

MERCOSUR

The Presidents of Argentina, Brazil, Paraguay and Uruguay signed on March 26, 1991, a treaty to set up a common market.

The Southern Common Market (Mercosur) offers to investors additional opportunities in the form of a four-country common market with a total population of 200 million and a global GDP close to one trillion U.S. dollars. Its territory of nearly 12 million square kilometres combines a wide variety of topographies, climates, and resources which sum up to significant opportunities for the complementation of production.

The liberalization of trade among the member countries is being implemented through a progressive reduction of import duties and restrictions until they have been completely eliminated by the end of 1994. This has already led to a sharp increase in regional trade as well as joint ventures, mergers, and acquisitions among firms operating in the member countries.

INVESTMENT OPPORTUNITIES

The Argentine economy faces the great tasks of diversifying production in an environment of equal incentives for all sectors and to increase the degree of industrial specialization in order to become integrated in the world economy.

The country has significant comparative advantages due to its special endowment of natural resources including fertile land, petroleum and natural gas, minerals, water resources, forests, fisheries, a variety of regional climates, tourist attractions and, of course, human resources.

The Argentine Constitution grants foreigners the same rights to work, conduct business, buy, own and sell property as it does to Argentine nationals; property is inviolable and no inhabitant of the nation may be deprived of it except by virtue of a judicial decision founded in an existing law.

It is possible to underline the following points related to the treatment given in Argentina to the foreign investments: