



REPORT

Impacts of the First Year of Implementation of the 'Ley Bases'

Disarticulation of state agencies and public enterprises, unsuccessful RIGI, regressive taxation and fall in registered employment.

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Introduction

As of 8 July 2025, and one year after the enactment and entry into force of the officially named ‘Law for the Bases and Points of Departure for the Freedom of Argentines’ (which we name with its short Argentine name: ‘Ley Bases’), this report analyses the impact of its main objectives.

First, it addresses the institutional consequences of the granting of delegated powers to the executive branch, with a direct impact on regulatory capacities, public services and State-owned enterprises.

Second, it analyses the progress of the privatization process—either in full or partially, or through concessions—of a number of strategic public enterprises.

On the tax front, we examine how the reform of the Personal Assets Tax reduces systemic progressivity and weakens its relative weight in total tax revenues. It also shows the impact of the restitution of the fourth category income tax.

The Incentives Scheme for Large Investments (RIGI for its name in Spanish) and its success in its own terms are analyzed: how many projects were approved, how many job positions are involved, what does it mean in terms of foreign exchange earnings?

Finally, in terms of employment, the labor market data is examined through job positions and salaries: did the number of registered workers improve with the moratorium and laundering of labor taxes approved in the ‘Ley Bases’? The impact on public employment is also examined in depth.

Through the development of these axes, the aim is to provide concrete elements for a rigorous diagnosis of the real effects of the ‘Ley Bases’ on the economy and production.

Delegated powers and the dismantling of the State: concentration of power and institutional hollowing out

One of the most regressive aspects of the ‘Ley Bases’ was the extensive delegation of legislative powers to the executive branch, in open contradiction to the republican principle of the division of powers. This extraordinary empowerment has allowed President Javier Milei to legislate by decree with a scope and frequency unprecedented since the return of democracy.

As of 4 July 2025, the government had issued 157 decrees of legislative character: 75 Emergency Decrees (DNU for ‘Decreto de Necesidad y Urgencia’ in Spanish) and 82 delegated decrees¹, of which are directly based on the delegations provided for in the ‘Ley Bases’, particularly in Title II, on State

¹ Annex I lists the delegated decrees issued in exercise of delegations provided for in the ‘Ley Bases’.

Reform. This concentration of power rendered the role of Congress meaningless and enabled uncontrolled advancement within public institutions.

Here the measures adopted are reviewed and classified according to whether they involve **dissolutions** (both of agencies and trust funds), **transformations** of agencies and public enterprises, or **changes** in the functions of agencies or regimes. At the end, there is a list of decrees **deregulating** activities that follow the path opened by the Mega Emergency Decree 70/2025.

Dissolution of agencies, programs and schemes

The aim of eliminating agencies was to suppress entities linked to public works, remove policies that promoted different sectors, and undermine the State's role as an equalizer.

1. National Institute against Discrimination, Xenophobia and Racism (INADI in Spanish), decree 696/2024.
2. National Waterway Control and Management Agency, Decree 699/2024. This entity was involved in the management of the Waterway, whose new tender was cancelled (by resolution 7/2025 of the National Agency of Navigation and Ports) following allegations of misdirection.
3. Federal Administration of Public Revenues (AFIP) and creation of the Customs Collection and Control Agency (ARCA), 953/2024.
4. National Water and Sanitation Works Agency (ENOHSA), decree 1020/2024.
5. Prior Conciliation Service in Consumer Relations (COPREC), 55/2024.
6. National Tourism Investment Program of Law 25.997, decree 216/2025.
7. National Support Programme for Young Entrepreneurship of Law 25.872, decree 339/2025.
8. Schemes for the promotion of sheep and llama farming (Law 25.422), promotion and production of silkworms (Law 25.747), goat farming (Law 26.141), cattle farming in arid zones (Law 27.066), buffalo production (Law 27.076).
9. Plan for sustainable development and promotion of cotton production (Law 26.060), decree 429/2025.

At the time of writing of this report, the National Government is planning to dissolve INTI and INTA, as well as the National Institutes of Family, Peasant and Indigenous Agriculture, Seeds and the National Institute of Viticulture². The dissolution of the National Roads Authority, the National Traffic and Road Safety Commission, the

² <https://www.pagina12.com.ar/839825-inminente-achique-del-inta-inti-y-otros-entes>

National Transport Regulation Commission and the National Road Safety Agency was also announced³.

Dissolutions of trust funds and financing funds

These dissolutions were carried out by suppressing, fundamentally, important programs linked to emergencies, housing and habitat (including Pro.Cre.Ar and the Socio-Urban Integration Fund, the latter of which has been taken to court) and technological and scientific promotion. The decrees also triggered serious doubts about the destination of the funds existing in each of them at the time of their elimination.

By decrees 888/2024, 985/2024, 1018/2024, 1048/2024, 6/2025, 144/2025, 234/2025, 312/2025, 415/2025 and 437/2025 these funds were dissolved:

1. National Emergencies Fund.
2. PROGRESAR Trust Fund.
3. Trust Fund for the Environmental Protection of Native Forests.
4. Social Capital Trust Fund.
5. Trust Fund for the Development of Entrepreneurial Capital.
6. Trust Fund for Mortgage Refinancing.
7. Trust Fund for the Strategic Investment Program.
8. Fund for Direct Assistance to Victims of White Slave Trade.
9. Trust Fund for the Pro.Cre.Ar Program.
10. Trust Fund for the Program to increase the competitiveness of the NOA sugar sector.
11. Trust Fund for the Rural Development and Family Farming Program.
12. Universal Service Trust Fund.
13. Trust Fund for Social Housing.
14. Airport Security Infrastructure Fund.
15. Federal Electric Transportation Trust Fund.
16. Socio-Urban Integration Fund.
17. Trust Fund for the Promotion of Science and Technology.
18. PPP Trust Network of Highways and Safe Routes.
19. Trust Fund for Residential LPG Consumption Subsidies.

³ <https://www.lanacion.com.ar/autos/el-gobierno-prepara-un-decreto-para-disolver-vialidad-nacional-y-transferir-el-control-del-transito-nid0207>

20. National Fund for the Construction of Service Housing for Military Personnel, the National Gendarmerie, the Naval Prefecture and the Aeronautical Police.

Transformations and transfers of agencies and assets

The measures promoted in this segment were ideologically driven, against Human Rights policies (such as those linked to the Museum of Memory, the ESMA Site and Genetic Data) and against icons of Argentine culture and history (Sanmartinian, Yrigoyenian, Eva Perón, Popular Libraries Commission, Institute of Indigenous Affairs, among others), as well as deregulations aimed at eliminating controls and mechanisms for the promotion of other private sectors.

