International Financial Statistics

New and Revised Data — October 1998

Country Page	Section	Line
Belgium	International Transactions	**70, 71, 72, 73, 74, 75**
Bulgaria	Prices and Labor	**67e, 67c, 67r**
Jordan	Prices and Production	**63**
Myanmar	Monetary Authorities	**17a**
	Deposit Money Banks	**20*ff.***
	Monetary Survey	**30*ff.***
Philippines	Prices, Production, Labor	**66ey**
Uruguay	Monetary Authorities	**16ac**
	Deposit Money Banks	**20c, 26i, 26j**
	Monetary Survey	**36i, 36j**
	Money (National Definitions)	**19ma, 59ma, 59mb**
	Interest Rates	**60..f, 60b, 60c, 60c.f, 60k, 60k.f, 60l.f, 60p.f**

(Last update of data: September 18, 1998)

Argentina

213

		1991	1992	1993	1994	1995	1996	1997	1995 I	1995 II	1995 III	1995 IV	1996 I	1996 II	1996 III	1996 IV
Exchange Rates																*Pesos per SDR:*
Official Rate	aa	1.42828	1.36194	1.37150	1.45912	1.48649	1.43724	1.34858	1.56050	1.56876	1.50632	1.48649	1.46121	1.44262	1.43865	1.43724
																Pesos per US Dollar:
Official Rate	ae	.99850	.99050	.99850	.99950	1.00000	.99950	.99950	1.00000	1.00000	1.00000	1.00000	1.00000	.99950	.99950	.99950
Official Rate	rf	.95355	.99064	.99895	.99901	.99975	.99966	.99950	.99900	1.00000	1.00000	1.00000	1.00000	.99965	.99950	.99950
Fund Position																*Millions of SDRs:*
Quota	2f.s	1,113.0	1,537.1	1,537.1	1,537.1	1,537.1	1,537.1	1,537.1	1,537.1	1,537.1	1,537.1	1,537.1	1,537.1	1,537.1	1,537.1	1,537.1
SDRs	1b.s	134.9	272.8	329.5	385.7	362.7	277.4	123.6	344.4	490.6	384.6	362.7	529.3	208.5	93.7	277.4
Reserve Position in the Fund	1c.s	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total Fund Cred.&Loans Outstg.	2tl	1,735.9	1,682.8	2,562.4	2,884.7	4,124.4	4,376.0	4,349.3	2,820.9	3,775.4	3,971.0	4,124.4	4,325.7	4,306.7	4,242.0	4,376.0
International Liquidity																*Millions of US Dollars Unless Otherwise Indicated:*
Total Reserves minus Gold	1l.d	6,005	9,990	13,791	14,327	14,288	18,104	22,320	8,450	10,844	11,176	14,288	14,422	15,654	15,193	18,104
SDRs	1b.d	193	375	453	563	539	399	167	537	770	579	539	773	301	135	399
Reserve Position in the Fund	1c.d	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Foreign Exchange	1d.d	5,812	9,615	13,339	13,764	13,749	17,705	22,153	7,913	10,074	10,597	13,749	13,649	15,353	15,058	17,705
Gold (Million Fine Troy Ounces)	1ad	4.123	4.373	4.373	4.374	4.374	4.374	.361	4.374	4.374	4.374	4.374	4.374	4.374	4.374	4.374
Gold (National Valuation)	1and	1,430	1,446	1,672	1,651	1,679	1,611	120	1,659	1,682	1,666	1,679	1,723	1,659	1,663	1,611
Monetary Authorities:Other Assets	3..d	772	—	—	57	22	30	42	89	94	20	22	—	39	43	30
Other Liab.	4..d	7,629	558	161	—	—	—	—	—	—	—	—	6	—	—	—
Deposit Money Banks: Assets	7a.d	2,812	3,642	5,153	5,587	6,302	10,011	17,732	5,256	5,932	6,104	6,302	7,504	7,895	8,597	10,011
Liabilities	7b.d	7,869	9,558	9,051	10,995	13,649	15,820	21,048	12,229	12,947	13,010	13,649	12,874	13,237	13,978	15,820
Other Banking Insts.: Assets	7e.d	10	12	32	26	31	26	24	15	24	36	31	23	25	30	26
Liabilities	7f.d	49	117	26	39	62	84	148	37	42	52	62	39	34	67	84
Monetary Authorities																*Millions of Pesos:*
Foreign Assets	11	9,009	11,236	15,448	I16,020	15,989	19,745	22,806	10,198	12,620	12,862	15,989	16,145	17,351	16,898	19,745
Claims on Central Government	12a	10,879	9,272	11,432	I8,361	8,499	8,223	7,867	9,234	10,478	9,852	8,499	8,559	8,533	8,489	8,223
Claims on Deposit Money Banks	12e	17,922	23,408	22,527	I22,463	24,129	2,106	1,794	24,019	24,339	24,235	24,129	24,497	23,714	23,689	2,106
Claims on Other Banking Insts.	12f	6	5	5	I4	3	3	—	26	17	7	3	3	3	3	3
Reserve Money	14	7,823	11,010	14,989	I16,267	13,769	14,060	15,975	13,188	13,640	12,970	13,769	12,603	13,441	12,223	14,060
of which: Currency Outside DMBs	14a	5,222	7,686	10,067	I11,229	11,161	11,736	13,331	9,158	9,245	9,322	11,161	10,105	10,808	10,052	11,736
Foreign Liabilities	16c	10,102	2,843	3,677	I4,211	6,131	6,293	5,868	4,402	5,923	5,982	6,131	6,327	6,216	6,106	6,293
Central Government Deposits	16d	1,097	1,378	1,338	I764	1,677	2,242	325	5	1,509	1,922	1,677	2,081	1,799	1,480	2,242
Capital Accounts	17a	3,786	6,394	7,217	I3,279	3,583	4,053	4,059	2,764	3,103	3,325	3,583	3,843	3,271	3,563	4,053
Other Items (Net)	17r	15,008	22,296	22,191	I22,326	23,461	3,430	6,242	23,118	23,279	22,757	23,461	24,350	24,874	25,707	3,430
Deposit Money Banks																*Millions of Pesos:*
Reserves	20	2,900	3,481	5,488	I5,203	2,637	2,358	2,673	3,972	4,403	3,661	2,637	2,496	2,637	2,226	2,358
Foreign Assets	21	2,809	3,606	5,148	I5,587	6,302	10,011	17,732	5,256	5,932	6,104	6,302	7,504	7,895	8,597	10,011
Claims on Central Government	22a	9,830	9,871	11,657	I6,094	10,299	13,013	14,513	4,909	6,635	8,761	10,299	11,225	12,694	13,102	13,013
Claims on State and Local Govts	22b	....	....	....	5,008	5,247	5,273	5,950	4,842	4,840	5,217	5,247	5,202	5,079	4,987	5,273
Claims on Official Entities	22bx	795	1,103	1,509	I493	463	565	612	534	617	626	463	466	573	577	565
Claims on Private Sector	22d	22,550	34,564	42,600	I51,191	50,571	53,772	62,406	50,039	49,718	48,310	50,571	50,476	50,872	51,002	53,772
Demand Deposits	24	2,404	3,678	5,052	I5,133	5,458	7,305	8,151	5,129	5,555	5,371	5,458	5,872	6,559	6,365	7,305
Time, Savings,& Fgn.Currency Dep.	25	11,471	19,666	30,334	I37,109	35,352	42,710	56,038	32,004	32,253	33,726	35,352	39,380	40,886	41,880	42,710
Foreign Liabilities	26c	7,861	9,462	9,042	I10,995	13,649	15,820	21,048	12,229	12,947	13,010	13,649	12,874	13,237	13,978	15,820
Central Government Deposits	26d	1,976	2,958	5,054	I3,014	2,467	3,054	3,990	2,191	2,382	2,330	2,467	2,333	3,013	2,452	3,054
Credit from Monetary Authorities	26g	18,292	22,967	22,336	I2,184	2,650	1,375	409	3,085	3,354	3,053	2,650	2,416	1,645	1,555	1,375
Capital Accounts	27a	9,608	10,802	12,503	I13,519	13,771	15,065	15,806	13,534	13,754	13,493	13,771	13,971	14,020	14,276	15,065
Other Items (Net)	27r	-12,728	-16,908	-17,919	I1,621	2,172	-339	-1,555	1,381	1,899	1,697	2,172	522	390	-14	-339
Monetary Survey																*Millions of Pesos:*
Foreign Assets (Net)	31n	-6,145	2,537	7,877	I6,400	2,510	7,643	13,623	-1,176	-319	-25	2,510	4,448	5,793	5,411	7,643
Domestic Credit	32	40,987	50,479	60,811	I67,373	70,939	75,553	87,034	67,389	68,415	68,521	70,939	71,516	72,942	74,229	75,553
Claims on Central Govt. (Net)	32an	17,636	14,807	16,697	I10,677	14,654	15,940	18,066	11,948	13,222	14,361	14,654	15,369	16,415	17,659	15,940
Claims on State and Local Govts	32b	....	....	....	5,008	5,247	5,273	5,950	4,842	4,840	5,217	5,247	5,202	5,079	4,987	5,273
Claims on Official Entities	32bx	795	1,103	1,509	I493	463	565	612	534	617	626	463	466	573	577	565
Claims on Private Sector	32d	22,550	34,564	42,600	I51,191	50,571	53,772	62,406	50,039	49,718	48,310	50,571	50,476	50,872	51,002	53,772
Claims on Other Banking Insts	32f	6	5	5	I4	3	3	—	26	17	7	3	3	3	3	3
Money	34	7,626	11,364	15,119	I16,362	16,619	19,042	21,482	14,288	14,800	14,694	16,619	15,976	17,367	16,417	19,042
Quasi-Money	35	11,471	19,666	30,334	I37,109	35,352	42,710	56,038	32,004	32,253	33,726	35,352	39,380	40,886	41,880	42,710
Capital Accounts	37a	13,394	17,196	19,720	I16,798	17,354	19,118	19,864	16,297	16,858	16,818	17,354	17,813	17,291	17,839	19,118
Other Items (Net)	37r	2,351	4,790	3,515	I3,504	4,125	2,326	3,272	3,623	4,185	3,259	4,125	2,795	3,191	3,504	2,326
Money, Seasonally Adjusted	34..b	7,074	10,552	14,051	I15,108	15,373	17,615	19,891	14,491	14,524	14,994	15,373	16,187	17,043	16,752	17,615
Other Banking Institutions																*Millions of Pesos:*
Reserves	40	12	17	20	I20	14	7	6	17	19	14	14	14	15	6	7
Foreign Assets	41	10	12	32	I26	31	26	24	15	24	36	31	23	25	30	26
Claims on Central Government	42a	37	24	26	I35	37	84	96	36	16	34	37	100	101	89	84
Claims on Local and State Govts	42b	....	....	....	2	2	—	2	1	1	1	2	1	6	5	—
Claims on Official Entities	42bx	5	6	—	I—	—	—	—	—	—	—	—	—	—	—	—
Claims on Private Sector	42d	220	441	644	I838	725	846	1,103	744	704	682	725	738	674	741	846
Claims on Deposit Money Banks	42e	5	5	5	I10	13	20	18	14	14	11	13	26	10	12	20
Time, Savings,& Fgn.Currency Dep.	45	121	272	412	I501	284	348	320	334	306	255	284	362	378	353	348
Foreign Liabilities	46c	49	116	26	I39	62	84	148	37	42	52	62	39	34	67	84
Credit from Monetary Authorities	46g	6	5	5	I4	3	3	—	26	17	7	3	3	3	3	3
Capital Accounts	47a	133	167	202	I236	210	190	233	224	232	205	210	212	187	192	190
Other Items (Net)	47r	-20	-55	82	I151	263	357	547	208	181	259	263	285	228	268	357

		1997 I	II	III	IV	1998 I	II	1997 Dec	1998 Jan	Feb	Mar	Apr	May	June	July	Aug
Exchange Rates		*End of Period*														
Official Rate	aa	1.38620	1.38745	1.36453	1.34858	1.33522	1.33087	1.34858	1.34469	1.34955	1.33522	1.34599	1.33469	1.33087	1.32883	1.34155
		End of Period (ae) Period Average (rf)														
Official Rate	ae	.99950	.99950	.99950	.99950	.99950	.99950	.99950	.99950	.99950	.99950	.99950	.99950	.99950	.99950	.99950
Official Rate	rf	.99950	.99950	.99950	.99950	.99950	.99950	.99950	.99950	.99950	.99950	.99950	.99950	.99950	.99950	.99950
Fund Position		*End of Period*														
Quota	2f.s	1,537.1	1,537.1	1,537.1	1,537.1	1,537.1	1,537.1	1,537.1	1,537.1	1,537.1	1,537.1	1,537.1	1,537.1	1,537.1	1,537.1	1,537.1
SDRs	1b.s	278.1	256.5	153.3	123.6	69.9	207.9	123.6	209.9	132.2	69.9	88.6	17.5	207.9	104.2	29.4
Reserve Position in the Fund	1c.s	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total Fund Cred.&Loans Outstg.	2tl	4,416.2	4,443.7	4,395.1	4,349.3	4,158.9	4,124.6	4,349.3	4,245.6	4,224.7	4,158.9	4,157.6	4,136.7	4,124.6	4,020.9	4,000.0
International Liquidity		*End of Period*														
Total Reserves minus Gold	11.d	17,438	19,740	19,364	22,320	21,055	22,769	22,320	21,080	21,511	21,055	21,273	22,370	22,769	22,498	24,361
SDRs	1b.d	386	356	209	167	93	277	167	282	179	93	119	23	277	139	39
Reserve Position in the Fund	1c.d	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Foreign Exchange	1d.d	17,053	19,384	19,155	22,153	20,962	22,492	22,153	20,797	21,332	20,962	21,154	22,347	22,492	22,359	24,322
Gold (Million Fine Troy Ounces)	1ad	4.374	3.274	2.974	.361	.361	.361	.361	.361	.361	.361	.361	.361	.361	.361	.361
Gold (National Valuation)	1and	1,349	1,104	976	120	125	123	120	121	121	125	122	119	123	122	118
Monetary Authorities:Other Assets	3..d	15	26	59	42	32	35	42	41	20	32	29	8	35	10	10
Other Liab.	4..d	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Deposit Money Banks: Assets	7a.d	12,440	15,376	16,584	17,732	23,011	23,106	17,732	19,245	20,475	23,011	21,311	23,533	23,106	22,349	....
Liabilities	7b.d	16,161	16,932	19,584	21,048	25,297	24,775	21,048	21,729	23,284	25,297	23,879	25,320	24,775	24,476	....
Other Banking Insts.: Assets	7e.d	18	18	25	24	27	....	24	24	25	27	24	29	....	....	....
Liabilities	7f.d	106	104	105	148	148	....	148	177	169	148	147	147	....	....	....
Monetary Authorities		*End of Period*														
Foreign Assets	11	19,321	20,834	20,417	22,806	21,976	23,408	22,806	21,242	22,876	21,976	21,772	23,277	23,408	24,921	25,045
Claims on Central Government	12a	8,706	7,975	8,131	7,867	7,681	7,436	7,867	8,294	8,217	7,681	7,990	7,729	7,436	7,300	7,082
Claims on Deposit Money Banks	12e	2,013	1,863	1,808	1,794	1,790	1,792	1,794	1,793	1,798	1,790	1,794	1,798	1,792	1,793	1,782
Claims on Other Banking Insts	12f	3	2	—	—	—	—	—	—	—	—	—	—	—	—	—
Reserve Money	14	13,374	14,044	14,203	15,975	14,521	15,038	15,975	14,726	14,606	14,521	14,723	14,728	15,038	15,625	15,203
of which: Currency Outside DMBs	14a	10,926	11,594	11,720	13,331	11,885	12,213	13,331	12,368	12,206	11,885	12,226	12,266	12,213	12,963	....
Foreign Liabilities	16c	6,125	6,169	6,000	5,868	5,556	5,492	5,868	5,712	5,704	5,556	5,599	5,524	5,492	5,346	5,369
Central Government Deposits	16d	1,135	1,333	17	325	764	482	325	75	1,225	764	349	779	482	2,292	556
Capital Accounts	17a	4,069	3,485	3,911	4,059	4,098	3,924	4,059	4,156	4,294	4,098	4,163	3,803	3,924	4,065	3,694
Other Items (Net)	17r	5,341	5,644	6,224	6,242	6,509	7,700	6,242	6,660	7,063	6,509	6,722	7,968	7,700	6,686	9,087
Deposit Money Banks		*End of Period*														
Reserves	20	2,494	2,469	2,490	2,673	2,682	2,995	2,673	2,410	2,418	2,682	2,560	2,509	2,995	2,696	....
Foreign Assets	21	12,440	15,376	16,584	17,732	23,011	23,106	17,732	19,245	20,475	23,011	21,311	23,533	23,106	22,349	....
Claims on Central Government	22a	13,910	14,259	15,185	14,513	16,374	17,682	14,513	15,494	16,130	16,374	16,304	16,693	17,682	17,302	....
Claims on State and Local Govts	22b	5,571	5,839	5,809	5,950	5,448	5,585	5,950	5,746	5,750	5,448	5,412	5,535	5,585	5,673	....
Claims on Official Entities	22bx	557	610	601	612	581	635	612	637	635	581	596	634	635	584	....
Claims on Private Sector	22d	54,693	57,393	60,027	62,406	63,798	66,226	62,406	62,850	63,506	63,798	64,330	65,520	66,226	66,457	....
Demand Deposits	24	6,992	7,467	7,937	8,151	8,161	8,468	8,151	8,027	7,558	8,161	8,046	8,307	8,468	8,031	....
Time, Savings,& Fgn.Currency Dep.	25	46,765	51,579	54,069	56,038	59,510	62,752	56,038	58,417	58,761	59,510	59,433	60,734	62,752	63,435	....
Foreign Liabilities	26c	16,161	16,932	19,584	21,048	25,297	24,775	21,048	21,729	23,284	25,297	23,879	25,320	24,775	24,476	....
Central Government Deposits	26d	4,053	4,229	3,958	3,990	4,047	4,922	3,990	3,921	4,113	4,047	4,196	4,703	4,922	4,477	....
Credit from Monetary Authorities	26g	1,257	473	466	409	375	348	409	403	390	375	392	369	348	332	....
Capital Accounts	27a	15,359	15,640	15,890	15,806	15,990	16,324	15,806	15,916	16,019	15,990	15,861	15,955	16,324	16,347	....
Other Items (Net)	27r	-922	-373	-1,207	-1,555	-1,488	-1,360	-1,555	-2,031	-1,211	-1,488	-1,293	-964	-1,360	-2,037	....
Monetary Survey		*End of Period*														
Foreign Assets (Net)	31n	9,476	13,109	11,417	13,623	14,134	16,247	13,623	13,046	14,363	14,134	13,605	15,965	16,247	17,448	....
Domestic Credit	32	78,252	80,518	85,779	87,034	89,070	92,160	87,034	89,025	88,901	89,070	90,088	90,629	92,160	90,547	....
Claims on Central Govt. (Net)	32an	17,428	16,673	19,341	18,066	19,244	19,713	18,066	19,792	19,010	19,244	19,750	18,940	19,713	17,833	....
Claims on State and Local Govts	32b	5,571	5,839	5,809	5,950	5,448	5,585	5,950	5,746	5,750	5,448	5,412	5,535	5,585	5,673	....
Claims on Official Entities	32bx	557	610	601	612	581	635	612	637	635	581	596	634	635	584	....
Claims on Private Sector	32d	54,693	57,393	60,027	62,406	63,798	66,226	62,406	62,850	63,506	63,798	64,330	65,520	66,226	66,457	....
Claims on Other Banking Insts	32f	3	2	—	—	—	—	—	—	—	—	—	—	—	—	....
Money	34	17,918	19,061	19,658	21,482	20,046	20,682	21,482	20,395	19,764	20,046	20,272	20,573	20,682	20,994	....
Quasi-Money	35	46,765	51,579	54,069	56,038	59,510	62,752	56,038	58,417	58,761	59,510	59,433	60,734	62,752	63,435	....
Capital Accounts	37a	19,428	19,125	19,802	19,864	20,087	20,248	19,864	20,072	20,313	20,087	20,024	19,758	20,248	20,412	....
Other Items (Net)	37r	3,617	3,862	3,669	3,272	3,560	4,725	3,272	3,187	4,425	3,560	3,964	5,529	4,725	3,154	....
Money, Seasonally Adjusted	34..b	18,191	18,724	20,079	19,891	20,372	20,316	19,891	20,093	19,923	20,372	20,686	20,553	20,316	20,323	....
Other Banking Institutions		*End of Period*														
Reserves	40	6	6	6	6	7	....	6	6	6	7	6	6	....	....	....
Foreign Assets	41	18	18	25	24	27	....	24	24	25	27	24	29	....	....	....
Claims on Central Government	42a	76	83	71	96	128	....	96	103	91	128	114	96	....	....	....
Claims on Local and State Govts	42b	—	—	—	2	—	....	2	1	—	—	—	—	....	....	....
Claims on Official Entities	42bx	—	—	—	—	—	....	—	—	—	—	—	—	....	....	....
Claims on Private Sector	42d	896	899	987	1,103	1,249	....	1,103	1,173	1,212	1,249	1,264	1,280	....	....	....
Claims on Deposit Money Banks	42e	15	20	14	18	21	....	18	16	20	21	19	21	....	....	....
Time, Savings,& Fgn.Currency Dep.	45	303	308	321	320	463	....	320	333	340	463	456	461	....	....	....
Foreign Liabilities	46c	106	104	105	148	148	....	148	177	169	148	147	147	....	....	....
Credit from Monetary Authorities	46g	3	2	—	—	—	....	—	—	—	—	—	—	....	....	....
Capital Accounts	47a	197	184	207	233	254	....	233	237	241	254	249	241	....	....	....
Other Items (Net)	47r	403	428	471	547	567	....	547	577	606	567	575	584	....	....	....

