the Baja Altura Tunnel Project - Central Trans-Andean Railroad (EBIFETRA). In the SIFEP it is also classified as a Binational Entity, but as a subtype of the category "State-Owned Enterprises".

The then UESTY was later granted the power to intervene in new sections of the Yacyretá Transmission System (Executive Order No. 916/94) and was added to the Electric Power Transmission System (Law No. 25,837). Resolution No. 293/19 of the Secretariat of Energy renamed it UESTEE and empowered it to act as institutional initiator or contracting entity of the national public sector, in the expansion of the High Voltage Electric Energy Transportation System and Trunk Distribution of the electric regulatory framework.

The autarchy of the entity is framed in the specificity of its functions and is reflected, in terms of E.O. No. 1,174/92, in the characteristics of its organization: because it is headed by an Administrator and a Deputy Administrator who functions as "general manager" (Section 3) both appointed by the National Executive Branch, because of its power to establish its own internal organization (Management) and its discretionary power in matters of procurement and contracting by virtue of the "necessity and urgency" of its operations (Section 11).

4.1.3. National Institute of Social Services for Retirees and Pensioners (INSSJP)

The INSSJP is a non-government legal entity under public law with financial and administrative autonomy, in accordance with the amendments introduced by Law No. 25,615 (2002) to Law No. 19,032 (1971), which created the Institute (Section 1). This law also provides that its actions are subject to the control of the syndicate established therein and of the General Audit Office of the Nation (AGN). This law also stipulates that the INSSJP prepares its annual budget and submits it to the Executive Branch and the National Congress for information purposes (Section 6, subsection f).

Law No. 25,401 (2000) had already established that the INSSJP was covered by Titles II (Chapter III), III, VI and VII of Law No. 24,156 (Section 64). This means, in short, that it was subject to the budgetary treatment of a state-owned company and was subject to the internal (SIGEN) and external (AGN) control systems provided for in the same law. Law No. 25,565 (2002) confirmed this approach (Section 60), but since then the regulatory approach to SOEs also became the approach applied to the new "Other Entities" category.

The 2003 version of the Budget Classification Manual did not include the INSSJP. Its 2016 version already defines it, instead, as "Other Entity of the NFPS", a treatment that continues to this day. In this context, the Institute currently has "Budgetary Procedures and Rules"¹¹ and a "Budget Classifications Manual"¹².

It should be noted that the original wording of Law No. 19,032 (1971) (Section 15) provided that the INSSJP was included in the Law No. 18,610 on *Obras Sociales* in force at the time and, therefore, excluded from the control of the Court of Auditors of the Nation (predecessor of the AGN) and from the regime of the Accounting Law (predecessor of the Financial Administration System established by Law No. 24,156).

4.1.4. National Institute of Music (INAMU)

The INAMU is a non-government public entity governed by its own bylaws and internal regulations, as defined by Law No. 26,801 (2012) (Section 5). This law states that the purpose of the Institute is the promotion, support, preservation, and dissemination of musical activity in general and national music specifically (Section 4), within the framework of which, for example, it manages Subsidies and Credits Centers, administers a Financing Fund for the Institute, and maintains the Single Registry of National Musicians and Musical Groups.

The organization of its management and administration is similar to that of INCAA. The Institute is governed by a Board of Directors, a Federal Assembly, and a Representative Committee. The Board of Directors is appointed by the National Executive Branch; the Federal Assembly comprises all the provinces and the Autonomous City of Buenos Aires, and the Representative Committee is composed of members proposed by the Federal Assembly of each cultural region and by entities representing the different sectors of the national musical activity (Sections 7, 8, 10 and 12).

Law No. 26,801 also expressly stipulates that the INAMU is subject to the provisions of Law No. 24,156 with respect to budget preparation, execution, closing and control (Section 30).

4.1.5. National Anti-Doping Commission (CNAD)

The functions and responsibilities of the CNAD are set forth in Law No. 26,912 (2013) as amended, which approves the Legal Regime for the Prevention and Control of Doping in Sport. Therein it is defined as the "National Anti-Doping Organization" under the terms of the International Convention against Doping in Sport (Law No. 26,161) and the World Anti-Doping Code. The CNADO is the main authority responsible for adopting and implementing anti-doping rules, taking samples, and managing their results, and providing anti-doping education.

Under Law No. 26,912, as amended, the CNAD is managed and administered by an Executive Board of Directors appointed by the National Executive Branch. It has the power to issue its own internal regulations, approve its organizational structure and define its procurement and contracting rules. Its resources must be included

¹¹ Resolution of the Executive Directorate No. 821/DE/15.

¹² Resolution of the Executive Directorate No. 1,122/DE/17.

annually in the National Budget and transferred monthly to the Commission, being exempt from the payment of national taxes, fees and import duties (Sections 80 and 81).

Law No. 27,438 (2018) amended the original text of Law No. 26,912, adding in Section 79 that the Commission "shall act in accordance with the regime established for the entities listed in subsection c) of Section 8 of Law No. 24,156, as amended". This addition was deleted by the Budget Law for the fiscal year 2021 (No. 27,591), and therefore is not included in the current version of Law No. 26,912.

4.1.6. Federal Administration of Public Revenues (AFIP)

The AFIP was created as a result of the merger of the National Customs Administration and the General Tax Directorate (DGI) as stipulated by Executive Order No. 1,156/96, which defines the AFIP as an "autarchic entity" that assumes the competences, powers, rights, and obligations of the merged entities (Section 1). Such legal nature is confirmed by Executive Order No. 618/97, which approves its Organization and Jurisdiction, characterizing it as an "autarchic entity" within the scope of the Ministry of Economy (Section 1).

Executive Order No. 618/97 also determines that AFIP will act as an autarchic entity in the administrative order, with respect to its organization and operation, in accordance with the rules of such Executive Order, under the General Superintendence and control of legality to be exercised by the Ministry of Economy. This E.O. also stipulates that AFIP's supervision shall be governed by the provisions of Law No. 24,156 (Section 2) and that its management shall be exercised by a Federal Administrator appointed by the National Executive Branch (Section 4).

Within the framework of such autarchy, among other matters, AFIP has, in accordance with E.O. No. 618/97, the capacity to establish its own organizational-functional structure and personnel regulations (Section 6). It must, however, annually submit to the Ministry of Economy the action plan, the preliminary draft budget, and the annual report (Section 6). It also has the power to issue general rules (regulatory powers) and to interpret sectoral rules (interpretative powers, Section 7).

In addition, under Executive Order No. 1,399/01, AFIP is subject to the regime established for the entities listed in Section 8(b) of Law No. 24,156. It should be recalled that the "Other Entities" category was added only in 2002 through Law No. 25,565, which also provided for a treatment similar to that of state-owned enterprises. In the 2003 Budget Classification Manual, AFIP is already included as "Other Entity".

