



G20

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President Alberto Fernández in the meeting with G20 leaders and officials from international organizations.

PRESIDENT ALBERTO FERNÁNDEZ PARTICIPATED IN A MEETING OF G20 LEADERS ON AFGHANISTAN

On the morning of October 12, President Alberto Fernández participated with other G20 leaders, including the President of the United States, Joe Biden, and officials from international organizations, including the Secretary General of the United Nations, António Guterres, in a virtual meeting of the G20 to discuss the situation in Afghanistan.

This meeting was convened by the Italian Presidency of the G20 to promote actions to strengthen coordination between regional, multilateral and global actors to respond to the needs of the population and ensure respect for human rights in Afghanistan.

Bearing in mind the difficult situation prevailing on the



Once again, I share with you the latest edition of our Embassy Newsletter. This edition includes an article about President Alberto Fernández's participation in a meeting with G20 leaders to analyze the situation in Afghanistan.

In this edition we also include an article about the meeting of the Chief of Cabinet, Juan Manzur, and the Minister of Economy, Martín Guzmán, with businessmen and investors, where they shared their view on the prospects of Argentine economy.

Finally, an article on the seminar organized by the Argentine Embassy and the BCIU, attended by the Minister of Productive Development, Matías Kulfas as keynote speaker.

Jorge Argüello
Ambassador to the United States

PRESIDENT FERNÁNDEZ APPEALED TO ALL POLITICAL ACTORS IN AFGHANISTAN TO PROTECT THOSE AT IMMINENT RISK, ESPECIALLY WOMEN AND CHILDREN.

ground, as well as the deep commitment of the Argentine Republic to human rights (which constitutes a firm State policy since the return to democracy in 1983), President Fernández appealed to all political actors in Afghanistan to protect those at imminent risk, especially women and children, paying special attention to refugees and internally displaced persons.

During his speech, the Head of State condemned all actions that endanger the security, physical and mental integrity of women, adolescents, children, and also expressed his concern at any setback in Afghanistan on the path towards gender equality, evoking an issue that is also at the center of Argentina's foreign policy and that our country raises at international forums, with a view to ensuring that this important issue is addressed, and always included on the agenda.

On the other hand, in accordance with Argentina's long tradition of hospitality and respect for international law, the President indicated that the national government is working with the Office of the United Nations High Commissioner for Refugees, in order to create a new admissions program for people whose fundamental human rights are threatened anywhere in the world.

Regarding the specific role that the G20 could play in this crisis, he made reference to an initiative promoted by the Italian Presidency regarding increasing international coordination to support the actions carried out by the

United Nations, with an approach that is supportive, but at the same time flexible and creative, to address the serious humanitarian situation in Afghanistan, which, he assured, "raises questions for us as members of a community of nations."

Along the same lines, President Fernández described the vital role that the Group could play to promote humanitarian aid, cooperate with international organizations present in Afghanistan, explore ways to contribute to the maintenance of essential services, and discuss the mobilization of resources that allow the Afghan economy to avoid an economic and financial crisis, which would ultimately contribute to exacerbating the current situation.

Finally, he concluded his speech stating that "terrorist acts not only represent a threat to international peace and security, but are also a threat to human dignity, peaceful and civilized coexistence, political stability, consolidation of democracy, and countries' economic and social development." ■

CHIEF OF CABINET JUAN MANZUR AND MINISTER MARTÍN GUZMÁN MET WITH INVESTORS IN NEW YORK

Addressing more than 20 investors and entrepreneurs, the Chief of Cabinet, Juan Manzur, and the Minister of Economy, Martín Guzmán, relayed details about the Argentine economy's road map. In that vein they gave assurances that "Our President entrusted us with the task of, holding a dialogue, to create an understanding about what is needed for Argentina to recover in a sustainable way."

The Chief of Cabinet and the Minister of Economy participated last Friday in New York City in a meeting with entrepreneurs and investors, where they presented the main guidelines and perspectives of Argentina's politics and economy and had a conversation regarding the

progress in negotiations with the International Monetary Fund (IMF).

