

U.S. Country Commercial Guides



Argentina
2019

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Doing Business in Argentina

Market Overview

Argentina is the third largest economy in Latin America, with a population of approximately 44 million spread among 23 provinces and the City of Buenos Aires. Approximately 92% of the Argentine population is concentrated in urban areas, with 38% living in Buenos Aires (Capital and Province), and another 15% in the cities of Córdoba, Rosario, and Mendoza combined. The country boasts a talented and educated workforce, but its social fabric has suffered from frequent political and economic turbulence over the last 70 years.

In 2017, the United States exported \$17.8 billion in goods and services to Argentina, and imported \$7.1 billion, resulting in a bilateral trade surplus of over \$10 billion. Around 90 percent of U.S. exports to Argentina are used in local industry and agriculture including refined oil, airplanes and aircrafts, computers, industrial and agricultural chemicals, agricultural and transportation equipment, machine tools, and parts for oil field rigs. Primary Argentine exports to the United States are crude oil, aluminum, wine, fruit juices, and intermediate goods, such as seamless pipes, tubes, and other iron-based products.

There are more than 300 U.S. companies present in Argentina employing more than 155,000 workers. There are also significant opportunities for more U.S. companies in sectors such as infrastructure, energy, health, agriculture, information technology, and mining. The United States is the single largest source of foreign investment in Argentina with approximately \$13.7 billion (stock) worth of investment as of 2016. U.S. companies are widely respected in Argentina for their good business practices, transparency, corporate social responsibility activities, high quality, and good customer service.

Top five reasons why U.S. companies should consider exporting to Argentina:

1. Argentina is a resource-rich country with enormous potential for further development. It has the second largest shale gas reserves and fourth largest shale oil reserves in the world, as well as abundant solar and wind resources. U.S. know-how, technology and equipment are needed to develop sectors such as energy and agriculture.
2. The country is digitally capable, with high internet and smart phone dissemination.
3. Income distribution has a smaller gap than in most Latin American countries; Argentina has a relatively large middle class with significant appetite for U.S. consumer products.
4. According to the Economic Commission for Latin America and the Caribbean (ECLAC), Argentina received 11.5 billion dollars of foreign direct investment during 2017.

Market Challenges

Following years of economic mismanagement, which resulted in a macroeconomic instability, high inflation and a currency crisis that have forced the Argentine government, businesses and consumers to cut back on spending. The economy is in recession, which is expected to continue in 2019 and 2020.

Importers must still request Non-Automatic Import Licenses (NALs) on over 10,500 12-digit tariff lines, mainly in the consumer goods sectors. Other business challenges include deep-rooted corruption in certain sectors, a lack of regulatory coherence, weak intellectual property rights protection, inefficient customs and legal processes, poor infrastructure, costly labor, and the limited availability of financing.

Market Opportunities

Energy: Oil & Gas. High quality shale resources and strong support from the Argentine government to encourage exploration and production in Vaca Muerta and elsewhere. Argentina is auctioning offshore exploration and production opportunities for the first time in decades.

Renewable Energy: Oversubscribed energy auctions from renewable sources continue to present medium and long term business opportunities.

Agricultural Technology and Machinery: Two-thirds of Argentina's exports are agricultural. The depreciation of the Argentine peso coupled with a predicted stronger harvest in 2019 are expected to boost Argentina's agricultural production, exports and investment in the sector.

ICT and Cybersecurity: The Government of Argentina is proposing a new telecom convergence law to increase competition and accelerate technology uptake. GoA estimates a \$20B telecom investment over 4 years.

Design & Construction: Public Private Infrastructure Projects will be significant and have attracted the re-engagement of OPIC (Overseas Private Investment Corporation) in Argentina. The Inter-American Development Bank (\$4.65B) and World Bank (\$3.3B) have also committed funding for new roads, rail, ports and utilities. However, federal spending cuts and Argentina's current high "country risk" level means \$55 billion in planned PPP infrastructure projects (planned 2017- 2025) are currently on hold.

Healthcare Technology: The Government of Argentina is emphasizing efficient spending, accessibility, and modernization, including e-health through their National Healthcare Plan. The city of Buenos Aires plans to upgrade 14 hospitals.

Market Entry Strategy

All import channels are available in Argentina: agents, distributors, importers, trading companies, subsidiaries, and branches of foreign firms. U.S. companies exporting to Argentina typically market their products and services through Argentine agents, representatives, and distributors. Companies intending to export to Argentina need to ensure that their partners fulfill all import requirements before shipping any product and must be careful to follow all regulations precisely. Please contact the [U.S. Commercial Service in Argentina](#) for advice regarding the import process.

Some key points:

- Close personal relationships are important. The U.S. Commercial Service can help U.S. firms identify good business partners.
- Marketing and promotion are important. Companies benefit by exhibiting their products or services at local and regional trade shows, as well as at U.S. trade shows attended by Argentine buyers. The U.S. Commercial Service brings Argentine buyers to key trade shows in the United States and facilitates B2B matchmaking. The U.S. Commercial Service also executes "single company promotional events" for U.S. firms wishing to launch a new product or showcase their know-how in Argentina.
- Protect your intellectual property and engage with qualified lawyers and local professionals as part of the process of signing contracts related to distribution, representation and partnership, or in connection with any large transaction.

- Utilize the full array of resources available from the U.S. Government, including ExIm Bank export insurance and financing.

The U.S. Commercial Service in Argentina provides a wide range of [services](#) to help U.S. companies enter the market and expand operations in the country.

Political Environment

For background information on the political and economic environment of the country, please click on the link to the U.S. Department of State [Background Notes](#).

Selling US Products & Services

Using an Agent to Sell US Products and Services

International companies typically market their products through an Argentine agent, representative or distributor. Working with a distributor has several advantages: distributors can provide strategic support for positioning brands in the market through promotion and advertisement, and they possess an understanding of the local culture and can assist with post-sales service. This value-added service is increasingly important for customers and contributes to a positive image of U.S. firms doing business abroad. In some cases, the best solution is to work with a representative rather than a stocking distributor.

The Civil and Commercial Codes, which govern principal-agent relationships, differ from U.S. law. We strongly recommend consulting an Argentine lawyer prior to entering into any type of agreement with an agent, representative, or distributor and for the lawyer to be engaged in the process prior to substantive negotiation of the agreement terms. A company may be subject to 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, representative, or distributor. Business relationships and a good reputation are essential to an agent, representative, and/or distributor's ability to reach potential customers of your product or service. Likewise, it is important for U.S. exporters to develop a close relationship with an agent, representative, distributor, or other business partner. 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](#). You may also contact the [Commercial Service in Buenos Aires](#) directly for additional information on partner search services, applicable fees and delivery times.

Establishing an Office

Legal Structures Commonly Used by Investors

Foreign companies may carry out any single transaction. To carry on a routine activity, however, a foreign company must establish a branch (*sucursal*) in Argentina. An individual must be appointed as the company's legal representative, although assignment of capital to the branch is not necessary. 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. Corporate directors, however, may be held liable for unpaid tax obligations.

Registration Procedures

Corporations are set up with the approval of at least two legal or naturalized persons, whether Argentine or foreign. The 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 Argentine legal counsel before making any final decisions.

Franchising

The local franchising industry has evolved into a challenging and highly competitive environment for international franchisors seeking local partners. Market size during 2017 was approximately \$6.5 billion, with an annual growth rate of approximately 10%. Currently, 90% of local franchises are of Argentine origin and approximately 10% are of international ownership. The low level of foreign penetration in the sector is in part due to strict regulations for transfer of funds in previous years. New measures are creating greater opportunities for international firms. After decades of unregulated expansion, the new [Civil and Commercial Code of the Nation](#) (CCCN) came into force August 2015 and for the first time establishes a legal framework for franchising agreement. The CCCN covers franchise agreements in Chapter 19, Articles 1,512 through 1,524.

Development of franchising in Argentina shows a high level of concentration. There are approximately 400 franchise brands in the market. The most popular sectors for international franchisors are fast food, foreign language training, dry cleaning, hotels, and rental car services. Tourism and aesthetic services are two new segments where franchising is growing. Starbucks entered the Argentine market in 2008, opening more than thirty stores since its arrival. Other significant U.S. market players across all industries include Kodak Express, McDonald's, Burger King, Wendy's, Cartridge World, Kentucky Fried Chicken and Subway. Real Estate franchises have also entered the market, including Re-Max, Keller-Williams, Coldwell Banker and Century 21.

Local franchises have been particularly successful in apparel, food, ice cream, "empanada" delicacies, fitness and health clubs, and education. Apparel franchising, however, has suffered in recent years due to import restrictions. Currently, coffee shops and stores are experiencing a growth stage, with local brands such as Havana and Bonafide. Franchise contracts are generally protected under the aforementioned Argentine Commercial Code, which is still rather vague. The scope of the service, commercial trade name, market expertise, and shared production elements are covered by contractual obligations of both the franchisor and the franchisee. Elements of the contract include the license, methods and systems of operation, proprietary information transferred to a

franchisee, inputs supply, sales methods, and quality standards. The franchisor has the ultimate control of the contract elements.

Franchising models 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, such as defaulting, declaring bankruptcy, etc. The Civil and Commercial Code gives a legal framework for franchising agreements, although enforcement of these laws is still in the beginning stages. Therefore, legal counsel should be sought prior to entering the Argentine marketplace and appointing a franchisee.

Direct Marketing

As of April 1, 2019, the GoA implemented a new door-to-door system, which is web-based and no longer requires a trip to Customs for package pick-ups. The system allows for online tracking of packages. Argentine customers can now receive up to 12 orders per year with a value of up to USD \$50 each. Customers will register online in Correo Argentino's web portal and will be notified via email when packages arrive. Customers must declare the shipment's content, and pay mail handling fees and customs duties, if applicable, through Correo Argentino's webportal. Formerly, this process was cumbersome, and had to be done through AFIP's web portal. These changes simplify the door-to-door service of international purchases, and brings transparency to the mail handling process. For updated information on the continued improvement of door-to-door mail services, please refer to AFIP's website: <https://www.afip.gob.ar/puertaapuerta/puertaApuerta.asp>

Joint Ventures/Licensing

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 City of Buenos Aires, or in the provincial office of the Inspector General of Justice. The contract must contain the objective, duration, name, and specific information regarding the partners' responsibilities and financial contribution, among other clauses. It must also provide for the appointment of a legal representative in charge of management.

Selling to the Government

Regulations apply to all federal public agencies (including autonomous or decentralized institutions) but exclude federal banks. Decree 690/2016 establishes the amounts determining the selection process. Government purchases of less than AR\$ 1,300,000 undergo direct purchase. Purchases between AR\$ 1,300,000 and AR\$ 6,000,000 undergo private bidding, and purchases over that amount must also have an open public tender. Advertising and publishing procedure terms apply regarding important contracts in main publications and internet sites, including the [website](#) of the National Contracting Office (Oficina Nacional de Contrataciones – ONC). Terms of public tenders must also be published in the Official Bulletin and the publications of supplier associations.

Most provincial governments have their own websites 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.

Procurement from Local Companies (“Buy Local” Regime)

In September 2018, Presidential Decree 800/2018 and Secretary of Industry’s Resolution 91/2018 regulated Law 27437 implementing a new Buy Local Regime named “Buy Argentine”. This regime grants preference to domestic goods, provides for higher participation of local SMEs in infrastructure projects, and favors productive investment.

The new regime highlights are:

- Infrastructure projects should include local SMEs (small and medium sized firms) in up to 20% of the tender value or compensate with local investment, research and development, or transfer of technology.
- Priority for micro and small-sized enterprises (MiPyMEs) on small purchases of up to AR\$1.3 million for goods or up to AR\$100 million in public housing and building projects.
- First refusal mechanism for SMEs: In small public tender purchases of less than AR\$20 million, this mechanism allows for SMEs to improve their offer if they have not exceeded the best quote in more than 20%.
- National Program to Develop Suppliers - (PRODEPRO): The program aims to develop local suppliers in strategic sectors and to connect them with a global value chain to improve their competitiveness and incorporate new technologies

Preferences by Sector

Goods: Preference is given to domestic goods. The origin of the goods is determined by the nature/composition of the goods themselves and 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 % of the sales value of the finished good, or when the imported product undergoes substantial in-country transformation or processing 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

Preferential margins for domestic goods increased from 7% to 15% in the case of micro and small and medium-sized firms, and from 5% to 8% for large companies.

Foreign Goods

When a bidder offers to supply foreign goods not available in country, he or 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

The Undersecretariat of Buy Argentine and Supplier Development (part of the Ministry of Production and Labor) is the authority in charge of overseeing the regime and applying relevant sanctions. Argentina is not a signatory of the WTO Agreement on Government Procurement, but it is an observer of the WTO Committee on Government Procurement.

Advocacy

U.S. companies bidding on Government tenders may also qualify for U.S. Government advocacy. A unit of the U.S. Commerce Department's International Trade Administration, the Advocacy Center coordinates U.S. Government interagency advocacy efforts on behalf of U.S. exporters bidding on public sector contracts with international governments and government agencies.

The Advocacy Center works closely with our network of the U.S. Commercial Service worldwide and inter-agency partners to ensure that exporters of U.S. products and services have the best possible chance of winning government contracts. Advocacy assistance can take many forms but often involves the U.S. Embassy or other U.S. Government agencies expressing support for the U.S. bidders directly to the foreign government. Click here for more information: <https://2016.export.gov/advocacy/>

Multilateral Development Banks and Financing Government Sales

Price, payment terms, and financing can be a significant factor in winning a government contract. Many governments finance public works projects through borrowing from the Multilateral Development Banks (MDB). Please refer to the Project Financing Section in Trade and Project Financing for more information. A helpful guide for working with the MDBs is the [Guide to Doing Business with the Multilateral Development Banks](#).

The U.S. Department of Commerce's (USDOC) International Trade Administration (ITA) has a Foreign Commercial Service Officer stationed at each of the five different Multilateral Development Banks (MDBs): the African Development Bank; the Asian Development Bank; the European Bank for Reconstruction and Development; the Inter-American Development Bank; and the World Bank.

For additional information please contact U.S. Commercial Service Buenos Aires at Office.Buenosaires@trade.gov

Distribution & Sales Channels

Sale 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. 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 increased efficiency through merging and streamlining, due to increased competition and changes in overall consumption.

Warehouse and distribution

Distribution in Argentina tends to be radial, with all roads converging in the Port of Buenos Aires. This dates back to the early 20th century, when Argentina's rail and road systems were developed by the British in order to bring products to the Port of Buenos Aires and satisfy foreign demand for commodities. The hub-oriented distribution system used in the United States does not exist in Argentina.

Land Transportation

Argentina stretches 4,000 km (2,500 mi.) from north to south, an expanse of land crossed by only a few major highways. Argentina's 208,350 km (129,462 mi.) road network carries 85% 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.

River and Maritime Transportation

Almost 70% of Argentina's foreign trade is carried by ship, and about 80% of the import and export transactions are carried out through the ports of Buenos Aires and La Plata. 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, Uruguay, and Brazil.

Air Cargo

[Terminal de Cargas Argentina \(TCA\)](#) was created as a concessionary partnership established by the Government of Argentina 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 the city of Buenos Aires. The company also has branches in Córdoba, Mendoza, Mar del Plata, and Jorge Newbery Airport (Autonomous City of Buenos Aires).

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 generally prefer hypermarkets and supermarkets for lower prices on weekly and monthly purchases.

Express Delivery

International courier delivery services are very active and most global express delivery firms have significant operations in Argentina, including [FedEx-Argentina](#), [DHL-Argentina](#), and [UPS-Argentina](#). Express delivery and courier services are widely used in Argentina for both national and international transportation of packages. The shipping times to Argentina will depend on what type of courier service used. Expedited shipping can arrive within 2-5 working days whereas some economy services may take three weeks or more. It also depends what part of Argentina you are shipping to, as packages going to a city will arrive more quickly than those going to a rural area. Postal codes in Argentina are called '*códigos postales*'. They start with a single letter that represents the province, followed by four digits that show the town or city, and then three letters to display the side of the city the address is located.

Selling Factors & Techniques

Argentina's population and economic activity are highly concentrated in the Greater Buenos Aires area. The population is largely of European descent and continues to have strong ethnic, cultural, and business ties with

Europe. In some respects, Argentine consumer preferences resemble those of Europeans more than those of other Latin American countries.

