

Perspectives on doing business Denmark-Argentina

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Argentina



12,000 Km from Copenhagen



2.78 millions sq. km



- 8th largest country in the World and the 2nd largest in Latin America
- Much smaller than USA (9.8 millions sq. km) or Brazil (8.5 million km²);
- 5 times the size of France, or twice the size of Mexico

40 million people

💧 60% of the inhabitants live in the “Pampa region” (city of Buenos Aires and the provinces of Buenos Aires, Córdoba, and Santa Fe)



23 provinces

🌵 with the City of Buenos Aires as its capital



A former Spanish colony

🟢 On May 25, 1810: first major step towards independence (“May Revolution”)

🟢 On July 9, 1816: Independence



A country composed mostly by immigrants

- ◆ Due to large number of immigrants, ethnic groups are diverse
- ◆ Mainly Spaniards and Italians
- ◆ But also from other European countries, largely Eastern Europe, Syria, Lebanon, Armenia and Asian countries
- ◆ Indigenous population: 1.4%
- ◆ Mestizos (mixed native indian with European): 8%

Argentina's neighbors and participation in International Organisms

- ◆ Argentina shares borders with **Bolivia** and **Paraguay** to the north, **Brazil** to the north-east, **Chile** to the west, and **Uruguay** to the east
- ◆ Argentina, Brazil, Uruguay and Paraguay are members of the **MERCOSUR** (a Custom Union)
- ◆ **UNASUR** (Union of South American Nations), 12 members.
- ◆ **CELAC** (Community of Latin American and Caribbean States)
- ◆ Also part of **UN**, **WTO**, **OAS**, **G-20**, **ALADI** (Latin American Integration Association), etc.

Mercosur

- ◆ Common market of the Southern Cone (Mercosur)
- ◆ Chile and Bolivia signed free trade agreements with Mercosur
- ◆ Mercosur has signed preferential trade agreements with other ALADI countries (Mexico, Colombia, Ecuador, Peru, Cuba)
- ◆ Trade agreements with India and Israel
- ◆ Trade Agreement with the EU under negotiation

A new President since Dec.2015

- ◆ Since Dec. 2015, the president of Argentina is Mauricio Macri
- ◆ The next presidential election will be held in October 2019
- ◆ Midterm legislative election will take place in October 2017



The Economy

- ◆ Argentina has vast **natural resources for energy and agriculture.**
- ◆ **Extraordinary fertile lands**
- ◆ **Great potential for renewable energy.**
- ◆ **Leading food producer with large-scale agricultural and livestock industries.**
- ◆ **GDP of more than US\$ 550 billion. GDP per capita US\$13,431**

Argentina Foreign Trade

- ◆ Exports for 57.7 billion USD in 2016*
- ◆ Imports for 55.6 billion USD in 2016*
- ◆ Balance Trade +2.1 billion USD*
- ◆ Main trade partners (Imports and Exports) are Brazil, China and the United States.

A new path since Dec.2015

- ◆ Presidential elections at the end of 2015 led to a significant change in Argentine economic policy.
- ◆ Unification of the exchange rate, the agreement with international creditors, the modernization of the import regime, reduction of inflation and reform of national statistics system.
- ◆ In addition, Argentina has taken a very active role on the international stage.
- ◆ The country will hold the WTO Ministerial Conference in 2017, the presidency of the G20 in 2018, and expressed its intention to join the OECD.

Main Economic Goals

- ◆ Prevention of further macro economic crises
- ◆ Sustained growth with social inclusion
- ◆ Gradual reduction of fiscal deficit
- ◆ Progressive decrease of the inflation rate, aiming to reach similar levels of developed countries.
- ◆ Competitive economy (improving access to credit, increasing the expenditure on infrastructure, reducing distortings taxes)

Recent improvements

- ◆ The economy shows a recovery and starts to grow (by 2nd semester 2016);
- ◆ Inflation rate has started to decrease;
- ◆ Employment has started to increase (by 2nd semester 2016)
- ◆ Purchasing power recovery.
- ◆ More exports and more investments
- ◆ **In Sum, Argentina's perspectives are by far more attractive, but there is still a lot to be done.**



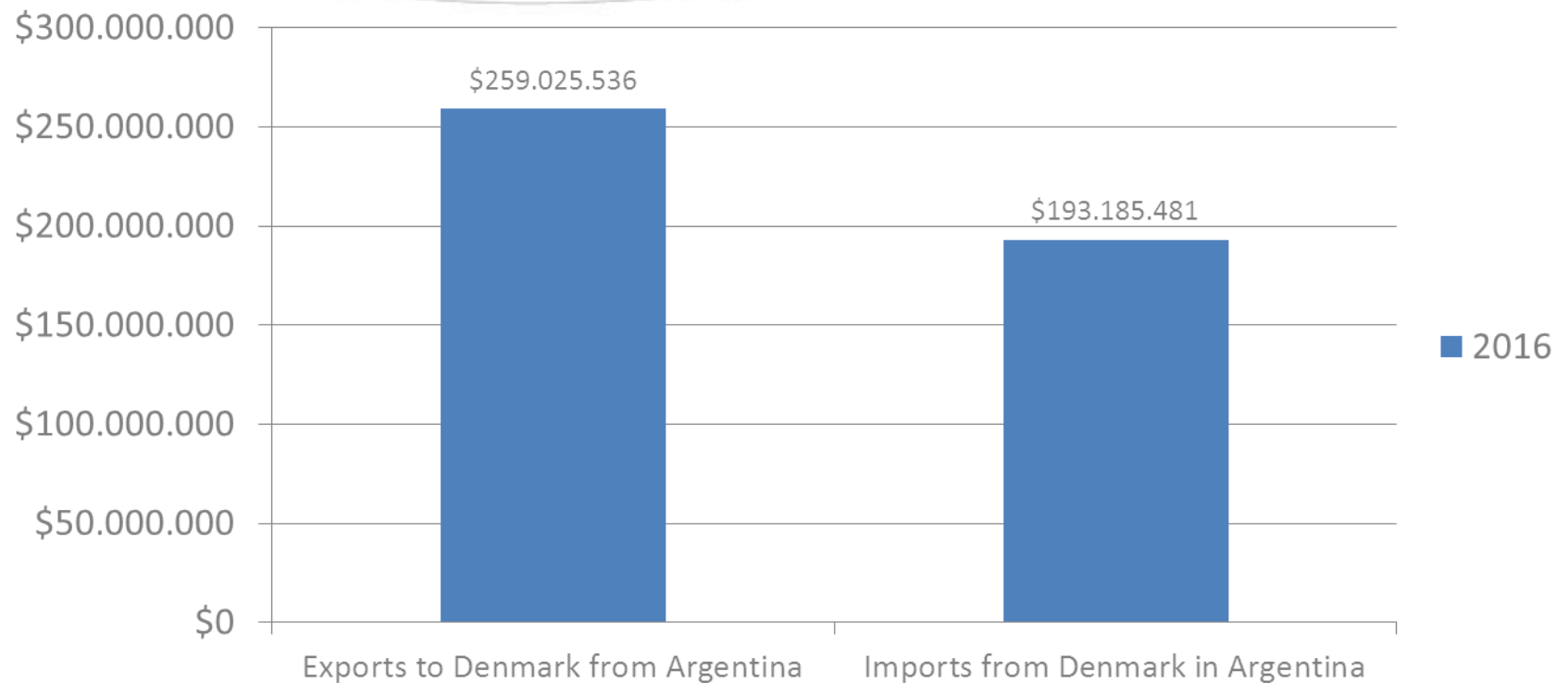
Argentina - Denmark

- ◆ Shared values: Democracy, Human Rights
- ◆ Historical Presence of Danes in Argentina.
- ◆ 176 year of Diplomatic Relations
- ◆ Denmark is Argentina's main commercial partner in Scandinavia
- ◆ More than 30 Danish companies have operations in Argentina

There is a MOMENTUM in the bilateral relation

- ◆ August 2016: Danish Minister of Foreign Affairs, Mr. Kristian Jensen visit to Argentina
- ◆ September/December 2016: EKF (Denmark's Export Credit Agency) and IFU (Investment Fund for Developing Countries)
- ◆ February 2017: State of Green received the Minister of Transport and Urban Development of the City of Buenos Aires. They also received throughout 2016 delegations from different municipalities.
- ◆ March 2017: Visit of the Speaker of the Danish Parliament (Folketing) and 3 other MPs.
- ◆ June 2017: Argentine Minister of Foreign Affairs and Worship, Ms. Susana Malcorra

