



Doing Business in Argentina: 2015 Country

Commercial Guide for U.S. Companies

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Chapter 1: Doing Business in Argentina

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Market Overview

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- The U.S. exported \$10.8 billion in goods to Argentina in 2014 and purchased \$4.4 billion. In services, the U.S. exported \$7.1 billion and Argentina sold \$1.9 billion. The U.S. supplies raw materials, intermediate goods, and capital goods to feed Argentina's industrial sector while Argentina exports food, wine, and agricultural products as well as intermediate goods.
- About 90 percent of U.S. exports to Argentina are used in local industry and agriculture such as computers, industrial and agricultural chemicals, agricultural and transportation equipment, machine tools, parts for oil field rigs, and refined fuel oil. Argentine exports include goods like wine, fruit juices, crude oil, and intermediate goods like seamless pipe, tubes, and other iron-based products.
- Over 500 U.S.-based companies operate in Argentina, employing 360,000 Argentines directly and supporting millions more indirectly. The stock of U.S. investment in Argentina reached \$15.2 billion in 2013 and is concentrated in energy, manufacturing, information technology, and finance.
- U.S. firms operating in Argentina impact the Argentine economy and society positively and are widely respected for their corporate governance, the quality of the work environment they provide to their Argentine employees, their transparency, and their work in corporate social responsibility.

Top Five reasons for doing business in Argentina

1. Argentina is a resource-rich country with huge potential.
2. Its population is highly literate and well-educated. There are strong cohorts of professionals in medicine, business, law, accounting engineering, architecture, etc.
3. The country is digitally capable, with high internet and smart phone penetration.
4. Income distribution is more equal than in most Latin American countries, with a broad and deep middle class that enables more consumer buying power
5. Argentina's infrastructure requires major updating and renewal, providing significant opportunity for exporters of equipment and services for roads, ports, railroads, telecommunications, water and sanitation, and electric power, among others.

Market Challenges

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- Slowing economic growth, import and foreign exchange restrictions, and sharply lower prices for Argentina's principal exports (soy products and corn) make the outlook for the Argentine economy uncertain in 2015, with growth estimates of slightly negative to 3 percent.
- Inflation estimated at 30+ percent in 2014 and 20-24 percent in 2015 by private economists has raised costs, and resulted in a more challenging business environment, especially as the real effective exchange rate has significantly appreciated since a January 2014 devaluation.
- Limits on profit, royalty, and licensing remittances have discouraged new investment in Argentina. Lack of transparency and a public comment period for new regulations adds to business uncertainty, as do questions about government statistics.
- All importers must request approval from the Argentine Tax and Customs Authority (AFIP) prior to making each purchase for import and, separately, to purchase the foreign currency to pay for it. The GOA's policy of tying approvals to changes in the trade balance and foreign exchange levels has added to uncertainty. The U.S., EU, and Japan won a WTO trade complaint against Argentina; final resolution is pending.

Argentina's continuing dispute with investors who did not accept the 2005 and 2010 restructurings of its foreign obligations has led to Argentina being currently ineligible for coverage under U.S. programs (Exim Bank, OPIC and the Trade Development Agency) designed to assist American companies.

Market Opportunities

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- Argentina is an attractive market for American exporters, with a large (42 million) and educated population, abundant natural resources such as in agriculture, mining, and unconventional hydrocarbons, and important infrastructure needs.
- As Argentina addresses its current economic challenges, opportunities will increase. This is an excellent time to begin exploring the market and establishing relationships.

This year's top market sectors described in [Chapter Four](#) are as follows: [Agricultural Machinery, Irrigation Equipment, Parts and Components](#); [Electronic Security Equipment](#); [Environmental Technologies for Non-Conventional Resources Exploitation](#); [Food Processing Equipment](#); [Information and Communications Technology](#); [Medical Technology](#); [Shale Gas and Shale Oil Development Technologies](#), and [Travel and Tourism Services](#). In the agribusiness sector, [Animal Genetics \(Bovine Semen\)](#), [Food Ingredients \(Natural Origin\)](#), and [Planting Seeds](#) are key areas with high potential.

Market Entry Strategy

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- Marketing U.S. products and services in Argentina requires a high level of research, preparation, and involvement.
- Companies intending to export to Argentina need to ensure that their customers fulfill all import requirements before they ship any product and must be careful to follow all regulations precisely. They should contact the U.S. Commercial Service in Argentina for advice regarding the import process.
- U.S. companies exporting to Argentina typically market their products and services through Argentine agents, representatives and distributors.
- Close personal relationships are important.
- U.S. companies must consider Argentina's unique economic, demographic, and cultural characteristics that distinguish it from other Latin American countries.
- It is increasingly difficult to establish a "typical customer" due to new consumption habits and to the dynamics of income distribution and demography.
- Promotion is an important marketing component. Companies are encouraged to visit or exhibit at local and regional trade shows, and to visit trade shows in the U.S. attended by Argentine buyers.
- Protect your intellectual property and engage qualified local professionals and lawyers in contract negotiations.

The U.S. Embassy Commercial Service in Argentina provides a wide range of services to help U.S. companies enter and expand operations in the country. For details on the services offered, see: <http://export.gov/argentina/servicesforu.s.companies/index.asp>.

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Chapter 2: Political and Economic Environment

For background information on the political and economic environment of the country, please click on the link below to the U.S. Department of State Background Notes.

<http://www.state.gov/r/pa/ei/bgn/26516.htm>

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Using an Agent or Distributor

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International companies typically market their products through an Argentine agent/representative or a distributor. Working with a distributor has several advantages, although recent restrictions have limited the ability of distributors to import products. Distributors can provide strategic support for positioning brands in the market through promotion and advertising. Furthermore, they understand the local culture and can assist with after-sales service. This value-added service is increasingly important for customers, and contributes to a positive image of U.S. firms doing business abroad. There are, however, situations in which the best solution is a representative rather than a stocking distributor. Please [contact the Commercial Service in Buenos Aires](#) to discuss this.

The Civil and Commercial Codes govern principal-agent relations and differ from U.S. laws. We strongly recommend that an Argentine lawyer be consulted prior to entering into any type of agreement with an Agent/Distributor and engaged prior to substantive negotiation of the agreement terms. No special legislation has been enacted to regulate the cancellation of agency/distribution agreements, although a company could incur additional costs associated with the cancellation of an agency agreement due to Argentine labor laws. Given the complexity of the legal and commercial environment, contracts are generally negotiated in writing through the exchange of letters or via a basic instrument. The parties may not elect foreign laws to govern the agreement. Argentine courts will not enforce a contract executed abroad to avoid Argentina law.

U.S. companies should take time in selecting their Argentine agent/distributor. Business relationships and a good reputation are essential to an agent/distributor's ability to reach potential customers of your product or service. Likewise, it is important to develop a

close relationship with a representative, agent, distributor, or other business partner. The mutual trust that this builds will help prevent business disputes and enable the parties to resolve them amicably when they do arise. The U.S. Commercial Service of the U.S. Department of Commerce assists exporters in finding and evaluating partners in Argentina.

Contact the nearest U.S. Department of Commerce Export Assistance Center, where trade specialists can provide you with guidance on entering the Argentine or other international markets. Please call 1-800-USA-TRADE (1-800-872-8723) to locate the one nearest you or visit the U.S. Government Export Portal at <http://export.gov/usoffices/index.asp>. You may also contact the Commercial Service in Buenos Aires directly for additional information on partner search services, applicable fees and delivery times at <http://export.gov/argentina/servicesforu.s.companies/businessmatchmaking/index.asp>.

Establishing an Office

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Foreign companies may carry out any single transaction. To carry on a routine activity, a foreign company must establish a branch (*sucursal*) in Argentina. An individual must be appointed as the company's legal representative, but assignment of capital to the branch is not necessary.

Legal Structures Commonly Used by Investors

Regardless of whether they are associated with local investors, foreign investors may do business in Argentina as individuals or through corporations, branches of foreign corporations, limited liability companies, limited partnerships, general partnerships, and joint ventures. Foreign corporations often operate in Argentina through a separately incorporated subsidiary rather than through a branch, primarily to reduce their potential liability. If a branch is used, all of the foreign corporation's assets, not only its Argentine assets, may be subject to potential liability. In contrast, if an Argentine or foreign subsidiary is used, the foreign corporation's liability generally will be limited to the assets owned by that subsidiary. However, corporate directors may become liable for unpaid tax obligations.

Registration Procedures

The law governing corporations is applicable throughout the entire country of Argentina. Corporations are set up with the approval of at least two legal or natural persons, whether Argentine or foreign.

A corporation may not be a partner in a partnership. A corporation can usually be established in three to four weeks if capital is supplied only in cash. If supplied in kind, the corporation can be established in about two months. A minimum of two founders is required with no maximum limit. Company founders must report a domicile in Argentina.

A minimum of two shareholders is required. No maximum is prescribed. Should a foreign company wish to act as shareholder of a local company, the company must be "qualified." The cost of qualification proceedings is similar to the incorporation cost.

U.S. firms considering establishing operations in Argentina should fully investigate the tax and legal aspects of establishing a business with legal counsel before making any final decisions. (Please refer to [Chapter 9 for Contacts, Market Research and Trade Events.](#))

Franchising

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The local franchising industry has mutated into a challenging and highly competitive environment for international franchisors seeking local partners. Current market size is approximately \$6.5 billion, with an annual growth rate of approximately 10 percent. Franchising sales account for approximately 2 percent of Argentina's GDP. Currently, 90 percent of local franchises are of Argentine origin and approximately 10 percent are of international ownership.

Development of franchising in Argentina has been uneven and shows a high level of concentration, as 10-15 chains handle 36 percent of the franchises and 50 percent of the total turnover. There are approximately 400 franchise brands in the market. Tourism and aesthetic centers are two new segments in which franchising are growing.

The most popular areas for international franchisors are fast food, foreign language training, dry cleaning, hotels, and car rental services. Local franchises have been particularly successful in apparel, food, ice cream, "*empanada*" pastries, fitness/health clubs, and education, but apparel franchising has lately suffered due to import restrictions. Coffee shops and stores are currently going through a growth stage, with local brands such as Havana and Bonafide having more than 120 stores each. Starbucks entered the Argentine market in 2008, opening more than thirty stores since entrance. Other significant U.S. market players include Kodak Express, McDonald's, Burger King, Wendy's, Cartridge World, Kentucky Fried Chicken, and Re-Max.

Franchise contracts are generally protected under the Argentine Commercial Code and are not governed by specific legislation. The scope of the service, commercial trade market/name, expertise, and shared production elements are covered by contractual obligations on both franchisor and franchisee. Elements of the contract include the license, methods/systems or proprietary information transferred to a franchisee, inputs supply, sales methods, quality standards, and ultimate control by franchisor of the contract elements.

Franchises have been successfully used in Argentina, but the obligations of the franchisor must be clearly established in the contract to avoid potential liabilities related to the operator, in case of default, bankruptcy, etc. There are initiatives to advance a franchising law to fully formalize the industry, but legal counsel should be sought prior to entering the Argentine marketplace and appointing a franchisee.

Direct Marketing

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E-commerce is increasingly a part of daily life, particularly given a higher penetration of home broadband connections. Traditionally, local companies that sell cosmetics and personal care products, kitchenware, and books have been most likely to utilize direct marketing tools. However, the increasing use of the Internet has enabled other firms/sectors to penetrate the market. Companies selling household consumer goods, electronic devices, merchandising, computer hardware, tourism services, and even cars

publish their product catalogs on-line. Some imported products are marketed directly through cable and satellite TV programs.

However, restrictions apply to importing products purchased online. Those online purchases of foreign products valued up to \$3,000 and delivered through the Argentine postal service, or courier, are levied a 50 percent charge on the value of the goods. Those goods exceeding the \$3,000 value may not be sent through the Argentine postal service.

A regulation by AFIP, Argentina's IRS equivalent, dated January 2014 (Resolution 3579), modified the retail mail order system, limiting imports of products via courier, and restricting duty free imports to \$50 per year (in two mail order transactions) delivered to homes and requiring a 50 percent tariff on any shipment over \$25. Courier shipments require the consignee to register as an importer, complete Form 4550 prior to importing, and retrieve the product at the main international airport known as Ezeiza, (near Buenos Aires). In addition, there are restrictions on imports of printed material.

Joint Ventures/Licensing

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Argentine legislation permits the establishment of temporary associations, equivalent to joint ventures, known as UT (*Unión Transitoria*). This is an association of two or more individuals or companies that contribute assets to develop or perform a particular transaction in Argentina or outside the country using Argentina as its base of operations. UTs are not considered companies or legal entities in their own right. Participants may be resident businesspeople, locally constituted entities, or non-resident companies that have established a separate branch or other type of Argentine presence.

A contract must be signed and registered with the Public Commercial Registry at the Office of the Inspector General of Justice (*Inspección General de Justicia*) in the Federal Capital, or its provincial equivalent. The contract must contain the objective, duration, name and other specific information regarding the partners' responsibilities, financial contribution, and many other specific clauses. It must also provide for the appointment of a legal representative in charge of management.

Selling to the Government

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Decrees 436/2000, 1023/2001 and 1818/2006 together with Resolution 515/2000, Decree 893/2012 and Decree 1039/2013 establish the rules applicable to federal government purchases. They can be downloaded (in Spanish) from the following web site: <https://www.argentinacompra.gov.ar/>.

These regulations apply to all federal public agencies (including autonomous or decentralized institutions), but exclude federal banks. They also establish the amounts determining the selection process. Government purchases of less than AR\$200,000 undergo direct purchase. Purchases between AR\$200,000 and AR\$800,000 undergo private bidding, but purchases over that amount must have an open public tender. Advertising and publishing procedure terms apply regarding important contracts in main publications and Internet sites such as ONC as well as in the Official Bulletin and publications of suppliers associations. Requirements for first-time sales to the government depend on the type of provider.

The National Contracting Office (*Oficina Nacional de Contrataciones - ONC*) is the agency supervising procurement for the National Public Administration. This office is part of the Secretariat of Public Management, Chief of Cabinet.

Contact Information:

Oficina Nacional de Contrataciones
(National Contracting Office)

Email: onc@sgp.gov.ar

<https://www.argentinacompra.gov.ar/>

Most provincial governments have their own web sites with procurement information. A prominent NGO looking out for the interests of companies participating in national, provincial, and municipal procurements is the *Unión Argentina de Proveedores del Estado* (UAPE). UAPE has a database of government procurements. More information can be found at <http://www.uape.org.ar/>.

Procurement from Local Companies (“Buy Local” Regime)

Law 25551, issued on November 2001 and implemented by Decree 1600/2002, established the “Buy Argentine” Regime. The “*Compre Trabajo Argentino*” regime affects national treatment in that it obligates all government agencies, public and privatized utilities, and concessionaires to purchase domestic materials, goods and products, provided that the price is “reasonable” (*precio razonable*) and the performance is identical or similar (*idénticas o similares prestaciones*) to that of the imported/foreign goods offered, as defined by regulatory Decree 1600/2002 of August 28, 2002. In March 2011, the Argentine Senate approved an amendment to Law 25551, expanding the entities subject to the “Buy Argentine” regime. The draft law is still pending in the Argentine Congress.

Preferences:

Goods: Preference is given to domestic goods. The origin of the goods shall be determined by the nature/composition of the goods themselves, **not based on the nationality or ownership of the manufacturing company**. Goods containing imported parts shall be considered domestically produced when the value of the imported parts is no more than 40 percent of the sales value of the finished good, or when the imported product undergoes substantial in-country transformation such that the MERCOSUR tariff classification code of the transformed item differs from that of the imported part.

Services: Preference will be given to bids submitted by a domestic company or consultant.

Public Works: Preference will be given to domestic materials and to domestic services (i.e., project design, management, and construction services) as defined above.

Preferential Treatment:

In cash payment conditions, when the cost of the domestic good is up to five percent (for small firms) to seven percent higher than the cost of the imported/foreign good, the contracting party should select the domestic good. In the case of deregulated markets, the contracting party should select the domestic goods when the value quoted is equal

to or lower than that of the imported/foreign goods. This requirement applies only when the domestic goods meet all the requirements set forth in contracting documents and can fulfill expected functions (*idénticas o similares prestaciones*).

Foreign Goods:

When a bidder offers to supply foreign goods not available in country, he/she must guarantee "nationalization" of the goods by depositing a bond on behalf of the contracting party. In addition, the Secretariat of Industry will issue a certificate verifying the value of the goods to be purchased abroad at the request of the contracting party within 96 hours of receiving said request. To obtain the Certificate of Verification (*Certificado De Verificación-CDV*), the contracting party must submit a sworn statement declaring (1) that it has complied with the *Compre Argentino* regime; (2) the end price or value of the foreign goods; and (3) that said price or value is lower than that of domestic goods offered or that no domestic goods were offered.

Disputes:

When the selection of imported/foreign goods is challenged, the Secretariat of Industry will determine if the domestic goods offered meet all the requirements set forth in the contracting documents and can fulfill the expected functions (*idénticas o similares prestaciones*) in the same manner as the imported/foreign goods selected. The Secretariat may request the advice of the National Institute of Industrial Technology (*Instituto Nacional de Tecnología Industrial-INTI*) or any other body accredited by the Argentine Accreditation Organization (*Organismo Argentino de Acreditación -OAA*). If the challenge fails, the challenging party pays the costs of the Secretariat's intervention; if the challenge succeeds, the bidder offering the imported/foreign goods pays the costs.

Argentina is not a signatory of the WTO Agreement on Government Procurement, but it is an observer to the WTO Committee on Government Procurement.

Distribution and Sales Channels

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Ninety percent of the Argentine population is concentrated in urban areas, with over 40 percent living in Buenos Aires and its suburbs, and approximately another 30 percent in the cities of Córdoba, Rosario, and Mendoza combined.

Channel selection should be based on the nature of the product and the company's knowledge of the Argentine market. Generally, firms new to this market find it more effective to sell through a distributor, although recent restrictions have made it more challenging for distributors to import products. Large firms generally buy directly from overseas suppliers, while smaller firms prefer to buy through intermediaries. Industrial equipment is sold by sales agents or through trade fairs, while consumer goods are increasingly sold through large outlets such as supermarkets and hypermarkets. Argentine distribution channels have gained increased efficiency through merging and streamlining as a result of the increased competition and changes in the consumer buying process.

Warehouse and distribution

Distribution in Argentina tends to be radial, with all roads converging on the Port of Buenos Aires. This dates back to the turn of the century, when Argentina's rail and road systems were developed by the British to bring products to the Port of Buenos Aires to satisfy the foreign demand for commodities. The hub-oriented distribution approach used in the U.S. does not yet exist in Argentina.

Land Transportation

Argentina stretches 4,000 km (2,500 mi.) from north to south, an expanse crossed by only a few major highways. Argentina's 208,350 km (129,462 mi.) road network carries 85 percent of domestic freight traffic. Argentina has over 35,000 km (21,000 mi.) of railroads, but quality and speed vary widely. In general, the rail network requires significant investment to bring it up to international standards of speed and reliability. Renewal of one major freight and passenger line (the Belgrano) has been awarded to a Chinese company.

River and Maritime Transportation

Almost 70 percent of Argentina's foreign trade is carried by ship, and about 80 percent of the import/export transactions are carried out through the ports of Buenos Aires and La Plata. The waterways on the Parana and Uruguay rivers are well-dredged and maintained. These rivers link the port of Buenos Aires to internal Argentine ports, as well as to Paraguay and Brazil.

Air Cargo

Terminal de Cargas Argentina (TCA) was created as a concessionary partnership established by the GOA for the operation of airfreight terminals at international airports. TCA is the logistics division of Aeropuertos Argentina 2000, and provides full logistics and storage services to all foreign cargo agents. TCA's primary business is bonded warehouse management at major Argentine international airports, where the company stores imported and exported cargo while their consignees perform relevant formalities with the General Customs Administration or *Dirección General de Aduanas (DGA)*. TCA's headquarters are located at Ezeiza Airport (Argentina's main international airport just outside of Buenos Aires). The company also has branches in Córdoba, Mendoza, Mar del Plata, and Jorge Newbery Domestic Airport, in Buenos Aires City. Air cargo imports have grown rapidly in the past years. International courier delivery services are extremely active and most global express delivery firms have significant operations in Argentina, including FedEx, DHL and UPS.

The Retail Network

There are two types of traditional sales channels in Argentina. One is through large-scale retailers with a defined but limited share of the market. The other is through the many specialized retailers that seek to protect their niches.

The food retail market is loosely separated into three categories: traditional "mom and pop" stores (locally called "chinos" no matter who owns them) scattered throughout local neighborhoods, self-service mini-markets and drugstores, and the supermarkets and hypermarkets. Consumers prefer hypermarkets and supermarkets for lower prices on weekly and monthly purchases.

The population and economic activity are highly concentrated in the Greater Buenos Aires area. The population is of largely European descent and continues to have strong ethnic, cultural, and business ties with Europe. In some respects, consumer preferences resemble those of Europeans more than those of other Latin America nationals.

The U.S. continues to be one of Argentina's top trading partners. Many U.S. firms have been very successful here and U.S. products have a strong reputation for quality and technological innovation. The U.S. lifestyle and consumption habits are increasingly influential.

As in many countries, personal relationships are fundamental when doing business in Argentina. Success requires taking the time to develop a close personal relationship with the representative, agent, or distributor. Marketing U.S. products and services in Argentina requires a high level of research, preparation, and involvement.

Always use a professional translator, and if possible, have a native Argentine speaker, such as your agent or distributor, review any materials before using them in Argentina. Any official document to be presented before GOA authorities that is not in Spanish requires attachment of an official translation into Spanish by a Sworn Public Translator (*Traductor Público*), as well as certification by the Translators Association.

Price and financing terms have become increasingly important selling factors.

Some practical tips to successfully approach Argentine consumers are the following:

- Appoint a representative or distributor
- Have Spanish language capacity
- Furnish materials in Spanish
- Have a long-term outlook
- Personalize your approach
- Be consistent in attention to service and delivery
- Provide credit terms
- Dot your I's and cross your T's (i.e., consult as appropriate with lawyers and accountants)
- Protect your trademarks and other intellectual property
- Engage in frequent visits and follow-up

Electronic Commerce

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The number of people with Internet access continued to grow in 2014, from 130,000 connections in 2001 to 12 million. Network expansion allowed people to connect from multiple locations via WiFi connections in both private and public spaces such as: cafes, restaurants, parks, hotels, etc. But in 2014 the most important increase in connections was through mobile devices (smartphones and tablets) that grew 200% from 2013 to 2014. Over 32 million people (over half the Argentine population) were Internet users in 2014. E-commerce activity has grown tenfold since 2000 in peso terms.

The Argentine Government called public tenders to lay 13,500 km (8,388 mi.) of cable in 2014 as part of the country's federal fiber network project "*Argentina Conectada*". This will add to the already-installed 8,000 km (4,971 mi.) of fiber. Once the national fiber

platform is fully deployed by the end of 2015, more than 1,400 cities and localities across Argentina will have connectivity. To date, the GOA has invested more than \$484 million.

While sales via Internet have not traditionally reached the same levels as in other countries, a study conducted by the Argentine Chamber of Electronic Commerce (CACE) showed a sustained increase from 10 percent of internet users in 2001 to almost 62 percent in 2014. Online purchases using credit cards represented 70 percent of total online transactions, up from 49 percent in 2014. This may be due to the boom experienced by discount coupon sales and a growing confidence in electronic payment sites. Online sales have also a high rate of acceptance in the interior of the country, where the variety of products available is more limited and delivery is an increasingly important sales tool. According to CACE, the estimated growth of electronic commerce transactions for 2015 will be 58 percent.

Trade Promotion and Advertising

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Argentina has many advertising agencies and management consultants. The leading agencies are members of the Argentine Association of Advertising Agencies (*Asociación Argentina de Agencias de Publicidad*). Many branches or affiliates of major U.S. advertising agencies are among the leading agencies. Advertising in the print media is the most widely used method, although television, internet, and radio advertising are increasingly important.

Major Daily Newspapers

AMBITO FINANCIERO

Email: redaccion@ambito.com.ar
<http://www.ambito.com/>

BUENOS AIRES ECONOMICO

Email: lectores@baenegocios.com
<http://www.diariobae.com>

BUENOS AIRES HERALD NEWS

Email: info@buenosherald.com
Advertising: adv@buenosairesherald.com
<http://www.buenosairesherald.com/>
Comment: English-language newspaper

CLARIN

Email: clasificados@claringlobal.com.ar
<http://www.clarin.com>

CRONICA

Email: editor@cronica.com.ar
<http://www.cronica.com.ar>

EL CRONISTA

Email: publicidad@cronista.com
<http://www.cronista.com>

LA NACION

Email: diario@lanacion.com.ar

<http://www.lanacion.com.ar/>

LA RAZON

Email: lcantero@larazon.com.ar

<http://www.larazon.com.ar/>

PAGINA 12

Email: publicidad@pagina12.com.ar

<http://www.pagina12.com.ar/>

TIEMPO ARGENTINO

Email: <http://tiempo.elargentino.com/contacto>

<http://tiempo.infonews.com/>

Business Magazines

APERTURA

Email: cartas@apertura.com

<http://www.apertura.com/>

MERCADO

Email: info@mercado.com.ar

<http://www.mercado.com.ar>

NEGOCIOS

Email: negocios@atlantida.com.ar

<http://www.negocios.com.ar>

Pricing

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U.S. exporters should take into account that locally manufactured products and those products imported from other MERCOSUR countries will have a price and duty advantage. Some customized services and products can still charge price premiums accepted by the high end of the population in certain geographical areas. High prices, high costs, and relatively low competitive pressures have traditionally characterized Argentina due to highly concentrated markets. Please refer to [Chapter 5: Trade Regulations, Customs, and Standards](#) for more information on import tariffs and the import process.

Sales Service/Customer Support

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Customer service is a differentiating factor when selling a product. Argentine consumers are paying increased attention to home delivery and after-sales service.

Protecting Your Intellectual Property

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Protecting Your Intellectual Property in Argentina:

Several general principles are important for effective management of intellectual property (“IP”) rights in Argentina. First, it is important to have an overall strategy to protect your IP. Second, IP may be protected differently in Argentina than in the United States. Third, rights must be registered and enforced in Argentina, under local laws. For example, your U.S. trademark and patent registrations will not protect you in Argentina. There is no such thing as an “international copyright” that will automatically protect an author’s writings throughout the entire world. Protection against unauthorized use in a particular country depends, basically, on the national laws of that country. However, most countries do offer copyright protection to foreign works under certain conditions; international copyright treaties and conventions have greatly simplified these conditions.

Granting patents registering are generally is based on a first-to-file, first-in-right basis. Similarly, registering trademarks is based on a first-to-file, first-in-right basis, so you should consider how to obtain patent and trademark protection before introducing your products or services to the Argentine market. It is vital that companies understand that intellectual property is primarily a private right and that the U.S. government cannot enforce rights for private individuals in Argentina. It is the responsibility of the rights’ holders to register, protect, and enforce their rights where relevant, retaining their own counsel and advisors. Companies may wish to seek advice from local attorneys or IP consultants who are experts in Argentine law. The Consular Section of the U.S. Embassy at Buenos Aires publishes an illustrative list of lawyers on its web page: <http://argentina.usembassy.gov/lawyers2--.html>.

While the U.S. Government stands ready to assist, there is little we can do if the rights holders have not taken these fundamental steps necessary to securing and enforcing their IP in a timely fashion. Moreover, in many countries, rights holders who delay enforcing their rights in a mistaken belief that the USG can provide a political resolution to a legal problem may find that their rights have been eroded or abrogated due to legal doctrines such as statutes of limitations, laches, estoppel, or unreasonable delay in prosecuting a law suit. In no instance should U.S. Government advice be seen as a substitute for the responsibility of a rights holder to pursue promptly its case.

It is always advisable to conduct due diligence on potential partners. A good partner is an important ally in protecting IP rights. Consider carefully, however, whether to permit your partner to register your IP rights on your behalf. Doing so may create a risk that your partner will list itself as the IP owner and fail to transfer the rights should the partnership end. Keep an eye on your cost structure and reduce the margins (and the incentive) of would-be bad actors. Projects and sales in Argentina require constant attention. Work with legal counsel familiar with Argentine laws to create a solid contract that includes non-compete clauses, and confidentiality/non-disclosure provisions.