Argentina

213

		1991	1992	1993	1994	1995	1996	1997	1995 I	1995 II	1995 III	1995 IV	1996 I	1996 II	1996 III	1996 IV
Banking Survey															*Millions of Pesos:*	
Foreign Assets (Net)	**51n**	-6,184	2,433	7,883	I6,388	2,480	7,585	13,499	-1,197	-337	-41	2,480	4,433	5,784	5,374	7,585
Domestic Credit	**52**	41,243	50,945	61,476	I68,243	71,699	76,480	88,234	68,145	69,118	69,231	71,699	72,352	73,719	75,061	76,480
Claims on Central Govt. (Net)	**52an**	17,673	14,831	16,723	I10,711	14,691	16,024	18,163	11,984	13,238	14,395	14,691	15,469	16,515	17,748	16,024
Claims on State and Local Govts	**52b**	....	....	....	5,009	5,249	5,273	5,951	4,843	4,841	5,217	5,249	5,203	5,085	4,992	5,273
Claims on Official Entities	**52bx**	800	1,109	1,509	I493	463	565	612	534	618	627	463	466	573	577	565
Claims on Private Sector	**52d**	22,770	35,005	43,244	I52,029	51,296	54,618	63,509	50,783	50,422	48,992	51,296	51,214	51,546	51,744	54,618
Liquid Liabilities	**55l**	19,206	31,285	45,845	I53,952	52,241	62,094	77,835	46,608	47,339	48,660	52,241	55,705	58,615	58,644	62,094
Capital Accounts	**57a**	13,527	17,363	19,922	I17,034	17,564	19,308	20,098	16,521	17,090	17,023	17,564	18,025	17,478	18,031	19,308
Other Items (Net)	**57r**	2,326	4,730	3,592	I3,645	4,375	2,663	3,801	3,818	4,353	3,507	4,375	3,054	3,409	3,760	2,663
Interest Rates															*Percent Per Annum*	
Money Market Rate	**60b**	71.33	15.11	6.31	7.66	9.46	6.23	6.63	15.19	8.96	6.84	6.85	5.57	5.45	7.31	6.58
Money Market Rate (U.S. Dollars)	**60ba**	....	....	....	....	8.40	5.91	6.39	11.70	8.08	6.71	7.12	5.77	5.46	6.11	6.27
Deposit Rate	**60l**	61.68	16.78	11.34	8.08	11.90	7.36	6.97	13.89	15.15	9.54	9.03	7.84	6.77	7.29	7.52
Lending Rate	**60p**	....	....	....	10.06	17.85	10.51	9.24	23.72	21.59	13.71	12.37	10.81	9.81	10.91	10.51
Lending Rate (U.S. Dollars)	**60pa**	....	....	....	8.17	13.88	9.12	7.84	15.55	17.19	11.84	10.93	9.72	8.82	9.05	8.88
Prices, Production, Labor															*Index Numbers (1990=100):*	
Producer Prices	**63**	210	223	227	228	246	I255	252	239	246	248	250	I252	258	257	254
Consumer Prices	**64.c**	272	339	375	391	404	405	407	403	404	404	405	405	403	405	407
Wages: Monthly Earnings (Mfg)	**65ey**	249	324	365	390	384	386	....	417	373	368	377	406	383	366	391
Manufacturing Production	**66ey**	110	123	127	133	123	130	....	121	121	128	124	116	130	139	136
Crude Petroleum Production	**66aa**	101	116	123	139	149	163	173	145	148	150	154	155	161	167	169
															Number in Thousands:	
Unemployment	**67c**	I696	827	1,062	1,400	1,959	2,047	....	....	....	....	....	....	....	....	....
Unemployment Rate (%)	**67r**	I6.3	7.2	9.1	11.7	15.9	16.3	....	....	....	....	....	....	....	....	....
International Transactions															*Millions of US Dollars*	
Exports	***70..d***	11,977.8	12,235.0	13,117.8	15,659.3	20,967.4	23,810.7	25,516.0	4,535.9	6,317.9	5,273.6	4,836.7	4,738.0	6,605.6	6,438.5	6,028.6
Wheat	***70d.d***	496.3	715.8	734.8	657.0	1,005.4	1,065.6	1,336.4	466.8	281.2	107.5	147.0	343.0	196.0	130.8	395.9
Imports, c.i.f.	***71..d***	8,275.3	14,871.8	16,783.5	21,527.3	20,121.7	23,761.8	30,349.0	5,238.3	4,780.2	4,917.2	5,186.3	4,985.7	5,725.6	6,579.4	6,471.2
Imports, f.o.b.	***71.vd***	7,525.2	13,622.6	14,693.7	19,660.9	17,961.8	22,190.0	28,486.5	4,760.8	4,120.9	4,428.9	4,671.2	4,658.2	5,348.4	6,141.9	6,041.5
															1990=100	
Volume of Exports	**72**	97.8	96.4	103.1	121.0	151.4	161.4	179.8	133.3	182.0	151.3	141.1	134.8	174.4	172.1	165.3
Wheat	**72d**	95.7	180.7	99.6	90.5	120.2	103.0	150.1	233.8	141.7	52.2	53.0	135.5	60.2	40.6	175.8
Volume of Imports	**73**	211.7	388.3	448.4	569.1	503.1	600.9	781.6	531.4	476.2	487.9	516.1	489.2	575.8	670.4	668.2
															1990=100:	
Unit Value of Exports	***74..d***	99.3	102.9	103.1	106.1	112.2	119.5	114.9	110.3	112.6	112.9	111.1	113.9	122.8	121.2	118.2
Frozen Beef	***74kad***	148.7	194.0	231.5	175.3	160.9	128.4	137.9	143.3	156.0	171.1	173.0	172.2	128.5	98.5	117.3
Corned Beef	***74kdd***	116.9	90.9	108.7	116.7	....	....	....	....	....	....	....	....	....	....	....
Wheat	***74d.d***	62.2	83.4	90.9	90.9	113.8	139.3	109.3	94.6	96.2	131.6	132.9	123.6	160.1	156.7	115.4
Unit Value of Imports	***75..d***	96.1	94.1	92.0	93.3	98.3	96.9	95.5	97.0	98.7	99.1	98.8	100.2	97.8	96.5	95.2
Balance of Payments															*Millions of US Dollars:*	
Current Account, n.i.e.	***78ald***	-647	-5,462	-7,672	-10,118	-2,768	-3,787	-10,119	-1,880	756	-213	-1,431	-1,431	283	-686	-1,953
Goods: Exports f.o.b.	***78aad***	11,978	12,235	13,117	15,839	20,964	23,811	25,223	4,536	6,317	5,274	4,837	4,738	6,606	6,438	6,029
Goods: Imports f.o.b.	***78abd***	-7,559	-13,685	-15,543	-20,077	-18,726	-22,189	-28,418	-4,866	-4,441	-4,587	-4,832	-4,658	-5,348	-6,142	-6,041
Trade Balance	***78acd***	4,419	-1,450	-2,426	-4,238	2,238	1,622	-3,195	-330	1,876	687	5	80	1,258	296	-12
Services: Credit	***78add***	2,408	2,454	2,454	2,599	2,860	3,226	3,271	716	680	709	755	788	765	805	868
Services: Debit	***78aed***	-4,007	-4,711	-5,184	-5,540	-5,082	-5,721	-6,340	-1,662	-1,026	-1,056	-1,338	-1,814	-1,170	-1,238	-1,499
Balance on Goods & Services	***78afd***	2,820	-3,707	-5,156	-7,179	16	-873	-6,264	-1,276	1,530	340	-578	-946	853	-137	-643
Income: Credit	***78agd***	1,746	2,143	2,174	3,093	4,395	4,676	5,468	1,050	1,066	1,114	1,165	1,069	1,141	1,226	1,240
Income: Debit	***78ahd***	-6,006	-4,559	-5,101	-6,352	-7,611	-7,924	-9,673	-1,716	-2,020	-1,741	-2,134	-1,609	-1,830	-1,818	-2,667
Balance on Gds, Serv. & Inc.	***78aid***	-1,440	-6,123	-8,083	-10,438	-3,200	-4,121	-10,469	-1,942	576	-287	-1,547	-1,486	164	-729	-2,070
Current Transfers, n.i.e.: Credit	***78ajd***	821	785	599	542	541	429	450	87	198	88	168	82	140	65	142
Current Transfers: Debit	***78akd***	-28	-124	-188	-222	-109	-95	-100	-25	-18	-14	-52	-27	-21	-22	-25
Capital Account, n.i.e.	***78bcd***	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Capital Account, n.i.e.: Credit	***78bad***	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Capital Account: Debit	***78bbd***	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Financial Account, n.i.e.	***78bjd***	182	7,373	9,827	9,280	574	7,033	13,257	-4,073	135	181	4,331	1,297	1,035	74	4,627
Direct Investment Abroad	***78bdd***	—	7	1	-125	-155	-205	-28	-48	-72	-52	17	-6	-116	-30	-53
Dir. Invest. in Rep. Econ., n.i.e.	***78bed***	2,439	4,012	3,261	3,107	4,783	5,090	6,326	840	976	1,236	1,731	1,213	1,134	1,139	1,604
Portfolio Investment Assets	***78bfd***	-8,261	-80	-2,037	-185	64	-808	-901	-33	-44	-118	259	-157	-539	83	-195
Equity Securities	***78bkd***	—	-4	-35	-14	-19	-16	-114	-2	-2	-10	-5	-36	16	6	-2
Debt Securities	***78bld***	-8,261	-76	-2,002	-171	83	-792	-787	-31	-42	-108	264	-121	-555	77	-193
Portfolio Investment Liab., n.i.e.	***78bgd***	8,227	990	30,341	4,722	5,109	11,676	11,349	-573	1,508	1,625	2,549	2,791	3,070	2,326	3,489
Equity Securities	***78bmd***	—	267	1,608	273	—	—	—	—	—	—	—	—	—	—	—
Debt Securities	***78bnd***	8,227	723	28,733	4,449	5,109	11,676	11,349	-573	1,508	1,625	2,549	2,791	3,070	2,326	3,489
Other Investment Assets	***78bhd***	426	2,381	-695	378	-13,587	-9,005	-7,168	-6,021	-3,759	-2,086	-1,721	-1,112	-1,539	-4,378	-1,976
Monetary Authorities	***78bod***	273	-169	230	-121	33	-100	-211	60	12	-44	5	29	-65	-16	-48
General Government	***78bpd***	83	-445	-1,196	566	-408	157	-65	155	-607	336	-292	253	45	121	-262
Banks	***78bqd***	—	-696	-1,728	-301	-683	-3,004	-5,499	365	-631	-97	-320	-925	184	-873	-1,390
Other Sectors	***78brd***	70	3,691	1,999	234	-12,529	-6,058	-1,393	-6,601	-2,533	-2,281	-1,114	-469	-1,703	-3,610	-276
Other Investment Liab., n.i.e.	***78bid***	-2,649	63	-21,044	1,383	4,360	285	3,679	1,762	1,526	-424	1,496	-1,432	-975	934	1,758
Monetary Authorities	***78bsd***	40	-149	-4,265	-34	-20	-18	-14	5	84	-105	-4	252	-258	2	-14
General Government	***78btd***	-3	-462	-8,698	522	1,863	-284	193	293	1,007	-193	756	-154	-546	-137	553
Banks	***78bud***	-31	773	1,157	1,066	3,119	400	3,854	1,541	477	151	950	-1,383	-43	625	1,201
Other Sectors	***78bvd***	-2,655	-99	-9,238	-171	-602	187	-354	-77	-42	-277	-206	-147	-128	444	18
Net Errors and Omissions	***78cad***	-341	205	35	-16	12	-8	25	-41	12	34	7	-16	3	3	1
Overall Balance	***78cbd***	-806	2,116	2,190	-854	-2,182	3,238	3,163	-5,994	903	2	2,907	-150	1,321	-609	2,675
Reserves and Related Items	***79dad***	806	-2,116	-2,190	854	2,182	-3,238	-3,163	5,994	-903	-2	-2,907	150	-1,321	609	-2,675
Reserve Assets	***79dbd***	-2,040	-3,106	-4,512	-541	49	-3,775	-3,082	5,875	-2,420	-273	-3,133	-160	-1,220	454	-2,848
Use of Fund Credit and Loans	***79dcd***	-590	-73	1,211	455	1,924	367	-38	-96	1,505	288	227	294	-27	-94	194
Exceptional Financing	***79ded***	3,436	1,063	1,111	939	209	170	-43	215	12	-17	-1	16	-74	249	-21

