



Overall performance

The quality of Argentina's infrastructure procurement processes improved significantly helping to bring better value for money and quality outcomes from investment. Regulatory reforms have also led to a marked improvement in the ease of starting a business, encouraging investment and competition from new suppliers. However, the impact of the COVID-19 pandemic and the continued threat of a sovereign debt crisis present key challenges for Argentina's ability to deliver future infrastructure projects.

Drivers	Rank (1/16)	Rank change (2017-20)	Score (1/100)	Emerging	Aspiring	Contender	Top performer	Global leader
Governance	43	↑ 6	52	Light Blue	Light Blue	Light Blue	Light Blue	Light Blue
Regulatory frameworks	60	—	50	Green	Green	Green	Light Blue	Light Blue
Permits	52	↑ 2	62	Blue	Blue	Blue	Blue	Light Blue
Planning	46	↑ 25	69	Light Blue	Light Blue	Light Blue	Light Blue	Light Blue
Procurement	30	↑ 28	81	Light Green	Light Green	Light Green	Light Green	Light Green
Activity	36	↑ 8	37	Green	Green	Light Blue	Light Blue	Light Blue
Funding capacity	73	↓ 5	13	Orange	Light Blue	Light Blue	Light Blue	Light Blue
Financial markets	73	↑ 2	19	Yellow	Light Blue	Light Blue	Light Blue	Light Blue

Argentina at a glance

\$9,888
GDP per capita
(USD, 2019)

45.1 million
Population
(2019)

2.3% of GDP
Infrastructure investment
(2019 estimate)

1.5% of GDP
Infrastructure gap
(2019 estimate)

68.3
Infrastructure quality
(0-100, 100 is best, 2019)

\$526 million
Private infrastructure investment
(5-year average, USD, 2019)

Top performing metrics



90/100

Cost to start a business

According to the World Bank, the average cost of starting a business in Argentina is 5% of income per capita, down from 23% in 2013. Regulatory reforms and public funding aimed at promoting entrepreneurial projects have helped reduce establishment costs.



87.9/100

Financial stability

Despite an ongoing economic recession and the increasing risk of a sovereign debt crisis, financial stability in Argentina has been satisfactory. Basel indicators like the minimum capital adequacy ratio and the domestic credit-to-GDP gap are at satisfactory levels. The long-term impacts of the COVID-19 pandemic is a concern.



75/100

Transparency in public procurement

Argentina's public procurement notices are made available online and tender documents transparently detail procurement procedures. The transparency of the process encourages more participation and competition, which can drive value for money.

Opportunities to grow



0/100

Dealing with construction permits

According to the World Bank, it takes an average of 318 days to deal with construction permits. As most infrastructure projects require construction approval, expediting this process could encourage investment in infrastructure and help reduce delays.



No

Market sounding and/or assessment

According to the World Bank, there is no formal requirement for a market sounding process. Adding one could allow the government to determine if there is an interest from investors and lenders to provide commercial financing for projects.



0.8/100

Stocks traded

At 0.9% of GDP, Argentina's value of stocks traded is far lower than the Upper Middle Income Countries' average of 26% of GDP. As this indicator measures the liquidity of equities, it is important to infrastructure investors to know they can exit investments at appropriate points.

For guidance on how to improve these metrics, please see the [Argentina Country Page](#) on the InfraCompass website.



ECONOMY OVERVIEW

GDP (\$US billion, 2019)	445.5	Population (million, 2019)	45.1	Unemployment rate (2019)	10.0%
GDP per capita (\$US, 2019)	9,888	Urbanisation ratio (2018)	92.0%	Inflation rate (2019)	54.4%
GDP growth rate (annual, 2019)	-3.1%	Gross Government Debt (% of GDP, 2019)	93.0%	Digital Adoption Index (0-1 best, 2016)	0.69
GDP per capita growth rate (annual, 2019)	-15.2%	Sovereign risk rating (2019)	12	Gini coefficient (0-100 worst, 2017)	41.2

METRIC SCORES

The below metrics are normalised so that they all range from 0 to 100. For original metrics and data sources, please see <https://infracompass.github.org/>

GOVERNANCE		REGULATORY FRAMEWORKS		PERMITS	
Post-completion reviews?	Yes -	Effect of taxation on incentives to invest	18.3 ↑	Cost to start a business	90 ↑
Infrastructure or PPP unit/agency?	Yes ↑	Prevalence of foreign ownership	56.1 ↑	Dealing with construction permits	0 -
Recovery rate	19.2 ↓	Product market regulation, network sectors	35.6 -	Quality of land administration	45 ↑
Rule of law	45.2 ↑	Regulatory (including competition) quality	45.1 ↑	Registering property	54 -
Shareholder governance	53.3 -	Strength of insolvency framework	59.4 -	Time required to start a business	74.6 ↑
Political stability and absence of violence	50.3 ↓	Investment promotion agency?	Yes -		
PLANNING		PROCUREMENT		ACTIVITY	
Published project pipeline?	Yes ↑	Average procurement duration – transaction RFP	50.4 [^] ↓	Infrastructure investment	63.7 ↑
Published infrastructure plan?	Yes ↑	Degree of transparency in public procurement	75 ↑	Private infrastructure investment	10.7 ↑
Preparation of PPPs	27 ↓	Published procurement guidelines?	Yes -	Value of closed PPP infrastructure deals	64.6 [^] ↓
Economic analysis assessment?	Yes -	Procurement of PPPs	56 -	Value of closed infrastructure deals with foreign equity sponsorship	7.7 ↓
Market sounding and/or assessment?	No -	PPP contract management	74 -		
Environmental impact analysis?	Yes -				

FUNDING CAPACITY

FINANCIAL MARKETS

GDP per capita	12.6 ↓	Domestic credit to private sector	7.7 ↑
Gross government debt	26.9 ↓	Financing through local equity market	32 ↑
Long term GDP growth trend	9.4 ↓	Stocks traded	0.8 ↑
Summary credit rating	12 ↓	Financial depth	24.2 ↑
		Financial stability	87.9 ↑

Drawing on data from: International Monetary Fund, Organisation for Economic Co-operation and Development, World Bank, World Economic Forum, IJ Global, CEPPII, Oxford Economics, Trading Economics, and Deloitte.

Metric key:

↑ Increase from InfraCompass 2017 ↓ Decrease from InfraCompass 2017 - No change from InfraCompass 2017

Note:

'Top performing metrics' are the metrics with the highest score out of 100.

'Opportunities to grow' are generally the metrics with the lowest weighted score out of 100.

[^]Denotes interpolated metric data. See Technical Appendix for further explanation on the interpolation techniques.