It is also recommended that small and medium-size companies understand the importance of working together with trade associations and organizations to support efforts to protect IP and stop counterfeiting. There are a number of these organizations, both Argentina or U.S.-based. These include:

- The U.S. Chamber and local American Chambers of Commerce
- National Association of Manufacturers (NAM)
- International Intellectual Property Alliance (IIPA)

- International Trademark Association (INTA)
- The Coalition Against Counterfeiting and Piracy
- International Anti-Counterfeiting Coalition (IACC)
- Pharmaceutical Research and Manufacturers of America (PhRMA)
- Biotechnology Industry Organization (BIO)

IP Resources

A wealth of information on protecting IP is freely available to U.S. rights holders. Some excellent resources for companies regarding intellectual property include the following:

- For information about patent, trademark, or copyright issues -- including enforcement issues in the US and other countries -- call the STOP! Hotline: **1-866-999-HALT** or visit www.STOPfakes.gov.
- For more information about registering trademarks and patents (both in the U.S. as well as in foreign countries), contact the U.S. Patent and Trademark Office (USPTO) at: **1-800-786-9199**, or visit <http://www.uspto.gov/>.
- For more information about registering for copyright protection in the United States, contact the U.S. Copyright Office at: **1-202-707-5959**, or visit <http://www.copyright.gov/>.
- For more information about how to evaluate, protect, and enforce intellectual property rights and how these rights may be important for businesses, please visit the “Resources” section of the STOPfakes website at <http://www.stopfakes.gov/resources>.
- For information on obtaining and enforcing intellectual property rights and market-specific IP Toolkits visit: <http://origin.www.stopfakes.gov/business-tools/country-ipr-toolkits>. The toolkits contain detailed information on protecting and enforcing IP in specific markets and also contain contact information for local IPR offices abroad and U.S. government officials available to assist SMEs.

The U.S. Department of Commerce has positioned IP attachés in key markets around the world. You can get contact information for the IP attaché who covers Argentina at: Albert.Keyack@trade.gov.

Due Diligence

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Companies interested in Argentina should always conduct due diligence before entering into business ventures or other commercial arrangements. The U.S. Commercial Service in Argentina provides U.S. firms with information that can assist companies in [due diligence](#) efforts on a specific Argentine company to help determine its suitability as a potential business partner. We can investigate the capabilities, legitimacy, and financial strength of an Argentine company and provide useful information gleaned from government, industry and financial contacts, the local press and other sources. In addition, USCS Argentina includes site visits and interviews with key personnel of Argentine firms with whom U.S. firms are considering or maintain a business relationship

through its International Company Profile service. Our assistance does not rise to the level of due diligence in a legal sense, but does provide valuable information to that end. Please contact Josette.Fiore@trade.gov for more information.

Local Professional Services

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U.S. consulting firms with local subsidiaries, as well as major local players, provide a wide scope of business solutions that include IT consulting, tax work, and M&A due-diligence, and market research. The U.S. Commercial Service prepares Industry Sector market research reports on an ongoing basis. [Customized Market Research \(CMR\)](#) is also available for companies that wish to have specific questions answered such as: the overall marketability of a product or service; market trends and size, customary distribution and promotion practices; market entry requirements; regulations; product standards and registration; key competitors, and potential agents, distributors, or strategic partners.

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For additional information and useful links please visit the following web sites:

- Directorate General of Copyright, Argentina (*Dirección Nacional del Derecho de Autor*) (Spanish): <http://www.jus.gov.ar/derecho-de-autor.aspx>
- National Institute of Industrial Property, Argentina (*Instituto Nacional de la Propiedad Industrial*) (Spanish): <http://www.inpi.gov.ar>
- U.S. Commercial Service – Argentina: <http://export.gov/argentina/>
- American Chamber of Commerce in Argentina (Spanish): <http://www.amchamar.com.ar/>
- Argentine Importers and Exporters Association (*Asociación de Importadores y Exportadores*) (Spanish): <http://www.aiera.org/>
- Argentine Importers Association (*Cámara de Importadores de la República Argentina*) (Spanish): <http://www.cira.org.ar/>
- Argentine Chamber of Commerce (*Cámara Argentina de Comercio*) (Spanish): <http://www.cac.com.ar/>
- U.S. Chamber of Commerce: <http://www.uschamber.com/>

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Chapter 4: Leading Sectors for U.S. Export and Investment

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Agricultural Sectors

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Agricultural Machinery, Irrigation Equipment, Parts and Components

Overview

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Unit: USD millions

	2013	2014	2015 (estimated)	2016 (estimated)
Total Market Size	1,773,071	1,054,529	923,240	969,402
Total Local Production	1,066,727	784,047	686,433	720,754
Total Exports	176,357	114,956	116,693	122,528
Total Imports	706,343	270,482	240,042	252,044
Imports from the U.S.	119,372	26,736	53,769	56,458
Exchange Rate: 1 USD	5.47	8.2	*9.5	*14.2

*Projected annual average

Total Market Size = (Total Local Production + Total Imports) – (Total Exports)

Data Sources:

Total Local Production: Unofficial estimates based on industry reports

Total Exports: Argentine Customs/Trade Nosis

Total Imports: Ministry of Economy

Imports from U.S.: Ministry of Economy

Argentina has a long-established local industry manufacturing farm machinery and implements. The sector is composed of approximately 730 companies and was one of the first industries to develop in the country because of agriculture's historically predominant role in the Argentine economy. As a result, 10 percent of these companies have been operating for over 50 years in the country. According to local statistics, domestic production of agricultural machinery and equipment accounts for around 60 percent of the total sector. The Government of Argentina's import substitution efforts have increased domestic production and competitiveness of seeders, sprayers, and tools. In recent years GOA demands have forced equipment manufacturers to incorporate more local content, with multinationals now using more than 50 percent local components.

During 2014, the sector suffered a reduction of profits as a result of the fall in commodity prices and high inflation that raises the cost of inputs. The year 2015 will be crucial to maintain their positions in the market.

Distribution agreements, joint-ventures with domestic manufacturers and licensing are potential options, but U.S. firms should choose their partners carefully given that protection of intellectual property is a continuing challenge and some local Argentine firms have been known to copy patented foreign designs.

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Irrigation Equipment: The Argentine market for irrigation systems has been growing in recent years due to the increased amount of Argentine farmland dedicated to row crops. Currently, 5.6 million acres representing around seven percent of farmland are under irrigation. Recently, the Government of Argentina has launched a program to

double the amount of irrigated areas. The project's objectives will be to increase the 28 percent of the existing irrigated areas.

Parts and Components: Annual sales in this subsector currently represent approximately 12 percent of the total market, with a large number of Argentine producers of agricultural implements and some growth in domestic production of tractors and combines. Argentine agricultural producers are gradually integrating technologies that help to minimize use of agricultural inputs while maintaining high yields; they increasingly draw on foreign suppliers for key components. This offers opportunities in technologies ranging from precision agriculture to key components for domestically manufactured equipment such as self-propelled sprayers, storage hoppers, and heads for combines, among others.

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Products offering cost savings are in great demand, as are those that increase and improve the quality of agricultural products. Among the most sought-after products are: information technology services and products for agriculture such as autopilots, wireless connections, Wi-Max networks; GPS/INS systems; geographical information technology (GIS) data collection software applicable to soil analysis, crop yields, and remote sensing; NDVI sensors and the use of telematic engineering. Equipment locally produced for export must incorporate technologies applicable to the engines in order to reduce air pollution.

Please note that the applicable restrictions have to be checked on a case-by-case basis for the importation of used and remanufactured/reconditioned machinery and parts.

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The best way to familiarize a potential local partner or buyer with a U.S. company's product line is to exhibit in local trade shows, the largest one being Expoagro (<http://expoagro.com.ar/>). The next edition is scheduled to take place March 5-8, 2016.

Advertising of specific products, parts, and equipment is normally done through web-based specialized publications:

- *Agritotal - Revista Chacra (Spanish):* <http://www.agritotal.com/>
- *Infortambo (Spanish):* <http://www.infortambo.com.ar/>
- *Via Rural (Spanish):* <http://www.viarural.com.ar/>
- *Revista Super Campo (Spanish):* <http://supercampo.perfil.com/>

For additional information on this industry, including market analysis, trade events, contacts, and the products and services that the U.S. Commercial Service can provide to help you succeed in the Argentine market, please contact Elizabet Simon, Industry Specialist, at Elizabet.Simon@trade.gov or visit <http://export.gov/argentina/>.

Electronic Security Equipment

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Unit: USD millions

	2013	2014	2015 (estimated)	2016 (estimated)
Total Market Size	806	983	1,130	1,341
Total Local Production	225	274	315	384
Total Exports	106	129	148	180
Total Imports	687	838	932	1,137
Imports from the U.S.	275	335	380	454
Exchange Rate: 1 USD	5.47	8.2	*9.5	*14.2

*Projected annual average

Total Market Size = (Total Local Production + Total Imports) – (Total Exports)

Data Sources:

The above statistics are official statistics based on Argentine Customs data while Total Market Size and Local Production are estimates based on industry sources.

According to the Argentine Chamber of Electronic Security (CASEL) in 2014, the Argentine electronic security sector market was valued at approximately \$980 million dollars, making it a large and growing sector for U.S. firms, especially in electronic security-related products, equipment, and services.

Despite the economic challenges facing the Argentine economy, the electronic security sector grew 18 percent in 2014. Local industry analysts project growth of 22 to 32 percent in 2015. This increase is largely attributed to rising crime, high levels of perceived insecurity, and the increased priority of improving workplace safety. This expansion has been seen in all sub-sectors of products and services of electronic security, especially for monitoring, CCTV over IP, intrusion control and law enforcement equipment. Together these products total over 80 percent of electronic security imports to Argentina.

As a result, the hi-tech security equipment market presents the greatest opportunities for U.S. companies. The greatest potential for growth lies in applications such as online digital video surveillance and intelligent software, especially systems with capabilities such as pausing, zooming, identification of specific objects and persons through facial recognition, and thermal and night vision features.

2015 Sector Highlights:

- Important investments in device research and updating.
- Constant growth as a result of ongoing technological development and greater awareness of the relationship between ICT and Electronic Security.
- Increasing development and specialization per product or service offered. Argentina's outstanding human and technical resources in the security area.
- In the coming years, market growth is expected due to the emergence of new technologies and better access possibilities for companies and users. Significant

growth of economic activity segments with strong demand for security equipment, such as mining companies, oil companies, airports, as well as the development of intelligent buildings, urban monitoring, and new regulations in the banking sector and stadiums (ex: large soccer fields) provide growth opportunities for high technology security equipment.

Sub-Sector Best Prospects

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The hi-tech security equipment market presents more opportunities for U.S. companies with major growth in niche areas such as CCTV, access control equipment on IP networks, and safety and security design consulting services for large buildings and other real estate developments like gated communities in the Provinces.

Best sales prospects for U.S. electronic security firms include:

- **Intelligent Surveillance Systems:** smart cameras and intelligent software for identification of pedestrians; CCTV on IP networks-industry specific security systems; equipment parts and software for automotive, banking, airports, ports, warehouses, mines, highways, utilities, hospitals, and construction sites.
- **Access Control:** biometrics on IP networks
- **High-tech security equipment** for Police and other law enforcement agencies.
- **Safety and security design consulting services.**

Opportunities

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Market growth in recent years reflects the rising crime rate in Argentina. Acts of violence, including street crime, bank robberies, and private property theft, have been on the rise. While Argentina's crime rate is lower than in the U.S., Brazil, Mexico, and Venezuela, crime is an issue that the media have emphasized. The widespread perception of growing insecurity, along with the increasing priority of improving workplace security, has contributed to the growth of the electronic security sector in Argentina.

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- Argentine Chamber of Electronic Security (CASEL) (*Spanish*):
<http://www.casel.org.ar/>

For additional information on this industry, including market analysis, trade events, contacts, and the products and services that the U.S. Commercial Service can provide to help you succeed in the Argentine market, please contact Marina Millet, Industry Specialist, at Marina.Millet@trade.gov or (54-11) 5777-4851 and/or visit <http://export.gov/argentina/>.

Environmental Technologies for Non-Conventional Resources Exploitation

Overview

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Unit: USD millions

	2013	2014	2015 (estimated)	2016 (estimated)
Total Market Size	178.60	198.60	218.20	250.20
Total Local Production	12.30	12.90	14.20	15.90
Total Exports	1.10	1.80	2.30	2.90
Total Imports	167.40	187.50	206.30	237.20
Imports from the U.S.	50.22	56.30	61.90	71.20
Exchange Rate: 1 USD	5.47	8.2	*9.5	*14.2

*Projected annual average

Total Market Size = (Total Local Production + Total Imports) – (Total Exports)

Data Sources:

Total Local Production: Unofficial estimates based on industry reports

Total Exports: Nosis/Exi-Net export/import database

Total Imports: Nosis/Exi-Net export/import database

Imports from U.S.: Nosis/Exi-Net export/import database

Water Resources and Pollution Problems

Argentina's estimated average volume of surface water is 26,000 m³/s, though with a very unequal distribution throughout the country. Approximately 85 percent of the surface water is located in the River Plate basin, which includes the rivers Bermejo, Paraguay, Uruguay and Parana rivers, and has the highest density of population and economic activity in the region.

Subterranean water contamination is a very serious problem in Argentina. Inappropriate agricultural practices, deforestation, the use of agrochemicals and the urbanization of certain regions of the country threaten the water balance and the quality of the water sources.

The contamination of aquifers due to the disposal of sewage water in cesspools and the high level of industrial pollution detected in some rivers in the province of Buenos Aires are clear examples of the lack of awareness of the importance of this essential natural resource in Argentina.

In some water wells in the city and the province of Buenos Aires, hundreds of cases of water contamination were detected, with high levels of nitrates and salinization. In arid and semiarid regions, like in the province of Santiago del Estero, the mismanagement of the irrigation and drainage systems also caused the salinization of water and soil, which represents a serious threat to the sustainability of the environment. In rural areas, it has not been uncommon to detect high levels of arsenic in water for human consumption.

Water Management

Water service providers are currently run under different management models, ranging from government-owned companies such as AySA and ABSA in the province of Buenos Aires, to private companies and cooperatives owned by their users. Even when some

companies are under government ownership, the regulatory entities that were created to supervise the private concessions remain in place.

There is no national law that regulates the use of water specifically. There are other national laws that regulate some aspects of water management. At the same time, Argentina has ratified and is part of some international agreements about environment protection (like the United Nations Environment Program) that regulate this resource. Most Argentine provinces have passed their own legislation on water management in their territories.

Legal Framework Governing the Oil and Gas Sector

Onshore oil and gas resources in Argentina are governed by provincial governments, under the Federal Hydrocarbon Law #48. Thus, exploration permits are issued by the provincial government. Environmental protection regulations mandated by the Federal Secretary of Energy regulate operators' activities; typically, these regulations are more stringent at the provincial level. Environmental Impact Studies are required by Resolution 105/92 and Resolution 340/93, which affect the oil and gas industry, and require annual auditing by consulting firms registered under the Secretary of Energy.

The provincial government primarily regulates water. In the province of Neuquén, the Water Resources Bureau (DGRH) is the regulatory body that enforces the provincial water code. Various interest groups demand a more stringent wastewater discharge framework, leading to reduced water contamination. In this context, various environmental experts have raised concerns regarding chemicals used in the fracking process, and requested disclosure fracking fluids' contents, which currently is not mandatory in Argentina.

Environmental awareness and enforcement in Argentina is not comparable to that in the U.S. This segment presents significant business opportunities for US exporters in the medium term.

Sub-Sector Best Prospects

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U.S. technology can be competitive in the following areas, among others:

- Data Collection Technology
- Drilling Foot-Print Reduction Technologies
- Land Disturbance-Mitigation Systems
- Produced-Water Treatment Systems
- Water-Waste Treatment/Disposal Technologies

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There are basically three types of end-users: Large companies (YPF (State-owned), Petrobras, Chevron, Pan American Energy, Total, etc.), oil-field service companies (Halliburton, Schlumberger, H&P, Weatherford, etc.), and smaller local companies that are relatively new to this type of environmental requirements. Most of the equipment/technology is imported from international suppliers. As the awareness for environmental protection continues to evolve, the marketplace will progressively

increase its demand for newer technology. In this sense, US suppliers are typically the preferred choice.

It is key to identify a solid local partner with reputable market presence. Although some manufacturing and product distribution is performed throughout Argentina, most players and end users have offices in Buenos Aires. U.S. suppliers should consider a cultural adaptation of product literature into Spanish and seek to develop long-term relationships with local partners. Personal relationships are vital to fruitful business. Potential distribution channels include local environmental technology firms, environmental consulting firms and oil and gas services firms with an interest in diversifying their products/services portfolio.

Web Resources

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- Secretariat of Environment and Sustainable Development (*Spanish*): www.ambiente.gov.ar/
- Province of Neuquen's Secretariat of Environment and Sustainable Development (*Spanish*): <http://www4.neuquen.gov.ar>.

For additional information on this industry, including market analysis, trade events, contacts, and the products and services that the U.S. Commercial Service can provide to help you succeed in the Argentine market, please contact Marcelo Amden, Industry Specialist at Marcelo.Amden@trade.gov or (54-11) 5777-4509 and/or visit <http://export.gov/argentina/>.

Food Processing Equipment

Overview

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Unit: USD millions

	2013	2014	2015 (estimated)	2016 (estimated)
Total Market Size	163.45	179.98	163.60	170.13
Total Local Production	90.00	88.65	87.00	88.75
Total Exports	43.85	36.81	32.05	32.70
Total Imports	117.30	128.14	108.65	114.08
Imports from the U.S.	23.20	19.45	23.34	24.50
Exchange Rate: 1 USD	5.47	8.2	*9.5	*14.2

*Projected annual average

Note: Statistics are based on the following Mercosur Common External Tariff (MCET) Codes: 84.17.20; 8433.60; 8434.20; 8434.90; 8435; 8436.29.00.100; 8437; 8438; 8479.20.00

Total Market Size = (Total Local Production + Total Imports) – (Total Exports)

Data Sources:

Total Local Production: Unofficial estimates based on industry reports

Total Exports: Nosis/Exi-Net export/import data

Total Imports: Nosis/Exi-Net export/import data

Imports from U.S.: Nosis/Exi-Net export/import data

2014 import market share: Italy: 24.1%; United States: 15.2%; China: 12.1%; Germany: 10.4%; Netherlands: 9.6%.

2015 (1st quarter) import market share: United States: 25.8%; Italy: 14.2%; China: 11.4%; Germany: 9.8%; Brazil: 8.7%

Total imports in this sector increased slightly in 2014, after two successive years of decrease. While imports from the U.S. decreased in 2014, partial figures for the first quarter of 2015 indicate that the U.S. is regaining its traditional position as the largest supplier of food processing equipment to Argentina. Imports from the U.S. during the first quarter of 2015 amounted to \$7 million, a 34 percent increase vis-à-vis the first quarter of 2014. However, this trend is expected to decay during the remaining months of 2015. Although local production figures are almost non-existent, imports are estimated to account for 70 to 85 percent of the total market.

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The segments that grew most in 2014 and in the first quarter of 2015 were equipment for the preparation of food and drinks under HS Code (843880); parts for food and beverage processing equipment (HS Code 843890; and machines for cleaning, sorting or grading seed, grain or dried leguminous vegetables (HS Code 8437). In addition to the abovementioned segments, U.S. exports may continue to find opportunities in the following specialized areas: machinery for cleaning or classification of eggs, fruit or other agricultural products; equipment for fat and vegetable oil extraction and processing; and machinery for the preparation or processing of fruits, nuts or vegetables.

Opportunities

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The food processing equipment market in Argentina relies heavily on imports by large domestic food processing companies and food exporters. Argentina is the world's leading exporter of soy oil and soy meal, the third largest soybean exporter, and a top exporter of corn.

Argentina remains a key market for U.S. exports to Latin America. U.S. products are often sought out, particularly in the higher-end technology segment.

Web Resources

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- Association of Food Products Industries (COPAL) (*Spanish*):
<http://www.copal.com.ar>
- Association of Food Industry Suppliers (ADEPIA) (*Spanish*):
<http://www.adepia.org>

For additional information on this industry, including market analysis, trade events, contacts, and the products and services that the U.S. Commercial Service can provide to help you succeed in the Argentine market, please contact Liliana Paz, Industry Specialist at Liliana.Paz@trade.gov or (54-11) 5777-4519 and/or visit <http://export.gov/argentina/>.

Information and Communications Technology

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IT Hardware and Consumables

Unit: USD millions

	2013	2014	2015 (estimated)	2016 (estimated)
Total Market Size	3,370.00	3,707.00	4,411.00	5,294.00
Total Local Production	757.00	832.70	990.90	1,189.00
Total Exports	28.00	30.80	36.60	43.90
Total Imports	2,641.00	2,905.00	3,457.00	4,148.00
Imports from the U.S.*	25%	26%	21%	22%
Exchange Rate: 1 USD	5.47	8.2	**9.5	**14.2

*Percentage of Total Imports

**Projected annual average

Total Market Size = (Total Local Production + Total Imports) – (Total Exports)

Data Sources:

Total Local Production: Unofficial estimates based on industry reports

Total Exports: Nosis/Exi-Net export/import database

Total Imports: Nosis/Exi-Net export/import database

Imports from U.S.: Unofficial estimates based on Nosis/Exi-Net export/import database

Argentina has a nationwide telecom infrastructure, and a large number of companies are involved in the provision of services. A recent auction of additional spectrum will increase investment in telecom infrastructure. CESSI (the Argentine Chamber of Software and IT Services Companies) projects 30 percent growth in 2015.

The Argentine software and IT services sector is expected to grow as follows:

Variation	2010	2020	Objective Ratio
Employees	60,100	134,100	2, 2
Sales	USD 2, 6 B	USD 7,3B	2, 8
Exports	USD 663 M	USD 3 B	4, 5
Value per Capita	USD 42,962	USD 54,661	1, 3

Main factors will keep demand for software and IT services high in 2015:

- the majority of the systems installed need upgrading
- the increasing complexity and convergence of technologies
- highly educated and tech-savvy population
- increasing demand for cybersecurity platforms

Sub-Sector Best Prospects

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The IT Services sub-sector offers major opportunities for U.S. companies in network implementation, management and maintenance, legacy applications, wireless LANs, RTE (real time infrastructure) implementations, remote operation processing, back-up, critical mission services, disaster recovery systems, Internet and network security systems, document digitalization, digital asset management, storage, utility computing, and information systems for rural areas (traceability, RFID, etc.). Cloud computing and virtualization-related services will continue to see high demand during 2015. The outsourcing of software development and call/contact centers will continue to see new investments, exports, and increased sales in the domestic market.

Other market conditions will foster growth in IT services, such as the increased use of e-banking, electronic commerce, and E-Government, which have increase awareness related to information technology security. Regarding software, large projects in the areas of security solutions and business intelligence will present opportunities in 2015.

In the telecom sector, investments in 2015 will focus on four areas: deployment and enhancement of the cellular GSM network (3G+4G+LTE), expansion of broadband Internet access), expansion of data transmission/broadband and content over cellular networks, and the continuing migration to IP networks (NGN) and triple play.

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The economic outlook for 2015 is uncertain, and inflation remains a serious problem for the country's economy. The fastest growing telecom service in 2014 is likely to be the installation of the 4G connectivity, both for mobile broadband and for phone-based internet browsing.

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- Argentine Chamber of Software and IT Services Companies (CESSI) (*Spanish*): <http://www.cessi.org.ar/>

For additional information on this industry, including market analysis, trade events, contacts, and the products and services that the U.S. Commercial Service can provide to help you succeed in the Argentine market, please contact Marina Millet, Industry Specialist at Marina.Millet@trade.gov or visit <http://export.gov/argentina/>.

Medical Technology

Overview

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Unit: USD millions

	2013	2014	2015 (estimated)	2016 (estimated)
Total Market Size	623.30	638.64	644.50	657.40
Total Local Production	278.00	251.00	248.50	253.50
Total Exports	59.90	52.30	48.00	49.00
Total Imports	405.20	439.94	444.00	452.90
Imports from the U.S.	102.10	107.73	109.00	111.20
Exchange Rate: 1 USD	5.47	8.2	*9.5	*14.2

*Projected annual average

Note: Statistics were based on following Mercosur HS Codes: 84.13.19.00.1; 8413.91.90.2; 84.73.3099.910x; 85.40.71.00.100B; 90.11.10; 90.11.90.90.100; 90.12.10.10.000; 90.12.90; 90.18.10; 90.18.20; 90.18.30; 90.18.40; 90.18.50; 90.18.90; 90.19.20; 90.22.10; 90.22.20; 9022.30; 90.22.90; 90.27.90.99.200

Total Market Size = (Total Local Production + Total Imports) – (Total Exports)

Data Sources:

Total Local Production: Unofficial estimates based on industry reports

Total Exports: Nosis/Exi-Net export/import database

Total Imports: Nosis/Exi-Net export/import database

Imports from U.S.: Nosis/Exi-Net export/import database

2014 market share: United States: 24.5%; China: 16.6%; Germany: 13.4%; Japan: 7.5%; Mexico 5.5%

Imports dominate the Argentine medical equipment and device market; they traditionally account for around 70 percent of the total market. The United States continues to be the leading supplier of imported medical products and currently holds almost 25 percent market share, particularly in high-technology products. Imports from the U.S. in 2014 grew 5.4 percent; they had previously decreased in 2013. Imports from the U.S. have been growing throughout 2013 and 2014. During the first quarter of 2015, total imports amounted to \$108.2 million, with imports from the US accounting for \$23.3 million. While total imports in 2015 are expected to keep similar levels as those of 2014, imports from the U.S. may continue to grow more than total imports in 2015 and beyond.

All imports of medical products must be performed by an importer registered with the ANMAT (the Argentine equivalent to the FDA) as a frequent importer of medical equipment.

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Opportunities for U.S. exports in this sector include middle- and high-end technology products that do not compete with locally manufactured ones, among which are electro-diagnostic equipment, ultrasound equipment, and other medical devices. There may also be potential in the market for implants, stents, cardiac valves, pacemakers,

specialized catheters and cannulas, and other specialized disposables. Among these products, the largest exports of U.S. products in 2014 were in the following HS Codes categories in 2014: 9018.90.99.190, 9018.39.29.900, 9018.50.90.100L.

Opportunities

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Medical technology and products developed and produced in the United States are highly regarded in Argentina. Medical products that cannot be manufactured locally continue to present opportunities for U.S. exporters, particularly when offering high quality products at competitive prices. In any case, product potential and appropriate timing to enter the market should be determined on a case-by-case basis.

Web Resources

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- ANMAT - equivalent to USFDA: http://www.anmat.gob.ar/principal_en.asp
- Association of Argentine Manufacturers of Medical Hospital Equipment (*Spanish*): <http://www.caehfa.org.ar/>
- Association of Electronic; Electro-mechanical and Lighting-related industries (Electro medicine): <http://www.cadieel.org.ar/eng/index.php>

For additional information on this industry, including market analysis, trade events, contacts, and the products and services that the U.S. Commercial Service can provide to help you succeed in the Argentine market, please contact Liliana Paz, Industry Specialist at Liliana.Paz@trade.gov or (54-11) 5777-4519 and/or visit <http://export.gov/argentina/>.

Shale Gas and Shale Oil Development Technologies

Overview

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Unit: USD millions

	2013	2014	2015 (estimated)	2016 (estimated)
Total Market Size	1,192.20	1,436.50	1,761.00	2,072.00
Total Local Production	620.20	744.20	930.30	1,070.00
Total Exports	265.50	312.70	375.30	469.05
Total Imports	837.40	1,005.00	1,206.00	1,471.00
Imports from the U.S.	251.20	402.00	422.10	588.40
Exchange Rate: 1 USD	5.47	8.2	*9.5	*14.2

*Projected annual average

Total Market Size = (Total Local Production + Total Imports) – (Total Exports)

Data Sources:

Total Local Production: Unofficial estimates based on industry reports

Total Exports: Nosis/Exi-Net export/import database

Total Imports: Nosis/Exi-Net export/import database

Imports from U.S.: Nosis/Exi-Net export/import database

Argentina's energy industry is experiencing significant challenges. In 2011 the country became a net importer of energy for the first time since 1984. In January 2015, Argentina's energy imports decreased in volume by approximately 46 percent year-on-year, though lower prices and favorable weather conditions played important roles.

Shale-oil and shale-gas reserves in the Vaca Muerta formation, located in the Province of Neuquén is estimated to hold 16 billion barrels of shale oil and approximately 310 trillion cubic feet (8.8 trillion cubic meters) of shale gas, which would give Argentina the world's fourth-largest reserves of shale oil and second-largest of shale gas.

It is estimated that developing Vaca Muerta will require between USD 70-90 billion. YPF, Argentina's state-owned company and major oil & gas producer, signed a strategic partnership agreement with Chevron, comprising an initial investment of USD 1.24 billion dollars in Vaca Muerta as part of its joint venture with YPF. Chevron plans to spend approximately USD 15 billion to develop their positions in Vaca Muerta.

Although the YPF-Chevron had a positive effect in the industry, YPF continues efforts to attract more international partners to develop Vaca Muerta, which could change Argentina's energy situation a few years from now. YPF has also signed agreements with Petronas of Malaysia and Dow Chemical, among other players. Recently, the GoA signed an MOU with Sinopec from China. In 2014, YPF reported an 8.7 percent increase in oil production and 12.5 percent in gas, respectively. These results are encouraging, and convey positive signs to the market and potential investors. However, overall Argentine production of oil and gas continues to decline.

There are currently approximately 300 shale wells in production in Vaca Muerta, which only compares to the U.S. and China. Approximately 107 drilling rigs are employed, the highest number since 1982, and an increase of over 100 percent since 2012.

Market preference for US technology is significant, especially since oil service companies experienced with U.S. technology and equipment are present in Vaca Muerta. US companies with operations in Argentina include Halliburton, Schlumberger, Weatherford, Baker-Hughes, Helmrich & Payne, Oil States, among others.

The U.S. Commercial Service encourages U.S. companies to contact us in order to learn more about the current business climate, market trends, and potential business opportunities.

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Relevant products/services in demand follow:

Products:

- Biocides
- Chemicals & Gases
- Downhole Tools
- Drill Bits & Reamers
- Drilling Equipment
- Drilling Fluids
- Friction Reducers
- Gelling Agents
- Proppants
- Sand Proppants
- Stimulation Products
- Tubular Goods

Services:

- Prospecting
- Drilling Services
- Completion & Production Services
- Pressure Pumping Services

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There are basically three types of end-users: Large companies (YPF, Petrobras, Chevron, Pan American Energy, Total, etc.), oil-field service companies (Halliburton, Schlumberger, H&P, Weatherford, etc.), and small local companies that increasingly compete to increase market share. The first two groups, in general, do their routine purchasing locally, either from local manufacturers, or through distributors or representatives of international suppliers, and purchase the large-ticket items through their headquarters purchasing offices. The third group typically buys from international suppliers, and seeks to take advantage whenever possible of available credit lines from

national export financing agencies in supplier countries. Price and lead times are important factors.

YPF has increased its efficiency and reduced production costs by approximately 32 percent. This is also an area in which US firms can be competitive and add value to the local market.

It is key to identify a solid local partner with reputable market presence. Although some manufacturing and product distribution is performed throughout Argentina, most players and end users have offices in Buenos Aires. U.S. suppliers should consider a cultural adaptation of product literature into Spanish and seek to develop long-term relationships with local partners. Personal relationships are vital to fruitful business.

Depending on the type of product, potential distribution channels feature local suppliers of equipment, machinery and measuring instruments to the oil and gas industry. Also, a limited number of reputable services companies with interest in diversifying their service offerings could be a partner to reach end clients.

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- Argentine Secretariat of Energy (*Spanish*): www.energia.gov.ar/
- ENARSA - State Owned Power Company:
<http://www.enarsa.com.ar/index.php/en/>
- Argentine Institute of Petroleum & Gas (IAPG) (*Spanish*): www.iapg.org.ar

For additional information on this industry, including market analysis, trade events, contacts, and the products and services that the U.S. Commercial Service can provide to help you succeed in the Argentine market, please contact Marcelo Amden, Industry Specialist at Marcelo.Amden@trade.gov or (54-11) 5777-4509 and/or visit <http://export.gov/argentina/>.

Travel and Tourism Services

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Year	Total Passengers	Percentage Growth
2009	356,428	21.0%
2010	433,140	22.0%
2011	512,258	17.0%
2012	614,504	20.0%
2013	686,098	11.7%
2014	684,727	-0.2%
2015 (estimated)	700,000	2.3%

Data Sources: Office of Travel and Tourism Industries – International Trade Administration – U.S. Department of Commerce, U.S. Travel Association and Argentine Secretariat of Tourism.

Traveling is part of the Argentine lifestyle, and the United States is a popular travel destination for both business and pleasure. Based on recent figures travel to the U.S. Argentina has grown double digit numbers in the past years (2005 – 2013). During 2014 684,727 (-0.2 percent) Argentines traveled to United States. Statistics show decrease in the months of March, June (Soccer World Cup) and December 2014 compared to same months in 2013. It is important to note that all Argentines must pay a 35 percent surcharge on all purchases in foreign countries, including all travel services.

The Commerce Department's Bureau of Economic Analysis estimates that Argentines spend US\$ 5,000 per person on travel expenses to the U.S. (including airfare generated by U.S. carriers). Increased visitation and elevated spending come as good news for travel agents, air carriers, hotel managers, and many other travel service providers.

The number of travelers varies depending on the season. Peak travel times tend to be during the summer holidays (December to February) and winter school holidays (July). However, some choose to travel during the week of September 21st, as many children receive a spring holiday then in addition to their other times off. The only requirement before entering the United States in addition to a valid passport is to obtain a visa.

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New tourism destinations are being actively promoted at the major industry shows, and the business travel sector experienced substantial growth last year, as many Argentines are visiting trade shows and congresses in a wide variety of industry sectors. United Airlines is to incorporate a larger airplane to its Houston service and American Airlines begins Boeing 787 Dreamliner service to DFW on July 4th.

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The top destinations frequently visited by Argentines are Florida (especially Miami and Orlando), New York City, California, and Washington D.C. The U.S. gateways are Atlanta, Dallas, Houston, Miami, and New York. Aerolíneas Argentinas has announced plans to fly to Chicago, Denver, and Detroit, but the date of implementation is uncertain.

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For additional information on this industry, including market analysis, trade events, contacts, and the products and services that the U.S. Commercial Service can provide to help you succeed in the Argentine market, please contact Diana Brandon, Industry Specialist at Diana.Brandon@trade.gov or (54-11) 5777-4550 and/or visit <http://www.buyusa.gov/argentina/en>.

Agricultural Sectors

Animal Genetics (Bovine Semen)

Overview

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Unit: USD millions

	2013	2014	2015 (estimated)	2016 (projected)
Total Market Size	23.60	23.60	26.60	29.00
Total Local Production	12.30	13.80	13.30	14.70
Total Exports*	1.90	1.90	1.70	1.70
Total Imports**	13.20	11.70	15.00	16.00
Imports from the U.S.***	7.90	7.40	10.00	10.70
Exchange Rate: 1 USD	5.47	8.2	****9.5	****14.2

*FOB; **Market price; ***CIF; ****Projected annual average

Total Market Size = (Total Local Production + Total Imports) – (Total Exports)

Data Sources:

Total Local Production: Local genetic importers

Total Exports: Global Trade Atlas and local genetic importers

Total Imports: Global Trade Atlas and local genetic importers

Imports from U.S.: Global Trade Atlas and local genetic importers

Argentina's cattle herd is approximately 52 million head. Roughly 2 million cows are for dairy production and 22 million cows are for beef production. The quality of both dairy and beef herds are very good, but need to continuously incorporate high quality genetics to keep up the standard. Of the total semen market, about half is used in dairy and half in beef cows. Roughly 70 percent of the dairy cows, and only 10 percent of beef cows, are artificially inseminated. The majority of imported semen is used in dairy cows, but imports of beef genetics have increased significantly over the past few years. The U.S. accounts for almost two-thirds of the total imported semen market, followed by Canada, New Zealand and France. The beef business is expected to continue to be profitable, while the dairy sector is struggling with high production costs and low milk prices.

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While dairy (primarily Holsteins) semen is expected to increase marginally, beef semen (especially Angus) has good potential growth for 2016. The local beef sector is expected to continue to recover as returns in crop production are very thin or negative.

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The use of beef semen with production data (Expected Progeny Differences – EPD) is increasing, but semen distributors indicate that much needed education has to be done with local purebred and commercial breeders. Imports of Black and Red Angus have the greatest potential. However, there are opportunities for semen of other breeds such as Braford, Brangus, and Hereford. Semen of Black and Red Angus and, to a lesser extent, Brangus has the greatest opportunities from the United States.

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- National Association of Animal Breeders: <http://www.naab-css.org>
- Argentine Chamber of Biotechnology and Animal Reproduction (*Spanish*): <http://www.cabia.org.ar>
- Ministry of Agriculture, Livestock and Fisheries (*Spanish*): <http://www.minagri.gob.ar>
- National Service of Agricultural and Food Health and Quality (SENASA) (*Spanish*): <http://www.senasa.gov.ar>

Food Ingredients (Natural Origin)

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Unit: USD millions

	2013	2014	2015 (estimated)	2016 (projected)
Total Market Size	N/A	N/A	N/A	N/A
Total Local Production	N/A	N/A	N/A	N/A
Total Exports	1,653	1,593	1,751	1,800
Total Imports	418	405	405	445
Imports from the U.S.	51	50	50	55
Exchange Rate: 1 USD	5.47	8.2	*9.5	*14.2

*Projected annual average

Total Market Size = (Total Local Production + Total Imports) – (Total Exports)

Data Sources:

Total Local Production: N/A

Total Exports: Global Trade Atlas (data include dried vegetables, & dried fruit and nuts)

Total Imports: Global Trade Atlas (data include dried vegetables, & dried fruit and nuts)

Imports from U.S.: Global Trade Atlas (data include dried vegetables, & dried fruit and nuts)

The food and beverage (F&B) industry is one of the main activities contributing to the Argentine economy, accounting for about 30 percent of Argentina's total exports. Some of its main trends are as follows: 1. significant investments in technology updates; 2. local production capacity being fully used, which requires additional investments to supply the growing food demand; 3. "Health and Nutrition" considered a strong concept in the F&B business; 4. Greater interaction between the local industry and universities, fostering innovations.

The main ingredients imported were those that are not manufactured locally or those for which production is not sufficient to supply the local industry. There is a significant market for some U.S. food ingredients among local food producers, who use them to manufacture high-value, tailor-made food products. However, Argentine F&B imports for 2015 are projected to remain at the same level estimated for 2014, as a result of the slowdown of the country's economy, and the restrictive measures taken by the government of Argentina (GOA) which are adversely affecting imports. There is a lot of uncertainty in the food ingredients sector for 2016 with upcoming presidential elections in October 2015. The measures the new government will take related to the import policy might boost food ingredients imports into the country.

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Whey; dried vegetables; dried fruit and nuts; spices; potato flakes, granules, and pellets; wheat starch; corn starch; potato starch; herbs; extracts of licorice; extracts of vegetables, meat, and fish; pectin substances; agar-agar; glycerol; glucose; fructose; molasses; cocoa powder; extracts of coffee and tea; yeasts; soy sauce; protein concentrates and textured protein substances; gelatin; non-dairy coffee whiteners; cream and milk substitutes; sugar substitutes; essential oils; casein; albumins; peptones; dextrans; glues; ingredients for functional foods and for the beverage industry; nutraceuticals; and algae omega.

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U.S. food ingredients are considered locally to be high quality and safe products. Best opportunities are for tailor-made food ingredients that are demanded for the manufacturing of more sophisticated food items, and ingredients that are not produced locally.

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- Institute of Food Technologists (IFT): <http://www.ift.org/>
- National Association of Flavors and Food-Ingredient Systems (NAFFS): <http://www.naffs.org/>
- Global Trade Atlas: <http://www.gtis.com>

Various food industry contacts, primarily former participants of USDA/FAS Buenos Aires-sponsored trade missions to the IFT Annual Food Expo.

Planting Seeds

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Unit: USD millions

	2013	2014	2015 (estimated)	2016 (projected)
Total Market Size	855	941	861	945
Total Local Production	1,100	1,110	1,018	1,100
Total Exports	305	227	215	215
Total Imports	60	58	58	60
Imports from the U.S.	23	19	20	22
Exchange Rate: 1 USD	5.47	8.2	*9.5	*14.2

*Projected annual average

Total Market Size = (Total Local Production + Total Imports) – (Total Exports)

Data Sources: The above statistics are unofficial estimates based on Argentine Customs data, industry contacts, and the Global Trade Atlas.

The Argentine seed industry offers numerous growth prospects and opportunities in terms of an increase in the demand for genetically modified seeds, higher commodity prices, and the expansion of agricultural land area. Planting seeds are one of the most important agricultural products imported into Argentina from the United States, totaling \$20 million in 2015.

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Alfalfa continues to be the primary seed imported from the United States, followed by yellow corn, clover, rye grass, and fescue. Likewise, seeds from vegetable crops and lawn grass seed have been in demand.

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Off-season production of corn and soybean seed has generated positive returns in the last few years. Argentina's total exports of planting seeds for 2015 are estimated at \$ 215 million, while the country's total exports of planting seeds for 2014 totaled \$227 million.

The new development of marginal areas for beef and dairy industries will mean that demand for quality forage seeds will remain high. There is a strong demand for grasses suitable for sub-tropical regions in the northern part of the country.

As many producers are increasing their beef herds, Post forecasts an increase in demand of planting seeds, and therefore imports in 2016 might slightly increase to total \$22 million.

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- Ministry of Agriculture, Livestock, Fishing and Foods (*Spanish*): <http://www.minagri.gob.ar/>
- Argentine Association for the Protection of Plant Property Rights (ARPOV) (*Spanish*): <http://www.arpov.org.ar/>
- Argentine Agricultural Research Institute (INTA) (*Spanish*): <http://www.inta.gov.ar/>
- Chamber of Seed Producers of the Argentine Grain Exchange (*Spanish*): <http://www.csbc.com.ar/>
- Argentine Seed Producers Association (ASA) (*Spanish*): <http://www.asa.org.ar/>
- Pioneer Argentina (*Spanish*): <http://www.pioneer.com/web/site/argentina/>
- Monsanto Argentina (*Spanish*): <http://www.monsanto.com/global/ar/pages/default.aspx>

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Chapter 5: Trade Regulations, Customs and Standards

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Import Tariffs

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The Harmonized Schedule (HS) is used to specify tariff classifications in Argentina. The HS was implemented on January 1, 1992, and is aligned with the WTO Customs Classification Code adopted in 1979. On January 1, 1995, Argentina implemented the MERCOSUR Common Nomenclature, known as the *Nomenclatura Común del MERCOSUR* (NCM) which is consistent with the U.S. Harmonized System for tariff classification.

Ad-valorem duties are assessed on the CIF (Cost+Insurance+Freight) value of the imported merchandise (at the Argentine port or airport of entry). In 2013, the average tariff was 22 percent.

Specific duties are applied to certain products and are expressed in monetary terms per unit of measurement. A combination of both ad-valorem and specific duties ("mixed duties") is used in some cases.

Selected Average Tariff Rates by Type of Product

According to the MERCOSUR Common Nomenclature, these are the average tariff rates for some of the Chapters:

Chapter 1: Live Animals; Animal Products: 2 percent ad-valorem;

Chapter 28: Inorganic chemicals; organic or inorganic compounds of precious metals, of rare-earth metals, of radioactive elements or of isotopes: 2 percent ad-valorem;

Chapter 31: Fertilizers: 5 percent ad-valorem;

Chapter 38: Miscellaneous chemical products: 14 percent ad-valorem;

Chapter 39: Plastics and articles thereof: 14 percent ad-valorem;

Chapter 48: Paper and paperboard; articles of paper pulp, of paper or of paperboard: 16 percent ad-valorem;

Chapter 49: Printed books, newspapers, pictures and other products of the printing industry; manuscripts, typescripts and plans: 0 to 16 percent ad-valorem;

Chapter 61: Articles of apparel and clothing accessories, knitted or crocheted: 35 percent ad-valorem;

Chapter 62: Articles of apparel and clothing accessories, not knitted or crocheted: 0 to 35 percent ad-valorem;

Chapter 70: Glass and glassware: 12.4 percent ad-valorem;

Chapter 94: Furniture; bedding, mattresses, mattress supports, cushions and similar stuffed furnishings; lamps and lighting fittings, not elsewhere specified or included; illuminated sign illuminated nameplates and the like; prefabricated buildings: 18-20 percent ad-valorem;

Chapter 95: Toys, games and sports requisites; parts and accessories thereof: 20 percent ad-valorem.

In practice, at the time of this writing the import of textiles/apparel and toys/games is severely restricted. Other consumer products also face difficulty.

Minimum Import Prices

In May 2001, the GOA introduced minimum import prices/reference values on several products covered by specific HS codes to avoid under-invoicing. When the minimum import price is greater than the declared value at Customs, the importer must make a deposit for taxes due on the price differential to take merchandise out of customs. This deposit will be held during the period of investigation on the real or market import price. These minimum import prices apply when goods are imported for consumption.

In 2005, in an attempt to continue adjusting mechanisms against tax evasion in import operations, the GOA issued Secretariat of Industry Resolutions 1907 and 1908. These regulations created a new system to determine “reference import values” (*valores critério*) for products to be compared with the value declared at Customs by the importer, and impose stricter conditions to import when the declared unitary FOB value represents less than 80 percent of the reference value. In these cases, the import process will continue, but the importer will bear additional restrictions such as:

- Increase on Valued Added Tax (VAT) and Income Tax paid on imports, reaching rates of 21 percent and 11 percent respectively, depending on the product type.
- Loss of tax benefits such as exemption or deferment of VAT and Income Tax payments.

- Deposit of a guarantee equivalent to the difference between the reference value and the declared value. Deposit/guarantee policies are no longer accepted for these cases. Only cash, bank collaterals, or public debt bonds will serve as a guarantee to allow the import transaction.

Several subsequent regulations have continued to update and expand the list of minimum/reference prices. In 2008, Customs Notes 90 and 91 required importers of any goods from designated countries that are invoiced below the reference prices to have the invoice validated by both the foreign customs agency and the appropriate Argentine Embassy or Consulate. U.S. products with reference prices include the following:

- Matches
- Other plates, sheets, film, foil and strip, of plastics, non-cellular and not reinforced, laminated, supported or similarly combined with other materials: of poly (methyl methacrylate), not over 25mm or over 105mm in thickness
- Rubber bicycle tubes
- Wooden hangers
- Non-rewritable compact discs (CD-R)
- Fungicides
- Electrical terminals
- Low density polyethylene
- Cermet manufactures
- Fiberglass tissue
- Iron and steel tubes
- Tires
- Refrigerators
- Washing machines
- Wood products (boards).
- Textiles (t-shirts, shirts, underwear and more)

At the same time, the Argentine Customs Bureau announced that there would be specific Customs checkpoints that will control imports of certain product categories such as household appliances, electronic devices, motorcycles, textiles, apparel, footwear and toys. These items are traditionally the most affected by import restrictions.

Trade Barriers

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The basic legislation affecting import and export transactions is contained in the Customs Code (Law 22,415), which came into force in September 1981.

In 2010, MERCOSUR approved the MERCOSUR Customs Code to come into effect January 1, 2012. The Argentine Congress approved it in December 2012, and the Customs Code is now in force.

In 2006, there was a significant increase in the regulation of goods and capital flows. The most significant changes include product-specific export restrictions; variations in tariffs on key export commodities; the extension of an Argentina/Brazil automotive managed trade regime that was due to expire in 2006; the implementation of government-promoted private sector agreements to limit intra-MERCOSUR trade in

sensitive sectors, including textiles and shoes, and more extensive regulations on capital movement. The automotive managed trade regime was extended in 2014 until June 30, 2015 with a reduced favorable balance for Brazil. At this writing, negotiations were continuing on a further extension.

While there is no legal prohibition against foreign companies repatriating profits, GOA regulations implemented in November of 2011, mandating that firms receive permission from AFIP in order to exchange local currency into foreign exchange, serve as a de-facto control on the ability of foreign firms to repatriate profits. Meanwhile, export proceeds must be repatriated to Argentina and for most products must be remitted to the Central Bank within 15 days. Repatriation deadlines vary based on product categories. These stipulations could change based on economic conditions.

Companies located in Argentina wishing to import must be registered in the National Registry of Importers and Exporters. Registration is free of charge and procedures are relatively simple.

Antidumping and Countervailing Measures

Regulations define "dumping" as the export price of imported merchandise being lower than the comparable sales price in normal commercial operations of identical or similar goods destined for consumption in the domestic market of the country of origin. Argentina has set antidumping and countervailing measures on various occasions, some of which still remain in force.

Imported goods for consumption, which benefit from a subsidy abroad, may be subject to a compensatory duty, when they cause, or threaten to cause, serious damage to a local industry. Argentine fair trade laws are based on Article VI of the WTO under Resolutions 281/97 and 622/95.

Tariff Barriers

MERCOSUR (Common Market of the South), created in 1991, gradually eliminated almost all non-tariff restrictions and other limitations to trade among its founding members (Argentina, Brazil, Paraguay and Uruguay). As of 2006, over 99 percent of all intra-MERCOSUR tariff lines had been reduced to zero. Sugar has not yet been incorporated into MERCOSUR's internal free trade regime, and certain other products such as autos and auto parts, while officially incorporated, are actively managed, including by the use of quantitative restrictions (quotas).

For countries outside the MERCOSUR area, Argentina and its MERCOSUR partners established the MERCOSUR common external tariff (CET) on January 1, 1995. The CET currently ranges from zero to 20 percent for most products. However, some products in the automotive sector can reach 35 percent.

There is a list of sensitive products temporarily exempted from the CET. The first group includes sensitive products such as Information Technology and Capital Goods. At the same time, the MERCOSUR countries can set an import duty different from the CET until December 31, 2015, for specific products, using the so-called Exceptions List (pursuant to Decision 58/10 CMC MERCOSUR).

Since July 2012, imported capital goods that compete against local production have been subject to a 14 percent tariff. Imported capital goods that do not have a local substitute face a 2 percent tariff.

Information and Communications Technology (ICT) products are regulated by a separate tariff schedule, which expires on December 31, 2015. After this date, all import duties will begin to converge among MERCOSUR members according to a fixed schedule. Some goods not produced within MERCOSUR, such as newsprint, books, and certain petroleum products, pay 0 to 16 percent import duties.

The tariffs on imports apply to the declared CIF (Cost + Insurance + Freight) value in Argentina. In addition to the tariffs, the following fees and taxes apply:

- 0.5 percent statistics fee on the CIF value, with some exceptions (computers and telecommunications goods, capital goods, fuel, some paper goods, books, periodicals, guns, samples, emergency shipments, and duty-free products). This fee is not levied on MERCOSUR intra-zone trade.
- 21 or 10.5 percent (depending on the product) of Value Added Tax (VAT) on the CIF value plus tariff plus statistics fee.
- 20 or 10 percent (depending on the product) of advanced VAT on CIF plus tariff and statistics fee on all goods imported for resale. Goods imported directly by end-users are exempted.
- Six percent profits tax on all retail goods, except for goods imported directly by users. Individuals pay 11 percent.
- 1.5 percent gross income tax
- Excise tax on certain goods
- 2 percent destination/verification fee
- Local taxes
- Goods may be subject to a 3 percent tax on future anticipated profits.

The CIF value plus the duty and the import statistics fee form the base for the application of domestic taxes. For this reason, foreign supplier's invoice must support the imports. VAT and Profits Tax are deductible from gross income tax.

Domestic taxes (i.e., excise taxes) are levied on tobacco, alcoholic beverages, soft drinks, syrups, extracts and concentrates, television sets, tape recorders, record players, and microwave appliances, among other products. Excise taxes are paid on the basis of sworn returns or through stamps affixed to the product. Rates vary considerably, reaching up to 60 percent of the retail price for cigarettes.

Decree 690/2002 specifies exceptions to the payment of the statistics fee, which include:

- Certain imported goods for animal or vegetable reproduction, which pay a zero percent CET.
- Certain imported mineral products that pay zero percent CET.
- Imported books, brochures, and newsprint.
- New imported capital and information and telecommunications-related goods.
- Goods imported under the temporary import regime.

The following offices are responsible for drafting customs rules, regulations, and tariffs:

- **National Tax Bureau, Ministry of Economy:**

Dirección Nacional de Impuestos

Ministerio de Economía

Contact: Cpn. Daniel Martin, National Director

Email: esalga@mecon.gov.ar

<http://www.mecon.gov.ar/sip/basehome/dir1.htm>

- **Technical Administration, Argentine Customs Bureau:**

Subdirección General Técnico Legal Aduanera

Dirección General de Aduanas (DGA)

Administración Federal de Ingresos Públicos - AFIP

Contact: Dr. Eduardo Palomo, Deputy Director Legal and Technical Department of Customs

<http://www.afip.gov.ar/>; <http://www.afip.gov.ar/english/>

Trade barriers

As of February 1, 2012, prior approval from the *Administración Federal de Ingresos Públicos* (AFIP- Argentine Tax and Customs Authority) is required for all imports. Application is made via the AFIP online system, known as MALVINA, which is accessible to Customs Brokers through submission of a Sworn Affidavit of Intent to Import (DJAI). Approval times and criteria applied to determine if permission is granted to import are unpredictable and not prescribed in any written law or regulation; exporters are advised to ensure that Argentine clients have an approved DJAI as well as permission from AFIP to purchase the foreign exchange necessary to pay for goods prior to shipping. Moreover, certain types of goods may only be imported into Argentina with an additional permit from the pertinent authority.

In addition, government officials have used phytosanitary rules, safeguard measures involving specific duties, anti-dumping investigations, and other practices to inhibit imports and protect domestic industry. Argentina continues to delay issuance of health certificates that would allow the resumption of exports of poultry meat and products from the United States. It imposes a number of trade restrictions, including safeguard provisions on Brazilian color televisions and anti-dumping duties on imports of U.S. polyvinyl chloride.

Prior government approval is required for imports of sensitive goods such as pharmaceuticals, foodstuffs, insecticides, veterinary products, medical devices, defense materials, cosmetics and toiletries, and other products. Many such products are subject to registration and presentation of a sanitary certificate issued by a competent authority in the exporting country, or other requisites to protect human, animal or plant health. Certain types of special vehicles, publications, shoes, carpets, paper and automobiles to be used as prototypes require prior government approval to be imported into Argentina.

Many food-related and agricultural imports, such as livestock, plants, bulbs, cuttings, rhizomes, roots, grains, and plant products require a sanitary certificate issued by a competent authority in the exporting country. Products destined for human consumption must fulfill certain specifications and be labeled and packed accordingly.

Quotas

There is a quota system and special regime for auto parts. The bilateral auto agreement between Argentina and Brazil establishes preferential market access treatment for both countries to protect the MERCOSUR automobile industry. A complicated system of reciprocal obligations exists between Argentina and Brazil. The Argentine government separately sets annual quotas for official distributors of foreign cars and auto dealers, as well as for other firms and individuals. Foreign auto manufacturers (including U.S. firms) in MERCOSUR countries receive national treatment. Argentina also has a bilateral autos agreement with Mexico.

In addition, temporary quotas exist on organic chemicals (HS code 2915.90), fluoride of aluminum (2826.12), and petroleum resins (3911.10) affecting U.S. exports.

Import Requirements and Documentation

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Permission to Import

Since February 1, 2012, Argentina has required all importers to request and receive approval from the Secretariat of Commerce and the Argentine Tax and Customs Authority (AFIP) prior to importing products from abroad. This sworn affidavit of intention to import (referred to as the DJAI) is required for each import transaction and is reviewed by AFIP. In practice, AFIP does not make the decision, which is in fact made by the Secretariat of Internal Commerce, but AFIP does certify that the importer is in good standing with regard to taxes and ability to pay for the goods and approves the request to purchase the currency. However, ultimately the Central Bank (BCRA) must release the funds and has final say over when the goods will be paid for.

Processing time is officially 15 days, but many requests are put on hold for indefinite periods of review. An Argentine firm or individual who wishes to import must utilize the services of an Argentine customs broker to file the DJAI through the online customs system known as (S.I.M. - *Sistema Informático MALVINA*), if they do not possess a customs brokerage license to handle their own imports. The requested merchandise must arrive in Argentina within 180 days of the DJAI being marked "*Salida*" by AFIP to signify approval to import. Follow this link for additional information on the DJAI process: http://www.buyusainfo.net/docs/x_9655141.pdf.

Documentation Requirements and Restrictions

In 1997, the Argentine government put in place greater certificate of origin and consularization requirements on a broad range of imports generally covering but not limited to consumer goods, textiles, apparel and footwear, printing machines, and machine tools. Consularization is required for every country from which an integrated component is sourced.

Moreover, on March 27, 2012, AFIP issued Resolution 3304 regarding new inspection and documentation procedures for imported goods arriving in Argentina. Given the extensive manpower and inspections infrastructure required to actually implement Resolution 3304, it is still unclear as to which requirements and procedures will be

implemented and how. In light of the aforementioned and the significant number of changes in requirements to import goods into Argentina over the last year, it is strongly advised that all exporters confer with a Freight Forwarder with an established relationship with an Argentine Customs Broker or directly with an Argentine Customs Broker prior to shipping goods to Argentina. In addition, it is recommended that exporters consult the U.S. Commercial Service in Argentina's website at <http://export.gov/argentina/> for information on new export and customs requirements.