Argentina

213

	1997				1998		1997	1998								
	I	II	III	IV	I	II	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	
End of Period																
Banking Survey																
Foreign Assets (Net)	9,388	13,022	11,338	13,499	14,013	....	13,499	12,893	14,220	14,013	13,482	15,848	....	....	....	51n
Domestic Credit	79,221	81,498	86,837	88,234	90,447	....	88,234	90,302	90,204	90,447	91,466	92,005	....	....	....	52
Claims on Central Govt. (Net)	17,504	16,756	19,412	18,163	19,372	....	18,163	19,895	19,101	19,372	19,864	19,036	....	....	....	52an
Claims on State and Local Govts	5,571	5,839	5,809	5,951	5,448	....	5,951	5,747	5,750	5,448	5,412	5,535	....	....	....	52b
Claims on Official Entities	557	610	601	612	581	....	612	637	635	581	596	634	....	....	....	52bx
Claims on Private Sector	55,589	58,292	61,015	63,509	65,047	....	63,509	64,023	64,719	65,047	65,594	66,801	....	....	....	52d
Liquid Liabilities	64,980	70,941	74,041	77,835	80,012	....	77,835	79,139	78,859	80,012	80,155	81,762	....	....	....	55l
Capital Accounts	19,625	19,309	20,008	20,098	20,341	....	20,098	20,309	20,555	20,341	20,273	19,999	....	....	....	57a
Other Items (Net)	4,005	4,270	4,126	3,801	4,106	....	3,801	3,748	5,011	4,106	4,520	6,092	....	....	....	57r
Percent Per Annum																
Interest Rates																
Money Market Rate	5.89	5.81	6.41	8.43	6.69	6.05	8.45	6.46	7.02	6.58	6.18	6.19	5.79	6.14	***7.36***	60b
Money Market Rate (U.S. Dollars)	6.02	5.91	6.53	7.12	6.56	6.03	7.09	6.74	6.56	6.39	5.97	6.21	5.90	6.21	***7.10***	60ba
Deposit Rate	7.01	6.53	6.41	7.92	7.09	6.67	8.28	7.71	6.81	6.76	6.69	6.68	6.63	6.71	***7.23***	60l
Lending Rate	9.48	7.90	7.76	11.82	10.09	8.37	12.64	11.44	9.78	9.04	8.43	8.38	8.30	8.02	***9.53***	60p
Lending Rate (U.S. Dollars)	8.17	7.31	7.29	8.58	8.09	7.57	8.57	8.43	8.04	7.81	7.60	7.58	7.54	7.40	***8.35***	60pa
Period Averages																
Prices, Production, Labor																
Producer Prices	253	252	252	252	247	246	251	247	248	247	246	247	246	***247***	***245***	63
Consumer Prices	408	406	408	407	410	410	407	409	411	410	410	410	411	412	***412***	64.c
Wages: Monthly Earnings (Mfg)	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	65ey
Manufacturing Production	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	66ey
Crude Petroleum Production	168	172	175	177	172	176	178	178	161	178	172	182	175	....	....	66aa
Period Averages																
Unemployment	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	67c
Unemployment Rate (%)	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	67r
Millions of US Dollars																
International Transactions																
Exports	5,703.0	7,086.6	6,677.0	5,984.0	5,352.0	***7,649.0***	1,995.0	***1,785.0***	***1,877.0***	***2,220.0***	***2,494.0***	***2,564.0***	***2,591.0***	***2,305.0***	....	70..d
Wheat	773.6	236.3	139.3	187.1	591.6	....	101.0	....	....	....	....	....	....	....	....	70d.d
Imports, c.i.f.	6,842.2	7,511.4	8,159.1	8,131.0	7,432.0	8,203.0	2,604.0	***2,559.0***	***2,279.0***	***2,690.0***	***2,779.0***	***2,565.0***	***2,889.0***	***3,046.0***	....	71..d
Imports, f.o.b.	6,076.9	7,049.2	7,664.2	7,696.2	7,089.1	....	2,425.9	....	....	....	....	....	....	....	....	71.vd
1990=100																
Volume of Exports	159.6	201.1	195.6	182.2	176.2	....	....	....	....	....	....	....	....	....	....	72
Wheat	356.8	95.6	56.9	91.0	305.9	....	152.3	....	....	....	....	....	....	....	....	72d
Volume of Imports	654.3	765.5	852.9	851.6	783.9	....	....	....	....	....	....	....	....	....	....	73
Indexes of Unit Values in US Dollars																
Unit Value of Exports	117.2	116.1	114.3	112.7	107.7	....	....	....	....	....	....	....	....	....	....	74..d
Frozen Beef	140.5	114.7	134.9	161.6	159.5	....	140.9	....	....	....	....	....	....	....	....	74kad
Corned Beef	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....	74kdd
Wheat	104.2	119.2	113.0	100.8	93.6	....	96.4	....	....	....	....	....	....	....	....	74d.d
Unit Value of Imports	97.5	96.5	94.1	94.8	94.5	....	....	....	....	....	....	....	....	....	....	75..d
Minus Sign Indicates Debit																
Balance of Payments																
Current Account, n.i.e.	-2,348	-1,421	-2,527	-3,823	....	....	....	....	....	....	....	....	....	....	....	78ald
Goods: Exports f.o.b.	5,631	7,023	6,618	5,951	....	....	....	....	....	....	....	....	....	....	....	78aad
Goods: Imports f.o.b.	-6,043	-7,022	-7,626	-7,727	....	....	....	....	....	....	....	....	....	....	....	78abd
Trade Balance	-412	1	-1,008	-1,776	....	....	....	....	....	....	....	....	....	....	....	78acd
Services: Credit	862	792	782	835	....	....	....	....	....	....	....	....	....	....	....	78add
Services: Debit	-2,090	-1,294	-1,379	-1,577	....	....	....	....	....	....	....	....	....	....	....	78aed
Balance on Goods & Services	-1,640	-501	-1,605	-2,518	....	....	....	....	....	....	....	....	....	....	....	78afd
Income: Credit	1,271	1,343	1,425	1,429	....	....	....	....	....	....	....	....	....	....	....	78agd
Income: Debit	-2,035	-2,373	-2,403	-2,862	....	....	....	....	....	....	....	....	....	....	....	78ahd
Balance on Gds, Serv. & Inc.	-2,404	-1,531	-2,583	-3,951	....	....	....	....	....	....	....	....	....	....	....	78aid
Current Transfers, n.i.e.: Credit	81	134	80	155	....	....	....	....	....	....	....	....	....	....	....	78ajd
Current Transfers: Debit	-25	-24	-24	-27	....	....	....	....	....	....	....	....	....	....	....	78akd
Capital Account, n.i.e.	—	—	—	—	....	....	....	....	....	....	....	....	....	....	....	78bcd
Capital Account, n.i.e.: Credit	—	—	—	—	....	....	....	....	....	....	....	....	....	....	....	78bad
Capital Account: Debit	—	—	—	—	....	....	....	....	....	....	....	....	....	....	....	78bbd
Financial Account, n.i.e.	1,881	2,896	2,194	6,286	....	....	....	....	....	....	....	....	....	....	....	78bjd
Direct Investment Abroad	-67	-248	281	6	....	....	....	....	....	....	....	....	....	....	....	78bdd
Dir. Invest. in Rep. Econ., n.i.e.	776	1,646	2,091	1,813	....	....	....	....	....	....	....	....	....	....	....	78bed
Portfolio Investment Assets	-604	74	-552	181	....	....	....	....	....	....	....	....	....	....	....	78bfd
Equity Securities	-13	-45	-6	-50	....	....	....	....	....	....	....	....	....	....	....	78bkd
Debt Securities	-591	119	-546	231	....	....	....	....	....	....	....	....	....	....	....	78bld
Portfolio Investment Liab., n.i.e.	3,864	2,791	3,006	1,688	....	....	....	....	....	....	....	....	....	....	....	78bgd
Equity Securities	—	—	—	—	....	....	....	....	....	....	....	....	....	....	....	78bmd
Debt Securities	3,864	2,791	3,006	1,688	....	....	....	....	....	....	....	....	....	....	....	78bnd
Other Investment Assets	-1,845	-2,003	-4,563	1,243	....	....	....	....	....	....	....	....	....	....	....	78bhd
Monetary Authorities	-140	-36	-38	3	....	....	....	....	....	....	....	....	....	....	....	78bod
General Government	-227	151	-123	134	....	....	....	....	....	....	....	....	....	....	....	78bpd
Banks	-1,326	-2,498	-1,166	-509	....	....	....	....	....	....	....	....	....	....	....	78bqd
Other Sectors	-152	380	-3,236	1,615	....	....	....	....	....	....	....	....	....	....	....	78brd
Other Investment Liab., n.i.e.	-243	636	1,931	1,355	....	....	....	....	....	....	....	....	....	....	....	78bid
Monetary Authorities	-1	-7	-1	-5	....	....	....	....	....	....	....	....	....	....	....	78bsd
General Government	-317	-217	196	531	....	....	....	....	....	....	....	....	....	....	....	78btd
Banks	249	787	1,827	991	....	....	....	....	....	....	....	....	....	....	....	78bud
Other Sectors	-174	73	-91	-162	....	....	....	....	....	....	....	....	....	....	....	78bvd
Net Errors and Omissions	19	-1	6	1	....	....	....	....	....	....	....	....	....	....	....	78cad
Overall Balance	-448	1,474	-327	2,464	....	....	....	....	....	....	....	....	....	....	....	78cbd
Reserves and Related Items	448	-1,474	327	-2,464	....	....	....	....	....	....	....	....	....	....	....	79dad
Reserve Assets	411	-1,513	411	-2,391	....	....	....	....	....	....	....	....	....	....	....	79dbd
Use of Fund Credit and Loans	54	39	-68	-62	....	....	....	....	....	....	....	....	....	....	....	79dcd
Exceptional Financing	-16	—	-17	-10	....	....	....	....	....	....	....	....	....	....	....	79ded

Argentina

213

		1991	1992	1993	1994	1995	1996	1997	1995 I	1995 II	1995 III	1995 IV	1996 I	1996 II	1996 III	1996 IV
Government Finance																*Millions of Pesos:*
Deficit (-) or Surplus	**80**	-963.0	-73.0	-1,574.0	-1,885.7	I-1,426.0	-5,233.6	....	....	....	....	....	I-1,169.6	-794.2	-1,463.1	-1,806.
Revenue	**81**	8,028.5	12,889.0	15,555.0	15,591.8	I38,060.9	35,501.0	....	....	....	....	....	I8,713.1	8,903.7	8,875.9	9,008..
Exp. & Lending Minus Repay.	**82z**	8,991.5	12,962.0	17,129.0	17,477.5	I39,486.9	40,734.6	....	....	....	....	....	I9,882.7	9,697.9	10,339.0	10,815.
Expenditure	**82**	....	....	....	....	40,574.5	41,066.1	....	....	....	....	....	I9,881.5	9,948.5	10,402.7	10,833
Lending Minus Repayments	**83**	....	....	....	....	-1,087.6	-331.5	....	....	....	....	....	1.2	-250.6	-63.7	-18.
Total Financing	**84**	963.0	73.0	1,574.0	1,885.7	I1,426.0	5,233.6	....	....	....	....	....	I1,169.6	794.2	1,463.1	1,806.
Net Borrowing: Domestic	**84a**	869.4	895.0	1,740.0	863.2	....	....	....	....	....	....	....	....	....	....	...
Foreign	**85a**	310.8	-118.0	1,283.0	1,256.8	....	....	....	....	....	....	....	....	....	....	...
Use of Cash Balances	**87**	-217.1	-704.0	-1,449.0	-234.3	....	....	....	....	....	....	....	....	....	.. .	...
National Accounts																*Millions of Pesos*
Exports of Goods & Services	**90c**	14,046	15,096	15,952	18,864	24,179	27,413	***29,661***	....	....	....	....	....	....	....	...
Government Consumption	**91f**	—	—	—	—	—	....	....	....	....	....	....	....	....	....	...
Gross Fixed Capital Formation	**93e**	26,478	37,854	47,373	56,256	50,429	52,426	63,787	....	....	....	....	....	....	....	...
Increase/Decrease(-) in Stocks	**93i**	—	—	—	—	—	....	....	....	....	....	....	....	....	....	....
Private Consumption	**96f**	151,448	192,670	215,405	232,624	229,063	245,773	***265,084***	....	....	....	....	....	....	....	....
Imports of Goods & Services	**98c**	-11,074	-18,823	-21,161	-26,099	-24,130	-28,253	-35,146	....	....	....	....	....	....	....	..
Gross Domestic Product (GDP)	**99b**	180,898	226,847	257,570	281,645	279,543	297,359	323,386	....	....	....	....	....	....	....	....
Net Factor Inc/Pmts(-) Abroad	**98.n**	-2,301	-2,065	-2,798	-3,231	-3,106	-3,272	-4,211	....	....	....	....	....	....	....	....
Gross National Income (GNI)	**99a**	178,597	224,782	254,772	278,414	276,437	293,087	319,175	....	....	....	....	....	....	....	....
GDP 1990 Prices *(Millions)*	**99b.p**	76,216	83,540	88,320	95,388	91,554	***383,661***	***417,015***	92,282	95,148	91,569	91,854	***89,798***	***97,984***	***96,671***	***99,208***
							Millions: Midyear Estimates									
Population	**99z**	32.97	33.42	33.87	34.32	34.77	35.22	35.67	....	....	....					

Population **99z**

Date of Fund Membership: September 20, 1956
Standard Sources:
B: Central Bank of the Republic, *Statistical Bulletin*
S: National Institute of Statistics and Census,
Quarterly Statistical Bulletin.
Monthly Statistics

Exchange Rates: On January 1, 1992 the peso argentino, equal to 10,000 australes, was introduced.

Official Rate (End of Period and *Period Average):* The official rate is pegged to the U.S. dollar.

International Liquidity: As of April 1, 1991, international reserve assets back the monetary liabilities of the Central Bank of the Republic of Argentina. *Gold (National Valuation) (line 1and)* is the U.S. dollar value of official holdings of gold as reported in the country's standard sources. *Foreign Exchange (line 1d.d):* The decline in foreign exchange holdings of the Central Bank in August 1995 was partly due to a decrease in reserve requirements at the Central Bank that could be met by a corresponding increase in the banks' deposits abroad in certain foreign banks. *Line 3..d* mainly comprises payments agreements balances and export bills held by the Central Bank.

Argentina's national definition of international reserves includes the central bank's holdings of gold, SDRs, reserve position in the Fund, foreign exchange, net assets of the ALADI agreement (multilateral payment system), and domestic government securities payable in foreign exchange.

Monetary Authorities: Comprises the Central Bank of the Republic of Argentina (CBRA) only. Accounts classified as central government include also positions with nonfinancial public enterprises. I Beginning in January 1994, data are based on a more detailed sectorization of the accounts.

The Law No. 23,928 on the convertibility of the peso, effective as of April 1, 1991, establishes that the international reserve assets back, by at least 100 percent, the monetary liabilities of the CBRA.

The definition of foreign assets of the monetary authorities in *IFS* differs from the definition of foreign assets in the *Bulletin* in that the latter excludes the foreign exchange received by the CBRA under swaps from domestic financial entities' current account balances in foreign currencies.

Deposit Money Banks: Comprises national, provincial, and municipal banks, Caja Nacional de Ahorro y Seguro (savings bank), and private commercial banks including branches of foreign banks. Holdings of public securities and accrued income on loans, which are classified as *Claims on Central Government (line 22a),* include also positions with state and local governments and nonfinancial public enterprises. *Claims on Official Entities (line 22bx)* comprise mainly claims on nonfinancial public enterprises. Positions in financial derivatives are included in unclassified assets and liabilities which are shown in other items net. I See note to section 10.

Monetary Survey: I See note to sections 10 and 20. *Money (line 34)* excludes deposits of other banking institutions.

Other Banking Institutions: Comprises investment finance companies, credit cooperatives, and savings and loan associations for housing. I See note to sections 10 and 20.

Banking Survey: I See note to sections 10 and 20.

Interest Rates: All interest rate data are from source B.

Money Market Rate: Represents average rate on loans denominated in national currency of up to 15 days between domestic financial institutions. The rate is weighted by daily loan amounts.

Money Market Rate in U.S. Dollars: Represents average rate on loans denominated in U.S. dollars of up to 15 days between domestic financial institutions. The rate is weighted by daily loan amounts.

Deposit Rate: Average rate offered on 30- to 89-day time deposits in national currency. Beginning August 1993, average rate offered on 30- to 59-day time deposits in national currency. The rate is weighted by deposit amounts.

Lending Rate: Arithmetic average rate at which a selected group of banks is willing to lend to most creditworthy business customers on 30-day loans denominated in national currency.

Lending Rate in U.S. Dollars: Arithmetic average rate at which a selected group of banks is willing to lend to most creditworthy business customers on 30-day loans denominated in U.S. dollars.

Prices, Production, Labor: *Producer Price:* Source S fixed-based Laspeyres index, base 1993, covering agricultural, fishing, mining, manufacturing, and electricity production for domestic and export markets. *Consumer Prices:* Source S data on consumer prices in Buenos Aires metropolitan area, base September 1974. The index is derived from a family expenditure survey of employees' households with a monthly income between 250 and 2,500 pesos conducted during the period October 1970 to September 1971. I From 1988 onwards, weights are based on a family expenditure survey of 1985–86, base 1988. *Wages: Monthly Earnings (Manufacturing):* Source S index, base 1990. Data cover wages, including overtime pay and holiday pay, of production workers in manufacturing firms employing 10 or more people.

Manufacturing Production: Data refer to source S index, base 1990. Index covers all sectors of manufacturing production.

Crude Petroleum Production: Index based on data (in thousands of cubic meters) directly supplied by the Central Bank.

International Transactions: Value of *Exports* and *Imports:* Trade data are from source S, with the exception of imports f.o.b. which are supplied by the Central Bank.

Trade indices are from source S, base 1993. Aggregate volume data are Laspeyres, and unit value indices are Paasche indices.

Government Finance: Monthly, quarterly, and annual data cover the consolidated central government and are derived from *Public Sector Accounts—Public Sector on a Cash Basis—Savings, Investment, and Financing,* a monthly publication of the Ministry of Economy, Public Works, and Services. Revenue and expenditure data are adjusted to exclude taxes collected by the central government and shared with provincial governments, and expenditure data include transfers to nonfinancial public enterprises. I Prior to 1995, data covered the budgetary central government.

National Accounts: Source B. *Line 93e* includes *line 93i. Line 96f* includes *line 91f. Line 99b.p* is based on national data at 1986 prices.

Argentina

213

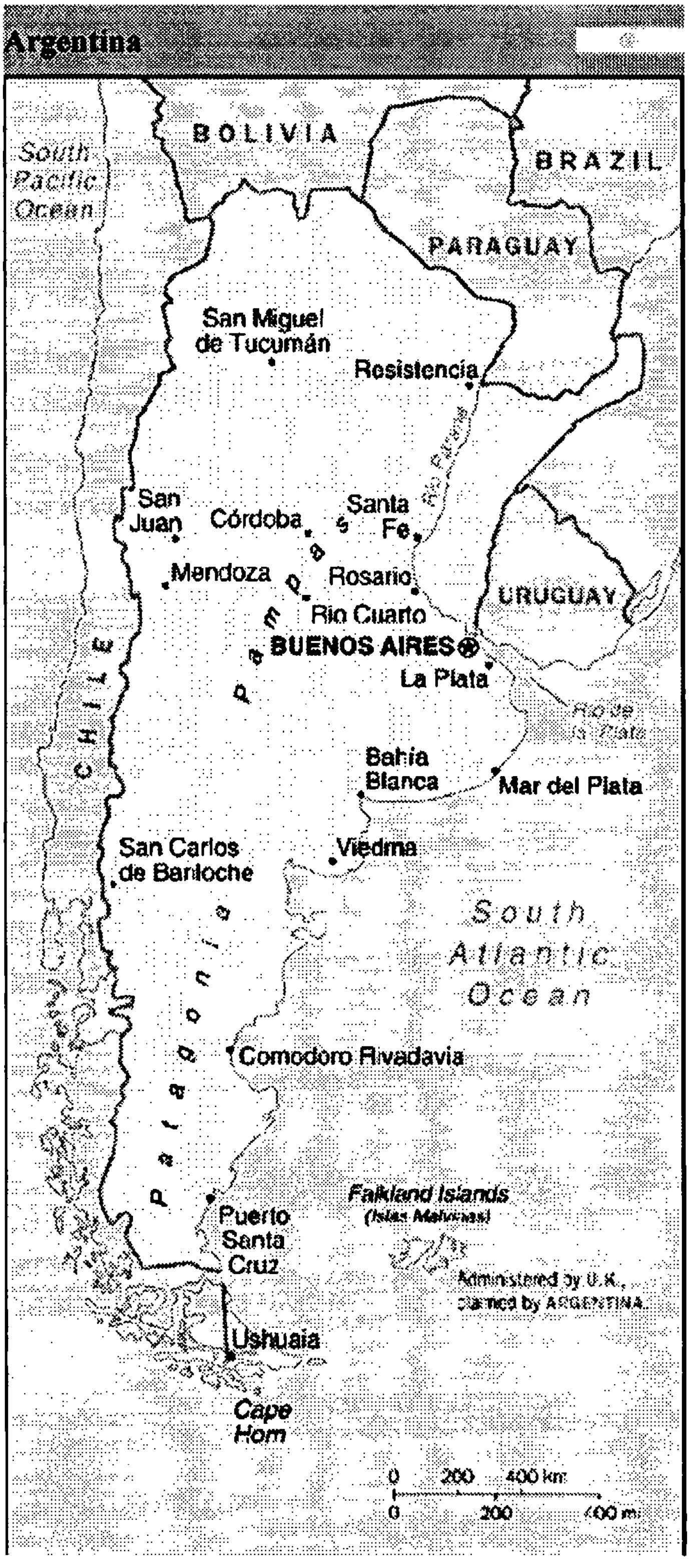
	1997 I	1997 II	1997 III	1997 IV	1998 I	1998 II	1997 Dec	1998 Jan	1998 Feb	1998 Mar	1998 Apr	1998 May	1998 June	1998 July	1998 Aug
Government Finance	*Year Ending December 31*														
Deficit (-) or Surplus **80**	-946.4	-590.4	....	....	....	....	....	....	....	....	....	....	....	....	....
Revenue **81**	9,559.9	10,353.3	....	....	....	....	....	....	....	....	....	....	....	....	....
Exp. & Lending Minus Repay. **82z**	10,506.3	10,943.7	....	....	....	....	....	....	....	....	....	....	....	....	....
Expenditure **82**	10,504.9	10,909.2	....	....	....	....	....	....	....	....	....	....	....	....	....
Lending Minus Repayments **83**	1.4	34.5	....	....	....	....	....	....	....	....	....	....	....	....	....
Total Financing **84**	946.4	590.4	....	....	....	....	....	....	....	....	....	....	....	....	....
Net Borrowing: Domestic **84a**	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....
Foreign **85a**	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....
Use of Cash Balances **87**	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....
National Accounts	*Millions of Pesos*														
Exports of Goods & Services **90c**	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....
Government Consumption **91f**	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....
Gross Fixed Capital Formation **93e**	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....
Increase/Decrease(-) in Stocks **93i**	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....
Private Consumption **96f**	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....
Imports of Goods & Services **98c**	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....
Gross Domestic Product (GDP) **99b**	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....
Net Factor Inc/Pmts(-) Abroad **98.n**	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....
Gross National Income (GNI) **99a**	....	....	....	....	....	....	....	....	....	....	....	....	....	....	....
GDP 1990 Prices *(Millions)* **99b.p**	*96,964*	*106,164*	106,509	*107,379*	*103,950*	*113,525*	....	....	....	....	....	....	....	....	....