1. State company for the construction of housing for the Navy (COVIARA), decree 117/2025, transformed into an OPC.
2. Transfer of assets from 'Fabricaciones Militares' to 'Catamarca Minera y Energética Sociedad Del Estado' (CAMYEN S.E.), dependent on the Province of Catamarca, decree 205/2025.
3. Transfer of the Registry of Genetic Data to the Ministry of Security, Decree 304/2025, this measure is adopted in contrast to Law 27.759, subsequent to the 'Ley Bases', which had provided for its operation within the Ministry of Justice.
4. Transfer of the Retirement and Pension Fund of the Federal Police, decree 311/2025.
5. Transformation of the National Memory Archive and the ESMA Site Museum into organizational units to be incorporated into the structure of the International Centre for the Promotion of Human Rights (CIPDH), decree 344/2025.
6. Merger and transformation of various institutes, namely: the Instituto Nacional Sanmartiniano, the Instituto Nacional Yrigoyeneano, the National Commission for the Protection of Public Libraries and the National Research Institute 'Eva Perón', Decree 345/2025.
7. Transformation of the National Genetic Data Bank (previously a decentralized agency) into a deconcentrated body, Decree No. 351/2025.
8. Merger and transformation of the National Water Institute and the National Institute for Seismic Prevention, decree 396/2025.
9. Transformation of the National Institute of Indigenous Affairs into an organizational unit within the Cabinet Office, decree 438/2025.
10. Restructuring of Casa de Moneda S.A.U., Decree No. 442/2025.

11. Transformation of the National Agency for Controlled Materials (formerly a decentralized entity) into a deconcentrated entity acting in the Arms Registry of the Ministry of Security, decree 445/2025.

Transformation of State-owned companies into L.C or privatization authorization

The privatization drive, as in the 1990s, is aimed at obtaining financing to maintain the model based on exchange rate appreciation, selling companies regardless of their economic-financial results and their public purpose.

1. Belgrano Cargas y Logística S.A., decree 67/2025.
2. Corredores Viales S.A., decree 97/2025, then also intervened by decree 244/2025.
3. Intercargo, decree 198/2025.
4. ENARSA, decree 286/2025.
5. Banco Nación, decree 116/2025. Although this is a transformation into a public limited company, it is the first step towards privatization. The measure was challenged in court and has already been suspended, by virtue of the sentence of the Federal Chamber of La Plata on 5 June 2025.
6. Yacimientos Carboníferos Río Turbio (YCRT), decree 115/2025, was transformed into Carboeléctrica Río Turbio Sociedad Anónima for its subsequent privatisation. Unlike Banco Nación, the privatisation of YCRT is foreseen in the 'Ley Bases' (art. 9).

Modifications to the functions of agencies

1. Laws 19.349 (National Gendarmerie), and 18.398 (Naval Prefecture), decree 724/2024.
2. Law 26.165, National Commission for Refugees, decree 819/2024.
3. Law 25246, Financial Investigation Unit (UIF), Decrees 891/2024 and 274/2025.
4. Decree Law 15.943/45, Federal Police Retirement, Retirement and Pension Fund,
5. Law 26.075, Federal Education Council, Decree 341/2025.
6. New Statute of the Federal Police, Decree 383/2025.
7. Law 26184, authority of application of the portable electric energy regime, Decree 431/2025.
8. Decree 157/2020, National Agency for the Promotion of Research, Technological Development and Innovation, Decree 447/2025.

Amendments to different regimes

1. Law 24.633 on the international circulation of cultural goods, decree 1037/2024.
2. Law 24241, decree 1039/2024, suppression of ANSES functions related to the granting of credits.
3. Law 24.653, decree 1109/2025, modified the sanctioning regime of the law of motor transport of loads.
4. Law 13.064 and Decree 1023/01, the National Register of Public Works Constructors was eliminated and its registration as a requirement for contracting with the Public Administration was abolished, Decree 105/2025. A new shared database of contractors of laws 13.064 and 17.520 was created.
5. Law 20.115, Argentores, decree 207/2025.
6. Law 23.551, Trade Union Associations, decree 342/2025.
7. Law 27.654, Persons in street situations and homeless families, decree 373/2025, the right of access to housing of those persons was no longer recognized.
8. Law 25.613, Regime of imports of inputs for scientific and technological research, decree 395/2025.
9. Law 17.606 on Plant Health, was repealed, decree 410/2025.
10. Laws 26.522 (Media) and 27.078 (Argentina Digital) decree 433/2025.
11. Law 27.234 on Gender Violence, Article 3, which provided for one day per school year, was repealed, decree 436/2025.

Deregulation of sectors or activities

Decree 446/2025 modified the Liquefied Petroleum Gas Regime (LPG), continuing the deregulatory path of Mega ED 70/2023. Article 14 eliminates the Authority of Application's power to set the reference price for domestic use in containers, i.e. cylinders.

For more details of the deregulations introduced by Javier Milei's government through the Mega ED, see the CEPA report 'The Mega ED of Milei's government: deregulations, dismantling, foreign ownership and a strong regression in labor rights'.⁴

At the same time, other EDs have modified and deregulated more areas, including but not limited to the following:

⁴ "El Mega DNU del gobierno de Milei: desregulaciones, desguace, extranjerización y fuerte retroceso en derechos laborales", Centro de Economía Política Argentina (CEPA), 27 de diciembre de 2023. Disponible en: <https://centrocepa.com.ar/informes/459-el-mega-dnu-del-gobierno-de-milei-desregulaciones-desguace-extranjerizacion-y-fuerte-retroceso-en-derechos-laborales>

- information and communications technology services (ICTs) and mobile telephony (decree 304/2024)
- aerocomercial activity (decree 338/2025),
- navigation and merchant navy (decree 340/2025), see CEPA report ⁵
- possession of weapons (decree 103/2025, complemented by delegated decree 445/2025 transforming the National Agency for Controlled Materials and decree 397/2025 making authorizations for the acquisition of semi-automatic weapons more flexible).

In each of the deregulated areas or sectors, the real consequences are the dismantling of State functions which find no replacement in the private sector.

Indeed, the elimination of trust funds through delegated decrees enabled by the powers granted in the 'Ley Bases', and in a context of budgetary adjustment and discretionality (two consecutive years, 2024 and 2025, without a national budget), entail the inapplicability of the schemes they were intended to finance and complement. The best example is housing: PROCREAR, the Social Housing Plan, the Fund for the construction of housing for different police forces and even the Socio-Urban Integration Fund were eliminated. There is no replacement for this state function.

In the debate prior to the approval of 'Ley Bases', the UCR bloc had requested that the Fund for Direct Assistance to Victims of White Slavery, which is made up of assets confiscated in crimes of exploitation, trafficking and money laundering, be excluded from its elimination. A year later, it has become evident that the government eliminated the fund by using powers the UCR bloc had voted for.

