

Bilateral Relations

PRESIDENT JAVIER
MILEI HOSTED
SECRETARY OF
STATE ANTONY
BLINKEN IN
BUENOS AIRES

G20

DIANA MONDINO
PARTICIPATED IN
THE G20 FOREIGN
MINISTERS'
MEETING

Public Finance

THE NATIONAL
PUBLIC SECTOR
RECORDED A
FINANCIAL SURPLUS
IN JANUARY



EMBASSY OF ARGENTINA, WASHINGTON, D.C.

ARGENTINA IN FOCUS

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President Javier Milei meeting with Secretary of State Antony Blinken and officials from both countries. Photo Telam.

PRESIDENT JAVIER MILEI HOSTED SECRETARY OF STATE ANTONY BLINKEN IN BUENOS AIRES

On February 23, the President of Argentina, Javier Milei, received Secretary of State of the United States, Antony Blinken, at the Casa Rosada. Also participating in the meeting on the Argentine side, were the Chief of Staff, Nicolás Posse, Minister of Foreign Affairs Diana Mondino, Ministers Luis Caputo (Economy), Guillermo Francos (Interior), and the Ambassador-Designate of Argentina in Washington, Gerardo Werthein, among other officials. For the United States, Secretary Blinken was accompanied by Under Secretary Brian Nichols and the US Ambassador to Argentina, Marc Stanley, among other officials.

The meeting, which both parties described as a very productive one, enabled them to address diverse issues of shared interest on their agenda, so they can strengthen their work together, such as: how to increase trade and investments, defense of democracy and human rights,

clean energy, aerospace cooperation, shared perspectives of the regional and global agenda, which permanently pose a challenge to world peace and prosperity, as illustrated by the ongoing wars between Israel-Hamas and Russia-Ukraine.

After the meeting, Minister Mondino and Secretary Blinken held a joint press conference in which they highlighted the historic relationship between their countries and the democratic and human rights values they share. Minister Mondino reiterated the government's willingness to support freedom and human rights alongside countries that defend and abide by these same principles. Likewise, she highlighted the visit of a Secretary of State to our country, in a broad context of the exchanges that have taken place since the start of President Milei's administration in Argentina, and others scheduled for the coming months.

THE MEETING ENABLED BOTH PARTIES TO ADDRESS DIVERSE ISSUES OF SHARED INTEREST ON THEIR AGENDA, SO THEY CAN STRENGTHEN THEIR WORK TOGETHER.

Secretary Blinken reaffirmed the United States' interest in contributing to the success of Argentina's macroeconomic stabilization plan and to the development opportunities in sectors with enormous potential, such as food and energy, in particular clean energy and critical minerals such as lithium. In this regard, he also highlighted the Minerals Security Partnership, an initiative promoted by the United States, in which Argentina can play a fundamental role as a supplier, promoting new investments and cooperation projects. Likewise, the Artemisa Accords in aerospace issues were also highlighted. Both Minister Mondino and Secretary Blinken agreed to continue working to strengthen and expand their joint work. ■

DIANA MONDINO PARTICIPATED IN THE G20 FOREIGN MINISTERS' MEETING

On February 21 and 22, the Minister of Foreign Affairs Diana Mondino participated in the G20 Foreign Ministers' Meeting held in Rio de Janeiro. The Federative Republic of Brazil holds the Presidency of the G20 this year under the motto "Building a Just World and a Sustainable Planet," with the following three priorities: combating inequalities, hunger, and poverty; energy transitions; sustainable development in its three dimensions (economic, social and environmental); and reforming the global governance institutions.

During the ministerial meeting, Diana Mondino, accompanied by the G20 Argentine Sherpa Federico Pinedo, participated in the plenary sessions, held bilateral meetings, and also participated in a special meeting on aid for Haiti.

During the first plenary discussion, focused on this organization's role in dealing with current international tensions, the Minister ratified our country's commitment to the G20, and to an "active and constructive participation to build a consensus on the significant challenges we must address." Likewise, she pointed out that our country "is implementing a stabilization program, building fiscal solvency and a strong currency" and stated that "to achieve sustainable development and fight poverty, the principles that provide predictability are essential. These include respect for property rights and freedoms of work and initiative, the rule of law, the supremacy of law, macroeconomic stability, and a peaceful coexistence."

