

Argentina | Economic Crisis

Emergency appeal No: MDRAR022 Emergency appeal launched: 17/09/2024 Operational Strategy published: 04/11/2024	Glide No: N/A
Operation update #1 Date of issue: 20/02/2025	Timeframe covered by this update: From 17/09/2024 to 08/01/2025
Operation timeframe: 12 months (17/09/2024 - 30/09/2025)	Number of people being assisted: 20,000
Funding requirements (CHF): CHF 3 million through the IFRC Emergency Appeal CHF 3 million Federation-wide	DREF amount initially allocated: CHF 500,000

To date, this Emergency Appeal, which seeks CHF 3,000,000, is 1.8 percent funded. Further funding contributions are needed to enable Argentine Red Cross, with the support of the IFRC, to continue with the preparedness efforts of and provide humanitarian assistance and protection to people on the move.



Volunteers from the Argentine Red Cross carry out health promotion activities with homeless people on day and night tours in different locations of the Buenos Aires Metropolitan Area.

A. SITUATION ANALYSIS

Description of the crisis

Argentina is experiencing one of its most severe economic and social crises in decades, marked by soaring inflation, declining purchasing power, job insecurity, and a sharp increase in poverty. Throughout 2024, the situation has deteriorated significantly, deeply affecting broad sectors of the population, particularly the most vulnerable. While macroeconomic indicators reflect the crisis's magnitude, the direct impact on communities remains severe, with millions of families struggling to meet their basic needs. Reports from the Argentine Red Cross Humanitarian Observatory in April and December 2024 highlight the worsening conditions and the profound humanitarian consequences of this prolonged economic downturn.

Despite a slight slowdown in the monthly inflation rate, this has yet to translate into improved living conditions. Purchasing power remains critically low due to months of persistent price increases. Over the course of 2024, the cost of the Total Basic Basket, which includes essential goods such as food, increased by 102%, severely impacting household budgets and leading to a dramatic rise in poverty and extreme poverty rates. By April, 41.7% of the population, equivalent to 19.4 million people, were living in poverty, while extreme poverty affected 11.9% or 5.5 million individuals. By December, these figures had escalated to 52.9% and 18.1%, respectively, with extreme poverty nearly doubling. The economic strain has left millions in precarious conditions, with their ability to afford basic necessities increasingly compromised.

Employment conditions have also worsened, with job insecurity reaching alarming levels. Unemployment, which stood at 5.8% in April, rose to 6.9% by December. Informal employment remains widespread, with 36.7% of workers lacking pension contributions, further exacerbating income inequality. The gap between those with formal employment and those in the informal sector continues to widen, limiting access to essential services and deepening economic disparities. The industrial sector alone saw a net loss of over 32,000 jobs during the year, reflecting a broader economic slowdown that has contributed to heightened financial instability for thousands of households.

Children and adolescents are among the most affected by the crisis, with rising poverty and homelessness posing serious risks to their well-being. By April, 69% of children and adolescents were experiencing multidimensional poverty, and 3.5 million had been forced to skip main meals due to economic hardship. By December, child poverty reached 59.3%, while extreme child poverty increased by 141.4% compared to 2023. Food insecurity has become increasingly severe, not only reducing the availability of food but also diminishing its nutritional quality. This has had a profound impact on child health and development, with long-term consequences for future generations.

The healthcare system has also suffered significantly as a result of the crisis. Budget cuts and limited access to medicines have worsened overall public health conditions, particularly for the most vulnerable populations. By April, severe food insecurity affected 28.9% of the poorest households, while sales of essential medications had dropped by 45.8%, indicating a growing inability to afford healthcare. By the end of the year, food insecurity had intensified further, and reductions in funding for critical health programs had placed additional strain on an already fragile system.