4.2. Armed and Security Forces Health *Obras Sociales* (health insurances)

4.2.1. Superintendence of Welfare of the Argentine Federal Police (SBPFA)

The mission of the SBPFA is "to promote the moral and material welfare of the members of the Institution and their families, through the provision of social and welfare services", according to Executive Order No. 1,866/83, which regulates the Argentine Federal Police Personnel Law No. 1,965 (Titles VI, VII and VIII). Said regulation also provides that the SBFA is empowered to "make all the necessary contracts and procurements for the fulfillment of its purposes and having sufficient legal capacity, legal representation and administrative powers".

Although Executive Order No. 1,776/07 provided that the SBPFA is subject to the regime set forth in Section 8, subsection b) of Law No. 24,156 for the corporate public sector, Executive Order No. 910/18 excluded the SPBFA from its scope (Section 1) and determined that, "for the purposes of the general regulation, supervision and control of its financial administration regime, the SPBFA shall be subject to the regime set forth in Section 8, subsection b) of Law No. 24,156, in its capacity as a State *obra social*, under the supervision and control of the Ministry of Security" (Section 8).

In addition, Executive Order N°910/18 also determines that the Ministry of Security is the enforcement authority in the SPBFA: "in matters of financial administration, it is empowered to issue complementary, clarifying or operative rules to those established in regulatory matters by the Secretariat of Treasury and other governing bodies" (Section 2). On the powers of the Ministry, it should also be noted that Executive Order No. 735/17 provided that the Internal Auditor in charge of the Internal Audit Unit of the Ministry of Security assumes direct competence in the Internal Control System of the Argentine Federal Police.

Executive Order N°910/18 states that the SPBFA "does not have an Integrated and Computerized System of Financial Administrative Management", instructing the implementation of "an integrated electronic system of budget information and administrative-financial management, under the control of the Internal Audit Unit of the Ministry of Security" (Section 7), "in accordance with the criteria established on the matter by Law No. 24,156 as amended and regulated".

4.2.2. Office of the *Obra Social* of the Federal Penitentiary Service (OSSPF)

The Office of the *Obra Social* (DOS) was created by the Organic Law of the Federal Penitentiary Service (SPF) No. 17,236 as amended (Section 7) with the responsibility of "promoting the welfare of the members of the institution and their families" (Section 21). Its organization and operation are governed by the Regulations of the Office of the *Obra Social* of the SPF¹³, in which it is defined as a "support unit" of the National Directorate of the SPF and a "social action agency" (Section 1), having "legal capacity" to act in compliance with the provisions of the Organic Law of the SPF (Section 37, subsection i).

In accordance with SPF Resolution No. 516/96, which approves the organizational structure of the National Directorate of the SPF, the DOS is under the direct authority of the National Directorate and its administration is exercised by a Board of Directors (CADOS), composed of a president and five members, all members of the SPF. The CADOS is responsible, among other duties, for formulating the annual action plan, the budget for the following year, the balance sheet and other related accounting documents. Among other units, CADOS is composed of a Finance Division and a Medical-Accounting Audit Division.

4.2.3. Institute of the *Obra Social* of the Armed Forces (IOSFA)

The IOSFA was created through Executive Order No. 637/13, which integrated the medical and social assistance coverage services of the Armed Forces and of the Security Forces, unifying the pre-existing Institute of the *Obra Social* of the Army (IOSE) -including the services it provides to the personnel of the Argentine National Gendarmerie- and the Directorate of Welfare of the Armed Forces, the Office of Welfare of the Navy (DIBA) - including its services to the personnel of the Argentine Naval Prefecture- and the Office of Welfare of the Air Force Personnel (DIBFA) (Section 1).

In addition, E.O. No. 637/13 stipulates that the IOSFA is an "autarchic entity, with its own legal status and procedural legitimacy, with capacity to act in the field of public and private law, being framed within the regime of subsection c) of Section 8 of Law No. 24,156, under the supervision and control of the Ministry of Defense, which is constituted as the Enforcement Authority". In other words, the E.O. classifies the IOSFA as an "Other Entity" and not as part of the corporate public sector (E.O. No. 1,776/07).

Its administration is conducted by a Board of Directors, chaired by the Ministry of Defense, and composed of representatives of the Joint Chiefs of Staff of the Armed Forces (EMCO) and civilian and military personnel of the Armed and Security Forces (Section 15). The IOSFA is subject to control and audit by an Internal Audit Unit in accordance with Title VI of Law No. 24,156 (Section 22). On the other hand, the IOSFA is exempt from the payment of national taxes, fees, and contributions (Section 32).

5. Budget and Transparency Regime

The budget regime of the Other Entities subsector is similar to that of the SOEs, so they operate with their own financial administration systems, outside the CUT and E-sidif.

The financial management regime applicable to "Other Entities" is framed within the provisions of Law No. 24,156, although such rules are not those applicable to the National Administration (central and decentralized). Their treatment is, in principle, similar to that of state-owned enterprises and trust funds, given the scope of Chapter III of Title II of said law, entitled "Budget regime of State-owned Enterprises, Trust Funds and Public Entities not included in the National Administration".

¹³ Resolution of the Ministry of Justice No. 521/83 as amended.

Thus, like trust funds and state-owned enterprises, "Other Entities" are outside the scope of the Treasury Single Account (CUT) and the budgetary quota systems administered by the Ministry of Treasury¹⁴. They also operate outside the Integrated Financial Information System (SIDIF), so their accounting, financial and budgetary information is generated through their own systems. The "Other Entities" report data to the SIFEP in an aggregated form.

In compliance with the Permanent Complementary Budget Law, the "Other Entities" report, following the instructions of the Secretariat of Treasury, as well as trust funds, state-owned enterprises and National Universities, their monthly economic-financial execution to the ONP before the 15th of each month and the closing of the fiscal year for the National Government Financial Report prepared by the General Accounting Office of the Nation (CGN).

To this end, the Ministry of Treasury developed instructions and forms that establish procedures for submission and define the type and entries of the budgetary, financial, and accounting information to be reported by the "Other Entities"¹⁵. This data has been reported online since 2017 through SIFEP¹⁶.

Pursuant to the provisions of said instructions and its attached spreadsheets, together with the resolution approving the budget, the jurisdictions on which each "Other Entity" depends or directly the agency itself (as is the case of INSSJP), must submit to the Secretariat of Treasury, prior to the month of August of the year prior to the one in which the budget is budgeted, the following information:

- Action Plan
- Savings - Investment - Financing Account
- Cash basis Budget
- Staffing
- Real Gross Investment and Associated Financing
- Remunerations
- Execution of Investment Projects

To record the economic-financial execution, in accordance with ONP's instructions¹⁷, each entity is responsible for uploading to SIFEP monthly information on: savings-investment-financing account, cash basis budget, remunerations, maturities and cancellations of internal and external public debt. They must also complete the following forms on monthly physical information, considering that these are the support of the economic and cash executions, i.e., they must enable consistency analysis to be performed with respect to monetary values:

- Production Volume
- Sales Level
- Staffing and Staffing Movements
- Detail of Investment Projects

Additionally, the Secretariat of Treasury prepared a model resolution for the approval of its budget amendments, which is published in the same link as the attached instructions and forms.

