

Argentina
Country
Facts

2025





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# **Argentina Country Facts**

Latin America is full of talented labor, exciting new markets, and unparalleled growth opportunities. However, it is also fraught with challenges and instability. Argentina is one such country. The third-largest economy in South America, the country has a wide spectrum of business activities. It also provides access to a highly qualified workforce. This means there are plenty of opportunities for foreign investors looking to expand their business.

### 1. Facts to Consider Before Expanding Your Business

To truly understand this dynamic and complex country, and to succeed there, requires years of experience and cultural understanding. Fortunately, SERVIAP has both. For our clients, here are some high-level facts on the opportunities and risks associated with Argentina.

#### 2. The Economy

Argentina is classified as an "emerging market" and is a member of the G20. It is the third-largest economy in South America after Brazil and Mexico.

- The economy has been historically volatile, with cycles of high growth followed by deep recessions.
- From 2018 to 2023, Argentina faced severe inflation and recurring debt crises.
- Inflation continues to be a major challenge, though recent fiscal and monetary reforms aim to stabilize the economy.
- Argentina has a highly qualified young labor force, with strong representation in technology, engineering, and agribusiness.
- The country's export structure is centered on agriculture and agri-industrial products, representing more than 65% of total exports. Key goods include soybeans, corn, wheat, and beef.
- Natural resources such as lithium, shale gas (Vaca Muerta), and mining are becoming increasingly important for foreign investment.

# 3. The Importance of Small and Medium-Sized Companies

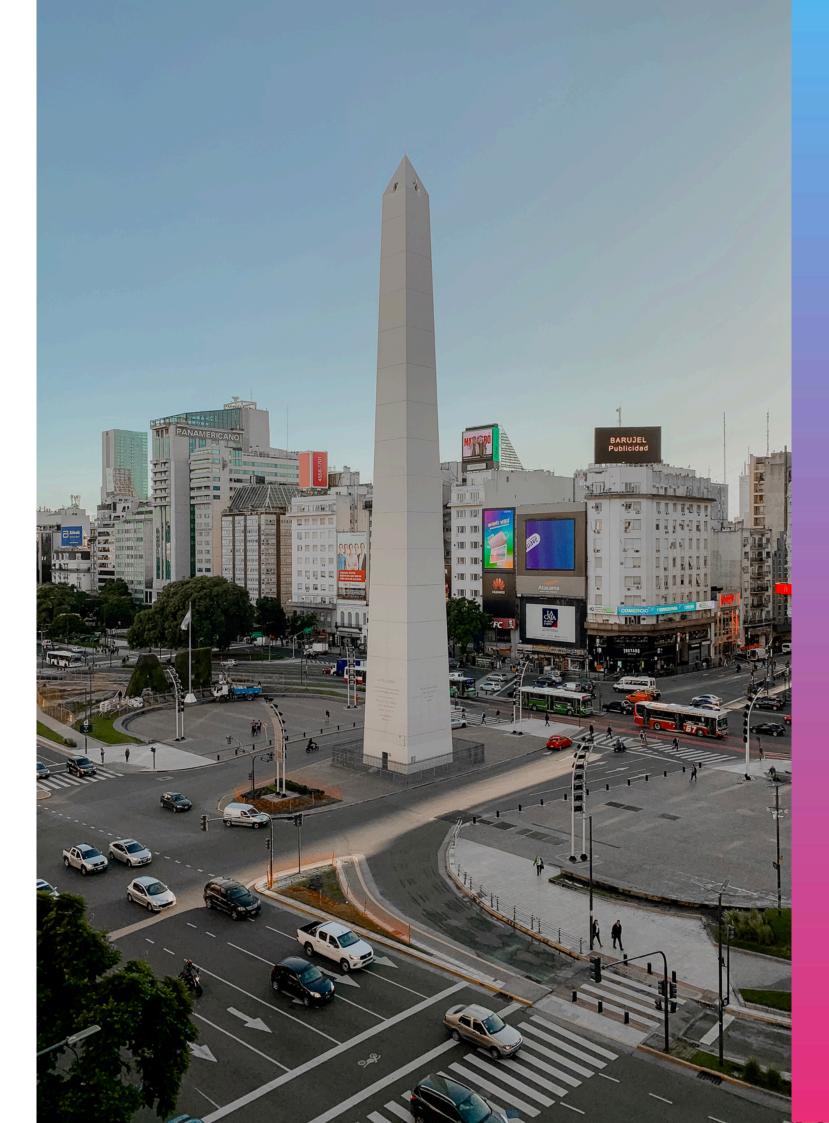
Almost 99% of registered companies in Argentina are small and medium-sized enterprises (SMEs). They represent approximately 70% of total employment.

