

Bilateral Relations

FIRST
CONVERSATION
BETWEEN
PRESIDENT
ALBERTO
FERNÁNDEZ AND
PRESIDENT-ELECT
JOSEPH R. BIDEN

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INVESTMENT
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ENERGY SECTOR

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President Alberto Fernández and President-elect Joseph R. Biden

FIRST CONVERSATION BETWEEN PRESIDENT ALBERTO FERNÁNDEZ AND PRESIDENT-ELECT JOSEPH R. BIDEN

On November 30, President Alberto Fernández and the President-elect of the United States, Joseph R. Biden, held their first telephone conversation. The content of this rich and long conversation reveals the depth of shared values.

They shared their will to continue strengthening the relationship between both countries and agreed on how to face the challenges that are presented to us.

The deep respect that both leaders have for Pope Francis and shared concerns regarding issues on the global agenda, such as climate change, the fight against inequality and poverty, and the dilemma of refugees, produced an enriching discussion with many points of agreement.

This valuable first contact heralds a very constructive relationship ahead. ■



Once again, I share with you the latest edition of our Embassy Newsletter. This edition includes the first telephone conversation between President Alberto Fernández and President-elect Joseph R. Biden that took place on November 30.

This edition also includes an article about the Riyadh G20 Summit (21-22 November) that ended its sessions with the aim of a potential new multilateralism.

Finally, an article on the November 19 virtual meeting held by the Council of the Americas, "Argentina: Opportunities for Investment and Economic Recovery".

Jorge Argüello
Ambassador to the United States

G-20: FROM COOPERATION TO INTERNATIONAL SOLIDARITY

By Ambassador Jorge Argüello, Sherpa G20

With expectations and concerns, the Riyadh G20 Summit (21-22 November) ended its sessions with the aim of a potential new multilateralism, deepening global cooperation and coordination, but from now on, also including solidarity.

The pandemic has undoubtedly played a crucial role. However, the common objective was to find ways to address the challenges together and provide a renewed response to the pre-existing imbalances and inequalities aggravated by the emergence of COVID-19.

In March of this year, and in the midst of an emergency, the world's gaze turned towards the G20 in search of leadership to help overcome this unprecedented crisis, surrounded by health,

social and economic uncertainties.

Since its first meeting in Washington in 2008, this forum was conceived as an area for global cooperation to promote economic growth and reform financial systems in search of an enhanced quality of life.

Over the years, its agenda expanded to other global issues. However, this year it changed its direction. Faced with the humanitarian costs of the pandemic, the Leaders recognized that their efforts should tackle not only the coordination and cooperation, but also solidarity. This was highlighted by Argentine President Alberto Fernández at the first extraordinary meeting in March and underscored at the recent Summit.

G20 Leaders' Summit, November 21-22, 2020



G20 LEADERS' SUMMIT, NOVEMBER 21 - 22, 2020



THE RIYADH SUMMIT FOCUSED ON THE REVIVAL OF A NEW MULTILATERALISM TO HELP OVERCOME THE UNPRECEDENTED CRISIS CAUSED BY THE PANDEMIC.

After two days of deliberations, they issued the Leaders' Declaration, wherein the recommendations agreed to during 27 ministerial meetings and over 100 meetings of the technical working groups that took place throughout the year, converged. It includes the immediate health challenge to be addressed; the need for greater funding to support the research, production, and distribution of safe and effective COVID-19 vaccines, ensuring an affordable and equitable access as a global public good.

Health dominated the first day of this meeting, where there was solid support for multilateral initiatives. Among them, the COVID-19 Tools Accelerator (ACT-A) initiative and its COVAX facility, a collaborative platform for developing and distributing vaccines, whose value President Fernández also highlighted during his presentation at the Pandemic Preparedness and Response" side event.

The G20 Summit also reinforced the need for the world to be better prepared for a future health crisis and to explore long-term solutions to bridge gaps in current response systems to new global threats.

Another key aspect, which dominated the second day of the deliberations at this Summit, was the reconstruction of a post-pandemic world, one that is more inclusive and sustainable.