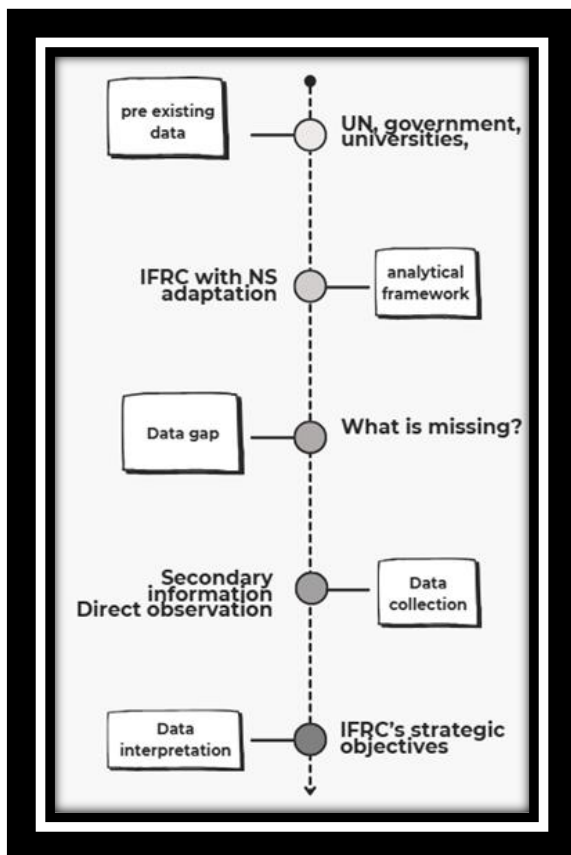
As inflation reached an annual rate of 289.4% by November, the minimum wage remained insufficient to cover the cost of essential goods. The cost of the Total Basic Basket surged from ARS 223,593 per person in February to ARS 324,099 by November, while the average cost for a family increased from ARS 690,902 to over ARS 1,000,000 in the same period. These increases, amounting to a 156.5% year-on-year rise, illustrate the extreme economic pressure facing households.

The deepening economic crisis in Argentina has led to severe humanitarian consequences, affecting millions of people across all sectors of society. Rising inflation, declining purchasing power, and increasing food and healthcare insecurity have left the most vulnerable populations in a precarious situation. Without immediate and effective policy interventions, these trends are likely to persist, exacerbating social inequalities and further deteriorating the quality of life for a significant portion of the population.

Summary of response

1. Multisectoral evaluation

Coordinated work has been conducted between the Humanitarian Observatory (OH by its initials in Spanish) and the National Risk, Emergency and Disaster Monitoring Team (ENMO by its initials in Spanish) of the Argentine Red Cross for the planning and development of the Multisectoral Assessment. Because the economic crisis has distinct characteristics from traditional natural-based emergency such as floods or wildfires, it was necessary to adapt the National Society's standard Emergency Needs Assessment (ENA) processes. This methodological adjustment, together with the required planning, has led to delays in the implementation of the evaluation. Likewise, the usual tools for measuring the economic context of the country cease to represent the impact of the crisis on families since these are based on price indexes and the fundamental factor at present is the deepening of inequality and loss of purchase power. Consequently, it was necessary not only to adapt the tools and instruments of the National Society but also to adjust them so that they guaranteed the representation of the impact of the crisis on the communities.



In the first instance, a secondary data analysis was carried out not only focused on the OH reports, but also on alternative sources that made it possible to identify key information gaps to guide the collection of primary data (real and territorially differentiated impact of the economic crisis, coverage of needs by other actors, National Society interventions, etc). Within the adaptations mentioned before, the analysis framework was adjusted, considering the questions to be answered through this evaluation. This approach sought to deepen information in the critical areas of the operational strategy and detect gaps in emerging needs in other sectors in the community environment.

At the close of this report:

- A Multisectoral Evaluation Plan was elaborated (based on ENA): Research Questions; Information Collection (Primary and Secondary); Interpretation of Results; Findings, Conclusions and Recommendations.
- The available data was identified, together with the Humanitarian Observatory, as secondary data for monitoring and updating.
- A guide questionnaire for field data collection through meetings with key informants (community representatives, institutional representatives, strategic partners, among others) was adjusted and validated.

The Multisectoral Evaluation Plan will be applied territorially and initially in 9 branches located in the areas prioritized in the Operational Strategy (Autonomous City of Buenos Aires, Provinces of Buenos Aires, Córdoba and Corrientes); and then expanded to cities with branch representation based on the first analyses to be conducted.

2. Active Procurement Processes

Procurement processes have been activated to meet identified priority needs:

Dengue Kits: To avoid delays in the acquisition process, the National Society used its available stock of repellents (1,280 aerosol units) to prepare and preposition 640 kits in prioritized branches. Each kit includes 2 repellents and 1 information leaflet. The graphic material for the information leaflet has been developed and validated by communities and is already in the process of printing.

Anthropometry Kits for the Branches: 41 kits have been sent to branches to carry out anthropometry activities at the local level and training for the staff of the national society. The contents of the kit include digital standing scale, portable height meter, tape measure, pediatric blood pressure monitor, batteries and bag.