On the other hand, considering that most of the expenditure of "Other Entities" (particularly the INSSJP) refers to transfers of funds to the private sector for the payment of health goods and services and the granting of old age subsidies, the level of transparency of the information on the purpose (beneficiaries) of such transfers acquires particular significance. However, the "Other Entities" do not report in the SIFEP or in the e-SIDIF on the beneficiaries of the transfers and the progress of the physical execution of the budget.

¹⁴ There are quotas for the budgetary transfers that these entities receive from the National Government.

¹⁵ The instructions and attached forms can be consulted at: <https://www.economia.gob.ar/onp/empresas/instructivos>

¹⁶ The SIFEP is a non-transactional online registration system.

¹⁷ State-Owned Enterprises and Other Entities Instructions for the preparation of the execution. Available at: <https://www.economia.gob.ar/onp/empresas/instructivos>

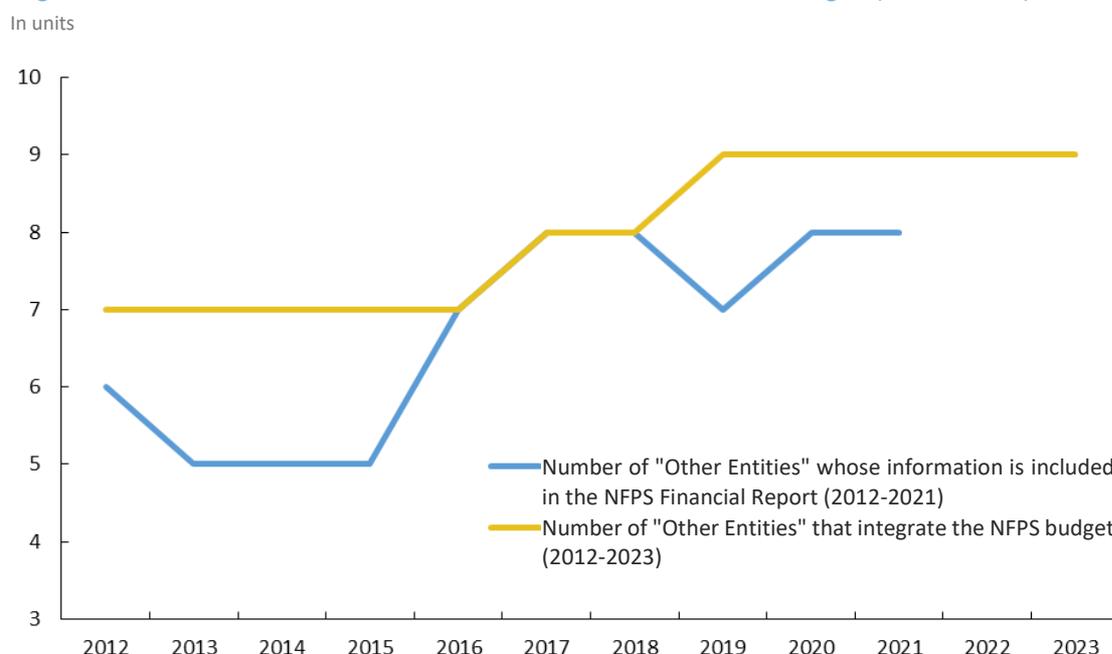
As with state-owned enterprises and trust funds, the National Budget Message includes preliminary information on the budgets of "Other Entities" at the aggregate and individual level. However, the ONP does not publish, as in the case of state-owned enterprises and trust funds¹⁸, quarterly reports of its budget execution.

At the end of the fiscal year, the "Other Entities" report the closing of their budget accounts in accordance with the annual resolutions of the Ministry of Treasury and the CGN's Year-End Closing Manual¹⁹, including a summary report on the results of the annual management. This report, together with the savings, investment, and operating accounts of the "Other Entities" is available in Volume I of each National Government Financial Report²⁰.

Annually, the General Accounting Office of the Nation publishes guidelines for the preparation of the financial statements to facilitate the submission of the relevant documentation. The aforementioned regulation establishes the use of the SIFEP as a mechanism for the submission of information of the entities included in paragraphs b), c) and d) of Section 8 of Law No. 24,156, also including the National Universities.

In general, the level of compliance of "Other Entities" with the obligations established in Law No. 11,672 on the submission of information on their budgets, executions and annual closings is partial. In this line, Figure 1 shows that in certain years there are agencies that did not submit the required information on savings, investment, and financing.

Figure 1. Number of "Other Entities" included in the NFPS budget (2012-2023)



Source: OPC, based on National Government Financial Reporta and Messages of the 2012-2023 Budget Bills.

¹⁸ Available at: https://www.economia.gob.ar/onp/empresas/2022#ejecucion_ff

¹⁹ Available at: https://www.argentina.gob.ar/sites/default/files/dispo_-_anexo_i_-_manual_de_cierre_2022.pdf

²⁰ Available at https://www.argentina.gob.ar/sites/default/files/comentario_ejecucion_presupuestaria_entes_publicos_2021.pdf

6. Characterization by thematic dimension

6.1 Employment

A first analysis of the employment data of the "Other Entities" shows that these are heterogeneous organizations of very different sizes, which together had around 38,000 employees²¹ at the end of the 2022 fiscal year, with a slight downward trend if the 2012/2022 period is considered (see Table 1 and Figure 2).

The staffing, employment and salary regimes, and the information available on employment in the "Other Entities" shows the heterogeneity of the legal-institutional nature of the agencies that comprise the subsector

The main source of information on personnel employed in the National Non-Financial Public Sector is the Integrated Human Resources System (SIRHU), created by Executive Order No. 645/95, which establishes that the jurisdictions and entities included in the National Administration must provide the Ministry of Treasury with data from their salary processing systems in accordance with the minimum budgetary salary information platform.

Although the scope of the SIRHU was limited to the National Administration, Section 30 of Law No. 25,827 of the 2004 Budget (added as Section 85 of the Permanent Complementary Budget Law) extends its scope to the jurisdictions and entities included in subsections a), b) and c) of Section 8 of Law No. 24,156. The institutional scope of the SIRHU is ratified by Resolution No. 78/2021 of the Secretariat of Treasury, which sets forth the criteria to be observed by the jurisdictions and entities when submitting the information relevant to the system.

The aggregated data mentioned in the first paragraph includes entities with only 8 employees, such as the UESTEE, and others with more than 20,000 employees, such as the AFIP, and includes an estimate of those entities that systematically fail to report their staffing to the SIRHU.

The total staffing is equivalent to about 8% of the total employment of the National Executive Branch, the National Judicial Branch, Other Entities of the NFPS and State Companies and Corporations, (including permanent and temporary employees), with 486,728 employees²² as of the end of 2022.

6.1.1 Employment evolution (2012-2022)

Table 1 and Figure 2 show, for the "Other Entities" that regularly report to the SIRHU, the evolution of total employment (permanent and contracted) at the end of each period under consideration.