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

Always have a native Argentine speaker, such as your agent or distributor, review any materials before using them in Argentina. Keep in mind that each Spanish speaking country has its own unique dialect and linguistics. Any official document to be presented before the Government of Argentina 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, Consult as appropriate with lawyers and accountants
- Have Spanish language capacity, Furnish materials in Spanish
- Be consistent in attention to service and delivery, Engage in frequent visits and follow-up
- Provide credit terms
- Protect your intellectual property

eCommerce

Electronic commerce (eCommerce) activity has grown tenfold since 2000 in peso terms. Argentina has the highest percentage of internet users in Latin America. In the fourth quarter of 2017, [Argentina's statistical agency](#) recorded that 64.3% of urban households have access to computers and 75.9% to internet. Eight out of 10 people use a cell phone and seven out of 10 use the internet. Network expansion is increasing the availability of WiFi connections in public and privately-owned spaces.

[The Argentine Chamber of Electronic Commerce \(CACE\) reports](#) that 90% of connected Argentine adults (18.3 million people) have made online purchases at least once. ECommerce in Argentina grew 52% during 2017, after growing by 64% in 2016. Ninety-two percent of the total sales were made by credit card. ECommerce invoicing in 2017 was \$ 156,300 million according to CACE

Online sales also have higher prevalence in the interior of the country, where the variety of products available is more limited, and delivery service provides an important incentive for sales. U.S. products and services are usually sold through the websites of local importers. Alternatively, popular eCommerce websites include [MercadoLibre](#) and [OLX](#). Social media is also considered an effective sales platform for selling products online in Argentina.

Trade Promotion & Advertising

Argentina has many advertising agencies and public relations 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 print media is the most widely circulated method, although television, internet, and radio advertising are increasingly important. The major business newspapers are:

CLARIN	clasificados@claringlobal.com.ar
EL CRONISTA	publicidad@cronista.com
LA NACION	diario@lanacion.com.ar

Pricing

U.S. exporters should take into account that locally manufactured products and those products imported from other MERCOSUR countries will have a price and import duty advantage. Some customized services and products can still charge price premiums, which are accepted by a very small demographic in certain geographical areas. Argentina's highly concentrated markets have led to high prices, high costs, and relatively low competitive pressures.

Sales Service/Customer Support

Argentines consider sales support and customer service important factors when deciding which products to buy. Argentine consumers are accustomed to home delivery and after-sales service. U.S. manufacturers should consider hiring local agents to provide customer support services. Any product that requires operator training or needs after-sales technical service, such as medical equipment, should have a qualified local company ready to assist the customer. Company representatives who respond from neighboring countries tend to be less effective.

Protecting Intellectual Property

Your U.S. trademark registrations and patents will not protect you in Argentina. A useful [IP rights toolkit](#) and an [IP Snapshot on Argentina](#) can be found at [Stopfakes.gov](#). One can submit a patent application or register a trademark before the [National Institute of Industrial Property of Argentina](#) ("INPI"). Companies should seek advice from local attorneys or IP consultants who are experts in Argentine law. The Consular Section of the U.S. Embassy in Buenos Aires [publishes a list of lawyers](#) for reference. In any foreign market companies should consider several general principles for effective protection of their intellectual property. For background, link to our article on [Protecting Intellectual Property](#). The United States Trade Representative (USTR) [publishes an annual review](#) of the state of intellectual property rights protection and enforcement. USTR has included Argentina on its Special 301 priority watch list for insufficient protection and enforcement of intellectual property rights since 1996. A 2015 resolution on biotechnology that limits the patentability of biotechnological innovations, and a 1973 seed law that enables free saved seed for Argentine producers, have limited U.S. companies' ability to introduce new and innovative technologies into the Argentine market. The U.S. Department of Commerce has IP attachés in key markets around the world with the one for Argentina based in Brazil.

IP Attaché Contact for Argentina

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Due Diligence

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 them in vetting 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, local press, and other sources. In addition, through its International Company Profile (ICP) service, USCS Argentina will provide a background report based on site visits and interviews with key personnel of Argentine firms with whom U.S. firms are considering or maintain a business relationship. Our assistance does not rise to the level of due diligence in a legal sense, but does provide valuable information to help assist you in finding a legitimate partner.

Local Professional Services

Local professional services such as accounting, consulting, human resources, and finance are widely available and perform to international standards. Several U.S. and global service providers have offices in Argentina. U.S. management 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 merger and acquisition due-diligence, and market research. The U.S. Commercial Service prepares Industry Sector 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.

Principal Business Associations

[The American Chamber of Commerce in Argentina](#) (AmCham Argentina) - is an independent, non-profit, non-governmental organization that has been promoting bilateral trade and investment between the United States and Argentina for over 100 years. The U.S. Embassy and AmCham work together closely to support U.S. business interests in Argentina.

AmCham promotes an ethical and transparent business environment that contributes to the objectives of its partners and the economic and institutional development of Argentina. The membership of over 640 companies directly employs 400,000 people in more than 200 industrial plants distributed throughout the country and represents over 40 areas of economic activity; contributing 19% of GDP, 39% of tax revenue, 19.3% of imports and 23.4% of Argentina's exports

Several other geographically specific ([Florida](#), [Texas](#)) U.S.-Argentine Associations in the United States exist. For current information please contact U.S. Commercial Service Buenos Aires at Office.Buenosaires@trade.gov

Limitations on Selling US Products and Services

See separate sections on MERCOSUR and Import Requirements and Documentation later in this document.

Web Resources

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/>

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>

Argentine Chamber of Commerce (*Cámara Argentina de Comercio*) (*Spanish*): <http://www.cac.com.ar/>

U.S. Chamber of Commerce: <http://www.uschamber.com/>

Export-Import Bank: <https://www.exim.gov/>

United States Trade Representative information site on Argentina: <https://ustr.gov/countries-regions/americas/argentina>

Leading Sectors for US Exports & Investments

Energy: Oil & Gas

Argentina features the world's 4th largest reserves of shale oil and 2nd largest reserves of shale gas, located in the Vaca Muerta shale formation in the provinces of Neuquén and Mendoza.

Vaca Muerta's shale quality, production incentives, tax exemptions, and negotiated labor concessions have contributed to lowering operational costs and increasing profit margins, thus encouraging investment and business opportunities for U.S. companies.

In February 2017, the Argentine government announced a special shale/nonconventional labor agreement with unions, private sector and key provincial governments to reduce labor costs by approximately 30 percent in that specific sector.

Since then, announced investments totaled US\$6.63 billion in 2017 and US\$9 billion in 2018. The investment forecast for 2019 is US\$12 billion. Major players include Chevron, Dow, ExxonMobil, Pan American Energy, Pampa Energía, Tecpetrol, Total, Vista, and YPF, among others.

Further, the Argentine government projected reduction in energy subsidies for 2018 is 22.2 percent, subject to possible variation based on fiscal deficit reduction targets tied to the government's agreement with the International Monetary Fund (IMF).

The Argentine government is currently working with the Governor of Neuquén and the Secretary of Energy to approve the execution of new E&P projects in Vaca Muerta – that will require additional investments of approximately US\$3 billion – and to consider lifting a recently implemented 10.5% export tax affecting crude exports, mandated by Decree 793, enacted in September of 2018, to further stimulate industry growth. Further, the Argentine government recently launched its first auction in decades for offshore O&G acreage, encompassing 38 blocks in three basins (56 million acres/87,000 square miles). Thirteen companies submitted bids totaling USD \$ 1 billion. Units of ExxonMobil Corp., Equinor, and Wintershall were among the companies that submitted winning bids. A second tender for additional acreage is in the works.

Summary of Industry facts:

- **Recoverable Reserves**
 - Shale Gas: 802 Trillion Cubic Feet (TCF)
 - Shale Oil: 27 Billion Barrels
- **Wells Drilled**
 - 2009: 5
 - 2018: 300
 - 2023: 425 (projected)
- Vaca Muerta production increase: 68% (2015-2018).
- Non-conventional gas production increase: 34% YOY.
- Non-conventional oil production increase: 34% YOY.
- The oil & gas and mining sector concentrate 27% of total private investment.
- 2018 Oil & gas industry investment: USD 9 Billion (24% increase YOY), with 43% of referenced investment going to the gas segment.
- U.S. field equipment and technology enjoys a historical ~75% market share.

Web Resources

Secretariat of Energy <https://www.argentina.gob.ar/energia>

Integración Energética Argentina (Ex-ENARSA) [IEASA](#)

Argentine Institute of Petroleum & Gas [IAPG](#)

Argentina Oil & Gas Expo [AOG](#)

O&G industry Suppliers' Expo [ExpoCapipe](#)

For additional information, 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

Renewable Energy

Overview

The Government of Argentina's decision to subsidize and encourage the production of hydrocarbons was also accompanied by a strong push for renewable energy, which today only accounts for 7% of Argentina's energy matrix (up from 1% in 2017).

Since 2016, Argentina has held several large tenders for solar, wind and biomass projects, among others, with the aim of having renewables account for 20% of the country's energy needs by 2025. Resolution 136/2016 outlines the legal framework to increase energy generation from renewable sources.

The Government of Argentina issued auctions under the RenovAr Program. RenovAr 1.0 and RenovAr 1.5, contracts represent 2,423MW of new installed capacity. Under the first round of the RenovAr auction, 17 projects were awarded, representing 1,109 MW of new installed capacity. Average prices of awarded contracts for wind and solar technologies were US\$ 59.4 per MWh and US\$ 59.7 per MWh, respectively. Under RenovAr's Round 1.5, the Government of Argentina awarded an additional 1,281.5 MW to be sourced from renewable sources. A total of 30 new projects were awarded, including 10 wind projects, representing 765.4 MW and 20 solar projects, totaling 516.2 MW. The total capacity awarded is more than double the original 600 MW the government auctioned. The average price achieved was US\$54 per MWh. Increased clean energy installed capacity reached 570MW in 2018, and there are 120 new clean energy projects that are expected to be operational by 2020.

The Government of Argentina originally estimated that it would receive investments in the vicinity of US\$1.8 billion and create 8,000 new jobs in the process. As a result of the successful RenovAr 1.0 and 1.5 auctions, committed investments account for approximately US\$4 billion, and are expected to generate 20,000 new jobs. A total of 88 projects were awarded in RenovAr Round 2, with a total capacity of 2.04GW. Contracts were awarded for 12 wind farms, with an average tariff of \$40.27/MWh, down from \$53.34/MWh in the previous round.

In November 2018 the government kicked off Round 3 of RenovAr that will offer 400MW, with 350MW set aside for wind and solar, 25MW for biomass, 15MW for biogas and 10MW for small hydro. Bids will be submitted in March 2019 before contracts are awarded and signed by July 2019. The government has set an ambitious goal in environmental terms. It seeks to achieve CO₂ emissions' reduction by 2 million annual tons (the equivalent of the emissions produced by 900,000 automobiles).

In an effort to attract investors, the government provides ample guarantees to bidding companies. Power Purchasing Agreements will be issued in US dollars and for a twenty-year duration. The Argentine government has

shielded projects from potential economic volatility, through a number of instruments, such as a Government of Argentina trust fund and World Bank insurance.

The 4th auction round of the RenovAr program is currently on hold due to fiscal-deficit-reduction-targets tied to the Argentine government's agreement with the International Monetary Fund. That said, U.S. export-ready companies should consider market opportunities in Argentina's clean tech sector.

Sub-Sector Best Prospects

Short and medium-term business opportunities are featured by the following subsectors: wind, solar, biomass, small hydro and biogas.

Wind:

Wind Turbines
Balance of Plant
Substation equipment
Inverters
Transformers
Storage
Wind metering technology

Solar:

Modules
Balance of System
Inverters
Storage
Data Collection Technology

Biomass:

Combined cycle turbines
Combustors
Direct burn systems
Warm air heating appliances
Heat exchangers
Gasifiers
Injection augers

Small hydro

Turbines
Generators
Transformers

Biogas

Microturbines
Complete Mix digesters
Digesters

Web Resources

[Under secretariat for Renewable Energy](#)

[IEASA](#) - Integración Energética Argentina (Ex-ENARSA)

[Argentine Chamber of Renewable Energy](#)

[Argentine Wind Association](#)

[Argentine Association of Renewable Energy and Environment](#)

For additional information, 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

Design & Construction

The Government of Argentina has made investment in Argentina's aging infrastructure a priority. The new Public Private Partnership scheme is ambitious and has attracted the re-engagement of OPIC (the U.S. Government's Overseas Private Investment Corporation) in Argentina. Over \$55 billion worth of PPP projects in infrastructure were planned in the period 2017-2025, although the Argentine government suspended the program in December 2018. The Inter-American Development Bank (\$4.65B) and World Bank (\$3.3B) have already committed funding for new roads, rail, ports and utilities. OPIC and Exim Bank could play a role in business transactions where there is a US component. For updated information on Exim Financing available for Argentina, refer to <https://www.exim.gov/tools-for-exporters/country-limitation-schedule>.

The Government of Argentina (GOA) is focused on the overall development of Argentina's infrastructure, to include airports, electric power transmission, ICT, highways, hospitals, natural gas networks, ports, prisons, railway, and water and wastewater networks. However, given Argentina's current high country risk, most PPP projects have been placed on hold, with the exception of six toll roads. A summary of best prospect areas in which US companies can be competitive follows.

Summary of Best Prospects

Highways

Forty percent of Argentina's road network is in poor condition, while 95% of total freight is transported by truck. As the GOA's railway infrastructure plan unfolds, most of the cargo will eventually shift mode of transportation, to train. The GOA seeks to re-pave approximately 4,000 miles of existing roads and expand national highways by approximately 1,000 miles. Most of this expansion will be executed under PPPs. However, as previously mentioned, toll roads continue to move forward, but with some delay. Planned investment for this sector accounts for US\$48 billion, during the 2017-2028 timeframe.

Water Supply and Waste Water Treatment

Approximately 13% of Argentina's urban population lacks access to potable water, and 42% of the population does not have access to sewage systems. The GOA plans to increase sewer penetration up to 75% and drinking water access to 100% during the 2016-2022 timeframe. To that end, planned investments total US\$22 billion.

Railways

Five percent of Argentina's freight is transported by train at an average speed of 9 mph. The GOA plans to revamp three major rail-freight networks and expand three regional express passenger lines. In addition to the revamps, the government is likely to issue future tenders pertaining to Rolling Stock and Urban Trains. Rail projects will also entail the implementation of new automatic signaling systems and more train viaducts. Planned investment for this sector totals US\$14.2 billion, during the 2016-2025 timeframe.

ICT

ICT is a critical infrastructure element, which cuts across almost every industry of the economy. Thus, several GOA objectives include the improvement and expansion of the existing national telecommunications and internet service network, as well as cellular telephony and broadband coverage. Currently, one of every three Argentine citizens lacks adequate internet access. The GOA plans to dramatically reduce the gap within the next two years. To that end, the Secretariat of Modernization is spearheading a nationwide program to reduce, and potentially eliminate, the current digital gap. Planned investment for this sector totals approximately US\$5 billion, during the 2017-2022 timeframe.

Airports

Most of Argentina's airports lacked infrastructure upgrades for almost three decades. Thus, there is a need for new runways, control towers, passenger terminals, equipment, and updated Instrumental Landing Systems (ILS). The GOA's plan to upgrade the country's air-transport infrastructure is focused on 19 airports. The Ministry of Transportation aims to double the number of passengers on domestic flights. Furthermore, the plan pursues an increase in commercial capacity at smaller airports in Argentina's interior provinces to benefit regional economy exports. Planned investment for this sector totals US\$1.47 billion, during the 2017-2025 timeframe.

Ports

Most ports in Argentina lack adequate access to highways and competitive logistics infrastructure. Further, current container handling capacity is restrictive due to the lack of port infrastructure development. The GOA has an ambitious plan to increase container capacity for the Port of Buenos Aires, from 80,000 to 1.2 million containers per annum, and upgrade port canal depth, to host Post-Panamax, Neo-Panamax and Sanmax vessels. Planned investment for this sector totals US\$2 billion, during the 2016-2019 timeframe.

Web Resources

[Ministry of Transport](#) *(Spanish)*
[Government of Argentina - Aerial](#) *(Spanish)*
[Government of Argentina – Trains](#) *(Spanish)*
[Government of Argentina – Vial](#) *(Spanish)*
[Government of Argentina – Ports](#) *(Spanish)*
[Government of Argentina - Tenders](#) *(Spanish)*
[Infrastructure Project – Subways](#) *(Spanish)*
[Infrastructure Project – Linea Roca](#) *(Spanish)*
[Infrastructure Projects – Train Extensions](#) *(Spanish)*
[Infrastructure Projects – Train Viaducts](#) *(Spanish)*
[Infrastructure Projects - Roadways](#) *(Spanish)*
[Aeropuertos Argentina 2000](#) *(Spanish)*
[Aeropuertos Argentina 2000 – Tenders](#) *(Spanish)*

For additional information on these industries, 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 an [Industry Specialist](#).