Likewise, she added "we also need a global order that allows efficient production for the benefit of all peoples,

Argentine Minister of Foreign Affairs, Diana Mondino, and from Brazil, Mauro Vieira.



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that allows free trade, without arbitrary obstacles and tariff barriers of any kind, with trade and investment based on rules that everyone must comply with.”

Regarding the second plenary session, during the discussion on reforming the global governance, Minister Mondino explained that “Argentina is embarking on a new economic era, promoting an open market economy, free competition among economic actors, attracting investments, strengthening the rule of law, and a full integration in the global economy.” On the other hand, she added that our country “is strongly committed to the defense of multilateralism and global governance. Argentina has begun the procedure to join the OECD, which will contribute to greater legal security for investors, guaranteeing a favorable climate for private initiative with transparent and predictable rules for companies.”

The Minister also said that “Argentina aims to address the existing imbalances in agriculture as a priority issue.” This is a significant debt owed by the WTO, as this sector that suffers the most distortions”, while indicating: “It is a priority to strengthen the multilateral system, deepen traditional values of the system, such as unrestricted respect for life and freedom, and strengthen institutions

and international diplomacy. This is the only way to get back on track towards prosperity worldwide.”

Regarding global governance, she held that “Argentina agrees with Brazil in emphasizing the reform of the multilateral system. The current wars and the increase in the number of conflicts highlight the urgency of reforming the Security Council to make it a more representative, accountable, democratic, transparent and effective body. These discussions must take place in the UN General Assembly, a forum created for these debates.”

In turn, she made it clear when pointing out the following: “to achieve this, the first axis must be strengthening the global financial safety network, with a more representative and well-financed IMF at its center. And an expeditious and cost-effective way to bring immediate financial relief to middle-income countries, is a review of the IMF surcharge policy, which would allow them to expedite the solution of balance of payments problems, return to a path of sustained growth and regain access to markets.”

At the end of the second plenary session Mondino concluded: “If we wish to help developing countries focus on long-term transformation programs, financing that is affordable, predictable and sustainable are necessary for everyone.” ■



Gita Gopinath, First Deputy Managing Director of the IMF with Minister Luis Caputo. Foto: @TotoCaputoAR/Telam.

THE NATIONAL PUBLIC SECTOR RECORDED A FINANCIAL SURPLUS IN JANUARY

On February 16, the Economy Ministry reported that in January 2024, the National Public Sector recorded a financial surplus of \$518,408 million, product of a primary surplus of \$2,010,746 million and the payment of interest on the public debt net of intra-public sector payments, which reached \$1,492,338 million. This is the first financial surplus achieved since August 2012, and the first financial surplus obtained in the month of January since 2011.

The public sector's total revenue for the month reached \$6,147,232 million (+256.7% yoy), driven by both foreign trade and domestic economic activity.

In this regard, export duties grew +574.3% yoy, import duties +377.3% yoy, and the PAIS Tax registered an

interannual increase of 1,302.3%. As to taxes linked to internal economic activity, it should be highlighted that the collection of VAT (net of refunds) (+288.7%) also increased above inflation.

The public sector's primary outlays reached \$4,136,487 million in January (+114.6% yoy), which represents a very significant decrease in spending in real terms, i.e., measured with respect to inflation or in terms of GDP. In particular, the reduction in subsidies and transfers in real terms stands out, especially energy subsidies, which even registered a nominal interannual drop of \$25,649 million.

Chief of Staff Nicolas Posse and the top officials of the Ministry of Economy and the Central Bank, Luis Caputo

THIS IS THE FIRST FINANCIAL
SURPLUS ACHIEVED SINCE
AUGUST 2012.

and Santiago Bausili, met this week in Buenos Aires with Gita Gopinath, First Deputy Managing Director of the IMF. They discussed the ongoing work and actions undertaken by the country's authorities to restore macroeconomic stability, protect the most vulnerable sectors and strengthen growth prospects in Argentina. ■