SMEs are particularly concentrated in urban centers where talent and infrastructure are abundant — mainly Buenos Aires, Córdoba, Santa Fe, and Mendoza.

#### 4. The Main Sectors to Run a Successful Business

#### Service Sector (≈ 61% of GDP)

- Wholesale and retail trade: ~13% of GDP
- Transport, warehousing, and communications: ~11%
- Real estate: ~12%
- Education, health, and social services: ~8%
- Financial intermediation: ~7%



#### Industrial Sector (≈ 25% of GDP)

- Manufacturing: ~15% of GDP (automotive, food processing, petrochemicals)
- Construction: ~6%

#### Agricultural Sector (≈ 9% of GDP)

• Farming, livestock, and fisheries remain the backbone of exports, especially soybeans, wheat, corn, and beef.

#### Mining & Energy (≈ 5% of GDP)

• Lithium and shale oil/gas are high-growth sectors attracting FDI.

## 5. Characteristics of the Argentinian Population

#### Demographics

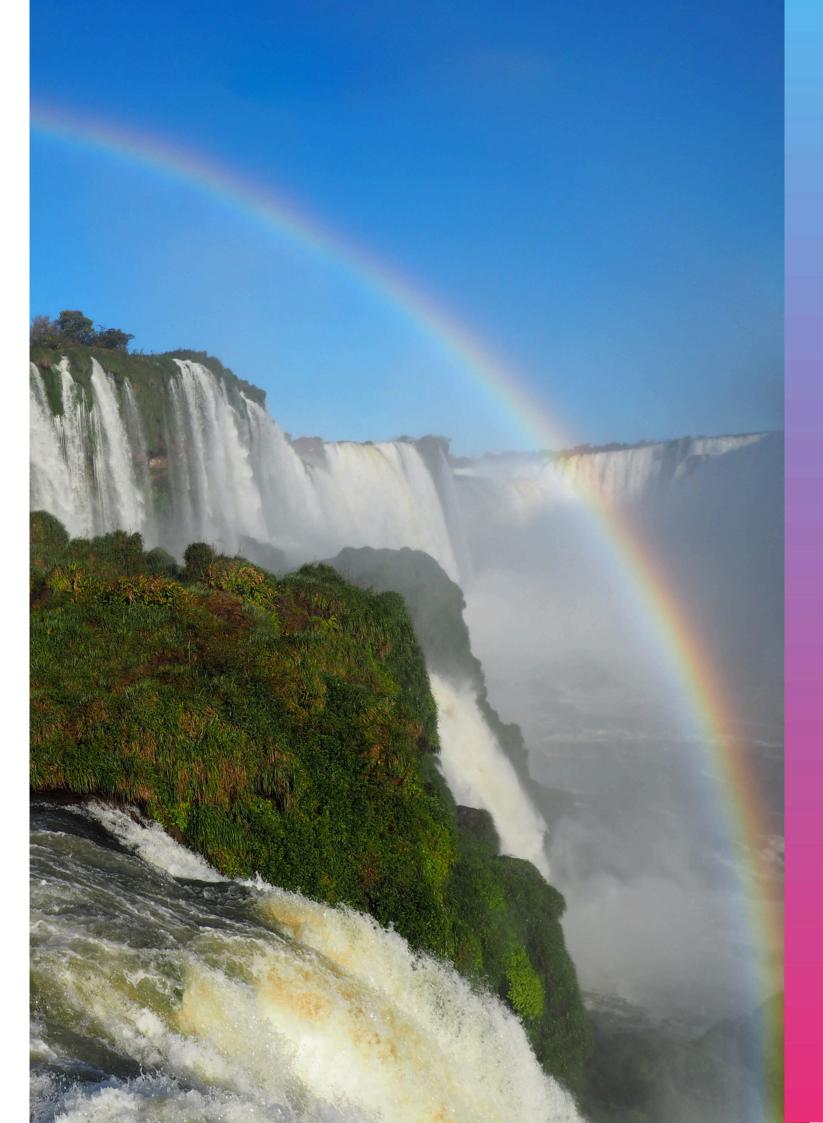
- Argentina is the third most populous country in South America (after Brazil and Colombia) and ranked 34th globally.
- Population is approx. 46.9 million (2025), with a density of ~17 people per km², still below the world average.
- Annual population growth rate: ~0.9%.
- The country has a relatively young population: over 63% are between 15–64 years old.
- Senior citizens (65+) make up about 11% of the population.
- The median age is 32 years.

#### Geography

- Argentina is the second-largest country in South America and the eighth-largest in the world.
- It is bordered by Chile (west), Bolivia and Paraguay (north), Brazil and Uruguay (northeast), and the Atlantic Ocean (east).
- It has diverse geography: the Andes mountains, Pampas plains, Patagonia, and extensive coastlines.
- Argentina is strategically located near major South American markets (Brazil, Chile, Uruguay).