Table 1. Evolution of personnel employed in "Other Entities" (2012-2022)

Number of employees

ENTITY	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
AFIP	22,108	22,524	21,960	22,588	22,268	21,629	20,701	21,848	21,504	21,011	20,782
INCAA	496	523	592	653	717	746	571	531	566	572	628
UESTEE	7	6	6	5	5	5	5	9	7	7	8
INSSJP	15,376	15,134	14,879	14,443	14,611	13,925	13,543	12,963	13,012	12,669	12,822
CNAD	n/a	11	15	20							
TOTAL	37,987	38,187	37,437	37,689	37,601	36,305	34,820	35,351	35,100	34,274	34,260

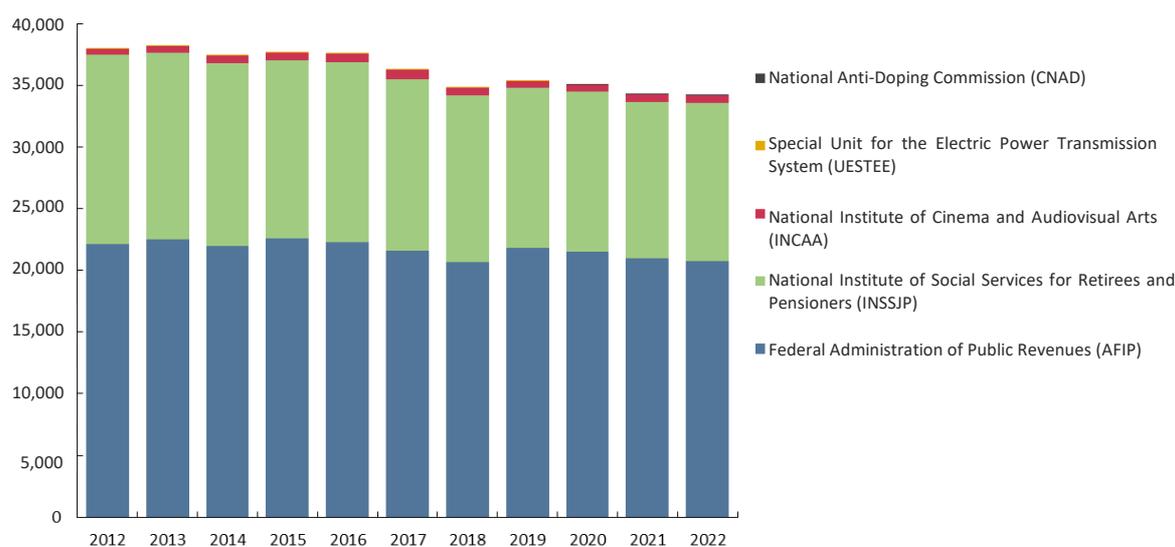
Source: OPC, based on data from the Directorate of Budget and Evaluation of Personnel Expenditures of the Undersecretariat of Budget of the Ministry of Economy.

²¹ Source: Publication of the Directorate of Budget and Evaluation of Personnel Expenditures of the Undersecretariat of Budget "Table 14. Other Entities of the NFPS: employment by institution and employment modality" (December 2022). Available at: <https://www.argentina.gob.ar/sites/default/files/deocupacion202212.pdf>.

²² Source: Table 1. Employment in the National Executive Branch, National Judicial Branch, Other Entities of the NFPS and State Companies and Corporations. Available at: <https://www.argentina.gob.ar/sites/default/files/deocupacion202212.pdf>

Figure 2. Evolution of personnel employed in "Other entities" (2012-2022)

Number of employees



Source: OPC, based on data from the Directorate of Budget and Evaluation of Personnel Expenditures of the Undersecretariat of Budget of the Ministry of Economy.

The "Other Entities" that do not report to SIRHU and, therefore, are not part of the monthly employment report on the basis of which Table 1 and Figure 2 were prepared, do not regularly publish information on their staffing. The following information was found on some of the websites of the agencies involved:

- Institute of the *Obra Social* of the Armed Forces (IOSFA): the list of the institute's personnel as of June 30, 2021, reaches 3,387 employees, of which 1,146 have the character of permanent personnel and 2,241 in the character of contracted personnel²³.
- Superintendence of Welfare of the Argentine Federal Police (SBPFA): at the end of 2021, the number of employees was 204²⁴.

With this addition, it is estimated that the staff of the institutional subsector is of the order of 38,000 employees.

6.1.2 Employment regimes of "Other Entities"

An analysis of the employment regimes in force in the "Other Entities" also reveals heterogeneity in the salary standards and policies that characterize this institutional subsector.

There is a group of entities (INCAA, UESTEE and CNAD) which are governed by the General Collective Bargaining Agreement for the National Public Administration, Law No. 25,164, which defines the regulatory framework for national government employment and establishes that the employment relationship is subject to certain general principles, which must be respected in the collective bargaining negotiations entered into pursuant to Law No. 24,185 on Collective Bargaining Agreements for the National Public Administration. Executive Order No. 214/06, ratified the general collective bargaining agreements for the National Public Administration²⁵.

There is another group of entities (AFIP and INSSJP) which are governed by the regulations established for Collective Bargaining Agreements, Executive Order No. 1,135/04, in accordance with Laws No. 14,250 and No. 23,546 as amended, which regulate the provisions to be complied with by agreements entered into between a professional association of employers, an employer or a group of employers and a professional association of workers with trade union status.

As for the INSSJP, the collective bargaining agreement entered into by the employer and the union representatives comprising: a) Professional Association of the Integral Medical Care Program and Related Areas, b) State Workers Association, c) Union of Civilian Personnel of the Nation, d) Union of Workers of the National

²³ Source : <https://www.iosfa.gob.ar/>

²⁴ Source : <https://www.supbienestar.gob.ar/>

²⁵ Source : <http://servicios.infoleg.gob.ar/infolegInternet/anexos/110000-114999/114315/texact.htm>

Institute of Social Services for Retirees and Pensioners (U.T.I.)²⁶ is in force, whereas for AFIP, the collective bargaining agreement for the personnel of the Federal Administration of Public Revenues²⁷ is in force.

On the other hand, AFIP's salary policy contemplates the provisions of Law No. 11,683 (Section 128), which creates the "Federal Administration of Public Revenues - Hierarchization Account". This account is credited with up to 0.60% of the amount of the total gross tax revenue and social security contributions whose enforcement, collection, inspection, or judicial execution is in charge of the agency. The Hierarchization Account is distributed among AFIP's personnel, according to a system that, under the existing regulation, must consider the status, performance, and efficiency of each of the agents.

Finally, it is important to mention that the status of the personnel of the *Obras Sociales* of the Security Forces follows the regime that characterizes each one of them:

- Office of the *Obra Social* of the Federal Penitentiary Service (OSSPF): Organic Law of the Federal Penitentiary Service (SPF) No. 17,236 as amended (Section 7). Its organization and operation are governed by the Regulations of the OSSPF.
- Superintendence of Welfare of the Argentine Federal Police (SBPFA): Law No. 21,96, regulations governing the relations between the Institution and the police personnel, which includes in its scales the personnel rendering services in the Entity.