Antigua and Barbuda

311

Millions of US Dollars: Minus Sign Indicates Debit

	Code	1991	1992	1993	1994	1995	1996	1997	1997 III	1997 IV	1998 I
Balance of Payments											
Current Account, n.i.e.	**78al*d***	-33.37	-18.87	-.47	-17.95	-.51	-39.76	....	....	....	....
Goods: Exports f.o.b.	**78aa*d***	49.50	64.70	62.08	44.45	53.14	54.04	....	....	....	....
Goods: Imports f.o.b.	**78ab*d***	-258.79	-272.63	-282.58	-298.12	-301.76	-316.61	....	....	....	....
Trade Balance	**78ac*d***	-209.29	-207.94	-220.50	-253.67	-248.61	-262.57	....	....	....	....
Services: Credit	**78ad*d***	320.20	342.57	377.20	396.31	348.69	367.51	....	....	....	....
Services: Debit	**78ae*d***	-113.27	-122.73	-131.57	-134.93	-143.18	-154.50	....	....	....	....
Balance on Goods & Services	**78af*d***	-2.36	11.90	25.14	7.71	-43.10	-49.56	....	....	....	....
Income: Credit	**78ag*d***	2.66	3.70	3.11	4.26	5.21	5.79	....	....	....	....
Income: Debit	**78ah*d***	-34.98	-33.36	-26.04	-30.81	-31.86	-23.91	....	....	....	....
Balance on Gds, Serv. & Inc.	**78ai*d***	-34.67	-17.76	2.20	-18.84	-69.76	-67.69	....	....	....	....
Current Transfers, n.i.e.: Credit	**78aj*d***	9.16	8.54	9.07	10.36	77.94	31.49	....	....	....	....
Current Transfers: Debit	**78ak*d***	-7.86	-9.66	-11.75	-9.47	-8.69	-3.56	....	....	....	....
Capital Account, n.i.e.	**78bc*d***	6.43	5.74	6.81	5.91	6.99	3.55	....	....	....	....
Capital Account, n.i.e.: Credit	**78ba*d***	6.43	5.74	6.81	6.53	6.99	3.55	....	....	....	....
Capital Account: Debit	**78bb*d***	—	—	—	-.62	—	—	....	....	....	....
Financial Account, n.i.e.	**78bj*d***	46.44	39.54	.10	13.79	12.07	61.74	....	....	....	....
Direct Investment Abroad	**78bd*d***	—	....	....	....	....	....	....	....	....	....
Dir. Invest. in Rep. Econ., n.i.e.	**78be*d***	54.71	19.60	14.91	24.81	31.47	18.75	....	....	....	....
Portfolio Investment Assets	**78bf*d***	—	—	—	—	1.19	—	....	....	....	....
Equity Securities	**78bk*d***	—	—	—	—	1.19	—	....	....	....	....
Debt Securities	**78bl*d***	—	—	—	—	—	—	....	....	....	....
Portfolio Investment Liab., n.i.e.	**78bg*d***	—	—	—	-1.38	-1.28	-1.59	....	....	....	....
Equity Securities	**78bm*d***	—	—	—	-1.38	-1.28	-.78	....	....	....	....
Debt Securities	**78bn*d***	—	—	—	—	—	-.81	....	....	....	....
Other Investment Assets	**78bh*d***	-23.97	8.47	-17.85	-13.59	-14.39	35.62	....	....	....	....
Monetary Authorities	**78bo*d***	....	....	....	....	....	....	....	....	....	....
General Government	**78bp*d***	—	....	....	....	....	....	....	....	....	....
Banks	**78bq*d***	-23.97	8.47	-17.85	-13.59	-14.39	35.62	....	....	....	....
Other Sectors	**78br*d***	—	....	....	....	....	....	....	....	....	....
Other Investment Liab., n.i.e.	**78bi*d***	15.69	11.47	3.04	3.94	-4.91	8.97	....	....	....	....
Monetary Authorities	**78bs*d***	—	—	—	—	—	—	....	....	....	....
General Government	**78bt*d***	17.56	6.42	.01	5.67	4.19	-1.55	....	....	....	....
Banks	**78bu*d***	—	....	....	....	....	....	....	....	....	....
Other Sectors	**78bv*d***	-1.87	5.05	3.03	-1.73	-9.10	10.52	....	....	....	....
Net Errors and Omissions	**78ca*d***	-14.40	-10.00	-18.65	6.33	-4.96	-36.80	....	....	....	....
Overall Balance	**78cb*d***	5.10	16.40	-12.22	8.08	13.59	-11.26	....	....	....	....
Reserves and Related Items	**79da*d***	-5.10	-16.40	12.22	-8.08	-13.59	11.26	....	....	....	....
Reserve Assets	**79db*d***	-5.10	-16.40	12.22	-8.08	-13.59	11.26	....	....	....	....
Use of Fund Credit and Loans	**79dc*d***	—	—	—	—	—	—	....	....	....	....
Exceptional Financing	**79de*d***	—	....	....	....	....	....	....	....	....	....



Geography

Location: Southern South America, bordering the South Atlantic Ocean, between Chile and Uruguay

Geographic coordinates: 34 00 S, 64 00 W

Map references: South America

Area:
total: 2,766,890 sq km
land: 2,736,690 sq km
water : 30,200 sq km

Area - comparative: slightly less than three-tenths the size of the US

Land boundaries:
total: 9,665 km
border countries: Bolivia 832 km, Brazil 1,224 km, Chile 5,150 km, Paraguay 1,880 km, Uruguay 579 km

Coastline: 4,989 km

Maritime claims:
contiguous zone: 24 nm
continental shelf: 200 nm or to the edge of the continental margin
exclusive economic zone: 200 nm
territorial sea: 12 nm

Climate: mostly temperate; arid in southeast; subantarctic in southwest

Terrain: rich plains of the Pampas in northern half, flat to rolling plateau of Patagonia in south, rugged Andes along western border

Elevation extremes:
lowest point: Salinas Chicas -40 m
highest point: Cerro Aconcagua 6,962 m

Natural resources: fertile plains of the pampas, lead, zinc, tin, copper, iron ore, manganese, petroleum, uranium

Land use:
arable land: 9%
permanent crops: 1%
permanent pastures: 52%
forests and woodland: 19%
other: 19% (1993 est.)

Irrigated land: 17,000 sq km (1993 est.)

Natural hazards: San Miguel de Tucuman and Mendoza areas in the Andes subject to earthquakes; pamperos are violent windstorms that can strike the Pampas and northeast; heavy flooding

Environment - current issues: erosion results from inadequate flood controls and improper land use practices; irrigated soil degradation; desertification; air pollution in Buenos Aires and other major cities; water pollution in urban areas; rivers becoming polluted due to increased pesticide and fertilizer use

Environment - international agreements:

party to : Antarctic-Environmental Protocol, Antarctic Treaty, Biodiversity, Climate Change, Endangered Species, Environmental Modification, Hazardous Wastes, Law of the Sea, Marine Dumping, Nuclear Test Ban, Ozone Layer Protection, Ship Pollution, Wetlands
signed, but not ratified: Desertification, Marine Life Conservation

Geography - note: second-largest country in South America (after Brazil); strategic location relative to sea lanes between South Atlantic and South Pacific Oceans (Strait of Magellan, Beagle Channel, Drake Passage)

People

Population: 35,797,985 (July 1997 est.)

Age structure:
0-14 years: 28% (male 5,042,521; female 4,855,874)
15-64 years : 62% (male 11,133,884; female 11,155,104)
65 years and over: 10% (male 1,499,538; female 2,111,064) (July 1997 est.)

Population growth rate: 1.3% (1997 est.)

Birth rate: 20.01 births/1,000 population (1997 est.)

Death rate: 7.68 deaths/1,000 population (1997 est.)

Net migration rate: 0.67 migrant(s)/1,000 population (1997 est.)

Sex ratio:
at birth: 1.05 male(s)/female
under 15 years: 1.04 male(s)/female
15-64 years: 1 male(s)/female
65 years and over: 0.71 male(s)/female
total population: 0.98 male(s)/female (1997 est.)

Infant mortality rate: 19.6 deaths/1,000 live births (1997 est.)

Life expectancy at birth:
total population: 74.31 years
male: 70.67 years
female: 78.12 years (1997 est.)

Total fertility rate: 2.69 children born/woman (1997 est.)

Nationality:
noun: Argentine(s)
adjective: Argentine

Ethnic groups: white 85%, mestizo, Amerindian, or other nonwhite groups 15%

Religions: nominally Roman Catholic 90% (less than 20% practicing), Protestant 2%, Jewish 2%, other 6%

Languages: Spanish (official), English, Italian, German, French

Literacy:
definition: age 15 and over can read and write
total population: 96.2%
male : 96.2%
female: 96.2% (1995 est.)

Government

Country name:
conventional long form : Argentine Republic
conventional short form: Argentina
local long form: Republica Argentina
local short form: Argentina

Data code: AR

Government type: republic

National capital: Buenos Aires

Administrative divisions: 23 provinces (provincias, singular - provincia), and 1 federal district* (distrito federal); Buenos Aires; Catamarca; Chaco; Chubut; Cordoba; Corrientes; Distrito Federal*; Entre Rios; Formosa; Jujuy; La Pampa; La Rioja; Mendoza; Misiones; Neuquen; Rio Negro; Salta; San Juan; San Luis; Santa Cruz; Santa Fe; Santiago del Estero; Tierra del Fuego, Antartida e Islas del Atlantico Sur; Tucuman
note: the US does not recognize any claims to Antarctica

Independence: 9 July 1816 (from Spain)

National holiday: Revolution Day, 25 May (1810)

Constitution: 1 May 1853; revised August 1994

Legal system: mixture of US and West European legal systems; has not accepted compulsory ICJ jurisdiction

Suffrage: 18 years of age; universal

Executive branch:
chief of state : President Carlos Saul MENEM (since 8 July 1989); Vice President Carlos RUCKAUF (since 8 July 1995); note - the president is both the chief of state and head of government
head of government: President Carlos Saul MENEM (since 8 July 1989); Vice President Carlos RUCKAUF (since 8 July 1995); note - the president is both the chief of state and head of government
cabinet: Cabinet appointed by the president
elections: president and vice president elected on the same ticket by popular vote for four-year terms; election last held 14 May 1995 (next to be held May 1999)
election results : Carlos Saul MENEM reelected president; percent of vote - NA

Legislative branch: bicameral National Congress or Congreso Nacional consists of the Senate (72 seats; three members appointed by each of the provincial legislatures, one-third of the members appointed every three years to a 9-year term) and the Chamber of Deputies (257 seats; one-half of the members elected every two years to four-year terms)
elections: Senate - last held NA May 1995 (next to be held NA 1998); Chamber of Deputies - last held 14 May 1995; (next to be held NA October 1997)
election results: Senate - percent of vote by party - NA; seats by party - PJ 38, others 34; Chamber of Deputies - percent of vote by party - NA; seats by party - PJ 132, UCR 68, Frepaso 26, other 31

Judicial branch: Supreme Court (Corte Suprema), the nine Supreme Court judges are appointed by the president with approval of the Senate

Political parties and leaders: Justicialist Party or PJ [Carlos Saul MENEM] (Peronist umbrella political organization); Radical Civic Union or UCR [Rodolfo TERRAGNO] (moderately left-of-center party); Union of the Democratic Center or UCD (conservative party); Dignity and Independence Political Party or MODIN [Aldo RICO] (right-wing party); Front for a Country in Solidarity or Frepaso (a four party coalition) [leader Carlos ALVAREZ]; several provincial parties

Political pressure groups and leaders: Peronist-dominated labor movement; General Confederation of Labor or CGT (Peronist-leaning umbrella labor organization); Argentine Industrial Union (manufacturers' association); Argentine Rural Society (large landowners' association); business organizations; students; the Roman Catholic Church; the Armed Forces

International organization participation: AfDB, AG (observer), Australia Group, BCIE, CCC, ECLAC, FAO, G- 6, G-11, G-15, G-19, G-24, G-77, IADB, IAEA, IBRD, ICAO, ICC, ICFTU, ICRM, IDA, IFAD, IFC, IFRCS, IHO, ILO, IMF, IMO, Inmarsat, Intelsat, Interpol, IOC, IOM, ISO, ITU, LAES, LAIA, Mercosur, MINURSO, MTCR, NSG (observer), OAS, OPANAL, PCA, RG, UN, UNAVEM III, UNCTAD, UNESCO, UNFICYP, UNHCR, UNIDO, UNIKOM, UNITAR, UNMIBH, UNMOP, UNPREDEP, UNTAES, UNTSO, UNU, UPU, WCL, WFTU, WHO, WIPO, WMO, WToO, WTrO

Diplomatic representation in the US:
chief of mission : Ambassador Raul Enrique GRANILLO OCAMPO
chancery: 1600 New Hampshire Avenue NW, Washington, DC 20009
telephone: [1] (202) 939-6400 through 6403
FAX: [1] (202) 332-3171
consulate(s) general : Atlanta, Chicago, Houston, Los Angeles, Miami, New Orleans, New York, San Francisco, and San Juan (Puerto Rico)

Diplomatic representation from the US:
chief of mission: Ambassador James R. CHEEK has returned to Washington; replacement not yet appointed
embassy: 4300 Colombia, 1425 Buenos Aires
mailing address : Unit 4334, APO AA 34034
telephone: [54] (1) 777-4533, 4534
FAX : [54] (1) 777-0197

Flag description: three equal horizontal bands of light blue (top), white, and light blue; centered in the white band is a radiant yellow sun with a human face known as the Sun of May

Economy

Economy - overview: Argentina benefits from rich natural resources, a highly literate population, an export-oriented agricultural sector, and a diversified industrial base. Nevertheless, following decades of mismanagement and statist policies, the economy in the late 1980s was plagued with huge external debts and recurring bouts of hyperinflation. Elected in 1989, in the depths of recession, President MENEM has implemented a comprehensive economic restructuring program that shows signs of putting Argentina on a path of stable, sustainable growth. Argentina's currency has traded at par with the US dollar since April 1991, and inflation has fallen to its lowest level in 50 years. Argentines have responded to price stability by repatriating capital and investing in domestic industry. Growth averaged more than 8% between 1991 and 1994, then fell to 4.6% in 1995, largely in reaction to the Mexican peso crisis. The economy grew at 4.4% in 1996, with the strongest growth occurring in the second half of the year. Unemployment increased slightly - to over 17% - and Buenos Aires was forced to renegotiate fiscal targets with the IMF. Although the economy is expected to grow by at least 5% in 1997, unemployment and fiscal concerns will continue to challenge the MENEM administration.

GDP: purchasing power parity - $296.9 billion (1996 est.)

GDP - real growth rate: 4.4% (1996)

GDP - per capita: purchasing power parity - $8,600 (1996 est.)

GDP - composition by sector:
agriculture: 7%
industry: 29%
services: 64% (1995 est.)

Inflation rate - consumer price index: 0.1% (yearend 1996)

Labor force:
total: 14.5 million (1995 est.)
by occupation : agriculture 12%, industry 31%, services 57% (1985 est.)

Unemployment rate: 17.3% (October 1996)

Budget:
revenues: $50.3 billion
expenditures : $51.7 billion, including capital expenditures of $3.2 billion (1995 est.)

Industries: food processing, motor vehicles, consumer durables, textiles, chemicals and petrochemicals, printing, metallurgy, steel

Industrial production growth rate: 5% (1996 est.)

Electricity - capacity: 20.207 million kW (1995)

Electricity - production: 67.369 billion kWh (1995)

Electricity - consumption per capita: 1,606 kWh (1995 est.)

Agriculture - products: wheat, corn, sorghum, soybeans, sugar beets; livestock

Exports:
total value: $23.8 billion (f.o.b., 1996)
commodities : meat, wheat, corn, oilseed, manufactures, fuels
partners: Brazil 26.1%, US 8.5%, Chile 7.0%, Netherlands 5.7%, Italy 3.5% (1995)

Imports:
total value: $23.7 billion (c.i.f., 1996)
commodities: machinery and equipment, chemicals, metals, transport equipment, agricultural products
partners: Brazil 20.8%, US 20.7%, Italy 6.3%, Germany 6.2%, France 5.2% (1995)

Debt - external: $95 billion (1996 est.)

Economic aid: $NA

Currency: 1 nuevo peso argentino = 100 centavos

Exchange rates: pesos per US$1 - 0.99950 (January 1997), 0.99966 (1996), 0.99975 (1995), 0.99901 (1994), 0.99895 (1993), 0.99064 (1992)

Fiscal year: calendar year

Communications

Telephones: 4.6 million (1990)

Telephone system: 12,000 public telephones; extensive modern system but many families do not have telephones; despite extensive use of microwave radio relay, the telephone system frequently grounds out during rainstorms, even in Buenos Aires
domestic: microwave radio relay and a domestic satellite system with 40 earth stations serve the trunk network
international : satellite earth stations - 2 Intelsat (Atlantic Ocean)

Radio broadcast stations: AM 171, FM 0, shortwave 13

Radios: 22.3 million (1991 est.)

Television broadcast stations: 231

Televisions: 7.165 million (1991 est.)

Transportation

Railways:
total: 37,910 km
broad gauge: 24,124 km 1.676-m gauge (142 km electrified)
standard gauge: 2,765 km 1.435-m gauge
narrow gauge: 11,021 km 1.000-m gauge (26 km electrified)

Highways:
total : 216,100 km
paved: 61,589 km (including 600 km of expressways)
unpaved : 154,511 km (1995 est.)

Waterways: 11,000 km navigable

Pipelines: crude oil 4,090 km; petroleum products 2,900 km; natural gas 9,918 km

Ports and harbors: Bahia Blanca, Buenos Aires, Comodoro Rivadavia, Concepcion del Uruguay, La Plata, Mar del Plata, Necochea, Rio Gallegos, Rosario, Santa Fe, Ushuaia

Merchant marine:
total: 36 ships (1,000 GRT or over) totaling 263,266 GRT/385,211 DWT
ships by type: cargo 11, chemical tanker 1, container 2, oil tanker 14, railcar carrier 1, refrigerated cargo 6, roll-on/roll-off cargo 1 (1996 est.)

Airports: 1,202 (1996 est.)

Airports - with paved runways:
total: 598
over 3,047 m: 5
2,438 to 3,047 m: 25
1,524 to 2,437 m: 55
914 to 1,523 m : 44
under 914 m: 469 (1996 est.)

Airports - with unpaved runways:
total: 604
over 3,047 m: 1
2,438 to 3,047 m : 2
1,524 to 2,437 m: 59
914 to 1,523 m: 542 (1996 est.)

Military

Military branches: Argentine Army, Navy of the Argentine Republic, Argentine Air Force, National Gendarmerie, Argentine Naval Prefecture (Coast Guard only), National Aeronautical Police Force

Military manpower - military age: 20 years of age

Military manpower - availability:
males age 15-49: 8,932,491 (1997 est.)

Military manpower - fit for military service:
males : 7,244,682 (1997 est.)

Military manpower - reaching military age annually:
males: 321,345 (1997 est.)

Military expenditures - dollar figure: $4.6 billion (1996)

Military expenditures - percent of GDP: 1.6% (1996)

Transnational Issues

Disputes - international: short section of the boundary with Chile is indefinite; claims British-administered Falkland Islands (Islas Malvinas); claims British-administered South Georgia and the South Sandwich Islands; territorial claim in Antarctica

Illicit drugs: increasing use as a transshipment country for cocaine headed for Europe and the US

Countries: Argentina

Once among the world's most prosperous economies, Argentina experienced slow economic growth from the 1940s until the start of the Convertibility Plan in 1991. By the mid-1970s long-term growth had declined noticeably, and in the last half of the 1980s, Argentina suffered its longest period of stagnation in the century. Savings and investment rates fell precipitously from the mid-1970s until 1989. Argentines, responding to the unstable macroeconomic environment, increasingly saved and invested abroad. Labor productivity fell and poverty worsened.

This economic performance was traceable to chronic public sector deficits and endemic inflation. After the return to constitutional democracy in 1983, public demands to control inflation were translated into four successive stabilization programs. All failed to eradicate inflation, and each ended in a more virulent inflation than the one preceding it. The main reason for these failures was the inability of the stabilization programs to redress rapidly and permanently the structural deficit of the public sector.

