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**Committee on Subsidies  
and Countervailing Measures**

Original: Spanish

**SUBSIDIES****NEW AND FULL NOTIFICATION PURSUANT TO ARTICLE XVI:1 OF  
THE GATT 1994 AND ARTICLE 25 OF THE AGREEMENT ON  
SUBSIDIES AND COUNTERVAILING MEASURES****ARGENTINA**

The following communication, dated and received on 15 December 2021, is being circulated at the request of the delegation of Argentina.

The Argentine Republic hereby submits this new and full notification pursuant to Article XVI:1 of the GATT 1994 and Article 25 of the Agreement on Subsidies and Countervailing Measures.

**1 MINING****1. Title of the programme**

Law No. 10.273 - Tax exemptions

Law No. 24.196 - Law on mining investment

Law No. 24.228 - Federal Mining Agreement

Law No. 24.402 - Value added tax (VAT) payment financing scheme

**2. Period covered by the notification**

1 July 2019 to 30 June 2021

**3. Policy objective and/or purpose**

The objective of the legislation in this area is to encourage mining activities in order to contribute to the country's development, ensure the rational exploitation of mining resources, generate employment and diversify regional economies.

**4. Background and authority**

**Law No. 10.273** (Official Journal of 17 November 1917), as amended and/or supplemented by:

- Decree No. 5.760/1958

Text of updated Law No. 10.273 available at:

<http://servicios.infoleg.gob.ar/infolegInternet/anexos/40000-44999/43586/norma.htm>

**Law No. 24.196** (Official Journal of 24 May 1993), as amended and/or supplemented by:

- Decree No. 2.686/1993 (Official Journal of 3 January 1994),
- Decree No. 1.089/2003 (Official Journal of 9 May 2003),
- AFIP General Resolution No. 2.019/2006 (Official Journal of 21 March 2006),
- Decree No. 1.722/2011 (Official Journal of 26 October 2011),
- Law No. 25.429 (Official Journal of 1 June 2001),
- Joint Resolution No. 4.428/2019 of the Secretariat of Mining Policy and AFIP (Official Journal of 27 February 2019),
- Resolution No. 30/2018 of the Secretariat of Mining Policy (Official Journal of 2 January 2019),
- Resolution No. 6/2019 of the Secretariat of Mining Policy (Official Journal of 4 February 2019),
- Resolution No. 9/2019 of the Secretariat of Mining Policy (Official Journal of 4 February 2019),
- Resolution No. 89/2019 of the Secretariat of Mining Policy (Official Journal of 28 October 2019),
- Resolution No. 60/2021 of the Secretariat of Mining (Official Journal of 18 March 2021),
- Resolution No. 235/2021 of the Secretariat of Mining (Official Journal of 8 September 2021).

Text of updated Law No. 24.196 available at:

<http://servicios.infoleg.gob.ar/infolegInternet/anexos/0-4999/594/texact.htm>

**Law No. 24.228:** (Official Journal of 2 August 1993), as amended and/supplemented by:

- Decree No. 1.591/1993 (Official Journal of 2 August 1993).

Updated Law No. 24.228 available at:

<http://servicios.infoleg.gob.ar/infolegInternet/anexos/0-4999/624/norma.htm>

**Law No. 24.402** (Official Journal of 9 December 1994), as amended and/or supplemented by:

- Decree No. 779/1995 (Official Journal of 5 June 1995),
- Decree No. 216/1996 (Official Journal of 6 March 1996),
- Decree No. 1.343/1999 (Official Journal of 18 November 1999),
- Decree No. 349/2000 (Official Journal of 3 May 2000),
- Decree No. 1.188/2001 (Official Journal of 24 September 2001).

Updated Law No. 24.402 available at:

<http://servicios.infoleg.gob.ar/infolegInternet/anexos/15000-19999/16098/texact.htm>

#### 5. Form of the subsidy

Law No. 10.273: Tax exemptions.

Law No. 24.196: Tax stability. Tax concessions and exemptions. Customs exemptions.

Law No. 24.228: Tax elimination.

Law No. 24.402: Financing payment of value added tax.

#### 6. To whom and how the subsidy is provided

**Law No. 10.273:** (amendment to Article 270 of the Mining Code): The tax exemptions relate to mines under concession to private individuals.