First Aid Elements: Purchasing processes have been initiated to ensure that all the branches of the National Society involved in the implementation of actions under this International Appeal have minimum necessary resources for first aid response during emergencies that may arise during field work. The kits will be distributed once the procurement is completed.

Additionally, direct purchases have begun for items related to community participation and accountability (such as flyers and brochures), packaging, among others.

Personal Hygiene Kits: To provide expedite distribution of humanitarian aid, the National Society agreed on a process to mobilize personal hygiene kits from existing stock and replenish with new kits in the coming weeks. 640 kits from available stock have been prepositioned in prioritized branches and will be distributed during the next reporting period. Procurement processes for replenishment have been initiated.

3. Meetings with potential donors.

After the appeal was approved, a meeting of the Governing Council of the Argentine Red Cross was convened with the purpose of updating the country situation, the prioritized actions, the participating branches and to propose an agenda of meetings that would allow the Appeal to be presented to potential donors.

The Presidency of the Argentine Red Cross has held high-level meetings with owners of large Argentine companies in order to present the Institution's proposal for humanitarian action, and meetings have also been held with key actors at different levels of the Government.

Strategic meetings have been held with potential cooperating partners, with the aim of exploring opportunities for collaboration and strengthening partnerships within the framework of the appeal. These bodies seek to ensure resources and technical support for a more effective and coordinated response to the emerging needs of the affected population. Among the meetings held, the following stand out:

- **Meetings to launch the Appeal:** Meetings were held with the Japanese Red Cross and the Saudi Arabian Red Crescent. So far, the Japanese Red Cross has allocated JPY 5,000,000 to this Appeal. A project proposal including activities from the Appeal was shared with the Saudi Arabian Red Crescent.
- **Italian Red Cross:** A bilateral meeting was held, and a brochure was sent, with the promise of consulting possibilities of collaboration with the Italian government.
- **Swiss Red Cross:** A bilateral meeting was held, and a brochure was sent, though there is no plan to contribute to the appeal at this time.

- **Lunch with LIDE business representatives (3 December 2024):** Prominent directors and executives of companies such as Park Place Technologies, Air Liquide, MR Industrial Accessories, SNF, DELL, among others, participated and discussed possible collaborations.
- **Meeting with the Embassy of Israel and Magen David Adom (22 January 2025):** The brochure of the Appeal was shared, and options for articulation will be evaluated.

It is important to highlight the limited support for this appeal. The impact of socio-political decisions and economic instability, with poverty reaching its peak, has turned this into a protracted crisis. However, it struggles to maintain attention amid other pressing emergencies such as migration, hurricanes, and natural disaster.

Needs analysis

Needs analysis

Beyond the current situation, the National Society completed adapting and designing the Multisectoral Evaluation Plan committed to the purpose of evaluating the community impact of the current situation in the country; based on the results of this evaluation, the revision of the Operational Strategy will be done.

Operational risk assessment

The operational risk assessment remains unchanged, and other factors have been added that have impacted the implementation of the programmed activities:

1. Resourcing Challenges

Resource management challenges and low levels of funding have implied significant delays in the implementation of the operation, limiting immediate response capacities and the effectiveness of planned interventions.

2. Delays due to Methodological Adaptation

In addition, delays caused by the methodological adaptation of evaluations have had an additional impact on implementation. Adjusting Emergency Needs Assessment (ENA) processes to address the economic crisis has required time and effort from National Society staff, delaying the identification and response to the urgent needs of affected communities.

Furthermore, the administrative and work breaks in the summer and during the holidays (December-January) limited the availability of both staff and volunteers in the branches for the adjustment of the programming and the execution of various activities and processes.

Risk	Probability	Impact	Mitigating Measures
1. Situations of political tension with the National Government	Medium	High	<ul style="list-style-type: none"> • Maintain open and regular communication with the government to manage expectations, report on the progress of operations and avoid misunderstandings that could generate tensions. • Ensure collaboration with local and regional authorities, which can facilitate the execution of operations.

2. Duplication of efforts among humanitarian actors	Medium	Medium	<ul style="list-style-type: none"> Establish coordination mechanisms with local and international actors and ensure clear and continuous communication to avoid duplication.
3. Exhaustion and fatigue of staff and volunteers.	Medium	High	<ul style="list-style-type: none"> Implement a staff turnover system and provide psychosocial support for the well-being of the teams.
4. Emergence of new situations generated by the current crisis, such as contexts of social tension	High	High	<ul style="list-style-type: none"> Provision of contribution mechanisms for the attention of these situations, including the mobilization of response teams to them.
5. The number of people affected is large	High	High	<ul style="list-style-type: none"> Review of the strategy and evaluate the possibility of expanding it.