These detailed delegated decrees have been combined with an unusual number of Emergency Decrees that have defined the course of activities of great importance for

⁵ With the entry into force of this DNU, a Panama-flagged vessel, for example, will be able to transport fuel from Comodoro Rivadavia to Buenos Aires without creating a single Argentine job, without hiring local suppliers or complying with our laws or operating standards. While an Argentinean ship cannot navigate the Mississippi River in the United States due to cabotage restrictions, in Argentina the government decides to open our rivers and seas to any flag, without demanding reciprocity or imposing minimum conditions. This level of unilateral openness contrasts with global practice. Of the 130 countries with a coastline, more than 90 restrict national cabotage. Even the United States —a model frequently cited by the government— applies one of the strictest regulations in the world: only ships built in the country, registered under the US flag and with an exclusively American crew are allowed to carry out cabotage. For them, the merchant navy is considered strategic to the point of being catalogued as the 'fourth armed force' due to its role in defence and national sovereignty.

This exposes national shipowners to blatantly unfair competition. They are forced to compete with foreign companies that operate with underpaid crews, without unions, without environmental or labour controls, that evade inspections and lower their operating costs to levels that are impossible to match. The result is predictable, the expulsion of national capital, the destruction of Argentine jobs and greater dependence on foreign shipping.

See 'Impactos negativos de la desregulación en la industria naval y la marina mercante', Centro de Economía Política Argentina (CEPA), 30 of April from 2025, Available: <https://centrocepa.com.ar/informes/642-impactos-negativos-de-la-desregulacion-en-la-industria-naval-y-la-marina-mercante>

the country, complemented by ED 70, which is still in force. The concentration of power in the Executive also included other milestones through the enactment of EDs, which are worth detailing: 1) via ED 274/2024 the new pension formula was established (with Congress in operation and bills in the Social Welfare Commission) in March 2024; 2) via ED 846/2024, the Executive Branch empowered itself to carry out public debt swaps without complying with certain requirements established in the Financial Administration Law (LAF); and 3) via ED 179/2025, the Executive Branch was empowered to enter into an agreement with the International Monetary Fund (IMF), in breach of the National Constitution itself, which establishes that debt arrangements are the responsibility of the Congress (see CEPA report on the agreement with the IMF).⁶

Public works according to the model of the ‘Ley Bases’ and the tendering of the Main Navigable Waterway

The ‘Ley Bases’ brought more privileges for the private sector in public procurement with a new legal framework tailored to contractors. The 1967 Public Works Concession Law (17520), better known as the ‘toll law’, was reformed. The public works concession establishes the possibility for a private company to carry out a work which is later on paid by users through tolls. On this basis, even more benefits were given with the ‘Ley Bases’.

- These are some of the changes and advantages granted by this when amending Law 17.520:
- Broader object. Public works and also infrastructure and public services can be concessioned.
- It was eliminated that the concession must have as a requirement ‘an effective tariff reduction’ in favor of the user.
- Concessions may have a variable term, which is particularly problematic, given that public property would be handed over to private parties without any certainty as to when the state would resume its management and control.
- Any alteration—even if it is less than 20 per cent and even for reasons of force majeure—will generate the obligation to compensate the contractor.
- In cases of contract termination, compensation ceilings in favor of the State will be eliminated.
- Concession contracts may be assigned in whole or in part.
- Contracts shall be fixed and paid in foreign currency.

⁶ Notes on the Agreement with the IMF, Centre for Political Economy of Argentina (CEPA), 20 April 2025. Available at: <https://centrocepa.com.ar/informes/639-apuntes-sobre-el-acuerdo-con-el-fmi>

- Dispute resolution. Like the RIGI, the resolution of government disputes will be with foreign technical panels or tribunals.

In short, with the new concession law 17.520: 1) all public works and the management of public services is channeled through this regime, which is tailored to the private sector; 2) the only works which will be done or managed are the ones that bring profits to contractors, regardless of the rights of citizens and users; 3) business risk is then eliminated, and the State will be in charge of it.

On August 6th, 2024—through ED 699/2024—new activities were declared as public services: dredging, maintenance, signaling and control of navigable waterways. Subsequently, another decree was issued (708/2024) that established the tender for the dredging and maintenance of the ‘Main Navigable Waterway’. This way, the government wanted to hand over the concession of the waterway for 60 years, with a new regime, a concessionary one, framed in Law 17.520.

In February 2025, the tender was annulled through resolution 7/2025 of the National Agency of Navigation and Ports following allegations of undue influence and legal challenges. Even the Public Prosecutor’s Office’s Administrative Investigations Department published a report⁷ on the tender in which it detected and listed several irregularities. The government has not yet provided details on the new tender.

So far, not only has the MNW tender failed, but the government has also failed to implement the new law 17.520 on road corridors. To achieve some success on it, they created the so-called ‘Federal Network of Concessions’. This network will cover 9,145 kilometers of various national routes, all of which will be subject to concession contracts and toll charges to finance their use, construction works, and maintenance. Tenders were launched in January 2025, through Decree 28/2025. But the bidding for Stage I has not yet concluded and those for stages II and III have not yet begun.

Privatizations and asset stripping of State companies

Since taking office, Javier Milei has been promoting a systematic program of downsizing and fragmentation of the national State. Although the ‘Ley Bases’ enabled the total or partial privatization of eight companies—out of an original total of 41 proposals⁸ —, this list represents only the tip of the iceberg of a broader strategy of dismantling the public apparatus.

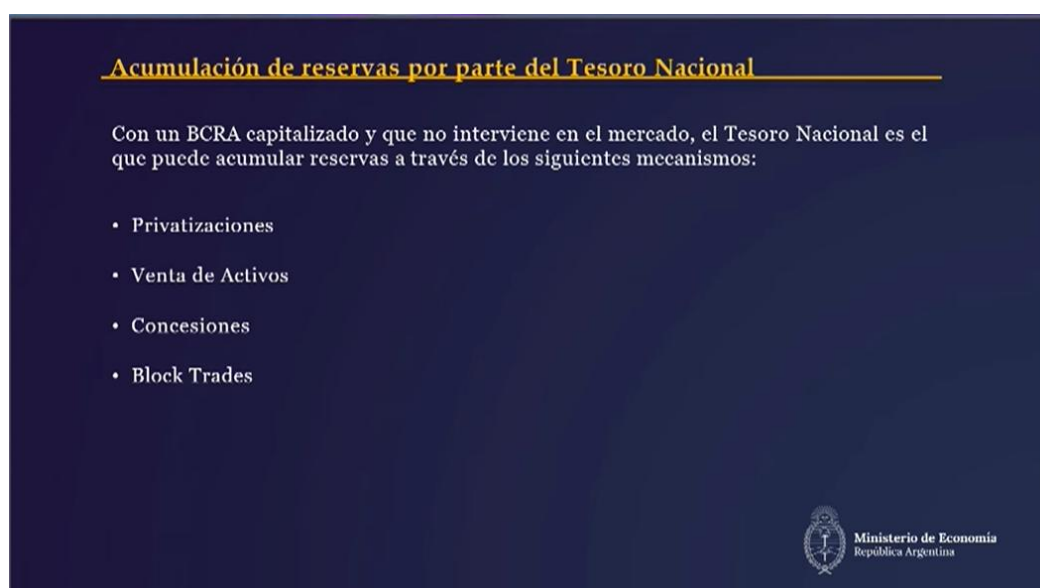
⁷ See: ‘The Office of Administrative Investigations warns of serious irregularities in the bidding process for the Waterway.’ Published on 11 February 2025." <https://www.mpf.gob.ar/pia/la-procuraduria-de-investigaciones-administrativas-advierde-graves-irregularidades-en-el-procedimiento-licitatorio-de-la-hidrovia/>

