

Country profile : Argentina



Main cities: Buenos Aires (13 588 171 inhab) ; Córdoba (1 453 865 inhab) ; Rosario (1 236 089 inhab) ; Mendoza (937 154 inhab) ; Tucumán (794 327 inhab) ; La Plata (787 294 inhab) ; Mar del Plata (593 337 inhab).

Urban population : 91.9%

Technology	Environmental	Economic issues	Political stability	Customs posture
Argentina is specialized in high-tech service areas and is very competitive in software development. Argentina has a highly skilled and competitive workforce.	Significant potential in raw materials: it is the 4th producer of natural gas in Latin America, the 3rd reserve of shale gas in the world and the 4th reserve of lithium. Access to water and electricity not guaranteed in rural areas. The agricultural sector represents 5.6% of the GDP but employs only 0.5% of the population.	2016, will strengthen connections with the EU and the USA. Inflation at over 31% in 2019, which should fall to 15.4% in 2020 (according to the IMF). The government wants to drastically cut spending in the country. Lower imports due to currency depreciation and weak domestic demand. Tax increases and aid to small businesses: because the country is in crisis. The country's economy is dependent on the climatic hazards that affect the prices of agricultural products.	Long history of political and economic instability. Elections at the end of 2019, won by Alberto Fernández (peronist). 80% reduction in public investment in 2018. Political crises in Venezuela and Bolivia, as well as social crises in Ecuador and Chile, which hit Argentina hard. The government wants to attract significant investments in key sectors: infrastructure and transport, electric and renewable energy, mining, oil and gas, agrifood, telecommunications and high technology, and tourism.	Argentina is a market relatively closed to international trade, which accounts for 25% of its GDP. However, since the end of 2015, the new government has been trying to reduce protectionism. Today, many procedures but access to free trade given that Argentina is part of Mercosur and other regional groupings to promote trade. Member of Mercosur. Argentina exports more than it imports, the country's trade balance is therefore structurally dependent on the evolution of commodity prices and the risk of bad harvests (for the agricultural sector). Mauricio Macri aspires to relaunch trade relations with the EU by pushing for a free trade agreement between MERCOSUR and the EU, which they are currently negotiating as part of a bi-regional association agreement. The regulations in force in Argentina know that, in order to carry out an act of international trade, it is necessary to be registered as an importer or exporter with Argentine customs.

Who is this country already trading with?

Argentina is experiencing moments of tension in certain trade with Brazil, its main partner. Uruguay has been a partner of Argentina, but only recently since the presidency of Macri. Since 2000, China has also been a partner of Argentina.

Since 2016, Macri has aimed to "reopen to the world" and this therefore involves exchanges with the USA and Europe.

What are the problems facing Argentina today?

- Insufficient investment in energy;
- High inflation rate;
- High vulnerability to variations in the prices of raw materials, mainly agricultural.