B. OPERATIONAL STRATEGY

Update on the strategy

An initial update of the targets in Health, PGI and CEA included in the Operational Strategy was carried out by the NS implementation team regarding the viability of the actions in the current context and acknowledging that significant adjustments could be made once the Multisectoral Evaluation is completed. It's worth noting that the targets will be adjusted to the percentage of funding covered by the Appeal.

C. DETAILED OPERATIONAL REPORT


STRATEGIC SECTORS OF INTERVENTION

 Livelihoods	Female > 18: 0	Female < 18: 0
	Male > 18: 0	Male < 18: 0

Objective: *Communities in disaster and crisis affected areas restore and strengthen their safety, wellbeing and longer-term recovery through shelter and settlement solutions*

Key indicators:	Indicator	Current	Target
		<i># of people reached with livelihood training activities to strengthen the family economy.</i>	0
	<i># of people trained in the "mobile classroom" in itinerant activities.</i>	0	300 people
	<i># of people reached with services/information essential to income generation.</i>	0	10,200 people
	<i># of families (and individuals) reached with essential services/information for employment opportunities, including self-employment.</i>	0	10,200 people
	<i># of families (and individuals) reached who have completed training in improved production practices.</i>	0	10,200 people

Thirteen branches (Avellaneda, Esteban Echeverría, La Plata, Luján, Moreno, Quilmes, San Andrés, Santos Lugares, Tigre, Saavedra, Villa Crespo, Córdoba, Corrientes) of the prioritized provinces that will participate in the Livelihoods activities have been identified and meetings are being held with each of them to present the operational strategy, as well as an induction associated with administrative management processes of emergency operations in order to have all the support documentation once the activities and distributions have been carried out.

 Health & Care <i>(Mental Health and psychosocial support / Community Health / Medical Services)</i>	Female > 18: 0	Female < 18: 0
	Male > 18: 0	Male < 18: 0

Objective: *Communities, especially in disaster and crisis affected areas, restore and strengthen their livelihoods*

Key indicators:	Indicator	Current	Target
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Key indicators:	<i># of people receiving psychological and psychosocial support (MHPSS) in emergency situations.</i>	0	1,520 people
	<i># of people attended to in the mobile health units sent to vulnerable communities.</i>	0	1,840 people
	<i># of kits distributed and people reached with humanitarian aid.</i>	0	1,500 people
	<i># of children aged 0 to 5 years reached by neurodevelopmental stimulation activities in community kitchens, educational institutions and other community spaces.</i>	0	6,800 people
	<i># of children from 6 to 12 years old with anthropometric evaluation performed in community kitchens, educational institutions and other community spaces.</i>	0	6,800 people
	<i># of children 6 to 10 with evaluation of vaccination compliance for school enrollment.</i>	0	5,400 people
	<i># of people receiving first aid.</i>	0	500 people

- The process of purchasing supplies for Dengue kits has been opened. The communication parts for these kits have been designed and are currently in the process of being printed.
- The reception of the materials for the Anthropometry Kits has begun, which are being prepared for pre-positioning in the branches of the Argentine Red Cross. Thanks to the receipt of these materials, the National Society can plan specific technical training for the branches, ensuring that they are adequately trained to carry out the corresponding activities.
- 9 branches in the prioritized provinces have been identified that will participate in the Health activities and meetings are being held with each of them in order to present the operational strategy, at the same time as an induction associated with administrative management processes of emergency operations to have all the Support documentation once the activities and distributions have been carried out.
- The pre-positioning of 640 personal hygiene kits (from the stock of the national society) and 640 dengue kits has been carried out, thus guaranteeing the availability of essential supplies for the most vulnerable communities. These kits have been distributed in the 9 prioritized branches, which also received the corresponding induction to carry out dengue prevention and control activities effectively.