⁸ Refer to the report: ‘The Role of the State in the Economy and Strategic Sectors: Analysis of Public Enterprises Subject to Privatization by the Government of Milei.’ Published on 23 January 2024.. <https://centrocepa.com.ar/informes/462-el-rol-del-estado-en-la-economia-y-sectores-estrategicos-analisis-de-las-empresas-publicas-sujetas-a-privatizacion-por-el-gobierno-de-milei>

In recent statements, on 2 July 2025 at a conference at IAE SUMMIT of the Austral University, Economy Minister Luis Caputo argued that the Treasury's reserve accumulation strategy will be associated with the sale of public assets:

'We are going to make privatizations, some are already coming in the short term; we are going to be selling assets heavily, assets such as those of the AABE, we are going to be making concessions, such as hydroelectric plants in the near future, and we are also going to be there when some company or province comes with a large block of dollars that can distort the market, they can ask the Treasury if they are interested in buying it.'

Figure 1. Reserves Accumulation by the National Treasury



Source: Presentation by the Ministry of Economy of the Nation, 2 July 2025, IAE Summit – Austral University

By 'off the record' statements, the media divulged that the privatizations planned by the government refer to NASA and AySA, both approved by the 'Ley Bases', but also include Aerolíneas Argentinas (the national airlines), Correo Argentino (the state postal service) and Banco Nación (the national bank).⁹

⁹ Clarín, 22 June 2025: "Privatizations: they want to get dollars, they are looking to sell a dozen companies and, for now, there is little progress. The Comahue dams and the Mercosur route are the most advanced processes. Aerolíneas Argentinas and Banco Nación are on the list". Available at: https://www.clarin.com/economia/privatizaciones-quieren-conseguir-dolares-buscan-vender-docena-empresas-ahora-pocos-avances_0_L1ovyq1NWN.html?srsId=AfmBOooKbBPL5MsL4QDDai5FjJtlzxVlxVjtlYH0ySNTf6yA8mWSc_so

Companies included in the ‘Ley Bases’ for their partial or complete privatization.

The regulatory framework of the ‘Ley Bases’ established the mechanisms to move forward with the disposal —whether total, partial, or through concessions— of the following companies:

1. Energía Argentina S.A. (ENARSA)
2. Corredores Viales
3. Intercargo
4. Agua y Saneamientos Argentinos (AySA)
5. Belgrano Cargas
6. Sociedad Operadora Ferroviaria (SOFSE)
7. Complejo Carbonífero, Ferroviario, Portuario y Energético operado por Yacimientos Carboníferos Río Turbio (YCRT) - Privatización parcial
8. Nucleoeléctrica Argentina S.A. (NASA) – Privatización parcial

It should be recalled that the list of 41 companies was substantially reduced in both chambers. In the treatment in the Chamber of Deputies they were removed from the list: ADMINISTRACIÓN GENERAL DE PUERTOS S.E.

- EMPRESA ARGENTINA DE SOLUCIONES SATELITALES S.A.
- BANCO DE LA NACIÓN ARGENTINA
- Banco de Inversión y Comercio Exterior S.A.
- CASA DE MONEDA S.E.
- Contenidos Públicos S.E.
- Construcción de viviendas para la Armada Argentina S.E.
- DIOXITEK S.A.
- EDUC.AR S.E.
- Empresa Argentina de Navegación Aérea S.E.
- Fábrica Argentina de Aviones “Brig. San Martín” S.A.
- Fabricaciones Militares S.E.
- Ferrocarriles Argentinos S.E.
- Innovaciones Tecnológicas Agropecuarias S.A.
- Nación Bursátil S.A.
- Pellegrini S.A.
- Nación Reaseguros S.A.
- Nación Seguros de Retiro S.A.
- Nación Servicios S.A.
- Playas Ferroviarias de Buenos Aires S.A.
- Polo Tecnológico Constituyentes S.A.
- Radio de la Universidad Nacional del Litoral S.A.
- Servicio de Radio y Televisión de la Universidad de Córdoba S.A.
- Talleres Navales Dársena Norte S.A.C.I. y N.
- TELAM S.E.
- Desarrollo del Capital Humano Ferroviario SAPEM.
- ADMINISTRACIÓN DE INFRAESTRUCTURAS FERROVIARIAS S.E.

- Vehículo Espacial Nueva Generación S.A.
- Yacimientos Mineros de Agua de Dionisio (YMAD)
- YPF S.A.

In the Senate, additionally, the following were removed from the list:

- Aerolíneas Argentinas
- Correo Argentino
- Radio y Televisión Argentina

With the aim of advancing in the commitments assumed with the IMF and strengthening the Central Bank's reserves, **the Executive seeks to accelerate these privatization operations, not only in those cases approved by the 'Ley Bases', but even in companies that are not authorized by Congress to be sold.**

Decree 416/25 established the conditions for the sale, concession or auction processes, which will be carried out digitally through the CONTRAT.AR and SUBAST.AR platforms.

The specific measures that the national government has been adopting on a company-by-company basis are detailed below:

ENARSA

Through Decree 286/2025, published in April, the government ordered the start of the procedure for the total privatization of Energía Argentina S.A. (ENARSA). As part of this process, the transfer of half of the shares held by the State, through ENARSA, in the company Citelec is being prepared. This company controls Transener, the company responsible for high-voltage electricity transmission in the country.

The government's recurrent point to justify the privatization of state-owned companies is their supposed inefficiency and the weight they represent in the public accounts. However, a CEPA analysis as of January 2024 showed that of the total deficit accounted for by public companies as of December 2023 (around one point of GDP), 90 per cent (or 0.9 per cent of GDP) went to three areas: energy, water and sewage, and trains. More than half of this amount went to ENARSA, which received transfers of 0.5 per cent of GDP, mainly to implement energy subsidies and make payments for the Néstor Kirchner gas pipeline, a project that currently allows for a surplus in the energy balance.

