

EU-Mercosur Agreement - Government Procurement:

Argentine businessmen, through the Argentine Association of State Providers (Unión Argentina de Proveedores del Estado), expressed their dissatisfaction and concern regarding what they call “informative blackout” on the Public Procurement chapter of the agreement. The press reported that even though businessmen and union representatives have repeatedly been invited to participate on meetings to present the main aspects of the agreement, little has been shared on the scope and specifics of the agreement.

The press also reported that a high-ranked officer involved in the negotiations mentioned that there will only be openings for European industries in federal tenders, while provincial and municipal processes will remain exclusive for national providers. At the same time, he mentioned that there will be scales so that European firms are excluded from tenders of less monetary value.

This week, the Association will insist on learning more details of the negotiation, at a meeting they will have with the Undersecretary for International Trade, Mr. Shunko Rojas.

The press also reported that the French Ambassador to Brazil warned that its country will work on including food security as a topic of discussion, which will most likely delay an agreement for this year.

Argentina announces some hot topics for WTO meeting:

During the informal meeting held in Marrakech, the Minister of Productivity announced the following topics that Argentina will open to debate in December:

- Elimination of subsidies to agriculture
- End of economic help to fishery
- New regulations for the trade of services and electronic trade
- More transparency in processes to increase SME's opportunities
- Regulations to facilitate investments
- Creation of better jobs

He also highlighted the will of Ministers to reach consensus in December.

Moody's on Argentina's economic growth:

For the first time since 2008, Argentina's economy is expected to grow for three years in a row (2016-2019), 3% this year and 3.5% on 2018. The bond credit rating company expects Argentina to reduce its fiscal deficit, stop the growth of its debt and continue the public policies started on 2016. They highlighted it is more important to meet the fiscal deficit target than the inflation one – its current level is at 53%. Moody's also highlighted that the positive results are not only economic but also social.

Private sector at the WTO meeting in Buenos Aires:

The Argentine Chamber of Commerce (Cámara Argentina de Comercio y Servicios) was designated by the Argentine government as institutional partner of the WTO meeting to be held in December. This will be the first time that the private sector has an official role in the Summit. The Chamber of Commerce gathers more than 6 million enterprises and associations in Argentina.

Optimism by Argentine business community is the highest in two decades:

86% claimed that they have positive perspectives for the next semester. Gathered at a traditional annual event in. 65% considered that the economic growth will be moderate while 21% estimated will be a lot better.

278 high-level businessmen and women. Based on:

- Consumption reactivation
- Trust
- Infrastructure sector increase
- Good management of the economy
- Desaceleracion of inflation

Again, the claim was for a tax and labour reform and were very optimistic for the upcoming elections results which will redound in the final impulse for the government to push through / accelerate these reforms.

Government plans to increase investment on infrastructure by 50%:

As announced by the Finance Minister in Washington, it will be boosted by private investment and will represent 3.5% of the GDP for next year. The Executive is also creating a fund to finance infrastructure projects in the provinces of Argentina.

Tax exemptions for renewable energy related imports:

Several goods will be tax exempt/reduced when imported for the construction of renewable energy plants including:

- 0% for photovoltaic generators, until 2019.
- 0% for other products, including ethylene-vinyl acetate and polyethylene terephthalate, until 2023.
- 14% for aerogenerators with a capacity over 700kw, until 2023.

The idea behind these exemptions is to boost local production of equipment used in renewable energy plants as well as to attract international suppliers to Argentina.

The second tender process for Renewable Energies process that took place this week in Argentina, received 60% more offers than the previous process that took place earlier in the year. Projects account for 1200 MW of clean energy generation, including wind, solar and biomass.

Tourism - International travel grew by 19% in Argentina:

This is the figure until August 2017 and the main reasons are: a) possibility to pay in up to 18 parts, b) stable and favourable exchange rate, c) high prices in Argentina. The main destination: the US.

IDB loan granted for Argentina and Chile:

The IDB granted a loan of USD 130 million to Argentina and USD 150 million to Chile, for the construction of the Agua Negra tunnel that will connect both countries. This tunnel will run for 13,9 km and will improve the integration of the region and expand the access to international markets by connecting the Atlantic Ocean to the Pacific.