Bilateral Trade



Source: Danmarks Statistik

Bilateral Trade

TOP TEN Products from Argentina exported to Denmark

1. Oilcake and other solid residues of soya-bean oil
2. Acorns and horse-chestnuts and pomace or marc of fruit, for animal feeding
3. Casing and tubing for drilling for oil or gas, seamless, of iron or steel
4. Wines in containers holding ≤ 2 l (other than sparkling wine, semi-sparkling wine, white wine and varietal wines)
5. Varietal wines without PDO and PGI in containers holding ≤ 2 l
6. Wines in containers holding > 2 l
7. Oilcake and other solid residues of sunflower seeds
8. Lecithins and other phosphoaminolipids
9. Frozen shrimps and prawns
10. White wines in containers holding > 2 l (other than sparkling wine, semi-sparkling wine and varietal wines)

TOP TEN Products from Denmark imported in Argentina

1. Discretionised (group of companies with less than 3 firms that import / export a given 'product code'. *Danmarks Statistik* is not authorized to provide information about individual companies)
2. Haemoglobin, blood globulins and serum globulins
3. Enzymes and prepared enzymes
4. Hearing aids
5. Cultures of micro-organisms
6. Food preparations
7. Reaction initiators, reaction accelerators and catalytic preparations
8. Medicaments consisting of mixed or unmixed products for therapeutic or prophylactic purposes
9. Parts and accessories of hearing aids,
10. Tubular metal needles, used in medical, surgical, dental or veterinary sciences

Bilateral Trade

2016	Exports from Argentina to:	Imports in Argentina from:	Trade Balance	Bilateral Trade (X+M) US\$
Denmark	235.881.211,51	168.921.143,57	66.960.067,94	404.802.355,08
Finland	143.476.311,27	140.796.821,72	2.679.489,55	284.273.132,99
Sweden	68.330.357,19	288.932.250,13	-220.601.892,94	357.262.607,32
Norway	13.728.037,88	132.808.958,00	-119.080.920,12	146.536.995,88

Danish subsidiaries in Argentina

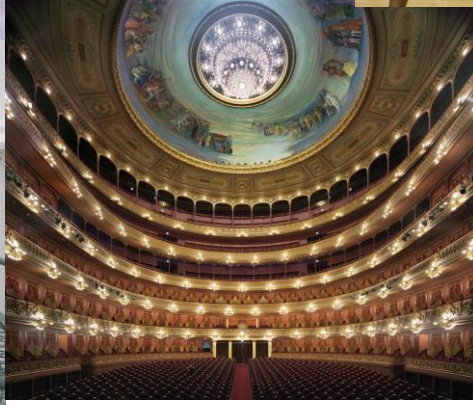
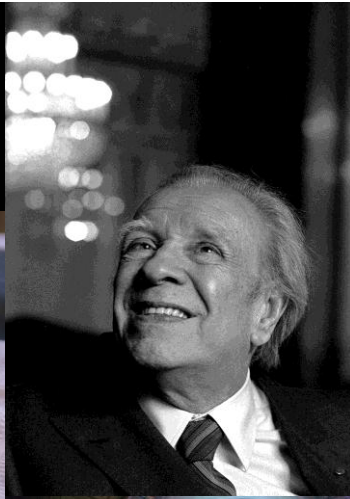
- ◆ Arla Foods Ingredients
- ◆ BHI Ingredients
- ◆ Cheminova Agro
- ◆ Chr Hansen Argentina
- ◆ Danfoss Argentina
- ◆ Coloplast
- ◆ Damco
- ◆ Ess-Food
- ◆ Ferring
- ◆ Foss
- ◆ Gea Process Engineering
- ◆ Gerstenberg Schroder
- ◆ Grundfos
- ◆ Haldor Topsoe
- ◆ Hempel Argentina
- ◆ ISS Argentina
- ◆ Lundbeck
- ◆ Maersk Line Argentina
- ◆ Martin Professional Argentina (REG Lightning Systems)
- ◆ Meld (Palsgaard)
- ◆ Nilfisk Advance
- ◆ Novo Nordisk Pharma
- ◆ Novozymes BioAg
- ◆ Takeda Pharma
- ◆ Sanovo Greepack
- ◆ Velux
- ◆ Widex
- ◆ Vestas
- ◆ ..and more

RENOVAR (Renewable Energy)

- ◆ Argentina is committed to reach 8% of renewable energy by 2017 and 20% by the end of 2025.
- ◆ Ronda 1.0 (September 2016) and Ronda 1.5 (January 2017) accumulated 59 projects of 2.423 Mw (1473 MW wind power generation; 916 MW Solar power; 15 MW Biomass; 11 Peq. Hydroelectric power and 9 MW Biogas).
- ◆ **Vestas:** 315 MW installed and under construction and 175 MW under negotiation.



💧 It is time to focus on Argentina...









Thank you

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