**Law No. 24.196:** All natural persons domiciled in the Argentine Republic and legal persons incorporated in the country or authorized to act within its territory that are engaged in the mining activities set out in Article 5 of the Law are eligible for the regime. The tax stability granted under this Law means that enterprises engaged in mining activities within the framework of this investment regime are not liable, beyond the total tax burden, to increases in the taxes and duties, of whatever

description, imposed by the national, provincial or municipal authorities adopting this regime or to the introduction of new taxes which would legally apply to them, as subject to such authorities. It also applies to the foreign-exchange and tariff regimes, excluding exchange parity and refunds, repayments and/or drawback of taxes on account of export activities. It does not apply to VAT. Tax stability is granted for 30 years from the date of submission of the feasibility study for the mining ventures coming under the regime.

**Law No. 24.228:** Ratifies the Federal Mining Agreement between the national government and the various provinces. The provinces are called upon to eliminate taxes on mining activities from their legislation pursuant to points 9 and 10 of the Federal Mining Agreement.

**Law No. 24.402:** Institutes a regime for financing payment of VAT through credit lines granted by financial entities. The beneficiaries are the purchasers or importers of the goods referred to in Article 1 of the Law, inasmuch as they are intended for the production process, and persons subject to the regime established under Law No. 24.196 that invest in civil and construction works to provide the infrastructure required for the production of goods.

#### 7. Total amount

No amounts have been disbursed under the support programmes. However, tax exemptions have been granted under Law No. 24.196, which represent tax expenditures\* of the following amounts:

2019\*\* : ARS 4,365.8 million

2020\*\* : ARS 5,530.6 million

2021\*\* (estimate): ARS 7,688.9 million

\* Source: Undersecretariat for Public Revenue, Ministry of the Economy.

\*\* As it is not possible to disaggregate the amounts per month, the amounts are provided for a full calendar year (thus exceeding the period covered by this notification, with the data referring to all of 2019, 2020 and 2021).

#### 8. Duration

Although Law No. 24.402 has not been repealed, its period of applicability has expired.

The legislation does not stipulate end dates for the other programmes.

#### 9. Trade effects

It is not possible to determine the effects that the application of these provisions may have on trade.

## 2 FORESTRY ACTIVITY

#### 1. Title of the programme

**Law No. 25.080** - Investment in Cultivated Woodland

#### 2. Period covered by the notification

1 July 2019 to 30 June 2021

#### 3. Policy objective and/or purpose

Given that the considerable development potential of Argentina's forestry sector has thus far barely been explored, the purpose is to promote forestry activity throughout the country, in the interests of fostering medium- and long-term investment and generating employment.

#### 4. Background and authority

**Law No. 25.080** (Official Journal of 19 January 1999), as amended and/or supplemented by the following legislation:

- Law No. 26.432 (Official Journal of 29 December 2008),
- SAGyP Resolution No. 33/2013 (Official Journal of 8 January 2014),
- Former SAGPyA Resolution No. 851/2005 (Official Journal of 1 November 2005),
- SAGyP Resolution No. 102/2010 (Official Journal of 11 March 2010),
- SAGyP Resolution No. 91/2011 (Official Journal of 11 February 2011),
- Joint Resolution No.10/2001 of AFIP and No. 157/2001 of former SAGPyA (Official Journal of 14 March 2001),
- AFIP General Resolution No. 1042/2001 (Official Journal of 16 July 2001),
- Former SAGPyA Resolution No. 1051/2001 (Official Journal of 24 December 2001),
- SAGyP Resolution No. 76/2011 (Official Journal of 11 December 2011),
- SAGyP Resolution No. 281/2012 (Official Journal of 16 September 2012),
- SAGyP Resolution No. 415/2013 (Official Journal of 22 October 2013),
- SAGyP Resolution No. 190/2015 (Official Journal of 26 May 2015),
- SAGyP Resolution No. 219/2016 (Official Journal of 25 October 2016),
- SAGyP Resolution No. 10/2018 (Official Journal of 18 January 2018),
- Law No. 27.487 (Official Journal of 4 January 2019),
- SAGyP Resolution No. 134/2019 (Official Journal of 26 July 2019),
- SAGyP Resolution No. 138/2019 (Official Journal of 29 July 2019),
- SAGyP Resolution No. 116/2020 (Official Journal of 27 October 2020),
- SAGyP Resolution No. 22/2021 (Official Journal of 17 March 2021).

Updated Law No. 25.402 available at:

<http://servicios.infoleg.gob.ar/infolegInternet/anexos/55000-59999/55596/texact.htm>

#### 5. Form of the subsidy

Non-repayable economic support and fiscal benefits.

#### 6. To whom and how the subsidy is provided

**Law No. 25.080:** Beneficiaries are natural or legal persons making actual investments in the activities covered by the Law.

Non-repayable economic support is a money amount that is calculated per hectare and varies according to zone, species and forestry activity, as determined by the implementing authority. Fiscal benefits are granted to natural or legal persons engaged in activities covered by the Law, which provides tax stability and exemptions.

#### 7. Total amount

The total non-repayable amount disbursed for economic support for the period covered by the present notification was ARS 679.4 million.

**\*Source:** National Directorate of Industrial Forestry Development - Ministry of Agriculture, Livestock and Fisheries.

Tax exemptions granted under Law No. 25.080 represent tax expenditures\* of the following amounts:

2019\*\*: ARS 69.7 million

2020\*\*: 87.6 million

2021\*\* (estimate): ARS 36.5 million

\* **Source:** Undersecretariat for Public Revenue, Ministry of the Economy.

\*\* As it is not possible to disaggregate the amounts per month, the amounts are provided for a full calendar year (thus exceeding the period covered by this notification, with the data referring to all of 2019, 2020 and 2021).

#### 8. Duration

The benefits granted under Law No. 25.080 apply to all undertakings approved within 10 years of the enactment of the Law and the subsequent extensions thereof and amendments thereto. The last extension was established under Law No. 27.487 (Official Journal of 4 January 2019).

The "tax stability" enjoyed by the undertakings covered by Law No. 25.080 is granted for a period of up to 30 years from the date of approval of the corresponding project. The implementing authority may, according to the area and cycle of species planted, extend the period to up to a maximum of 50 years.

#### 9. Trade effects

No data available

### 3 FREE ZONES

#### 1. Title of the programme

Law No. 24.331 - Free Zones  
Law No. 25.005 - Free Zones

#### 2. Period covered by the notification

1 July 2019 to 30 June 2021

#### 3. Policy objective and/or purpose

As stated in Article 4 of Law No. 24.331: "The objective of the free zones shall be to stimulate trade and industrial export activity, helping to extend to investment and employment the increase in efficiency and reduction in costs associated with the activities developing within such zones. The free zones shall function in accordance with national trade policy, shall contribute to the growth and competitiveness of the economy and shall be fully incorporated into the regional integration process" (see Annex).

#### 4. Background and authority

**Law No. 24.331** (Official Journal of 17 June 1994)

**Law No. 25.005** (Official Journal of 18 August 1998) and its Regulatory Decree No. 932/98 (Official Journal of 18 August 1998)

#### 5. Form of the subsidy

- Exemption from duties on the importation for consumption of goods entering the free zone and goods leaving the free zone for third countries. Charges for services effectively supplied are excluded from these exemptions (Articles 24 and 25 of Law No. 24.331).
- Exemption from the payment of national taxes on basic services supplied within the free zone. For this purpose, basic services mean those involving the provision of telecommunications, gas, electricity, running water, and drainage and treatment of sewage.

There are no economic prohibitions in force.

#### 6. To whom and how the subsidy is provided

The exemptions benefit physical and legal persons who obtain the right to engage in activities within the free zone under the conditions established by Law No. 24.331.

7. Total amount

Lack of data makes such calculations impossible.

8. Duration

Benefits under this legislation apply from the commencement of activities within the free zone, in accordance with the conditions established by Law No. 24.331.

9. Trade effects

No data available

#### 4 CAPITAL GOODS, INFORMATION TECHNOLOGY AND TELECOMMUNICATIONS REGIME

1. Title of the programme

**Decree No. 379/2001** - Capital Goods, Information Technology and Telecommunications Regime  
**Decree No. 502/2001** - Capital Goods, Information Technology and Telecommunications Regime

2. Period covered by the notification

1 July 2019 to 30 June 2021

3. Policy objective and/or purpose

Incentive regimes for manufacturers in the capital goods, information technology and telecommunications sectors (Article 1 of Decree No. 379/2001).