Corredores Viales

Through Decree 97/2025, published in February, the government authorized the procedure for the full privatization of Corredores Viales S.A., under the form of a public works concession by toll. In this framework, it is moving forward with the tendering of strategic assets linked to road infrastructure, as part of the disinvestment plan and the search for tax revenues. This year, it is planned to put out to tender the routes and motorways that are currently under the control of Corredores Viales. The first section

to be concessioned is the one that connects various regions of the coast with the center of the country, what is known as the Mercosur route. This corridor crosses the territories of Buenos Aires, Entre Ríos and Corrientes, and comprises a total of 741 kilometers. The opening of envelopes is scheduled for 5 August. It should be noted that the company was recently intervened, and that more than a hundred redundancies have already occurred.¹⁰

Intercargo

Decree 198/2025, published in March, authorized the procedure for the total privatization of INTERCARGO S.A.U., through the sale of shares. As a complement to this measure, new private firms have already been authorized to offer the same services, including Handyway Cargo, Global Protection Service and Air Class Cargo.

Intercargo has always been profitable and did not need Current Transfers from the National State throughout its history with few exceptions. An example of the COVID crisis that reduced air operations by around 94%. It is worth highlighting the positive result of the 2023 financial year, which amounted to \$1.5 billion.

The company provides ramp services not only to Aerolíneas Argentinas, but to all private companies operating in the country. Under logics exclusively associated with profitability, there are airports in the country with a lower volume of operations where a private company would have no incentive to provide services or, if necessary, would provide them at prices significantly higher than the current ones, making the air route loss-making for the airlines. Even if such prices were passed on to passengers, domestic fares to certain cities in the country would reach international fare levels, again making the route operationally and commercially unviable. This would represent a difficulty for the opening and maintenance of air routes that make up connectivity at the federal level and enable the development of different regional economies in a country like Argentina, which holds the 8th place in the world in territorial extension.

AySA

Regarding AySA, the government is evaluating a mixed divestment scheme. In December 2024, Alejo Maxit, president of the company, stated that 'the state is going to withdraw from AySA; we are going to sell 90 per cent of the shares.'¹¹ The proposal under analysis contemplates a public tender for more than half of the shares, a stock market offer for an additional percentage and the allocation of a smaller fraction to the company's staff.

¹⁰ 'The Government Fired 117 Corredores Viales Employees over Last Week's Protests on the Ricchieri Motorway', La Nación, 16 April 2025. Available at: <https://www.lanacion.com.ar/economia/el-gobierno-echo-a-117-personas-de-corredores-viales-por-las-protestas-de-la-semana-pasada-en-la-nid16042025/>

¹¹ 'The State Will Withdraw from AySA; We Will Sell 90% of the Shares,' Says Its President, Alejo Maxit, La Nación, 15 December 2024. Available at: <https://www.lanacion.com.ar/economia/el-estado-se-va-a-retirar-de-aysa-vamos-a-vender-el-90-de-las-acciones-dice-su-presidente-alejo-nid15122024/>

Belgrano Cargas and SOFSE

Decree 67/2025, published in February, authorized the procedure for the full privatization of Belgrano Cargas y Logística S.A., through the vertical disintegration and separation of the activities and assets of each business unit. The process contemplates the public auction for the sale of the rolling stock, and the conclusion of public works concession contracts for the tracks, its surrounding buildings and the use of the railway workshops. At the same time, urban and regional railway services managed by Trenes Argentinos (SOFSE) will be subject to bidding processes.

According to the report on Budget Execution of Non-Financial Public Companies as of the first quarter of 2025, the Belgrano Cargas company recorded a reduction of 328 workers between the last quarter of 2023 and the first quarter of 2025.¹²

Yacimientos Carboníferos Río Turbio

By means of Decree 115/2025, issued in February, the Executive Power transformed Yacimientos Carboníferos de Río Turbio and the railway services with terminals in Punta Loyola and Río Gallegos into the new company Carboeléctrica Río Turbio S.A. The conversion into a public limited company seeks to enable the participation of private capital in the exploitation of the deposit and its related activities.

The operation could result not only in the loss of a key state-owned company regarding the country's energy sovereignty, but also in the dismantling of the original project to generate energy based on domestic coal. Instead of guaranteeing the continuity of the mining activity and its articulation with the thermoelectric plant, it is foreseeable that the Río Turbio mine will be closed, leaving the infrastructure of the electricity interconnection—a multi-million dollar project financed by the state—at the service of private interests.

This process could materialize in a sale at a vile price of an asset developed with public funds, which would not only imply a step backwards in terms of sovereign energy planning, but also a direct loss of patrimony for the national state.

In this context, the dismissal of Thierry Decoud, the national government's intervener in Yacimientos Carboníferos Río Turbio, in the midst of a bribery scandal, which exposes the irregularities and lack of transparency in the company's restructuring process.¹³

¹²Budget Execution of Non-Financial Public Enterprises. First Quarter 2025, Ministry of Economy of the Nation. Available at

<https://www.economia.gob.ar/onp/documentos/empretexto/ejecuempresas/2025/1ertrim25.pdf>

¹³ 'The trustee of Yacimientos Carboníferos Río Turbio was dismissed amid a bribery scandal,' Infobae, September 10, 2024. Available at: <https://www.infobae.com/politica/2024/09/10/echaron-al-interventor-de-yacimientos-carboniferos-rio-turbio-en-medio-de-un-escandalo-de-coimas/>

Nucleoeléctrica Argentina

The government's plan for Nucleoeléctrica Argentina is to open up the possibility for private investors to access a part of the shareholding package.¹⁴

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The decision is particularly sensitive given that NA-SA plays a strategic role in the development and commercialization of nuclear energy in the country. It operates the Atucha I, Atucha II and Embalse nuclear power plants, cornerstones of the Argentine energy system.

The eventual incorporation of private companies in this sector does not respond to a criterion of efficiency or technology transfer, but to a logic of selective profitability. The game is being opened up to capital interested only in capturing economic benefits, while the management of radioactive waste and the future dismantling of the plants—costly, complex tasks with a very high environmental and social impact—remain the exclusive responsibility of the state.

This maneuver is neither innocent nor abstract. It has a name and a surname: the Pérez Companc group, with a track record and interests in the area, seeks to consolidate its presence and participate in the business without assuming the structural risks involved in nuclear activity.

At the same time, the construction of Dioxitek's New Uranium Plant (NPU for its Spanish name) in Formosa—key to the nuclear fuel cycle—was paralyzed by the current government. The lack of already agreed transfers from the National Treasury halted a strategic project aimed at producing uranium dioxide (UO₂) to supply the country's nuclear power plants.¹⁵

Companies not listed in the 'Ley Bases', but under the privatization advance

Beyond the initial set of public companies for which formal processes have already been activated, the national government has made it clear that it intends to extend the scope of the privatization program even further, even if these companies were not approved by the 'Ley Bases'.

In September 2024, three months after the approval of the 'Ley Bases', the national government moved forward with its intention to sell Aerolíneas Argentinas, as the first step in other subsequent cases.