Agricultural Sectors

Agricultural Equipment

Overview

Argentina has a long-established local industry of 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 due to agriculture's predominant role in the economy. According to local statistics, domestic production of agricultural machinery and equipment accounts for around 80% of the total sector. Local content requirements of previous government administrations have led to the growth of local production of parts and components. This has caused multinationals to incorporate more than 50% local components into their manufactured equipment. Domestic production of seeders, sprayers, and tools is strong and competitive.

Government policies of the previous administration had a strong effect on Argentina's farming sector. In 2008, the government began requiring agricultural exporters to pay a tax retention of 35%, thus reducing incentives for exports and reducing profitability. Coupled with increased input prices, and lower commodity prices, the farming sector in Argentina was in a precarious position.

Since December 2015, policy changes included the reduction of the export tax on soybeans and its byproducts by 5% and eliminating export taxes on all other agricultural commodities. Export permits for grains and oilseeds were also eliminated. In September 2018, the government established a new export tax on all goods except goods included in the government's "*Exporta Simple*" program through December 31, 2020.

The policy changes has encouraged the Argentine agricultural sector to invest in new equipment and technology. However, the high inflation rate, increased input costs, new export taxes, and logistical costs are a drag on the market for new agricultural machinery. Two thirds of Argentina's exports are agricultural. The 2018 depreciation of the Argentine peso, coupled with a predicted strong harvest in 2019, should spur investment in ag technology and equipment.

Sub-Sector Best Prospects

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 7% of farmland) are under irrigation. The Argentine government has made efforts to increase existing irrigated areas by 28%.

Parts and Components: Annual sales in this subsector currently represent approximately 12% of the total market, with a large number of national products. Agricultural producers are gradually integrating technologies to help minimize use of agricultural inputs while maintaining high yields, causing them to rely on foreign suppliers for key components. There are opportunities for technologies ranging from precision agriculture to key electronic components for manufacturing domestic equipment.

Opportunities

Products offering savings cost are in great demand, as are those that increase and improve the quality of agricultural machinery. Information technology services and products for the agriculture sector are highly sought-after. There is a potential market for machinery regarding environmentally friendly engines that reduce air pollution, as well as other innovative products. 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 for international firms defending their patented foreign designs.

In terms of importing used and remanufactured/reconditioned equipment, please contact [Elizabet Simon](#), Industry Specialist. Prospects will have to be evaluated on a case-by-case basis due to import restrictions.

Web Resources

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](#). The next edition is scheduled to take place in March 2019.

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

- [Agritotal - Revista Chacra](#) (Spanish)
- [Infortambo](#) (Spanish)
- [Via Rural](#) (Spanish)
- [Revista Super Campo](#) (Spanish)

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.

Animal Genetics, Food Ingredients, Planting Seeds

Animal Genetics (Bovine Semen)

Overview

Argentina's cattle herd is approximately 54 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 is very good, but producers need to continuously incorporate high quality genetics to keep up the standard. Of the total semen market, a little more than half of it is used in dairy, while the balance is used in beef. Roughly 70% of the dairy cows, and only 10% 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 United States 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.

Unit: Millions of USD

	2013	2014	2015	2016	2017	2018 (est)
Total Market Size	23.60	23.60	24.00	26.55	32.80	28.60
Total Local Production	12.30	13.80	15.40	10.20	13.00	13.50
Total Exports*	1.90	2.20	2.40	1.85	2.60	0.90

Total Imports**	13.20	12.00	11.00	18.20	22.40	16.00
Imports from the U.S.***	7.90	7.20	6.80	6.30	6.80	7.00
Exchange Rate: 1 USD	5.47	8.2	9.0	15.0	16.5	29.0

*FOB; **Market price; ***CIF

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

Sub-Sector Best Prospects

Both dairy (primarily Holsteins) and beef semen (especially Angus) are expected to continue to grow marginally in 2018.

Opportunities

The use of beef semen with production data (Expected Progeny Differences – EPD) is increasing, but semen distributors indicate that much education must be done with local purebred and commercial breeders. Imports of Holstein and 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.

Web Resources

[National Association of Animal Breeders](#)

[Argentine Chamber of Biotechnology and Animal Reproduction](#) (Spanish)

[Ministry of Agriculture, Livestock and Fisheries](#) (Spanish)

[National Service of Agricultural and Food Health and Quality \(SENASA\)](#) (Spanish)

Food Ingredients (Natural Origin)

Overview

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

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.

Unit: Millions of USD

	2013	2014	2015	2016	2017	2018 (est)
Total Exports	1,653	1,691	1,655	1,773	1,862	2,141
Total Imports	418	405	411	402	449	480
Imports from the U.S.	51	51	55	60	59	59
Exchange Rate: 1 USD	5.47	8.2	9	15	17	39

Data Sources: 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)

Sub-Sector Best Prospects

Cocoa powder, Dextrins, Peptones, 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; pectic 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; dextrins; glues; ingredients for functional foods and for the beverage industry; nutraceuticals; and algae omega.

Opportunities

U.S. food ingredients are locally considered 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. Products imported from the United States during 2017 with best performance were Essential oils, Dextrins, Starches and Protein Concentrates.

Web Resources

[Institute of Food Technologists \(IFT\)](#)

[National Association of Flavors and Food-Ingredient Systems \(NAFFS\)](#)

[Global Trade Atlas](#)

Planting Seeds

Overview

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 \$38.8 million in 2017, with an estimated ten percent growth in 2018. Argentina's total imports of planting seeds for 2017 totaled \$83 million, a 25 percent increase compared to the previous year.

Unit: USD millions

	2013	2014	2015	2016	2017	2018 (est)
Total Market Size	855	1,042	1,140	1,056	1,093	1,177
Total Local Production	1,100	1,210	1,195	1,100	1,120	1,190
Total Exports	305	227	115	110	110	115
Total Imports	60	59	60	66	83	102
Imports from the U.S.	23	20	25	26	39	43
Exchange Rate: 1 USD	5.47	8.2	9	15	18	39

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.

Sub-Sector Best Prospects

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.

Opportunities

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 2018 are estimated at \$ 115 million, while the country's total exports of planting seeds for 2017 totaled \$110 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.

Notwithstanding this, Argentina's outdated Seed Law does not provide appropriate protection for intellectual property rights on genetically modified seeds, presenting a challenge for U.S. companies operating in the Argentine seeds market.

Web Resources

[Ministry of Agriculture, Livestock, Fishing and Foods](#) *(Spanish)*

[Argentine Association for the Protection of Plant Property Rights \(ARPOV\)](#) *(Spanish)*

[Argentine Agricultural Research Institute \(INTA\)](#) *(Spanish)*

[Chamber of Seed Producers of the Argentine Grain Exchange](#) *(Spanish)*

[Argentine Seed Producers Association \(ASA\)](#) *(Spanish)*

[Pioneer Argentina](#) *(Spanish)*

[Monsanto Argentina](#) *(Spanish)*

Information & Communications Technology

Overview

The Government of Argentina is proposing a new telecom convergence law to increase competition and accelerate technology uptake. The government estimates a \$20B telecom investment over 4 years. The expansion of Argentina's fiber optics network is estimated to further reach 1200 localities over the next 2 years, this represents a USD307 million investment opportunity: USD 240 Million in fiber optic deployment and USD 67 Million in fiber optic enabling equipment.

The plan aims to ensure access to quality broadband to a total of 29 Million Argentines within two years, lowering the cost of internet access. As of early 2019, 500 are connected. The current fiber optic network covers more than 32,000 km but 85% of the fiber is "lit" (active) and many localities are still in the dark. The Federal Internet Plan network will use ARSAT's fiber optic network as a provider of data transport services at wholesale level and provide access to local internet service providers, coops, municipalities and SMEs.

IT Hardware and Consumables

Unit: Millions of USD

	2015	2016	2017 (estimated)	2018	2019 (estimated)
Total Market Size	4411.00	5294.00	6088.00	7001	8050
Total Local Production	990.90	1189.00	1367.00	1809	2000
Total Exports	36.60	43.90	50.50	55	75
Total Imports	3457.00	4148.00	4770.00	5247	6125
Imports from the US*	21%	22%	15%	18%	20%

*% of Total Imports

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

Data Sources: Total Local Production: Unofficial estimates based on industry reports;

Total Imports & Exports: Nosis/Exi-Net export/import database ;

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

Argentina has a large nationwide telecom infrastructure and many companies are involved in the provision of services. The government has defined a program for the telecom sector centered around five priorities:

1. To build a modern high-speed broadband infrastructure,
2. To improve 3G and 4G mobile network quality;
3. To develop a modern framework for the digital era,
4. To stimulate demand for advanced services; and
5. To eliminate Argentina's digital gap.

CESSI (the Argentine Chamber of Software and IT Services Companies) reports that 80% of companies in Argentina plan to invest in Information and Communication Technology in 2019. These main factors will keep the demand for software and IT services high:

- A majority of the systems installed need upgrading.
- The increasing complexity and convergence of technologies.
- A highly educated and tech-savvy population is on the rise.
- The increasing demand for cyber security platforms.
- Only 38% of companies are content with their performance in the digital world.

Sub-Sector Best Prospects: IT Services

IT Services offer 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. Cloud computing and virtualization-related services continue to have high demand in 2019. The outsourcing of software development and call/contact centers continues 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 increased awareness related to information technology security. Regarding software, large projects in the areas of security solutions and business intelligence also present opportunities for investment in 2019. *(See Cybersecurity subsector in the Security best prospect description).*

In the telecom sector, investments focus on four areas: deployment and enhancement of the cellular GSM network (4G+LTE); expansion of broadband Internet access; expansion of data transmission/broadband and content over cellular networks; satellite services (especially for remote and rural areas of the country).

Opportunities

The Argentine government will continue investing in infrastructure and improving the country's long delayed implementation of FTTH (Fiber To The Home), which currently has 8.5% of homes connected (the goal is to have 20% of all homes covered by 2019). State owned company, Arsat, continues to connect over 1,400 towns in the country with their main fiber network. The Government of Argentina will rely on private investment to provide connectivity for the rest.

According to the Argentine Investment Agency, the expansion of cell and broadband Internet coverage in Argentina represents an investment opportunity of US\$8 Billion. According to the Argentine Secretary of Modernization, mobile phone penetration is high (141%- the number of sim cards exceeds the actual Argentine population number), but coverage is not uniform across the country and is often poor due to insufficient cell tower coverage (15,000 active cell sites). The current fiber optic network covers more than 32,000 km but 45% of the fiber is "lit" (active) and Internet speed is 15% lower than in its regional peers.

Web Resources

[Argentine Chamber of Software and IT Services Companies \(CESSI\)](#) *(Spanish)*

For additional information, 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.

Medical Technology

Overview

The Argentine medical equipment and device market is dominated by imports, which traditionally accounts for around 70-75% of the total market. The United States continues to be the leading supplier of imported medical products and currently holds a 25% market share, followed by China, Germany, and Japan.

After the gradual releasing of some import restrictions at the end of 2015, imports in the medical equipment and device sector had double-digit growth, however the sector subsided in later years. Further growth in the sector in the coming year depends greatly on the overall investment climate and general economic growth.

Unit: USD millions

	2015	2016	2017 (estimated)	2018 (estimated)
Total Market Size	770.75	655.25	663.0	683.45
Total Local Production	248.50	235.00	237.50	244.60
Total Exports	45.97	46.10	48.80	50.25
Total Imports	568.22	466.35	474.80	489.10
Imports from the U.S.	151.10	116.9	124.0	130.60
Exchange Rate: 1 USD	9.5	14.7	16.5	28.1

Note: Statistics were based on following Mercosur HS Codes: 84.13.19.00.1; 8413.91.90.2; 84.73.30.99.910x; 85.40.71.00.100B; 90.11.10.00.000.G; 90.11.90.90.100.N; 90.12.10.10.000.K; 90.12.90; 90.18.1; 90.18.20; 90.18.3; 90.18.4; 90.18.50; 90.18.90; 90.19.20; 90.22.10; 90.22.2; 90.22.30.00; 90.22.90; 90.27.90.99.100.N; 90.27.90.99.200.U

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

Data Sources: Total Local Production: Unofficial estimates based on industry reports; Exports/Imports/ Market share: Nosis/Exi-Net export/import database

Leading Sub-Sectors

The national healthcare plan emphasizes efficiency, accessibility and modernization. Opportunities for U.S. exports in this sector include middle and high-end technology products, such as electro-diagnostic equipment, e-health technologies and other specialized medical equipment and devices, that do not compete with locally manufactured ones. There may also be potential in the market for implants, stents, cardiac valves, pacemakers, specialized catheters and cannulas, x-ray equipment, and other specialized disposables. Among these products, the largest exports from the United States in 2015 were in the following HS Codes categories: 9018.90.99.190; 9018.90.99.990, and 9018.39.29.900. While clinical laboratory equipment, molecular biology products, and diagnostic reagents are not the focus of this report, this healthcare sector also offers great potential for U.S. exports.

Opportunities

Infrastructure projects for building and updating hospitals in Buenos Aires may present opportunities for U.S. companies to supply equipment. A recent change in Argentine policy for faster Approval of Class I and Class II products should provide quicker market access for U.S. medical companies. Medical products and technology developed and produced in the United States are highly regarded in Argentina. This is particularly relevant for U.S. exporters that offer high quality products at competitive prices.

In this competitive market, much of the demand for mass market technologies is already being met. However, product potential will be determined on a case-by-case basis.

All imports of medical products must be done by an ANMAT (the Argentine equivalent to the FDA) registered importer that has experience importing medical equipment.

Web Resources

[ANMAT](#) (National Administration of Medicine, Food, and Medical Technology- equivalent to USFDA)

[Association of Argentine Manufacturers of Medical Hospital Equipment](#)

[Association of Electronic, Electromechanics, and Electromedicine](#)

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.

Travel and Tourism

Overview

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, Argentine travel to the United States has grown by double digit numbers in recent years with the exception of 2014 when Argentines and other Latin Americans shifted travel to Brazil to attend the FIFA World Cup. During 2017, over 1 million Argentines traveled to the United States.

Total expenditures by Argentine travelers in the United States in 2017 was US\$4.8B.

The number of travelers varies depending on the season. Peak travel times tend to be during the summer holidays (December-February) and winter school holidays (July). Some also choose to travel during the week of September 21, as many children receive a spring holiday 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 travel visa.

Year	Total Passengers Visiting the United States
2013	686,098 (+11.7 %)
2014	684,727 (-0.2%)
2015	798,567 (+15.6%)
2016	926,321 (+16%)
2017	1,018,177 (+9.9%)

Data Sources: Office of Travel and Tourism Industries – International Trade Administration – U.S. Department of Commerce, <https://travel.trade.gov/> U.S. Travel Association and Argentine Secretariat of Tourism.

Sub-Sector Best Prospects

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.

Opportunities

The top destinations visited by Argentines are Florida (particularly Miami and Orlando), New York, California, and Washington, DC. The U.S. gateways are Atlanta, Dallas, Houston, Miami, and New York City with new non-stop service to Los Angeles as of December 2018.

Web Resources

<https://travel.trade.gov/>

<https://www.thebrandusa.com/>

For additional information, 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.

Customs, Regulations & Standards

Trade Barriers

Although many of the most onerous import restrictions have been removed, importers must still request Non-Automatic Import Licenses (NALs or LNAs in Spanish) on over 10,500 tariff lines, mainly in the consumer goods sectors. The new requirements are much simpler, more transparent, and less burdensome than in the past. Argentina continues to apply reference values to several thousand products. Importers of affected goods must pay duties calculated on the reference value, unless they can prove that the transaction was conducted at arm's length.

Import Tariff

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 World Trade Organization (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 2018, the average tariff rate was 22 %. Specific duties are applied to certain products and are expressed in measurements of monetary terms per unit. 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: 4% ad-valorem;

Chapter 28: Inorganic chemicals; organic or inorganic compounds of precious metals, rare-earth metals, radioactive elements, or isotopes: 2 to 10% ad-valorem;

Chapter 31: Fertilizers: 6 to 10% ad-valorem;

Chapter 38: Miscellaneous chemical products: 8 to 14% ad-valorem;

Chapter 39: Plastics and articles thereof: 2 to 14% ad-valorem;

Chapter 48: Paper and paperboard; articles of paper pulp, paper, or paperboard: 6 to 16% ad-valorem;

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

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

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

Chapter 70: Glass and glassware: 2 to 18% 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 to 35% ad-valorem;

Chapter 95: Toys, games, and sports requisites; parts and accessories thereof:
18 to 35% ad-valorem.