4. Background and authority

**Decree No. 502/2001** (Official Journal of 2 May 2001)

**Decree No. 379/2001** (Official Journal of 30 March 2001)

- Former ME Resolution No. 8/2001 (Official Journal of 27 March 2001),
- Former ME Resolution No. 27/2001 (Official Journal of 10 April 2001),
- Decree No. 594/2004 (Official Journal of 13 May 2004),
- Decree No. 201/2006 (Official Journal of 24 February 2006),
- Former SICPYME Resolution No. 224/2006 (Official Journal of 28 July 2006),
- Former SICPYME Resolution No. 542/2006 (Official Journal of 3 January 2007),
- Decree No. 2316/2008 (Official Journal of 7 January 2009),
- Decree No. 917/2010 (Official Journal of 8 July 2010),
- Decree No. 362/2011 (Official Journal of 30 March 2011),
- Decree No. 430/2012 (Official Journal of 21 March 2012),
- Decree No. 1027/2012 (Official Journal of 2 May 2012),
- Decree No. 480/2013 (Official Journal of 2 May 2013),
- Decree No. 1591/2013 (Official Journal of 23 October 2013),
- Decree No. 965/2014 (Official Journal of 23 June 2014),
- Decree No. 2512/2014 (Official Journal of 19 December 2014),
- Decree No. 451/2015 (Official Journal of 20 March 2015),
- Decree No. 1.424/2015 (Official Journal of 28 July 2015),
- Decree No. 51/2016 (Official Journal of 8 January 2016),
- Decree No. 824/2016 (Official Journal of 1 July 2016),
- Decree No. 1.348/2016 (Official Journal of 2 January 2017),
- Decree No. 593/2017 (Official Journal of 31 July 2017),
- Resolution No. 803/2017 of the Secretariat of Industry and Services (Official Journal of 2 October 2017),
- Decree No. 229/2018 (Official Journal of 19 March 2018),
- Resolution No. 11/2018 of the Secretariat of Industry (Official Journal of 3 April 2018),
- Decree No. 196/2019 (Official Journal of 15 March 2019),
- Resolution No. 47/2019 of the Secretariat of Industry (Official Journal of 1 April 2019),
- Decree No. 96/2020 (Official Journal of 22 January 2020),
- Decree No. 1.051 (Official Journal of 26 December 2020).

5. Form of the subsidy

The benefit consists of a transferable tax credit bond, equivalent to a percentage of sales, granted in the case of goods that are classified in the list set out in the Annex to Decree No. 379/2001 and the supplementing and amending regulations thereto.

6. To whom and how the subsidy is provided

Manufacturers of goods in the capital goods, information technology and telecommunications sectors which are included in the Annex to Decree No. 379/2001 and the supplementing and amending regulations thereto.

7. Total amount

Tax exemptions granted under Law No. 25.080 represent tax expenditures\* of the following amounts:

2019\*\* : ARS 17,195.8 million

2020\*\* : ARS 5,353.4 million

2021\*\* (estimate): ARS 7,096.9 million

\* Source: Undersecretariat for Public Revenue, Ministry of the Economy.

\*\* As it is not possible to disaggregate the amounts per month, the amounts are provided for a full calendar year (thus exceeding the period covered by this notification, with the data referring to all of 2019, 2020 and 2021).

8. Duration

Under Decree No. 1051/2020 (Official Journal of 29 December 2020), the regime was extended until 31 December 2021.

9. Trade effects

No data available

**ANNEX: FREE ZONES**

<b>Free zone</b>	<b>Town</b>	<b>Resolution N°</b>	<b>Effective date</b>
San Luis	Justo Daract	270/98 (AFIP)	24.04.1998
Córdoba	Córdoba	541/99 (AFIP)	05.04.1999
General Pico	General Pico	717/99 (AFIP)	10.04.1999
Mendoza	Luján de Cuyo	587/99 (AFIP)	18.05.1999
Comodoro Rivadavia	Comodoro Rivadavia	1019/01 (AFIP)	06.06.2001
Salta	Salta	1074/01 (AFIP)	28.08.2001
Iguazú	Puerto Iguazú	1230/02 (AFIP)	06.03.2002
C. del Uruguay	C. del Uruguay	2422/08 (AFIP)	07.03.2008
Buenos Aires	La Plata	1240/02 (AFIP)	25.03.2002
Bahía Blanca	Punta Alta	3179/11 (AFIP) and 3396/12 (AFIP)	24.10.2012
Villa Constitución	Villa Constitución, province of Santa Fe	4024/17 (AFIP)	05.04.2017
Bahía Blanca	Puerto Galván	RG AFIP N° 4241/2018	11.05.2018
Rio Gallegos	Rio Gallegos Santa Cruz	RG AFIP 4399/19-4545/19 and 4340/18	8.08.2019