Kits Prepositioning		
Branch	Personal Hygiene	Dengue
Santos Lugares	10	10
Villa Crespo	20	20
Saavedra	120	120
San Andres	200	200
Cordoba	125	125
Moreno	75	75

Esteban Echeverria	30	30
La Plata	30	30
Corrientes	30	30



Protection, Gender and Inclusion

Female > 18: 0	Female < 18: 0
Male > 18: 0	Male < 18: 0

Objective:

Communities identify the needs of the most at risk and particularly disadvantaged and marginalized groups, due to inequality, discrimination and other non-respect of their human rights and address their distinct needs

Key indicators:

Indicator	Current	Target
<i># of sectoral or PGI assessments conducted using PGI Minimum Standards.</i>	0	1
<i># of people reached by PGI.</i>	0	1500
<i># of people trained in the implementation of PGI's Minimum Standards.</i>	0	200
<i># of referrals made (GBV, Child Protection or others).</i>	0	100

- PGI Minimum Standards have been considered in the planning process of the Multisectoral Evaluation.

Enabling approaches



Community Engagement and Accountability

Objective:

Communities in high-risk areas are prepared for and able to respond to disaster

Key indicators:

Indicator	Current	Target
<i># of people trained in operational communication and CEA.</i>	0	400
<i># instance of feedback received and responded to.</i>	0	2,500

	# of accountability documents prepared and disseminated to stakeholders.	0	2
<ul style="list-style-type: none"> An operational communication strategy and general guidelines for National Society staff have been developed. A brochure has been developed as a communication tool for planned operations for potential donors¹. The validation of communication elements with the communities (for example, the informative flyer on Dengue) has been carried out. 			

 National Society Strengthening	Female > 18: 0	Female < 18: 0
	Male > 18: 0	Male < 18: 0
Objective:	<i>CRA strengthens and develops its capacities for efficient management of the economic crisis, promoting the sustainability of its humanitarian actions</i>	
<ul style="list-style-type: none"> No actions have been taken during the reporting period. 		

 Coordination and Partnerships	Female > 18: 0	Female < 18: 0
	Male > 18: 0	Male < 18: 0
Objective:	<i>Strengthen coordination within the IFRC membership and the Movement to bring technical and operational complementarity and enhance cooperation with external partners</i>	
<ul style="list-style-type: none"> The National Society's Presidency engaged high-level business leaders and government representatives to present the humanitarian response plan. Strategic meetings were held with potential partners to secure resources and technical support. Notable engagements included meetings with the Japanese Red Cross, which allocated JPY 5,000,000, and the Saudi Arabian Red Crescent, which received a project proposal. Discussions were also held with the Italian and Swiss Red Cross, LIDE business representatives, and the Embassy of Israel and Magen David Adom to explore collaboration opportunities. 		

 Secretariat Services	Female > 18: 0	Female < 18: 0
	Male > 18: 0	Male < 18: 0
Objective:	<i>Strengthen coordination within the IFRC membership and the Movement to bring technical and operational complementarity and enhance cooperation with external partners</i>	

¹ See: [Brochure](#)

During the implementation period, the IFRC Southern Cone Cluster supported the National Society in the following areas:

- Providing liaison with key external stakeholders (embassies, Magen Dadid Adom) and donors for continued broad positioning for the crisis.
- Bringing technical support and guidance on preparation and design of a multisectoral needs assessment, and with the establishment of a monitoring process for the Appeal.
- Guiding to comply with financial procedures to guarantee transparency and accountability regarding the first disbursement of funds.

D. FUNDING

At the close of this report, the National Society received a first disbursement from the DREF fund in the amount of CHF 300,000; Currently, more than CHF 100,000 are in the process of execution within the framework of the current purchase processes. At the same time, the National Society received a contribution of JPY 5,000,000 from the Japanese Red Cross.

Contact information

For further information, specifically related to this operation please contact:

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- **Regional Head, Global Supply Chain:** Jose Fernando Giraldo; email: fernando.giraldo@ifrc.org
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Reference documents

Click here for:

- [Emergency Appeal](#)
- [Operational Strategy](#)

How we work

All IFRC assistance seeks to adhere the **Code of Conduct** for the International Red Cross and Red Crescent Movement and Non-Governmental Organizations (NGO's) in Disaster Relief, the **Humanitarian Charter and Minimum Standards in Humanitarian Response (Sphere)** in delivering assistance to the most vulnerable, to **Principles of Humanitarian Action** and **IFRC policies and procedures**. The IFRC's vision is to inspire, encourage, facilitate and promote at all times all forms of humanitarian activities by National Societies, with a view to preventing and alleviating human suffering, and thereby contributing to the maintenance and promotion of human dignity and peace in the world.