Import Requirements & Documentation

Permission to Import

Argentina subjects imports to automatic or non-automatic licenses that are managed through the Comprehensive Import Monitoring System (SIMI) established in December 2015 by the National Tax Agency (AFIP). The SIMI system requires importers to submit electronically detailed information about goods to be imported into Argentina. Once the information is submitted, relevant Argentine government agencies review the application through a “Single Window System for Foreign Trade” (Ventanilla Unica de Comercio Exterior). The automatic import licensing requirements apply to approximately 87 percent of Argentina’s tariff schedule. Licenses are required for each import transaction and reviewed by AFIP. AFIP certifies that the importer is in good standing in regard to taxes and ability to pay for the goods. AFIP also approves the request to purchase foreign currency. Ultimately the Central Bank (Banco Central de la Republica Argentina) must release the funds and has final say when the goods will be paid.

Processing time is officially 15 days. An Argentine firm or individual who wishes to import must utilize the services of an Argentine customs broker to file the SIMI through the online customs system, 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 SIMI being marked “*Salida*” by AFIP, signifying approval to import.

Documentation Requirements and Restrictions

In 1997, the Argentine government increased the requirement for certificate of origin and consularization for imports generally covering (but not limited to) consumer goods, textiles, apparel and footwear, printing machines, and machine tools. Consularization – authentication by a consular office – is required for every country from which an integrated component is sourced. To receive the MFN tariff rate, a product’s certificate of origin must be certified by an Argentine embassy or consulate, or carry a “U.S. Chamber of Commerce” seal. On October 18, 2018, through Resolution 60/2018, the Ministry of Production and Labor eliminated the requirement for a certificate of origin for goods subject to antidumping or safeguard measures, instead requiring an online sworn declaration of non-preferential origin. The resolution also simplifies the process required to obtain a certificate of origin for most categories of products, with the exception of textiles and footwear.

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](#) for information on any 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 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)
- Air waybill (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, the fees must be prepaid. Argentina does not have a centralized platform for, and does not allow the use of, electronically produced air waybills, which would accelerate customs processing and the growth of electronic commerce transactions.

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

Electronic documents with electronic signatures are acceptable if the certifying company has obtained eligibility by completing the licensing procedure. Electronic invoices are required for domestic sales or for Argentine exporters. Regarding importers, they need to present the commercial invoice that is issued by the overseas supplier. If the invoice is submitted via electronic methods (or fax) it should also be signed as an affidavit by the importer and customs broker. The invoice can be in English. A translation could be required by Customs authorities. [Annex I of General Resolution 2793](#) describes the supplementary documents required for import transactions.

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 authentication 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:

- Anti-dumping 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 United States, the seal of that organization, and the seal of legalization by the Argentine Consulate in the United States (located in Atlanta, Georgia; Chicago, Illinois; Houston, Texas; Los Angeles, California; Miami, Florida; New York, New York; Washington DC). 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. For terminology, check out [Terms of Trade](#) and [International Trade Glossary](#)

Labeling/Marking Requirements

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.

Manufacturers and importers of the products affected by requirements (electric apparatus over 50 volts, toys, personal protection equipment, elevators, steel, lighters, and bicycles) can choose among 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.

IRAM is the Argentine Institute for Standardization and Certification. It is a non-profit civil association, which was founded in 1935 by representatives of the various sectors of the economy, the government and scientific-technical institutions. IRAM provides certification services for products, processes, people, services and management systems, both nationally and internationally. The IRAM certificates have national and international (MERCOSUR) validity and are the gateway to other markets. For information on Argentine and MERCOSUR standards, contact:

IRAM, Instituto Argentino de Normalización
www.iram.org.ar
iram-iso@iram.org.ar

MERCOSUR Standards Association
AMN, *Asociación MERCOSUR de Normalización*
<http://www.amn.org.br/>
secretaria@amn.org.br

For medical products, contact:
[Administración Nacional de Medicamentos, Alimentos y Tecnología Médica \(ANMAT\)](#)
Email: direccion@anmat.gov.ar

U.S. Export Controls

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 regulates 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.

BIS has developed a [list of "red flags", or warning signs](#), intended to discover possible violations of the EAR. Also, BIS has ["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](#). 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 Website](#).

For further details, check out the [Bureau of Industry and Security](#) and its programs. The [Consolidated Screening List Search Engine](#) consolidates eleven export screening lists of the Departments of Commerce, State and the Treasury. [This article on Consolidate Screening Lists](#) at export.gov is an aid to industry in conducting electronic screens of potential parties to regulated transactions is available.

Temporary Entry

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 re-exported 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 incur 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 onto 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.

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. Many trade show organizers obtain a special waiver from the Ministry of Economy by declaring an event "of national interest."

The Argentine Customs Bureau allows 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 goods. This also is important for Argentine businesses that repair goods that are shipped from other countries. Nearly one-fifth of all Argentine exports are related in some way to this regime.

Goods are considered eligible for the TAR program if they are substantially transformed or processed in an industrial process site 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% of the firms that have used this regime import 90% of the goods that qualify.

Prohibited & Restricted Imports

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

- 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)
- Toys and childcare products containing high concentration of phthalates (Resolution 583/2008, Ministry of Health)
- Used clothing and accessories (MERCOSUR Tariff Codes 6309.00.10 & 6309.00.90) (Decree 3373)
- 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. Within ANMAT, the National Food Institute (INAL) regulates consumer-ready food products, health supplements, and both alcoholic and non-alcoholic beverages, with the exception of wine. [SENASA](#) (*Servicio Nacional de Sanidad y Calidad Agroalimentaria*), Argentina's Phytosanitary and Food Safety Agency, regulates animal and plant products, and is responsible for the safety and quality of human food and animal feed. The National Wine Institute (INV) exerts control over wine and wine products during the production and marketing stages.

In 2018, Argentina lifted the ban for the importation of U.S. fresh and frozen beef and products to Argentina with the exception of pork offal. However, the market for U.S. poultry products remains closed due to concerns primarily related to Avian Influenza. FAS/Buenos Aires is currently engaged in discussions with Argentina's sanitary authorities to overcome this issue. For additional information on animal products, please contact the U.S. Foreign Agricultural Service in Argentina at agbuenosaires@fas.usda.gov.

The Government of Argentina places restrictions on imports of many 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, such as mining machinery. For additional information, see the Office of the United States Trade Representative's National Trade [Fact Sheets](#).

Customs Regulations

The General Customs Bureau ([Dirección General de Aduanas, DGA](#)) applies, collects, and controls taxes under the Argentine Customs Code. It also regulates other taxes on import and export transactions on behalf of other entities. 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 Treasury Ministry. It executes the tax and customs policies set by the Executive Branch.

Contact Information:

Administración Federal de Ingresos Públicos, (AFIP)
Federal Administrator
Hipólito Yrigoyen 370
C1086AAD Buenos Aires, Argentina
<http://www.afip.gob.ar>
For Customs regulations, visit the [AFIP's online library](#) (Spanish).
Phone: (54-11) 4347-2000

Dirección General de Aduanas, (DGA)
General Director
Azopardo 350
C1107ADD Buenos Aires, Argentina
<http://www.afip.gob.ar/aduana/institucional/>
Phone: (54-11) 4338-6400/6640 Fax: (54-11) 4338-6644

Standards for Trade

Overview

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.

Standards

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 a work plan.

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*).

Standards Organizations

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 sending a significant shipment of goods that require IRAM certification.

Testing, Inspection and Certification

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.

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.

Resolution 169/2018 has replaced Resolution 171/16 regarding Electrical Safety in Argentina and was implemented as of June 2, 2018. The regulated product scope has remained largely unchanged, and the following products are not within the scope:

- Medical equipment (now under ANMAT)
- Products for Explosive Atmospheres
- Products less than 50VAC and 75VDC

The following changes will also be implemented under the new resolution:

- The importer information is no longer required on the product label or packaging, and only the Consumer Defense Law requirements will be enforced
- According to Resolution 237/00, the recognition of foreign certificates through MRAs by local bodies and the multilateral agreement of the IECEE CB Scheme allows S-Mark certificates to be issued based on CB certificates
- Beginning in 2020, products will be certified by the Mark scheme (products listed under Annex II of Res. 171/16) or by Lot (when appropriate). Type certification may be authorized for some product types
- Surveillance terms have been extended to 12 months (Type) and 18 months (Mark)
- The Disp. 178/00 (SDU) requirement is removed, and a voluntary procedure was established by TAD
- Only components and parts for manufacturing or technical service can enter Argentina without restrictions
- Transfer of certificates has been cited, but the extension of certificates to multiple importers has not been considered and will be re-evaluated

Accreditation

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 be similarly accredited and recognized.

Publication of Technical Regulations

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 late 1999, efforts have been concentrated in implementation rather than in adding new categories of products under safety regulations.

The vast majority of electrical and electronic products in the consumer marketplace are still subject to this [regulation](#) (*English*). 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.

Publication of Technical Regulations

Members of the World Trade Organization (WTO) are required under the Agreement on Technical Barriers to Trade (TBT Agreement) to notify the WTO, proposed technical regulations and conformity assessment procedures that could affect trade. Notify U.S. (www.nist.gov/notifyus) is a free, web-based e-mail registration service that captures and makes available for review and comment key information on draft regulations and conformity assessment procedures. Users receive customized e-mail alerts when new notifications are added by selected country(ies) and industry sector(s) of interest, and can also request full texts of regulations. This service and its associated web site are managed and operated by the USA WTO TBT Inquiry Point housed within the National Institute of Standards and Technology, part of the U.S. Department of Commerce.

Trade Agreements

ALADI

Argentina is a founding member of the Association for Latin American Integration (ALADI-[Asociación Latinoamericana de Integración](#)), which was created in 1980 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. Argentina has several regional, multilateral, and bilateral arrangements.

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. Venezuela is currently suspended. Bolivia, Chile, Colombia, Ecuador and Peru have joined the pact as associate members.

MERCOSUR-European Union

The two trading blocs made the commitment of reaching an agreement in the process of integration by October 2004, but several differences between the blocs impeded final negotiations, which are still ongoing

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

The agreement took place in October 2004 and contemplates the liberalization of 80% of trade between the blocs within ten years, which began 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.

Licensing Requirements for Professional Services

Contact the [Commercial Service in Buenos Aires](#) directly for information on licensing requirements for Professional Services.

Web Resources

For information on Argentine and MERCOSUR standards:
IRAM, Instituto Argentino de Normalización www.iram.org.ar

MERCOSUR Standards Association AMN, *Asociación MERCOSUR de Normalización* <http://www.amn.org.br/>

For medical products:

[Administración Nacional de Medicamentos, Alimentos y Tecnología Médica \(ANMAT\) \(English\)](#)

Investment Climate Statement

Executive Summary

Argentina presents significant investment and trade opportunities, particularly in infrastructure, health, agriculture, information technology, energy, and mining. Since 2016 the local government has taken steps to reduce bureaucratic hurdles in business creation, enacted some tax reforms, courted foreign direct investment, and attempted to implement labor reforms through sector-specific agreements with unions. However, Argentina's economic recession coupled with the political stagnation of an election year have reduced pro-business reforms and have choked international investment to Argentina.

In 2018, Argentina's economy suffered from stagnant economic growth, high unemployment, and soaring inflation: economic activity fell 2.6 percent and annual inflation rate reached 47.6 percent by the end of year. This deteriorating macroeconomic situation prevented the local administration from implementing structural reforms that could address some of the drivers of the stagflation: high tax rates, high labor costs, access to financing, cumbersome bureaucracy, and outdated infrastructure. In September 2018, Argentina established a new export tax on most goods through December 31, 2020, and in January 2019, began applying a similar tax of 12 percent on most exports of services. To account for fluctuations in the exchange rate, the export tax on these goods and services may not exceed four pesos per dollar exported. Except for the case of the energy sector, the government has been unsuccessful in its attempts to curb the power of labor unions and enact the reforms required to attract international investors.

Argentina assumed the G-20 Presidency on December 1, 2017, and hosted over 45 G-20 meetings in 2018, culminating with the Leaders' Summit in Buenos Aires. The country also held the Financial Action Task Force (FATF) presidency for 2017-2018 and served as host of the WTO Ministerial in 2017.

In 2018, Argentina moved up eight places in the Competitiveness Ranking of the World Economic Forum (WEF), which measures how productively a country uses resources, to 81 out of 140 countries, and 10 out of the 21 countries in the Latin American and Caribbean region. Argentina is courting an EU-MERCOSUR trade agreement and is increasing engagement with the Organization for Economic Cooperation and Development (OECD) with the goal of an invitation for accession this year. Argentina ratified the WTO Trade Facilitation Agreement on January 22, 2018. Argentina and the United States continue to expand bilateral commercial and economic cooperation, specifically through the Trade and Investment Framework Agreement (TIFA), the Commercial Dialogue, the Framework to Strengthen Infrastructure Investment and Energy Cooperation, and the Digital Economy Working Group, in order to improve and facilitate public-private ties and communication on trade and investment issues, including market access and intellectual property rights. More than 300 U.S. companies operate in Argentina, and the United States continues to be the top investor in Argentina with more than USD \$14.9 billion (stock) of foreign direct investment as of 2017.

Table 1: Key Metrics and Rankings

Measure	Year	Index/Rank	Website Address
TI Corruption Perceptions Index	2018	85 of 180	http://www.transparency.org/research/cpi/overview
World Bank's Doing Business Report	2019	119 of 190	http://www.doingbusiness.org/en/rankings
Global Innovation Index	2018	80 of 126	https://www.globalinnovationindex.org/analysis-indicator
U.S. FDI in partner country (\$M USD, stock positions)	2017	\$14,907	http://www.bea.gov/international/factsheet/

World Bank GNI per capita	2017	\$13,030	http://data.worldbank.org/indicator/NY.GNP.PCAP.CD
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Openness to and Restrictions upon Foreign Investment

Policies Towards Foreign Direct Investment

To improve the investment climate, the Government of Argentina enacted reforms to simplify bureaucratic procedures in an effort to provide more transparency, reduce costs, diminish economic distortions by adopting good regulatory practices, and increase capital market efficiencies. Since 2016, Argentina has expanded economic and commercial cooperation with key partners including Chile, Brazil, Japan, South Korea, Spain, Canada, and the United States, and deepened its engagement in international fora such as the G-20, WTO, and OECD.

Over the past year, Argentina issued new regulations in the gas and energy, communications, technology, and aviation industries to improve competition and provide incentives aimed to attract investment in those sectors. Argentina seeks tenders for investment in wireless infrastructure, oil and gas, lithium mines, renewable energy, and other areas. However, many of the public-private partnership projects for public infrastructure planned for 2018 had to be delayed or canceled due to Argentina's broader macroeconomic difficulties and ongoing corruption investigations into public works projects.

Foreign and domestic investors generally compete under the same conditions in Argentina. The amount of foreign investment is restricted in specific sectors such as aviation and media. Foreign ownership of rural productive lands, bodies of water, and areas along borders is also restricted.

Argentina has a national Investment and Trade Promotion Agency that provides information and consultation services to investors and traders on economic and financial conditions, investment opportunities, Argentine laws and regulations, and services to help Argentine companies establish a presence abroad. The agency also provides matchmaking services and organizes roadshows and trade delegations. The agency's web portal provides detailed information on available services (<http://www.produccion.gob.ar/agencia>). Many of the 24 provinces also have their own provincial investment and trade promotion offices.

Argentine officials regularly host roundtable discussions with visiting business delegations and meet with local and foreign business chambers. During official visits over the past year to the United States, China, India, Vietnam, and Europe, among others, Argentine delegations often met with host country business leaders.

Limits on Foreign Control and Right to Private Ownership and Establishment

Foreign and domestic commercial entities in Argentina are regulated by the Commercial Partnerships Law (Law 19,550), the Argentina Civil and Commercial Code, and rules issued by the regulatory agencies. Foreign private entities can establish and own business enterprises and engage in all forms of remunerative activity in nearly all sectors.