¹⁴ The company's president emphasized that they aim to open up to 49% of their shareholding to private capital," EconoJournal, October 29, 2024. Available at: <https://econojournal.com.ar/2024/10/empresas-globales-interes-nucleoelectrica-grupo-de-viena/>

¹⁵ The shutdown of Dioxitek in Formosa raises concerns about the future of the country's electricity supply," Agenfor, July 3, 2024. Available at: <https://agenfor.com.ar/2024/07/la-paralizacion-de-dioxitek-en-formosa-pone-en-alerta-el-futuro-de-la-energia-electrica-del-pais/>

Aerolíneas Argentinas

The government's privatization plan for Aerolíneas Argentinas had several legislative stages after the approval of the 'Ley Bases'. The initiatives, presented by deputies Hernán Lombardi (PRO) and Juan Manuel López (Coalición Cívica), prompted a series of joint informative meetings (25 September and 29 October 2024) between the Budget and Finance and Transport committees, with the participation of the Deputy Chief of Cabinet José Rolandi and the Secretary of Transport, Franco Mogetta.¹⁶

In these instances, the officials and defenders of the privatization projects were unable to answer the following points ¹⁷:

- Aerolíneas Argentinas connects 21 destinations in the country that are not covered by other companies. Is the official plan to stop connecting these cities, or to pass on the cost of connectivity to neighbours?
- The National Audit Office (AGN standing for Auditoría General de la Nación), in its 2024 report, concluded that the low cost companies failed to significantly improve connectivity during the period 2016-2019, and that irregularities were identified in the granting of routes during that governmental period. Is the proposed path for these same low cost companies—which have already failed in terms of connectivity—to replace Aerolíneas Argentinas?
- In terms of compliance and quality of service, Aerolineas received only two reports of non-compliance between June and July 2024 from ANAC, out of a total of 14,000 flights; in contrast, Flybondi had one fine every 1,100 flights, and JetSmart, one every 900. What are the parameters for arguing that Aerolineas is less efficient than private companies?
- The company has a positive impact on GDP of more than 8 billion dollars, generates around 109,000 direct and indirect jobs, and in 2023 contributed 176 billion pesos in national and sub-national taxes, in addition to 40 billion in fees: were these figures incorporated into the efficiency estimates that the government makes in order to decide to sell the company?

These privatization initiatives were not successful in the Chamber of Deputies. However, the government continued to promote the progressive emptying of Aerolíneas Argentinas, favouring the low cost airlines on profitable routes, without guaranteeing the comprehensive connectivity of the national territory. The existing map of domestic destinations was dismantled, seriously affecting territorial integration. To wit:

¹⁶ As of 29 October 2024, at the end of the plenary session, four opinions were signed: one majority opinion, signed by deputies from La Libertad Avanza, the PRO and sectors of the UCR, and three minority opinions presented by Unión por la Patria, Encuentro Federal (together with Democracia para Siempre), and the Frente de Izquierda.

¹⁷ Joint Committee on Budget and Finance – Presentation by Rep. J. Strada – 10/29/2024, available at: <https://www.youtube.com/watch?app=desktop&v=Wkxm-UPXBtg>

- The route to Reconquista, which connected Buenos Aires-Rosario-Reconquista, a line that took advantage of the coverage of the Buenos Aires-Rosario route, was interrupted.
- As of 1 October 2024, the "Atlantic Corridor", which connected Buenos Aires, Mar del Plata, Bahía Blanca, Trelew and Comodoro Rivadavia with Río Gallegos, three times a week, was eliminated.
- The suspension of the Córdoba-Trelew, Rosario-Calafate, Rosario-Neuquén and Salta-Neuquén flights was announced.
- There was also a threat to close the route to Río Cuarto, which finally did not materialize because the local municipality offered a shared risk scheme, committing itself to cover the economic difference if a minimum flight occupancy rate was not reached.

To date, Aerolíneas Argentinas has already implemented adjustment measures that include the reduction of 1,780 staff ¹⁸ and the closure of commercial offices in different parts of the country and abroad.

Casa de la moneda

In November 2024, the national government ordered the definitive closure of the banknote production plant located in Don Torcuato.¹⁹ Meanwhile, the 270 people who worked there were laid off.

On Tuesday 1 July 2025, Decree 442/2025 provided for the transfer of personnel, assets and functions from the banknote and coin-printing agency to other state bodies, such as ARCA, the National Registry of Persons (RENAPER) and Arsat. This is one more step towards monetary and technological loss of sovereignty.

Trenes Argentinos Capital Humano (DECAHF)

In December 2024, the government ordered the closure of Trenes Argentinos Capital Humano (DECAHF)²⁰, a state-owned company dedicated to training railway staff and safeguarding the history of the country's railways. The measure put 1,400 people on standby, with the aim of making them redundant within 6 to 12 months. A decision that eliminates fundamental technical capacities of the national railway system.

¹⁸ Center for Argentine Political Economy (CEPA), The Workforce of the National Public Sector: Data as of May 2025, July 1, 2025. Available at: <https://centrocepa.com.ar/informes/656-la-dotacion-de-personal-del-sector-publico-nacional-datos-a-mayo-2025>

¹⁹ 'The Government shuts down the bill printing plant formerly known as Ciccone,' Argentina.gob.ar, November 18, 2024. Available at: <https://www.argentina.gob.ar/noticias/el-gobierno-cierra-la-planta-de-fabricacion-de-billetes-ex-ciccone>

²⁰ The National Government officially announced the definitive closure of Trenes Argentinos Capital Humano," Argentina.gob.ar, December 17, 2024. Available at: <https://www.argentina.gob.ar/noticias/el-gobierno-nacional-oficializo-el-cierre-definitivo-de-trenes-argentinos-capital-humano>

The sale of Banco Nación requires the explicit approval of the National Congress. As it has been excluded from the list of privatizable assets approved in the 'Ley Bases', it cannot be sold without a specific enabling law. However, on 20 February 2025, the government set the conversion of Banco Nación into a public limited company in Decree 116/2025, published in the Official Gazette of the Presidency by the Chief of Cabinet, Guillermo Francos, and the Minister of Economy, Luis Caputo, with the intention of paving the way for its subsequent privatization. This transformation was suspended in court, following the ruling of the Federal Chamber of La Plata on 5 June 2025.

Three other deregulatory precedents show the intention to favour private financial institutions to the detriment of the BNA:

1. A key antecedent of this process is DNU 70/2023, which repealed the legal prohibition to privatize the BNA established in 1999, which had been approved with the support of all party blocks that "shielded" the bank from the Menemist privatization process.
2. In addition, by decree 747/2024, the government eliminated in August the obligation to pay salaries of public administration staff through Banco Nación. It also ordered the cancellation within one year of all existing agreements with the bank. Behind this measure, far from having an efficiency objective, there is a clear intention to weaken the public bank and transfer a million-dollar business to the private banks.²¹
3. With the new statute - approved by Decree 116/2025 - the Board of Directors could decapitalize the Bank.