Import/Export Documentation

Maritime Shipments

The following documents are required for all maritime shipments, regardless of value:

- Commercial invoice (original and three copies)
- Bill of lading (minimum of one negotiable copy for customs purposes)
- Packing list (not generally required for bulk commodities or for articles that are identical in kind, characteristics, composition, weight, etc.)
- Insurance certificate (if insurance coverage is purchased by the exporter)

Air Cargo Shipments

These documents are always required for air cargo shipments, regardless of value:

- Commercial invoice (original and three copies)
- Airway bill (number of copies depends on requirements of the importer and of the airline used)
- Packing list.

Freight forwarding and/or agents' fees cannot be shown on airway bills on a freight collect basis; i.e., the fees must be prepaid.

Commercial Invoices

Commercial invoices must be presented in Spanish (one original and three copies) with the caption "Original Invoice." Carbon copies, printed copies, or photocopied invoices will not be accepted in place of the original. In addition, a properly authorized member of the firm must provide an original signature in ink on each copy of the invoice presented (i.e., the original and three copies).

The invoice should contain:

- Invoice number
- Place and date of execution
- Full name and address of the exporter
- Full name and address of consignee and name and address of the agent (freight forwarder), if any
- Quantity, indicating measuring units invoiced
- Name and description of goods (in Spanish)
- Unit price and total
- Currency used in transaction
- Terms of payment and delivery, using INCOTERMS

- Origin and place/port of export of the merchandise
- Means of transport (specifying via ocean or air or parcel post)
- Port or place of entry into Argentina

If the invoice is in English, the common practice is to show the Spanish translation just below the English text.

The invoice must contain the following declaration in Spanish:

"DECLARO BAJO JURAMENTO QUE LOS PRECIOS CONSIGNADOS EN ESTA FACTURA COMERCIAL SON LOS REALMENTE PAGADOS O A PAGARSE, Y QUE NO EXISTE CONVENIO ALGUNO QUE PERMITA SU ALTERACION, Y QUE TODOS LOS DATOS REFERENTES A LA CALIDAD, CANTIDAD, VALOR, PRECIOS, ETC., Y DESCRIPCION DE LA MERCADERIA CONCUERDAN EN TODAS SUS PARTES CON LO DECLARADO EN LA CORRESPONDIENTE SHIPPER'S EXPORT DECLARATION."

(Unofficial Translation: "I swear under oath that the prices on this commercial invoice are those really paid or to be paid, and that no agreement exists that permits their modification, and that all data pertaining to quality, quantity, value, prices, etc., and description of the merchandise agree in all their parts with what was declared in the corresponding Shipper's Export Declaration.")

A fax of the commercial invoice may be used as a working copy for customs, but the original must be presented in order to complete entry.

On November 1, 2013, the following requirements came into effect:

- Commercial invoice must include payment terms
- Date on the commercial invoice must be **prior to** bill of lading date.

Electronic documents with electronic signatures are acceptable if the certifying company has obtained eligibility by completing a licensing procedure.

Consular legalization is generally not required, but may be required in certain cases. Check with the importer for exact requirements.

Bill of Lading

The bill of lading should be issued (at minimum) in one negotiable copy; additional negotiable copies may be required by the importer, bank, steamship line, or other interested party (follow instructions from the importer or those given in the letter of credit or other contractual arrangement). Bills of lading must indicate the weight and volume of each package, as well as the total weight and volume of the shipment. All bills of lading must also show the amount of freight and a statement "Freight Paid," or "Freight Payable at Destination" as appropriate.

The bill of lading must show the following:

- Name of the ship
- Name of the ship's captain
- Port of registry and registered tonnage (weight and volume)
- Name of the charter or the shipper
- Name of the consignee (unless it is "to the bearer" or "to order")
- Number of packages, and specific description of the contents, the quantity, quality and marks of the goods
- Port of loading and unloading, with a declaration of the port of call, if any
- Freight amount
- Place, method and date of payment
- Date of preparation of the document and signature of the captain and of the shipper (signature of the shipping company and shipper should be signed manually, facsimile signatures are not acceptable)
- Container and seal number, and terms of shipment
- Invoice number suggested

Packing Lists

Packing lists are necessary for customs clearance in Argentina and must describe the contents of each package. Where the contents of a parcel are the same as those in other parcels of the same lot, one description on the packing list covering the lot will be sufficient. The packing list preferably should be in Spanish. No packing list is necessary for goods imported in bulk, such as coal, petroleum, sand, etc., or for articles identical in kind, characteristics, composition, weight, etc. It is suggested that the packing list be included in every air shipment.

Consular legalization of the packing list may be required in certain instances. Check with the importer for exact requirements.

At least three (3) copies of the packing list should be included as part of the shipping documents sent to the consignee or the agent thereof. The exact contents of each package should be clearly identified. This should include each item's gross weight and net weight and each package's marks and numbers. The required information must be consistent with all information shown on the commercial invoice.

Insurance Certificate

The U.S. exporter must request this document when purchasing insurance and should proceed according to the details provided by the importer. Marine insurance can be obtained from any insurance company.

Certificate of Origin

The certificate of origin is a document that may be required by Argentine Customs for consumer goods, textiles, footwear, apparel, printing machines and machine tools, organic chemicals, tires, bicycle parts, flat-rolled iron and steel, certain iron and steel tubes, air conditioning equipment, wood fiberboard, fabrics, toys, games, brooms, and brushes. This requirement by Argentine Customs falls under various circumstances:

Control of Preferential Origin

To claim preferential import duties when the country of origin has signed a trade agreement endorsing these preferences, as is the case of imports from member countries of MERCOSUR or ALADI, the Latin American Integration Association. The Argentine Customs authorities will require this document to grant preferential treatment at the importer's request.

Control of Non-Preferential Origin

The government of Argentina also requires a certificate of origin for certain products, such as textiles and footwear, regardless of their country of origin (Resolution MEOSP 39/96). This measure is in place to address import issues such as:

- Antidumping Duties
- Countervailing Measures
- Safeguard Measures
- Import Quotas
- Trade Statistics

The certificate of origin requires the authorized signature of the local Chamber of Commerce Secretary in the U.S. and the seal of that organization and also must be legalized by the Argentine Consulate in the United States. Note that if the product to be shipped contains component parts manufactured in another country, the U.S. company must obtain signatures of the relevant chambers in those countries and have the document legalized by the Argentine Consulates in those countries.

Visit http://export.gov/exportbasics/eg_main_017485.asp for basic Terms of Trade. Visit http://export.gov/exportbasics/eg_main_017485.asp for an international trade Glossary.

U.S. Export Controls

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The U.S. Department of Commerce's, Bureau of Industry and Security (BIS), is responsible for implementing and enforcing the [Export Administration Regulations \(EAR\)](#), which regulate the export and re-export of most commercial items. The items that BIS regulates are often referred to as "dual use" since they have both commercial and military applications. Please note that even commercial items without an obvious military use may be subject to the EAR. Items with an [Export Control Classification Number \(ECCN\)](#) that are regulated for Chemical and Biological Weapons (CB), National Security (NS), Missile Technology (MT), Regional Stability (RS) or Crime Control (Column 1 or 2) purposes require a license from BIS for export to some countries.

Further information on export controls is available at:

<http://www.bis.doc.gov/index.php/regulations/commerce-control-list-ccl>.

BIS has developed a list of "red flags", or warning signs, intended to discover possible violations of the EAR. These are posted at:

<http://www.bis.doc.gov/index.php/component/content/article/23-compliance-a-training/51-red-flag-indicators>.

Also, BIS has "Know Your Customer" guidance at:
<http://www.bis.doc.gov/index.php/component/content/article/23-compliance-a-training/47-know-your-customer-guidance>.

If there is reason to believe a violation is taking place or has occurred, report it to the Department of Commerce by calling the 24-hour hotline at 1(800) 424-2980, or via the confidential lead page at: <http://www.bis.doc.gov/index.php/component/rsform/form/14-reporting-violations-form?task=forms.edit>.

The EAR does not control all goods, services, and technologies. Other U.S. Government agencies regulate more specialized exports. For example, the U.S. Department of State's [Directorate of Defense Trade Controls \(DDTC\)](#) has authority over defense articles and defense services. A list of other agencies involved in export control can be found on the BIS web site or in Supplement No. 3 to Part 730 of the EAR, which is available on the Government Printing Office Web site at <http://www.bis.doc.gov/index.php/about-bis/resource-links>.

For further details about the Bureau of Industry and Security and its programs, please visit the BIS website at: <http://www.bis.doc.gov>.

A list that consolidates eleven export screening lists of the Departments of Commerce, State and the Treasury into a single search as an aid to industry in conducting electronic screens of potential parties to regulated transactions is available here: <http://developer.trade.gov/consolidated-screening-list.html>.

Temporary Entry

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The Temporary Admission Regime (TAR) allows duty-free admission of goods such as commercial samples, packaging, pallets, containers, and goods for exhibits. The exports must be completed within the stipulated time as set by customs in accordance with the type of imported merchandise. Failure to re-export goods will result in a fine. Merchandise may suffer changes, which increase or lower its value, but no export charges will be levied when goods remain unchanged. If value is increased, charges will apply to the added value. The transfer of property, possession, or use is not permitted. A bond is required to cover the value of import charges for the goods. The bond will be refunded when the goods are re-exported.

Resolution 392/2006 SICPyME modifies Decree 1439/96, and regulates the import of primary and intermediate goods into Argentina for use in export production. The finished goods must be exported within 360 days from the date of temporary admission; however, this deadline may be extended for additional 360 days. There are special permissions for long-term projects, for which the maximum stay under the TAR is 1080 days.

Argentina is not included in the A.T.A. Carnet (Temporary Admission) program of the U.S. Council for International Business, which allows the importation of goods, display booths, and literature for display in local trade shows for subsequent re-export. The TAR should be used for this purpose. Many trade show organizers, however, obtain a special waiver from the Ministry of Economy by declaring an event "of national interest."

Decree 1001/82 and Disposition 34/98 of the Argentine Customs Bureau (*Dirección General de Aduanas* - DGA) include imports of new or used capital goods destined to production under the Temporary Admission Regime.

The Argentine Customs Bureau established a program allowing duty-free admission of primary and intermediate goods into Argentina for use in export production or for applying finishing touches on goods destined for re-exportation. TAR provides opportunities for Argentine manufacturers of exportable goods to reduce costs by not paying tariffs, VAT, or anticipated profits tax on imported inputs. This also is important for Argentine businesses that make repairs on goods that are shipped from other countries. Nearly one-fifth of all Argentine exports are related in some way to this regime. U.S. exporters of processed and unprocessed inputs into Argentine export production can take advantage of the Temporary Import Regime.

Goods are considered eligible for the TAR program if they are substantially transformed or processed in an industrial process that has the end goal of producing an export. Examples of “**transformation**” include: manufacturing, combination, mixture, dosage, repair, rehabilitation, assembly, or installation within a more complex final product. This includes products that are consumed either completely or partially in another process, as with oils and combustibles, disposable materials used in a production process, machinery parts, packaging and bottling, etc. Damaged goods in need of repair can also enter the country under this program to undergo repairs, contingent upon their subsequent re-exportation.

These goods may remain in Argentina without paying tariffs for a one-year period, or in the case of inputs for the production of capital goods that are listed as “non-serialized” by the MERCOSUR Common Nomenclature System. Failure to re-export goods will result in a fine.

The sectors that take advantage of this regime are automotive, chemical, basic metallurgy, food and beverage, machinery and equipment, leather, petrochemical, and paper. The usage of this regime is highly concentrated: approximately 10 percent of the firms that have used this regime import 90 percent of the goods that qualify.

Importing for Consumption

If the goods that were admitted for entry under the TAR regime are imported into Argentina for consumption, payment must be made not only of the corresponding duties and taxes, but an additional two percent will be charged per month (since the entry date) on the value of the merchandise. This charge will be calculated from the month of temporary importation until the month when the goods were imported for consumption, which will be no less than 12 percent of the value of the goods in customs unless said value is determined to be less than when the goods were admitted for temporary importation.

Argentina has restrictions on imports of consumer goods (Resolution No. 3252). Under the Sworn Statement on Anticipated Imports (*Declaración Jurada Anticipada de Importación* - DJAI), importers must declare shipments they wish to import into Argentina prior to shipping. Shipments allowed to be cleared under the express regime are exempt from this regulation. Argentina’s Customs regulations for express shipments

limit the weight/value per shipment to 50kg or \$1,000. However, any shipment sent IP BSO or express shipments containing restricted commodities regardless of value that cannot be cleared under the express regime are subject to DJAI. Per Customs, shipments that do not meet the new DJAI requirements will be returned to the shipper at their expense. The commodities listed below have a higher tendency of being subject to DJAI requirements:

- Cell phones
- Digital cameras
- Laptops (value over \$1,000 USD or with power supply)
- Used clothing
- Food and beverages
- Products containing animal or vegetable origin
- All electrical devices that have a power supply requiring higher than 50 volts to operate
- Promotional items for conferences that exceed 50kg weight or \$1,000 USD value limit)
- Aircraft parts
- Sunglasses
- Cosmetics
- Finished textiles (samples that are not mutilated)
- Pharmaceutical products
- Medicine

It should be noted that small packages for unregistered importers are limited to two shipments per year not exceeding \$25 each and buyers must travel to the international airport to pick them up.

Labeling and Marking Requirements

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Under Argentine law 22,802/83, the Bureau of Trade Regulation (*Dirección de Lealtad Comercial*) of the Ministry of Economy's Secretariat of Industry, establishes labeling requirements for products in Argentina. The law requires that product labels bear all the information that the customer needs, and that information is true and valid. The Secretariat of Industry in the Ministry of Economy ensures transparency in all business transactions and enforces the labeling regime.

Law 22,802 of 1983, known as the Merchandise Marking Act, supersedes Law 11,275 of 1923. The current law states the general and basic labeling requirements for domestic or imported products, as follows:

Article 1: - All packaged products sold in Argentina will bear the following information on a printed label in a visible manner on the package or container:

- a) Name (description of product)
- b) Country of origin
- c) Quality, purity, or blending description
- d) Net weight

All non-packaged products commercialized in country will have to comply with requirements a), b) and c), as stated above.

For further inquiries, please contact:

Defensa del Consumidor
Subsecretaría de Comercio Interior
Ministerio de Economía y Finanzas Públicas
Av. Pres. Gral. Julio A. Roca 651
C1067ABB Ciudad Autónoma de Buenos Aires
<http://consumidor.gob.ar/>

In some cases, the Government Regulatory bodies of each industry provide information on the corresponding labeling requirements. For example, for information on labeling requirements for the medical industry, hygiene and food products etc., the ANMAT (the equivalent of the U.S. Food and Drug Administration, the regulatory body of the Ministry of Health) provides additional information to the general rules for specific products.

Administración Nacional de Medicamentos, Alimentos y Tecnología Médica (ANMAT)
Contacts: http://www.anmat.gob.ar/webanmat/institucional/autoridades_en.asp
Phone: (54-11) 4340-0800
<http://www.anmat.gob.ar/>; http://www.anmat.gob.ar/principal_en.asp

Argentina has adopted the U.N. recommendations for the labeling and packing of hazardous materials. For more information please refer to the [International Maritime Dangerous Goods Code \(IMDG Code\)](#).

Prohibited and Restricted Imports

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The Government of Argentina has prohibited importation of the following products:

- Toys and childcare products containing high concentration of phthalates (Resolution 583/2008, Ministry of Health)
- Medical products containing nimesulide as an active ingredient (Disposition 4430/2009 ANMAT).
- Incandescent light bulbs for residential use included under HS Code 8539.22.00, with the exception of those of power equal to or less than 25 watts, and those of voltage equal or less than 50 volts (Law 26473).
- Certain used machinery, equipment, instruments, devices, and its parts (Resolution 909/1994 MEOSP and its modifications: Resolution 748/1995, Decree 690/2002, Appendix XIV; Resolution 89/2003 ME, article 7°, etc.).
- Medicines and food containing olaquinox (Resolution 84/2007 SENASA).
- Paints, lacquers and varnishes containing more than 0.06 grams of lead for every 100 grams of non-volatile mass (Resolution 7/2009 MoH).
- Used automobiles (Decree 110/1999)
- Used motorcycles and velocipedes (Resolution 790/1992, Ministry of Economy)
- Used clothing and accessories (MERCOSUR Tariff Codes 6309.00.10 & 6309.00.90) until January 1, 2016. (Decree 2112/2010)

- Telephone terminals that operate in a band between 1880 Mghz-1900 Mghz (Resolution SC 1994/1999)
- Used and recapped tires (MERCOSUR Tariff Codes 4012.10.00 & 4012.20.00, Law 25,626)
- Raw cotton (not carded or combed, harsh or rough) as per Res. SENASA 208/2003
- All types of dangerous residues (Law 24051)
- Certain dangerous substances (Resolutions 750/2000, 845/2000, 182/1999, etc.)

Additionally, [ANMAT](#) (*Administración Nacional de Medicamentos, Alimentos y Tecnología Médica*), the regulatory equivalent of the U.S. Food and Drug Administration within the Ministry of Health, regulates and prohibits imports of certain toxic substances contained in products such as pharmaceutical products and cosmetics. [SENASA](#) (*Servicio Nacional de Sanidad y Calidad Agroalimentaria*), Argentina's Phytosanitary and Food Safety Agency, provides information on import regulations for agricultural products.

Argentina bans imports of live ruminants and their meat due to Bovine Spongiform Encephalopathy (BSE) concerns according to Resolution 799/2010 that replaces former Resolution 117/2002 and its amendments. Resolution 799/2010 defines the methodology to be followed for the risk assessment of importation of live animals, their reproductive material, and products and by-products of animal origin in relation to BSE occurrence.

Sweetbreads (thymus) were the highest valued and most competitive U.S. beef product exported to Argentina that was affected by the BSE beef ban. The trade constraint regarding the thymus sweetbread is an Argentine requirement that classifies thymus sweetbreads as high risk for BSE. Argentina's Phytosanitary and Food Safety Agency (SENASA) published for comment in January 2010 a draft regulation that will amend 117/2002 and will require a risk assessment before allowing imports of sweetbreads and other animal products.

For additional information on animal products, please contact the U.S. Foreign Agricultural Service in Argentina at agbuenosaires@fas.usda.gov.

Used Capital Goods

The Government of Argentina places restrictions on imports of used products to facilitate market entry of new machines or equipment. This limitation applies to many products, including used medical equipment, used vehicles, remanufactured parts, tires, boats, etc. In some specific cases, there are exceptions; e.g., mining machinery.

The following conditions must be met: the equipment must be refurbished (repaired or remanufactured) by the manufacturer in the country of origin, or in Argentina. The goods must be imported by the final user.

Customs Regulations and Contact Information

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At a national level, the General Customs Bureau (*Dirección General de Aduanas, DGA*) applies, collects, and controls taxes under the Argentine Customs Code. Additionally, it regulates other taxes on import and export transactions on behalf of other entities. In general, the DGA applies and controls import and export transactions.

The DGA is part of the Federal Public Revenue Administration (*Administración Federal de Ingresos Públicos, AFIP*). AFIP is an autonomous authority at the administrative level, under the general supervision and legal control of the Ministry of Economy. It executes the tax and customs policies set by the Executive Branch.

For Customs-related information or questions, contact:

Dirección General de Aduanas, DGA
Administración Federal de Ingresos Públicos, AFIP
Phone: 0810-999-2347 (0810-www-AFIP) (*Spanish*)

Contact Information

FEDERAL PUBLIC REVENUE ADMINISTRATION
(*Administración Federal de Ingresos Públicos, AFIP*)
Mr. Ricardo Echeagaray
Federal Administrator
Hipólito Yrigoyen 370
C1086AAD Buenos Aires, Argentina
Phone: (54-11) 4347-2000
<http://www.afip.gov.ar/>; <http://www.afip.gob.ar/english/>

GENERAL CUSTOMS BUREAU
(*Dirección General de Aduanas, DGA*)
Mr. Carlos Sánchez
General Director
Azopardo 350
C1107ADD Buenos Aires, Argentina
Phone: (54-11) 4338-6400/6640
Fax: (54-11) 4338-6644
<http://www.afip.gov.ar/aduanaDefault.asp>;
<http://www.afip.gob.ar/english/custom.asp>

For Customs regulations, visit the AFIP's online library at: <http://biblioteca.afip.gov.ar/> (*Spanish*).

Standards

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A 1994 decree created the legal framework (Decree 1474/94) for standards-related activities in Argentina.

As a member of the [World Trade Organization \(WTO\)](#), Argentina signed the [Agreement on Technical Barriers to Trade \(TBT\)](#), affirming its obligations relative to technical regulations and conformity assessment procedures. The Argentine Standards Institute ([Instituto Argentino de Normalización - IRAM](#)) has signed the WTO TBT Code of Good Practice for the Preparation, Adoption and Application of Standards. Responsibilities under the TBT agreement include the establishment of a national inquiry point to serve as a central location for information on standards-related issues, including proposed mandatory regulations. The Argentine inquiry point is in the Secretariat of Industry (see Information Sources below). The U.S. inquiry point is the [National Center for Standards and Certification Information \(NCSCI\)](#), located at National Institute of Standards and Technology (see Information Sources below).

Standards and Regulations in MERCOSUR

Argentina, as an active MERCOSUR member, participates in the development of MERCOSUR standards and regulations. The MERCOSUR Standards Association, AMN (*Asociación MERCOSUR de Normalización*, previously known as the *Comité MERCOSUR de Normalización*) -- composed of the standards institutes of Argentina, Brazil, Paraguay, and Uruguay -- develops and harmonizes standards. The Executive Secretariat of the AMN is located in Sao Paulo, Brazil. Voluntary standards are developed in 16 technical committees and deal mostly with steel products, cement and concrete, and electrical safety. Several hundred standards are at different stages of preparation or in the work plan. Venezuela will participate in this activity, as well, as a full member of MERCOSUR.

Regional technical regulations are developed and/or harmonized by the MERCOSUR governments in Sub Working Group 3 in the following fields: automotive, foods, metrology, safety issues for electrical products, toys, and pre-measured products. Separate working groups, such as those on telecommunications and health issues, also focus on mandatory technical requirements for their particular sectors. Approved MERCOSUR regulations are not automatically applicable in each country. To be applicable, harmonized MERCOSUR regulations must be adopted by each country. The five countries generally adopt all MERCOSUR regulations, though at different speeds.

Agricultural and Health-related Products

Please note that agricultural and health-related products are subject to specific and different voluntary standards and mandatory technical regulations. Medical devices, pharmaceuticals, and foods are the purview of the National Administration of Drugs, Foods, and Medical Devices (*Administración Nacional de Medicamentos, Alimentos y Tecnología Médica - ANMAT*).

There are two private sector organizations that work under the National System for Standards, Quality and Certification. IRAM is the official national standards body for the Republic of Argentina. The Argentine Accreditation Organization (*Organismo Argentino de Acreditación - OAA*) is the accreditation body. These are the only organizations that carry out standardization and accreditation in Argentina. As of May 2013 there are Mutual Recognition Agreements between major foreign certification organizations and IRAM. However, it is recommended that exporters check the current status of these agreements prior to initiating new business arrangements or significant shipments of goods that require IRAM certification.

NIST Notify U.S. Service

Member countries of the World Trade Organization (WTO) are required under the Agreement on Technical Barriers to Trade (TBT Agreement) to report to the WTO all proposed technical regulations that could affect trade with other Member countries. **Notify U.S.** is a free, web-based e-mail subscription service that offers an opportunity to review and comment on proposed foreign technical regulations that can affect your access to international markets. Register online at Internet URL: <http://www.nist.gov/notifyus/>

IRAM, created in 1935, is the only developer of national voluntary standards in Argentina. Reliance on international standards as a basis for developing national standards continues to be a strong trend in Argentina. While many IRAM standards are compatible with U.S. standards, many others are patterned after requirements of various European countries and may place U.S. products at a significant disadvantage.

IRAM is also a certification organization, both for products and systems. Its product certification mark, the "*Sello IRAM*", is widely recognized in the country as indicating conformity to an IRAM voluntary standard. See below for the mandatory safety mark.

In Argentina, most standards are voluntary. The buyer and seller share responsibility in determining what product standard is applicable. Products conforming to U.S. standards may or may not be acceptable. Reflecting long-standing tradition and practice, products that meet European requirements are often preferred. This preference may be expressed in procurement specifications, in customary design and construction practices, or as market issues.

Given the growing importance of standards and conformity assessment in expanding U.S. exports, a standards officer is assigned to work in the U.S. Commercial Service office at the U.S. Consulate General in Sao Paulo, with regional responsibilities for South American countries, including Argentina.

Mandatory Testing and Mandatory Product Certification

Regulated products must display an official safety "S" mark to show they conform to the regulations. However, as described above and due to implementation issues, it is difficult to state with certainty at this time the products that must be tested, certified, and marked as required by the resolutions. Customs agents, freight forwarders, chambers of commerce and industry, and trade associations may be useful resources to obtain information on requirements for specific products.

Non-Mandatory Testing and Product Certification

There is no legal mandate to retest non-regulated products that have been approved in their country of origin. For non-regulated products, some U.S. trademarks and product certifications are well known and accepted in Argentina. As with standards, any certification that may be required for non-regulated sectors is a contractual matter to be decided between the buyer and the seller. However, it is important to be aware that market conditions and preferences may impose the use of particular standards, certification, or trademarks.

Traditionally, product certification in Argentina has been mostly voluntary with few active organizations including IRAM. However, this has changed due to the partial implementation of regulations that mandate product certification. A number of U.S. certification bodies are now active in Argentina, along with several multinationals and new local entities.

INTI, the National Institute of Industrial Technology ([Instituto Nacional de Tecnología Industrial](#)), is a government agency that participates in standards development and performs product testing and certification. Due to the continuing shortage of independent laboratories in Argentina, INTI is viewed as a prime testing and calibration laboratory for the country.

INTI's position attracts interest and substantial technical support and cooperation from foreign countries, most notably Germany, Japan, and the U.K. These, and other countries such as France, regularly offer scholarships for long- and medium-term training courses abroad. Other Argentine private and public organizations also benefit from third country largesse.

To facilitate acceptance of U.S. products in the Argentine market, agreements between U.S. and local certifiers and testing houses are encouraged. This could provide recognition of existing certifications. Also, there is no impediment for U.S. certification organizations to be established and accredited in Argentina.

The GOA, specifically the *Dirección de Lealtad Comercial* office, introduced a change in the certification rules. All certification bodies that issue S-Mark certificates through recognition of testing done outside of Argentina now have to perform "accreditation of coincidence between the product intended to be marketed in Argentina and the one contained in the certificate issued abroad"

and issue an official notification to that effect. The measure means having the distributor import a sample for a visual inspection before issuing the certificate or extension to the importer. This applies to all electrical products (under the scope of resolution 92/98). In fact, this requirement is now mandatory for all electrical products regardless if they belong to the same "family" of products; in the past they were exempted from this inspection in advance. In addition, the "visual inspection" is now required to be coordinated by the laboratory, inviting an officer from *Lealtad Comercial* to the importer's warehouse. Please note that this new requirement may change, so for further information please contact Marina.Millet@trade.gov.

Accreditation

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Entities that engage in certification for regulated products must be accredited by the Argentine Accreditation Organization (*Organismo Argentino de Acreditación, OAA*) and recognized by the Argentine Government. Testing laboratories must similarly be accredited and recognized.

Organismo Argentino de Acreditación

Phone/Fax: (54-11) 4349-3962/63/64

Email: info@oaa.org.ar

<http://www.oaa.org.ar>

Publication of Technical Regulations

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In 1998, the GOA embarked on a path of issuing regulations mandating that certain products meet safety requirements. The trend has slowed down considerably and, generally, implementation schedules have been postponed.

Low voltage electrical equipment was the first product category subjected to safety regulations and mandatory certification (Resolution 92/98). Regulations have also been issued for toys, shoes, gas appliances and products, construction steel, elevators, energy consumption and noise labeling of appliances, closures for dangerous products, and personal protective equipment. Since the end of 1999, efforts have been concentrated in implementation rather than in adding new categories of products to safety regulations. Full-phased implementation of most regulations is not following original schedules.

Resolution 92/98 originally covered all low voltage electrical equipment, but subsequent modifications have excluded various categories of products. However, the vast majority of electrical and electronic products in the consumer marketplace are still subject to this regulation. Evidence of compliance with the regulation is mandatory through product certification. Resolution 92/98 provided for a phased three-stage implementation, with different dates depending on the product. Phase 1 calls for a sworn declaration of conformity, phase 2 provides for a type-certification, and phase 3 requires full third-party certification with mark of conformity.