#### Consumer Preferences

- Argentine consumer behavior tends to resemble European consumption patterns more than typical Latin American ones.
- Due to decades of economic instability and inflation, consumers are value-conscious and prioritize essential spending.
- There is a strong preference for locally produced goods over imported ones, partly due to high import costs.
- Younger and higher-income Argentines are brand-conscious and more willing to pay for premium or international products.



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#### 6. Economic Opportunities

#### Workforce and Laws

Argentina's labor framework is generally pro-employee:

- Strict laws govern working hours, conditions, and salaries during illness. Employers must pay overtime surcharges, annual leave, and severance for unfair dismissal.
- Employment contracts must comply with public order rules and cannot waive statutory rights.
- Employees are entitled to a Statutory Annual Bonus (Aguinaldo), paid in two installments (June 30 and December 18). Each installment equals 50% of the highest monthly salary earned in the previous semester.
- Employers must provide mandatory life insurance coverage for all employees.

#### **Human Talent**

- Argentina has a world-class, free public education system, with high coverage in technology, science, and engineering.
- Around 42% of the population speaks English at a functional level, one of the highest in Latin America.
- Argentina has become a hub for IT outsourcing and software development, supported by a strong base of tech talent.
- In 2024, Coursera's Global Skills Index ranked Argentina as the No. 1 country in Latin America for technology skills.

#### Technological Ecosystem

- There are three main areas where Argentina is experiencing strong technological growth:
- Telecom & Connectivity: Massive investments in telecom infrastructure, including spectrum auctions, are boosting connectivity. Global firms like Huawei and Telefónica (Movistar) are active in this market.
- Information Technology & Software: Argentina has become one of Latin America's top software development hubs, with strong growth since 2000. It is home to several unicorn startups (Globant, Mercado Libre, Ualá). The IT outsourcing and fintech sectors continue to expand, driven by a skilled workforce
- Energy & Oilfield Services: Technology demand is increasing in shale oil & gas (Vaca Muerta). U.S. service companies such as Halliburton, Baker Hughes, and Schlumberger remain key players.

#### Facilities for Foreign Investment

Argentina's investment climate remains complex but offers opportunities for medium- to long-term investors:

- MERCOSUR Membership: Since 1991, Argentina has been a founding member of MERCOSUR, along
  with Brazil, Paraguay, and Uruguay. This bloc facilitates the free movement of goods, services, and labor
  within the region.
- LAIA (Latin American Integration Association): Argentina is also part of LAIA, promoting trade integration across South America.
- FDI Opportunities: Despite ongoing challenges (inflation, regulations, and political shifts), foreign investors are active in sectors like renewable energy, agribusiness, lithium mining, fintech, and IT outsourcing.
- The government has implemented incentives for knowledge-based industries (Ley de Economía del Conocimiento), offering tax benefits to technology and service exporters.

#### 7. Business Culture

- Business interactions in Argentina tend to be more formal than in the U.S. or Western Europe, though this is gradually relaxing.
- The use of first names in professional contexts is becoming more common, but hierarchy and titles (Señor, Doctora, Ingeniero) are still widely used.
- Networking is key: press conferences, product launches, business forums, and cocktail receptions are important for relationship building.
- Trust and personal connections play a big role; long-term relationships are valued more than purely transactional ones.

#### 8. Argentine Gastronomy: Global Influence, Local Innovation

- Argentine cuisine blends Mediterranean influences (Italian and Spanish), native traditions, and global trends.
- The asado (barbecue) is the most iconic dish, but pastas, empanadas, and milanesas are equally central to everyday cuisine.
- Argentine wines (especially Malbec) have achieved international prestige.
- Food culture is strongly tied to hospitality and socializing. Homemade meals and sharing food are seen as signs of warmth and friendship.
- From bodegones (traditional taverns) to high-end restaurants, Argentina offers a wide range of dining experiences.

#### 9. Risks of Investing in Argentina

Argentina continues to present challenges for investors despite reforms:

