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EMBASSY OF ARGENTINA, WASHINGTON, D.C.

# ARGENTINA IN FOCUS

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(From Left to Right) Jorge Argüello, Mike Pyle, Sergio Massa, Jake Sullivan, Mark Stanley and Juan González at the White House.

## MINISTER OF ECONOMY SERGIO MASSA'S MISSION IN THE UNITED STATES

Sergio Massa, the Minister of Economy, is carrying out a busy agenda between September 6 and 12 in the United States, including activities in Washington DC and Houston, Texas. The main purpose of the visit is to attract investments in the real economy, the promotion of exports and the consolidation of a positive joint work agenda with Executive Branch authorities and multilateral credit organizations.

The Minister held meetings at the Argentine Embassy, accompanied by Ambassador Jorge Argüello and the International Affairs advisor to the Minister, Gustavo Martínez Pandiani. They met with Volkswagen, Amazon, Livent, Rio Tinto, Whirlpool and Lamb Weston. Likewise, he met with the US private sector at the US Chamber of Commerce, at a dialogue attended by 20 companies from different sectors, among which several knowledge-



Once again, I share with you the latest edition of our Embassy Newsletter. This edition includes an article about the visit of the Minister of Economy, Sergio Massa, which main axes are the attraction of investments, the promotion of exports and the consolidation of a work agenda with authorities of the Executive Power and multilateral credit organizations.

In this edition we also include an article on the agreement, announced by President Alberto Fernández together with the head of YPF, Pablo González, and the CEO of Petronas, Datuk Tengku Muhammad Taufik, for the construction of an LNG production plant in Argentina.

Finally, an article on the new edition of Visit Argentina Connect in which the Ministers of Economy, Sergio Massa, and Tourism and Sports, Matías Lammens, participated.

Jorge Argüello  
Ambassador to the United States

THE MEETINGS ARE AIMED AT PROMOTING AND FACILITATING INVESTMENT BY COMPANIES IN STRATEGIC SECTORS SUCH AS ENERGY, GAS, AGRIBUSINESS, PROTEINS, AND KNOWLEDGE-BASED SERVICES.

based ones stand out, as well as representatives from the Departments of State and Commerce.

At the meeting with Volkswagen, the representative of the company, Marcellus Puig, ratified the progress of the investment plan of \$250 million to renovate and expand the company's plants in Argentina. In the case of Amazon, the company's investment in the country and its contribution to the development of the knowledge-based economy were discussed, as well as its support for the Argentina Program 4.0.

During the meeting held with Rio Tinto, one of the largest mining companies in the world, the stages of the investment process of the ífero Rincón project in the Province of Salta were reviewed. Its potential production is 3,000 tons per year of battery grade lithium carbonate. Also, in the work meeting with Livent, its CEO Paul Graves highlighted that the company has invested more than \$1,5 billion in Catamarca and plans to expand its production capacity.

In the case of Whirlpool, the company's President for Latin America, Joao Carlos Brega, gave details about its new plant in Pilar, Province of Buenos Aires, the most modern in the region, which will be inaugurated on October 19. It represents an investment of \$52 million that will allow washing machines to be exported to all of Latin America.

On tomorrow's (September 9th) agenda in Houston,

Minister Massa will hold a working breakfast with the main players in the energy sector and will meet with representatives from Chevron, Exxon, Shell and Total, with a focus on investments in Vaca Muerta.

These meetings are aimed at promoting and facilitating investment by companies in strategic sectors such as energy, gas, agribusiness, proteins, and knowledge-based services, as well as promoting foreign exchange earnings from incoming tourism.

Likewise, the meetings that Minister Massa held with different USG authorities should also be highlighted: with the National Security Advisor, Jake Sullivan, the Deputy National Security Advisor for International Economic Affairs, Mike Pyle, and the National Security Council Senior Director for Western Hemisphere, Juan González, at the White House. At the State Department, he met with the Deputy Assistant Secretary at the Bureau of Western Hemisphere Affairs, Ricardo Zuñiga.

Likewise, Massa met with the president of the Inter-American Development Bank, Mauricio Claver-Carone; with the Managing Director of Operations of the World Bank, Axel van Trotsenburg; and will meet in coming days with Treasury authorities and with the Managing Director of the IMF, Kristalina Georgieva.

At the IDB, Massa managed to unlock available disbursements that had been delayed, and at the IDB and the World Bank he made progress in obtaining funds for infrastructure and productive projects, thereby providing foreign currency to strengthen reserves. ■

## YPF AND PETRONAS PARTNER TO EXPORT LNG FROM ARGENTINA

In early September, President Alberto Fernández, together with the head of YPF, Pablo González, and the CEO of Petronas, Datuk Tengku Muhammad Taufik, announced they had signed a joint study and development agreement to build an LNG production plant in Argentina. This will be the biggest investment in energy infrastructure in recent decades.

In Vaca Muerta this investment will begin with the construction of a gas pipeline and a port that will allow the export of 460 LNG ships per year, after completion of the first stage.

The LNG production plant project represents an investment of approximately \$10 billion in the first stage, which will enable the production of up to 5 million tons/year of LNG. And within 10 years, when the project is

completed, it will be possible to produce and export more than 25 million tons/year of LNG.

Currently, at peak consumption during the Argentine winter, around 35 LNG ships are imported per year. When the LNG plant reaches its maximum capacity, Argentina will be in a position to export more than 460 ships per year, which will make LNG one of the main export sectors and generators of foreign exchange for the country, in addition to being a key clean energy for energy transition. This strategic project will be developed through a partnership between YPF, the Argentine oil company, and Petronas, the Malaysian state oil company, one of the four largest LNG companies in the world, with a presence in more than 50 countries.

Both companies have been working together for eight

(From Left to Right) President of YPF, Pablo González, President Alberto Fernández and CEO of Petronas, Tengku Muhammad Taufik.



THE LNG PRODUCTION PLANT PROJECT REPRESENTS AN INVESTMENT OF APPROXIMATELY \$10 BILLION IN THE FIRST STAGE, WHICH WILL ENABLE THE PRODUCTION OF UP TO 5 MILLION TONS/YEAR OF LNG.

centennial, in January of this year, well number 100 is now completed and operational”, through “a close working relationship between Petronas and YPF as partners in this joint venture, with plans to scale up production to 120,000 barrels of crude oil per day.” ■

years in the development of Vaca Muerta, the second-largest unconventional gas reserve in the world. Now, with the partnership between YPF and Petronas to develop the LNG plant, “we are witnessing a kind of laying a foundation stone as Argentina enters the global economy in a different way,” the head of state remarked during the presentation of the project.

“Today we are meeting the objective that we set for ourselves: not leaving Vaca Muerta’s gas in the ground, extract it as fast as we can, use what we need, then export the rest and collect profits” said the President, emphasizing “we firmly believe that linkages between our country and the rest of the world is advantageous for us”.

The head of YPF highlighted that “between YPF and Petronas, we have invested almost \$2 billion dollars throughout these past year on a comprehensive project that will put Argentina on the world gas map. And for two years we have been working on this project, which is a reality based on a State policy that promotes progress of the country’s energy sector.”

During the announcement made at the Casa Rosada, the representative of Petronas, Datuk Tengku Muhammad Taufik, thanked the Argentine Government for the possibility “of becoming one of the partners for this rich nation’s progress”, and highlighted that “at YPF’s



(From L. to R.) Minister Sergio Massa, Ambassador Jorge Argüello, Minister Matías Lammens and Executive Secretary of INPROTUR, Ricardo Sosa.

## NEW EDITION OF VISIT ARGENTINA CONNECT AT THE ARGENTINE EMBASSY WITH MINISTER OF TOURISM MATÍAS LAMMENS

As part of the visit by the Minister of Economy, Sergio Massa, and the Minister of Tourism and Sports, Matías Lammens, a new edition of Visit Argentina Connect was held in Washington, with the aim of building bridges and roundtable business discussions with tourism professionals in the United States. Visit Argentina Connect is a space for training and networking for offering tourist products, destinations and services in the country, one that has been carried out previously in Uruguay, Chile and different cities in Brazil.

The national delegation, led by Ministers Massa and Lammens, was also attended by the Executive Secretary of the National Institute for Tourism Promotion (INPROTUR), Ricardo Sosa, and the Argentine Ambassador, Jorge Argüello.

More than 60 local tourism professionals and specialized press were present at this event. Among them, prestigious companies such as Aerolíneas Argentinas, American Airlines, LATAM USA, Avianca and United Airlines, Expedia -the OTA most used by the public in the US- and representatives from the Marriott, Hilton and Sheraton hotel chains. Undoubtedly, the presence of these firms reflects the importance of a meeting that was very productive for the growth of Argentine tourism in full post-pandemic recovery.

“We believe that the United States is a strategic market for the recovery of receptive tourism in Argentina due to the high level of arrivals registered this year -at this point I want to highlight that in August we had an 82 percent recovery compared to the same month in 2019- and due

US TOURISTS ARE THE MAIN MARKET FOR RECEPTIVE TOURISM, NOT INCLUDING OUR NEIGHBORING COUNTRIES. SO FAR THIS YEAR THEY REPRESENT 8.3 PERCENT OF ALL FOREIGN TOURISTS WHO ARRIVED IN THE COUNTRY.

"If we take arrivals by air, the United States ranks second, and since January it has always recovered more than 60 percent and registered peaks of 77 percent in June, as a result of the almost total normalization of pre-pandemic flight frequencies", said Ricardo Sosa. He recalled that "besides digital activations, we participate in fairs aimed at the final public such as the Travel and Adventure Show in California and New York. In addition, in November 2021 we held meetings in Florida and New York with operators, and two months ago we returned to New York to participate in the Rethink South America event". ■

to the high purchasing power of its travellers. Considering that at present the average spending from people entering the country from the US is \$1,277, the opportunities for growth are substantial. That is why, in order for Argentina's tourism recovery to truly strengthen, we understand that our presence here will provide an important boost to reach and exceed our goals," said the Minister of Tourism and Sports, Matías Lammens.

It is worth mentioning that Argentina had a very positive first semester in terms of tourism, with the arrival of one international tourist every eleven seconds. In this regard, it is important to point out the response of the US market, with more than 160,000 arrivals in the first eight months of the year.

US tourists are the main market for receptive tourism, not including our neighboring countries. So far this year they represent 8.3 percent of all foreign tourists who arrived in the country. In turn, so far in 2022, 51.4 percent of the income received in the same period in 2019 has already been recovered.