Resolution 197/2004, published in the *Boletín Oficial* on January 7th, 2005 establishes the requirements for certification by mark (ISO 4), type (ISO 5), or batch (lot-ISO 7). Type and lot requirements have applied since June 28th, 2005, while mark stamps were required starting January 7th, 2005. Manufacturers and importers of the products affected by these requirements (electric apparatus over 50 volts, toys, personal protection equipment, elevators, steel, lighters, and bicycles) can choose among the three certification criteria (steel products can only be certified by mark or batch). Products certified by type or lot must bear a seal that includes the certification number. The latter must also consign batch number information.

Labeling requirements include safety information, voltage, fire safety, and child safety information. Canned and bottled food labeling requirements include ingredients, identification of manufacturer/importer, and manufacturing/expiration dates. Pharmaceuticals must indicate the name of the responsible technical director of the pharmaceutical laboratory, as well as the ingredients by weight/volume.

On July 6, 2005, the Government issued a new Resolution (109), modifying Resolution 197, which incorporated the mandatory Certification Schemes for compliance with safety requirements. To view the version in Spanish, please see: <http://www.infoleg.gov.ar/infolegInternet/anexos/105000-109999/107607/norma.htm>.

For information on Argentine and MERCOSUR standards, contact:

IRAM, *Instituto Argentino de Normalización*

Email: iram-iso@iram.org.ar

Contact: Sr. Enrique Romero, Presidente

<http://www.iram.org.ar/>

Comments: Argentine Standardization Institute

AMN, *Asociación MERCOSUR de Normalización*

Email: secretaria@amn.org.br

<http://www.amn.org.br/>

Comments: MERCOSUR Standards Association

For information on the WTO-TBT inquiry point, contact:

Dirección Nacional de Comercio Interior

Subsecretaría de Comercio Interior

Ministerio de Economía y Producción

Email: dinaci@mecon.gov.ar

<http://www.economia.gob.ar/secretarias/comercio/comercio-interior/>

Comments: National Domestic Trade Bureau

For medical products, contact:

Administración Nacional de Medicamentos, Alimentos y Tecnología Médica (ANMAT)

Email: direccion@anmat.gov.ar

Contact: Dr. Carlos Chiale, Director General

<http://www.anmat.gov.ar/>;

http://www.anmat.gov.ar/webanmat/institucional/que_es_la_ANMAT_en.asp

Trade Agreements

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ALADI

Argentina is a founding member of the Association for Latin American Integration (ALADI-*Asociación Latinoamericana de Integración*), which was created with the long-term goal of establishing a Latin American Common Market. Bolivia, Brazil, Chile, Colombia, Ecuador, Mexico, Paraguay, Peru, Uruguay, and Venezuela are also founding members; Cuba attained full membership in 1999. Under the ALADI, member countries sign regional and bilateral agreements that allow partial trade liberalization that can then be extended to other members. In the 25 years since its creation, Argentina has signed several regional, multilateral and bilateral arrangements. The Internet address for ALADI is: <http://www.aladi.org/>.

MERCOSUR

Argentina is a member of the Common Market of the South (MERCOSUR-*Mercado Común del Sur*), which entered into force in January 1991. MERCOSUR members originally included Argentina, Brazil, Paraguay, and Uruguay. Bolivia, Chile, Colombia, Ecuador, Peru, and Venezuela joined the pact as associate members. By 1995, about 75 percent of tariff categories were included in the Common External Tariff (CET) and the remaining categories will be phased-in by 2015. MERCOSUR represents 72 percent of the South American territory and 70 percent of its population. The Internet address is as follows: <http://www.mercosur.int/>.

MERCOSUR-Venezuela

In July 2006, MERCOSUR members accepted Venezuela's request to become a MERCOSUR full member, which it did during 2012. Venezuela must adapt to MERCOSUR Common External Tariff scheme within a four-year timeframe, and will gradually lose its benefits from being part of the Andean Community of Nations.

MERCOSUR negotiations with other economic blocs and countries:

MERCOSUR-European Union

The two blocs had made the commitment of reaching an agreement in the process of integration by October 2004, but several differences between the blocs impeded final negotiations. These are broad and include goods, services, investments, government procurement, and intellectual property rights, among other issues. Negotiations continue as of this writing.

*MERCOSUR-Andean Community of Nations
(Bolivia, Colombia, Ecuador, and Peru)*

The agreement took place in October 2004 and contemplates the liberalization of 80 percent of trade between the blocs within the next ten years, beginning in 2005.

MERCOSUR-Mexico

In July 2004, Mexico was accepted by MERCOSUR as an “observer country” within the bloc, with a view to its inclusion as associate member.

Web Resources

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- Bureau of Industry and Security (BIS): <http://www.bis.doc.gov>
 - Export Controls Information: <http://www.bis.doc.gov/index.php/regulations/commerce-control-list-ccl>
 - Red Flag Indicators: <http://www.bis.doc.gov/index.php/component/content/article/23-compliance-a-training/51-red-flag-indicators>
 - Know Your Customer Guidance: <http://www.bis.doc.gov/index.php/component/content/article/23-compliance-a-training/47-know-your-customer-guidance>
 - Confidential Enforcement Lead/Tip Form: <http://www.bis.doc.gov/index.php/component/rsform/form/14-reporting-violations-form?task=forms.edit>
- National Institute of Standards and Technology (NIST): <http://www.nist.gov>
 - NIST Global Standards Information: <http://gsi.nist.gov/global/index.cfm>
 - Standards Information Center (National Center for Standards and Certification Information - NCSCI): <http://www.nist.gov/director/sco/ncsci/index.cfm>
 - NCSCI Notify U.S.: <http://www.nist.gov/notifyus/>
- American National Standards Institute (ANSI): <http://www.ansi.org/>
- Argentine Ministry of Economy (*Spanish*): <http://www.economia.gob.ar/>
- Argentine Ministry of Foreign Affairs and Worship (*Spanish*): <http://www.cancilleria.gob.ar/>
- Argentine Central Bank (*Banco Central de la República Argentina - BCRA*): <http://www.bcra.gob.ar/Varios/vr090000.asp>
- National Foreign Trade Commission (*Comisión Nacional de Comercio Exterior - CNCE*) (*Spanish*): <http://www.cnce.gov.ar>
- Secretariat of Industry, Ministry of Industry: <http://www.industria.gob.ar/en/secretaria-de-industria/>
- National Institute of Statistics and Censuses (*Instituto Nacional de Estadística y Censos - INDEC*): http://www.indec.gov.ar/el-indec_eng.asp
- Federal Administration of Public Revenue (AFIP): <http://www.afip.gob.ar/english/>
- National Tax Bureau, Ministry of Economy (*Spanish*): <http://www.mecon.gov.ar/sip/basehome/dir3.htm>
- Technical Administration, Argentine Customs Bureau: <http://www.afip.gob.ar/english/custom.asp>

- Bureau of Trade Regulation, Ministry of Economy (*Defensa del Consumidor*)(Spanish): <http://www.consumidor.gob.ar/>
- National Administration of Drugs, Foods, and Medical Devices (ANMAT – *Administración Nacional de Medicamentos, Alimentos y Tecnología Médica*): http://www.anmat.gov.ar/principal_en.asp
- Argentine Accreditation Agency (Spanish): <http://www.oaa.org.ar>
- Argentine Standardization Institute (*Instituto Argentino de Normalización - IRAM*) (Spanish): <http://www.iram.org.ar/>
- MERCOSUR Standards Association (*Asociación MERCOSUR de Normalización - AMN*): <http://www.amn.org.br/>

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Chapter 6: Investment Climate

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Summary

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Argentina is one of Latin America's largest and wealthiest countries, possessing abundant human and natural resources, highly-diversified industries, and a 43 million person market. Argentina is estimated to have the world's second largest shale gas resources and fourth largest shale oil resources in the world. Investors face a difficult operating environment (e.g. currency and price controls, import restrictions, and double-digit inflation), but are more optimistic with regard to the medium- to long-term in Argentina.

Argentina is still dealing with issues related to its 2001 default on nearly USD 100 billion in debt, the largest sovereign debt default in history. In late 2013 and early 2014, the government of Argentina (GOA) made some progress in normalizing its relations with the international financial community. The GOA settled several outstanding international arbitral awards, engaged with the International Monetary Fund (IMF) to improve economic reporting data, and compensated the Spanish firm Repsol for the partial expropriation of YPF in 2012. Argentina also signed bilateral agreements to repay nearly USD 10 billion in arrears with the Paris Club group of creditors.

Argentina's refusal to comply with a U.S. court ruling ordering the GOA to pay a group of U.S. creditors who sued the country for the full value of their defaulted Argentine bond holdings continues to restrict Argentina's ability to service some of its sovereign debt

both at home and abroad. Argentina's limited access to international financial markets will continue to discourage investment until the issue is settled.

Longstanding concerns regarding the lack of transparency in government policymaking also diminish the attractiveness of prospective investments in Argentina. Decisions that affect both foreign and domestic companies are frequently made without industry input and are rarely open to a consultation period. GOA actions to curb the remittance of profits abroad limit foreign companies' ability to repatriate earnings, causing some companies to reconsider locating new business ventures in Argentina. Currency controls delay companies' access to dollars to pay suppliers while recently amended laws allow the GOA to set profit margins and the prices of goods in the private sector in certain circumstances. Businesses and investors also report concerns about Argentina's currency exchange rate policies, which affect the competitiveness of Argentine goods internationally and delay investment decisions.

The World Trade Organization (WTO) in January 2015 ruled that the GOA's all-encompassing import licensing system violated international trade norms. The GOA affirmed that it will comply with the WTO decision, but did not specify a timeframe for adjustment. In the meantime, the system remains in place and reportedly causes shortages and complicates the operations of businesses that are reliant on the importation of goods for production and distribution. Factories and distributors occasionally sit idle while the GOA delays granting approval to move inputs through customs, a process that can be restrictive and unpredictable.

In 2014, in accordance with official figures, Argentina's economic growth slowed to 0.5 percent and unemployment remained steady at 6.9 percent. Private sources reported that the economy contracted about 2 percent and inflation reached 38 percent in 2014. Central Bank international reserve levels ended 2014 around USD 30 billion, a slight improvement from the previous year despite the GOA running current and financial account deficits in 2014. Some private economists contend that liquid reserves are actually lower. Argentina's trade surplus, the country's main source of foreign currency, fell nearly 17 percent in 2014 compared with the previous year.

After several years of publishing non-credible statistics, Argentina's official statistics agency (INDEC) released substantially revised inflation and GDP growth data in 2014 and 2015 that are closer to private estimates. The IMF had formally censured Argentina in February 2013 because of the manipulation of inflation and GDP data, a breach of obligation to the Fund under the Articles of Agreement. The IMF has recognized that Argentina has made progress on its statistics but the new methodology is still subject to final review, the results of which will be released later in 2015. However, some concern remains about the difference between official economic data and private source estimates. The government has not released to the public its new methodologies.

Argentina will hold presidential elections in October 2015, which will bring a change in administration, as the current president is constitutionally precluded from standing for a third term.

The GOA has signaled its desire to see continued foreign direct investment (FDI) flows to enhance the nation's productive capacity and GDP growth potential, and it took actions in the past year to improve the investment climate in Argentina. To regain investor confidence, the GOA settled several outstanding international arbitral awards, engaged with the IMF to improve economic reporting data, and compensated the Spanish-firm Repsol for the partial expropriation of YPF in 2012. Argentina also reached agreements with the Paris Club group of creditors to repay USD 9.7 billion in arrears over the next five years, including USD 642 million owed to the United States. Argentina has already made two payments in the first year. The GOA revamped its hydrocarbon regulations in 2014 with the aim of attracting new investments to develop Argentina's world class oil and gas resources.

Other Investment Policy Reviews

Argentina was last subject to an investment policy review by the Organization of Economic Cooperation and Development (OECD) in 1997 and by the World Trade Organization (WTO) in 2013 (https://www.wto.org/english/tratop_e/tpr_e/tp377_e.htm). United Nations Conference on Trade and Development (UNCTAD) has not done an investment policy review of Argentina.

Laws/Regulations of Foreign Direct Investment

According to a Presidential decree governing foreign investment in Argentina, foreign companies may invest in Argentina without registration or prior government approval, and on the same terms as investors domiciled in Argentina. Investors are free to enter into mergers, acquisitions, green-field investments, or joint ventures. Foreign firms may also participate in publicly-financed research and development programs on a national treatment basis. Central Bank restrictions (both formal and de facto) on the purchase of foreign currency limit the ability of a company or investor to remit profits, dividends, or investments out of the country.

The Argentine Ministry of Economy (<http://www.mecon.gov.ar>), the Investor's Information Service for Argentina (<http://www.infoarg.org>), the Undersecretariat of Investment Development and Trade Promotion (<http://www.inversiones.gov.ar>), the Embassy of the Argentine Republic in the United States of America (<http://www.embassyofargentina.us/en/invest-in-argentina.html>), and the Central Bank of Argentina (<http://www.bcra.gov.ar/>) have additional detailed information on investment policies in Argentina.

Industrial Promotion

The GOA has established a number of investment promotion programs. These programs allow for Value-Added Tax (VAT) refunds and accelerated depreciation of capital goods for investors and offer tariff incentives for local production of capital goods. They also include sectorial programs, free trade zones, and a Special Customs Area in Tierra del Fuego Province, among other benefits. A complete description of the scope and scale of Argentina's investment promotion programs and regimes can be found at <http://www.industria.gob.ar>, <http://www.inversiones.gob.ar>, and <http://www.mecon.gob.ar/>.

Information about programs that specifically apply to small and medium businesses may be found at <http://www.industria.gob.ar/secretaria-pyme>.

Limits on Foreign Control

The GOA limits land foreign ownership of rural land through Law 26.737 (Regime for Protection of National Domain over Ownership, Possession or Tenure of Rural Land) established in 2011. Foreign ownership of rural land is restricted to a maximum of 15 percent of all national productive land. Individuals or companies from the same nation may not hold over 30 percent of that amount; and individually each foreign individual or company faces an ownership cap of 1,000 hectares (2,470 acres) in the most productive farming areas, or the equivalent in terms of productivity levels in other areas. As approved, the law is not retroactive. Section 11 of the Law establishes that “for the purposes of this Law and according to the Bilateral Investment Treaties (BITs) underwritten by the Republic of Argentina that are in force at the time this Law becomes valid, the acquisition of rural land shall not be considered an investment as it is a non-renewable natural resource provided by the host country.”

Regarding taxes, foreign and Argentine firms generally face the same tax liabilities. In general, taxes are assessed on consumption, imports and exports, assets, financial transactions, and property and payroll (social security and related benefits).

Privatization Program

No information available.

Screening of FDI

No information available.

Competition Law

The National Commission for Protection of Competition and the Secretary of Commerce, both within the Ministry of Economy, have enforcement authority of the Antitrust Law (Law 25.156). The law is aimed at ensuring the general economic interest and promotes a culture of competition in all sectors of the national economy.

Investment Trends

Investor confidence remains low in the short-term and is more optimistic with regards to the medium- and long-term. Argentina’s investment climate is dampened by concerns with Argentina’s currency controls, deteriorating macroeconomic conditions, and unresolved sovereign debt dispute with litigating U.S. hedge funds. Many established companies in Argentina reported that they are planning to expand investment in Argentina in the immediate or near future, with more economic stability and policy certainty. Sectors of heightened interest are energy, mining, agribusiness, telecommunications, technology, financial and infrastructure development. In early 2015, the City of Buenos Aires and national oil company YPF raised about USD 500 million each through bond issuances, demonstrating significant investor demand for Argentine bonds. The bonds were bought mostly by European and U.S. fund managers and hedge funds.

Table 1

Measure	Year	Index or Rank	Website Address
TI Corruption Perceptions index	2014	107 of 175	transparency.org/cpi2014/results
World Bank's Doing Business Report "Ease of Doing Business"	2015	124 of 189	doingbusiness.org/rankings
Global Innovation Index	2014	70 of 143	globalinnovationindex.org/content.aspx?page=data-analysis
World Bank GNI per capita	2013	No Info	data.worldbank.org/indicator/NY.GNP.PCAP.CD

Conversion and Transfer Policies

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Foreign Exchange

Argentina has a managed float exchange rate policy. Conversion of the peso into foreign currency is limited.

Remittance Policies

The GOA began imposing significant restrictions on remittances of capital overseas in 2011, which were formally implemented by law in December 2012 with Resolution 3417. In 2012, the Central Bank issued Regulation A-5318 officially banning the purchase of dollars by residents (either Argentine or foreign) as a form of financial savings (although it does not prevent residents from maintaining existing dollar saving accounts and time deposits). This measure formally ended the previous norm that had allowed individuals to buy up to USD 2 million per month without having to specify the destination of the funds (e.g., debt payment, investments, savings, international travel expenses, etc.) Residents can only buy foreign currency for international tourism purposes as allowed by Resolution 3333 and these purchases are subject to caps and controls by the GOA and a 35 percent withholding tax that can be deducted from an individual's income and wealth tax obligation. Requestors must provide information as to the source of their money and proof that it was acquired legally. In addition to other personal data such as birth date, profession, and tax ID numbers, they must provide details about their planned trips, including where, when, and why they are traveling. Since the issuance of this norm, the government has reportedly provided additional verbal instruction to banks and foreign exchange houses that further limit the purchase of foreign exchange.

Beginning in January 2014, the GOA allowed residents to purchase a limited quantity of foreign exchange for savings depending on the person's declared income. The buyer can choose to either withdraw the foreign currency within the first year and pay a 20 percent tax or leave the funds in a local bank for at least a year and pay no tax.

Since 2011, government restrictions on foreign currency purchases have led to the expansion of an informal retail foreign exchange market. The informal dollar rate reached a high of nearly 16 Argentine Pesos to the U.S. Dollar (ARS/USD) in September 2014, exceeding the official exchange rate (approximately ARS 8.5 pesos to the USD) by more than 80 percent. The GOA launched aggressive investigations and enforcement operations in the unofficial dollar markets in late 2014, leading to a reduction in the gap between the official and unofficial rates. As of this publication, the gap has dropped below 40 percent.

Companies have reported difficulties in exchanging pesos for dollars in order to pay for imports. These measures reportedly are in place to address balance of payments concerns. Such restrictions have resulted in occasional goods shortages and difficulties for companies doing business in Argentina. Companies must complete multiple steps to import a good into the country. Certificates-of-origin for some goods must be notarized by the Argentine embassy or consulate in the country in which they were produced. This procedure is the same for products that have multiple parts from multiple countries. The company must then obtain import license approval, which is known by its Spanish-language acronym DJAI. Following DJAI approval, companies must then petition the Central Bank for access to foreign exchange. As of April 2015, about USD 5 billion of requests were pending at the Central Bank.

In order to import goods, companies are also often asked to submit detailed financial and operational information such as their investment plans for the following year. During 2014, the private sector has reported a strengthening of various non-tariff barriers to the importation of goods into the country. Companies reported that the inability to budget for inventory limits their ability to plan for investment.

The GOA subjects speculative capital inflows to three major requirements: (a) investments may not be transferred out of the country for 365 days after their entry; (b) proceeds from foreign exchange transactions involving these investments must be paid into an account in the local financial system; and (c) a 30 percent unremunerated reserve requirement, meaning 30 percent of such transactions must be deposited in a local financial entity for 365 days in an account that is denominated in dollars and receives no interest payment. There are some notable exceptions to the deposit requirement. A deposit is not required for capital inflows to finance energy infrastructure. Nor is a deposit required on inflows for the purchase of real property by foreigners as long as the foreign exchange liquidation occurs on the day of settlement (and transfer of the title). A deposit is also not required for inflows from foreigners to be used for (a) tax payment and (b) social security contributions within 10 days of the settlement of the foreign currency. In October 2011, the Central Bank imposed new market controls on non-residents. They are now required to immediately “register capital inflows into the local foreign exchange market when they purchase a local company, contribute capital, or purchase real estate.”

Foreign entities are banned from participating in Central Bank initial bond offerings, but foreign firms may trade Central Bank debt instruments on the secondary market. The Central Bank also requires that exporters deposit the proceeds in U.S dollars from exports into local banks (*cuentas de corresponsalía de entidades financieras locales*) within a specified number of days depending on the good exported (usually between 10-30 days).

Hard currency earnings on exports, both from goods and services, must be converted to pesos in the local foreign exchange market. In 2011, the GOA eliminated the exceptions previously granted to hydrocarbon and mining exports. These firms must now convert their revenues to pesos on the local foreign exchange market. Revenues from re-exports of some temporary imports and exports to Argentine foreign trade zones are still exempted from this requirement.

In October 2011, the Argentine insurance regulator issued Resolution 36.162 requiring all investments and cash equivalents held by locally registered insurance companies be located in Argentina. This has exposed insurance companies to greater country risk since they are unable to diversify their assets outside of Argentina. In 2012, the GOA further expanded the investment requirements for insurance companies requiring them to allocate part of their overall investments in “instruments related to local productive projects.” The minimum percentage required ranges from 5 percent for labor risk insurers to 10 percent for property insurers and 12 percent for life insurers. A government committee composed of the secretaries of Finance, Economic Policy and Development, Internal Trade, Industry, and SMEs as well as the superintendent of Insurance determine the projects eligible to receive such investments.

The Argentine Central Bank issued Circular A5272/73 in January 2012 increasing bank liquidity requirements for operational risks and minimum capital requirements, which sharply limited dividend payments.

The Central Bank expanded in 2012 the list of activities involving the transfer of money abroad by local subsidiaries to headquarters that require prior approval (Circular A5295). These activities now include: IT services; business and professional services’ royalties, patents, trademarks and copyrights; commercial guarantee payments on exports of goods and services; foreign film, audio and video rights; and services for technology transfer, and rental and leasing income, among other activities. The regulations apply to transactions greater than USD 150,000 in value; however, in practice every payment requires a so-called DJAS license approval, the services equivalent of the DJAI.

In February 2014, the Central Bank issued Circular A5536 capping the foreign exchange exposure of private banks. The norm limits a financial institutions’ foreign currency exposure to 30 percent of their net worth and future exchange rate contracts to 10 percent. Private estimates suggest that 50 percent of the positions held by banks in Argentina are dollarized, representing nearly USD 9 billion in assets.

In October 2014, the Financial Action Task Force recognized Argentina’s progress in improving its Anti-Money Laundering/Combating the Financing of Terrorism (AML/CFT) regime and removed the country from the FATF’s monitoring process. The FATF determined the country had established the legal and regulatory framework to meet its commitments in its action plan regarding the strategic deficiencies that the FATF had identified in June 2011. Argentina continues to work with FATF to address the full range of AML/CFT issues identified in its mutual evaluation report and will make annual reports on its progress.

Section 17 of the Argentine constitution affirms the right of private property and states that any expropriation must be authorized by law and be previously compensated. The United States-Argentina Bilateral Investment Treaty states that investments shall not be expropriated or nationalized except for public purpose upon prompt payment of the fair-market value in compensation. In October 2008, the government nationalized Argentina's private pension funds, which amounted to approximately one-third of total GDP, and transferred the funds to the government social security agency. In December 2008, the Argentine parliament also passed legislation nationalizing the Spanish-owned flag air carrier Aerolineas Argentinas.

President Cristina Fernandez de Kirchner expropriated 51 percent of oil and gas company YPF from Spanish-owned Repsol in 2012. The state takeover of the company was widely criticized by the European Union and others and increased investor caution. The government settled with Repsol approximately two years later in 2014, which the Argentine congress approved on April 23, 2014.

The GOA announced the nationalization of the train and railway system in March 2015, which was approved by Congress in April 2015.

Dispute Settlement

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Legal System, Specialized Courts, Judicial Independence, Judgments of Foreign Courts

Domestic investment dispute adjudication is available through local courts or administrative procedures. Many foreign investors prefer to rely on private or international arbitration when those options are available.

Argentina follows a Civil Law system. The Civil and Commercial Code provides regulations for civil and commercial liability, including ownership of property. Contracts include provisions for settlement of disputes, where parties agree to bring their controversies to definite courts in the event of disagreements. In 2014, GOA passed a new Civil and Commercial Code that will go into effect in August 2015.

Intellectual property claims fall under the federal civil and commercial courts. There have been complaints of executive branch's interference in judicial matters, mainly through the appointment or dismissal of prosecutors and judges. The current judicial process is lengthy and suffers from significant backlog, causing it to be considered ineffective and not reliable for many individuals.

Bankruptcy

Argentina's bankruptcy law was codified in 1995 in Law 24,522. The full text can be found at: <http://www.infoleg.gov.ar/infolegInternet/anexos/25000-29999/25379/texact.htm> (*Spanish*). Under the law, debtors are generally able to begin insolvency proceedings when they are no longer able to pay their debts as they mature. Debtors may file for both liquidation and reorganization.

Investment Disputes

Prior to and following the 2001-02 Argentine economic crisis, a number of U.S. investors in privatized public utilities filed in the International Centre for the Settlement of Investment Disputes (ICSID Convention) claims against the GOA, arguing that government rulings decentralizing public utility tariffs to foreign inflation indices and a January 2002 known as pesofication of dollar-denominated contracts was a form of indirect expropriation of their investments. In addition, some U.S. investors filed ICSID claims based on unforeseen changes to the tax laws. Customs treatment and delays in re-negotiating public utility rate changes also provoked investment disputes. Following the 2001-2002 economic crisis, more than fifty ICSID claims, throughout several sectors were tied to Argentina's nationalization and pesofication initiatives.

In 2013, Argentina settled three of the ICSID awards involving U.S. investors by paying them a portion of the judgment. A number of ICSID cases filed by U.S. investors are pending resolution with Argentina.

Argentina continues to deal with its historic sovereign debt default from its 2001 financial crisis. The government swapped ninety-two percent of the USD 82 billion in defaulted sovereign debt in 2005 and 2010 for a mix of new bonds with a substantial loss in net present value. Some bondholders, known as the holdouts, did not participate in the swaps and continue to pressure Argentina via the U.S. courts to settle its outstanding debt for the actual amount owed plus interest. A U.S. court ruling in 2012 (and affirmed in 2014) determined that Argentina may not pay on its restructured debt unless it also makes equal treatment payments to the holdouts. Argentina has failed to settle with the holdouts, but attempted to pay on the restructured debt despite the U.S. court order. To try to enforce compliance, the U.S. court issued an injunction barring financial intermediaries from passing along any bond payments Argentina makes on its restructured debt unless the country also pays the holdouts, which has effectively blocked the payments. On March 12, 2015, the U.S. judge in the case issued a ruling that the injunction covering financial intermediaries extends to payments on a series of restructured bonds governed by Argentine law and denominated in U.S. dollars. At the time of this report, negotiations were ongoing between Argentina and the holdouts.

International Arbitration

The GOA officially accepts the principle of international arbitration. The United States-Argentina BIT provides for international arbitration of investment disputes that cannot be settled amicably.

ICSID Convention and New York Convention

The GOA is a member of the International Center for the Settlement of Investment Disputes (ICSID), the United Nations Commission on International Trade Law (UNCITRAL), and the World Bank's Multilateral Investment Guarantee Agency (MIGA). Argentina ratified the United Nations' Convention on the Recognition and Enforcement of Foreign Arbitral Awards in 1989. Companies that seek recourse through Argentine courts may not also pursue recourse through international arbitration.

Duration of Dispute Resolution

Domestic and international dispute resolution could be lengthy, sometimes spanning years. Other alternative dispute resolution methods could be stipulated in contracts.

Performance Requirements and Incentives

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WTO/TRIMS

Argentina has been a World Trade Organization (WTO) member since 1995. Argentina's import licensing requirements often cause delays in, or prevent, the importation of goods necessary for production and consumption. The WTO in January 2015 ruled that the import licenses and other trade balancing schemes required by Argentina violate international trade rules, in a case filed by the United States, Japan, and the European Union. The GOA has publicly stated its intent to comply with the WTO ruling but has yet to make adjustment to its trade regime.

In addition to the import licenses, companies also need to apply for authorization to make payments abroad for services received. This mainly affects international companies' ability to pay foreign headquarters or branches for centralized services such as executive oversight, accounting and human resource management services. During the last year, companies reported increased scrutiny by the GOA over their transfer pricing and foreign payments transactions. In November 2014, the GOA established a Unit of Monitoring and Traceability of Foreign Trade Operations, through decree 2013/2014, with the stated aim of tracking all international trade operations to ensure transparency and accuracy and to prevent over- and under- invoicing by commercial entities.

Since September 2014, any foreign payments amounting to more than USD 150,000 require Central Bank authorization. Companies reported that this requirement further creates delays in their ability to import goods.