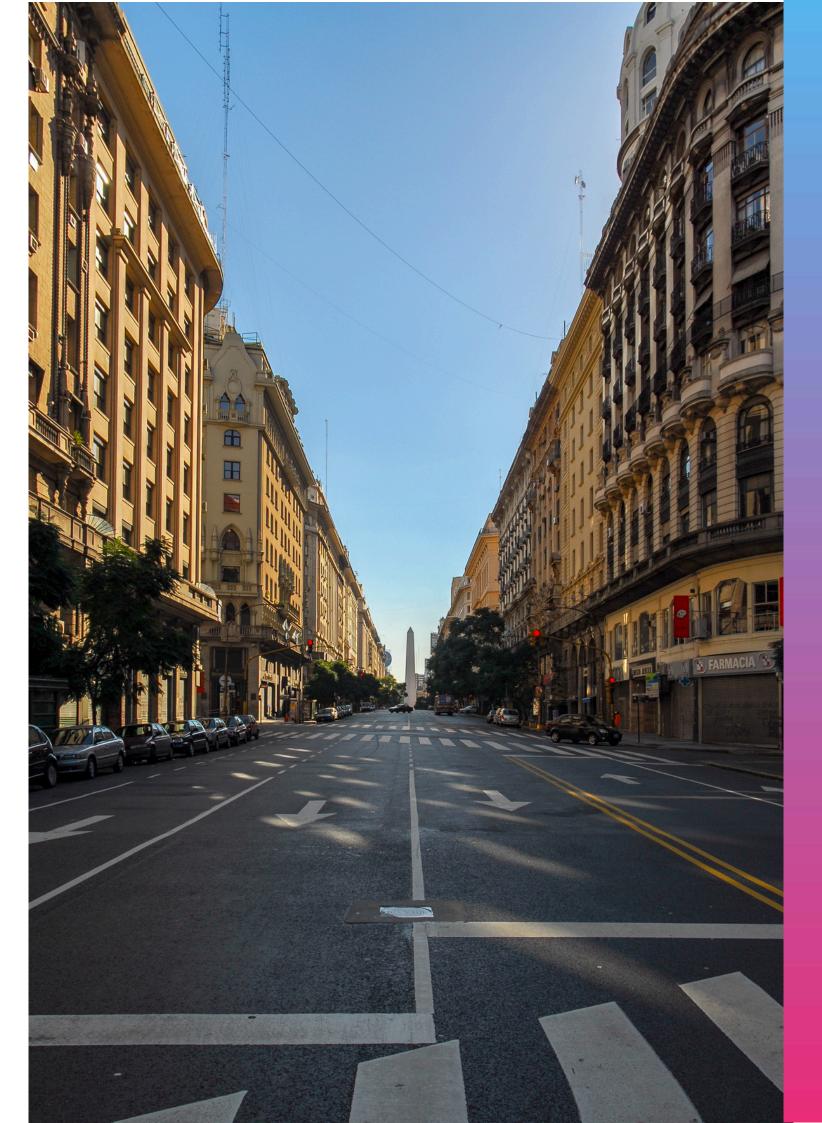
- High Inflation: Inflation has been persistently high, with 2024 marking triple-digit levels. Although stabilization plans are in place, price volatility remains a major concern.
- Complex Regulations: There are multiple bureaucratic procedures to register and operate a business.
   Starting a business typically requires 9 procedures and takes more than 35 days (World Bank Doing Business indicators).
- Tax Burden: Argentina has one of the highest tax pressures in Latin America, with overlapping national, provincial, and municipal taxes.
- Legal Proceedings: Enforcing contracts or resolving insolvency is slow; bankruptcy resolution can take over 2.5 years and costs up to 12% of the estate.
- Policy Volatility: Frequent regulatory changes and capital controls increase uncertainty for foreign investors.





# General Highlights

Field	Information (Updated 2025)	
Year	2025	
Country	Argentina	
Capital	Buenos Aires City	
Num. States / Provinces	23 Provinces	
Principal Cities	Buenos Aires, Córdoba, Rosario, Mendoza, La Plata, San Miguel de Tucumán	
Language	Spanish	
Local Currency	Argentine Peso (ARS)	
Major Religion	Catholic (majority), with growing religious diversity	
Date Format	DD-MM-YYYY	
Thousands Separator Format	999.999,99	
Country Dial Code	54	
Time Zone	Argentina Time – ART (UTC -3)	
Population	~46.9 million (2025 est.)	
Border Countries	Bolivia and Paraguay (north), Brazil and Uruguay (east/northeast), Chile (west)	
Continental Surface	2,780,400 km² (8th largest country in the world)	
Tax Year	January 1 – December 31	
VAT%	21% (standard rate, reduced and increased rates apply for certain goods/services)	
Minimum Wage	ARS 156,000 per month (≈ USD 165, as of Jan 2025)	
Taxpayer Identification Number in the Country	CUIT – Código Único de Identificación Tributaria (for companies and individuals with tax obligations) CUIL – Código Único de Identificación Laboral (for employees)	
Current President	Javier Milei (since 10 Dec 2023)	



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What you need to know about employing personnel in Argentina

# 1. Laws That Regulate Labor Relationships

The following laws govern the employment relationship between workers and employers in Argentina. These establish the framework for labor rights, working conditions, dismissal, work accidents, pensions, and employee protection.