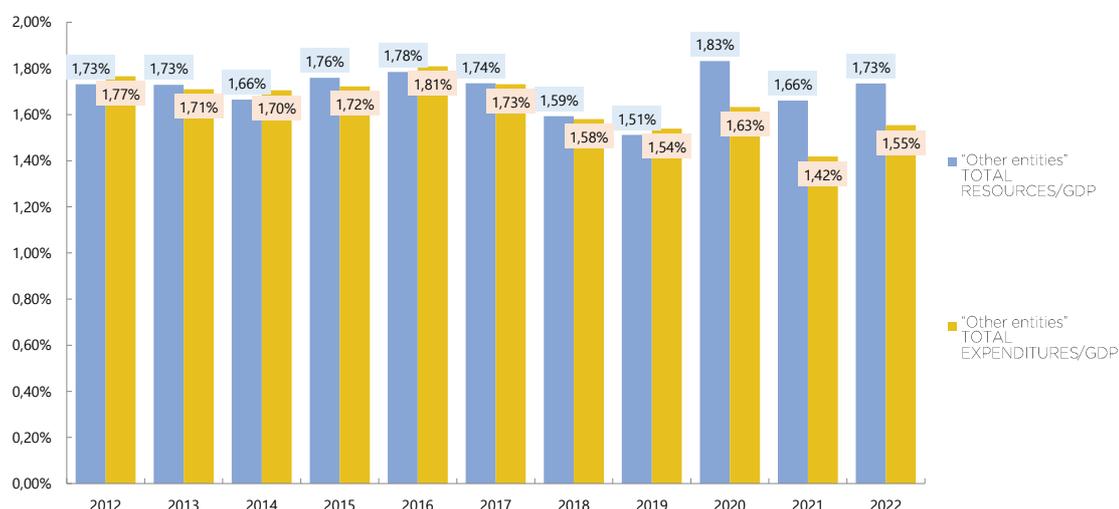
6.2 Total resources and expenditures

As of fiscal year 2020, the subsector achieved a surplus of about 0.2% of GDP

The resources of "Other Entities" remained relatively stable between 2012 and 2017 in the order of 1.7% of the GDP. Then they dropped to 1.5% of GDP in 2019 and in 2020 they rose to 1.8% of GDP, to resume in 2021 and 2022 the values recorded at the beginning of the period considered (Figure 3).

Figure 3. Total resources and expenditures of "Other Entities" as % of GDP (2012-2022)

As %



Source: OPC, based on data from the 2012-2021 National Government Financial Reports, preliminary figures from SIFEP (year 2022) and INDEC.

The variations observed are explained, to a greater extent, by the changes in the resources of the INSSJP, whose incidence in the total of "Other Entities of the NFPS" reached an average of 65% of the total between 2012-2022. It is followed by AFIP with a significant share of around 27%, IOSFA represented 5% of the total, and the rest of "Other Entities" accounted for around 3%.

²⁶ Source : https://www.pami.org.ar/pdf/convenio_colectivo_trabajo_inssip.pdf

²⁷ Source : <http://www.supara.org.ar/wp-content/uploads/2020/09/TEXTO-ORDENADO-AFIP-SUPARA-al-30mayo2019.pdf>

As for the expenditures of the "Other Entities of the NFPS", there is a gradual but systematic decrease, from 1.77% of GDP in 2012 to 1.42% of GDP in 2021 and 1.55% in 2022, due to a drop in expenditure of approximately 0.2% of GDP, both in AFIP and INSSJP (see Table 3). For AFIP, this is the result of a decrease in operating expenses on salaries, and for INSSJP, a decrease in transfers to the private sector for the provision of services to its beneficiaries; both items together represent more than 80% of the total expenditure of the institutional aggregate "Other Entities".

In real terms, the reduction in AFIP's expenditure comes mainly from the item "Operating Expenses. Remunerations" which went from ARS12.731,5 billion (0.48% of GDP) in 2012 to ARS157.387,5 billion (0.34% of GDP) in 2021 and ARS319.388,8 (0.39% of tGDP) in 2022. Whereas in INSSJP it comes from the item "Current and Capital Transfers to the Private Sector", Providers and Suppliers for services rendered beneficiaries, which represents about 55% of the total expenditure of "Other Entities" in the period under analysis: it went from ARS25.473,7 billion (0.97% of GDP) in 2012 to ARS381.853,6 billion (0.82% of GDP) in 2021 and to ARS704.836,9 billion (0.85% of GDP) in 2022.

The share of AFIP and INSSJP in expenditure is similar to the ratios recorded in resources (27% and 66%, respectively).

Table 2. Total resources by Entity as % of GDP (2012-2022)

TOTAL RESOURCES/GDP	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
	1.73%	1.73%	1.66%	1.76%	1.78%	1.74%	1.59%	1.51%	1.83%	1.66%	1.73%
AFIP	0.54%	0.52%	0.50%	0.49%	0.49%	0.43%	0.41%	0.42%	0.43%	0.43%	0.47%
INSSJP	1.10%	1.15%	1.11%	1.14%	1.12%	1.12%	1.02%	0.96%	1.22%	1.09%	1.13%
IOSFA	0.04%	0.04%	0.00%	0.11%	0.12%	0.11%	0.10%	0.09%	0.14%	0.10%	0.10%
REST OF "OTHER ENTITIES"	0.05%	0.02%	0.05%	0.02%	0.06%	0.07%	0.06%	0.04%	0.05%	0.05%	0.04%

Source: OPC, based on data from the 2012-2021 National Government Financial Reports, preliminary figures from SIFEP (year 2022) and INDEC.

Table 3. Total expenditures by Entity as % of GDP (2012-2022)

TOTAL EXPENDITURES /GDP	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
	1.77%	1.71%	1.70%	1.72%	1.81%	1.73%	1.58%	1.54%	1.63%	1.42%	1.55%
AFIP	0.53%	0.52%	0.49%	0.47%	0.48%	0.44%	0.40%	0.39%	0.38%	0.36%	0.41%
INSSJP	1.15%	1.14%	1.17%	1.13%	1.17%	1.13%	1.02%	0.99%	1.07%	0.93%	1.01%
IOSFA	0.04%	0.04%	0.00%	0.10%	0.11%	0.10%	0.10%	0.12%	0.14%	0.09%	0.10%
REST OF "OTHER ENTITIES"	0.04%	0.02%	0.05%	0.02%	0.05%	0.06%	0.06%	0.03%	0.04%	0.04%	0.04%

Source: OPC, based on data from the 2012-2021 National Government Financial Reports, preliminary figures from SIFEP (year 2022) and INDEC.

6.3 Revenues, earmarking, and transfers from the National Treasury

As shown in Table 4 and Figure 4, in recent years, resources from contributions, collected mainly by the INSSJP, decreased from an annual average 0.9% of GDP between 2012 and 2017 to 0.7% in 2022. In contrast, other current and capital revenues and property income increased from an annual average of 0.12% and 0.01% of GDP between 2012 and 2019 to 0.15% of GDP in 2022. On the other hand, budgetary transfers and tax revenues remained relatively stable in the analyzed period, both around 0.35% of GDP, and decreased to 0.28% of GDP in 2022.

