



Embassy of the
Argentine Republic
Republic of Bulgaria

**OPPORTUNITIES TO STRENGTHEN INDUSTRIAL AND
COMMERCIAL TIES BETWEEN ARGENTINA AND BULGARIA:
KEY INSTRUMENTS FOR COMPANIES TO MAXIMIZE
BUSINESS OPPORTUNITIES**

October, 2024

Three main questions:

- ✓ What have been the main economic changes since President Milei took office in December 2023?
- ✓ How do these changes benefit companies in Argentina and companies that do business with Argentine partners?
- ✓ What can the Embassy do to support Bulgarian companies to do business in Argentina?



Main economic changes

What have been the main economic changes since President Milei took office in December 2023?

Macroeconomic situation at the time President Milei took office in December 2023. Challenges:

- ✘ Inflation rate
- ✘ Fiscal deficit
- ✘ Oversize State & Overregulated economy
- ✘ Lack of access to international financial markets



Main economic changes

How those challenges have been faced since December, 2023?

Two key guidelines that govern President Milei's economic policy:

- ✓ **Fiscal balance: surplus**
 - Reduction of the Government
 - Privatization of state-owned companies
- ✓ **Economic freedom**
 - Strengthening of property right
 - Economic stability
 - Deregulation of economic activity
 - Repeal and simplification of bureaucratic procedures



Main economic changes

Main achievements in the first 3 quarters of 2024

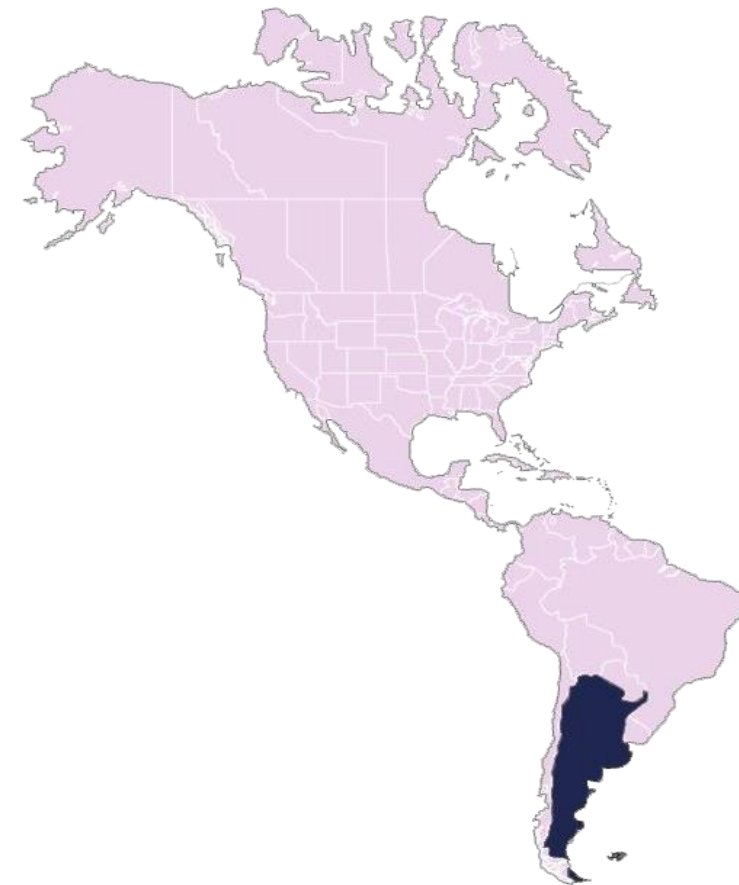
- ✓ Nine consecutive months with a primary fiscal surplus
- ✓ Positive financial balance (surplus)
- ✓ Elimination of monetary issuance to finance the treasury
- ✓ Drastic reduction in inflation, from 25% in December 2023 to 3.5% in September 2024
- ✓ Started the process of deep deregulation of Argentine economic activity: elimination of price controls, etc.
- ✓ Reduction of the Country Risk rate by more than 1000 points.



Benefits for companies doing business in Argentina

How do the changes benefit companies in Argentina and companies that do business with Argentine partners?

- ✓ Economic stability gives more predictability to companies
- ✓ The deregulation of economic activity improves the business climate
- ✓ Concrete measures to promoting investment and facilitating international trade (RIGI System; repeals of exports restrictions – the forbidden to forbid export case, etc.)



Business opportunities that arise from ongoing economic changes

Sector	FACTS – 2023	FORECAST – 2030	Increase	Driving factors
	Exports 2023	Exports 2030		
	USD (millions)			
Total	66.788	149,851	83,063	
Agro-industry	34.232	60.931	26.699	<ul style="list-style-type: none"> Higher amounts due to technological improvements (irrigation, fertilizers, biotechnology) Greater share of animal protein in the export basket
Energy, Oil & Gas	7.878	35.907	28.029	<ul style="list-style-type: none"> Oil & Gas Boom in Vaca Muerta Liquefied Natural Gas (LNG) Development
Mining	4.023	19.174	11.151	<ul style="list-style-type: none"> Lithium, copper and other minerals
Processed Industrial Products (PIP)	20.655	33.839	13,184	<ul style="list-style-type: none"> Doubling of automotive exports New products in the petrochemical industry due to Vaca Muerta, as well as in the forestry industry (pulp and paper)

Source for Exports 2023 (column 1): INDEC / Source for Forecast 2030 (column 2): Ministry of Economy, Secretariat for Industry and Productive Development

What can the Embassy do to support Bulgarian companies to do business in Argentina?

- ✓ Identify potential suppliers in Argentina.
- ✓ Facilitate contacts with potential suppliers in Argentina.
- ✓ Organize business meetings, both virtual and in the framework of visits to Argentina.
- ✓ Provide sectorial and investment information, including legal frameworks and incentives, among other support mechanisms.





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Thank you!