In this context, the main value of the Declaration is to provide a shared diagnosis of some of the challenges ahead, such as the future of employment, or the need to increase investment to contribute to achieving the Sustainable Development Goals of the 2030 Agenda (United Nations). Gender issues, and support for children and education, must be added to the other challenges that require urgent solutions, such as environmental preservation, climate change, biodiversity, land degradation, oceans, and water.

The consensus on environmental preservation represents a preliminary step towards mobilizing progress at next year's United Nations Climate Change Conferences (COP26, Glasgow), and Biodiversity (COP 15, Kunming). A new opportunity arises to shape a cleaner, healthier, and fairer economy of the 21st century.

Regarding next year, Prime Minister Giuseppe Conte convened a health summit meeting, an initiative of the Italian Presidency of the G20 in 2021. Talks will be resumed to promote an international prevention treaty to prevent that a fragmentation between countries makes us more vulnerable; this is one of the weaknesses the world witnessed in the fight against COVID-19.

Italy will be in charge of the huge task of leading the G20 towards an orderly way out of the crisis, and to establish a consensus that do not leave the most vulnerable behind.

From this perspective, the course of history will depend on the G20's ability to lay the groundwork for an inclusive and sustainable governance. Otherwise, the world risks continuing to sail in uncharted waters, plagued by storms with recurrent crises, a product of inequality, environmental pollution, financial speculation, and precarious working conditions.



Council of the Americas held a virtual meeting, November 19

INVESTMENT OPPORTUNITIES AND ECONOMIC RECOVERY IN THE ENERGY SECTOR

On November 19th, the Council of the Americas held a virtual meeting, “Argentina: Opportunities for Investment and Economic Recovery”, focused on the bright prospects and expected developments in the energy sector.

Argentina’s Minister of Productive Development, Mr. Matias Kulfas, reaffirmed the Fernández administration’s strong commitment to providing the necessary regulatory stability and predictability to facilitate the long-term investments needed in the field of hydrocarbons, as well as in other key exporting sectors.

Secretary of Energy Darío Martínez described recent developments in the energy sector, against the backdrop of a pandemic which has taken a toll on the international demand and prices for oil &

gas and, therefore, the need to adapt policies to a challenging environment. In this regard, Secretary Martínez underscored the launch of “Gas Plan 4” that includes an attractive set of incentives for investors to play their part in the development of Vaca Muerta and other sources of gas in Argentina. The goal is to attract investments required to produce an additional 70,000 million m3 of gas within the next four years, thereby replacing imports while increasing exports to other countries.

Marcos Bulgheroni, CEO of Pan American Energy, one of the largest companies in this sector, explained that after ten years of cumulative experience in Vaca Muerta, and nearly \$20 billion invested in the development of non-conventional oil & gas there, local and foreign companies are

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now aware of the most productive places and the most effective ways to drill and generate good returns on their investments.

Furthermore, he said "We are at a turning point, and face a great opportunity. Given certain regulatory and price conditions, I believe that the production of hydrocarbons, both gas and oil, could grow dramatically and turn Argentina into a net exporter of oil and gas exporter (...) I am convinced that Vaca Muerta can be a great development driver for Argentina. We see opportunities in crude oil exports and hydrocarbon industrialization."

Referring to the challenges to benefit the most from Vaca Muerta's huge potential, Bulgheroni noted that existing shale gas reserves are several times larger than domestic demand in the years to come. Therefore, in order to develop a critical mass of shale gas, a liquefied gas plant was required to ensure demand through exports to the Asian market.

Martín Genesio, CEO of AES, an US company with a large presence in Argentina explained that in his view "if renewable energies such as solar, wind, hydrogen and lithium resources are taken as a whole, Argentina is probably the country with the greatest potential worldwide" for the development of clean energies.

Both businessmen agreed on the industry's significant challenges regarding the high environmental standards required in the transition years to lower carbon economies. Against this backdrop, Bulgheroni explained to the audience that the new projects in the oil & gas sector around the world will likely be those with lower costs and less environmental impact. In his view, Vaca Muerta will rank as very competitive in both of these dimensions and is optimally positioned to receive competitive and environmentally sustainable investments. ■

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