These practices are not written in regulation or law but are administrated by the Secretary of Commerce. In practice, any significant payment even of less than USD 150,000 can be delayed by the Central Bank depending on the amount of dollars it thinks it can spend on any given day.

Investment Incentives

Government incentives apply to both foreign and domestic firms alike. The federal government, as well as provincial and municipal, offers several incentives to attract investment to specific economic sectors such as capital assets and infrastructure, innovation and technological development and energy. More details of these programs can be found here: <http://www.inversiones.gov.ar/es/incentivos-la-inversion> or <http://www.prosperar.gov.ar/>.

Research and Development

Argentina does not restrict foreign firms from participating in government-funded or subsidized research and development programs.

Performance Requirements

There are no performance requirements.

Data Storage

Argentina does not have forced localization of content in technology or requirements of data storage in country.

Right to Private Ownership and Establishment

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In general terms, foreign investors have the same rights as Argentines to establish and own businesses, or to acquire and dispose of interests in businesses.

The media law caps foreign capital ownership of media outlets at 30 percent; requires a minimum national content of between 60 to 70 percent; requires that all transmission signals be owned totally or partially by the national government; establishes a minimum screen quota for Argentine movies; imposes a 0.5 percent of annual revenue fee on foreign programmers for acquiring Argentine films; requires advertisement transmitted by broadcast channels or national channels be produced locally; dictates that all investment in advertising on a non-national signal be covered by exemptions and reductions to income tax; gives foreign media operations differing tax treatment from local companies; and limits the number of broadcasting licenses (based on geography and market segment) to be held by a single licensee. Measures regarding the limitation of foreign ownership in media outlets are not retroactively applied to existing foreign investments currently covered by BIT provisions of non-discriminatory treatment. The U.S.-Argentina BIT contains such protection for U.S. firms.

Protection of Property Rights

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Real Property

Secured interests in property, including mortgages, are recognized and common in Argentina. Such interests can be easily and effectively registered. They also can be readily bought and sold. Argentina manages a national registry of real state ownership (*Registro de la Propiedad Inmueble*) at <http://www.dnrpi.jus.gov.ar/>.

Intellectual Property Rights

The government of Argentina adheres to most treaties and international agreements on intellectual property and belongs to the World Intellectual Property Organization and the World Trade Organization (WTO). The Argentine Congress ratified the Uruguay Round agreements, including the provisions on intellectual property in Law 24425 on January 5, 1995. Since 1996, however, Argentina has been on the Office of the U.S. Trade Representative's intellectual property rights Priority Watch List. Argentina was listed in USTR's Notorious Markets Report and Special 301 Report in 2014.

Regarding patents, protection remains a theme of particular importance in Argentina's intellectual property rights regime. Extension of adequate patent protection to pharmaceuticals and genetically modified seeds has been a source of bilateral disagreement. Representatives of U.S. companies with significant interest in patented product sales in Argentina say that the patent issuance process is slow and that the backlog of patent applications remains substantial. The National Intellectual Property Institute (INPI) has taken a number of steps recently to reduce the backlog, including the implementation of fast-track procedures and opportunities for companies to prioritize their patent applications before INPI. However, problems persist. The average wait time observed in 2014 was between seven to eight years for pharmaceutical and biotechnology patents and an average of 3 to 4 years for software and electronics.

In April 2002, the United States and Argentina reached an agreement with respect to most of the claims in a WTO dispute brought by the United States with respect to Argentina's implementation of its Trade Related Aspects of Intellectual Property Rights (TRIPS) obligations. New patent legislation implementing part of the April 2002 agreement was passed in December 2003. Several issues remain unresolved, however. The United States and Argentina have agreed to leave these issues within the WTO dispute settlement mechanism for action.

Some U.S. and European pharmaceutical firms have expressed concern that some provisions in the amended legislation limit their ability to protect patented products via the use of judicial injunctions to prevent patent violations. The unlicensed production by Argentine firms of pharmaceuticals whose patent rights are owned by foreign companies is a longstanding concern to foreign pharmaceutical companies. In May 2012, INPI published a joint Resolution (118/2012, 546/2012 and 107/2012) that sets new standards for chemical and pharmaceutical patent applications. The guidelines instruct patent examiners to reject new use, new form, and new formulation patents, and specify a number of other changes to drugs that will no longer be acceptable. Companies have stated that the measures were implemented without sufficient transparency and that they significantly diminish protection of their intellectual property, and that these regulations are inconsistent with Argentina's Trade Related Intellectual Property Rights (TRIPs) commitments. Also, INPI does not always offer a formal comment period when implementing new procedures. The pharmaceutical and biotechnical industries are the most affected by these regulations, especially, with regard to the prohibition of secondary inventions.

Pharmaceutical and biotech firms assert that during 2014, the GOA did not provide effective data protection for their products (data protection refers to the protection of confidential and proprietary information that companies demonstrate to the health regulators that approve the sale of a new drug). Firms are concerned that the lack of data protection could lead to unfair commercial use and hinder investments in the sector.

Many industry observers claim that the trademark law, passed in 1980, provides civil damages that are insufficient to be an effective deterrent. The judiciary is reluctant to impose deterrent penalties such as prison sentences in criminal cases, and it is rare that companies press criminal charges. The government of Argentina has passed laws designed to allow authorities to mount undercover operations; to flag electronically-suspect shipments; to facilitate the seizure and detention of suspect merchandise; and to rotate more frequently customs personnel. Also, the Customs administration in 2006 instituted a voluntary trademark registry and owner notification program. Some industry

actors have noted that further protection for trademark owners should include the right to demand destruction of fraudulent goods to prevent reentry to the market. Currently, when a customs official encounters counterfeit goods, he must notify police authorities to seize the goods and proceed with appropriate legal procedure for each given case. The rights holders are responsible for paying for the storage and destruction of counterfeit goods. The government has decreased the time needed for trademark registration and increased the rate at which trademarks are registered. Argentina has no specific law on trade secrets although penalties for unauthorized revelation of trade secrets are applied to a limited degree under commercial law. Argentina has signed the WIPO Treaty on Integrated Circuits, but has no law dealing specifically with the protection of layout designs and semiconductors.

Although Argentina's copyright law dates to 1930, it does provide a sound legal framework to protect intellectual property such as books, films, music, and software. Copyright piracy of audio and video in CD and DVD formats continues to flourish. Industry reports that the level of enforcement against piracy of copyrighted goods is "very weak" both in law enforcement and the judicial branch. Vendors selling illegal copies can be seen through Buenos Aires subway stations and street corners. Industry reported street vending of pirated goods increased significantly in 2014, unchecked by local law enforcement.

Electronic delivery of copyright infringing materials is still widespread. While Argentine courts have been responsive to civil suits against pirated content, criminal prosecution is lacking. The website Cuevana continues to stream unauthorized copyrighted content and has expanded its distribution network to several more Cuevana websites. The site, although based outside of Argentina, is owned and operated by Argentines. Argentine courts thus far declined to proceed with criminal prosecution against the owner, who lives in Buenos Aires. In June 2014, the Argentine Copyright Association (known by its Spanish acronym SADAIC) succeeded in winning an injunction in Argentine court against the Sweden-based Pirate Bay website. The site has since resurrected via a different IP address. Industry claims Argentine IPR law is outdated and does not provide for IPR protection in newly developed forms of media and operating platforms. Enterprises reported that lack of technical and technological knowledge prevents prosecutors from pursuing cases and judges from making rulings, leaving cases in limbo. Industry continues to call on Argentina to pass its own version of the U.S. Digital Millennium Copyright Act.

Argentina has the largest black market in South America, called "La Salada", which sells counterfeit and pirated products. "La Salada" itself has reportedly continued its expansion to now include multiple stories and more stores and several branches throughout Argentina. Smaller "Las Saladitas" have proliferated throughout Buenos Aires. The number of illegal street vendors selling counterfeits and pirated goods increased more than 100 percent during 2014 compared to 2013, according to the Argentine Chamber of Commerce.

For additional information about treaty obligations and points of contact at local IP offices, please see WIPO's country profiles at <http://www.wipo.int/directory/en/>.

Resources for Rights Holders

Embassy Contact:

María Soledad Iglesias Liste
IglesiasS@state.gov
U.S. Embassy, Buenos Aires, Argentina

List of local attorneys:
<http://argentina.usembassy.gov/legal.html>

Transparency of Regulatory System

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Argentine government authorities, including the Ministries of Economy, Production, and Planning and a number of quasi-independent regulatory entities, have mandates to foster competition and protect consumers. Some international investors have expressed concern about abrupt changes in sector-specific regulatory regimes that in their view increase uncertainty. Decisions that affect companies, both foreign and domestic, are frequently taken without industry input and rarely with a formal comment period. Government interventionist policies affect foreign and domestic companies alike.

Over the last year, the GOA passed a number of laws that increase the ability of the government to determine companies' profits and production quotas. The national Supply Law, approved September 2014, allows the Secretary of Commerce to determine profit margins and reference prices for every stage of the productivity chain and set supply quotas. The Law also establishes severe sanctions ranging from fines to temporary closure for businesses found by the government to be artificially or unjustifiably increasing prices or hoarding inventories.

The Argentine government approved the Argentine Digital Law in early 2015 that enables the government to regulate the interconnection tariffs of telecommunications and cable companies.

In general, national taxation rules do not discriminate against foreigners or foreign firms (e.g., asset taxes are applied to equity possessed by both domestic and foreign entities). Government tax authorities scrutinize tax declarations of foreign corporations operating in Argentina with the intent of curbing the use of offshore shell corporations to shelter profits and assets from taxation. This has led to tax disputes with foreign-owned firms that have structured their operations in a manner they believe to be consistent with Argentine law, while minimizing total corporate tax obligations to all of the countries in which they operate.

Argentina is a member of the U.N. Conference on Trade and Development's international network of transparent investment procedures. Lomas de Zamora, the second largest municipality of Buenos Aires offers detailed information on administrative procedures applicable to income generating operations, including the number of steps, name and contact details of the entities and persons in charge of procedures, required documents and conditions, costs, processing time, and legal bases justifying the procedures: <http://lomasdezamora.eregulations.org/>. Two other municipalities (Berazategui and Vicente Lopez) plan to offer the same information system online by the end of 2014.

Efficient Capital Markets and Portfolio Investment

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The Argentine Securities and Exchange Commission ([Comisión Nacional de Valores - CNV](#)) is the federal agency that regulates securities markets offerings. Securities and accounting standards are transparent and consistent with international norms. Foreign investors have access to a variety of options on the local market to obtain credit.

The Argentine Congress approved in November 2012 a new law to amend regulations over the domestic stock market. The bill expands the local capital market, but it also provides for greater regulatory intervention in financial deals and corporate administration of listed companies.

U.S. banks, securities firms, and investment funds are well-represented in Argentina and are dynamic players in local capital markets. In 2003, the government began requiring foreign banks to disclose to the public the nature and extent to which their foreign parent banks guarantee their branches or subsidiaries in Argentina. In April 2015, the Argentine Securities Exchange Commission (CNV) suspended Citibank Argentina from operating in capital markets and ordered the removal of its CEO due to the bank's efforts to extricate itself from a dispute over the country's bond payments tied to litigation in U.S. courts between the GOA and a group of U.S. hedge funds.

The private pension fund system -- consolidated in 1995 -- provided a growing base for capital markets until the 2001-02 economic and financial crises. Following the government's 2005 debt restructuring, private pension funds once again became significant players in domestic capital markets. The government's nationalization of the private pension funds' assets in November 2008 shut down the funds' investment activities, however. As a result of the nationalization, Argentina's Social Security Agency ([Administración Nacional de la Seguridad Social - ANSES](#)) now holds large equity stakes in domestic and foreign firms trading on the local stock exchange, and has also taken on the private pension funds' holdings of federal and provincial government debt. This nationalization considerably decreased the liquidity and depth of the securities market in Argentina.

Following new provisions introduced in the Central Bank charter reform approved in mid-2012, the Central Bank has required banks operating in Argentina holding at least 1 percent of total market deposits to lend at least 5 percent of their deposits -- for "productive investments" at an interest rate that are below market rates, and even below private estimates of inflation. This program has been extended and recently the loans have been oriented to focus on small and medium sizes enterprises. Since its implementation, banks have issued over AR\$ 100 billion in loans. The government also mandates interest rate caps and limits on bank fees, limiting banks' profit margins. Banks are required to offer credit to both corporate borrowers and small and medium-sized enterprises at below-market rates, which further constrains profitability.

Money and Banking System, Hostile Takeovers

Argentina has a relatively sound banking sector. The largest bank is the Banco de la Nación Argentina. In recent years, the GOA has imposed a range of policies that have negatively affected business conditions and banks' financial strength, including dividend payment and foreign exchange market restrictions, caps on lending rates and fees, and lending requirements to targeted sectors. However, non-performing private sector loans constitute less than 2 percent of banks' portfolios. The ten largest private banks have

total assets of approximately ARS 564 billion (USD 64 billion). Total financial system assets are approximately ARS 1.230 trillion (USD 140 billion).

Competition from State Owned Enterprises

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The Argentine government owns state owned enterprises (SOEs) in the following sectors: civil commercial aviation, water and sanitation, oil and gas, electricity generation, transport, paper production, banking, railway, shipyard, and aircraft ground handling services. A list of state-own enterprises and enterprises under concession can be found here: http://www.adminpublica.org.ar/EF_EmpresasPublicas.htm.

By Argentine law, a company is considered a public enterprise if the state owns 100 percent of the company's shares. The state has majority control over a company if the state owns 51 percent of the company's shares. The state has minority participation in a company if the state owns less than 51 percent of the company's shares. Argentine Law 25.156 regulates state-owned enterprises and enterprises with state participation. Through the government's social security agency (ANSES), the GOA owns stakes ranging from 1 percent to 31 percent in 46 publically-listed companies. U.S. investors also own shares in some of these companies. As part of the ANSES takeover of Argentina's private pension system in 2008, the government agreed to commit itself to being a passive investor in the companies and limit the exercise of its voting rights to 5 percent, regardless of the percentage of a company the social security agency actually owned. In April 2011, the GOA removed the 5 percent cap and moved to increase ANSES' influence over these companies by nominating members for their boards of directors and exercising influence over issues such as dividend payments.

Most of Argentina's state-owned enterprises (SOEs) operate as providers of public services and do not face competition in the private sector. SOEs do purchase and supply goods and services from the private sector and foreign firms. Private enterprises may compete with SOEs under the same terms and conditions with respect to market share, products/services, and incentives. Private enterprises also have access to financing terms and conditions similar to SOE. SOEs are subject to the same tax burden and tax rebate policies as their private sector competitors. SOEs are not currently subject to firm budget constraints under the law. Argentina does not have regulations that differentiate treatment of SOEs and private enterprises. Argentina has observer status under the WTO Agreement on Government Procurement and, as such, SOEs are subject to the conditions of Argentina's observership.

OECD Guidelines on Corporate Governance of SOEs

Argentina generally adheres to the [OECD Guidelines on Corporate Governance of SOEs](#). SOEs are in compliance with some policies and practices for transparency and accountability set out in the OECD Guidelines. The general rule in Argentina is that requirements that apply to all listed companies also apply to publicly-listed SOEs.

Sovereign Wealth Funds

Not applicable.

There is an increasing awareness of corporate social responsibility (CSR) among both producers and consumers. CSR practices are welcomed by beneficiary communities throughout Argentina.

OECD Guidelines for Multinational Enterprises

Foreign and local enterprises both tend to follow generally accepted CSR principles. Argentina subscribed to the Declaration on the [OECD Guidelines for Multinational Enterprises](#) on April 1997.

Political Violence

Demonstrations are common in metropolitan Buenos Aires and occur in other major cities and rural areas. Protesters on occasion block streets, highways, and major intersections, causing traffic jams and delaying travel. While demonstrations are usually nonviolent, individuals sometimes seek confrontation with the police and vandalize private property. Groups occasionally protest in front of the U.S. Embassy or U.S.-affiliated businesses. Though political violence is always concerning, it is not widely considered a hindrance to the investment climate in Argentina.

Corruption

Corruption, including bribery, raises the costs and risks of doing business. Corruption has a corrosive impact on both market opportunities overseas for U.S. companies and the broader business climate. It also deters international investment, stifles economic growth and development, distorts prices, and undermines the rule of law.

It is important for U.S. companies, irrespective of their size, to assess the business climate in the relevant market in which they will be operating or investing, and to have an effective compliance program or measures to prevent and detect corruption, including foreign bribery. U.S. individuals and firms operating or investing in foreign markets should take the time to become familiar with the relevant anticorruption laws of both the foreign country and the United States in order to properly comply with them, and where appropriate, they should seek the advice of legal counsel.

The U.S. Government seeks to level the global playing field for U.S. businesses by encouraging other countries to take steps to criminalize their own companies' acts of corruption, including bribery of foreign public officials, by requiring them to uphold their obligations under relevant international conventions. A U. S. firm that believes a competitor is seeking to use bribery of a foreign public official in international business, for example to secure a contract, should bring this to the attention of appropriate U.S. agencies, as noted below.

U.S. Foreign Corrupt Practices Act: In 1977, the United States enacted the Foreign Corrupt Practices Act (FCPA), which generally makes it unlawful for U.S. persons and businesses (domestic concerns), and U.S. and foreign public companies listed on stock

exchanges in the United States or which must file periodic reports with the Securities and Exchange Commission (issuers), to offer, promise or make a corrupt payment or anything of value to foreign officials to obtain or retain business. The FCPA also applies to foreign firms and persons who take any act in furtherance of such a corrupt payment while in the United States. In addition to the anti-bribery provisions, the FCPA contains accounting provisions applicable to public companies. The accounting provisions require issuers to make and keep accurate books and records and to devise and maintain an adequate system of internal accounting controls. The accounting provisions also prohibit individuals and businesses from knowingly falsifying books or records or knowingly circumventing or failing to implement a system of internal controls. In order to provide more information and guidance on the statute, the Department of Justice and the Securities and Exchange Commission published *A Resource Guide to the U.S. Foreign Corrupt Practices Act*, available in PDF at: <http://www.justice.gov/criminal/fraud/fcpa/guidance/>. For more detailed information on the FCPA generally, see the Department of Justice FCPA website at: <http://www.justice.gov/criminal/fraud/fcpa/>.

Other Instruments: It is U.S. Government policy to promote good governance, including host country implementation and enforcement of anti-corruption laws and policies pursuant to their obligations under international agreements. Since enactment of the FCPA, the United States has been instrumental to the expansion of the international framework to fight corruption. Several significant components of this framework are the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (negotiated under the auspices of the OECD), the United Nations Convention against Corruption (UN Convention), the Inter-American Convention against Corruption (OAS Convention), the Council of Europe Criminal and Civil Law Conventions, and a growing list of U.S. free trade agreements. This country is an active participant in the Mechanism for Follow-up on the Implementation of the Inter-American Convention against Corruption (MESICIC).

OECD Antibribery Convention: The Anti-bribery Convention entered into force in February 1999. As of January 2015, there are 41 parties to the Convention, including the United States (see <http://www.oecd.org/corruption/oecdantibriberyconvention.htm>). Major exporters China and India are not parties, although the U.S. Government strongly endorses their eventual accession to the Anti-bribery Convention. The Anti-bribery Convention obligates the Parties to criminalize bribery of foreign public officials in international business transactions, which the United States has done under U.S. FCPA. Argentina became a Party to the OECD Convention in 2001.

Argentina is a member of the OECD Working Group on Bribery, the organization that monitors compliance with the OECD Convention. Argentina underwent its Phase 3 Working Group evaluation in December 2014 at which time the group found that Argentina was “seriously non-compliant with key articles of the convention, including introducing corporate liability for foreign bribery.” The Working Group also found persistent, systemic deficiencies in Argentina’s criminal justice system and ability to detect and report foreign bribery. As a consequence, Argentina will be required to undergo a supplemental Phase 3 evaluation before the end of 2016.

Argentina’s legal system incorporates measures addressing public sector corruption and a number of government institutions tasked with using them to fight corruption including the Anti-Corruption Office (ACO) (*Oficina Anticorrupción*), the National Auditor General,

and the General Comptroller's Office. Public officials are subject to financial disclosure laws, and the Ministry of Justice's ACO is responsible for analyzing and investigating federal executive branch officials based on their financial disclosure forms. The ACO is also responsible for investigating corruption within the federal executive branch or in matters involving federal funds, except for funds transferred to the provinces. While the ACO does not have authority to independently prosecute cases, it can refer cases to other agencies or serve as the plaintiff and request a judge to initiate a case.

UN Convention: The UN Convention entered into force on December 14, 2005, and there are 174 parties to it as of March 2015 (see <http://www.unodc.org/unodc/en/treaties/CAC/signatories.html>). The UN Convention requires countries to establish criminal and other offences to cover a wide range of acts of corruption, from basic forms of corruption such as bribery and solicitation, embezzlement, and trading in influence to the concealment and laundering of the proceeds of corruption. The Convention contains transnational business bribery provisions that are functionally similar to those in the OECD Anti-bribery Convention and contains provisions on private sector auditing and books and records requirements. Other provisions address matters such as prevention, international cooperation, and asset recovery. Argentina also has signed and ratified the UN Convention against Corruption (UNCAC) and is an active participant in UNCAC's Conference of State Parties.

OAS Convention: In 1996, the Member States of the Organization of American States (OAS) adopted the first international anticorruption legal instrument, the Inter-American Convention against Corruption (OAS Convention), which entered into force in March 1997. The OAS Convention, among other things, establishes a set of preventive measures against corruption, provides for the criminalization of certain acts of corruption, including transnational bribery and illicit enrichment, and contains a series of provisions to strengthen the cooperation between its States Parties in areas such as mutual legal assistance and technical cooperation. As of January 2015, the OAS Convention has 34 parties (see <http://www.oas.org/juridico/english/Sigs/b-58.html>) and the follow-up mechanism created in 2001 (MESICIC) has 31 members (see http://www.oas.org/juridico/english/mesicic_intro_en.htm). Argentina is a party to the OAS Inter-American Convention against Corruption.

Council of Europe Criminal Law and Civil Law Conventions on Corruption: Many European countries are parties to either the Council of Europe (CoE) Criminal Law Convention on Corruption, the Civil Law Convention on Corruption, or both. The Criminal Law Convention requires criminalization of a wide range of national and transnational conduct, including bribery, money-laundering, and accounting offenses. It also incorporates provisions on liability of legal persons and witness protection. The Civil Law Convention includes provisions on whistleblower protection, compensation for damage relating to corrupt acts, and nullification of a contract providing for or influenced by corruption, inter alia. The Group of States against Corruption (GRECO) was established in 1999 by the CoE to monitor compliance with these and related anti-corruption standards. Currently, GRECO comprises 49 member States (48 European countries and the United States). See http://www.coe.int/t/dghl/monitoring/greco/general/about_en.asp. As of January 2015, the Criminal Law Convention has 44 parties and the Civil Law Convention has 35 (see <http://conventions.coe.int/Treaty/Commun/QueVoulezVous.asp?CL=ENG&NT=173>;

<http://conventions.coe.int/Treaty/Commun/QueVoulezVous.asp?CL=ENG&NT=174>). Argentina is not a party to the Council of Europe Conventions.

Free Trade Agreements: While it is U.S. Government policy to include anticorruption provisions in free trade agreements (FTAs) that it negotiates with its trading partners, the anticorruption provisions have evolved over time. The most recent FTAs negotiated now require trading partners to criminalize “active bribery” of public officials (offering bribes to any public official must be made a criminal offense, both domestically and trans-nationally) as well as domestic “passive bribery” (solicitation of a bribe by a domestic official). All U.S. FTAs may be found at the U.S. Trade Representative Website: <http://www.ustr.gov/trade-agreements/free-trade-agreements>. Argentina has no free trade agreement with the U.S.

Local Laws: U.S. firms should familiarize themselves with local anticorruption laws, and, where appropriate, seek legal counsel. While the U.S. Department of Commerce cannot provide legal advice on local laws, the Department’s U.S. and Foreign Commercial Service can provide assistance with navigating the host country’s legal system and obtaining a list of local legal counsel.

Assistance for U.S. Businesses: The U.S. Department of Commerce offers several services to aid U.S. businesses seeking to address business-related corruption issues. For example, the U.S. and Foreign Commercial Service can provide services that may assist U.S. companies in conducting their due diligence as part of the company’s overarching compliance program when choosing business partners or agents overseas. The U.S. and Foreign Commercial Service can be reached directly through its offices in every major U.S. and foreign city, or through its website at www.trade.gov/cs.

The United States provides commercial advocacy on behalf of exporters of U.S. goods and services bidding on public sector contracts with foreign governments and government agencies. An applicant for advocacy must complete a questionnaire concerning its background, the relevant contract, and the requested U.S. Government assistance. The applicant must also certify that it is in compliance with applicable U.S. law, that it and its affiliates have not and will not engage in bribery of foreign public officials in connection with the foreign project, and that it and its affiliates maintain and enforce a policy that prohibits bribery of foreign public officials. Problems, including alleged corruption by foreign governments or competitors, encountered by U.S. companies in seeking such foreign business opportunities can be brought to the attention of appropriate U.S. government officials, including local embassy personnel, and reported through the Department of Commerce Trade Compliance Center “Report a Trade Barrier” Website at tcc.export.gov/Report_a_Barrier/index.asp. Potential violations of the FCPA can be reported to the Department of Justice via email to FCPA.Fraud@usdoj.gov.

Guidance on the U.S. FCPA: The Department of Justice’s (DOJ) FCPA Opinion Procedure enables U.S. firms and individuals and issuers to request a statement of the Justice Department’s present enforcement intentions under the anti-bribery provisions of the FCPA regarding actual, prospective business conduct. The details of the opinion procedure are available on DOJ’s Fraud Section Website at www.justice.gov/criminal/fraud/fcpa and general information is contained in Chapter 9 of the publication *A Resource Guide to the U.S. Foreign Corrupt Practices Act*, at <http://www.justice.gov/criminal/fraud/fcpa/guidance/>. Although the Department of

Commerce has no enforcement role with respect to the FCPA, it supplies general information to U.S. exporters who have questions about the FCPA and about international developments concerning the FCPA. For further information, see the Office of the General Counsel, U.S. Department of Commerce, website, at <http://www.osec.doc.gov/ogc/occic/tab1.html>. More general information on the FCPA is available at the websites listed below.

Exporters and investors should be aware that generally all countries prohibit the bribery of their public officials, and prohibit their officials from soliciting bribes under domestic laws. Most countries are required to criminalize such bribery and other acts of corruption by virtue of being parties to various international conventions discussed above.

According to the World Bank's worldwide governance indicators, corruption remains an area of concern in Argentina. In the latest Transparency International Corruption Perceptions Index (CPI) that ranks countries and territories by their perceived levels of corruption, Argentina ranked 107 out of 175 countries. Lack of transparency, autonomy, and clear rules in the selection of judges as well as inefficiencies and pervasive delays compromise the judicial system and create the potential for political influence. Few Argentine companies have implemented anti-foreign bribery measures beyond limited codes of ethics. According to Transparency International, weak enforcement of anti-corruption measures remains Argentina's greatest corruption weakness.

Since Argentina became a Party to the OECD Convention in 2001, ten allegations of Argentine individuals or companies bribing foreign officials have surfaced. Three of the allegations are under investigation. An investigation into one allegation was not opened because of a lack of information. Investigations into two allegations ended without charges. A seventh allegation was determined not to involve foreign bribery but other offences after an investigation. At the time of OECD's last reporting in December 2014, it remains unconfirmed whether the remaining cases involve foreign bribery.

Anti-Corruption Resources

Some useful resources for individuals and companies regarding combating corruption in global markets include the following:

- Information about the U.S. Foreign Corrupt Practices Act (FCPA), including *A Resource Guide to the U.S. Foreign Corrupt Practices Act*, translations of the statute into numerous languages, documents from FCPA related prosecutions and resolutions, and press releases are available at the U.S. Department of Justice's Website at: <http://www.justice.gov/criminal/fraud/fcpa> and <http://www.justice.gov/criminal/fraud/fcpa/guidance/>.
- The U.S. Securities and Exchange Commission FCPA Unit also maintains an FCPA website, at: <https://www.sec.gov/spotlight/fcpa.shtml>. The website, which is updated regularly, provides general information about the FCPA, links to all SEC enforcement actions involving the FCPA, and contains other useful information.
- General information about anti-corruption and transparency initiatives, relevant conventions, and the FCPA, is available at the Department of Commerce Office of

the General Counsel website: <http://www.osec.doc.gov/ogc/occic/tab1.html>.