Full foreign equity ownership of Argentine businesses is not restricted, for the most part, with exception in the air transportation and media industries. The share of foreign capital in companies that provide commercial passenger transportation within the Argentine territory is limited to 49 percent per the Aeronautic Code Law 17,285. The company must be incorporated according to Argentine law and domiciled in Buenos Aires. In the media sector, Law 25,750 establishes a limit on foreign ownership in television, radio, newspapers, journals, magazines, and publishing companies to 30 percent.

Law 26,737 (Regime for Protection of National Domain over Ownership, Possession or Tenure of Rural Land) establishes that a foreigner cannot own land that allows for the extension of existing bodies of water or that are located near a Border Security Zone. In February 2012, the government issued Decree 274/2012 further restricting foreign ownership to a maximum of 30 percent of national land and 15 percent of productive land. Foreign individuals or foreign company ownership is limited to 1,000 hectares (2,470 acres) in the most productive farming areas. In June 2016, the local administration issued Decree 820 easing the requirements for foreign land ownership by changing the percentage that defines foreign ownership of a person or company, raising it from 25 percent to 51 percent of the social capital of a legal entity. Waivers are not available.

Argentina does not maintain an investment screening mechanism for inbound foreign investment. U.S. investors are not at a disadvantage to other foreign investors or singled out for discriminatory treatment.

Other Investment Policy Reviews

Argentina was last subject to an investment policy review by the OECD in 1997 and a trade policy review by the WTO in 2013. The United Nations Conference on Trade and Development (UNCTAD) has not done an investment policy review of Argentina.

Business Facilitation

Since 2016 the local administration has enacted reforms to normalize financial and commercial transactions and facilitate business creation and cross-border trade. These reforms include eliminating capital controls, reducing some export taxes and import restrictions, reducing business administrative processes, decreasing tax burdens, increasing businesses' access to financing, and streamlining customs controls.

In October 2016, the Ministry of Production issued Decree 1079/2016, easing bureaucratic hurdles for foreign trade and creating a Single Window for Foreign Trade ("VUCE" for its Spanish acronym). The VUCE centralizes the administration of all required paperwork for the import, export, and transit of goods (e.g., certificates, permits, licenses, and other authorizations and documents). Argentina subjects imports to automatic or non-automatic licenses that are managed through the Comprehensive Import Monitoring System (SIMI, or Sistema Integral de Monitoreo de Importaciones), established in December 2015 by the National Tax Agency (AFIP by its Spanish acronym) through Resolutions 5/2015 and 3823/2015. The SIMI system requires importers to submit detailed information electronically about goods to be imported into Argentina. Once the information is submitted, the relevant Argentine government agencies can review the application through the VUCE and make any observations or request additional information. The number of products subjected to non-automatic licenses has been modified several times, resulting in a net decrease since the beginning of the SIMI system.

The Argentine Congress approved an Entrepreneurs' Law in March 2017, which allows for the creation of a simplified joint-stock company (SAS, or Sociedad por Acciones Simplificada) online within 24 hours of registration. Detailed information on how to register a SAS is available at: <https://www.argentina.gob.ar/crear-una-sociedad-por-acciones-simplificada-sas>. As of April 2019, the online business registration process is only available for companies located in Buenos Aires. The government is working on expanding the SAS to other provinces. Further information can be found at <http://www.produccion.gob.ar/todo-sobre-la-ley-de-emprendedores/>.

Foreign investors seeking to set up business operations in Argentina follow the same procedures as domestic entities without prior approval and under the same conditions as local investors. To open a local branch of a foreign company in Argentina, the parent company must be legally registered in Argentina. Argentine law requires at least two equity holders, with the minority equity holder maintaining at least a five percent interest. In addition to the procedures required of a domestic company, a foreign company establishing itself in Argentina must legalize the parent company's documents, register the incoming foreign capital with the Argentine Central Bank, and obtain a trading license.

A company must register its name with the Office of Corporations (IGJ, or Inspeccion General de Justicia). The IGJ website describes the registration process and some portions can be completed online (<http://www.jus.gob.ar/igj/tramites/guia-de-tramites/inscripcion-en-el-registro-publico-de-comercio.aspx>). Once the IGJ registers the company, the company must request that the College of Public Notaries submit the company's accounting books to be certified with the IGJ. The company's legal representative must obtain a tax identification number from AFIP, register for social security, and obtain blank receipts from another agency. Companies can register with AFIP online at www.afip.gob.ar or by submitting the sworn affidavit form No. 885 to AFIP.

Details on how to register a company can be found at the Ministry of Production and Labor's website: <https://www.argentina.gob.ar/produccion/crear-una-empresa>. Instructions on how to obtain a tax identification code can be found at: <https://www.argentina.gob.ar/obtener-el-cuit>.

The enterprise must also provide workers' compensation insurance for its employees through the Workers' Compensation Agency (ART, or Aseguradora de Riesgos del Trabajo). The company must register and certify its accounting of wages and salaries with the Directorate of Labor, within the Ministry of Production and Labor.

In April 2016, the Small Business Administration of the United States and the Ministry of Production of Argentina signed a Memorandum of Understanding (MOU) to set up small and medium sized business development centers (SBDCs) in Argentina. The goal of the MOU is to provide small businesses with tools to improve their productivity and increase their growth. Under the MOU, in June 2017, Argentina set up the first SBDC pilot in the province of Neuquen.

The Ministry of Production and Labor offers a wide range of attendance-based courses and online training for businesses. The full training menu can be viewed at: <https://www.argentina.gob.ar/produccion/capacitacion>

Outward Investment

Argentina does not have a governmental agency to promote Argentine investors to invest abroad nor does it have any restrictions for a domestic investor investing overseas.

Bilateral Investment Agreements and Taxation Treaties

Argentina has a Bilateral Investment Treaty (BIT) with the United States, which entered into force on October 20, 1994. The text of the Argentina-United States BIT is available at: <http://2001-2009.state.gov/documents/organization/43475.pdf>.

As of April 2019, Argentina has 50 BITs in force. Argentina has signed treaties that are not yet in force with six other countries: Greece (October 1999), New Zealand (August 1999), the Dominican Republic (March 2001), Qatar (November 2016), United Arab Emirates (April 2018), and Japan (December 2018).

During 2018 and the first quarter of 2019, Argentina continued discussions to strengthen bilateral commercial, economic, and investment cooperation with a number of countries, including China, Denmark, India, Mexico, Japan, the Netherlands, Spain, South Korea, Russia, Vietnam, and the United States. Argentina and the United States established a bilateral Commercial Dialogue and a Trade and Investment Framework Agreement (TIFA) in 2016. Bilateral talks are ongoing through both mechanisms. Argentina does not have a Free Trade Agreement with the United States.

Argentina is a founding member of the Southern Common Market (MERCOSUR), which includes Brazil, Paraguay, Uruguay, and Venezuela (currently suspended). Through MERCOSUR, Argentina has Free Trade Agreements with Egypt, Israel, Bolivia, Chile, and Peru. MERCOSUR has Trade Framework Agreements with Morocco and Mexico, and Preferential Trade Agreements (PTA) with the Southern African Customs Union (SACU), India, Colombia, Chile,

Mexico, and Ecuador. MERCOSUR is currently pursuing a Free Trade Agreement with the European Union and the European Free Trade Association (EFTA) and has initiated free trade discussions with Canada, South Korea, and Japan. The bloc is also in talks to expand on its agreements with SACU and India.

Argentina has Economic Complementarity Agreements with Bolivia, Colombia, Ecuador, Mexico, Peru, and Chile that were established before MERCOSUR and thus, grandfathered into Mercosur. Argentina is engaged in ongoing negotiations to expand the PTA agreement with Mexico. Argentina also has an economic association agreement with Colombia signed in June 2017. In January 2019, the expanded Economic Complementarity Agreement (ECA) between Chile and Argentina entered into effect. The new ECA was signed in November 2017, approved by the Argentine Congress in December 2018, and ratified by the Chilean Congress in January 2019. The new deal includes trade facilitation regulation and development programs directed to supporting SMEs, and adds chapters on e-commerce, trade in services, and government procurement.

Argentina does not have a bilateral taxation treaty with the United States. In December 2016, Argentina signed a Tax Information Exchange Agreement with the United States, which increases the transparency of commercial transactions between the two countries to aid with combating tax and customs fraud. The Agreement entered into force on November 13, 2017. The United States and Argentina have initiated discussions to sign a Foreign Account Tax Compliance Act (FATCA) inter-governmental agreement.

In 2014, Argentina committed to implementing the OECD single global standard on automatic exchange of financial information. According to media sources, Argentina had been set to make its first financial information exchange in September 2018, but it was postponed to 2019.

In June 2018, AFIP and the OECD signed an MOU to establish the first Latin American Financial and Fiscal Crime Investigation Academy.

Argentina has signed 18 double taxation treaties, including with Germany, Canada, Russia, and the United Kingdom. In November 2016, Argentina and Switzerland signed a bilateral double taxation treaty. In November 2016, Argentina signed an agreement with the United Arab Emirates, which has not yet entered into force. In July 2017, Argentina updated a prior agreement with Brazil, which also has not yet been implemented. Argentina also has customs agreements with numerous countries. A full listing is available at: <http://www.afip.gov.ar/institucional/acuerdos.asp>.

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).

Legal Regime

Transparency of the Regulatory System

The Government of Argentina has taken measures to improve government transparency, therefore, created the Ministry of Modernization, tasked with conducting quantitative and qualitative studies of government procedures and finding solutions to streamline bureaucratic processes and improve transparency. In September 2018, the Ministry of Modernization was downgraded into a Secretariat due to a budget-oriented streamlining of the Cabinet.

In September 2016, Argentina enacted a Right to Access Public Information Law (27,275) that mandates all three governmental branches (legislative, judicial, and executive), political parties, universities, and unions that receive public funding are to provide non-classified information at the request of any citizen. The law also created the Agency for the Right to Access Public Information to oversee compliance.

Continuing its efforts to improve transparency, in November 2017, the Treasury Ministry launched a new website to communicate how the government spends public funds in a user-friendly format. Subsections of this website are targeted toward policymakers, such as a new page to monitor budget performance (<http://www.aaip.gob.ar/hacienda/sechacienda/metasfiscales>), as well as improving citizens' understanding of the budget, e.g. the new citizen's budget "Presupuesto Ciudadano" website (https://www.minhacienda.gob.ar/onp/presupuesto_ciudadano/). This program is part of the broader led by the Secretariat of Modernization to build a transparent, active, and innovative state that includes data and information from every area of the public administration. The initiative aligns with the Global Initiative for Fiscal Transparency (GIFT) and UN Resolution 67/218 on promoting transparency, participation, and accountability in fiscal policy.

During 2017, the government introduced new procurement standards including electronic procurement, formalization of procedures for costing-out projects, and transparent processes to renegotiate debts to suppliers. The government also introduced OECD recommendations on corporate governance for state-owned enterprises to promote transparency and accountability during the procurement process. (The link to the regulation is at <http://servicios.infoleg.gob.ar/infolegInternet/verNorma.do?id=306769>.)

Argentine government efforts to improve transparency were recognized internationally. In its December 2017 Article IV consultation, the International Monetary Fund (IMF) Executive Board noted that "Argentina's government made important progress in restoring integrity and transparency in public sector operations," and agreed with the staff appraisal that commended the government for the progress made in the systemic transformation of the Argentine economy, including efforts to rebuild institutions and restore integrity, transparency, and efficiency in government.

On January 10, 2018, the government issued Decree 27 with the aim of curbing bureaucracy and simplifying administrative proceedings to promote the dynamic and effective functioning of public administration. Broadly, the decree seeks to eliminate regulatory barriers and reduce bureaucratic burdens, expedite and simplify processes in the public domain, and deploy existing technological tools to better focus on transparency.

In April 2018, Argentina passed the Business Criminal Responsibility Law (27,041) through Decree 277. The decree establishes an Anti-Corruption Office in charge of outlining and monitoring the transparency policies with which companies must comply to be eligible for public procurement.

Under the bilateral Commercial Dialogue, Argentina and the United States discuss good regulatory practices, conducting regulatory impact analyses, and improving the incorporation of public consultations in the regulatory process. Similarly, under the bilateral Digital Economy Working Group, Argentina and the United States share best practices on promoting competition, spectrum management policy, and broadband investment and wireless infrastructure development.

Legislation can be drafted and proposed by any citizen and is subject to Congressional and Executive approval before being passed into law. Argentine government authorities and a number of quasi-independent regulatory entities can issue regulations and norms within their mandates. There are no informal regulatory processes managed by non-governmental organizations or private sector associations. Rulemaking has traditionally been a top-down process in Argentina, unlike in the United States where industry organizations often lead in the development of standards and technical regulations.

Ministries, regulatory agencies, and Congress are not obligated to provide a list of anticipated regulatory changes or proposals, share draft regulations with the public, or establish a timeline for public comment. They are also not required to conduct impact assessments of the proposed legislation and regulations.

Since 2016, the Office of the President and various ministries has sought to increase public consultation in the rulemaking process; however, public consultation is non-binding and has been done in an ad-hoc fashion. In 2017, the Federal Government of Argentina issued a series of legal instruments that seek to promote the use of tools to

improve the quality of the regulatory framework. Amongst them, Decree 891/2017 for Good Practices in Simplification establishes a series of tools to improve the rulemaking process. The decree introduces tools on ex-ante and ex-post evaluation of regulation, stakeholder engagement, and administrative simplification, amongst others. Nevertheless, no formal oversight mechanism has been established to supervise the use of these tools across the line of ministries and government agencies, which make implementation difficult and limit severely the potential to adopt a whole-of-government approach to regulatory policy, according to a 2019 OECD publication on Regulatory Policy in Argentina.

Some ministries and agencies have developed their own processes for public consultation, such as publishing the draft on their websites, directly distributing the draft to interested stakeholders for feedback, or holding public hearings. In 2016 the Ministry of Justice and Human Rights launched the digital platform Justicia2020 (<https://www.justicia2020.gob.ar/>), to foster public involvement in the Judiciary reform process projected by 2020. Once the draft of a bill is introduced into the Argentine Congress, the full text of the bill and its status can be viewed online at the Chamber of Deputies website (<http://www.diputados.gov.ar/>), and that of the Senate (<http://www.senado.gov.ar/>).

All final texts of laws, regulations, resolutions, dispositions, and administrative decisions must be published in the Official Gazette (<https://www.boletinoficial.gob.ar/>), as well as in the newspapers and the websites of the Ministries and agencies. These texts can also be accessed through the official website Infoleg (<http://www.infoleg.gob.ar/>), overseen by the Ministry of Justice. Interested stakeholders can pursue judicial review of regulatory decisions.

Argentina requires public companies to adhere to International Financial Reporting Standards (IFRS). Argentina is a member of UNCTAD's international network of transparent investment procedures.

International Regulatory Considerations

Argentina is a founding member of MERCOSUR and has been a member of the Latin American Integration Association (ALADI for Asociacion Latinoamericana de Integracion) since 1980.

Argentina has been a member of the WTO since 1995 and it ratified the Trade Facilitation Agreement in January 2018. Argentina notifies technical regulations, but not proposed drafts, to the WTO Committee on Technical Barriers to Trade. Argentina has sought to deepen its engagement with the OECD and submitted itself to an OECD regulatory policy review in March 2018, which was released in March 2019. Argentina participates in all 23 OECD committees and seeks an accession invitation before the end of 2019.

Additionally, the Argentine Institute for Standards and Certifications (IRAM) is a member of international and regional standards bodies including the International Standardization Organization (ISO), the International Electrotechnical Commission (IEC), the Panamerican Commission on Technical Standards (COPAM), the MERCOSUR Association of Standardization (AMN), the International Certification Network (i-Qnet), the System of Conformity Assessment for Electrotechnical Equipment and Components (IECEE), and the Global Good Agricultural Practice network (GLOBALG.A.P.).

Legal System and Judicial Independence

According to the Argentine constitution, the judiciary is a separate and equal branch of government. In practice, there have been instances of political interference in the judicial process. Companies have complained that courts lack transparency and reliability, and that Argentine governments have used the judicial system to pressure the private sector. A 2017 working group review of Argentina's application to join the OECD noted the politicization of the General Prosecutor's Office created a lack of prosecutorial independence. The OECD working group said the executive branch, had pressured judges through threatened or actual disciplinary proceedings. Media revelations of judicial impropriety and corruption feed public perception and undermine confidence in the judiciary.

The Argentine Government expressed its intent to improve transparency and rule of law in the judicial system, and the Justice Minister announced in March 2016 the “Justice 2020” initiative to reform the judiciary.