All this movements were made despite the fact that Banco Nación has no deficit whatsoever. On the contrary, it is a solid, profitable institution with a central role in the Argentine financial system. Banco Nación has:

- \$32.1 billion of deposits it holds in the financial system (24% of the financial system),
- 749 branches in Argentina and abroad,
- 20.7% of loans in the financial system,
- 33% of mortgage loans (data as of November 2024).

In addition:

BNA's Annual Return on Equity (ROE) is 34.6%: well above that of the financial system as a whole (20.4%) and the top 10 private banks in Argentina (14.6%).

²¹ Decree 747/2024," Official Gazette of the Argentine Republic, August 21, 2024. Available at: <https://www.boletinoficial.gob.ar/detalleAviso/primera/312565/20240821>

BNA's Return on Assets (ROA) before Income Tax is 14.8%: much higher than the financial system as a whole (7.3%) and the top 10 private banks in Argentina (5.0%).

In terms of efficiency, the ratio of operating profitability margin to structural expenses is 891.9%: much higher than that of the financial system as a whole (296.8%) and the top 10 private banks in Argentina (250.7%).

In turn, the prestigious international rating agency Fix SCR (from Fitch), in its analysis as of December 2023, gave the BNA an "ESG2 (arg) - Very High Standards" rating, highlighting its commitment to environmental, social and governance factors.

Finally, the BNA is the largest financier of Argentine SMEs: as of November 2023, loans to SMEs accounted for 32.3% of total lending.

In short, Banco Nación is not a burden for the state, but a fundamental tool for economic and productive development. Its eventual privatization would imply ceding a key instrument of public policy to the interests of the market, according to a logic that seeks to make money out of strategic assets without considering their social impact or their long-term value.

It is worth highlighting, in this sense, the argumentation provided by the Precautionary Measure²² of Judge Alejo Ramos Padilla, which suspends the application of DNU 116/2025.

Figure 2. Precautionary measure by Judge Alejo Ramos Padilla, p. 38

Por un lado, porque el ente autárquico pasaría a transformarse en una sociedad anónima y comenzaría a regirse por normas de derecho privado; la titularidad del Estado Nacional sobre la entidad dejaría de ser total y existiría la posibilidad de que las acciones sean adquiridas parcial o totalmente por privados.

De este modo, el Poder Ejecutivo asumiría el riesgo de desproteger un activo de suma importancia para las arcas del Estado, que ha tenido un rol fundamental para mitigar crisis económicas y financiar el desarrollo agrícola, industrial y comercial del país, como más adelante se desarrollará, así como dejar de prestar funciones esenciales en materia de administración de fondos de jubilaciones y pensiones (artículo 3° inc. g de la Carta Orgánica del Banco de la Nación Argentina).

²² <https://drive.google.com/file/d/1KfnUI-OcLi7Zucri8awLgZzAvtFYDSa7/view>

Figure 3. Precautionary measure by Judge Alejo Ramos Padilla, p. 39

VII. Otras consideraciones

Corresponde ser señalado también –dado que esto hace al interés público de la medida solicitada– que, dadas las características del Banco Nación Argentina, creado por la Ley N° 2841 del 15 de octubre de 1891 durante la presidencia de Carlos Pellegrini, cumple funciones sociales y de políticas públicas que trascienden las actividades de un banco comercial típico. Desde su fundación, ha desempeñado un papel crucial para mitigar crisis económicas y financiar el desarrollo agrícola, industrial y comercial del país. Durante momentos de crisis – como la de 1891 y la de 1929, para no ingresar en los precedentes actuales–, el Banco Nación fue fundamental al garantizar la cadena de pagos y al apoyar a diversos sectores económicos.

Las funciones del Banco de la Nación Argentina están reguladas en su Carta Orgánica, destacándose en el artículo 3° su compromiso de apoyar la producción agropecuaria, facilitar el acceso a la propiedad de la tierra, financiar la transformación y comercialización de productos, promover el comercio exterior y fomentar un desarrollo regional equilibrado; y en ese sentido, a lo largo de más de un siglo, el Banco ha sido un pilar en el crecimiento de las economías regionales y en el apoyo a pequeños productores a través de diversas líneas de crédito.

Finally, Federal Judge Ramos Padilla developed grounds to support his position that the structure of the BNA cannot be modified without both the endorsement and a specific law of Congress: *'All this leads me once again to consider prima facie evidence that the legal structure of the Banco de la Nación Argentina cannot be modified through the delegated decree N° 116/2025, in accordance with the text of Law 27.742 (arts. 1 and 3 invoked in the grounds for its enactment), and arts. 1 and 32 of the Organic Charter of the institution.'*²³

Correo Argentino

Correo Argentino was also taken into consideration for its privatization. As a first step, regulations limiting competition in the parcels and packages market were eliminated. As a result, the government announced that it will seek to move forward with its transfer to the private sector. The Minister of Deregulation and State Transformation, Federico Sturzenegger, set out the possible scenarios for the company: 'It will be privatized, it will be concessioned or it will be transferred to the employees, whichever way it can be done'.²⁴ In all these cases, these are companies that fulfil essential functions and which, if the government's plans come to fruition, would become dependent on the logic of the market.

²³ Page 34 - Clippings of Judge Alejo Ramos Padilla's Precautionary Measure

²⁴ "Correo Argentino: tras anunciar la desregulación del sector, el Gobierno pone sobre la mesa la privatización de la empresa", Clarín, 11 de noviembre de 2024. Disponible en: https://www.clarin.com/economia/correo-argentino-anunciar-desregulacion-sector-gobierno-pone-mesa-privatizacion-empresa_0_rzjptjIH2.html

Represas del Comahue

The government also intends to move forward with strategic assets such as the Comahue hydroelectric dams. The Minister of Economy announced on Tuesday 10 June, during his participation in the Carajo streaming show, that the government expects to receive between USD 400 million and USD500 million for the tender of the shares of these power plants, whose concession, in force since the 1990s, expires in August this year. The dams involved are Alicurá, El Chocón- Arroyito, Cerros Colorados and Piedra del Águila, located in the provinces of Neuquén and Río Negro. According to the announcement, the government will publish in the next few days the tender documents to proceed with their privatization, in what would constitute a new transfer of strategic assets to the private sector.

IMPESA, a witness case of loss of state capacities

The witness case was the privatisation of IMPESA, which took place in February this year. The company from Mendoza, dedicated to the manufacture of turbines and energy solutions, was transferred to the US company ARC Energy²⁵. It is no coincidence that this company was the buyer, since it was ARC Energy that contracted IMPESA to build bridge cranes for the US Navy²⁶, in the framework of a contract for which 120 million dollars were advanced.