Table 4. Resources of "Other Entities" by economic classification as % of GDP (2012-2022)

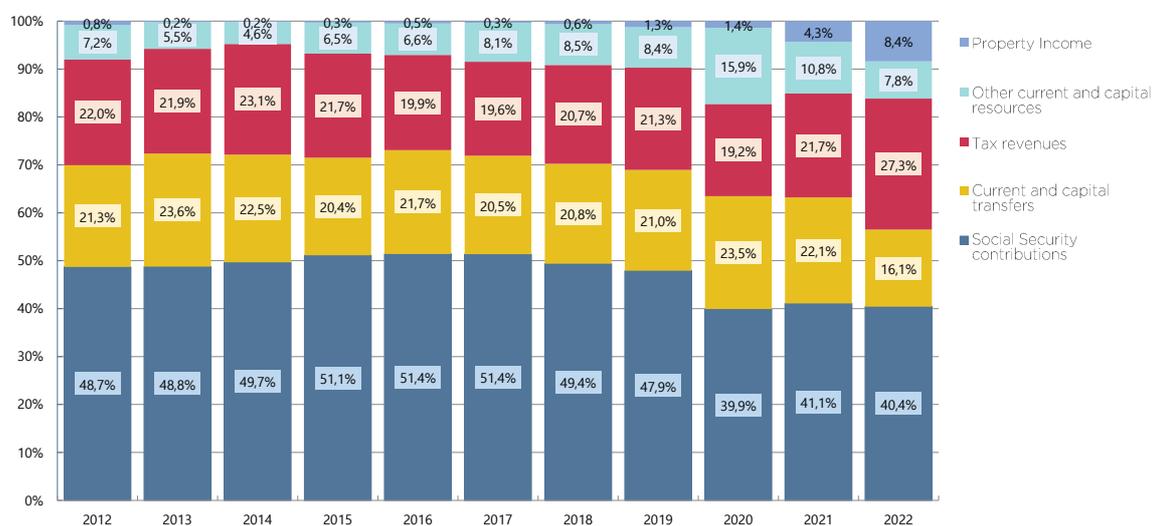
TOTAL RESOURCES /GDP	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
	1.73%	1.73%	1.66%	1.76%	1.78%	1.74%	1.59%	1.51%	1.83%	1.66%	1.73%
Current and capital transfers	0.37%	0.41%	0.37%	0.36%	0.39%	0.36%	0.33%	0.32%	0.43%	0.37%	0.28%
Tax revenues	0.38%	0.38%	0.38%	0.38%	0.35%	0.34%	0.33%	0.32%	0.35%	0.36%	0.47%
Social Security contributions	0.84%	0.84%	0.83%	0.90%	0.92%	0.89%	0.79%	0.72%	0.73%	0.68%	0.70%
Other current and capital resources	0.12%	0.10%	0.08%	0.11%	0.12%	0.14%	0.14%	0.13%	0.29%	0.18%	0.14%
Property Income	0.01%	0.00%	0.00%	0.01%	0.01%	0.01%	0.01%	0.02%	0.03%	0.07%	0.15%

Source: OPC, based on data from the 2012-2021 National Government Financial Reports, preliminary figures from SIFEP (year 2022) and INDEC.

Figure 4 shows the percentage share of the main items of the resources of the "Other Entities of the NFPS" in the total resources of that institutional sub-sector for the same period.

Figure 4. Resources of "Other Entities" by economic classification as % of total (2012-2022)

As %

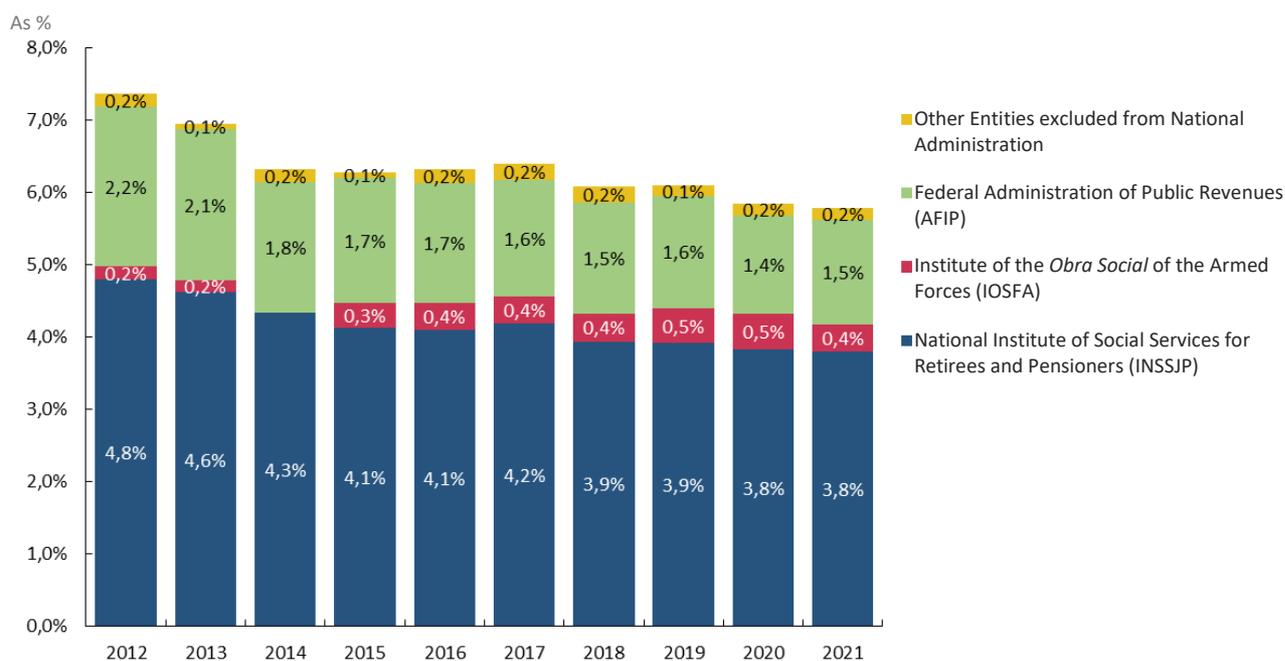


Source: OPC, based on data from the 2012-2021 National Government Financial Reports, preliminary figures from SIFEP (year 2022).

6.4 Composition of Expenditure

Figure 5 shows the composition of total expenditure by entity with respect to the consolidated expenditure of the NFPS between 2012 and 2021. The fall in total expenditures of the "Other Entities" group is explained, to a greater extent, by the behavior of the INSSJP and the AFIP, whose expenditures decreased by around 1% and 0.8%, respectively, compared to the NFPS total.