- The Trade Compliance Center hosts a website with anti-bribery resources, at <http://tcc.export.gov/Bribery>. This website contains an online form through which U.S. companies can report allegations of foreign bribery by foreign competitors in international business transactions
- Additional country information related to corruption can be found in the U.S. State Department's annual *Human Rights Report* available at <http://www.state.gov/g/drl/rls/hrrpt/>.
- Information about the OECD Anti-bribery Convention including links to national implementing legislation and country monitoring reports is available at: <http://www.oecd.org/corruption/oecdantibriberyconvention.htm>. See also Anti-bribery Recommendation, <http://www.oecd.org/daf/anti-bribery/oecdantibriberyrecommendation2009.htm>, and Good Practice Guidance Annex for companies: <http://www.oecd.org/daf/anti-bribery/44884389.pdf>.
- GRECO monitoring reports can be found at: http://www.coe.int/t/dghl/monitoring/greco/evaluations/index_en.asp.
- MESICIC monitoring reports can be found at: http://www.oas.org/juridico/english/mesicic_intro_en.htm.
- The Asia Pacific Economic Cooperation (APEC) Leaders have also recognized the problem of corruption and APEC Member Economies have developed anticorruption and ethics resources in several working groups, including the Small and Medium Enterprises Working Group, at <http://businessethics.apec.org/>, and the APEC Anti-Corruption and Transparency Working Group, at <http://www.apec.org/Groups/SOM-Steering-Committee-on-Economic-and-Technical-Cooperation/Working-Groups/Anti-Corruption-and-Transparency.aspx>. For more information on APEC generally, <http://www.apec.org/>.

There are many other publicly available anticorruption resources that may be useful, some of which are listed below without prejudice to other sources of information that have not been included. (The listing of resources below does not necessarily constitute U.S. Government endorsement of their findings.)

- Transparency International (TI) publishes an annual Corruption Perceptions Index (CPI). The CPI measures the perceived level of public-sector corruption in approximately 180 countries and territories around the world. The CPI is available at: <http://www.transparency.org/research/cpi/overview>. TI also publishes an annual *Global Corruption Report* which provides a systematic evaluation of the state of corruption around the world. It includes an in-depth analysis of a focal theme, a series of country reports that document major corruption related events and developments from all continents, and an overview of the latest research findings on anti-corruption diagnostics and tools. See <http://www.transparency.org/research/gcr>.

- The World Bank Institute's Worldwide Governance Indicators (WGI) project reports aggregate and individual governance indicators for 215 economies over the period 1996-2013, for six dimensions of governance (Voice and Accountability, Political Stability and Absence of Violence, Government Effectiveness, Regulatory Quality, Rule of Law, and Control of Corruption). See <http://info.worldbank.org/governance/wgi/>. The World Bank Business Environment and Enterprise Performance Surveys may also be of interest and are available at: <http://data.worldbank.org/data-catalog/BEEPS>. See also the World Bank Group *Doing Business* reports, a series of annual reports measuring regulations affecting business activity, available at: <http://www.doingbusiness.org/>
- The World Economic Forum publishes every two years the *Global Enabling Trade Report*, which assesses the quality of institutions, policies and services facilitating the free flow of goods over borders and to their destinations. At the core of the report, the Enabling Trade Index benchmarks the performance of 138 economies in four areas: market access; border administration; transport and communications infrastructure; and regulatory and business environment. See <http://www.weforum.org/reports/global-enabling-trade-report-2014>.
- Global Integrity, a nonprofit organization, publishes its annual *Global Integrity Report*, which typically assesses anti-corruption and good governance mechanisms in diverse countries. (The 2012 and 2013 reports covered a small number of countries as the organization focused on re-launching a modernized methodology in mid-2014.) For more information on the report, see <https://www.globalintegrity.org/global-report/what-is-gi-report/>.

Bilateral Investment Agreements

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In 1991, Argentina and the United States signed a Bilateral Investment Treaty (BIT). The agreement was ratified by both countries entering into force on October 20, 1994. The Argentina-United States BIT can be found on the following site: <http://www.state.gov/e/eb/ift/c14408.htm>.

The BIT provides protections against capital movement restrictions, expropriations, and performance requirements; it also establishes a means for the settlement of investment disputes. The BIT lists sectors in which Argentina maintains exceptions to national treatment for U.S. investors: real estate in border areas, air transportation, shipbuilding, nuclear energy, uranium mining, and fishing. U.S. investors must obtain permission from the Ministry of Defense's Superintendency for Frontiers to invest in non-mining activities in border areas.

Currently, Argentina has over 50 BITs and double taxation treaties (DTAs) in force. Among those countries there is Australia, United Kingdom, Denmark, Germany, Belgium, France, Italy, Sweden, Canada, Bolivia, Brazil, Finland, Norway, and the Netherlands. In addition, a number of treaties concerning the exemption of income tax from international transport are in force.

In October 2014, the Government of Argentina signed a resolution with 50 other countries, agreeing to the automatic exchange of banking information to improve fiscal transparency. The agreement, which was spearheaded by the Organization for

Economic Co-operation and Development (OECD), will allow the Argentine Tax Authority AFIP access information on foreign bank accounts held by Argentines. The agreement is expected to begin implementation in 2017. Detailed information of the Argentina's international agreement related to taxes can be found at <http://www.afip.gov.ar/institucional/acuerdos.asp>.

In 2015, Argentina and the United States signed a Memorandum of Understanding to renew the exchange of trade and fiscal information between the countries, increasing the transparency of commercial transactions.

During the last year, several commercial and investment agreements have been signed between the GOA and China. The specific terms and conditions of the agreements are not publicly available, causing consternation in the private sector over the lack of transparency.

Bilateral Taxation Treaties

Argentina does not have a bilateral tax treaty with the United States.

OPIC and Other Investment Insurance Programs

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The GOA signed a comprehensive agreement with the [Overseas Private Investment Corporation \(OPIC\)](#) in 1989. The agreement allows OPIC to insure U.S. investments against risks resulting from expropriation, inconvertibility, war or other conflicts affecting public order. OPIC programs are currently used in Argentina. Argentina is also a member of the World Bank's [Multilateral Investment Guarantee Agency \(MIGA\)](#).

Labor

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Argentine workers are among the most highly educated in Latin America. Wages in dollar terms have historically been competitive. Argentina has relatively high social security charges and other labor taxes. As of the fourth quarter of 2014, the unemployment rate was 6.9 percent according to official government statistics. The Ministry of Labor, Employment, and Social Security estimated that 33.1 percent of the urban workforce worked in the informal sector as of the third quarter of 2014, although other private sector and civil society sources estimate that the number is higher (around 45 percent).

Organized labor plays an active role in labor-management relations and in the Argentine political system. Standoffs between management and union activists do occur. Many managers of foreign companies say that they have good relations with their unions. While negotiations between unions and industry are largely market-driven, they occasionally require mediation by the Ministry of Labor. Labor-related demonstrations in Argentina remained high in 2014, with over 1,600 protests that ranged in size, taking place between the months of January and October. Reasons for strikes include complaints from disgruntled workers, unemployed, and other social groups' demonstrations.

Argentine law affords unions the right to negotiate collective bargaining agreements and offers recourse to mediation and arbitration. The Ministry of Labor ratifies collective bargaining agreements, which covered roughly 75 percent of the formally employed work force. There are no special laws or exemptions from regular labor laws in the Foreign Trade Zones (FTZs).

Labor laws are usually protective of workers in Argentina. However, when employers can show a true decrease or lack of activity in their sectors that do not derive from their negligence or recklessness, employers can adjust employment by reducing the working days or assigning employees to shiftwork. This provision is implemented only in emergency situations, which cannot last longer than a month in a given year.

The Labor Ministry has different hotlines to report labor abuses and the Argentine Superintendence of Labor Risks (*Superintendencia de Riesgos del Trabajo – SRT*) monitors health and safety standards in all sorts of operations. Nevertheless, unions also play a key role in monitoring labor conditions, reporting abuses and filing complaints with the proper authorities.

In 2014, Congress passed a law that reduced employers' required contributions for small businesses. This move came as part of the government's effort to fight "under-the-table" or unregistered workers. Also in 2014, Congress passed a law – the Supply Law – against "business abuse" that entitles the executive branch to set earning margins and prices during the different stages of the economic process.

Foreign-Trade Zones/Free Ports

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Argentina has two types of tax-exempt trading areas: Free Trade Zones (FTZ), which are found throughout the country; and the more comprehensive Special Customs Area (SCA), which covers all of Tierra del Fuego Province.

Argentine law defines an FTZ as a territory outside the "general customs area" (GCA, i.e., the rest of Argentina) where neither the inflows nor outflows of exported final merchandise are subject to tariffs, non-tariff barriers, or other taxes on goods. Goods produced within a FTZ generally cannot be shipped to the GCA unless they are capital goods not produced in the rest of the country. The labor, sanitary, ecological, safety, criminal, and financial regulations within FTZs are the same as those that prevail in the GCA. Foreign firms receive national treatment in FTZs.

Under the current law, the GOA may create one FTZ per province, with certain exceptions. More than one FTZ per province may be allowed in sparsely populated border regions (although this provision has not been fully utilized). Thus far, the GOA has permitted FTZs in many of the 23 Argentine provinces. The most active FTZ is in La Plata, the capital of Buenos Aires Province.

Merchandise shipped from the GCA to a FTZ may receive export incentive benefits, if applicable, only after the goods are exported from the FTZ to a third country destination. Merchandise shipped from the GCA to a FTZ and later exported to another country is not exempt from export taxes. Any value added in an FTZ or re-export from an FTZ is exempt from export taxes.

Products manufactured in an SCA may enter the GCA free from taxes or tariffs. In addition, the government may enact special regulations that exempt products shipped through an SCA (but not manufactured therein) from all forms of taxation except excise taxes. The SCA program provides benefits for established companies that meet specific production and employment objectives. The SCA program applies only to Tierra del Fuego Province and is scheduled to expire at the end of 2023. In late 2006, the Economy Ministry through Resolution 776 abolished the export tax exemption enjoyed by oil companies operating in Tierra del Fuego Province. The Argentine Congress passed a law in November 2009 establishing value-added tax rates up to 21 percent on cell phones, televisions, digital cameras and other electronic items not produced in the southern Tierra del Fuego foreign trade zone. According to the government, the bill aims to increase government revenue through higher tax collection, and encourage investment in Tierra del Fuego to promote local manufacturing and job growth. Argentina's import restrictions are often the primary reason that foreign firms choose to assemble electronic products in Argentina.

Foreign Direct Investment Statistics

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Table 2: Key Macroeconomic Data, U.S. FDI in Host Country/Economy

Economic Data	Host Country Statistical source*		USG or international statistical source		USG or International Source of Data: BEA; IMF; Eurostat; UNCTAD, Other
	Year	Amount	Year	Amount	
Host Country Gross Domestic Product (GDP) (\$M USD)	2013	610,288	2013	609,900	www.worldbank.org/en/country
Foreign Direct Investment	Host Country Statistical source*		USG or international statistical source		USG or international Source of data: BEA; IMF; Eurostat; UNCTAD, Other
U.S. FDI in partner country (\$M USD, stock positions)	2013	N/A	2013	15,171	
Host country's FDI in the United States (\$M USD, stock positions)	2013	N/A	2013	119	BEA data available 3/19/14 at http://bea.gov/international/direct_investment_multinational_companies_comprehensive_data.htm
Total inbound stock of FDI as % host GDP	2013	N/A	2013	1.68%	

*Argentine Statistics Agency, www.indec.gov.ar. Difference between figures is due to statistical corrections done by INDEC on a regular basis.

Table 3: Sources and Destination of FDI

The IMF does not have recent direct investment data on Argentina. Argentina was censured by the IMF in February 2013 for reporting unreliable economic data.

According to the United Nations Conference on Trade and Development (UNCTAD) World Investment Report 2012, the latest information for Argentina, the total stock of FDI in Argentina at the end of 2012 was estimated at USD 110.7 billion. The stock of U.S. FDI in Argentina in 2012 was estimated at USD 14.4 billion by the U.S. Bureau of Economic Analysis. In 2012, according to UNCTAD, total FDI inflows were estimated at USD 12.5 billion and outward FDI flows amounted to USD 1.1 billion.

Source: UNCTAD, <http://unctadstat.unctad.org/TableViewer/tableView.aspx>.

Table 4: Sources of Portfolio Investment

Portfolio Investment Assets								
Top Five Partners (Millions, US Dollars)								
Total			Equity Securities			Total Debt Securities		
All Countries	23,459	100%	All Countries	14,211	100%	All Countries	Amount	100%
United States	22,092	94%	United States	13,169	93%	United States	8,923	96%
Luxembourg	680	3%	Luxembourg	680	5%	Brazil	305	3%
Brazil	427	2%	Spain	149	1%	Germany	7	0.08%
Spain	149	1%	Brazil	121	1%	Mexico	6	0.04%
China P.R.	24	0.10%	China, P.R.	24	0.17%	Chile	4	0.03%

Source: IMF Coordinated Portfolio Investment Survey, 2014

Contact Point at Post

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Economic Counselor
 U.S. Embassy Buenos Aires
 Avenida Colombia 4300
 C1425GMN Buenos Aires, Argentina
 +54-11-5777-4747
ECONBA@state.gov

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Chapter 7: Trade and Project Financing

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How Do I Get Paid (Methods of Payment)

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Letters of credit (L/Cs) may be used to pay for U.S. exports to Argentina. A number of banks in Argentina open letters of credit once the bank has approved a line of credit for the Argentine importer. Multinationals, large and medium sized firms are still the main users of L/Cs. However, to a lesser degree, small firms also use LCs..

Another payment option may be direct payment from Argentine importers' overseas bank accounts. Bank drafts and documentary collections are also of common use. While they do help safeguard the U.S. exporter's title to goods until payment has been received, all credit and country risk remains with the exporter. There is no obligation for the bank to cover these risks. However, documentary collections are less costly than letters of credit and, where the exporter is comfortable with these risks; they offer a practical and efficient solution, particularly for Argentine subsidiaries of U.S. companies.

According to local sources, the majority of sales to Argentine importers are currently taking place on open account. Small- and medium-sized Argentine companies in key sectors continue to have liquidity, favoring technological upgrades in production lines. As a result, open account sales generally take place between small- and medium-sized firms. U.S. exporters should consider open account payment terms only if they have a great deal of trust in the local importer and feel confident in the client's ability and willingness to pay.

How Does the Banking System Operate

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In Argentina, Law No. 21,526 of 1977 governs banking activities. Under this law, Argentina's Central Bank (BCRA) is the implementing authority and the regulatory body, which issues standards and controls activities of financial institutions included in the law (authorization and operating conditions within the banking industry; definition of permitted, prohibited and limited transactions; monetary controls; meeting certain operating ratios; information; accounting and control systems; dissolution and liquidation; etc.). In order to operate in Argentina, foreign banks must register with the BCRA and obtain appropriate authorization prior to engaging in banking activities in the country. In addition, there are minimum capital requirements for these entities to be allowed to do business.

Features of the Argentine Financial System

Classification:

- Commercial banks
 - Government-owned: federal, provincial and municipal.
 - Private local banks with Argentine capital: cooperative banks and non-cooperative banks.
 - Foreign banks: private local banks, and local branches of foreign banks.
- Investment banks
 - Government-owned provincial banks.
 - Local banks with foreign capital.
- Mortgage banks
- Development banks
- Savings banks
- Finance companies
- Savings and loan associations for building homes or other real estate property
- Credit associations
- Representative offices

Funding Systems: Main Transactions

Financial transactions are generally made in pesos (legal tender), U.S. dollars, and government securities. The three segments making up Argentina's financial system are: peso, foreign currency, and the liquid assets under management of all banks in the financial system.

The main transactions are:

- Overdraft
- Promissory notes
- Discount of bills
- Mortgage loans
- Collateral loans
- Consumer loans
- Credit cards
- Demand deposits
- Certificates of deposit
- Common savings deposits
- Deposits in Argentine government securities
- Interbank transactions
- Swaps
- Bankers acceptances
- Spot exchange transactions
- Forward exchange transactions

In the late nineties, there were 120 banks operating in Argentina, whereas today there are approximately 60, after the fallout from the 2002-2003 peso devaluation crisis. However, the financial system is perceived to be healthier than it was in the last decade.

Most financial institutions in Argentina plan to continue expanding operations in order to achieve greater financial margins.

Some public banks have improved management quality and, as a result, benefited from a significant increase in deposits over the last few years. Banks currently enjoy higher-quality client-portfolios than in the pre-crisis scenario. Better clients translate into lower credit risk, and as the perception of risk decreases, credit is expected to gradually become more accessible in the medium term.

Foreign-Exchange Controls

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The Argentine Central Bank is the regulatory body that approves foreign exchange acquisition for import-related transactions. For advance payments, Argentine importers must submit customs clearance documents, to include an approved Sworn Declaration of Intention to Import, known by its acronym in Spanish as DJAIs (or "*Declaración Jurada Anticipada de Importación*") to their commercial bank within 360 days from payment as proof that the goods have been approved to enter the market. If products are brought into Argentina as a temporary import, importers must submit within 90 days an interim-destination document for temporary import.

The Argentine government restricts the purchase of foreign currency, based on several variables. Amounts of foreign exchange transactions may vary on a case-by-case basis. Argentine companies can perform import payments in four different ways:

- 1) *Advance payments*: before the merchandise is shipped. The commercial bank requests from the Argentine importer the pro forma invoice and exchange purchase ticket. The local buyer has 360 days from shipment date to present the Customs clearance to its commercial bank.
- 2) *Sight payments*: when the merchandise was already shipped and payment is made against documents. The Argentine importer has 90 days from shipment date to present to the commercial bank the clearance for Customs.
- 3) *Credit payments*: delayed payment. The commercial bank requests that the Argentine importer presents the clearance to Customs to keep track of merchandise imported, payments already made, and payments still due.
- 4) *Anticipate the credit payment*: delayed payment. The local buyer pays in full in one single payment. The commercial bank requests that the Argentine importer presents the clearance to Customs to keep track of merchandised imported and all payments made.

Since 2002, Government of Argentina (GOA) regulations require that all exports be assigned a value and that foreign exchange revenues be returned to Argentina. Thus, barter transfers of goods between exporter and importer are not possible. While bartering does not involve a sale per se, the GOA would still expect to see foreign exchange remittance to the local bank based on the value of the goods exported.

U.S. Banks and Local Correspondent Banks

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Citibank is the only U.S.-controlled bank operating in Argentina within the retail segment. American Express Bank, Bank of America, Wachovia Bank, J.P. Morgan Chase, The Bank of New York, and First International Bank are other U.S. banks with subsidiaries or representatives in Buenos Aires.

Most Argentine banks maintain correspondent arrangements with U.S. banks. To obtain a list of Argentine Commercial Banks with Offices in the U.S. or banks operating in Argentina, please review the Argentina Government Portal: <http://www.argentina.gov.ar/argentina/portal/paginas.dhtml?pagina=246> or contact Marcelo.Amden@trade.gov.

Project Financing

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Lack of access to international financial markets has limited project financing in Argentina. The Inter-American Development Bank, the World Bank and some countries have provided limited credits to Argentina. Financing from major developed countries has been blocked due to unpaid debts of Argentina to the Paris Club group of countries. On May 29, 2014, the GOA signed an agreement with the Paris Club of international creditors. Before reaching this agreement Argentina was unable to access national export credits such as those provided by export-import banks from the member countries. The Paris Club accord should make international project financing more readily available in the near term.

External lines of credit are likely to become available for Argentina, after the GOA performs pending payments, as outlined by the referenced agreement, and credit risk procedures are considered. Money inflows to the local market are primarily used to finance Argentine export transactions. Local banks have stressed that the supplier-importer relationship is key, and that the vast majority of financing options have been reduced to financing offered by the foreign supplier. Nevertheless, there may be some options available to support trade finance for U.S. exports to Argentina, as detailed below.

The U.S. Export-Import Bank (Ex-Im)

As of this writing, the [U.S. Export-Import Bank \(Ex-Im\)](#) is closed for new transactions in Argentina following its failure to settle with bond holdouts and the blockage of its external bond payments by a New York court. No negotiations between bond holdouts and Argentina are currently underway and many observers believe no settlement will be reached until sometime in 2016. Please consult Ex-Im's country limitation schedule from time to time to see whether Exim has re-opened in Argentina. Bank officials express optimism about Argentina and will continue to monitor the marketplace in order to consider future provisions of export financing for U.S. goods and services.

Ex-Im Bank will consider structured financing arrangements such as some project finance, asset-based aircraft leases, and other financing arrangements in key industries, such as mining, that offer a reasonable assurance of repayment, including reliable access to adequate foreign exchange supported by an irrevocable Letter of Credit issued by a bank and/or due from a buyer located in a country where Ex-Im Bank is open without restrictions. In addition, coverage under the Working Capital Guarantee

Program may be available for a transaction under the same rubric of payment being assured from outside Argentina.

Visit the Ex-Im Internet site at <http://www.exim.gov/> for 24-hour access to Ex-Im and its programs, or call their toll free telephone number (800) 565-EXIM.

Small Business Administration (SBA)

The [Small Business Administration \(SBA\)](#) has an Export Working Capital Program to support small and medium-sized exporters. However, it is governed by the same principles that currently prevent Exim from operating in Argentina.

For information about this program and to find your local SBA district office, call 1-800-U-ASK-SBA or search the SBA web site at <http://www.sba.gov/>. The U.S. Export Assistance Centers (USEAC) of the U.S. Department of Commerce can also provide information on this program. For a list of USEACs call 1-800-USA-TRADE or go to <http://export.gov/usoffices/index.asp>.

Overseas Private Investment Corporation (OPIC)

The [Overseas Private Investment Corporation \(OPIC\)](#) offers assistance to U.S. private investors in the form of political risk insurance, as well as loans and loan guarantees for their direct investment in Argentina. OPIC's main programs are:

Investment Insurance: Provides insurance against the risks of currency inconvertibility, expropriation, and the loss of assets or income caused by political violence. Coverage is available for new investments and for investments to expand or modernize existing operations.

Investment Programs: Medium- to long-term financing for sound overseas investment projects is made available through loan guarantees and direct loans. Loan guarantees generally range from \$10 million to \$75 million, and direct loans generally range from \$2 million to \$10 million. Direct loans are reserved for projects involving small businesses or cooperatives. OPIC's financing commitment may range from 50 percent of total project costs for new ventures to up to 75 percent for expansions of existing operations with maturities of five to twelve years (and in some cases longer).

Contact: <http://www.opic.gov/>. Information officer: (202) 336-8799, Fax: (202) 408-5155. There is an automated information service via a fax retrieval line: (202) 336-8700.

OPIC is currently closed to new Argentine transactions. Please consult them in early 2016 to determine whether they have reopened.

Leasing

The passage of Leasing Law No. 25.248 in 2000 raised the stature of leasing as a financing option. Leasing operations in Argentina currently account for USD \$1.5 billion, mostly of equipment leasing operations. Leasing activities increased approximately 57.2 percent in 2014 year-on-year. Industry experts anticipate that leasing will continue to expand, and become a more popular financial instrument. According to Argentina's Leasing Association, financing through leasing for SMEs increased 74 percent in the

past three years and leasing to private individuals increased 200 leasing in the same time period. Leasing is mainly used in the transportation, logistics and automotive sector, purchase of industrial equipment, construction machinery, agricultural machinery, technology and telecommunications equipment and real estate. Some of the perceived advantages of leasing entail: installments which are fully deductible from capital gains taxes, no property taxes or taxes on interest, VAT applied proportionately on installments rather than up front, and accelerated depreciation.

Web Resources

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- Trade Finance Guide: A Quick Reference for U.S. Exporters, published by the International Trade Administration's Industry & Analysis team: <http://www.export.gov/tradefinanceguide/index.asp>
- Export-Import Bank of the United States: <http://www.exim.gov>
 - Country Limitation Schedule: http://www.exim.gov/tools/country/country_limits.html
- OPIC: <http://www.opic.gov>
- Trade and Development Agency (USTDA): <http://www.tda.gov/>
- SBA's Office of International Trade: <http://www.sba.gov/oit/>
- USDA Commodity Credit Corporation: <http://www.fsa.usda.gov/cc/default.htm>
- U.S. Agency for International Development: <http://www.usaid.gov>
-
- Multilateral Development Banks (World Bank, Inter-American Development Bank): The Commercial Service maintains Commercial Liaison Offices in each of the main Multilateral Development Banks, including the World Bank and the Inter-American Development Bank. These institutions lend billions of dollars in developing countries on projects aimed at accelerating economic growth and social development by reducing poverty and inequality, improving health and education, and advancing infrastructure development. The Commercial Liaison Offices help American businesses learn how to get involved in bank-funded projects, and advocate on behalf of American bidders. Learn more by contacting the Commercial Liaison Offices to the World Bank (<http://export.gov/worldbank>) and to the Inter-American Development Bank (<http://export.gov/idb>).

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Chapter 8: Business Travel

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Business Customs

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Relationships are very important in doing business in Argentina. Thus, U.S. businesspeople should take the time to develop a close personal relationship with their agent, representative, distributor, or other business partner. Argentine business and customs are generally more formal than those in the United States. Business dress, appearance, and general demeanor are more conservative.

Courtesy is very important, and efforts to rush a business deal are unlikely to meet with success. No encounter starts with a business discussion. To establish trust, some time spent discussing family members, sports, and social activities will be fundamental to the development of a solid business relationship. It is important to shake hands with everyone in the room upon arriving and leaving. Among Argentines, it is customary for men to kiss women they meet for the first time on the right cheek. However, Americans should shake hands with Argentine women, until a friendly relationship has been established.

Contacts and introductions are important. Therefore, it is advisable to use the services of the U.S. Commercial Service at the U.S. Embassy in Buenos Aires, or other organizations such as the American Chamber of Commerce, industry associations, and other intermediaries, rather than reliance on a direct "cold call" approach. The U.S. Commercial Service in Argentina offers a complete package of services for the U.S. businessperson to meet with potential business partners.

It is important that you be prompt to business meetings, though your Argentine contact may be slightly late, and always have a pre-arranged appointment. Be sure to have an ample supply of business cards. Although not essential, it is beneficial to have cards printed in Spanish as well as English.

One cultural note is that it is better form not to say you are from "America." In Latin America, the term "America" denotes both North and South America, not just the United States. Therefore, it is better to call yourself a North American (*Norte Americano*).

Currency

The Argentine currency is the peso and is signified by the same symbol (\$) as the U.S. dollar. ATM machines are widely available in Buenos Aires, allowing travelers with a variety of credit or debit cards to withdraw funds automatically in local currency. Although usually accepted at most hotels, traveler's checks are often refused by business establishments and can be difficult or expensive to change at banks. At this time for each dollar you will have the official rate and the "blue market" which is really a "black market."

It is important to consider that all Argentines have a 35 percent overall tax for all foreign purchases, including travel services and airline tickets. Please note that you will be required to pay for hotels, air travel, the *buquebus*, and other travel costs (excluding local mass transit) with non-Argentine currency (normally hard currency such as dollars and euros) or with a credit card not in Argentine currency.

Travel Advisory

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Please consult the Department of State's **Bureau of Consular Affairs** web site for general travel information and the site's section on [Travel Warnings](#) for country-specific information: <http://travel.state.gov/content/passports/english/country/argentina.html>.

Visa Requirements

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Visas are not required for U.S. citizens traveling to Argentina for up to 90 days of tourism or business, except holders of U.S. Diplomatic and Official passports. However, the Argentine government implemented a reciprocal Visa Fee on all foreign nationals whose governments require visas of Argentines. For U.S. citizens, this fee is \$160.00 and the visa is valid for ten years and multiple entries into Argentina. This fee must be paid online prior to traveling to Argentina and the traveler must print and carry the payment confirmation to present at the airport upon arrival in Argentina. Cash payments are NOT accepted at the airport once the traveler has arrived in Argentina. To pay the reciprocity fee online, go to <http://www.provinciapagos.com.ar/dnm/> and complete the form. Click on "Acceder" in the lower right corner and on the page that opens, click on the U.S. flag for the English version of the form. Within one business day, you will receive an email confirmation that your Reciprocity Fee has been paid. Print this receipt and present at the airport upon your arrival in Argentina. The reciprocity fee is good for 10 years as long as you show a stamp in a passport showing prior entrance to Argentina following payment of the fee.

For additional time in Argentina, visitors may request an extension of stay up to 90 days from the Argentine Immigration Service at:

Dirección Nacional de Migraciones
Av. Antártida Argentina 1355, Edificio 1, Piso 1
C1104AC Buenos Aires, Argentina
Phone: (54-11) 4311-7695 or 4313-2777
Fax: (54-11) 4313-1778

Email: info@migraciones.gov.ar

Website: <http://www.migraciones.gov.ar/accesibleingles/>

Argentine citizens traveling to the United States for any purpose require a U.S. visa. For more information on U.S. visa application procedures, visit http://argentina.usembassy.gov/nonimmigrant_visas.html.

