

ARGENTINA

FEDERAL COUNTRY

LATIN AMERICA

BASIC SOCIO-ECONOMIC INDICATORS

Income group - UPPER MIDDLE INCOME Local currency - Argentina peso (ARS)

POPULATION AND GEOGRAPHY

AREA: **2 766 890** km²

POPULATION: **42.980** million inhabitants (2014), an increase of 1.0% per year (2010-14)

DENSITY: **15** inhabitants/km²

URBAN POPULATION: **91.8%** of national population

CAPITAL CITY: **Buenos Aires** (35% of national population)

Sources: World Bank database ; Instituto nacional de estadística y censos, UNDP-HDR , ILO

ECONOMIC DATA

GDP: **754.5** billion (current PPP international dollars) i.e. 17 554 dollars per inhabitant (2014)

REAL GDP GROWTH: **0.5%** (2014 vs 2013)

UNEMPLOYMENT RATE: **7.3%** (2014)

FOREIGN DIRECT INVESTMENT, NET INFLOWS (FDI): **6 055** (BoP, current USD millions, 2014)

GROSS FIXED CAPITAL FORMATION (GFCF): **19.5%** of GDP (2014)

HUMAN DEVELOPMENT INDEX: **0.836** (very high), rank 40

TERRITORIAL ORGANISATION AND SUBNATIONAL GOVERNMENT RESPONSIBILITIES

MUNICIPAL LEVEL	INTERMEDIATE LEVEL	REGIONAL OR STATE LEVEL	TOTAL NUMBER OF SNGs
2 218	-	24	2 242
MUNICIPALITIES (MUNICIPIOS) AVERAGE MUNICIPAL SIZE: 19 378 INHABITANTS		23 PROVINCIAS (STATES) + THE AUTONOMOUS CITY OF BUENOS AIRES	

MAIN FEATURES OF TERRITORIAL ORGANISATION. Argentina is a federal country divided into 23 States (*Provincias*) and one autonomous city (Buenos Aires). These autonomous governments are divided into 2218 autonomous municipalities (*municipios*), with an exception for the City of Buenos Aires which is divided into 15 communes (*comunas*) subdivided into 48 neighborhoods (*barrios*). As the Provinces have a political, judicial, administrative and financial autonomy, the scope of municipal autonomy is determined by the Province they depend on, ahead of being defined by each municipal government through the drafting of municipal charters. According to the 1994 Federal Constitution of Argentina, Provinces can vote their own constitutions and laws. They have the power to elect their authorities and organize their own administrations of justice. The National Constitution also establishes the principle of municipal autonomy, which includes the election of their own authorities, Service Management and Public Works, the police authority, budget management and the ability to create taxes.

MAIN SUBNATIONAL GOVERNMENTS RESPONSIBILITIES. The delineation of powers between central government and the provincial states is based on the general principle that all provinces have the power that not delegated to the federal state by the Constitution. We can distinguish exclusive competences, and shared competences between federal state and the provinces. The provinces may create regions for socio-economic development or bodies with powers in order to achieve goals, and may also, with the knowledge of the National Congress, sign international agreements, to the extent that they would not conflict with the foreign policy of the Nation nor would affect the powers delegated to the Federal Government or the public credit of the Nation. The provinces also manage the natural resources within their territories and they may be responsible for secondary education. College education, health care, bus stations, housing and energy (electricity and gas) are competences shared between the federal government and the provinces. Municipalities have both exclusive and shared competences. Exclusive powers include waste management, roads construction, sewerage, markets and cemeteries, public transportation and public roads regulation. They also share with the State level primary education, primary health care, water and sewerage, regional roads construction and maintenance. Finally, municipalities *de facto* provide for school buildings maintenance and health care services.

SUBNATIONAL GOVERNMENT FINANCE

EXPENDITURE	% GDP		% GENERAL GOVERNMENT (same expenditure category)		% SUBNATIONAL GOVERNMENT	
TOTAL EXPENDITURE (2013)	16.3%	1.9%	44.7%	5.3%	100%	100%
CURRENT EXPENDITURE	14.0%	1.6%	-	-	86.0%	83.1%
STAFF EXPENDITURE	8.5%	1.0%	80.8%	4.9%	52.2%	52.4%
INVESTMENT	1.8%	0.3%	65.7%	11.5%	10.9%	16.1%

Subnational governments in Argentina are playing a major role in the financing and implementation of public policies. Being one of the most decentralized country on the continent, Argentina has made its provinces a key level for services delivery, and the share of subnational level to general government spendings is still growing. Provinces were responsible for 44.7% of total public expenditures in 2013 and municipalities for 5.3%. The weight of current expenditure in subnational budget is particularly important (91%), which leaves few share for public investments.