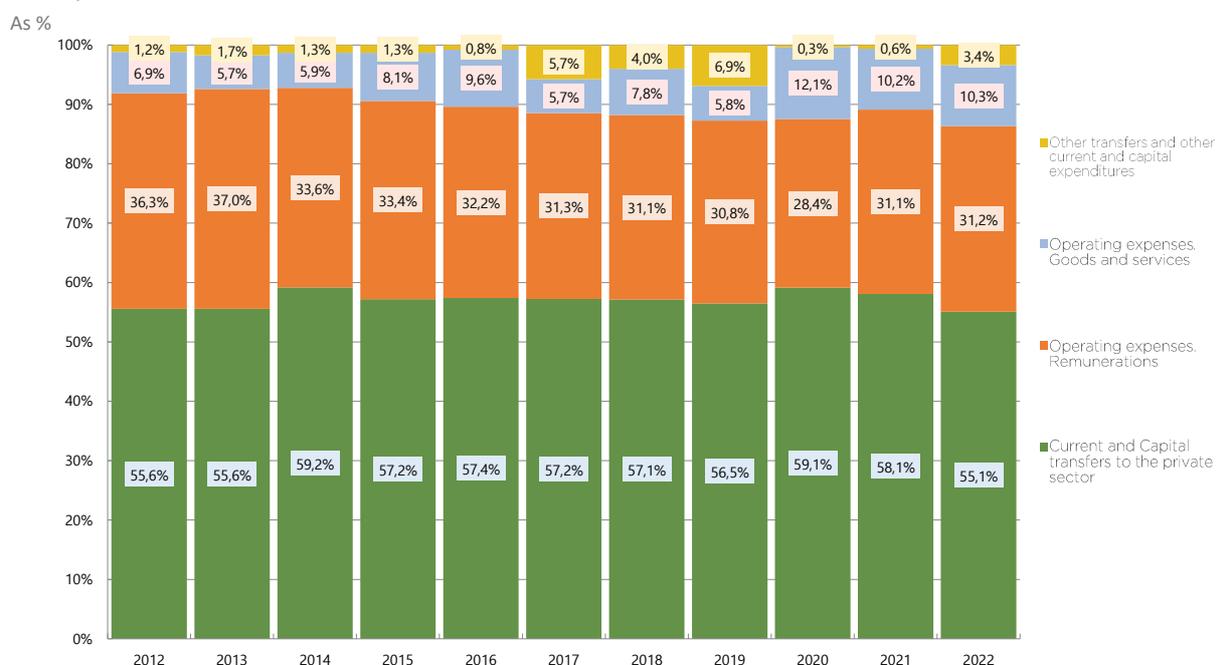
Figure 5. Total expenditure by Entity as a percentage of NFPS consolidated expenditure (2012-2021)



Source: OPC, based on data from the 2012-2021 National Government Financial Reports.

Within the total expenditures of the "Other Entities of the NFPS" by economic classification (see Figure 6), it is observed that transfers to the private sector (all of which are made by the INSSJP for the payment of health care providers for retirees and pensioners and social assistance to older adults) and salaries (76% by the AFIP and 20% by the INSSJP) account for approximately 90% of the total.

Figure 6. Expenditures of "Other Entities" by economic classification as % of total (2012-2022)



Source: OPC, based on data from the 2012-2021 National Government Financial Reports, preliminary figures from SIFEP (year 2022).

This is followed by expenditures on goods and services (mostly by the *obras sociales*: 55% by IOSFA, 18% by SBPFA and 11% by INSSJP), which increased from 6.9% to 10.2% of the total institutional subsector expenditure during the period analyzed. The rest of the expenditures have a low incidence in the total.

6.5 Financial result

In 2021 the other entities of the NFPS achieved a surplus financial result of 0.24% of GDP, entirely explained by INSSJP (0.15% of GDP) and AFIP (0.08% of GDP), and in 2022 the financial result was also in surplus of 0.18% of GDP, explained by INSSJP (0.12% of GDP) and AFIP (0.05% of GDP). The rest of the other entities achieved balanced financial results.

Figure 7. Resources, expenditures, and financial results of "Other Entities" 2021 and 2022

As % of GDP



Source: OPC, based on preliminary figures from SIFEP (year 2022) and 2021 National Government Financial Report.

7. Final considerations

The institutional subsector of "Other Entities" shows specific characteristics that hinder the identification of its components and the consolidated analysis of its main thematic dimensions. These problems are typical of a heterogeneous category that groups together organizations of different natures and whose composition has changed over time. In fact, it is a categorization specific to public financial administration whose application is limited to Law No. 24,156 and related provisions.

The variety of regulatory and methodological sources that refer to the subsector (Budget Classification Manual, National Government Financial Report and SIFEP, among others) further complicates the analysis, since they imply different scopes of the sector in terms of the agencies included and the applicable regime. For this reason, this report adopted one of the definitions identified (National Government Financial Account) and limited the analysis to that definition, but not without first explaining the multiple variants that exist.

Thus, the rules applicable to "Other Entities" are not the same as those applicable to the national administration, their general treatment being similar to that of state-owned enterprises and trust funds. Therefore, "Other Entities" are outside the scope of the CUT and the budget quota systems. In addition, they operate outside the SIDIF, so their accounting, financial and budgetary information is generated by their own systems and periodically added to the SIFEP.

The National Budget Messages also include aggregate and individual information of "Other Entities". However, quarterly reports on their budget execution are not published. Likewise, not all "Other Entities" report the closing of their budget accounts, although they include a summary report of the annual management results. This report, together with the savings, investment, and financing accounts of each "Other Entity" is available in the National Government Financial Report.

Most of the expenditure of "Other Entities" (given the *obras sociales* that comprise the category) are transfers to the private sector for the payment of health care services and the granting of social assistance, so that the level of transparency of the information on their purpose is of great significance. However, no data is recorded in SIFEP and e-SIDIF in this regard, nor on the physical execution of the budget.

Finally, adding agencies to this heterogeneous category raises the question of whether the public policy objectives pursued with the traditional mechanisms of budgetary treatment and control of the central and decentralized national administration may not be achieved.

Annex I. Fiscal Data of "Other Entities" (2012-2022)

