



Ministry of Foreign Affairs

BRIEF MARKET REPORT

Chemical products in Argentina

Commissioned by the Netherlands Enterprise Agency

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BRIEF MARKET REPORT

Chemical products in Argentina ¹

Prepared June 2020. Event calendar updated October 2020

This brief report provides an overview of the chemicals market and recent import trend in Argentina.

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1 Market Overview

The Netherland's main export in value to Argentina are chemicals, specially the preparations of oil and other bituminous materials. This brief report presents the overall chemicals market in this economy, and the evolution of main NL chemical exports to Argentina.

Argentina's chemical and petrochemical sector employs over 110,000 people, of which 50% work in SMEs (for each direct job there are 8 indirect ones). Annually the sector as a whole generates US \$ 25,000 million in production value.²

The chemicals industry accounts for 12% of Argentina's total manufacturing revenues, or 9% of nation's gross domestic product (GDP)³.

¹ Content information provided in this document, is of general nature only. For more detailed information, events and commercial trade offers as well as commercial business contacts, please contact the Embassy in Buenos Aires, the Netherlands Business Support Office or the Dutch-Argentine Chamber of Commerce, listed in Section 5.

² Figures provided by the Chamber of the Chemical and Petrochemical Industry (CIQyP). They do not include final products such as Biodiesel, Medicines, Cosmetics, Paints, Cleaning Products, etc.

³ [OECD Argentina Survey 2019](#)

According to an OECD study the sector comprising chemical and pharmaceutical products is among those where the country has the highest competitive advantage (OECD [Estudio Económico Argentina](#))

Argentina's petrochemicals industry was launched during World War II, as a pioneer in Latin America. At the beginning of the 1990s, laws aimed to deregulate and privatize the economy brought new investment from global companies such as Brazil's Petrobras, Dow, Akzo Nobel, and Solvay, who bought most of Argentina's refineries and petrochemical facilities.

By 2000, new plants were being built for glyphosate (Atanor; Monsanto), polypropylene (Petroken, later Basell Polyolefins), and methanol (YPF). Another new company, Profertil, became a major supplier of ammonia and urea.

The installed capacity of the sector in January 2020 for end-use petrochemical products and for basic and intermediate products was 96% and 66%, respectively.

Almost half of local chemical production corresponds to end-use products (paints, cosmetics, drug products, etc.).

Among the largest users of products from the chemical industry is the farm sector, as Argentina is a net agricultural commodities exporter with agricultural production currently around 100 million ton/year. Fourteen percent of the total production corresponds to agrochemicals; a sector that has been growing at an average annual rate of 5%.

Nevertheless, the production of agrochemicals is not enough to meet the demand, thus this industry is heavily dependent on imports. China positions itself as a large supplier of the agrochemical imports.

Large chemical companies offering their products in the market include Profertil (YPF-Agrium); PBB Polisor (Dow), Unipar Indupa (Solvay); Bunge; YPF; Petroken and DAK Americas.

Large agro-chemical companies offering their products in Argentina include Syngenta; Monsanto (now part of Bayer); Dow Agrosiences; Profertil; Bayer; Atanor; Basf; and Dupont.

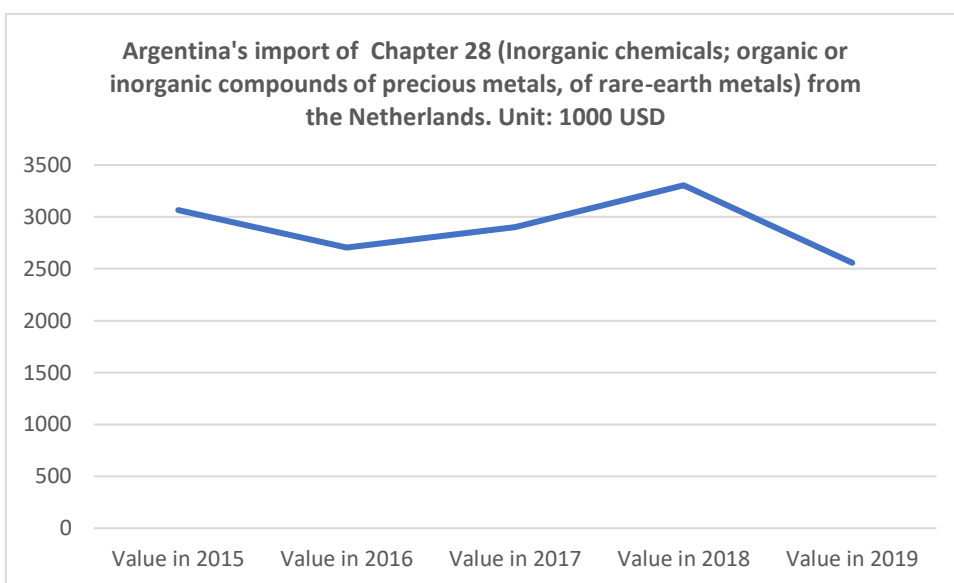
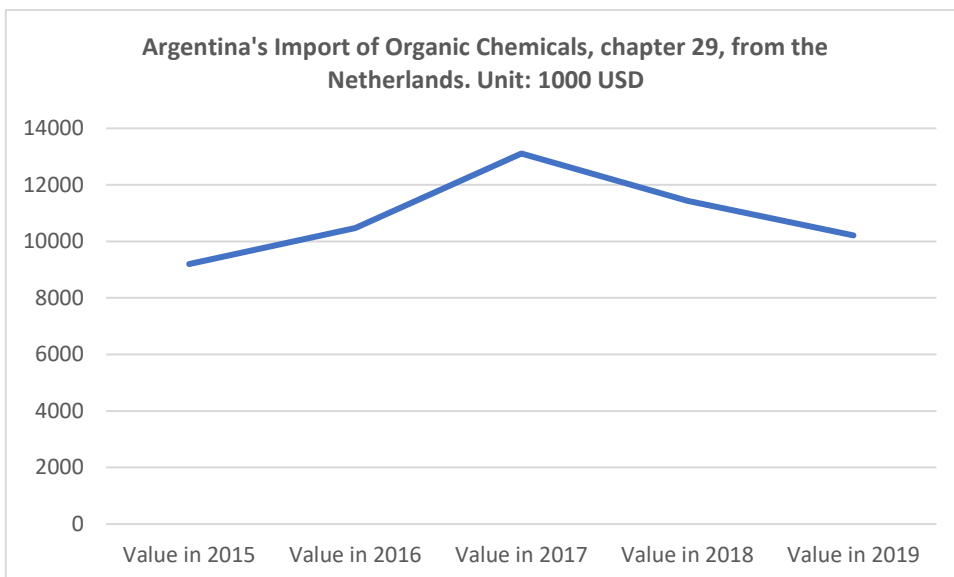
Related with the availability of raw materials for the petrochemical industry, the sector can benefit from Argentina's large shale oil and gas reserves. The U.S. Energy Information Administration (EIA), ranks the country's technically recoverable shale oil resources as fourth in the world, and those of gas as second.

The country exports chemical and petrochemicals mainly to the Mercosur trade bloc (Argentina, Brazil, Uruguay and Paraguay) 49.8% of total exports; to the rest of Latin America 16.9%; to US & Canada 10.2%; to the EU 9.7%; to China 2.6% and to others 10.7%.

2 Foreign Trade

Imports.

Evolution of Argentina's import of Dutch organic and inorganic chemicals in the last 5 years :



Data source⁴

Regarding the trade in chemicals with the world in general, Argentina imported Inorganic chemicals (HS chapter 28) for total value of USD 727.602.000 in 2019, compared to USD 876.057.000 in 2018 and USD 654.639.000 in 2017.

Its main suppliers in 2019 were Australia, the US and China, in that order, followed by Spain, Chile, Germany and Italy.

⁴ UN International Trade Centre, [Organic chemicals](#); [Inorganic chemicals](#)

Regarding Organic chemicals (chapter 29), the country imported from the world a total value of USD 2.370.092.000 in 2019, USD 2.438.265.000 in 2018 and USD2.329.844.000 in 2017.

In 2019 its main suppliers were China, the US and India, followed by Australia, Germany and Mexico, in that order.

For a more specific view of certain products, here Argentina's import and export figures in US dollars for an example set of chemicals, in 2018 and 2019.

Imports:

HS Code	Description	2018	2019
28.06	Hydrochloric Acid	137.531	150.199
28.07	Sulphuric Acid	11.380.220	10.533.365
28.08	Nitric Acid	2.299.256	773.386
29.14.11.00	Acetone	2.938.789	2.636.521
29.15	Formic Acid	88.774.226	78.612.429
29.15.21	Acetic Acid	5.459.136	5.015.051

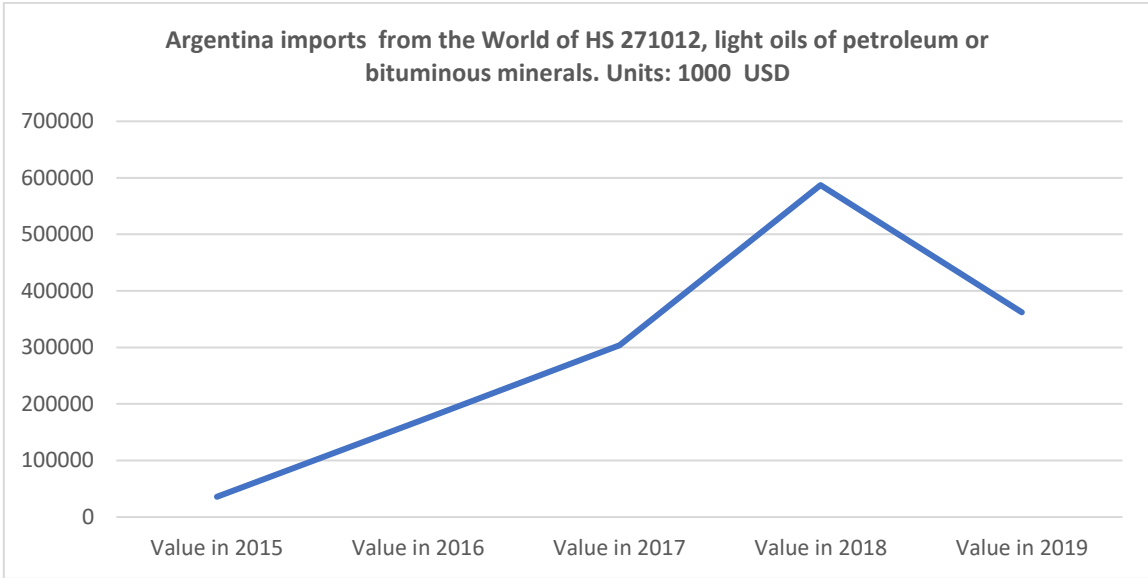
Exports:

HS Code	Description	2018	2019
28.06	Hydrochloric Acid	1.680	31.804
28.07	Sulphuric Acid	12.367	-
28.08	Nitric Acid	130.934	132.695
29.14.11.00	Acetone	1.428	-
29.15	Formic Acid	649.621	208.153
29.15.21	Acetic Acid	144.693	-

In regards to exports from the Netherlands to Argentina, chemicals, specially positions HS 27.10.12 and 27.10.19 are among Dutch top sales.

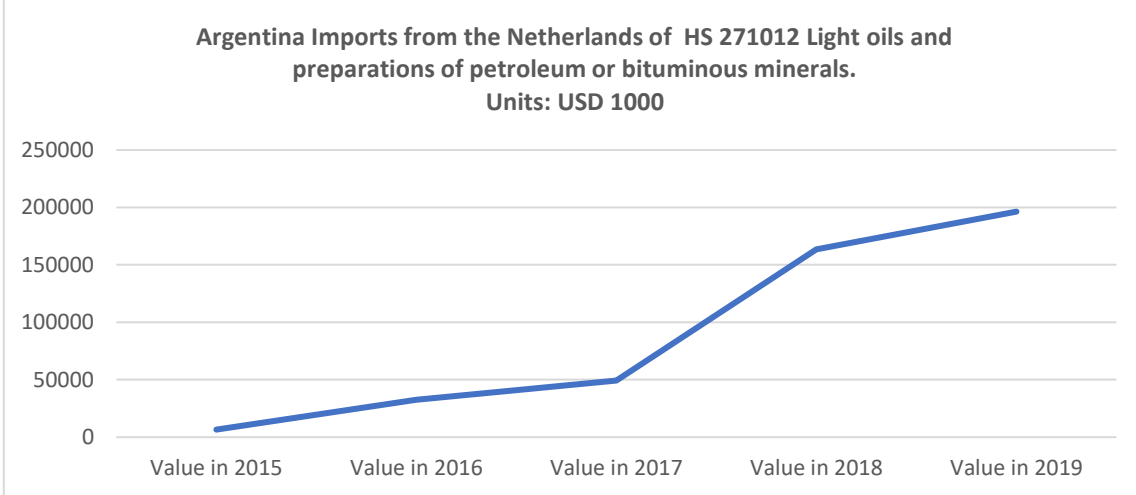
Argentina's import from the World of HS position 27.10.12 Light oils and preparations, of petroleum or bituminous minerals, in the last 5 years, in USD thousand units:

2015	2016	2017	2018	2019
35870	169119	303811	587211	361877



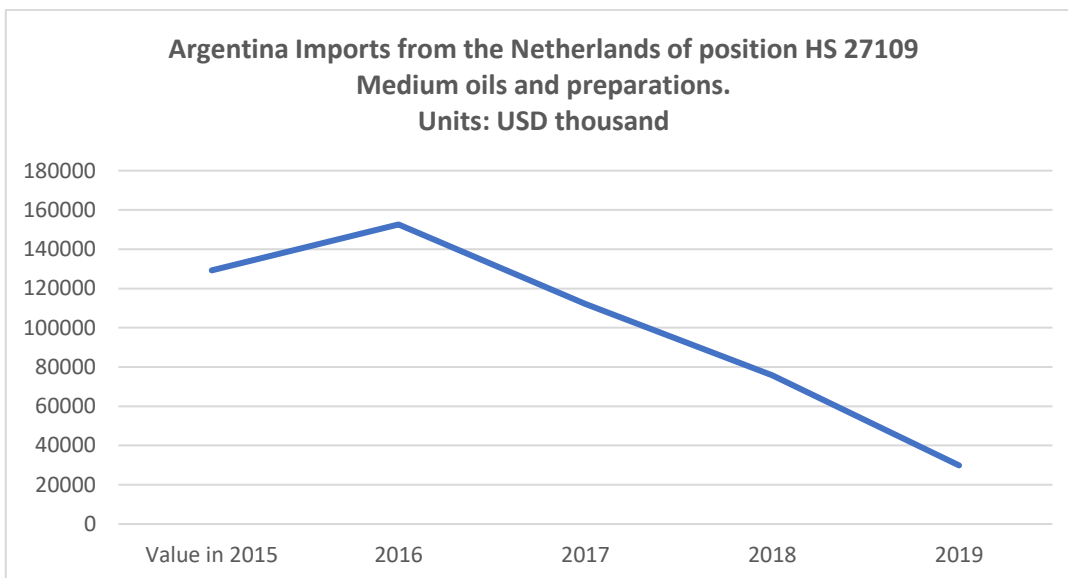
The values specifically imported from the Netherlands were, in USD thousand units:

Value in 2015	Value in 2016	Value in 2017	Value in 2018	Value in 2019
6590	32645	49168	163588	196341



The Netherlands main chemical exports to Argentina also include, although with a decreasing trend, HS position 27.10.19: Medium oils and preparations, of petroleum or bituminous minerals, not containing biodiesel. In USD thousand units:

Value in 2015	2016	2017	2018	2019
129287	152601	112035	75745	29877



The Argentine government agencies involved in the approval of chemical imports are:

[INAL](#) – National Institute for Alimentary products, if related with food items. The institute is part of the ANMAT, the National Administration for Food, Medicine and Medical Technology

[SENASA](#) –National Service of Agro-alimentary Sanitary Quality if utilization of wooden packages

[SEDRONAR](#) – National Coordination for policies related with addictions. Its National Registry includes restricted chemical precursors in Lists I y II

[ANMAT](#)/INAL – if related with chemical reactivities and products of medical use.

3 Industry Associations

- 1) **Cámara Argentina de Productos Químicos** (Argentine Chamber of Chemical Products). Includes manufacturers and importers.
Address: Rodríguez Peña 426 Piso 3, Buenos Aires –
Tel: +54 11 4374.3550
Email: info@camaraquimica.org.ar ; administración@camaraquimica.org.ar Website: <http://www.camaraquimica.org.ar/>

- 2) **Cámara de la Industria Química y Petroquímica - CIQYP** (Chemical and Petrochemical Industry Chamber)
Address: Av. Córdoba 629, C1054 AAF, Buenos Aires
Tel: +54 11 4313 1000/+54 11 4314 1059
Website: <http://www.ciqyp.org.ar/>

- 3) **Cámara Argentina de Representantes y Fabricantes de Anilinas, Auxiliares y Pigmentos - CARFA** (Argentine Chamber of importers and manufacturers of anilines, auxiliary substances and pigments)
Address: Rodríguez Peña 426, 3rd floor (C1020ADJ) Buenos Aires
Tel: +54-11- 4374-3550
Email: info@carfa.org.ar
Website: <http://carfa.org.ar/>

- 4) **Instituto Petroquímico Argentino, IPA (Petrochemical Institute of Argentina)**
Address: San Martín 910, 3° Piso C1004AAT, Buenos Aires
Tel +54-11- 4312-2556/+54-11 4312-2561
Email: ipainfo@ipa.org.ar
Website: <http://www.ipa.org.ar/>

- 5) **Cámara Argentina de la Industria de Fertilizantes y Agroquímicos - CIAFA** (Argentine Chamber of Agrochemicals and Fertilizers Industry)
Address: B. Mitre 1332 4º Piso C.P. C1036AAZ, Buenos Aires
Tel: +54 11 4381-2742/6418/+54 11 4383-0942
Email: ciafa@ciafa.org.ar
Website: <https://www.ciafa.org.ar/>

4 Trade Fairs and Journals

EXPOMEDICAL

Sept. 22 - 24, 2021, Buenos Aires, Argentina

Professional event for the entire Health Sector in Argentina and the Spanish-speaking countries. More than 150 Argentine and foreign exhibitors will present their latest product launches, technologies and services for hospitals, clinics, laboratories and clinics.

<https://www.expomedical.com.ar/en/>

AAOG ARGENTINE OIL & GAS EXPO PATAGONIA 20 - 23 September de 2021, Buenos Aires, Argentina

Hydrocarbons sector fair gathers also engineers, geoscientists, technicians and general personnel from companies in the sector.

<http://www.aogpatagonia.com.ar/>

ETIF Congress and Exhibition for the Pharmaceutical, Biotechnological, Veterinarian and Cosmetics Science and Technology 07 – 09 April 2021, Buenos Aires, Argentina

ETIF will have around 100 exhibitors who will be exhibiting their products.

<https://www.etif.com.ar/en/>

ARMINERA 05 - 07 May 2021, Buenos Aires, Argentina

Gathers all actors of the mining industry, both local and foreign.

<https://arminera.ar.messefrankfurt.com/buenosaires/en.html>

EXPOCLEAN June 16 - 18, 2021, Buenos Aires, Argentina

Gathers companies dedicated to cleaning equipment used indoors and outdoors; techniques and services for users; cleaning services; service for treatment of perilous disposable materials, subproducts and industrial effluents.

<https://www.expoclean.com.ar/en/>

Specialized Magazines

- Econo Journal <https://econojournal.com.ar/>

Industry- related articles

- On a law proposed (by June 2020 not yet approved) regarding the use of industrial chemicals (Spanish)
- <https://chemicalwatch.com/78391/argentina-finalises-chemicals-management-bill>

- Situation in the chemical industry in Argentina, by March 2020 (Spanish)

<https://www.infobae.com/economia/networking/2020/03/16/en-el-comienzo-de-2020-la-produccion-de-la-industria-quimica-y-petroquimica-mostro-un-incremento-del-4-por-ciento/>

- While looking at Argentina's market it may be interesting to search for opportunities in the current market of its neighbor country Uruguay

<https://www.export.gov/apex/article2?id=Uruguay-Chemicals>

5 Addresses Dutch Foreign Missions

- **Embassy of the Netherlands in Argentina**
Economic Section T: +54 11 4338 0090 , Website www.paisesbajosytu.nl
Linkedin: [EmbajadadelReinodelosPaísesBajosenBuenosAires](#)
- **Netherlands Business Support Office in Córdoba**, a foreign trade office of the Dutch government implemented by the Netherlands Enterprise Agency (RvO.nl) located in the important region of Córdoba in the center of the country. T+54 9 3584 383 175
Website link: [NBSO Córdoba](#)
- **Argentine-Dutch Chamber of Commerce** The chamber that gathers most Dutch businesses in Argentina. Website <https://ccah.org.ar/> Email info@ccah.org.ar
- **European Enterprise Network (EEN) in Argentina**
The EEN is a network funded by the EU to support SMEs and research centers in the EU and emerging economies including Argentina. Website:
<https://een.ec.europa.eu/about/branches/argentina>

ANNEX Import Tariffs and Licences

Import Tariffs

There are two types of import licenses:

- *Automatic*: (approved within 24/48hs)
- *Non Automatic*: (requires special authorization, in some cases explanation on the necessity of the import, among other requirements). This authorization can take up to 60 days.

Note. At the time of writing this update in October 2020 importers in Argentina voice complaints on the time for approval of some imports, and on difficulties on availing themselves of hard currency to pay for them. Given the rapid change of the economic situation of Argentina it can be expected a frequent change of import regulations. It is therefore advisable to check with the Embassy's economic section, the Netherlands Business Support Office in Cordoba, the Dutch-Argentina Chamber of Commerce or a local customs broker before actually confirming a trade operation. (contact information on section 5 above).

HS Code (Europe)	HS Code (Mercosur)	Import Duty	Statistic Fee	Import License
28.06	28.06	Between 6% and 8%, depending on the technical characteristics	3% (max U\$S 150.000 depending on the value of the good)	Automatic
28.07	28.07	4%	3% (max U\$S 150.000 depending on the value of the good)	Non-Automatic
28.08	28.08.00.10 (nitric acid)	10%	3% (max U\$S 150.000 depending on the value of the good)	Non-Automatic
29.14.11.00	29.14.11.00	12%	3% (max U\$S 150.000 depending on the value of the good)	Automatic
29.15	2915.11.00.000 Q	2%	3% (max U\$S 150.000 depending on the value of the good)	Automatic

29.15.21	29.15.21.00	12%	3% (max U\$S 150.000 depending on the value of the good)	Automatic
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May 2020 resolution on Import Licenses for some chemical products .

Disposition No. 9/2020 issued by the Under-Secretariat of Policy and Trade Management and taking effect since 20 May 2020 widens the lists of tariff positions subject a Non-Automatic Import License now including some organic and inorganic chemicals of position chapters 28 and 29, which listed in the Annex. Nevertheless, the Automatic Licenses approved prior to the entry into force of this provision will remain valid until they are used or the term for which they were granted is fulfilled, whichever occurs first.

Products of Chapters 28 and 29 now requiring Non Automatic Licenses, according to government resolution of May 19th 2020:

2808.00.10	Nitric acid.
2815.11.00	Solid sodium hydroxide (caustic soda).
2815.12.00	Sodium hydroxide (caustic soda) in aqueous solution.
2833.22.00	Aluminium sulphate.
2909.11.00	Diethyl ether.
2915.70.31	Esters of zinc stearic acid.
2915.70.39	Esters of stearic acid.
2916.31.10	Benzoic acid.
2917.19.22	Maleic acid.
2920.90.32	Nitro-glycerine.
2923.90.40	Alkyl-trimethylammonium halides.
2929.10.21	Toluene diisocyanates.

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Netherlands Enterprise Agency is part of the ministry of Economic Affairs and Climate Policy.