The following investors participated: Matías Silvani (GoldenTree Asset Management); Alberto Ades (NWI Management LP); Soledad López (Morgan Stanley); Ruben Kliksberg (Redwood Capital Management); Claudia Castro (Invesco US); Luis Simon (Goldman Sachs Asset Management); Martin Marron (JPMorgan); Gerardo Bernaldez (CarVal Investors); Gustavo Ferraro (Gramercy Management Company); Darío Lizzano (PointState Argentum); Fernando Grisales (Schroeders); Pablo Golberg (BlackRock); Gustavo Palazzi (VR Capital Group); Diego Ferro (M2M Capital); and Andrés Lederman (Fintech).

Ambassador Jorge Argüello, Chief of Cabinet, Juan Manzur, Minister of Economy, Martín Guzmán, and Consul at Consulate in NY, Santiago Villalba.



JUAN MANZUR STATED THAT “TO REACH A POSITIVE AGREEMENT WITH THE IMF IS A NATIONAL PRIORITY THAT INVOLVES ALL SECTORS OF ARGENTINE SOCIETY.”

During the meeting held at the Argentine Consulate, in which the Argentine ambassador to the United States, Jorge Argüello, was also present, the Chief of Cabinet stated that “to reach a positive agreement with the IMF is a national priority that involves all sectors of Argentine society.” Manzur ratified Argentina’s will to honor its debt and stated that “this has consensus within the Frente de Todos party, and we want to introduce it in Congress and have the support of all political sectors so that it is approved there.”

The Chief of Staff added that they seek to “reach the best possible agreement that is sustainable and allows the country to continue on the path towards recovery; one that does not hinder development, but rather supports it.” Finally, Manzur invited investors to Argentina to hold meetings with the national private sector and with highest Government political authorities.

For his part, Minister Guzmán highlighted the importance of “strengthening the sustainability of the debt, from both a macroeconomic and political point of view,” and argued that the National Congress should have a greater presence in the decisions to borrow in foreign currency, “so that macroeconomic stabilization becomes a State policy and strengthens Argentina.”

In addition, the Minister of Economy stated that he aims to reach an agreement program that “includes conditions that establish a path consistent with the sustainability of

debt maturities.” He also highlighted the work carried out in the debt restructuring process with private creditors, explaining that it allowed lowering the interest payment “from 3.4% of GDP to 1.5%, which creates space for us to advance in the public policy framework to normalize the economy.”

In turn, the Minister pointed out that in the framework of the COVID-19 pandemic, the State must play a counter-cyclical role to prop up the economic recovery and said that “since Argentina is below what its potential trend should be, the State should have a policy in which spending in real terms grows”. In this regard, Guzmán indicated that the second role of the State should be “to have the capacity to invest in key sectors to promote the growth of the economy in infrastructure, science, logistics, innovation, research, and health. We need to strengthen the State.”

Guzmán remarked that “depending on debt and issuing money in a systematic way creates problems for the economy” and clarified, “that is why we consider it important that the deficit gradually decreases.”

After the presentation, the government officials answered questions from the businesspeople related to the situation of the Argentine economy and the forecasts for next year. ■

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INTERNATIONAL UNDERSTANDING



Ambassador Jorge Argüello, Minister of Productive Development, Matías Kulfas (Left) and BCIU president & CEO, Peter Tichansky (Right).

AT THE BCIU, MINISTER MATÍAS KULFAS PRESENTED A NEW REGULATORY FRAMEWORK TO PROMOTE INVESTMENTS

The Embassy of the Argentine Republic in the United States, together with the Business Council for International Understanding (BCIU), organized a seminar on October 13 attended by the Argentine Minister of Productive Development, Matías Kulfas, and the Ambassador of the Argentine Republic in the United States, Jorge Argüello.

Ambassador Argüello highlighted the strengthening of a productive development matrix through legislative measures that create trust and guidance among those who invest in Argentina and encourage those who wish to take advantage of the opportunities offered by our country.