Argentina follows a Civil Law system. In 2014, the Argentine government passed a new Civil and Commercial Code that has been in effect since August 2015. The Civil and Commercial Code provides regulations for civil and commercial liability, including ownership of real and intangible property claims. The current judicial process is lengthy and suffers from significant backlogs. In the Argentine legal system, appeals may be brought from many rulings of the lower court, including evidentiary decisions, not just final orders, which significantly slows all aspects of the system. The Justice Ministry reported in December 2018 that the expanded use of oral processes had reduced the duration of 68 percent of all civil matters to less than two years.

Many foreign investors prefer to rely on private or international arbitration when those options are available. Claims regarding labor practices are processed through a labor court, regulated by Law 18,345 and its subsequent amendments and implementing regulations by Decree 106/98. Contracts often include clauses designating specific judicial or arbitral recourse for dispute settlement.

Laws and Regulations on Foreign Direct Investment

According to the Foreign Direct Investment Law 21,382 and Decree 1853/93, foreign investors may invest in Argentina without prior governmental approval, under the same conditions as investors domiciled within the country. Foreign investors are free to enter into mergers, acquisitions, greenfield investments, or joint ventures. Foreign firms may also participate in publicly-financed research and development programs on a national treatment basis. Incoming foreign currency must be identified by the participating bank to the Central Bank of Argentina (www.bcra.gov.ar). There is no official regulation or other interference in the court that could affect foreign investors.

All foreign and domestic commercial entities in Argentina are regulated by the Commercial Partnerships Law (Law No. 19,550) and the rules issued by the commercial regulatory agencies. Decree 27/2018 amended Law 19,550 to simplify bureaucratic procedures. Full text of the decree can be found at (<http://servicios.infoleg.gob.ar/infolegInternet/anexos/305000-309999/305736/norma.htm>).

All other laws and norms concerning commercial entities are established in the Argentina Civil and Commercial Code, which can be found at: <http://servicios.infoleg.gob.ar/infolegInternet/anexos/235000-239999/235975/norma.htm>

Further information about Argentina’s investment policies can be found at the following websites:

- Ministry of Production and Labor (<http://www.produccion.gob.ar/>)
- Treasury Ministry (<https://www.argentina.gob.ar/hacienda>)
- The Central Bank of the Argentine Republic (<http://www.bcra.gov.ar/>)
- The National Securities Exchange Commission (<http://www.cnv.gob.ar/>)
- The National Investment and Trade Promotion Agency (<http://www.inversionycomercio.org.ar/>)
- Investors can download Argentina’s investor guide through this link: (<https://drive.google.com/file/d/0B-086VB27JBjN0xONmM4Y09GODA/view>)

Competition and Anti-Trust Laws

The National Commission for the Defense of Competition and the Secretariat of Commerce, both within the Ministry of Production and Labor, have enforcement authority of the Competition Law (Law 25,156). The law aims to promote a culture of competition in all sectors of the national economy. In May 2018, the Argentine Congress approved a new Defense of the Competition Law (Law 27,442). The new law incorporates anti-competitive conduct regulations

and a leniency program to facilitate cartel investigation. The full text of the law can be viewed at: <http://servicios.infoleg.gob.ar/infolegInternet/verNorma.do?id=310241>.

Expropriation and Compensation

Section 17 of the Argentine Constitution affirms the right of private property and states that any expropriation must be authorized by law and compensation must be provided. The United States-Argentina BIT states that investments shall not be expropriated or nationalized except for public purposes upon prompt payment of the fair market value in compensation.

Argentina has a history of expropriations under previous administrations, the most recent of which occurred in March 2015 when the Argentine Congress approved the nationalization of the train and railway system. A number of companies that were privatized during the 1990s under the Menem administration were renationalized under the Kirchner administrations. Additionally, in October 2008, Argentina nationalized its private pension funds, which amounted to approximately one-third of total GDP, and transferred the funds to the government social security agency.

In May 2012, the Fernandez de Kirchner administration nationalized the oil and gas company Repsol-YPF. Although most of the litigation was settled in 2016, a small percentage of stocks owned by an American hedge fund remain in litigation in U.S. courts.

Dispute Settlement

ICSID Convention and New York Convention

Argentina is signatory to the 1958 New York Convention on the Recognition and Enforcement of Foreign Arbitration Awards, which the country ratified in 1989. Argentina is also a party to the International Center for Settlement of Investment Disputes (ICSID) Convention since 1994.

There is neither specific domestic legislation providing for enforcement under the 1958 New York Convention nor legislation for the enforcement of awards under the ICSID Convention. Companies that seek recourse through Argentine courts may not simultaneously pursue recourse through international arbitration.

In March 2012, the United States suspended Argentina's designation as a Generalized System of Preferences (GSP) beneficiary developing country because it had not acted in good faith in enforcing arbitration awards in favor of United States citizens or a corporation, partnership, or association that is 50 percent or more beneficially owned by United States citizens. Effective January 1, 2018, the United States ended Argentina's suspension from the GSP program. Following Congressional reauthorization of the program, as of April 22, 2018, Argentina's access was restored for GSP duty-free treatment for over 3,000 Argentine products.

Investor-State Dispute Settlement

The Argentine government officially accepts the principle of international arbitration. The United States-Argentina BIT includes a chapter on Investor-State Dispute Settlement for U.S. investors.

In the past ten years, Argentina has been brought before the ICSID in 54 cases involving U.S. or other foreign investors. Argentina currently has four pending arbitration cases filed against it by U.S. investors. For more information on the cases brought by U.S. claimants against Argentina, go to: <https://icsid.worldbank.org/en/Pages/cases/AdvancedSearch.aspx#>.

Local courts cannot enforce arbitral awards issued against the government based on the public policy clause. There is no history of extrajudicial action against foreign investors.

Argentina is a member of the United Nations Commission on International Trade Law (UNCITRAL) and the World Bank's Multilateral Investment Guarantee Agency (MIGA).

Argentina is also a party to several bilateral and multilateral treaties and conventions for the enforcement and recognition of foreign judgments, which provide requirements for the enforcement of foreign judgments in Argentina, including:

Treaty of International Procedural Law, approved in the South-American Congress of Private International Law held in Montevideo in 1898, ratified by Argentina by law No. 3,192.

Treaty of International Procedural Law, approved in the South-American Congress of Private International Law held in Montevideo in 1939-1940, ratified by Dec. Ley 7771/56 (1956).

Panamá Convention of 1975, CIDIP I: Inter-American Convention on International Commercial Arbitration, adopted within the Private International Law Conferences – Organization of American States, ratified by law No. 24,322 (1995).

Montevideo Convention of 1979, CIDIP II: Inter-American Convention on Extraterritorial Validity of Foreign Judgments and Arbitral Awards, adopted within the Private International Law Conferences – Organization of American States, ratified by law No. 22,921 (1983).

International Commercial Arbitration and Foreign Courts

Alternative dispute resolution (ADR) mechanisms can be stipulated in contracts. Argentina also has ADR mechanisms available such as the Center for Mediation and Arbitrage (CEMARC) of the Argentine Chamber of Trade. More information can be found at: <http://www.intracen.org/Centro-de-Mediacion-y-Arbitraje-Comercial-de-la-Camara-Argentina-de-Comercio—CEMARC—/#sthash.RagZdv0l.dpuf>.

Argentina does not have a specific law governing arbitration, but it has adopted a mediation law (Law 24.573/1995), which makes mediation mandatory prior to litigation. Some arbitration provisions are scattered throughout the Civil Code, the National Code of Civil and Commercial Procedure, the Commercial Code, and three other laws. The following methods of concluding an arbitration agreement are non-binding under Argentine law: electronic communication, fax, oral agreement, and conduct on the part of one party. Generally, all commercial matters are subject to arbitration. There are no legal restrictions on the identity and professional qualifications of arbitrators. Parties must be represented in arbitration proceedings in Argentina by attorneys who are licensed to practice locally. The grounds for annulment of arbitration awards are limited to substantial procedural violations, an ultra petita award (award outside the scope of the arbitration agreement), an award rendered after the agreed-upon time limit, and a public order violation that is not yet settled by jurisprudence when related to the merits of the award. On average, it takes around 21 weeks to enforce an arbitration award rendered in Argentina, from filing an application to a writ of execution attaching assets (assuming there is no appeal). It takes roughly 18 weeks to enforce a foreign award. The requirements for the enforcement of foreign judgments are set out in section 517 of the National Procedural Code.

No information is available as to whether the domestic courts frequently rule in cases in favor of state-owned enterprises (SOE) when SOEs are party to a dispute.

Bankruptcy Regulations

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>. 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. Creditors may file for insolvency of the debtor for liquidation only. The insolvency framework does not require approval by the creditors for the selection or appointment of the insolvency representative or for the sale of substantial assets of the debtor. The insolvency framework does not provide rights to the creditor to request information from the insolvency representative but the creditor has the right to object to decisions by the debtor to accept or reject creditors' claims. Bankruptcy is not criminalized; however, convictions for fraudulent bankruptcy can carry two to six years of prison time.

Financial institutions regulated by the Central Bank of Argentina (BCRA) publish monthly outstanding credit balances of their debtors; the BCRA and the National Center of Debtors (Central de Deudores) compile and publish this information. The database is available for use of financial institutions that comply with legal requirements concerning protection of personal data. The credit monitoring system only includes negative information, and the information remains on file through the person's life. At least one local NGO that makes microcredit loans is working to make the payment history of these loans publicly accessible for the purpose of demonstrating credit history, including positive information, for those without access to bank accounts and who are outside of the Central Bank's system. Equifax, which operates under the local name "Veraz" (or "truthfully"), also provides credit information to financial institutions and other clients, such as telecommunications service providers and other retailers that operate monthly billing or credit/layaway programs.

The World Bank's 2018 Doing Business Report ranked Argentina 101 among 189 countries for the effectiveness of its insolvency law. This is a jump of 15 places from its ranking of 116 in 2017. The report notes that it takes an average of 2.4 years and 16.5 percent of the estate to resolve bankruptcy in Argentina.

Industrial Policies

Investment Incentives

Government incentives do not make any distinction between foreign and domestic investors.

The Argentine government offers a number of investment promotion programs at the federal, provincial, and municipal levels to attract investment to specific economic sectors such as capital assets and infrastructure, innovation and technological development, and energy, with no discrimination between national or foreign-owned enterprises. They also offer incentives to encourage the productive development of specific geographical areas. The Investment and International Trade Promotion Agency provides cost-free assessment and information to investors to facilitate operations in the country. Argentina's investment promotion programs and regimes can be found at: <http://www.investandtrade.org.ar/?lang=en> http://www.inversionycomercio.org.ar/en/where_tax_benefits.php?wia=1&lang=en http://www.inversionycomercio.org.ar/docs/pdf/Doing_Business_in_Argentina-2018.pdf, and <http://www.produccion.gob.ar>.

The National Fund for the Development of Micro, Small, and Medium Enterprises provides low cost credit to small and medium-sized enterprises for investment projects, labor, capital, and energy efficiency improvement with no distinction between national or foreign-owned enterprises. More information can be found at <https://www.argentina.gob.ar/produccion/financiamiento>

The Ministry of Production and Labor supports numerous employment training programs that are frequently free to the participants and do not differentiate based on nationality.

Some of the investment promotion programs require investments within a specific region or locality, industry, or economic activity. Some programs offer refunds on Value-Added Tax (VAT) or other tax incentives for local production of capital goods.

Foreign Trade Zones/Free Ports/Trade Facilitation

Argentina has two types of tax-exempt trading areas: Free Trade Zones (FTZ), which are located throughout the country, and the more comprehensive Special Customs Area (SCA), which covers all of Tierra del Fuego Province and is scheduled to expire at the end of 2023.

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.

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. For more information on FTZ in Argentina see: <http://www.afip.gob.ar/zonasFrancas/>.

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.

Performance and Data Localization Requirements

Employment and Investor Requirements

The Argentine national government does not have local employment mandates nor does it apply such schemes to senior management or boards of directors. However, certain provincial governments do require employers to hire a certain percentage of their workforce from provincial residents. There are no excessively onerous visa, residence, work permit, or similar requirements inhibiting mobility of foreign investors and their employees. Under Argentine Law, conditions to invest are equal for national and foreign investors. As of March 2018, citizens of MERCOSUR countries can obtain legal residence within five months and at little cost, which grants permission to work. Argentina suspended its method for expediting this process in early 2018.

Goods, Technology, and Data Treatment

Argentina has local content requirements for specific sectors. Requirements are applicable to domestic and foreign investors equally. Argentine law establishes a national preference for local industry for most government procurement if the domestic supplier’s tender is no more than five to seven percent higher than the foreign tender. The amount by which the domestic bid may exceed a foreign bid depends on the size of the domestic company making the bid. On May 10, 2018, Argentina issued Law 27,437, giving additional priority to Argentine small and medium-sized enterprises and, separately, requiring that foreign companies that win a tender must subcontract domestic companies to cover 20 percent of the value of the work. The preference applies to procurement by all government agencies, public utilities, and concessionaires. There is similar legislation at the sub-national (provincial) level.

On September 5, 2018, the government issued Decree 800/2018, which provides the regulatory framework for Law 27,437. On November 16, 2016, the government passed a public-private partnership (PPP) law (27,328) that regulates public-private contracts. The law lowered regulatory barriers to foreign investment in public infrastructure projects with the aim of attracting more foreign direct investment. Several projects under the PPP initiative have been canceled or put on hold due to an ongoing investigation on corruption in public works projects during the last administration. The PPP law contains a “Buy Argentina” clause that mandates at least 33 percent local content for every public project.

Argentina is not a signatory to the WTO Agreement on Government Procurement (GPA), but it became an observer to the GPA in February 1997.

On July 5, 2016, the Ministry of Production and Labor and the Ministry of Energy and Mining issued Joint Resolutions 123 and 313, which allow companies to obtain tax benefits on purchases of solar or wind energy equipment for use in investment projects that incorporate at least 60 percent local content in their electromechanical installations. In cases where local supply is insufficient to reach the 60 percent threshold, the threshold can be reduced to 30 percent. The resolutions also provide tax exemptions for imports of capital and intermediate goods that are not locally produced for use in the investment projects.

On August 1, 2016, Argentina passed law 27,263, implemented by Resolution 599-E/2016, which provides tax credits to automotive manufacturers for the purchase of locally-produced automotive parts and accessories incorporated into specific types of vehicles. The tax credits range from 4 percent to 15 percent of the value of the purchased parts. The list of vehicle types included in the regime can be found here: <http://servicios.infoleg.gob.ar/infolegInternet/anexos/260000-264999/263955/norma.htm>. On April 20, 2018, Argentina issued Resolution 28/2018, simplifying the procedure for obtaining the tax credits. The resolution also establishes that if the national content drops below the minimum required by the resolution because of relative price changes due to exchange rate fluctuations, automotive manufacturers will not be considered non-compliant with the regime. However, the resolution sets forth that tax benefits will be suspended for the quarter when the drop was registered.

The Media Law, enacted in 2009 and amended in 2015, requires companies to produce advertising and publicity materials locally or to include 60 percent local content. The Media Law also establishes a 70 percent local production content requirement for companies with radio licenses. Additionally, the Media Law requires that 50 percent of the news and 30 percent of the music that is broadcast on the radio be of Argentine origin. In the case of private television operators, at least 60 percent of broadcast content must be of Argentine origin. Of that 60 percent, 30 percent must be local news and 10 to 30 percent must be local independent content.

Argentina establishes percentages of local content in the production process for manufacturers of mobile and cellular radio communication equipment operating in Tierra del Fuego province. Resolution 66, issued July 12, 2018, replaces Resolution 1219/2015 and maintains the local content requirement for products such as technical manuals, packaging, and labeling. Resolution 66 eliminated the local content requirement imposed by Resolution 1219 for batteries, screws, and chargers. The percentage of local content required ranges from 10 percent to 100 percent depending on the process or item. In cases where local supply is insufficient to meet local content requirements, companies may apply for an exemption that is subject to review every six months. A detailed description of local content percentage requirements can be found [here](#).

There are no requirements for foreign IT providers to turn over source code and/or provide access to encryption, nor does the government prevent companies from freely transmitting customer or other business-related data outside the country’s territory.

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

Investment Performance Requirements

There is no discrimination between domestic and foreign investors in investment incentives. There are no performance requirements. A complete guide of incentives for investors in Argentina can be found at: http://www.inversionycomercio.org.ar/invest_argentina.php

Protection of Property Rights

Real Property

Secured interests in property, including mortgages, are recognized 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 estate ownership (Registro de la Propiedad Inmueble) at <http://www.dnrpi.jus.gov.ar/>. No data is available on the percent of all land that does not have clear title. There are no specific regulations regarding land lease and acquisition of residential and commercial real estate by foreign investors. Law 26,737 (Regime for Protection of National Domain over Ownership, Possession or Tenure of Rural Land) establishes the restrictions of foreign ownership on rural and productive lands, including water bodies. Foreign ownership is also restricted on land located near borders.