CONCEPT (in millions on ARS)	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
TOTAL RESOURCES	45,678.9	57,894.8	76,226.6	104,779.5	146,863.8	185,078.0	234,925.7	329,608.6	503,503.7	775,497.7	1,433,713.2
Current and Capital transfers	9,713.8	13,663.8	17,121.5	21,349.9	31,867.8	38,033.0	48,930.8	69,295.9	118,570.4	171,534.1	230,386.7
AFIP	3,083.8	3,604.1	3,657.6	4,225.9	7,673.4	5,017.6	6,263.8	8,343.1	10,503.1	16,284.5	34,881.0
INSSJP	6,497.3	9,915.7	13,217.5	16,914.0	23,777.5	32,787.1	42,501.5	60,819.8	107,748.4	151,233.2	194,225.8
IOSFA	4.8	6.5	0.0	0.0	72.8	0.0	0.0	0.0	0.0	0.0	0.0
Rest of OTHER ENTITIES	128.0	137.5	246.4	209.9	344.1	228.4	165.5	133.0	318.9	4,016.4	1,279.9
Tax revenues	10,055.3	12,661.6	17,613.2	22,725.3	29,154.0	36,296.1	48,512.6	70,367.5	96,801.5	167,971.7	391,946.6
AFIP	9,687.9	12,179.9	16,942.4	21,777.6	27,835.4	34,657.0	46,563.0	70,282.4	93,999.9	163,831.9	289,752.8
INSSJP	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	95,273.1
IOSFA	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rest of OTHER ENTITIES	367.4	481.7	670.8	947.7	1,318.6	1,639.1	1,949.7	85.0	2,801.6	4,139.8	6,920.7
Social Security contributions	22,249.2	28,230.2	37,870.7	53,577.1	75,472.5	95,057.9	116,022.3	157,932.0	201,044.7	318,706.6	579,424.1
AFIP	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
INSSJP	22,026.9	28,230.2	37,521.6	50,569.6	66,866.4	87,002.0	107,884.4	148,423.1	186,699.2	297,387.8	539,721.7
IOSFA	0.0	0.0	0.0	3,007.6	7,692.4	5,936.3	6,695.7	7,382.9	11,471.8	17,409.5	32,605.0
Rest of OTHER ENTITIES	222.4	0.0	349.1	0.0	913.7	2,119.6	1,442.2	2,126.0	2,873.7	3,909.4	7,097.4
Other current and capital resources	3,289.3	3,202.3	3,477.7	6,802.0	9,662.9	15,062.1	19,962.2	27,809.5	79,878.5	83,846.6	111,780.8
AFIP	1,511.6	1,551.5	2,332.3	3,100.7	4,424.6	6,129.0	7,448.8	10,596.3	10,036.5	14,861.7	29,119.0
INSSJP	70.4	224.6	54.0	70.6	1,157.0	71.1	63.4	63.6	37,692.0	32,906.2	15,996.1
IOSFA	1,100.8	1,415.1	0.0	3,604.7	1,714.3	5,674.8	7,505.1	11,950.1	25,843.3	27,048.6	48,495.3
Rest of OTHER ENTITIES	606.6	11.2	1,091.4	26.0	2,366.9	3,187.3	4,944.8	5,199.5	6,306.6	9,030.0	18,170.3
Property Income	371.3	136.9	143.5	325.2	706.6	628.8	1,497.7	4,203.8	7,208.6	33,438.7	120,175.0
AFIP	0.0	0.1	0.1	0.4	1.2	0.0	0.1	3,248.6	3,303.4	7,356.3	31,405.8
INSSJP	338.4	111.7	129.7	118.5	178.0	43.8	52.0	0.0	3,789.4	25,698.3	86,788.5
IOSFA	19.7	22.9	0.0	202.4	457.8	497.4	1,125.5	803.2	0.0	299.5	1,289.0
Rest of OTHER ENTITIES	13.2	2.2	13.7	3.9	69.6	87.6	320.2	152.0	115.8	84.6	691.7

CONCEPT (in millions of ARS)	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
TOTAL EXPENDITURES	46,596.8	57,244.5	78,072.9	102,578.9	148,880.8	184,588.2	233,015.4	335,479.5	448,629.4	662,282.2	1,284,070.1
Transfers to the private sector	25,892.6	31,819.0	46,203.1	58,672.1	85,435.7	105,621.7	133,145.2	189,531.8	265,315.2	384,607.8	707,360.4
AFIP	0.0	0.0	0.0	0.1	0.0	0.0	0.0	16.0	0.0	0.0	0.0
INSSJP	25,473.7	31,348.6	45,829.7	57,420.7	84,088.0	104,845.0	131,910.4	189,311.8	263,610.7	381,853.6	704,836.9
IOSFA	212.5	257.4	0.0	653.2	667.2	0.0	0.0	0.0	0.0	0.0	0.0
Rest of OTHER ENTITIES	206.4	213.0	373.4	598.2	680.5	776.7	1,234.8	204.0	1,704.5	2,754.2	2,523.5
Operating expenses. Remunerations	16,927.3	21,187.6	26,236.1	34,239.9	47,983.8	57,813.4	72,383.6	103,245.9	127,418.9	205,751.3	401,267.6
AFIP	12,731.5	15,585.5	19,854.3	25,386.6	36,057.7	42,714.9	54,633.7	79,588.3	98,047.1	157,387.5	319,388.8
INSSJP	3,864.8	5,241.5	6,087.8	7,869.9	10,198.6	12,741.7	14,860.3	20,482.8	24,520.1	41,620.9	69,694.2
IOSFA	189.8	244.6	0.0	748.7	1,119.0	1,488.7	1,892.0	2,725.8	3,443.7	4,467.2	7,991.8
Rest of OTHER ENTITIES	141.2	115.9	294.0	234.6	608.5	868.1	997.6	449.1	1,408.1	2,275.7	4,192.9
Operating expenses. Goods and services	3,231.8	3,256.3	4,615.7	8,327.7	14,314.7	10,530.0	18,157.0	19,623.2	54,321.6	67,829.6	132,059.5
AFIP	1,155.3	1,404.3	2,068.2	2,222.6	2,562.0	3,100.3	3,546.9	4,700.6	5,505.0	7,601.9	19,856.6
INSSJP	690.4	893.3	1,226.7	1,613.7	1,844.2	2,459.3	3,393.7	4,888.5	5,687.3	10,025.1	18,183.2
IOSFA	657.7	835.5	0.0	4,180.5	6,913.8	41.2	4,866.0	3,206.1	34,433.6	37,517.3	70,114.8
Operating expenses. Remunerations	728.4	123.2	1,320.8	310.9	2,994.7	4,929.2	6,350.3	6,828.0	8,695.7	12,685.3	23,904.9
Other transfers and expenditures	545.1	981.6	1,017.9	1,339.2	1,146.6	10,623.1	9,329.6	23,078.6	1,573.7	4,093.5	43,382.4
AFIP	112.7	289.2	395.8	614.0	523.2	746.5	443.8	1,444.9	726.2	1,516.8	2,301.8
INSSJP	379.8	569.1	484.8	519.6	304.0	832.6	555.0	925.1	559.6	1,721.0	39,375.2
IOSFA	27.0	53.6	0.0	130.6	140.6	8,928.0	8,213.6	20,586.3	172.6	409.9	849.5
Operating expenses. Remunerations	25.5	69.8	137.3	75.0	178.7	115.9	117.1	122.3	115.2	167.8	855.9
FINANCIAL RESULT	-917.8	650.3	-1,846.3	2,200.6	-2,017.0	489.7	1,910.3	-5,870.9	54,874.3	113,215.5	149,463.0
AFIP	283.7	56.4	614.0	881.4	791.9	-758.1	1,651.3	6,720.7	13,564.6	35,828.3	43,611.4
INSSJP	-1,475.7	429.7	-2,706.3	248.8	-4,455.9	-974.7	-218.1	-6,301.6	41,551.4	72,004.8	99,915.8
IOSFA	38.2	53.4	0.0	1,101.7	1,096.6	1,650.5	354.8	-6,382.0	-734.7	2,085.1	3,253.0
Operating expenses. Remunerations	236.0	110.7	245.9	-31.3	550.4	572.1	122.3	92.1	493.1	3,297.2	2,682.7

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