In his presentation, Minister Kulfas spoke about the new

regulatory scheme through which the Argentine Republic seeks to strengthen its export profile and its ability to attract investments.

Minister Kulfas provided details on the new Knowledge-Based Services Law, which includes a tax framework that allows the 11,000 companies involved in the knowledge economy to compete globally, providing a solid support to productive activities characterized by an intensive use of technology and requiring highly qualified employees.

The software sector is one of the most important ones, in which Argentina already plays a prominent role in the global market. In his presentation, Minister Kulfas also made reference to other sectors included in the law,

MINISTER KULFAS EXPLAINED THAT NO NEW INTERNAL COMBUSTION ENGINE VEHICLES WILL BE PRODUCED OR SOLD IN ARGENTINA BY 2041.

in which US companies can stand out thanks to their investments, such as clinical trials and the audiovisual sector.

The United States is Argentina's main export market in this sector, as a result of elements that enable the integration of services, such as having the same time zone, high level of English of technicians and engineers, provision of profitable solutions, high quality of services provided and cultural affinity.

Minister Kulfas also mentioned the bill for the Promotion of Sustainable Mobility (an initiative that seeks to transform the automotive industry and spearhead the change towards the use of renewable energies), and a bill to Promote Investments in the Automotive Sector that he presented together with the President. The automotive sector contributes 10 percent of industrial GDP, is the leading exporter of industrial manufactures and generates 6% of industrial employment in Argentina.

This project includes important fiscal and tax incentives for the production of lithium-based batteries and electric cars in the country, while creating a regime that will promote design, research, innovation, development, production, marketing, conversion and/or use of vehicles powered by sustainable energy sources. The production of auto parts and auxiliary equipment in the country will also be promoted. The Minister stated that after 2041, new internal combustion engine vehicles will not be produced in Argentina.

The new regime creates two new institutions: the National Agency for Sustainable Mobility, which will become the first Argentine Productive Regime with an R&D institution focused on Sustainable Mobility, with the aim of promoting scientific and technological development and adding this to the productive system. It also creates the Trust Fund for Sustainable Mobility (FODEMS) that guarantees the availability and sustainability of financing this Regime will require throughout 20 years.

Another important sector presented by Minister Kulfas is energy. Last month, President Fernandez introduced to Congress a draft of the new Law for the Promotion of Investments in Hydrocarbons, which includes stimulus for sustainable production and provisions to encourage the development of the local service industry. The legislation grants a 20-year horizon to encourage investment in oil and gas exploration and sustainable production. More than a year ago, a piece of complementary legislation was presented: The New Gas 4 Plan's main objective is to encourage investment and boost regional exports, through clear rules, competitive prices and stable conditions. The development of the oil and gas industry in Argentina supports the large service industry that surrounds it, with strong participation of SMEs.

Kulfas also made reference to two important projects, and although they do not yet have legislative status, offer promising opportunities: our country is working on the Project for the Regulation of Medical Cannabis and Industrial Hemp Industries, with the intention of generating development, employment and opportunities. According to the forecasts issued by the Minister of Productive Development, this sector projects the creation of 10,000 new jobs by 2025, US\$ 500 million in annual sales to the domestic market and US\$ 50 million in annual exports.

On the other hand, the last of the bills is the Law on Agro-industrial Promotion, which seeks to increase the value in 24 production chains through more and improved

THE SOFTWARE SECTOR IS ONE OF THE MOST IMPORTANT ONES, IN WHICH ARGENTINA ALREADY PLAYS A PROMINENT ROLE IN THE GLOBAL MARKET.

technology. It would begin to apply retroactively from January of this year, remain in force until December 2030, and its objective is to increase exports by US\$ 7 billion and generate over 150,000 jobs throughout the country.

The Minister also highlighted the status of the aerospace sector, in which Argentina has shown ample evidence of being a reliable partner for the U.S. industry, and which is increasingly relying on Argentine suppliers.

At the close of the virtual meeting, Minister Matías Kulfas had an active interaction with the attendees, who showed their interest in the strategic sectors that Argentina is betting on for its future. ■