Legal claims may be brought to evict persons unlawfully occupying real property, even if the property is unoccupied by the lawful owner. However, these legal proceedings can be quite lengthy, and until the legal proceedings are complete, evicting squatters is problematic. The title and actual conditions of real property interests under consideration should be carefully reviewed before acquisition.

Argentine Law 26.160 prevents the eviction and confiscation of land traditionally occupied by indigenous communities in Argentina, or encumbered with an indigenous land claim. Indigenous land claims can be found in the land registry. Enforcement is carried out by the National Institute of Indigenous Affairs, under the Ministry of Social Development.

Intellectual Property Rights

The government of Argentina adheres to some treaties and international agreements on intellectual property (IP) and belongs to the World Intellectual Property Organization and the World Trade Organization. The Argentine Congress ratified the Uruguay Round agreements, including the provisions on intellectual property, in Law 24425 on January 5, 1995.

The U.S. Trade Representative's 2019 Special 301 Report identified Argentina on the Priority Watch List. Trading partners on the Priority Watch List present the most significant concerns regarding inadequate or ineffective IP protection or enforcement or actions that otherwise limit market access for persons relying on IP protection. For a complete version of the 2019 Report, see: <https://ustr.gov/about-us/policy-offices/press-office/press-releases/2018/april/ustr-releases-2018-special-301-report>.

Argentina continues to present longstanding and well-known challenges to IP-intensive industries, including from the United States. A key deficiency in Argentina's legal framework for patents is the unduly broad limitations on patent eligible subject matter. Pursuant to a highly problematic 2012 Joint Resolution establishing guidelines for the examination of patents, Argentina rejects patent applications for categories of pharmaceutical inventions that are eligible for patentability in other jurisdictions, including in the United States. Additionally, to be patentable, Argentina requires that processes for the manufacture of active compounds disclosed in a specification be reproducible and applicable on an industrial scale. Stakeholders assert that Resolution 283/2015, introduced in September 2015, also limits the ability to patent biotechnological innovations based on living matter and natural substances. Such measures have interfered with the ability of companies investing in Argentina to protect their IP and may be inconsistent with international norms. Another ongoing challenge to the innovative agricultural,

chemical, and pharmaceutical sectors is inadequate protection against the unfair commercial use, as well as unauthorized disclosure, of undisclosed test or other data generated to obtain marketing approval for products in those sectors. Argentina struggles with a substantial backlog of patent applications resulting in long delays for innovators seeking patent protection in the market, a problem compounded by a reduction in the number of patent examiners in 2018 primarily due to a government-wide hiring freeze.

Enforcement of IP rights in Argentina continues to be a challenge and stakeholders report widespread unfair competition from sellers of counterfeit and pirated goods and services. La Salada in Buenos Aires remains the largest counterfeit market in Latin America. Argentine police generally do not take *ex officio* actions, prosecutions can stall and languish in excessive formalities, and, when a criminal case does reach final judgment, infringers rarely receive deterrent sentences. Hard goods counterfeiting and optical disc piracy is widespread, and online piracy continues to grow as criminal enforcement against online piracy is nearly nonexistent. As a result, IP enforcement online in Argentina consists mainly of right holders trying to convince cooperative Argentine ISPs to agree to take down specific infringing works, as well as attempting to seek injunctions in civil cases. Right holders also cite widespread use of unlicensed software by Argentine private enterprises and the government.

Over the last year, Argentina made limited progress in IP protection and enforcement. Beset with economic challenges, Argentina's government agencies were strapped by a reduction of funding and a government-wide hiring freeze, and many of Argentina's IP-related initiatives that had gained momentum last year did not gain further traction due to a lack of resources. Despite these circumstances, the National Institute of Industrial Property (INPI) revamped its procedures and began accepting electronic filing of patent, trademark, and industrial designs applications as of October 1, 2018. Argentina also improved registration procedures for trademarks and industrial designs. On trademarks, the law now provides for a fast track option that reduces the time to register a trademark to four months. The United States continues to monitor this change as INPI works on the implementing regulation. For industrial designs, INPI now accepts multiple applications in a single filing and applicants may substitute digital photographs for formal drawings. To further improve patent protection in Argentina, including for small and medium-sized enterprises, the United States urges Argentina to ratify the Patent Cooperation Treaty (PCT).

Argentina's efforts to combat counterfeiting continue, but without systemic measures, illegal activity persists. Argentine authorities arrested the alleged operators of the market La Salada as well as numerous associates in 2017, but vendors continue to sell counterfeit and pirated goods at the market and throughout Buenos Aires. The United States has encouraged Argentina to create a national IP enforcement strategy to build on these successes and move to a sustainable, long-lasting initiative. The United States also has encouraged legislative proposals to this effect, along the lines of prior bills introduced in Congress to provide for landlord liability and stronger enforcement on the sale of infringing goods at outdoor marketplaces such as La Salada, and to amend the trademark law to increase criminal penalties for counterfeiting carried out by criminal networks. In November 2017, Argentina entered into an agreement with the Chamber of Medium-Sized Enterprises and the Argentine Anti-Piracy Association to create a National Anti-Piracy Initiative focusing initially on trademark counterfeiting. The United States encourages Argentina to expand this initiative to online piracy. In March, revisions to the criminal code, including certain criminal sanctions for circumventing technological protection measures (TPMs), were submitted to Congress. While Argentina has moved forward with the creation of a federal specialized IP prosecutor's office, the office is not yet in operation. In November 2018, following a constructive bilateral meeting earlier in the year, Argentina and the United States held a DVC under the bilateral Innovation and Creativity Forum for Economic Development, part of the U.S.-Argentina Trade and Investment Framework Agreement (TIFA), to continue discussions and collaboration on IP topics of mutual interest. The United States intends to monitor all the outstanding issues for progress, and urges Argentina to continue its efforts to create a more attractive environment for investment and innovation.

For statistics on illegal sales in Argentina, go to the following link: <http://redcame.org.ar/seccion/relevamiento-venta-ilegal>

Financial Sector

Capital Markets and Portfolio Investment

Since 2016 Argentina has enacted a series of macroeconomic reforms (unifying the exchange rate, settling with holdout creditors, annulling most of the trade restrictions, lifting capital controls, to mention a few) to improve the investment climate. In May 2018, the Congress approved a new capital markets law aimed at boosting economic growth through the development and deepening of the local capital market. The law removed over-reaching regulatory intervention provisions introduced by the previous government and eased restrictions on mutual funds and foreign portfolio investment in domestic markets. Argentina also signed several bilateral agreements and MOUs with other countries aimed to increase foreign direct investment. There are no restrictions on payments and transfers abroad (in accordance with IMF Article VIII).

The Argentine Securities and Exchange Commission (CNV or Comision Nacional de Valores) 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. Nevertheless, the domestic credit market is small – credit is 16 percent of GDP, according to the World Bank. The Buenos Aires Stock Exchange is the organization responsible for the operation of Argentina’s primary stock exchange, located in Buenos Aires city. The most important index of the Buenos Aires Stock Exchange is the Merval (Mercado de Valores).

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.

Money and Banking System

Argentina has a relatively sound banking sector based on diversified revenues, well-contained operating costs, and a high liquidity level. The main challenge for banks is to rebuild long-term assets and liabilities. Due to adverse international and domestic conditions with the economy entering into a recession with high inflation and interest rates, credit to the private sector in local currency (for both corporations and individuals) decreased 18 percent in real terms in 2018. In spite of falling credit, banks remain well equipped to weather weak economic conditions. The largest bank is the Banco de la Nacion Argentina. Non-performing private sector loans constitute less than four percent of banks’ portfolios. The ten largest private banks have total assets of approximately ARS 2,643 billion (USD 64 billion). Total financial system assets are approximately ARS 5,506 billion (USD 134 billion). The Central Bank of Argentina acts as the country’s financial agent and is the main regulatory body for the banking system.

Foreign banks and branches are allowed to establish operations in Argentina. They are subject to the same regulation as local banks. Argentina’s Central Bank has many correspondent banking relationships, none of which are known to have been lost in the past three years.

The Central Bank has enacted a resolution recognizing cryptocurrencies and requiring that they comply with local banking and tax laws. No implementing regulations have been adopted. Blockchain developers report that several companies in the financial services sector are exploring or considering using blockchain-based programs externally and are using some such programs internally. One Argentine NGO, through funding from the Inter-American Development Bank (IDB), is developing blockchain-based banking applications to assist low income populations.

Foreign Exchange and Remittances

Foreign Exchange

The Government of Argentina has issued a number of regulations that lifted all capital controls and reduced trade restrictions. In November 2017, the government repealed the obligation to convert hard currency earnings on exports of both goods and services to pesos in the local foreign exchange market.

Per Resolution 36,162 of October 2011, locally registered insurance companies are mandated to maintain all investments and cash equivalents in the country. The BCRA limits banks' dollar-denominated asset holdings to 10 percent of their net worth.

In June 2018, the International Monetary Fund (IMF) and Argentina announced a Standby Arrangement agreement (SBA). Three months after agreeing to a USD 50 billion SBA, Argentina and the IMF announced in September 2018 a set of revisions, including an increase of the line of credit by USD 7.1 billion and front loading the disbursement of funds. The revised program sought to erase any doubts about the government's ability to cover its financing needs for 2018 and 2019 and in turn, Argentina committed to meeting strict new budget and monetary policy targets. On the monetary side, the BCRA replaced inflation targeting with a policy to ensure zero growth of the monetary base through December 2019. The BCRA also allows the exchange rate to float freely between a floor and ceiling of 34 and 44 pesos per dollar (at the time of introducing the framework).

Originally, the BCRA hoped that the floor and ceiling bounds would avoid a real appreciation of the peso; the adjustment started with a 3 percent monthly increase for the last quarter of 2018, and would drop to a monthly 1.75 percent increase for the second quarter of 2019. However, in mid-April 2019, the BCRA announced that the floor and ceiling will remain constant until the end of 2019, at 39.8 and 51.5 pesos per dollar, respectively. Under this framework, the BCRA may only sell up to USD 150 million reserves per day when trading above the ceiling.

Remittance Policies

According to Resolutions 3,819/2015 and 1/2017, companies and investors have no official restrictions on money conversion, remittances, or repatriation of their earnings.

Sovereign Wealth Funds

The Argentine Government does not maintain a Sovereign Wealth Fund.

State-Owned Enterprises

The Argentine government has state-owned enterprises (SOEs) or significant stakes in mixed-capital companies in the following sectors: civil commercial aviation, water and sanitation, oil and gas, electricity generation, transport, paper production, satellite, banking, railway, shipyard, and aircraft ground handling services.

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. Laws regulating state-owned enterprises and enterprises with state participation can be found at <http://www.saij.gob.ar/13653-nacional-regimen-empresas-estado-Ins0001871-1955-03-23/123456789-0abc-defg-g17-81000scanyel>.

Through the government's social security agency (ANSES), the Argentine government owns stakes ranging from one 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 committed to being a passive investor in the companies and limit the exercise of its voting rights to 5 percent, regardless of the equity stake the social security agency owned. A list of such enterprises can be found at: <http://fgs.anses.gob.ar/participacion>.

State-owned enterprises 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 SOEs. 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, and have been subsidized by the central government in the past. 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 observance.

Argentina does not have a specified ownership policy, guideline or governance code for how the government exercises ownership of SOEs. The country generally adheres to the OECD Guidelines on Corporate Governance of SOEs. The practices for SOEs are mainly in compliance with the policies and practices for transparency and accountability in the OECD Guidelines.

Argentina does not have a centralized ownership entity that exercises ownership rights for each of the SOEs. The general rule in Argentina is that requirements that apply to all listed companies also apply to publicly-listed SOEs.

In 2018, the OECD released a report evaluating the corporate governance framework for the Argentine SOE sector relative to the OECD Guidelines on Corporate Governance of SOEs, which can be viewed here: <http://www.oecd.org/countries/argentina/oecd-review-corporate-governance-soe-argentina.htm>.

Privatization Program

The current administration has not developed a privatization program.

Responsible Business Conduct

There is an increasing awareness of corporate social responsibility (CSR) and responsible business conduct (RBC) among both producers and consumers in Argentina. RBC and CSR practices are welcomed by beneficiary communities throughout Argentina. There are many institutes that promote RBC and CSR in Argentina, the most prominent being the Argentine Institute for Business Social Responsibility (<http://www.iarse.org/>), which has been working in the country for more than 17 years and includes among its members many of the most important companies in Argentina.

Argentina is a member of the United Nation's Global Compact. Established in April 2004, the Global Compact Network Argentina is a business-led network with a multi-stakeholder governing body elected for two-year terms by active participants. The network is supported by the United Nations Development Program (UNDP) Argentina in close collaboration with other UN Agencies. The Global Compact Network Argentina is the most important RBC/CSR initiative in the country with a presence in more than 20 provinces. More information on the initiative can be found at: <http://pactoglobal.org.ar>.

Foreign and local enterprises tend to follow generally accepted CSR/RBC principles. Argentina subscribed to the Declaration on the OECD Guidelines for Multinational Enterprises in April 1997.

Many provinces, such as Mendoza and Neuquen, have or are in the process of enacting a provincial CSR/RBC law. There have been many previously unsuccessful attempts to pass a CSR/RBC law. Distrust over the State's role in private companies had been the main concern for legislators opposed to these bills.

In February 2019, the Argentine government joined the Extractive Industries Transparency Initiative (EITI).

Corruption

Argentina's legal system incorporates several measures to address public sector corruption. The government institutions tasked with combatting corruption include the Anti-Corruption Office (ACO), 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.

Argentina enacted a new Corporate Criminal Liability Law in November 2017 following the advice of the OECD to comply with its Anti-Bribery Convention. The full text of Law 27,401 can be found at: <http://servicios.infoleg.gob.ar/infolegInternet/anexos/295000-299999/296846/norma.htm>. The new law entered into force in early 2018. It extends anti-bribery criminal sanctions to corporations, whereas previously they only applied to individuals; expands the definition of prohibited conduct, including illegal enrichment of public officials; and allows Argentina to hold Argentines responsible for foreign bribery. Sanctions include fines and blacklisting from public contracts. Argentina also enacted an express prohibition on the tax deductibility of bribes.

Corruption has been an issue in Argentina. In its March 2017 report, the OECD expressed concern about Argentina's enforcement of foreign bribery laws, inefficiencies in the judicial system, politicization and perceived lack of independence at the Attorney General's Office, and lack of training and awareness for judges and prosecutors. 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 85 out of 180 countries in 2018, an improvement of 10 places versus 2016. Allegations of corruption in provincial as well as federal courts remained frequent. Few Argentine companies have implemented anti-foreign bribery measures beyond limited codes of ethics.

In September 2016, Congress passed a law on public access to information. The law explicitly applies to all three branches of the federal government, the public justice offices, and entities such as businesses, political parties, universities, and trade associations that receive public funding. It requires these institutions to respond to citizen requests for public information within 15 days, with an additional 15-day extension available for "exceptional" circumstances. Sanctions apply for noncompliance. The law also mandates the creation of the Agency for Access to Public Information, an autonomous office within the executive branch. Chief among these are measures to speed the recovery of assets acquired through corruption, plea-bargaining-type incentives to encourage judicial cooperation, and greater financial disclosure for public servants. In early 2016, the Argentine government reaffirmed its commitment to the Open Government Partnership (OGP), became a founding member of the Global Anti-Corruption Coalition, and reengaged the OECD Working Group on Bribery.

Argentina is a party to the Organization of American States' Inter-American Convention against Corruption. It ratified in 2001 the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (Anti-Bribery Convention). Argentina also signed and ratified the UN Convention against Corruption (UNCAC) and participates in UNCAC's Conference of State Parties. Argentina also participates in the Mechanism for Follow-up on the Implementation of the Inter-American Convention against Corruption (MESICIC).

Since Argentina became a party to the OECD Anti-Bribery Convention, allegations of Argentine individuals or companies bribing foreign officials have surfaced. A March 2017 report by the OECD Working Group on Bribery indicated there were 13 known foreign bribery allegations involving Argentine companies and individuals as of that date. According to the report, Argentine authorities investigated and closed some of the allegations and declined to investigate others. The authorities determined some allegations did not involve foreign bribery but rather other offenses. Several such allegations remained under investigation.