Work and other Extended Visas

Although it is theoretically possible to arrange a work permit following arrival in Argentina, the process is much more complicated and time-consuming than applying for the work visa while abroad, and one may not legally begin remunerated employment until permission has been granted. Therefore, it is important to begin the work visa process as early as possible by applying at an Argentine consular office in the United States or abroad. This process can still be quite lengthy and require many civil documents (e.g. birth and marriage certificates) and police certificates. U.S. civil documents submitted to Argentine consular offices do not require Argentine consular certification. The Government of Argentina requires only a Hague Convention *apostille* certificate from the Secretary of State of the U.S. state where the document was issued or from the U.S. Department of State for U.S. federal government-issued documents.

Argentine immigration law provides for the following temporary and permanent resident categories and conditions:

- Transitory residents, tourists, and students are not allowed to carry on a remunerated or profitable activity unless expressly authorized by the immigration authorities.
- Temporary residents may perform such activities during their authorized stay if they obtain a work permit. The work permit can be obtained from the immigration authorities at the Immigration Office, upon prior filing of relevant documentation. The permit authorizes a stay from one to three years.
- Permanent residents may perform any type of remunerated or profitable activity, either as employees or self-employed.

There are special immigration provisions for some foreign professional, scientific, or technical research personnel hired abroad to render services in Argentina for a maximum of two years. The individual must not be a resident in Argentina and must be covered for contingencies such as old age, disability, or death by the law of their own country.

U.S. companies that require travel of foreign businesspersons to the United States should be advised that security evaluations are handled via an interagency process. Visa applicants should go to the following links.

- State Department Visa Website: <http://travel.state.gov/content/visas/english.html>
- United States Visas.gov: <http://www.usimmigrationsupport.org/visas.html>
- U.S. Embassy in Buenos Aires: <http://argentina.usembassy.gov/>
- U.S. Embassy in Buenos Aires, Consular Section:
<http://argentina.usembassy.gov/visas.html>

Telecommunications

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Telephone service, both international and local is adequate, with several providers such as Telecom, Telefónica, Claro, Nextel and Movistar, among others, offering service. At the time of this writing no 4G service was available, though at least one company advertises its availability. Visitors should be aware that the telecommunications system is currently saturated. Many calls are dropped or cannot be connected, and data coverage is spotty on smart phones. New investments are expected within the next year. There is also a wide range of cable television channels available, including CNN International, CNN en Español, FOX, WB, Sony, MTV, and channels from Brazil, Chile, Mexico, France, Germany, Italy, and elsewhere.

Electric Current

The electric current in Argentina is AC 220 volts, 50 cycles in the case of one phase; AC 380 volts, 50 cycles for three phases. Electric plug configurations are usually 2-3 flat pins with the top two slightly angled to form a "Y" shape or two round-tipped straight pins. Most hotels that cater to businesspeople have installed U.S.-standard outlets in their guest rooms.

Transportation

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U.S. carriers flying to Argentina include American Airlines, Delta Air Lines and United. The primary gateways are Atlanta, Dallas, Houston, Miami, and New York. The Argentine carrier, Aerolineas Argentinas, also flies between the United States and Argentina. Many other airlines connect through third countries. Also, in-country travel, and travel between Argentina and other South American countries, is widely available from a variety of Argentine and foreign carriers. Two main airports serve Buenos Aires: Aeroparque Jorge Newbery, which is located near downtown serving domestic flights and some regional flights to Brazil, Uruguay, and Paraguay; and Ezeiza International Airport, which is a 45-minute drive from Buenos Aires, serving all other international flights, including those from the United States.

Taxis are plentiful and fares are reasonable, and are generally the most effective way of moving around Buenos Aires. A widely available private car service, called "*remis*", is also available and is the recommended method of travel from Ezeiza International Airport into Buenos Aires. *Remis* services have counters at the airport. For security reasons, the U.S. Embassy in Buenos Aires recommends that travelers use either *remises* or radio taxis, rather than hailing taxis on the street.

Travel in Argentina can be accomplished by train, bus, or car, although air travel is recommended for many trips to key cities in the provinces due to large distances. Automobile rental is available throughout the country, although it is quite expensive compared to U.S. rental costs. Travelers should be aware that Argentina has a high rate of auto accidents, and driving is not recommended for short visits.

Language

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Spanish is the national language of Argentina, although many businesspeople speak English as well as other European languages. Do not assume, however, that your contacts will speak English. Although some of your contacts may speak some English socially, do not assume that they will want to conduct business meetings in English. Therefore, hiring an interpreter is highly recommended for business meetings. The [U.S. Commercial Service in Argentina](#) can assist you in selecting an interpreter for your business meetings. For U.S. businesspeople that already speak Spanish, note that Argentina has distinct differences in pronunciation, cadence, and vocabulary.

Almost all business in Argentina is transacted in Spanish, and all documents and records must be in that language to constitute valid evidence. Business documents in a foreign language should be translated by a certified public translator to be presented for legal purposes to Argentine authorities. A list of certified public translators is available upon request from the U.S. Commercial Service in Argentina (Office.BuenosAires@trade.gov).

Health

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Buenos Aires has no particular health risks and no special precautions need to be taken. Sanitary conditions are good and tap water is safe to drink. Many competent doctors, dentists, and specialists are available in Buenos Aires. It should be noted, however, that import restrictions have reduced the local availability of some medicines and medical equipment. It is advisable to carry any critical medications. Outside of Buenos Aires or other major cities, basic precautions, such as drinking bottled water, are recommended. Prior to travelling to Argentina, it is advisable to consult with your medical professional and review the Department of State's **Bureau of Consular Affairs** web site for general travel information: <http://travel.state.gov/content/passports/english/go/health.html>.

Local Time, Business Hours, and Holidays

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Argentina is three hours behind Greenwich Mean Time (UTC). Argentina is + 1 hour U.S. Eastern Daylight Time (Summer Time) and +2 hours Eastern Standard Time (Winter). The 24-hour system is used rather than the 12-hour a.m./p.m. system. There is only one time zone for all of Argentina. [Click here](#) for the current time in Argentina.

Business office hours are Monday through Friday from 9.00 a.m. to 6.00 p.m. (two hours earlier for factories) with a one-hour lunch break. Work luncheons are frequent for business people and they generally extend from 1.00 to 3.00 p.m. Business dinners, and dinners in general, begin at 9.00 p.m. Most retail stores are open from 9.00/10.00 a.m. to between 6.00 and 9.00 p.m., Monday through Saturday. Banks are open to the public from Monday through Friday from 10.00 a.m. to 3.00 p.m.

Since Argentina is in the Southern Hemisphere, its seasons are the reverse of those in the Northern Hemisphere. Summer in the United States is winter in Argentina, and vice versa. School summer vacations take place from approximately Christmas to March, instead of June through August, and there is a two-week winter school vacation in July. It is often difficult to conduct business in Argentina in January and February, since most businesses are either closed or working on a limited schedule. Ask your business contacts when it is best to come, and plan travel times and clothing accordingly.

Summer, which occurs from December through March, is hot and humid in Buenos Aires. The coldest months are July and August (winter), with temperatures between the 30s and 50s.

Holidays

Argentine National Holidays for 2015:

New Year's Day	Thursday, January 1
Carnival	Mon, February 16 & Tuesday, February 17
National Memorial Day (<i>Touristic Bridge</i>)	Monday, March 23 & Tuesday, March 24
Malvinas' Veterans and Memorial Day	Thursday, April 2
Good Friday	Friday, April 3
Labor Day	Friday, May 1
Revolution Day	Monday, May 25
Flag Day	Saturday, June 20
Independence Day	Thursday, July 9
Death of San Martin	Monday, August 17
Columbus Day	Monday, October 12
Sovereignty Day	Monday, November 23
Immaculate Conception (<i>Touristic Bridge</i>)	Mon, December 7 & Tuesday, December 8
Christmas Day	Friday, December 25

Temporary Entry of Materials and Personal Belongings

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According to Argentine law, personal working elements such as laptop computers, cellular phones, and other tools must be registered at Customs at the time of entry and again upon departure from Argentina. Samples brought into the country by a traveling salesperson are admitted free of duty provided they have no commercial value. Otherwise, the traveler may be required to deposit a 90-day bond that is refunded when the goods leaving the country.

Argentina is not a party to the A.T.A. Carnet (Temporary Admission) program of the U.S. Council for International Business to import goods, display booths, and literature for display in local trade shows for subsequent re-export. The Argentine Temporary Admission Regime (TAR) allows duty free admission of goods such as commercial samples, packaging, pallets, containers, and goods for exhibits. These items must be re-exported within the timeframe stipulated by Customs on entering the country. Many trade show organizers are able to obtain a special waiver from the Argentine government on a case-by-case basis.

Web Resources

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- Business Travel Information: <http://export.gov/argentina/businesstravelinformation/index.asp>
- Argentina Ministry of Tourism: <http://www.turismo.gov.ar/eng/menu.htm>
- ArgentinaTravel: <http://www.argentina.travel/en>
- ArgentinaTuristica.com: <http://www.argentinaturistica.com/2datosargen.htm>

- Consular Information Sheet:
<http://travel.state.gov/content/passports/english/country/argentina.html>

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Chapter 9: Contacts, Market Research and Trade Events

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- [Market Research](#)
- [Trade Events](#)

Contacts

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U.S. AND COUNTRY CONTACTS

U.S. Embassy Trade Related Contacts

U.S. EMBASSY IN ARGENTINA
Av. Colombia 4300
C1425GMN Buenos Aires
Phone: (54-11) 5777-4533
Internet: <http://argentina.usembassy.gov/>

U.S. Department of State

Noah B. Mamet, Ambassador
Kevin K. Sullivan, Deputy Chief of Mission
Timothy M. Stater, Counselor for Economic Affairs
Kenneth Roy, Counselor for Political Affairs
Thomas Mesa, Counselor for Public Affairs
Brendan O'Brien, Consul General

U.S. Department of Commerce

James Koloditch, Senior Commercial Officer
Yamilee Bastien, Commercial Attaché

Mailing Address:

U.S. Commercial Service
U.S. Embassy Buenos Aires
3130 Buenos Aires PL
Washington, D.C. 20521-3130
Phone: (54-11) 5777-4753
Fax: (54-11) 5777-4203
E-mail: Office.BuenosAires@trade.gov
Internet: <http://export.gov/argentina/>

Industry Sectors	Sector Specialist	Phone Number
Agricultural Machinery & Equip./Chem/Svcs.	Elizabet Simon	(54 11) 5777-4619
Apparel/Footwear/Textiles	Josette Fiore	(54-11) 5777-4683
Artwork	Josette Fiore	(54-11) 5777-4683
Audio/Visual Equip.	Marina Millet	(54-11) 5777-4851

Automotive	Marcela Carello	(54-11) 5777-4765
Aviation	Marina Millet	(54-11) 5777-4851
Biotechnology	Liliana Paz	(54-11) 5777-4519
Books & Periodicals	Josette Fiore	(54-11) 5777-4683
Chemicals	Liliana Paz	(54-11) 5777-4519
Computers	Marina Millet	(54-11) 5777-4851
Construction and Building Materials	Marcela Carello	(54-11) 5777-4765
Cosmetics and Toiletries	Josette Fiore	(54-11) 5777-4683
Defense	Marina Millet	(54-11) 5777-4851
Education and Training Svcs.	Diana Brandon	(54-11) 5777-4550
Electronic Components	Marina Millet	(54-11) 5777-4851
Employment, Financial, Investment, Leasing & Insurance and Trade Promotion Services	Marcelo Amden	(54-11) 5777-4509
Energy	Marcelo Amden	(54-11) 5777-4509
Environmental Technologies	Marcelo Amden	(54-11) 5777-4509
Food Processing/Packaging	Liliana Paz	(54-11) 5777-4519
Forestry/Woodworking Machinery	Marcela Carello	(54-11) 5777-4765
Franchising	(See Industry Specialist)	(54-11) 5777-4753
Furniture	Josette Fiore	(54-11) 5777-4683
General Consumer Goods	Josette Fiore	(54-11) 5777-4683
General Industrial Equip.	Marcela Carello	(54-11) 5777-4765
General Services (Advertising, Legal, Real Estate, Retailing/Wholesaling, Direct/Telemarketing, etc.)	Diana Brandon	(54-11) 5777-4550
Healthcare/Medical Industry/Equip.	Liliana Paz	(54-11) 5777-4519
Hotel/Restaurant Industry/Equip.	Diana Brandon	(54-11) 5777-4550
Household Consumer Goods	Josette Fiore	(54-11) 5777-4683
Jewelry	Josette Fiore	(54-11) 5777-4683
Laboratory Scientific Instruments (Non-clinical)	Marcela Carello	(54-11) 5777-4765
Lawn & Garden Equip.	Josette Fiore	(54-11) 5777-4683
Management Consulting Svcs.	Marcelo Amden	(54-11) 5777-4509
Marine Fisheries Products (Seafood)	Josette Fiore	(54-11) 5777-4683
Materials Handling Equip.	Marcela Carello	(54-11) 5777-4765
Metalworking Equip.& Machine Tools	Marcela Carello	(54-11) 5777-4765
Mining Industry	Marcelo Amden	(54-11) 5777-4509
Musical Instruments	Josette Fiore	(54-11) 5777-4683
Paper & Paperboard	Liliana Paz	(54-11) 5777-4519
Paper & Pulp Machinery	Marcela Carello	(54-11) 5777-4765
Pharmaceuticals & Drugs	Liliana Paz	(54-11) 5777-4519

Plastics Processing Machinery & Materials	Liliana Paz	(54-11) 5777-4519
Pleasure Boats	Josette Fiore	(54-11) 5777-4683
Pollution Control Equip.	Marcelo Amden	(54-11) 5777-4509
Ports & Shipbuilding	Marcelo Amden	(54-11) 5777-4509
Printing/Packaging	Liliana Paz	(54-11) 5777-4519
Processed and Pet Foods	Josette Fiore	(54-11) 5777-4683
Robotics	Marcela Carello	(54-11) 5777-4765
Safety & Security Equip.	Marina Millet	(54-11) 5777-4851
Software	Marina Millet	(54-11) 5777-4851
Sporting Goods & Recreational Equip.	Josette Fiore	(54-11) 5777-4683
Telecommunications	Marina Millet	(54-11) 5777-4851
Test Eq./Process Controls	Marcela Carello	(54-11) 5777-4765
Tools: Hand & Power	Marcela Carello	(54-11) 5777-4765
Toys & Games	Josette Fiore	(54-11) 5777-4683
Travel & Tourism Svcs.	Diana Brandon	(54-11) 5777-4550
Veterinary Equip.	Josette Fiore	(54-11) 5777-4683
Water Resources Equip./Svcs.	Marcelo Amden	(54-11) 5777-4509

Note: If at any time you are unable to reach a Sector Specialist, please call the Buenos Aires Commercial Service main number (54-11) 5777-4753 or send an email to Office.BuenosAires@trade.gov for assistance.

To reach the U.S. Department of Agriculture in Buenos Aires:

U.S. Department of Agriculture

U.S. Embassy in Buenos Aires, Argentina

Melinda Sallyards, Counselor for Agricultural Affairs

Caleb O’Kray, Agricultural Attaché

Phone: (54-11) 5777-4627

Fax: (54-11) 5777-4216

E-mail: agbuenosaires@fas.usda.gov

Internet: http://argentina.usembassy.gov/foreign_agricultural_service.html

Other Useful Contacts in the United States

U.S. Department of Commerce

ITA – WH Global Markets Office of South America

Anne Driscoll, Director

1401 Constitution Ave NW, Room C307

Washington, DC 20230

Phone: 202-482-1648

Fax: 202-482-4726

Email: Anne.Driscoll@trade.gov

Web: <http://www.trade.gov/markets/>

Dakshina Voetsch

Argentina, Uruguay and Paraguay Desk Officer

ITA – WH Global Markets Office of South America

1401 Constitution Ave., NW, Room CC333
Washington, D.C. 20230
Phone: 202-482-4701
E-mail: Dakshina.Voetsch@trade.gov

**U.S. Department of Commerce
Global Knowledge Center**

1401 Constitution Ave., NW
Washington, D.C. 20230
Phone: 1-800-USA-TRAD(E) - (1-800-872-8723)
Fax: 202-482-4473
E-mail: tic@trade.gov
Internet: http://www.export.gov/exportbasics/eg_main_017483.asp

U.S. Department of State

Commercial and Business Affairs
U.S. Department of State
2201 C Street, NW, Room 2318
Washington, D.C. 20520-7512
Phone: 202-647-1625
Fax: 202-647-3953
Internet: <http://www.state.gov/e/eb/cba/>
Special Representative for Commercial and Business Affairs: Scott Nathan

**U.S. Department of Agriculture
Foreign Agricultural Service**

Trade Assistance and Promotion Office (TAPO)
1400 Independence Ave., NW
USDA South Building
Washington, D.C. 20250 - 1052
Phone: 202-720-7420
Hearing Impaired: 202-690-4374
Fax: 202-205-9728
E-mail: tapo@fas.usda.gov
Internet: <http://www.fas.usda.gov/>

USEFUL CONTACTS IN ARGENTINA

AmCham and/or Bilateral Councils

American Chamber of Commerce in Argentina
Juan Vaquer, President
Alejandro Diaz, CEO
Phone: (54-11) 4371-4500
Fax: (54-11) 4371-8400
Email: amcham@amchamar.com.ar
Internet: <http://www.amchamar.com.ar/>

Trade and Industry Associations

*ASOCIACION DE IMPORTADORES
Y EXPORTADORES DE LA REPUBLICA ARGENTINA (AIERA)*
(Association of Argentine Importers and Exporters)
Mr. Juan Carlos Pereyra, President
Mr. Adriano De Fina, Manager
Phone: (54-11) 4342-0010
E-mail: aiera@aiera.org.ar
Internet: <http://www.aiera.org/>

BOLSA DE COMERCIO DE BUENOS AIRES
(Buenos Aires Stock Exchange)
Mr. Adelmo Gabbi
Phone: (54-11) 4316-7000
E-mail: presidencia@bcba.sba.com.ar
Internet: <http://www.bcba.sba.com.ar>

CAMARA ARGENTINA DE COMERCIO
(Argentine Chamber of Commerce)
Mr. Carlos Raul De la Vega, President
Phone: (54-11) 5300-9000
E-mail: servicios@cac.com.ar; cac@cac.com.ar
Internet: <http://www.cac.com.ar/>

CAMARA DE COMERCIO EXTERIOR DE CORDOBA
(Chamber of Foreign Trade of Cordoba)
Sr. Norberto Delfino, President
Lic. Carlos Pelliza, General Manager
Phone: (0351) 421-2715/4804
Fax: (0351) 424-3869
E-mail: cacec@cacec.com.ar
Internet: <http://www.cacec.com.ar>

SOCIEDAD RURAL ARGENTINA
(Argentine Farmers' Association)
Dr. Luis Miguel Etchevehere, President
Phone: (54-11) 4324-4700
Email: sra@sra.org.ar
Internet: <http://www.sra.org.ar/>

UNION INDUSTRIAL ARGENTINA (UIA)
(Argentine Manufacturers' Association)
Mr. Héctor Méndez, President
Phone: (54-11) 4124-2300
E-mail: uia@uia.org.ar
Internet: <http://www.uia.org.ar/>

Argentine Government Agencies

For a complete list of Argentine Government agencies in Spanish, please visit:
<http://www.argentina.gob.ar/pais/65-autoridades-nacionales.php>

Market Research Firms in Argentina

A list of market research firms operating in Argentina is available upon request to the following e-mail address: Marcelo.Amden@trade.gov.

Country Banks

To obtain a list of banks operating in Argentina or Argentine Commercial Banks with Offices in the U.S, please contact Marcelo.Amden@trade.gov.

U.S. Commercial Banks in Argentina

BNY - THE BANK OF NEW YORK MELLON

25 de Mayo 195, Piso 6
C1002ABC Buenos Aires
Phone: (54-11) 4348-2500
Fax: (54-11) 4348-2500, Ext. 250
Internet: <http://www.bnymellon.com/>

CITIBANK S.A.

Mr. Gabriel Ribisich, President
Bartolome Mitre 530
C1036AAJ Buenos Aires
Phone: (54-11) 4329-1491/1000
Internet: <https://www.argentina.citibank.com/>

J.P. MORGAN CHASE SUC. BUENOS AIRES

Mr. Facundo Gómez Minujin, General Manager
Av. Eduardo Madero 900, Piso 23
C1106ACV Buenos Aires
Phone: (54-11) 4325-8046
Fax: (54-11) 4348-7254
E-mail: jpsucursalargentina.contacto@jpmorgan.com
Internet: <http://www.jpmorganchase.com/>

BANK OF AMERICA National Association

Mr. Juan Gerardo Boutsaksian
Della Paolera 265, Piso 10
C1001ADA Buenos Aires
Phone: (54-11) 4317-3500
E-mail: BOFA-AR@BAML.COM
Internet: <https://www.bankofamerica.com/>

Merrill Lynch Argentina S.A

Mr. Sebastián Loketek
Ing. Della Paolera 265
C1001ADA Buenos Aires
Tel: 4317-7600/5454
Fax: 4317-7623
Internet: <http://www.ml.com>

Multilateral Development Bank Offices in Argentina

INTER-AMERICAN DEVELOPMENT BANK

Mr. Hugo Florez Timoran, Representative
Mr. Luis Alberto Moreno, President
Calle Esmeralda 130, Piso 19
C1035ABD Buenos Aires
Phone: (54-11) 4320-1800
Fax: (54-11) 4320-1830/31/4323-1636
E-mail: BIArgentina@iadb.org
Internet: <http://www.iadb.org>

**INTERNATIONAL FINANCE CORPORATION
IFC FIELD OFFICE**

Mr. Salem Rohana, Country Manager
Bouchard 557, Piso 11
C1106 ABG Buenos Aires
Phone: (54-11) 4114-7200
Fax : (54-11) 4312-7184
E-mail: abrizio@ifc.org
Internet: <http://www.ifc.org>

WORLD BANK FIELD OFFICE

Mr. Jesko Hentschel, Director Argentina, Paraguay & Uruguay
Bouchard 547, Piso 28 & 29
C1106ABG Buenos Aires
Phone: (54-11) 4316-9700
Fax : (54-11) 4313-1233
Email: feedback@worldbank.org; sip@worldbank.org
Internet: <http://www.worldbank.org/en/country/argentina>

Law Firms in Argentina

To obtain an updated list of Law Firms operating in Argentina, please contact:
Diana.Brandon@trade.gov.

Consultants

Technical Telecommunications Consultants

A list of technical telecommunications consultants in Argentina is available upon request to the following e-mail address: Marina.Millet@trade.gov.

Intellectual Property Consultants

A list of intellectual property consultants in Argentina is available upon request to the following e-mail address: Liliana.Paz@trade.gov.

Customs Brokers/Freight Forwarders in Argentina

To obtain a list of customs brokers or freight forwarders in Argentina as well as to address general questions regarding customs issues and regulations, please contact:
Josette.Fiore@trade.gov.

Maritime Agencies/Bonded Warehouses/Port Terminals

A list of maritime agencies, bonded warehouses and/or port terminals is available upon request to the following e-mail address: Marcelo.Amden@trade.gov.

Airline Companies

A list of airlines operating in Argentina can be obtained by visiting the following web site: http://www.aa2000.com.ar/ip_la_internacionales.aspx or contact: Diana.Brandon@trade.gov.

Couriers

DHL INTERNATIONAL S.A.

Mr. Ricardo Saco, Director, Argentina Operations

Larrazabal 2255

C1440CVB Buenos Aires

Phone: (54-11) 5670-1100

Fax: (54-11) 5670-1036

Internet: <http://www.dhl.com.ar>

FEDERAL EXPRESS CORP. (FEDEX)

Ms. Silvina Prette, General Manager, Argentina Branch

Maipu 753, PB

C1006ACI Buenos Aires

Phone: (54-11) 4325-6555

Fax: (54-11) 4325-6553

Internet: <http://www.fedex.com/ar/>

TNT EXPRESS/ TNT ARGENTINA S.A.

Mr. Rodrigo San Martin, President

Av. Osvaldo Cruz 3201

C1293ADK Buenos Aires

Phone: (54-11) 4309-0800

Fax: (54-11) 4309-0801

Email: servicioalcliente.bue@tnt.com

Internet: http://www.tnt.com/express/es_ar/site/home.html

UPS DE ARGENTINA S.A.

Mr. Alexandre Rodrigues, Director General, Argentina, Chile, Uruguay & Paraguay

Luis Sáenz Peña 1351

C1135ABC Buenos Aires

Phone: (54-11) 4339-2877

Fax: (54-11) 4339-2859

Email: custsvcares@ups.com

Internet: <http://www.ups.com>

Hotels in Argentina

For information on hotels in Argentina, please contact Diana.Brandon@trade.gov.

Market Research

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To view market research reports produced by the U.S. Commercial Service please go to the following website: <http://www.export.gov/mrktresearch/index.asp> and click on Country and Industry Market Reports.

Please note that these reports are only available to U.S. citizens and U.S. companies. Registration to the site is required, and is free.

Trade Events

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Please click on the link below for information on upcoming trade events.

<http://www.export.gov/tradeevents/index.asp>

Please click on the link below for information on upcoming trade events sponsored by the U.S. Commercial Service in Argentina.

<http://export.gov/argentina/tradeevents/index.asp>

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Chapter 10: Guide to Our Services

- [SelectUSA](#)
- [National Export Initiative](#)

SelectUSA

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[SelectUSA](#) was created by President Obama in June 2011 through Executive Order 13577, as the U.S. government-wide program to promote and facilitate business investment into the United States, including foreign direct investment (FDI) and reshoring.

The program is housed within the Commerce Department and coordinates investment-related resources across more than 20 federal agencies through the Interagency Investment Working Group (IIWG).

SelectUSA provides services to two types of clients: investors and U.S. economic development organizations at the state and local level. Services include:

Information Assistance

- SelectUSA provides information to investors on the benefits of establishing operations in the United States, as well as the information needed to move investments forward. Investors can access facts, data and local contacts for the U.S. market.
- SelectUSA also works closely with state, local and regional economic developers to provide counseling on strategy, best practices, and on-the-ground intelligence from the Foreign Commercial Service network across more than 70 foreign markets.

Ombudsman Services

SelectUSA coordinates federal agencies to address investor concerns relating to a wide range of federal regulatory issues – helping them to navigate an unfamiliar system.

Investment Advocacy

U.S. state and local governments often find themselves competing with a foreign location for a project. SelectUSA can coordinate senior U.S. government officials to advocate to the investor to bring those jobs to the United States.

Promotional Platform

SelectUSA brings the power of the “USA” brand to high-profile events, such as, such as the upcoming 2015 Investment Summit, to attract investors to learn about our nation’s investment opportunities. SelectUSA organizes international Road Shows and missions to trade fairs, while also offering tailored on-the-ground assistance in more than 70 markets.

Note: SelectUSA exercises strict geographic neutrality, and represents the entire United States. The program does not promote one U.S. location over another U.S. location.

For more information on SelectUSA and services provided for investors and economic development organizations please click on the following link:

<http://selectusa.commerce.gov/>.

National Export Initiative

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The President's [National Export Initiative/NEXT](#) marshals Federal agencies to provide customer service-driven services and actionable information resources that ensure American businesses are able to capitalize on expanded opportunities to sell their goods and services abroad.

The U.S. Commercial Service offers customized solutions to help U.S. exporters, particularly small and medium sized businesses, successfully expand exports to new markets. Our global network of trade specialists will work one-on-one with you through every step of the exporting process, helping you to:

- Target the best markets with our world-class research
- Promote your products and services to qualified buyers
- Meet the best distributors and agents for your products and services
- Overcome potential challenges or trade barriers
- Gain access to the full range of U.S. government trade promotion agencies and their services, including export training and potential trade financing sources

To learn more about the Federal Government's trade promotion resources for new and experienced exporters, please click on the following link: www.export.gov

For more information on the services the U.S. Commercial Service offers to U.S. exporters, please click on the following link:

<http://export.gov/argentina/servicesforu.s.companies/index.asp>.

U.S. exporters seeking general export information/assistance or country-specific commercial information can also contact **(800) USA-TRAD(E)**. To the best of our knowledge, the information contained in this report is accurate as of the date published. However, **The Department of Commerce** does not take responsibility for actions readers may take based on the information contained herein. Readers should always conduct their own due diligence before entering into business ventures or other commercial arrangements. **The Department of Commerce** can assist companies in these endeavors.

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