Post-1989 Structural Reform

A new administration took office in July 1989 during a traumatic hyperinflation—July inflation alone was 200 percent. This culminated a decade-long crisis in public finance. The new economic team inherited weak public institutions accustomed to deficit spending and with an institutionalized reliance on the inflation tax. In addition, claims on the state's revenues were far greater than its capacity to mobilize resources—in short, the Argentine state was insolvent and in crisis.

The administration undertook stabilization programs in 1989 and 1990. Neither succeeded, principally because of the intractability of the fiscal deficit. The first terminated in a new hyperinflation at the end of 1989 and early 1990. The second lasted from March to December 1990 and ended in a new inflationary outburst but, unlike the previous breakdowns, the economy did not spin into hyperinflation. Instead, a new fiscal package in February 1991 was sufficient to close the remaining fiscal gap. This was followed by the April 1, 1991 Law of Convertibility, guaranteeing 1 to 1 convertibility of the peso into dollars, and effectively proscribing money creation other than to buy net foreign reserves. The convertibility program, thus, disciplines monetary policy and limits the powers of the government to finance its deficit through inflation.

Since 1991 the government has sustained structural reform efforts that progressively improved the foundations of public finance. The government has undertaken difficult-to-reverse reforms in the legal framework, institutions, and policies. This process included institutional reforms of the federal government, privatizations, and restructuring of liabilities with domestic and foreign creditors to adjust them to serviceable levels. Other reforms have helped elicit efficient private investment, notably trade, deregulation and financial sector reform.

The government undertook a major effort to improve revenues through a much-broadened and uniform VAT, first to goods in February 1990, and later extended to services in November 1990. The government in 1989 also undertook to improve the efficiency of the tax administration—establishing a control system for the largest taxpayers and improving audits and controls substantially. The tax penalty law, adopted by congress in 1990, provided much needed sanctions for tax non-compliance. The tax package of February 1991 improved the quality of the revenue mobilization substantially because it eliminated export taxes—which had been reduced progressively during 1990 and early 1991—deducted higher taxes on financial transactions from the income/asset tax, and removed several minor taxes. In December 1992 subsidies to industrial promotion were substantially cut through the replacement of the self-monitored tax deductions with a tax bond program. The increase in VAT collection allowed the government to eliminate inefficient taxes, such as the gas-oil tax and the federal stamp tax, in November 1992. These efforts cumulatively produced dramatic rises in tax collections.

Because the wage bill dominated expenditures, in 1990 the government set up legal and administrative machinery to reduce the size of the federal bureaucracy. Federal employment decreased from 671,000 to 284,000. Of the 387,000 reductions, 103,000 were layoffs and 284,000 were transfers of teachers and health workers to the provinces. This effort was based on a ministerial reorganization that focused federal activities on core objectives, and improvements in the civil service system through an improved salary structure and efficiency measures. The government was able to increase average salaries and partially restore salary differentials.

The government has embarked on several reforms to separate the central bank from the non-financial public sector and establish it as an independent, effective monetary authority. The elimination of the central bank's domestic short-term interest-bearing obligations by their conversion into external treasury bonds in January 1990 in effect constituted a first step toward recapitalizing the central bank. The April 1991 Law of Convertibility established a money-creation rule that effectively limits monetary policy and central bank inflationary finance of public sector deficits, much like a currency board. In September 1992 a new law strengthened the central bank's autonomy, and further restricted its ability to extend credit to the government and the banking system. This measure reinforces the Convertibility Law, and paves the way for an independent monetary authority. The central bank intends to complete the process of removing functions ancillary to the functions of a monetary authority by transferring legal authority on failed financial institutions to the courts.

The October 1993 pension reform law has begun to generate pension fund savings on a large scale, securing a growing demand for capital market instruments. A central element of the reform is the combination of pension funds and pay-as-you-go schemes in an integrated system of mandatory pension insurance with private and public institutions competing to supply these funds. The effort to integrate provincial social security systems into the national system is also accelerating.

In addition, the government has sought to restructure fiscal relationships with the provinces. An agreement signed in August 1993—the *Pacto Fiscal*—aims to strengthen the fiscal adjustment in provinces and eliminate distortionary provincial taxes. Progress has been partial, as provincial reforms still require ratification by most provincial legislatures, and the degree of commitment to reform varies across provinces. In return, the national government agreed to forego $0.9 billion in provincial debt, increase transfers, and take over responsibility for provincial social security systems. In January 1994, partially to encourage provincial tax reforms and partially to reduce domestic production costs, the government reduced employer wage taxes in the provinces that carry out the reform.

In October 1988 the government began opening the economy to import competition by reducing quantitative restrictions narrowing tariff bands, and eliminating the production coverage of industrial export taxes. In 1993 concern about alleged unfair trade practices led to temporary increases in trade barriers—most aimed at Brazil and generally consistent with remedies afforded under the MERCOSUR agreement. Continuation or expansion of such measures could undermine the transparency of the trade regime, although the government has repeatedly emphasized its firm commitment to trade liberalization.

In August 1994 Argentina reached an accord with its MERCOSUR partners to establish common external tariffs—with some significant exceptions—on January 1, 1995, moving closer to the establishment of a regional common market, which should provide an impetus for growth. Since Argentina's trade in MERCOSUR is primarily with Brazil—which accounts for 20 percent of Argentina's trade—its prospects are closely tied to the stabilization of the Brazilian economy and resumption of sustainable economic growth.

Privatization

The government has followed an accelerated timetable for privatization or partial divestiture of nearly all its enterprises to reduce the budgetary burden of the enterprises, make the firms more competitive, and increase the volume and efficiency of new investment. The privatization program, in the works since 1988, gained credibility with the sale of the electricity parastatal in November 1990. The program removed politics from price setting in the formerly vast segment of the economy covered by the state. The change in the institutional organization of these sectors cut off public subsidies to consumers and labor groups benefiting from high wages and excess staffing, and transfers for investment. The program also improves public finances: transitionally with more than $2.5 billion in capital receipts to help close fiscal accounts in 1991 and 1992, more permanently by eliminating transfers and increasing tax revenues.

The government has sold two television stations, the electric utility, the national telephone company, and Aerolineas Argentinas. In mid-1991 it began the first comprehensive restructuring of the petroleum industry in Latin America by auctioning off parts of the state oil company. It granted road and railroad concessions to the private sector and privatized long-distance cargo lines, and reduced the railway's work force by 15 percent. In 1992 the government privatized defense industries, the nation's largest distributor of electricity, ports, reinsurance and the entire power sector. In July 1993 the privatization of state-owned oil company enabled the government to cancel obligations to pensioners (about $2.7 billion) and to oil producing provinces (about $1.2 billion).

Recent Economic Developments

Following average economic growth rate of 7.7 percent over 1991-94, the Argentine economy contracted in 1995, with negative economic growth estimated at 4.4 percent—largely because of the Mexican economic crisis, which reverberated throughout Latin America. The sharp recession caused an increase in unemployment and strained the performance of the financial system. The regional financial crisis was the first severe test of the Convertibility Plan. By the end of 1995 there were signs that Argentina was pulling out of its recession without serious damage. Significant pressures to deviate from the Convertibility Plan were met by efforts to strengthen it during the crisis, indicative of the plan's popularity and staying power.

The initial 1995 shock, generating a confidence crisis, contributed to capital outflows, which caused a 17.6 percent loss in banking deposits ($8 billion), with liquid international reserves declining by 30 percent ($4.8 billion). Under the Convertibility Plan's stipulation that the monetary base must be fully backed by international reserves, capital outflows resulted in the demonetization of the economy. This demonetization affected both the performance of the financial system and real economic activity. While the economy exhibited real economic growth in the first quarter of 1995 (3.2 percent), a recession set in during the second quarter (-8.1 percent) and third quarter(-7.7 percent). Unemployment rose to 18.6 percent in May and improved slightly to 16.6 percent in October.

The impact of the shock was moderated by strong trade performance. A combination of good international commodity prices, the contracting domestic economy, the continuous real depreciation of the peso, and the fast pace of economic expansion in Brazil, resulted in a 32.3 percent nominal growth in exports. With the deepening recession, imports (c.i.f.) declined by 6.8 percent, producing a sharp improvement in the trade balance, which shifted from a $5.8 billion deficit in 1994 (exports-f.o.b./imports c.i.f.) to a $0.8 billion surplus in 1995. As a result, the current account deficit was cut to $2.3 billion, less than one-third the 1994 level, or 0.8 percent of GDP.

Fiscal performance was also detrimentally affected by the recession. Despite efforts to rein in expenditures, the shortfall in revenues generated a fiscal deficit equivalent to one percent of GDP, or $2.7 billion (including privatization receipts of $1.1 billion). Half of that deficit was financed by a tax amnesty program announced in November 1995, and the remainder from other sources. Total federal public sector debt rose by $7.8 billion in 1995, most of it foreign, reaching a level of $88.4 billion. In addition to the federal fiscal deficit, the aggregate provincial fiscal deficit was approximately $3 billion, or 1.1 percent of GDP. In a crisis year, where provincial banks faced disproportionately greater difficulties than the rest of the financial system, provincial deficits were increasingly financed through arrears to suppliers, salaries and pensions.

The government reacted forcefully to the crisis. During late February and March, it took strong measures to redress the fiscal balance by cutting expenditures on, among others, export subsidies, public sector wages, and social security expenditures, while raising VAT rates and other taxes. Swift action by congress in approving unpalatable emergency measures at the early months of the crisis, added to the credibility of the measures, which were supported by the IMF and World Bank. As the government was announcing these measures in mid-March, it also assembled an international financial package of approximately $11 billion to support the Convertibility Plan. The announcements effectively stopped the accelerated decline in bank deposits.

The government successfully resisted growing pressures to reverse the economy's liberalization. To its credit, it decided to deepen this process and further accelerate economic adjustment. Congress approved the government's proposed bankruptcy law, a law increasing labor flexibility for small and medium enterprises, and a work-related accidents law.

Immediately after the crisis erupted, the central bank tightened liquidity to prevent a currency run. It set up first a private facility, and subsequently a facility at Banco de la Nacion financed through the imposition of a 2 percent bank reserve requirement, to assist small banks in crisis. To counter the risk of further bank failures, it also facilitated the use of interbank credit, and reduced temporarily reserve requirements in both dollar and peso deposits, and used rediscounts at a faster pace. In February 1995 a Trust Fund for Privatization was established to handle the workout of provincial banks. In March the authorities increased the liquidity in the financial market further by authorizing commercial banks to use 50 percent of their technical reserves to meet their legal reserve requirements. In April, the government established a Bank Capitalization Trust Fund to handle the recapitalization/restructuring of distressed private banks. To stem capital outflows, the authorities facilitated the further dollarization of the banking system, by further limiting distinctions between dollar and peso deposits.

At the provincial level—where there had been few meaningful reforms—the national crisis aggravated an already difficult situation. Faced with a serious deterioration in their fiscal affairs, and social unrest in a number of provinces, local governments accelerated their adjustment process: over a dozen provincial banks were privatized (or were far advanced in the process of privatization), social security systems were transferred to the streamlined national system, salaries were cut, and a number of redundant public employees were let go. Additionally, various public enterprises were privatized.

There is increasing evidence that the Argentine economy ceased to deteriorate in the fourth quarter of 1995. Expectations improved considerably: the stock market index and bond prices rebounded strongly: Argentina was one of the few countries in Latin America where the stock market index at end-1995 exceeded end-1994 levels. Argentina increased considerably its access to international financial markets, and deposits returned to the banking system, recovering nearly all the losses suffered earlier in the crisis. In view of persistent difficulties in the banking system, however, credit expansion remained considerably below end-1994 levels.

Liquid international reserves regained all losses suffered in early 1995, reaching $16 billion in December of 1995, contributing to the remonetization of the economy. Consumer price inflation in 1995 was 1.6 percent, the lowest in 51 years.

The economy has recovered slowly in 1996. Unemployment remains a persistent problem, with the official May survey indicating a 17.1 percent national unemployment rate.

Medium-Term Prospects

The government's central macroeconomic objective is to achieve robust long-term growth, while expanding employment and holding inflation to international levels. Continued private capital inflows will be needed to ensure a smooth transition to a sustainable balance of payments. Recent developments in international financial markets have underscored Argentina's vulnerability to external shocks and the critical importance of enhancing its export performance. In the short term, economic prospects are for a cautious recovery. Additionally, the government has indicated its intent to strengthen the adjustment in factor markets by facilitating restructuring of the financial markets, and reforming labor market legislation, and the health insurance system. Reforms progress at the provincial government level, although a high level of indebtedness remains troublesome for some provinces. Following this adjustment and the rebuilding of domestic and international confidence in the economic program, the Argentine economy could grow at a medium-term rate of 4 to 5 percent and inflation should continue at or below international levels.

Improved competitiveness through economic restructuring, growing investment, and slower increases in domestic consumption would help switch resources from non-tradeables to tradeables. Deceleration in the growth of domestic consumption will reflect both the slowdown in exogenous capital inflows associated with the privatization program, and the attainment of a new, higher and sustainable level of income resulting from structural adjustments. Slower growth in the domestic market would shift more production towards exports, aided by deregulation and other measures to enhance productivity in the tradeable sector, and changes in relative prices. The private sector would be the leading expansionary force, while public investment would grow from its depressed levels, but be concentrated in fewer activities.

The government projects that consolidated public sector accounts will continue to suffer a deficit in 1996, and return to balance over 1997-98. This initial deficit will be due to continued slow growth in the first quarter of 1996 and the fiscal costs of provincial reform measures, including the transfer of provincial social security systems. Provincial finances are expected to improve slowly but steadily over 1996-98, due both to the reform of their tax systems and civil service reforms that reduce or stabilize personnel expenditures.

Source: Trends in Developing Economies 1996

SEARCH SITE MAP SHOWCASE

Argentina: Country Assistance Review

Summary

Report number: 15844
Report date: June 28, 1996
Report type: Country Assistance Review

Contents:

Introduction

This 1996 Country Assistance Review examines the Bank's assistance strategy in Argentina from 1985 to 1995. It concentrates on issues relevant to the Bank's current decision making. The starting point is the mid-1980s, which coincides with an intensification of the Bank's involvement in Argentina. The report distinguishes three sub-periods having a bearing on the Bank's strategy: (a) the years 1985-89, during which the Bank's involvement took place in an environment of extreme financial instability in the country; (b) the years 1990-94, during which reforms intensified and economic recovery was impressive; and © the current period, when sustainability of the recovery is the issue.

The Bank formally reviewed its country assistance strategy for Argentina approximately every two years since 1985, when an increased lending program was adopted. The Bank strategy was articulated in six major documents. They are a Country Program Paper (CPP) in 1985, a Divisional Country Brief (DCB) in 1987, two Country Strategy Papers (CSP) in 1990 and 1992, and two Country Assistance Strategies (CAS) in 1994 and 1995. The story of the evolving relationship yields several salient lessons about the dynamics of managing the Bank's assistance strategy in a country whose political dynamics and economic policies have changed markedly and swiftly. In the following sections, we summarize: (i) the main developmental constraints and changes in economic policies as they transpired in Argentina in 1985-95; (ii) the Bank assistance strategy during the period; (iii) an evaluation of that assistance; and (iv) the recommendations derived from the analysis.

Table of Contents

Developmental constraints in Argentina: 1985 to 1995

1985 to 1989: The Government fails to muster the political will to overcome its developmental constraints

Taking advantage of the enormous potential for growth of the country's abundant resources remained an elusive goal in Argentina for many decades. By 1985, the country was suffering from the legacy of extensive government intervention in the economy—declining productivity, rising inflation, and, in turn, a dearth of both private capital and external assistance. At the heart of Argentina's languishing economy was long declining productivity, reflected in a growing reliance on import substitution, government control over relative prices, a bloated public enterprise sector, and inefficient sectoral resource allocation, culminating in macroeconomic instability, excessive fiscal deficit, and heavy external debt.

To redress its poor economic performance, the Government of President Alfonsin launched the Plan Austral in June 1985, the first of three major economic reform plans attempted by his administration during the late 1980s (box 1.3). The Plan sought to improve public finances—primarily with measures to increase fiscal revenue and reduce overall expenditures—and to contain spiraling inflation—primarily with an unorthodox program of foreign exchange controls and wage and price freezes. But what proved to be the downfall of the Plan Austral, and of the two stabilization programs that followed it, was the failing of measures to rein in the public sector deficit, particularly that generated by public enterprises, the social security system and the provincial governments. Failure to control the fiscal deficit ultimately led to the country's worst episode of hyperinflation in 1989.

1990 to 1995: A new government ushers in promising sustainable reform

By mid-1989, the trauma of extended recession and hyperinflation had eroded confidence in the Alfonsin Government and had created a fertile ground for reform. The country needed to face three urgent problems as a precondition for in-depth economic transformation: One was the pervasive fiscal disequilibrium caused by the deficits of the Federal Government, the public enterprises, the province-level governments, and the social security system. Another pressing deficiency was a strained financial system, reflected in a large proportion of insolvent banks and a poor regulatory system, problems that became critical in 1989. The third structural deficiency came from an ailing social service system—educational, health, and social assistance services. The neglect of basic health services and inadequate social assistance had increased already high rates of infant mortality and malnutrition among the general population.

As the new government of President Menem assumed office in mid-1989, it announced a new economic program, with the enactment of the Law of the Reform of the State in July and the Law of Economic Emergency in September, 1989. The Government's reform agenda included comprehensive privatization, inflation-reduction measures and fiscal reform—all of which were packaged later as the Government's Convertibility Plan, in April 1991 (box 1.5). After a period of economic turmoil during the first year of the new administration, the Plan finally boosted confidence in the economy and attracted an influx of private capital. In turn, the stronger economic climate enabled Argentina to reach agreement with commercial banks to settle arrears and reduce debt service to fiscally sustainable levels. By the end of 1993, the reform program had brought Argentina growth and price stability that it had not witnessed in decades. Growth averaged 8 percent in real terms in 1991-93. Inflation decelerated from 200 percent monthly as of July 1989 to 7.5 percent annually by 1993. Yet much of the Plan's success was predicated on the privatization initiative and monetary policy. Other deficiencies—province-level financing, the social security system, social services and financial sector weaknesses—still remained.

Two other concerns surfaced. First, the privatization process was being implemented in the absence of an adequate regulatory framework for governing monopolistic behavior by enterprises, an issue that is still on Argentina's agenda. Second, despite the success of the Convertibility Plan at halting inflation, its adoption in 1991 increased Argentina's vulnerability to a sudden reversal of capital flows, since wage and price inflexibilities under the fixed exchange rate regime would exacerbate the recession needed for adjustment. In late 1994, the financial crisis that rocked Mexico sent shock waves throughout Latin America. As a result, Argentina witnessed a reversal of the flow of capital that it had attracted earlier, but eventually succeeded in overcoming the main consequences of the crisis. Yet, the economy remains vulnerable to exogenous shocks. Today, the *structural* fiscal deficit—the deficit that would remain after transitory factors in fiscal revenue and expenditures are adjusted for—remains the major obstacle to ensuring sustainability of the Convertibility Plan. In addition, Argentina's long-term development depends heavily on its capacity to expand private-sector competitiveness. Several actions are now required: (i) consolidate the reforms to the financial system; (ii) address labor market inflexibilities and unemployment; (iii) improve implementation of the regulatory framework of privatized enterprises; (iv) modernize the legislative and judicial system; (v) improve social services, and (vi) improve the infrastructure for private sector development, especially transport, water and sewerage, and environmental management and protection.