Resources to Report Corruption

Laura Alonso

Director

Government of Argentina Anti-Corruption Office

Oficina Anticorrupción, Tucumán 394, C1049AAH, Ciudad Autónoma de Buenos Aires.

Phone: +54 11 5167 6400

Email: anticorrupcion@jus.gov.ar and <http://denuncias.anticorrupcion.gob.ar/>

Poder Ciudadano (Local Transparency International Affiliate)

Phone: +54 11 4331 4925 ext 225

Fax: +54 11 4331 4925

Email: comunicaciones@poderciudadano.org

Website: <http://www.poderciudadano.org>

Political and Security Environment

Demonstrations are common in metropolitan Buenos Aires and in other major cities and rural areas. Political violence is not widely considered a hindrance to the investment climate in Argentina.

Protesters regularly block streets, highways, and major intersections, causing traffic jams and delaying travel. Public demonstrations, strikes, and street blocking barricades increased in 2018 in response to economic and political issues. While demonstrations are usually non-violent, 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. In February 2016, the Ministry of Security approved a National Anti-Street Pickets Protocol that provides guidelines to prevent the blockage of major streets and public facilities during demonstrations. However, this protocol did not often apply to venues within the City of Buenos Aires (CABA), which fall under the city's jurisdiction. The CABA government often did not enforce security protocols against illegal demonstrations.

In December 2017, while Congress had called an extraordinary session to address the retirement system reforms, several demonstrations against the bill turned violent, causing structural damage to public and private property, injuries to 162 people (including 88 policemen), and arrests of 60 people. The demonstrations ultimately dissipated, and the government passed the bill.

Labor Policies and Practices

Argentine workers are among the most highly-educated and skilled in Latin America. Foreign investors often cite Argentina's skilled workforce as a key factor in their decision to invest in Argentina. Argentina has relatively high social security, health, and other labor taxes, however, and high labor costs are among foreign investors' most often cited operational challenges. The unemployment rate was 9.1 percent in the fourth quarter of 2018, according to official statistics. The government estimated unemployment for workers below 29 years old as roughly double the national rate. Analysts estimate one-third of Argentina's salaried workforce was employed informally. Though difficult to measure, analysts believe including self-employed informal workers in the estimate would drive the overall rate of informality to 40 percent of the labor force.

Labor laws are comparatively protective of workers in Argentina, and investors cite labor-related litigation as an important factor increasing labor costs in Argentina. There are no special laws or exemptions from regular labor laws in the Foreign Trade Zones. Organized labor plays an important role in labor-management relations and in Argentine politics. Under Argentine law, the Secretariat of Labor recognizes one union per sector per geographic unit (e.g., nationwide, a single province, or a major city) with the right to negotiate a collective bargaining agreement for that sector and geographic area. Roughly 40 percent of Argentina's formal workforce is unionized. The Secretariat of

Labor ratifies collective bargaining agreements. Collective bargaining agreements cover workers in a given sector and geographic area whether they are union members or not, so roughly 70 percent of the workforce was covered by an agreement. While negotiations between unions and industry are generally independent, the Secretariat of Labor often serves as a mediator. Argentine law also offers recourse to mediation and arbitration of labor disputes.

Tensions between management and unions occur. Many managers of foreign companies say they have good relations with their unions. Others say the challenges posed by strong unions can hinder further investment by their international headquarters. Depending on how sectors are defined, some activities such as oil and gas production or aviation involve multiple unions, which can lead to inter-union power disputes that can impede the companies' operations.

During 2017, the government helped employers and workers agree on adjustments to collective bargaining agreements covering private sector oil and gas sector workers in Neuquen Province for unconventional hydrocarbon exploration and production. The changes were aimed at reducing certain labor costs and incentivizing greater productivity. Employers and unions reached similar agreements in the construction and automotive sectors. The government intends to adapt such agreements to other sectors, while it seeks to advance broader labor reforms through new legislation.

The government presented to the Congress in November 2017 a labor reform bill, including four broad thrusts: (1) a labor amnesty that would aim to reduce informality by encouraging employers to declare their off-the-books workers to the authorities without penalties or fines; (2) a National Institute of Worker Education to develop policies and programs aimed at workers' skills development, as well as a system of workplace-based educational programs specifically for secondary, technical, and university students; (3) a technical commission to limit costs for union healthcare programs by evaluating drugs and medical treatments to determine which ones the union plans must cover; and (4) modifications to the labor contract law to reduce employers' costs, incentivize hiring, and improve competitiveness. Union resistance to the fourth area led the government to divide the bill into three separate proposals covering the first three reform areas, respectively, and to resubmit the new bills to the congress in May 2018. The three labor reform bills remained pending before congress as of March 2019.

Labor-related demonstrations in Argentina occurred periodically in 2018. Reasons for strikes include job losses, high taxes, loss of purchasing power, and wage negotiations. Labor demonstrations may involve tens of thousands of protestors. Recent demonstrations have essentially closed sections of the city for a few hours or days at a time. Demonstrations by airline employees caused significant flight delays or cancellations in recent months as well.

The Secretariat of Labor has hotlines and an online website to report labor abuses, including child labor, forced labor, and labor trafficking. The Superintendent of Labor Risk (Superintendencia de Riesgos del Trabajo) has oversight of health and safety standards. Unions also play a key role in monitoring labor conditions, reporting abuses and filing complaints with the authorities. Argentina has a Service of Mandatory Labor Conciliation (SECLO), which falls within the Secretariat of Labor, Employment and Social Security. Provincial governments and the city government of Buenos Aires are also responsible for labor law enforcement.

The minimum age for employment is 16. Children between the ages of 16 and 18 may work in a limited number of job categories and for limited hours if they have completed compulsory schooling, which normally ends at age 18. The law requires employers to provide adequate care for workers' children during work hours to discourage child labor. The Department of Labor's 2016 Worst Form of Child Labor for Argentina can be accessed here: <https://www.dol.gov/agencies/ilab/resources/reports/child-labor/argentina>

The Department of State's 2018 Human Rights Report for Argentina can be accessed [here](#).

Argentine Law prohibits discrimination on the grounds of sex, race, nationality, religion, political opinion, union affiliation, or age. The law also prohibits employers, either during recruitment or time of employment, from asking

about a worker’s political, religious, labor, and cultural views or sexual orientation. These national anti-discrimination laws also apply to labor relations and other social relations.

Argentina has been a member of the International Labor Organization since 1919.

OPIC and Other Investment Insurance Programs

The Argentine government 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. In November 2018, OPIC and the Government of Argentina signed six letters of interest to advance several projects in support of Argentina’s economic growth. The agreements will support sectors ranging from infrastructure to energy to logistics and total USD 813 million dollars in U.S. support that will catalyze additional private investment.

OPIC is open for business in all Latin American and Caribbean countries except Venezuela and Cuba. Argentina is also a member of the World Bank’s Multilateral Investment Guarantee Agency (MIGA).

Foreign Direct Investment and Foreign Portfolio Investment Statistics

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)	2018	\$451,443	2017	\$637,430	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)	2017	N/A	2017	\$14,907	
Host country’s FDI in the	2017	N/A	2017	\$1,020	BEA data available at https://www.bea.gov/international/direct-investment-and-multinational-enterprises-comprehensive-data

United States (\$M USD, stock positions)					
Total inbound stock FDI as % of host GDP	2017	N/A	2017	12.2%	UNCTAD data available at https://unctad.org/en/Pages/DIAE/World%20Investment%20Report/Country-Fact-Sheets.aspx

* https://www.indec.gob.ar/uploads/informesdeprensa/pib_03_19.pdf; www.bcra.gov.ar

Table 3: Sources and Destination of FDI

Direct Investment from/in Counterpart Economy Data					
From Top Five Sources/To Top Five Destinations (US Dollars, Millions)					
Inward Direct Investment			Outward Direct Investment		
Total Inward	\$80,373	100%	Total Outward	N/A	100%
United States	\$17,713	22%		N/A	N/A
Spain	\$13,874	17%		N/A	N/A
Netherlands	\$9,300	12%		N/A	N/A
Brazil	\$4,983	6%		N/A	N/A
Chile	\$4,650	6%		N/A	N/A

"0" reflects amounts rounded to +/- USD 500,000.

No information from the IMF's Coordinated Portfolio Investment Survey (CPIS) for Outward Direct Investment is available for Argentina.

Contact for More Information on the Investment Climate Statement

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

Trade & Project Financing

Methods of Payment

How Do I Get Paid?

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 L/Cs.

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 accounts. 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.

Banking Systems

How Does the Banking System Operate?

In Argentina, Law No. 21,526 (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; operating ratios enforcement; 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.

Additionally there are 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 and Representative offices.

Financial transactions are generally made in Argentine Pesos (legal tender), U.S. dollars, and government securities. The three segments making up Argentina's financial system are: Argentine pesos, 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 and Forward exchange transactions.

In the late 1990s, there were 120 banks operating in Argentina, whereas today there are approximately 60, due to the fallout from the 2002-2003 Argentine Peso devaluation crisis. However, the current 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.

Banks currently enjoy higher-quality client portfolios than in the pre-2002 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 coming term.

Foreign Exchange Controls

The Argentine Central Bank is the regulatory body that oversees foreign exchange acquisition for import-related transactions.

According to the general norms, foreign exchange sales for import payments must be carried out through check or debit transaction in a client's local banking account. Cash payments will not be accepted. Advance payments should be made to the foreign supplier, a foreign financial institution, or the official credit agency that financed the advance payment to the foreign provider.

For credit payments, the entities have access to the foreign exchange market to make payments abroad in due time, regardless of whether the importers presented the correspondent documentation to submit payments abroad.

As of June 1, 2010, the Central Bank established a monitoring import payment system named SEPAIMPO ("Seguimiento de Pagos de Importaciones"). The system simplifies bureaucracy and improves import payment controls. It allows the Central Bank to monitor import dispatch payments and imported goods that were partially or fully paid before its Customs registry date of entrance to the country.

In November 2017, the government repealed, through Circular A 6,363, the obligation to convert hard currency earnings on exports of both goods and services to pesos in the local official foreign exchange market. This amendment completely lifted all previously existing exchange controls. Prior to repeal, the regulation had granted a maximum of 10 years for exporters to fulfill the requirement. In January 2017, Argentina issued Resolution 1, which eliminated a previous requirement that capital inflows into Argentina remain in the country for a minimum of 120 days.

US Banks & Local Correspondent Banks

American Express Bank, Bank of America, and J.P. Morgan Chase are U.S. banks with subsidiaries or representatives in Buenos Aires. Most Argentine banks have correspondent arrangements with U.S. banks. To obtain a list of Argentine Commercial Banks with Offices in the United States or banks operating in Argentina, please review the [Portal of the Central Bank of the Republic of Argentina \(BCRA\)](#). Additionally the Overseas Private Investment Corporation (OPIC), and EXIM Bank are active in Argentina, for current information contact [Marcelo Amden](#).

Project Financing

Since resolving disputes with holdout creditors in April 2016, the Argentine government, provinces, and the private sector have tapped into international capital markets. Foreign portfolio investment helped significantly to finance the government's operations through early-2018, but that investment rapidly evaporated in April 2018 as part of a worldwide retrenchment from emerging market debt, precipitating a run on the Argentine peso. In September 2018, Argentina negotiated a \$57 billion Stand-By Arrangement with the IMF to ensure the government's access to financing through 2020, provided it made significant cuts to the federal budget deficit and implemented a new, more conservative monetary policy. In the wake of the 2018 recession and newly tight monetary policy, interest rates have skyrocketed, causing investment in the economy to plummet. In spite of improved access to international markets, financing remains one of the main obstacles for project development in Argentina. The Inter-American Development Bank, the World Bank, and the *Corporacion Andina de Fomento*, in addition to some countries, have provided credit to Argentina. Financing from major developed countries and their national export credits agencies lagged in the past, although Argentina resolved its pending arrears with Paris Club members in May 2015. There are some options available to support trade finance for U.S. exports to Argentina, as detailed below.

In November 2018, the Overseas Private Investment Corporation (OPIC), the U.S. Government's development finance institution, signed six letters of interest to advance several projects in support of Argentina's economic growth. The agreements – which total \$813 million in U.S. support – will catalyze hundreds of millions in additional private capital. In all, the over \$3 billion worth of projects will support sectors ranging from infrastructure to energy to logistics.

Multilateral Development Banks

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 [Inter-American Development Bank](#) and to the [World Bank](#)

Financing Web Resources

- [Trade Finance Guide: A Quick Reference for U.S. Exporters](#), published by the International Trade Administration's Industry & Analysis team
- [Export-Import Bank of the United States](#)
 - [Country Limitation Schedule](#)
- [OPIC](#)
- [Trade and Development Agency \(USTDA\)](#)
- [SBA's Office of International Trade](#)
- [USDA Commodity Credit Corporation](#)

Business Travel

Business Customs

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.

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 are 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 for the 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 to avoid saying 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 (*norteamericano*).

Travel Advisory

Please consult the Department of State's **Bureau of Consular Affairs** web site for general travel information <https://travel.state.gov/> and specifically the site's section on [Argentina](#).

Visa Requirements

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 **has cancelled** the reciprocal Visa Fee for U.S. citizens, Australian Citizens, and, Canadian Citizens.

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://unitedstatesvisas.gov>.

The ESTA form on the State Departments' web page <https://esta.cbp.dhs.gov/esta/esta.html> should be completed by all European (Visa Waiver) passports traveling to the United States.

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 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 file 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. They 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/visa/visa_1750.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/consular.html>

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.

Telecommunications/Electronics

Telephone service, both international and local is adequate, with several providers such as Telecom, Telefónica, Claro, Nextel and Movistar, among others, offering service. 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 phase. 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.

Transportation

U.S. carriers flying to Argentina include American Airlines, Delta Air Lines and United Airlines. The primary gateways are Atlanta, Dallas, Houston, Newark, Miami, New York and as of December 2018, Los Angeles. The Argentine carrier, Aerolineas Argentinas, also flies between the United States and Argentina. 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 Uruguay and Paraguay; and Ezeiza International Airport, which is a 45-90 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 "*remise*", is also available and is the recommended method of travel from Ezeiza International Airport into Buenos Aires. *Remise* 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, and automatic transmissions are frequently unavailable. Travelers should be aware that Argentina has a high rate of auto accidents, and driving is not recommended for short visits.

Language

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. 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 Office.BuenosAires@trade.gov.

Health

Buenos Aires has no particular health risks and no special precautions need to be taken. Sanitary conditions are good. Tap water is safe. Many competent doctors, dentists, and specialists are available in Buenos Aires. 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/travel/cis_pa_tw/cis/cis_1130.html#medical

Local Time, Business Hours and Holidays

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 the Argentine territory. [Click here](#) for the current time in Argentina.

Typical 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, 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.

Argentine National Holidays for 2019:

New Year's Day	Tuesday, January 1
Carnival	Monday, March 4 & Tuesday March 5
National Memorial	Sunday, March 24
Malvinas' Veteran and Memorial Day	Tuesday, April 2
Good Friday	Friday, April 19
Labor Day	Wednesday, May 1
Revolution Day	Saturday, May 25
Death of Martín Guemes	Monday, June 17
Flag Day	Thursday, June 20
Independence Day	Tuesday, July 9
Death of San Martín	Monday, August 19
Cultural Diversity Day	Saturday, October 12
Columbus Day	Monday, October 14
National Sovereignty Day	Monday, November 18
Immaculate Conception	Sunday, December 8
Christmas Day	Wednesday, December 25

In addition, government offices, banks, insurance companies, and courts are closed on a number of "non-work days", but closing is optional for business and commerce, such as Holy Thursday (immediately before Easter).

The U.S. Embassy closes on all U.S. Federal holidays in addition to Argentine holidays.

Temporary Entry of Materials or Personal Belongings

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 leave the country.

Argentina is not a party to the A.T.A. (Temporary Admission) Carnet 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.

Travel Related Web Resources

Business Travel Information: <http://www.export.gov/argentina/businesstravelinformation/index.asp>

Argentina Ministry of Tourism: <http://www.turismo.gov.ar/eng/menu.htm>

ArgentinaTuristica.com: <http://www.argentinaturistica.com/2datosargen.htm>

City of Buenos Aires Under Secretariat of Tourism: <http://www.bue.gob.ar/?m=home/index.php&lang=en>

Department of State Travel Advisory:

<https://travel.state.gov/content/travel/en/traveladvisories/traveladvisories.html/>