

INTRODUCTION

There is no more doubt about who will lead the country for the next four years, until 1999. On Sunday May 14 1995, Dr. Carlos Saúl Menem was elected for a second consecutive term as Argentina's President. Therefore, one can at least expect a continuity in economic policy and the assurance of an *open-market economy* that welcomes trade and foreign investments.

In the recent years, privatization and the reduction in trade barriers have created many investment and export opportunities for foreign companies and governments. Today, some of the big players in the Argentine market are the United States of America, Germany, Brazil, Italy, and France. In 1993, Canadian products accounted for about 0.5% of Argentine imports. With the recent launching of the Mercosur customs union (Argentina, Brazil, Paraguay, and Uruguay), companies in Argentina can now tap into a market of almost 200 million people.

In Argentina, the "*Protection of the Environment*" issue has only been of concern since 1991. The *Environmental market* is therefore at a very early stage of its existence.

In contemplating business opportunities in the country, it is important to understand the applicable legal framework. Provincial governments have substantial authority and power, and develop their own legal instruments. The provinces claim the right to manage their own environmental affairs and they usually draw their own laws in matters such as *water, air, waste, pesticides, etc.* Federal laws are to provide the basis of legislation to be complemented at the provincial level depending on cultural and ecological needs. Therefore, law enforcing regulatory agencies may exert control differently in each of the 23 Argentine provinces.

A new federal law will come into effect, by the end of 1995, establishing the minimum legal framework for *all* types of wastes (a step further than the hazardous wastes law of January 1992). It is expected that provinces will approve it and set up tight regulatory measures to enforce it. Judges have begun to fine offenders.

Some companies have already sought advice from consultants, both local and foreign to look for solutions to their contamination problems before legislation catches up with them.