Table of Contents

Overview of Bank assistance

The 1985-89 Period. The Bank approved a high lending program in June 1985. This program represented a fourfold increase, from an average US$160 million a year in FY80-84 to an average of US$640 million a year in FY85-89. The 1985 CPP argued for a large increase in lending and ESW to "support the process of opening the economy and attracting private investment." Lending was made contingent on compliance with the macroeconomic targets of a stabilization program, the Plan Austral, which had just been adopted by the government. The 1987 DCB endorsed continuation of the high level of support, based on the inaccurate assessment that the reforms attempted had "partially" succeeded. Lending focused on export diversification, financial reform, energy development, industry development, and fiscal deficit reduction. Again, lending was made contingent on successful stabilization, this time based on a new stabilization plan, the Plan Australito (February 1987). Unsuccessful stabilization again led the Bank to review its assistance program, this time on the basis of a new plan, the Plan Primavera (August 1988). This plan was controversial because some internal Bank reviewers warned that the plan did not close the external or domestic accounts, and the IMF decided that it would not endorse the plan because the Government was not making a sufficient fiscal effort. The Bank support to the Primavera plan led to a strained relationship with the IMF (Box 1.4). In the end, the concerns of some Bank reviewers and the IMF were borne out. The Plan Primavera was insufficient to bring about macroeconomic stability, and in fact its failure led to a severe hyperinflation crisis in early 1989. As a consequence, the Government of President Alfonsin was forced to leave office before the end of its term in July 1989, the Bank reduced its lending program in Argentina but continued, or intensified, its policy dialogue, and the respective roles of the Bank and the Fund were clarified through a concordat whereby the Fund agreed to take the lead in short-term macroeconomic programming and monitoring, while the Bank agreed to deal with the institutional underpinnings of macroeconomic policy.

The 1990-94 Period. By 1990, a major turnaround in macroeconomic management occurred after the new, democratically elected Government of President Menem took charge. Learning from past experience, the Bank initially adopted a cautious lending strategy, opting for prudence in lending until proof of success in macroeconomic management was visible. As a consequence, the Bank did not approve any new loans between October 1988 and December 1990 [Footnote], partly because economic performance remained uneven, and the IMF stand-by, approved in November of 1989, had to be modified in November 1990. The 1990 CSP proposed to limit lending to no more than one major operation a year in FY91 and FY92. Nonetheless, the Bank participated intensively in the reform process: non-lending services (particularly informal ESW and policy dialogue) intensified and contributed to the success of the reforms. The Bank opened an office in Buenos Aires in September 1989; provided extensive economic advice at the Government's request; restructured old loans and reformulated ongoing technical assistance to finance studies; and continued to prepare loans that became essential to the success of the public sector reform, including the privatization program, the reform of the Central Bank and other reforms to the fiscal and financial sector implemented later.

By 1992, a new assistance strategy was adopted, this time recommending to go back into high lending levels. The Government of Argentina had demonstrated clear ownership of a highly successful reform program, including the Convertibility Plan, which was adopted in April 1991. At the same time, the 1992 CSP's risk analysis was remarkably prescient regarding the vulnerability of Argentina's economy to potential reversals of capital inflows, although it did not propose an explicit action plan to cover this risk. Since 1993, after contributing to the Brady Plan for debt restructuring, the Bank has continued supporting the Government of Argentina with a significantly enlarged lending and non-lending assistance program.

The Current Period. The Bank strategy was again reviewed in 1994. This time good economic performance led to overoptimism about the future, in spite of the risk analysis of the CAS: the diagnosis of the 1994 CAS was clear about the vulnerabilities of the Convertibility Plan, but the recommendations anticipated the end of adjustment lending and included a discussion of possible graduation for Argentina. By 1995, the strategy was reviewed again in the face of the uncertainties created by the external shock faced by Argentina after the 1994 crisis in Mexico. The Bank's answer this time was swift and fast: a new CAS in April 1995 discussed the specific problems posed by the crisis in Argentina's context and good analysis was accompanied by quick action: in 1995 the Bank approved 12 loans to Argentina, for a total of US $2.1 billion.

By April 1996, the Bank prepared a progress report to review the achievements of the Government in meeting the challenge of the regional financial crisis and to examine the role of the Bank support. The main conclusion is that "Argentina appears to have weathered the worst of the crisis, although important risks remain". The country still faces the aftermath of the crisis, including high unemployment, and the need to strengthen its financial system and public finances. The financial situation of the provinces continue to be serious, burdened by bloated bureaucracies, financially weak pension systems and inefficient public banks and enterprises. Also, Argentina's debt service ratio has grown from 42 percent in 1993 to an estimated 56 percent in 1995, and is expected to continue growing before peaking in 1997. Argentina will have to lengthen the maturity of its foreign borrowing. The progress report also concluded that the Bank assistance strategy continued to be on track as the Government continued to take the actions required to meet the above challenges.

Table of Contents

Relevance, efficacy and efficiency of Bank assistance (1985-1995)

This CAR concludes that the Bank's assistance strategy to Argentina was relevant throughout the ten-year period covered, especially ESW, but that the effectiveness and efficiency of the strategy was poor during 1985-89. It is too early to fully evaluate effectiveness and efficiency of the strategy in the 1990-95 period because sustainability of the reforms can only be partially assessed, the impact of some policy reforms is not yet fully known, and most projects are still ongoing. The challenge today is to achieve sustainability of the economic recovery in Argentina and to complete the agenda for public sector reform, especially in the provinces, and private sector development. Other major findings include:

- the high levels of lending in the 1985-89 period were not justified by the policy reforms taken by the Government, or by a realistic risk analysis of the chances of success of consecutive attempts at reform. This was, moreover, inconsistent with the Bank's stated strategy which had set out strict conditions for continuing high levels of adjustment lending (Country Program Paper of June 1985);

- ESW was relevant (i.e., good diagnosis and adequate objectives) but not effective in the 1985-89 period. ESW provided useful information and policy advice all throughout the decade, and was very effective particularly in the initial years of the Menem Government (1989-92) when new lending was substantially reduced;

- the Bank was slow in providing financial support when the reforms started, in the 1989-92 period (partly due to the experience with the failure of the Primavera Plan). More recently, however, the Bank reacted quickly following the external shocks of December 1994: lending has been timely and quality has improved;

- project outcome ratings in Argentina have been among the lowest in LAC and Bank-wide (less than fifty percent satisfactory by end FY95). While this was largely affected by poor policies in the 1980s, high risk projects continue to exist in the portfolio (e.g. Yaciretá).

- the major contributions of the Bank in 1990-1995 include:

  - support for external debt restructuring and for restoration of private capital market access;

  - finance and advice for the most far-reaching public enterprise privatization program ever carried out by a developing country;

  - assistance for revenue mobilization, public expenditures management and Central Bank reorganization, measures which were instrumental in implementing the Convertibility Plan;

  - analyses of the fiscal problems of the provincial governments and the social security system;

  - finance and advice for financial sector reform;

  - studies to enhance competitiveness in capital and labor markets (included in CAS 95).

- the main weaknesses in this five-year period include:

  - insufficient attention to the social sectors, in spite of a good analysis—and lending proposals—in the 1990 CSP. Although responsibility for the delays (or abandoning) of most of these loans rests mostly with the Government, which was devoting nearly exclusive attention to fiscal and economic reforms, the Bank should have positioned itself more clearly in support of increasing attention to social issues. In the absence of Government's interest to borrow for the social sectors, the Bank's contribution was forced to be limited to studies financed through technical assistance and ESW;

  - transfer of responsibilities to province-level governments without an adequate assessment of their financial and institutional capacities. The Bank supported the Federal government's decision to transfer these responsibilities to the provinces to help the fiscal situation of the Federal Government. It was expected that improvements in tax administration, which had increased revenues by about 27 per cent a year to the provinces in 1991 and 1992, would be sufficient to finance their new responsibilities. However, no assessment of the financial and institutional capabilities of the provinces was done.

  - overoptimism of the 1994 Country Assistance Strategy that anticipated the end of adjustment lending with only one such loan (for Provincial Reform) in FY95. This overoptimism was in contrast with the more sober (and, in retrospect, prescient) assessment of the 1992 Country Strategy Paper discussion of Argentina's vulnerability to a sudden reversal of capital flows, which recognized the weaknesses of the domestic financial sector;

An additional and more generic issue emerging from the Argentine experience refers to a potential conflict for SALs and particularly SECALs, between the objective of resource transfer to achieve macroeconomic purposes and the sectoral or subsectoral reform objectives. A clear example of this conflict appeared in Argentina when the second tranche of the Agricultural Sector Adjustment Loan was disbursed in late 1987 to achieve the resource transfer objective but in the absence of the agreed sectoral reforms. This conflict has appeared also in other countries and could be faced again in Argentina in connection with the package of the SECALs approved in 1995.

Table of Contents

Recommendations

The main lesson of this CAR is the need to avoid high levels of lending in the absence of a well designed and credible policy reform, as it happened in Argentina during the 1985-89 period. The specific lessons and recommendations for the future assistance strategy to Argentina are that the Bank should:

- *Continue supporting policy reform.* Although the situation has improved, the country has not yet achieved full access to the institutional financial markets, as have Chile or Colombia. Therefore, the Bank should continue to support policy reform with a variety of lending and non-lending instruments, and to facilitate private sector development in collaboration with IFC and MIGA.

- *Focus on a few areas of high priority.* Given the high levels of technical capabilities in Argentina, the Bank should focus on a limited set of issues of high developmental priority and where the Bank's involvement may make the biggest difference. The 1995 Bank assistance strategy, involving province-level reform, municipal development, financial sector strengthening, export promotion, poverty reduction, health, education, energy, and environmental reform *may be too comprehensive*.

- *Concentrate on the fiscal problems of the provincial governments and of the social security system*. These are among the highest priorities for reform. But both of them are intertwined with the continuing need to address *health and education services* (mainly provided by the provinces) as well as *welfare needs of the poorest groups* (including old-age pensioners). Concentrating on these social services will have the double effect of ameliorating poverty and addressing fiscal issues of the provincial governments. This is now at the core of the objectives of economic stabilization (addressed in the April 1995 CAS) as well as of poverty alleviation and political feasibility of reform. Two other areas of importance (also addressed in the 1995 CAS) are the expansion of a competitive private sector and the recovery from the aftershocks of the 1994 Mexico crisis. While the Bank should certainly be engaged in these two areas, the first group of issues (social services, finances of the provinces and social security) should continue to be the highest priority.

- Avoid changing the focus of the Bank's development assistance strategy in response to transitory changes in capital flows or macroeconomic results. The main elements of the *development* agenda for Argentina in 1995 were not significantly different than in 1994 or in 1992, while the focus of the Bank's assistance strategy changed significantly. While additional lending was appropriate to deal with the financial crisis of 1995, the areas of Bank attention should remain more stable to maximize sustainable impact.

- *Have clear and simple objectives for each instrument.* The unsatisfactory outcomes of some past lending operations was due to a multiplicity of objectives to be achieved with a limited number of lending instruments, and particularly to the coexistence of resource transfer objectives for macroeconomic purposes, together with sectoral or subsectoral objectives in the same operation. Oftentimes, the latter were sacrificed to the former (e.g. the Agricultural Sector Adjustment Loan of FY86). New lending instruments should be piloted to induce responsiveness and flexibility in lending in response to unforeseen circumstances without compromising sectoral objectives.

- *Treat ESW as a distinctive instrument with its own objectives (not just a prelude to lending) and evaluate its impact.* ESW should be integrated in the CAS as an independent instrument with its own objectives, only one of which is to provide the analytical basis for lending when so required. The relevance, efficacy, and efficiency of ESW for furthering the objectives of the CAS should be subject to *ex post* evaluation.

- *Sustain progress towards better economic analysis of projects.* Two recent Bank-wide studies (ECON I and ECON II) included a sample of projects in the Argentina portfolio as part of their Bank-made sample. The findings regarding the Argentina projects were worrisome as the quality of economic analysis was found to be poor or marginal for projects accounting for 52 percent of the volume of lending. This CAR, however, extended the ECON-type analysis to a much larger sample of projects in the Argentina portfolio (for projects approved in the 1990-95 period) and found significantly better results, with poor or marginal economic analysis in 29 percent of the lending volume. Although it has improved, the Region needs to continue to make efforts to enhance the quality of economic analysis of projects further.

- *Improve project supervision and country portfolio reviews.* Improvement in country portfolio performance is of high priority and prompt corrective action is needed. Monitoring progress in this area can take place by looking at completion ratings in the near future and by measuring trends in the historically high disconnect (the difference between the number of projects that are rated as problem project during their last year of implementation and those whose outcomes are rated as unsatisfactory at completion). This disconnect is, in Argentina, among the highest in the Bank at 47 percent. The overoptimism in assessing the portfolio (evidenced in the past by the high disconnect) needs to be fully eradicated.

- *Assess and manage risks clearly and explicitly.* OED's review of lending operations and of country strategy documents in this CAR concludes that the lack of timely reaction to identified risk was a characteristic of most lending operations and country strategies reviewed. Often, risk was acknowledged but contingency plans to deal with risks were not made.

- *Use explicit performance indicators to guide program implementation.* Assessment of progress in achieving priority objectives requires monitorable performance indicators. For fiscal performance, reduction and measurement of the *structural* deficit was correctly noted as important by the Region but no subsequent efforts have yet been made to track it. Other indicators should also be developed to follow-up on the provincial finances, health and education objectives, and social security as well as in other areas.

Table of Contents

Footnote

Except for a technical assistance loan for Tax Administration of $6.5 million approved in January 1989, (prior to the elections) which remained inactive for the most part until 1991.

Back to Text

United States
Energy Information Administration

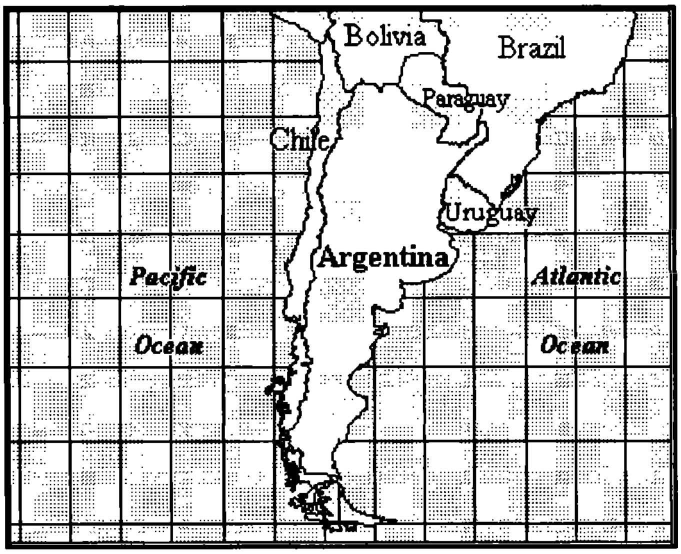
OIL NATURAL GAS ELECTRICITY ENVIRONMENT PROFILE

September 1997

Argentina

Argentina is a significant and growing Latin American energy consumer and a leader in the privatization of state-owned energy companies. It is also a net exporter of energy, primarily to neighboring Brazil and Chile.

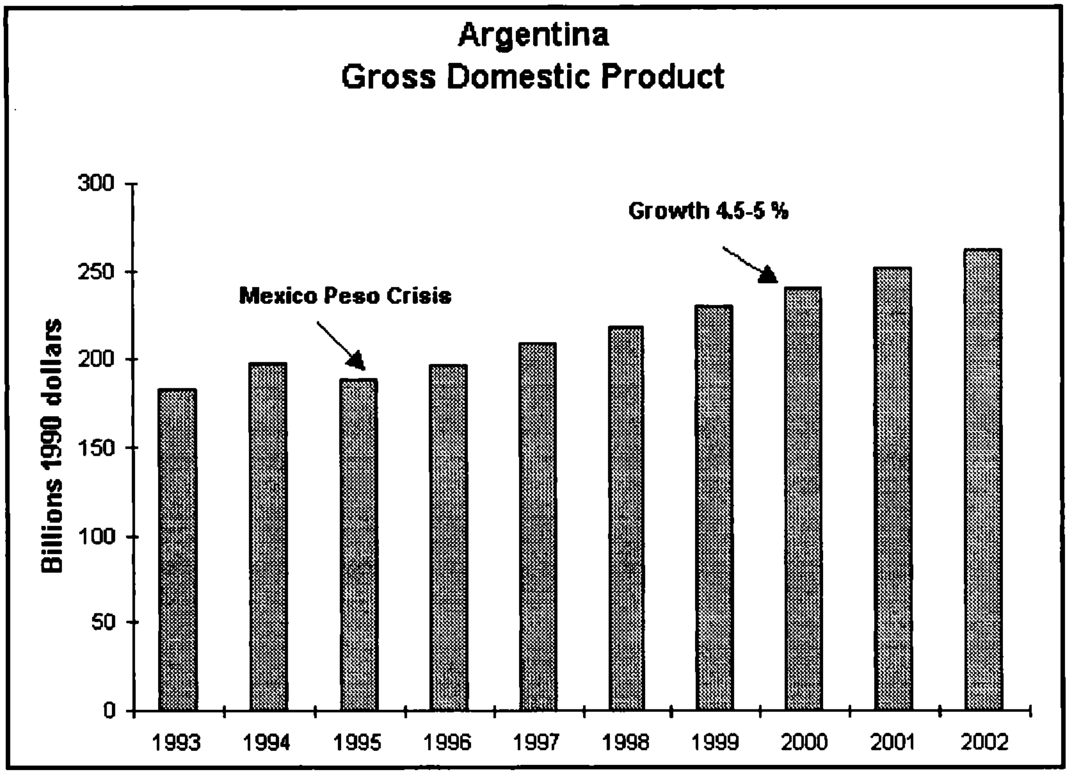
To print this report, please download the PDF file and print it from Adobe's Acrobat Reader.



GENERAL BACKGROUND

Argentina's economy has likely recovered from the downturn in 1995 following the Mexico peso crisis which began in December 1994. According to the WEFA Group July 1997 Report, Argentina's economy grew by 8 percent the first half of the year and should average 6.3 percent for 1997. This follows a moderate growth of 4.3 percent in 1995 and an economic downturn of 4.6 percent in 1995. The economy is expected to grow in the 4.5-5 percent range for the next 5 years. The major risk to the forecast is not Mexico, but a financial crisis in Brazil-such as, a major devaluation of the Brazilian real even though Argentina's economy barely reacted to the July 1997 scare in the Brazilian financial market. Argentina has the highest per capita income of the Latin American countries.

Economic stabilization has been a high priority under President Menem, who took office in 1989 and was reelected to a 4-year term in May 1995. The next election is in 1999. A key component of current economic policy is the Convertibility Law, enacted in 1991, which fixes the value of the Argentine peso at par with the U.S. dollar and requires full backing by foreign reserves. Another significant feature is the aggressive privatization of state companies coupled with unbundling of services. Most public utilities have already been privatized. These include telecommunications, airlines, power generation and distribution, natural gas transportation and distribution, water and sewage systems, and passenger and cargo railways. In addition, a majority of state-owned production facilities (including oil and gas extraction, coal mining, and steel mills) have been sold.



In July 1993, Argentina privatized YPF, the state oil company and the country's biggest corporation, via the largest initial stock offering in the New York stock exchange (more than $3 billion). Planned privatizations remaining to be implemented include additional power plants (four hydroelectric and three nuclear), airports, the post office, and some petrochemical facilities.

Argentina's continuing privatization activities over the last several years caused someone to say: "The 1980's belonged to Chile, the 1990's belong to Argentina." Major recent energy announcements in Argentina over the last year involve a multitude of joint ventures. In the oil sector, major ventures include Brazil's Petrobras, Argentina's YPF, and U.S. Dow Chemical "Mega" LPG Project worth $650 million; Spain's Repsol's subsidiary Astra's and YPF's purchase of Mexpetrol Argentina for $200 million and plans to invest $345 million; drilling for oil worth $200 million may begin soon in the Falklands as Britain and Argentina resolve last minute problems. The natural gas sector realized several major natural gas pipelines and more proposals as Argentina eyes Brazil's and Chile's rapidly growing domestic gas markets. Most notable projects include: natural gas is flowing through the GasAndes Project, 290 miles at a cost of $325 million to take gas from Argentina's Neuguen Basin to Santiago, Chile; and consortium of Alberta Energy Company, Marubeni Corporation, and Mobil proposes to construct a 1922 mile gas pipeline ("the Mercosur pipeline") to link the gas rich Argentina Salta region to Sao Paulo, Brazil at a cost of $1.5 billion; Transportation Gas del Norte (TGN) plans a 310 mile gas pipeline from Entre Rios in northern Argentina to Rio Grande do Sul in southern Brazil. The possibly most important event in the electricity_sector is the August 1997 agreement between Argentina and Brazil to integrate the two countries' electricity markets with guaranteed free competition among generators, banning all state subsidies, and requiring pricing be based purely on costs. Privatization continued with the April 21, 1997 sale of three distribution systems: U.S.'s AES and CEA purchase of Empresa Distribuidora de Energia Norte (EDEN) and Empresa Distribuidora de Energia Sur (EDES) for $565 million, and the purchase by Inversora Electrica de Buenos Aires of Empresa Distribuidora de Energia Atlantica (EDEA) for $404 million; August 1996 purchase by Sodielec and Chile's Electricidad of Empresa Electrica de Rio Negro (ERSA) for $97 million. However, problems continue to plague the Argentine and Paraguayan Yacyreta hydroelectric project.

Argentina is a member of the World Trade Organization and Mercosur (the Southern Cone Common Market agreement with Argentina, Brazil, Paraguay, and Uruguay and associate members Bolivia and Chile). Mercosur became fully effective on January 1, 1995 and includes a free trade area and common external tariffs covering 85 percent of traded goods. Brazil is the largest single outlet for Argentine exports.

OIL

Argentina's oil industry has been revitalized in the 1990s as a result of two developments: 1) the drastic restructuring and privatization of former state oil company YPF and 2) increased private (including foreign) investment, encouraged by changes in investment law and a favorable tax regime. Production increased by about 50 percent over a 4-year period (from less than 500,000 b/d in 1991 to more than 750,000 b/d in 1995) and is projected to reach 1 million b/d by 2000. The company's annual growth goals announced in June 1997 are 9 percent per year in natural gas and 3.5 percent per year in petroleum.

Industry reform has encouraged many companies to participate in Argentina's oil industry, with more than 30 operators active as of early 1995. Nevertheless, YPF still dominates production, accounting for 43 percent of oil production and 38 percent of natural gas production in 1995. YPF is also seeking to evolve into an international producer by expanding its upstream holdings overseas. In 1995, it acquired Maxus Energy -- a U.S. company with operations in Bolivia, Ecuador, Venezuela, Indonesia, Texas, and Oklahoma -- for about $750 million. With $6 billion in annual revenue, YPF is by far the largest of Argentina's companies.

Most of Argentina's oil is produced in two onshore basins: Neuquen (about 0.3 million b/d) and Golfo San Jorge (0.2 million b/d). Other producing basins are Noroeste (Northwest), Cuyana, and Austral. To date, there has been little activity offshore. Puesto Hernandez, in the Neuquen basin, serves as the starting point for three major pipeline routes transporting crude oil north to the Lujan de Cuyo refinery near Mendoza; over the Andes to Concepcion, Chile; and east to Puerto Rosales on the Atlantic. About 30 percent of production is exported, primarily to neighboring Brazil and Chile. The pipeline terminus at the port of Concepcion, Chile, provides an outlet for shipments to the U.S. Gulf Coast or the Pacific Rim, but so far only small volumes have been shipped to these more distant customers.

Argentina has many unexplored areas in current producing basins, plus 14 other basins that have not yet been developed. Its offshore shelf holds particular promise for future discoveries given its large size (larger than the North Sea) and relatively shallow depths close to shore. However, the area is subject to conflicting sovereignty claims near the Falkland Islands, which Argentina claims as Islas Malvinas, 400 miles off Argentina's southeast coast.

In 1982, the United Kingdom defeated a challenge by Argentina in a brief war over claims to the Falklands/Malvinas, and retains control over the islands. Despite continuing disputes over sovereignty, Argentina and the United Kingdom signed an agreement in September 1995 to share the potential economic benefits from oil exploration in an 18,000 square kilometer (7,000 square miles) cooperation zone southwest of the islands. Under the agreement, a joint commission (U.K. and Argentina) will oversee exploration and revenue-sharing in this area. In addition, Argentina agreed not to obstruct a licensing round by the Falklands in areas outside the cooperation zone. However, just before the Falklands announced its bidding round in October 1995, Argentina announced plans to charge companies operating in Argentina exploration fees and up to 3 percent of oil revenues in these areas. As recent as July 1997, the two countries confirmed their interests in tendering oil permits; but, their year end deadline may be in doubt.

Recent Petroleum Joint Ventures

Argentina

YPF-Petrobras Service Stations	The two companies plan to jointly operate 1500 services stations in other Brazil and the Buenos Aires area.
Repsol's (Spain) Astra Capsa-YPF	Through its subsidiary Astra Capsa, Repsol and Argentina's YPF have purchased Pemex's Mexpetrol Argentina for $200 million and plan to invest $345 million in Argentina. Astra purchased 10% of YPF during its privatization for $753 million.
Mega Natural Gas Treatment Project-Petrobras, YPF, Dow Chemical	Dow chemical continues to expand in Argentina with 38 percent share of proposed natural gas liquids treatment plant in Argentina with a capacity of 36 million cubic meters, and lans to produce 600,000 tonnes of liquefied petroleum gas (LPG) and other products. Will have to construct a 420 mile pipeline and GOSP. Total cost estimated at $650 million.
Falkland Islands Oil Exploration	Argentina and Britain plan to jointly drill for oil in the cooperation area off the Falkland Islands at a cost of $200 million. This project has been stalled severa times and bidding cannot start until the two governments reach agreement. In July 1997, the two confirmed their interest in tendering oil permits before the end of the year.

Refining and Petrochemicals
Argentina's 12 oil refineries produce petroleum products primarily for the domestic market. In addition to the three largest refiners -- YPF, Shell, and Esso -- the much smaller EG3 consortium (Astra, Isaura, and Puma) is an important player in the downstream market, controlling 14 percent of the retail fuel market. Shell, Esso, and YPF (the largest refiner) are investing heavily in upgrading to produce lighter products and enhance octane in gasoline as the country makes the switch to unleaded gasoline. Refiners run local, low-sulfur crudes almost exclusively.

Argentina's petrochemical industry benefits from the availability of feedstocks from the country's substantial reserves of natural gas. Petrochemical operations are also being privatized. In early 1996, U.S. firm Dow Chemical, in partnership with YPF and Japanese firm Itochu, purchased 51 percent of ethylene producer Petroquimica Bahia Blanca (PBB) and 38 percent of polyethylene producer Indupa. In June 1997, Dow Chemical joins Petrobras and YPF to operate the "Mega" natural gas treatment project in Argentina. The plant will produce 600,000 tonnes of LPG per year.

NATURAL GAS

Argentina has the second largest proved reserves of natural gas in South America (after Venezuela). Because most of these reserves were discovered as a result of oil exploration, current production is concentrated in the same five basins as oil production (Noroeste in northern Argentina, Cuyana and Neuquen in the center of the country, and Golfo San Jorge and Austral in the south).

Natural Gas Pipeline Ventures
Argentina

GasAndes Pipeline - (Operational August 1997) \ Argentina - Chile	Canadian NOVA Corp.	The GasAndes Pipeline is 290 miles in length and runs from the Neuquen Basin gas fields in Argentina to santiago, Chile across the Andes. Cost is $330 million. Chile purchased 3.2 million cubic meters per day at startup
Tartagul-Antopagasta Link Argentina-Chile	U.S. CMS	
Merconsur Gas Pipeline Argentina-Brazil	Alberta Energy Co. (AEC) Marubeni Mobil	Proposed pipeline is 1922 miles long and is to connect the gas rich Salta region of Argentina to Sao Paulo, Brazil. Expected costs are $1.5 billion. Could start building at the end of 1998 if sufficient contractual gas customers.
TransGas Pipeline Argentina-Chile	Tenneco British Gas	Apparently TransGas Pipeline stalled as

	YPF	GasAndes pipeline completed route first.
Gasoducto Atacama Project Argentina-Chile	U.S. CMS Chile's Endesa	Proposed pipeline is 575 miles to run from Argentina to Mejillones, Chile. Chilean ENDESA to build two 355 megawatt power plants. Total costs at $750 million. Gas to be supplied by Pluspetrol and Astra at 93 million cubic feet per day and by YPF at 32 million cubic feet per day.
TGS Pipeline Expansion (Transportadora de Gas del Sur SA - Argentina		TGS is South America's largest pipeline company with 1.9 billion cubic feet per day capacity in 3 pipelines an dprocesses most gas in Argentina. This expansion is at the General Cerri gas processing plant of 490 million cubic feet per day at a cost of $60 million.
Gas Distribution	Gas de France, Bridas Sapic, Argentina Emprigas	$150 million to distribute gas in five northeastern provinces of Argentina.
TGN, (Transportadora Gas del Norte) Pipeline Argentina-Brazil		TGN plans to build a 265 mile pipeline fro Entre Rios in northern Argentina to Rio Grande do Sul in southern Brazil.
Rasmos Gas Field Development	Amoco Shell Repsol Total	Plan to purchase Argentina's second largest gas field, Ramos, at between

		$300-400 million with expected output of 7 million cubic meters per day (200 million cubic feet per day). Argentina's largest gas field is YPF's Loma de la Lata.
Tocopilla Pipeline Argentina-Chile	ElectroAndian SA	Plans to build and operate a gas pipeline from the Argentina's Salta region to the tocopilla port in North Chile.

Argentina's Gas Law, enacted in June 1992, privatized the natural gas industry. Former state monopoly Gas del Estado was split into two pipeline companies, Transportadora de Gas del Sur SA (TGS) and Transportadora de Gas del Norte SA (TGN), and eight distributors. TGN and most of the distribution operations were sold to private investors in December 1992. Later, TGS -- which supplies gas mainly to southern Argentina and greater Buenos Aires -- went public in early 1994. State regulatory agency ENARGAS sets rates for natural gas carriers operating under a non-discriminatory "open access" system.

Additional pipeline capacity is needed to serve growing domestic markets, as TGN and TGS now operate near capacity. Argentina also plans additional pipeline capacity to serve new markets in neighboring Brazil and Chile. The most advanced of these plans are two competing projects to transport natural gas from the Neuquen basin over the Andes to Chile by mid-1997: GasAndes, a $325 million project led by Canada's NOVA Corp., was opened August 1997 with Chile purchasing 3.2 million cubic meters of gas daily. At this point the competing TransGas project, a $689 million project led by Tenneco, British Gas, and YPF appears to be stalled. The GasAndes project involved construction of a 290-mile pipeline (350 million cubic feet/day capacity) from La Mora, Argentina to Santiago, Chile, with gas shipped from the Loma La Lata area via existing pipelines to La Mora. TransGas proposes a 750-mile route beginning near Loma La Lata to Concepcion (Chile), then north to Santiago. GasAndes has firm contracts with Chile's main electric power producers (Endesa, Chilgener, and Colbun) and other large customers. TransGas plans to serve new combined-cycle power plants scheduled to come on-stream between 1998 and 2001. Recently announced by Marubeni, Mobil, and Alberta Energy Co. (AEC) is a proposed $1.5 billion "Mercosur" gas pipeline to Sao Paulo, Brazil by the end of 1998. TGN proposes a 265 mile pipeline to Rio Grande de Sul. Gasoducto Atacama project of U.S. CMS and Chile's Endesa include a 575 mile pipeline to run from Argentina to Mejillones, Chile. Two 355 megawatt power plants are to be built with toal costs at $750 million. Future exports to Uruguay are also being considered.

ELECTRICITY

Argentina's electric power sector has been privatized and deregulated, with separate markets for generation, transmission, and distribution. The administration of the wholesale market is carried out by CAMMESA, a non-profit institution whose capital stock is shared equally among the generators, carriers, distributors, major users, and the Energy Secretariat representing retail customers. Recent additions to capacity have been mainly hydroelectric plants. The largest project is the Yacyreta plant (3200 megawatts), located on the Parana River and jointly owned by Argentina and Paraguay. The first unit began generating electricity in 1994 and the plant is expected to be fully operational in 1998. The Yacyreta and other hydroelectric projects (including Pichi Picun Leufa and Piedra del Aguila) are slated for privatization. Some additional problems have arisen with respect to the Yacyreta dam construction, and it was announced in March 1997 that the World Bank is to evaluate environmental and resettlement problems. The plant was to be the largest hydroelectric exporter, but is nine years behind schedule. Yacyreta is to be privatized as soon as the governments of Argentina and Paraguay approve the sale. Argentina is also building a nuclear power plant (Atucha 2), which it plans to privatize along with its two operating nuclear plants (the 335 megawatt Atucha 1 and 600 megawatt Embalse).

Between April 1992 and June 1995, over twenty five state operated electric power companies were privatized. (See 1992-1995 Electric Power Privatization table at the end of this document). In April 1996, Argentina sold its remaining stake in distribution company Empresa Distribuidora La Plata (Edelap). Government shares in two distributors serving the Buenos Aires area - Edenor and Edesor - were sold in December 1995. The government retains a 19.5 percent share in Edenor, since the winning bidder declined to purchase the full 39 percent offered. The government also chose to retain its 25 percent share in transmission company, Transener, after receiving only one bid in December 1995. In August 1996, the power utility of Rio Negro was sold for $97 million. In November 1996, the Jujuy province in northwestern Argentina electric distributor, Compania General de Electricidad (CGE) was sold for $46 million. On April 21, 1997, the government sold 3 electricity distribution systems, EDEN, EDES, and EDEA, for $969 million. Several electric power ventures are in the works. Chilgener Power Generator plans to build a 164-mile transmission line to link gas-fired power plants in Argentina's Salta province with northern Chile; U.S. CMS purchased a 128 megawatt cogeneration unit in Buenos Aires.

Argentina
Electric Power Privatization
1996-1997

1. Empresa electricade Rio Ne	Sodielec (Argentina) Empresa Nacional de Electricdad (Chile)	August 1996	$97 million
2. Empresa Distribudora de Energia Norte (EDEN) Empresa Distribudora de Energia Sur (EDES)	AES (US) CEA (US)	April 1997	$565 million
3. Empresa Distribudora de energia Atlantic (EDEA)	Inversora Electrica de Buenos Aires	April 1997	$404 million

---

Argentina
Electric Power Ventures

1. Chilgener Power Generator to build combined-cycle gas-fired power plant and transmission line linking Argentina's Salto province with northern Chile. The line is to be 164-miles long and costs $50 million.

2. Brazil-Argentina bid specifications announced for an energy grid fro Porto Alegre, Brazil to the Mercado Electrica Mayorista (MEM) system in Argentina.

3. U.S. CMS purchase of 128 megawatt cogeneration unit in Buenos Aires owned by YPF-LaPlata with the help of OPIC.

4. Argentina-Brazil announced an electricity integration accord to guarantee free competition among electricity generators. All state subsidies are banned and pricing on a costs basis is required.

ENVIRONMENT

Argentina's most significant environmental laws are at the provincial and municipal level. Buenos Aires, for example, has statutes governing industrial startups, industrial waste, and air pollution. Recently, municipal authorities have begun to monitor automobile emissions. At the federal level, Argentina established a Secretariat of the Environment in 1991 and enacted a law controlling the generation, transport, and disposal of toxic and hazardous waste.

Argentina
Electric Power Privatization
1992-1995

1. Central Puerto SA	April 1992
2. Central Costanera SA	May 1992
3. EDENOR SA	August 1992
4. EDESUR SA	August 1992
5. Central Pedro de Mendoza	October 1992
6. Central Dock Sud	October 1992
7. EDELAP (La Plata)	November 1992

8. Central Alto Valle	August 1992
9. Central Guemes	September 1992
10. Central Sorrento	January 1993
11. Central San Nicolas	April 1993
12. Central Termicas del Noreste Argentina SA	March 1993
13. Central Termicas del Noreste	March 1993
14. Central Termicas Patagunicas SA	November 1993
15. Central Termicas del Litoral SA	July 1994
16. TRANSNOA SA	January 1994
17. TRANSPA SA	January 1994
18. Hidroelectrica Diamante SA	September 1994
19. Hidroelectrica Rio Hondo SA	December 1994
20. Hidroelectrica Ameghino SA	October 1994
21. Centrales Termicas Mendoza SA	October 1994
22. TRANSNEA SA	October 1994
23. DistroCuyo	December 1994
24. Central Hidroelectrica Alicura SA	August 1993
25. Central Hidroelectrica El Chocon SA	August 1993
26. Central Hidroelectrica Cerros Colorados	August 1993

27. Hidroelectrica Piedra del Aguila SA	December 1993
28. Hidroelectrica Futaleufa SA	June 1995

Source: Ministry of Economy and Public Works and Services (http://www.mecon.ar)

COUNTRY OVERVIEW
President: Dr. Carlos Saul Menem
Independence: July 9, 1816 (from Spain)
Population (1996): 35.2 million
Location/Size: Southern South America/2.8 million square kilometers (1.1 million square miles), about four times the size of Texas
Major Cities: Buenos Aires (capital), Cordoba, La Plata, Mendoza, Rosario, Santa Fe
Languages: Spanish (official), English, Italian, German, French
Ethnic Groups: White (85%), Other - includes mestizo and Indian (15%)
Religion: Roman Catholic (90%), Protestant (2%), Jewish (2%), other (6%)
Defense (6/93): Army (40,400), Navy (20,500), Air Force (8,900), Reservists (250,000), Paramilitary Forces (18,000)

ECONOMIC OVERVIEW
Currency: Peso
Financial Exchange Rate (1996): US$1 = 1 Peso (ceiling fixed by law)
International Reserves (1996): $21.5 billion
Gross Domestic Product (GDP, 1990 U.S. at market exchange rates, 1996E): $197.3 billion
Real GDP Growth Rate (1996): 4.3%
Inflation Rate (1996): 0.1%
Current Account Balance (1996): -$4.0 billion
Major Trading Partners: Brazil, United States, Germany, Chile, Italy
Merchandise Exports fob(1996E): $24 billion
Merchandise Imports cif(1996E): $24 billion
Trade Surplus (1996E): $.05 billion
Major Export Products: Manufactured products, meat, wheat
Major Import Products: Industrial inputs and raw materials, capital goods
Unemployment Rate (4Q96): 17%
Total Foreign Debt (1995E): $67.6 billion

ENERGY OVERVIEW
Minister of Economy and Public Works and Services: Dr. Roque Fernandez
Proven Oil Reserves (1/1/97): 2.4 billion barrels
Oil Production (1995E): 762,000 barrels per day (b/d), of which about 715,000 b/d is crude oil
Oil Consumption (1995E): 500,000 b/d
Crude Oil Refining Capacity (1/1/96): 661,400 b/d
Net Oil Exports (1995E): 260,000 b/d
Natural Gas Reserves (1/1/97): 21.9 trillion cubic feet (tcf)
Dry Natural Gas Production (1995E): 0.89 tcf
Dry Natural Gas Consumption (1995E): 0.96 tcf
Coal Production (1995E): 208,000 short tons

Coal Consumption (1995E): 1.4 million short tons
Electric Generation Capacity (1/1/95): 20 gigawatts
Electricity Generation (1995E): 66 billion kilowatt-hours, of which hydroelectricity and nuclear power account for over half, and conventional thermal for the remainder.

ENVIRONMENT OVERVIEW

Total Energy Consumption (1995): 2.5 quadrillion Btu
Energy Consumption per Capita (1995): 71 million Btu (vs. 344 million Btu in the United States)
Energy-Related Carbon Emissions (1995): 34.4 million metric tons (0.5% of world carbon emissions)
Carbon Emissions per Capita (1995): 1.0 metric tons (vs. 5.4 metric tons in the United States)
Major Environmental Issues: Soil erosion and degradation, desertification, air and water pollution in urban areas

ENERGY INDUSTRY

Organization: The energy sector has been privatized and deregulated, with many private sector participants. Oil and gas producers - YPF (the former state-owned oil company Yacimientos Petroliferos Fiscales which was privatized in 1993), Perez Companc, Petrolera San Jorge, Amoco Argentina, Total, Austral, Astra, Bridas, Tecpetrol, Pluspetrol. Natural gas pipeline companies have also been privatized - Transportadora de Gas del Norte, Transportadora de Gas del Sur. Electric power companies - numerous producers in a highly competitive generation market, three transmission companies in a regulated monopoly, three regional distributors, municipal utilities.
Major Ports: Bahia Blanca, Buenos Aires, La Plata
Major Oil and Gas Producing Basins: Neuquen, Austral, Golfo San Jorge, Cuyana, Northwest
Major Oil Pipelines (Capacity): Puerto Rosales-La Plata (226,000 b/d), Allen-Puerto Rosales (200,000 b/d), Medanito-Allen (151,000 b/d), Puesto Hernandez-Medanito (118,000 b/d), Puesto Hernandez-Concepcion/Chile (106,000 b/d)
Major Gas Pipelines (Location): San Martin (Austral Basin); Neuba I, Neuba II, Central-Oeste (Neuquen Basin); Norte (Northwest Basin); GasAndes (Neuquen Basin to Santiago, Chile)
Major Refineries (Capacity): YPF La Plata (176,000 b/d), Shell Buenos Aires (121,700 b/d), YPF Lujan de Cuyo (120,000 b/d), Esso Campana (88,100 b/d)

For more information on Argentina, see these other sources on the EIA web site:
EIA - Country Information on Argentina

Links to other sites:
Argentina Prospects Roundtable, August 9-14, 1998 - a forum to explore business opportunities between oil and gas companies of the United States and Argentina (sponsored in part by the U.S. Department of Energy and Argentina's Secretaria de Energia)
U.S. Embassy in Argentina
1997 CIA World Factbook - Argentina
U.S. International Trade Administration, Country Commercial Guide - Argentina
U.S. Department of Energy's Office of Fossil Energy's International section - Argentina
U.S. Trade and Development Agency - Latin America and the Caribbean

Argentina's Ministry of Economy and Public Works
LatinWorld's section on Argentina
ASTRA, a leading Argentine oil and gas producer

If you liked this Country Analysis Brief or any of our many other Country Analysis Briefs, you can be automatically notified via e-mail of updates. Simply click here, put in your e-mail address, and check the box labeled "Country Analysis Briefs" on the list of products. You will then be notified within an hour of any updates to our Country Analysis Briefs.

Return to Country Analysis Briefs home page

File last modified: September 19, 1997

Contact:

Lowell Feld
lfeld@eia.doe.gov
Phone: (202)586-9502
Fax: (202)586-9753

URL: http://www.eia.doe.gov/emeu/cabs/argentna.html

If you are having technical problems with this site, please contact the EIA Webmaster at wmaster@eia.doe.gov

WILLIAM.BREED @ hq.doe.gov
12/02/98 09:35:00 AM

Record Type: Record

To: Joseph E. Aldy

cc:
Subject: developing country stuff

Joe:

3 one-pagers, basically of questions, on: ag & sinks; emissions overview, and sectoral disaggregation --

Hope this helps -- talk to you on Monday? -- Bill

Developing Countries: Format & Questions for One Pager:
Agriculture and Sinks: Emissions and Projections

What does the Party know?

Stock of animals/extent of pasture land/manure handling practices
Crops: extent/tillage practices/fertilizer use/energy use
Forests: extent/harvest/planting/rotation rates
Land use change: current trends in LUC
(loss of forest? Fallow lands shift to forest?)
Policies such as set-asides (CRP); laws on deforestation?

What do we know?
1) We should do an evaluation of inventory data provided by each party.
2) What did Country Studies do on the ag sector?

Potential USG resources to exercise:
EPA/OAR: emissions coefficients for CH_4 for livestock & manure handling practices
EPA/OPPE: emissions coefficients for N_2O for ag & runoff/wastewater practices
USDA/FAS: activity data on livestock populations, crops and practices?
USFS: forestry data?
[NASA: land cover satellite data]

Other international data: FAO?

What tools are available?
Model of ag and forestry sectors for each country?
Is a generic model available for developing countries?

ERS resources (staff/knowledge)?

What do we need to know for projections?
Population growth (driving land use change, ag & forestry products)
Shifts in population from ag to cities?
Envisioned development of ag and forestry sector:
More intensive ag practices (fertilizers? Machinery?)
Greater or less reliance on charcoal? (implication for energy sector)
New or expanded park or wilderness areas?
Expand pastoral areas? More intensive feedlot use?
Shift from ag to industrial development?

What do we need to know for target setting?
Availability of alternatives (appropriate?)
Cost of alternatives
Potential carbon sequestration; Policies such as set-asides (CRP)
N_2O: Reduced use of fertilizers

Developing countries and Targets: Emissions overview

. For developing countries, we will need to look beyond the energy sector, as a more significant proportion of their emissions will come from agriculture and forestry than is typically found in Annex I Parties - recognize that the energy sector will expand in importance with development - also recognize need to fill or replace traditional energy uses (such as charcoal)

. Need to start with "National Circumstances" information:
. What natural resources does the Party have:
. What fossil fuels does the Party have (now and future)
. Quality? Quantity? Export/import reliance?
. Other energy supply possibilities?
. Characteristics of energy supply and distribution sector
. Age/technology/retirement/performance/fuels/
. What minerals do they exploit (now and future)
. Forest products? Reliance? Future?
. Expand the ag sector?
. Expand animal husbandry?
. Other national capital: education/age classes/infrastructure

. Need to build on inventory viewpoint, to see what to address;
. can then probably focus on major emitters/sectors (like US did)
. For these first two parties, energy sector will probably dominate

. Is sectoral detail available in the emissions inventory?
. How good is the activity data?
. How good is the emissions factor data
. We need to carefully examine the inventory before building upon it

. Look at major sources and sectors for abatement possibilities
. then look at future trends
. changes in practices
. growth in activity

. new activities
. such as a hi-tech industry developing? [HFCs, PFCs, SF6]

Other overview issues:
How to state the target? Relative to 94 baseline? (94 is the year designated for developing country emissions inventories for their NCs) Relative to a BAU trajectory (93% of expected?) Or in Tonnes (which does not allow the adjustment that we get by stating "93% of 1990")

Appropriate level of assistance?

Will Kazakhstan want to take 4.6 flexibility? Data availability?

Developing countries: baseline data

Need sectoral breakdowns, such as:

National circumstances
- Population and growth - migration?
- Education
- Natural resources available: energy, industry, exports

Characteristics of electricity generation
- Fuels/resources available
- Technology utilized
- Age of technology
- Population without elex?

Distribution sys - age, extent, technology

Characteristics of industrial sector
- Energy intensive
- Human energy intensive
- Emissions intensive (address w/ technology)
- Growth in hi-tech industries?

Characteristics of transport sector
- Age/technology/practices
- Gasoline and diesel

Biofuels
- Current growth patterns
- Catalysts (old tech, new tech)

Characteristics of commercial sector
- Informal sector dominates?
- Space conditioning

Characteristics of residential energy use/practices
- Unserved by elex grid
- Retrieval of water
- Cooking practices & fuels
- Heating practices/needs

From there:

National GHG inventory
Basis for modeling - energy and sectoral models; integration?
Both of which become basis for policy intervention/planning

name	agency	phone/fax	email
Joe Aldy	CEA	395-1455/6870	joseph_e._aldy@oa.eop.gov
Victoria Greenfield	State/EB	647 6985/65713	———
SANDY GUILL	DOE U.S. COUNTRY STUDIES	586-3083/3485	SANDRA.GUILL@EE.DOE.GOV
Adele Morris	Treasury	622-1262/1294	adele.morris@treas.sprint.com
Dan Bilello	EPA	260-2724/260-6405	Bilello.Dan@epa.gov
Leianne Clements	EPA	260-6216/260-6405	clements.leianne@epamail.epa.gov
CLARE BREIDENICH	EPA	260-6879/6405	
RAY SQUITIERI	TREAS	622-1301/1294	ray.squitieri@treas.sprint.com
Margot Anderson	USDA	720-1977/401-1176	manderson@oce.usda.gov
BILL BREED	DOE/PO	586-4763/-2062	WILLIAM.BREED@HQ.DOE.GOV
Kurt Zwally	DOE/EERE	586-3423/-9811	Kurt.Zwally@ee.doe.gov
Duncan Marsh	DOS/OES/EGC	647-4688/-0191	dmarsh@state.gov
Phillip Tseng	DOE	586-3896/5391	Phil.Tseng@HQ.DOE.GOV
JEFF SEABRIGHT	USAID	712-1772/216 3230	jseabright@usaid.gov
GORDON WEYNAND	USAID	712-1750/216-3230	GOWEYNAND@USAID.GOV
Ko Barrett	USAID	712-4228/216-3230	kbarrett@usaid.gov
Steve Polasky	CEA	395-5012/-6870	Alan_S._Polasky@cea.eop.gov
Ben Jones	Treas	622-4447/9373	benjamin.jones@treas.sprint.com
Bob Cumby	Treasury	622-0572/2638	robert.cumby@treas.sprint.com
Quindi Franco	CEA	395-3142/395-6870	Quindi_C._Franco@cea.eop.gov
Fred Guymont	USAID	712-5631 ~~712-5631~~ 216-3409	Fguymont@USAID.GOV
Carol Pierstorff	USAID	712-5586 216-3014	cpierstorff@USAID.GOV

Steve Coe Gordon Jeff Phil Duncan Curt Bill Margot

Sandy
CSP

AID - field team in Kazakhstan
some existing analyses on Kazakhstan
Phil - acceptability of targets
integrated tech approach / sector-by-sector } energy system economic analysis
pilot projects

AID - Climate Tech Program
Bill - look at major sources
Margot - can add analytic
sinks
either through NRCS, FAS, or NASS

Working on Kazakhstan
IRG (HIID)
Hagler Bailly

EPA Andrasko McLean
EPA Macedonia
DOE Peter Karpoff

name	organization	phone	email
Joe Aldy	Council of Economic Advisers	202-395-1455	joseph_e._aldy@oa.eop.
[illegible]lanne A. Clements	US Environmental Protection Ag.	(202) 260-6216	clements.leranne@epa.go
R. Eduardo Labbe	CEADS	4344 6341	relabbe@pecom.com.ar
Luis Trama	IRAM	4345-3463	eaadas@sminter.com.ar
PABLO PALLA	CEMA	4314-2269	pp@cema.edu.ar
MARIANO FERNANDEZ	CEMA	4314-2269	MARFER@CEMA.EDU.AR
ANA CORBI	SRN y DS	4393-9523/7/8	acorbi@srnah.gov.ar
HERNAN SOLTZ	FLACSo	4375-2435	hsoltz@flacso.wamani.apc.org
[illegible]AULA GOSIS	FLACSO	4375 2435	pgosis@FLACSO.WAMANI.APC.org
LEOANDRO CUPER	SECRETARÍA INDUSTRIA	(15) 4447 1701	siti@movi.com.AR
Raimundo Florin	BCSD	342-2671	pcheetha@pecom.com.ar
Enrique Bour	FIEL	314-1990	enrique@fiel.org.ar
Fernando Navajas	"	"	navajas " " "
Cynthia Moskovits	"	"	cynthia@fiel.org.ar
Daniel Barrera	SRN y DS	348-8305	barrera@at.fcen.uba.ar
RAYMOND PRINCE	U.S. Dept of Energy	(202) 586-4765	RAYMOND.PRINCE@HQ.DOE.GOV
Patricia Vásquez	Sec. INDUSTRIA	4379-3567	Pvasquez@amwords.com
Pedro Lavignolle	Secr. de Agricultura	4349-2233	plavig@sagyp.mecon.ar
David Bouille	Ideelfb	4331-1648	ideefb@mbox.servicenet.com.ar
Fabián Gaioli	SRNyDS	4348-8305	gaioli@iafe.uba.ar
ROBERTO AIELLO	OZONE UNIT	(54-11) 4348-8383	raiello@sernah.gov.ar
Mariana Conte Grand	SRNyDS	4807-2517	
			covingtonp@buenosaires.us-state.gov

Reuniones días 2, 3 y 4 de febrero de 1999
Listado de participantes

Representantes de Argentina

Secretaría de Recursos Naturales y Desarrollo Sustentable

Subsecretario de Ordenamiento Ambiental
Raúl Alberto Castellini

Lorenzo González Videla

Director Nacional de Ordenamiento Ambiental
Miguel Angel Craviotto

Roberto Aiello
Daniel Barrera
Vicente Barros
Alberto Capra
Hernán Carlino
Mariana Conte Grand
Ana Corbi
Fabián Gaioli
Robert Page

Dirección Nacional de Fortalecimiento Institucional
Andrea Brusco

Dirección de Recursos Forestales Nativos
Jorge Menéndez

Secretaría de Transporte
Subsecretaría de Transporte Terrestre

Secretaría de Energía
Subsecretaría de Energía
Mónica Aronson
Eduardo Casarramona
Cristina Massei

Secretaría de Agricultura, Ganadería, Pesca y Alimentación
Subsecretario de Agricultura, Ganadería y Forestación
Carlos Norverto

Secretaría de Industria
Subsecretaría de Industria
Alejandro Cuper
Patricia Vázquez

Ministerio de Relaciones Exteriores y Comercio Internacional
Dirección General de Asuntos Ambientales
María Fernanda Cañás

Secretaría de Ciencia y Tecnología
Carlos Ereño
María Crisitna Saucede

Secretaría de Política Económica
Subsecretaría de Programación Macroeconómica
Carlos Quarraccino

CEAMSE
José María Canoura

Representantes de Estados Unidos

Embajada Estados Unidos
Philip Covington
Timothy Lattimer

Departament State
Office of Global Change
Dan Reifsnyder - Director
Barbara De Rosa-Joynt

White House
Council of Economic Advisor
Joe Aldy - Senior Advisor

Departament of Energy
Office of Policy and Intl. Affairs
Bill Breed - Environmental Scientist
Ray Prince - Economic Analyst

Departament of Transportation
Transportation and Strategic Planning and Analysis
Mr. Kevin Green - General Engineer

Departament of Agriculture
Global Change Programm Office
Margot Anderson - Director

Environmental Protection Agency (EPA)
Maurice Le Franc - Environmental Protection Specialist
Leianne Clements - Environmental Protection Specialist

ICF Kaiser Corporation (Contracted by EPA)
Yohanna Kleinbaum - Policy Analyst

Inventario de gases de efecto invernadero

PROYECTO ARG/95/G/31 - PNUD - SECYT

Buenos Aires / Diciembre de 1997

FLACSO

Data summary

Economic growth (%)
GDP
Private consumption
Government consumption
Gross fixed investment
Exports of goods & services
Imports of goods & services
Domestic demand

Sectoral output (% change)
Agriculture
Industry
Services

Population, income and market size
Population (m)
GDP ($ bn)
GDP per head ($)
Private consumption ($ bn)
Private consumption per head ($)
GDP ($ bn at PPP)
GDP per head ($ at PPP)

Economic structure (% of GDP)
Private consumption
Government consumption
Gross fixed investment
Exports of goods & services
Imports of goods & services
Agriculture
Industry
Services

Policy indicators (% of GDP)
Government expenditure
Government revenue
Budget balance
Government debt

Memorandum items
Industrial production (% change)
Oil production ('000 b/d)
Savings ratio (%)

Wage and price inflation (%)
Consumer prices (av)
Consumer prices (year-end)
Average wages
Real wages
Unit labour costs
Labour costs per hour ($)

Labour market
Labour force (m)
Unemployment rate (%)

Financial indicators
Exchange rate (av)
Money-market rate (av; %)

Current account ($ bn)
Current-account balance
% of GDP
Goods: exports fob
Goods: imports fob
Trade balance
Services: credit
Services: debit
Services balance
Income: credit
Income: debit
Income balance
Current transfers: credit
Current transfers: debit
Current transfers balance

Foreign debt
Total foreign debt ($ bn)
% of GDP
Debt-service ratio (%)

Draft Agenda For Us-Argentine Technical Team Meeting, February 1999

1. February, Tuesday 2nd. - 2 :30 - 4 pm

I. Welcoming Remarks

II. Introduction

A. Division of climate responsibilities among ministries, universities, contractors, etc.

1. GOA
2. USG

B. Review of objectives

1. Goals of GOA - next year an beyond
   a. SRNY DS - USG project proposal
   b. Other GOA - projects, studies, etc.
   c. Brief overview of technical/financial assistance sought
2. Goals of USG
   a. Work with GOA through the SRNYDS -USG project and others
   b. Identify technical/financial assistance available

2. February, Wednesday 3rd. - 9 :00 am. - 1 :30 pm

III. Developing a target

A. GOA

1. Review of groundwork laid to date
2. Plans/proposals for how GOA will come to a decisión on a target (by COP-V)
3. Work remaining to be done before GOA is ready
4. Technical assistance sought

B. USG

1. Review of groundwork laid in preparation for taking on a target (what we had to put in place so that we knew what target we could accommodate)
2. Lessons learned with different modeling types in assessment of target and with Kyoto Mechanisms
3. Lessons learned through development of our inventory
4. Lessons learned from our early mitigation efforts
5. Technical assistance we can offer

February, Wednesday 3rd. - 2 - 6 pm

IV. Sector Specific Discussions

A. Energy and Transport, Industry

1. GOA
   a. Groundwork laid in inventory
   b. Projections for sector
   c. Technical assistance sought
2. USG
   a. Lessons learned with models in this sector
   b. Lessons learned regarding trends an ability to impact trajectories of emissions levels in this sector
   c. Lessons learned regarding mitigation technologies and policies
   d. Technical assistance we can offer

3. February, Thursday 4th. - 9 am - 1 pm

B. Agriculture, Forest and Soils

1. GOA
   a. Groundwork laid in inventory
   b. Projections for sector
   c. Technical assistance sought

2. USG

    a. Lessons learned with models in this sector

    b. Lessons learned regarding trends and ability to impact trajectories of emissions levels in this sector

    c. Lessons learned regarding mitigation technologies and policies

    d. Technical assistance we can offer

4. February, Thurday 4th. - 3 - 6 pm

V. Conclusions

A. Argentine work plan up to COP-5

B. Review of technical assistance available from the USG

C. Future work

E/GDP improving −0.8%/yr may be
reasonable given their GDP per capita