Law	Brief Description
Argentine National Constitution (Law 24.430)	Supreme law of Argentina. Establishes fundamental rights and guarantees, including the right to work under dignified and fair conditions (Art. 14 bis).
National Employment Law (Law 24.013)	Regulates employment promotion and protection. Includes:  Regularization of unregistered employment.  Defense and promotion of employment.  Protection of unemployed workers.  Training, statistics, and operation of the National Employment, Productivity and Salary Council (responsible for setting the Minimum, Vital and Mobile Salary).  Temporary unemployment benefits.  Compensation for unjustified dismissal.
Labor Day Law (Law 11.544)	Establishes the legal working hours in Argentina: maximum 8 hours per day or 48 hours per week.
Labor Risks Act (Law 24.557)	Framework for occupational health and safety. Focuses on prevention of work accidents and occupational diseases. Employers must provide adequate medical attention and insurance coverage through ARTs (Aseguradoras de Riesgos del Trabajo).
Workers Compensation Law (Law 25.323)	Provides additional compensation in case of labor fraud or irregularities. If an employee is dismissed from an unregistered or deficient labor relationship, compensation amounts (from the Labor Contract Law 20.744) are doubled.

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Law	Brief Description
Ministry of Economy	The Ministry of Economy of the Argentine Republic is one of the six agencies that are responsible for assisting the president of the Argentine Nation and the head of the Cabinet of Ministers, in economic policy, internal trade and economic, financial and fiscal relations with the provinces and the Autonomous City of Buenos Aires.
Production and Labor Ministry (Ministry of Productive Development)	The Ministry of Productive Development of Argentina is the government agency responsible for designing and executing plans related to the promotion of the country's industrial production, as well as foreign trade.
Federal Administration of Public Revenue (AFIP)	The Federal Administration of Public Revenue (AFIP) is the agency responsible for the execution of the tax, customs and collection policy of social security resources of the Nation.

#### 3. Labor Contracts

2. Key Tax and Labor Authorities

In Argentina, the Labor Contract Law (Law 20,744) presumes that employment contracts are indefinite unless otherwise justified by law.

#### Types of Contracts

Benefits	Brief description	
Indefinite Term Contract (Art. 99, Law 20,744)	The default employment contract. It is considered indefinite unless: a) The duration has been expressly agreed in writing, and b) The nature of the work or activity reasonably justifies a fixed term. Successive fixed-term contracts beyond the legal requirements will be deemed indefinite.	
Fixed-Term Contract (Art. 102, Law 20,744)	Valid until the agreed expiration date, with a maximum of 5 years.  For activities recurring at specific times of the year, tied to the nature of the activity.	
Seasonal Contract (Art. 105, Law 20,744)		
Temporary / Eventual Work Contract (Art. 108, Law 20,744)	Used when the work is occasional and linked to specific results or tasks, ending once the activity is completed.	

#### Basic Requirements (Art. 56, Law 20,744)

All employment contracts must include:

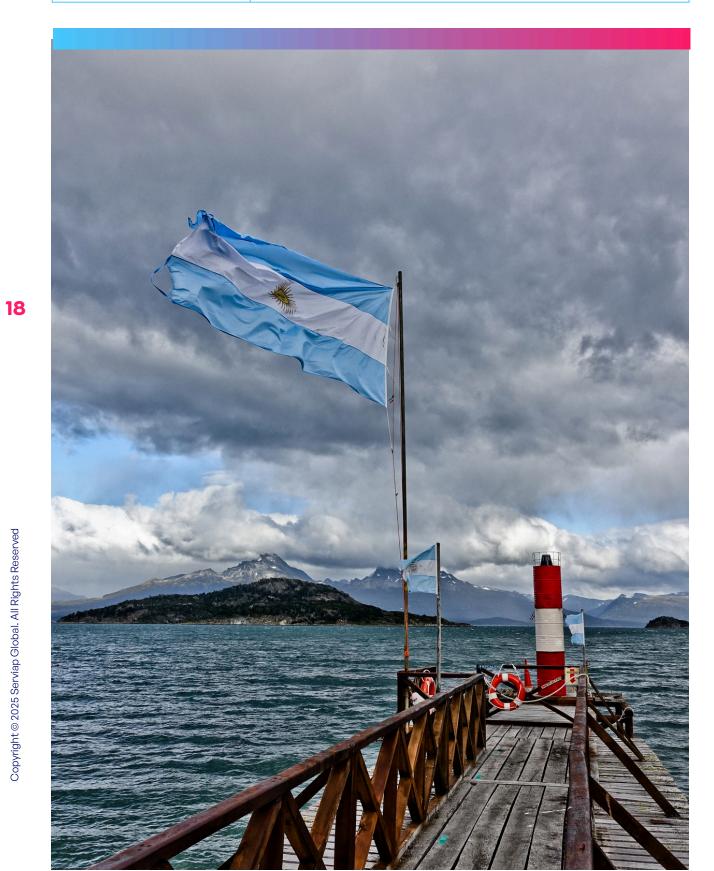
- a. Worker's name
- b. Marital status
- c. Date of entry and exit (if applicable)
- d. Remuneration assigned and received
- e. Family allowance beneficiaries
- f. Other data needed for obligations under employer's charge

#### 4. Payroll & Law Benefits in Argentina

By law, employees are entitled to several mandatory benefits under the Labor Contract Law (Law 20,744). These cannot be waived and must be provided by all employers.

#### Main Benefits

Benefit	Brief Description	
Salary (Art. 103)	Employees must receive remuneration not below the statutory minimum wage. Salary must be paid even if no services are rendered, as long as the employee remains at the employer's disposal.	
Annual Bonus (Aguinaldo) – 13th Salary (Arts. 121–122)	Employees are entitled to a supplementary annual salary equal to 50% of the highest monthly salary of the semester. Paid in two installments: June 30 and December 18 each year.	
Vacations (Art. 150)	Paid annual leave is based on seniority:  • 1–5 years: 14 days  • 5–10 years: 21 days  • 10–20 years: 28 days  • More than 20 years: 35 days	
Vacation Bonus (Art. 16)	During the vacation period, employees receive an additional payment equal to 1/25 of their monthly salary per day of leave (≈ 25% increase over normal salary). This must be paid at the start of the vacation.	
Special Leaves (Art. 158)	Paid leave entitlements include:  • Birth of a child: 2 days  • Marriage: 10 days  • Death of spouse/partner, child, or parent: 3 days  • Death of a sibling: 1 day  • Exams (secondary/university): 2 days per exam, up to 10 per year	
Maternity Leave (Art. 177)	90 consecutive days (45 before and 45 after childbirth).	
Paternity Leave (Law 20,744 + CBA practice)	2 days of paid leave by law; many Collective Bargaining Agreements (CBAs) grant longer periods (5–15 days).	



#### Employers' Contributions / Labor Cost (Argentina 2025)

Employer contributions are mandatory payments made to the state to finance social security, pensions, health care, and other employee protections. They are not recoverable by the employer and represent a significant labor cost.

Contribution	Brief Description
Social Security (SIPA – Argentine Integrated Pension System)	Employers must contribute monthly to the National Social Security System, which finances retirement and pensions. Rates generally range between 18–20% of gross salary depending on the company's size.
National Institute of Social Services for Retirees and Pensioners (PAMI)	Employers contribute to PAMI to provide healthcare, social, and welfare services to retirees. This contribution is included within the overall social security payment.
Work Risk Insurance (ART)	Employers are obliged to contract an Occupational Hazard Insurer (ART) to cover employees in case of work-related accidents or occupational illnesses. ARTs are private insurers authorized by the Superintendence of Occupational Risks. The cost varies by industry risk category (average: 3%–5% of payroll).
Mandatory Life Insurance	Under Decree No. 1567/74, employers must provide compulsory life insurance for employees. This insurance covers death risks during employment. The employer bears the premium cost.
Family Allowance Scheme (SUAF)	Funded through employer contributions, this system provides allowances for employees with children under 18, disabled children, maternity, prenatal care, and marriage. Payments are managed by ANSES.
National Employment Fund	Employers contribute to unemployment insurance, which grants temporary financial assistance and health coverage to employees dismissed without just cause.
Social Work (Obras Sociales)	Employers must contribute to health insurance funds managed by unions or health providers (Obras Sociales). Employees are automatically affiliated, but may opt for another registered provider. Employer contributions finance healthcare and social services.

# **5. Types of Disabilities (Argentina 2025)**

An accident is considered work-related when it occurs:

- During the performance of work activities, or
- On the commute between the worker's home and workplace (in itinere), unless the route was interrupted for personal reasons.

Occupational diseases are those included in the official list of Occupational Diseases prepared and updated by the Executive Power.

If an accident or illness prevents the employee from working, the employer must pay temporary incapacity benefits as established by law. This compensation does not affect the worker's right to continued remuneration.

#### Compensation for Disability / Incapacity

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Worker's Situation	Seniority	Compensation
Without dependents	Less than 5 years	3 months of salary
Without dependents	More than 5 years	6 months of salary
With dependents	Less than 5 years	6 months of salary
With dependents	More than 5 years	12 months of salary

#### Types of Disability and Benefits (Argentina 2025)

Type of Disability	Brief Description
Temporary Work Disability	Occurs when a worker is injured or suffers an occupational illness that temporarily prevents them from performing their duties.  - Starts from the first medical diagnosis and lasts until medical discharge, declaration of permanent disability, or death.  - During this period, the employer/ART must pay the worker's salary (100% of remuneration).
Permanent Work Disability	When an occupational accident or disease permanently reduces the worker's capacity to work.  - Partial Permanent Disability: Disability less than 66%.  - Total Permanent Disability: Disability equal to or greater than 66%.  - The degree is determined by Medical Commissions.  - Compensation: A one-time payment based on worker's salary, age, and percentage of disability, financed by ART.
Great Disability	A situation of Total Permanent Disability where the worker requires permanent assistance from another person to perform basic life activities.  - Additional compensation is granted, plus coverage for continuous care.
Death (Work-Related)	If a worker dies due to labor-related causes, beneficiaries receive compensation.  - Beneficiaries include spouse/partner, children (under 21, or up to 25 if studying, or without age limit if disabled).  - In absence of these, parents of the worker are entitled.  - Payment is made in a lump sum, financed by ART.  - Funeral expenses are also covered.



# 6. Workday, Holidays, Disabilities and Sick Days (Argentina 2025)

## Working Hours

Maximum Legal Workday: 8 hours per day / 48 hours per week (Law 11.544).

#### Overtime Limits:

- Max 3 extra hours per day (cannot exceed 8 per week).
- Max 30 hours per month.
- Max 200 hours per year.

Weekly Rest: At least 1 rest day for every 6 worked days.

Type of Workday	Working Hours per Day	Overtime	Sundays & Holidays
Day Shift	8 hours	+50% of salary	+100% over salary (Saturdays after 1 pm, Sundays, holidays)
Night Shift	7 hours	+50% of salary	Same as above
Unhealthy / Dangerous Work	6 hours	+50% of salary	Same as above

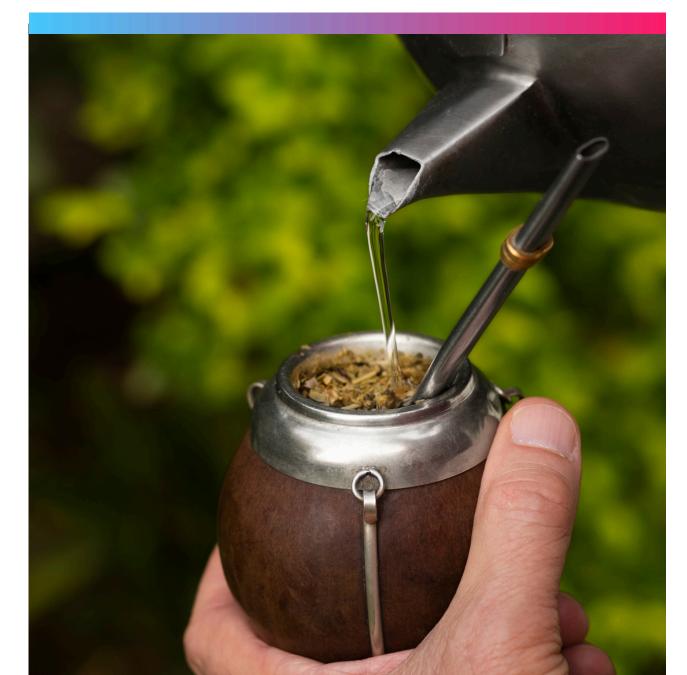
# 22 Public Holidays (Law 27.399)

Argentina observes 15 national public holidays per year (fixed + movable).

Date	Holiday
January 1	New Year's Day
February/March (variable)	Carnival (2 days)
March 24	National Day of Remembrance for Truth and Justice
March/April (variable)	Good Friday
April 2	Veterans Day and Malvinas War Memorial
May 1	Labor Day
may 2025	May Revolution Day
June 20	General Manuel Belgrano Memorial Day
July 9	Independence Day

Date	Holiday	
August 17 (movable)	General José de San Martín Memorial Day	
October 12 (movable)	Respect for Cultural Diversity Day	
November 20 (movable)	National Sovereignty Day	
December 8	Immaculate Conception	
December 25	Christmas Day	

(Movable holidays are shifted to Mondays to encourage long weekends.)



#### Entitlement depends on seniority and family status:

	Worker's Status	Seniority	Sick Leave Entitlement
	Without dependents	Less than 5 years	3 months full pay
	Without dependents	More than 5 years	6 months full pay
	With dependents	Less than 5 years	6 months full pay
With dependents		More than 5 years	12 months full pay

#### Maternity, Paternity and Family Leaves

Leave Type	Legal Basis	Entitlement
Maternity Leave	Law 20.744, Art. 177	90 days paid leave (45 before and 45 after childbirth, can be adjusted with medical authorization). During this period, employees are entitled to family allowances (ANSES).
Paternity Leave	Law 20.744, Art. 158(b)	2 consecutive days paid leave at childbirth. (Some CBAs grant longer periods).
Marriage Leave	Law 20.744, Art. 158(b)	10 consecutive days paid leave.
Bereavement Leave	Law 20.744, Art. 158(c–d)	3 days for spouse, partner, child, or parent; 1 day for sibling.
Exam Leave	Law 20.744, Art. 158(e)	2 days per exam in secondary/university studies (up to 10 days per year).

#### 7. Migration Process (Work Visas in Argentina)

#### Requirements (general for temporary work visa)

Applicants must present (in original and copy) at the Argentine Consulate in their country of residence:

- Valid passport (min. 6 months validity).
- Two recent 4x4 cm photographs, front, white background.
- Completed and signed visa application form.
- Proof of residence in the consular jurisdiction.
- Apostilled/legalized criminal record certificate issued by home country.
- Affidavit of lack of criminal record in other countries.
- Pre-employment contract signed by both employer and employee, including:

Job description and tasks.

Duration of employment and working hours.

Salary and benefits.

Employer CUIT number.

Address where the employee will reside.

- Contract signatures must be certified by a notary public or by a migration agent.
- Proof that the employer is registered with AFIP and in the National Registry of Foreign Applicants of the Immigration Office (DNM).

#### Observations

- · Authorities may request additional documents depending on the case.
- Visa issuance is at the discretion of the Argentine State and not guaranteed by fulfilling requirements.
- Work visas are typically granted for 1 year (renewable) and tied to the employment contract.
- Foreigners must obtain a DNI for foreigners once in Argentina.

# 8. Employee Termination

#### Notice Periods (Law 20.744, Art. 231–245)

Worker's Seniority	Minimum Notice
During probation (3 months)	15 days
3 months – 5 years	1 month
More than 5 years	2 months

Employment contracts may end due to:

- Mutual agreement of the parties.
- Resignation of the worker (30-day notice).
- Death of the worker.
- Expiration of fixed-term contracts (max 5 years).
- Completion of specific work or task.
- Force majeure or economic reasons.

#### Severance / Compensation

If the employer terminates the contract without just cause, the worker is entitled to:

- 1 month of salary per year of service (or fraction > 3 months).
- Payment in lieu of notice (if not provided).
- Payment of unused vacation days.
- Aguinaldo proportional to time worked.

For temporary contracts ending early:

• Compensation = ½ month of salary for each worked year (minimum 15 days).

#### Dismissal With Just Cause (Art. 242, Law 20.744)

The employer may terminate without severance if the worker incurs in serious misconduct, such as:

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- Repeated and unjustified absences.
- Breach of duties or poor performance.
- Harassment, violence, or serious misconduct affecting the company.
- Fraud, theft, or intentional damage to property.
- Workplace harassment or sexual harassment.
- Abandonment of work (two consecutive unjustified absences).
- Repeated insubordination.





# **How We Help You Hire and Onboard Talent**

Serviap Global, headquartered in Mexico City, brings over 25 years of local HR expertise and 15 years as a global Employer of Record (EOR) leader.

With teams across the Americas, Europe, and Asia, we help companies build international teams without the complexity of foreign entities or regulations.



### **Our Solutions**

Who we are?

At Serviap Global, we provide comprehensive HR and workforce solutions to help companies expand and manage teams anywhere in the world.



At Serviap Global, we simplify your international hiring process by managing every step, from contract creation to onboardin, ensuring full legal compliance in each country.

Below is an overview of our standard onboarding process for new hires, whether local or foreign:

Step	Description	Estimated Timeframe
1. Validate Onboarding Data	We verify candidate information and prepare the Service Order for client review.	2 business days
2. Formalize Service Order & Payment	The process begins once the Service Order is signed and advance payment is received.	2 business days (depending on client response)
3. Create Onboarding Documents	Draft job offer and employment contract.	1–2 business days
4. Send Documents to Candidate	Deliver approved documents to the candidate.	1 business day
5. Candidate Response	Candidate reviews, signs, and provides personal documentation.	2–4 business days
6. Confirm Acceptance & Finalize Onboarding	Receive signed documents and complete onboarding.	1 business day

Please note: timelines may vary depending on country-specific requirements such as background checks, pre-employment medical exams, or visa processing.

# Why partner with us?

- 15+ Years of Expertise: Proven track record in global expansions across 180+ countries.
- LATAM Specialists: Deep local knowledge for seamless hiring in high-growth regions.
- Full Compliance & Agility: Handle regulations so you can focus on business growth.
- Human-Centered Support: Multilingual team provides personalized, responsive service.
- Cost-Effective Solutions: Save on setup and operations with tailored, scalable plans.
- All-in-One Platform: Serviap Hub for total control and visibility.
- Client-Driven Success: 4.7/5 satisfaction, trusted by 215+ companies.
- Value Differential: Unlike competitors, we combine tech with human expertise for faster, more reliable global expansion.

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