IMPESA had been rescued by the national and provincial governments in 2021, at a time when it was going through a financial crisis that put its continuity at risk. Since then, and under state management, the company began to recover its growing path increasing its annual revenues and reducing the operative losses.

IMPESA is a strategic company for the country. It produces cutting-edge technology for the hydroelectric, nuclear and complex capital goods sectors, with a presence in more than 40 countries and only five competitors of its scale in the world. It has a highly skilled workforce and a historical track record in providing equipment for large energy infrastructure projects. However, during 2024 the current government did not conclude new work contracts for the firm, which deteriorated its balance sheets and facilitated the conditions for its sale. It was a mis-sale of a strategic company, at a price below its potential value and without adequate parliamentary control mechanisms.

Large Investments Incentive Regime (RIGI)

The government's justification for the approval of the RIGI was the promise of attracting Foreign Direct Investment (FDI) by granting an exceptional set of tax, customs and exchange benefits. Presented as a key tool to boost the economy and

²⁶ Consultar: "ARC Selected as Prime Contractor for U.S. Navy Worldwide Expeditionary Multiple Award Contract", ARC Shipping, 15 de junio de 2021. Disponible en: <https://www.arcshipping.com/news/arc-selected-as-prime-contractor-for-u-s-navy-worldwide-expeditionary-multiple-award-contract/>

generate employment, the regime was approved under the argument that it would remove 'obstacles' to the arrival of foreign capital willing to invest in long-term projects.

However, a year after its entry into force, the results are far from justifying the concessions granted:

- Of the 5 projects approved (out of a total of 14), 4 of them already existed prior to the approval of the regime, namely: Parque Solar El Quemado y Anexos, Vaca Muerta Oleoducto Sur, Rincón and Sidersa. The fifth, Natural Gas Liquefaction by PAE and others, replaces the withdrawal of PETRONAS, also a project that was in the pipeline.
- Instead of attracting local and especially foreign private capital, the majority state-owned oil company, YPF, is the main investor in the RIGI. Of the total of USD 16.514 billion in the 14 projects presented so far, YPF is involved in investments of USD 9.575 billion. This represents 58% of the total amount foreseen.
- Despite granting extraordinary concessions (and surpassing the LNG law proposed by the previous government), the government lost the main investment to Malaysia's PETRONAS for the liquefaction plant due to mismanagement in the location of the plant, which generated distrust towards investors in terms of legal certainty.
- Not only have the large-scale investments promised in terms of FDI not materialized, but the FDI item in the BCRA's Foreign Exchange Balance Sheet as of May 2025 is negative by USD -1.5 million since Milei took office, due to the disinvestment in different activities and with the BCRA's authorization.
- The potential liquidation of dollars is weak: the 5 approved projects represent, according to the 143rd report of the Cabinet Office, an investment of USD 2,105 million to be disbursed in the first year, barely 40% of the Foreign Asset Formation registered in 45 days (April and May 2025). It should also be borne in mind that in the third year of maturity of the projects, the regime establishes the free availability of foreign currency. So far, not a single dollar of FDI has been disbursed for these projects, which highlights the gap between the regime's promises and their actual implementation.
- In terms of employment, job creation is also deficient: the five announced projects would involve the creation of only 1,616 direct jobs and 8,497 indirect jobs, for a total of 10,113 jobs.

The following is an in-depth analysis of the announced axes.

How much FDI was generated?

Four of these five approved projects include investment commitments of 2.105 billion dollars in the first year and 2.64 billion dollars in the second, totaling 4.745 billion dollars. However, these amounts are far from being able to compensate for the current account deficit that Argentina has been accumulating for the last 12 months. To put this into perspective, since the easing of exchange restrictions, the formation of foreign assets reached an outflow of 5.236 billion dollars between April and May alone. In

other words, in just a month and a half, an amount greater than the total amount of investments committed for the next two years under the RIGI has vanished.

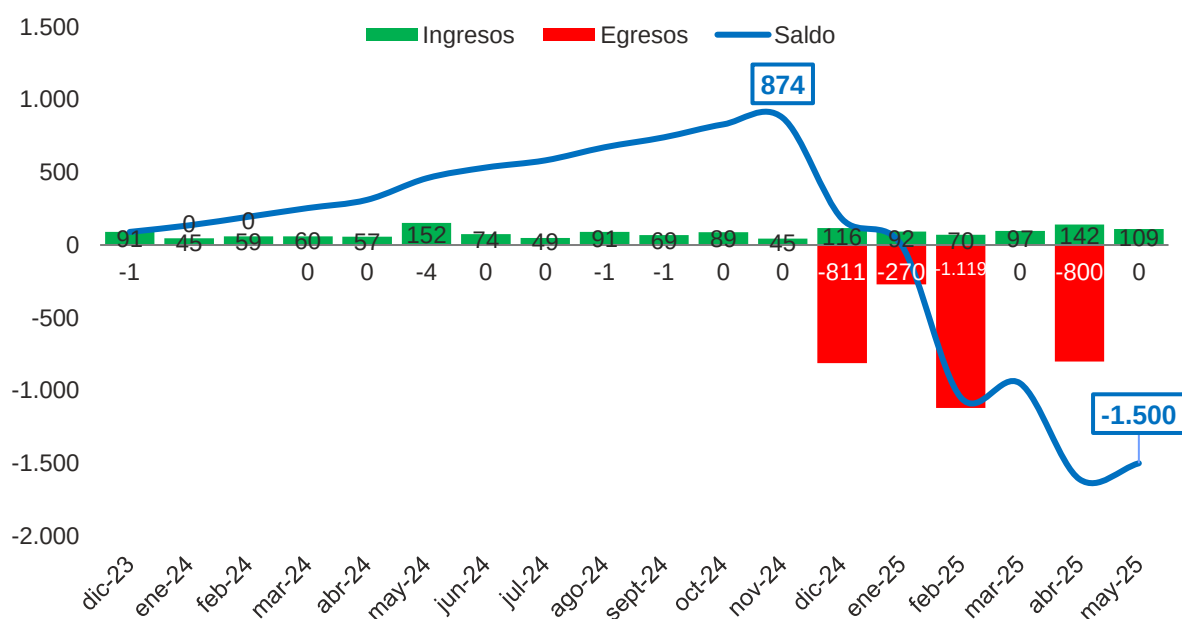
Chart 1. Committed implementation schedule of projects approved to date. In millions of dollars.

Project	Investment 1st year	Investment 2nd year	Deadline to reach the minimum investment amount	Minimum amount applicable to the sector
PS El Quemado y Anexos	165,8	387,4	30/1/2027	200
Vaca Muerta Oil Sur	1318	1123	31/12/2028	2.000
PAE – Golar	105	354	31/12/2035	2.000
Rincón	1.000	776,5	30/6/2029	2.000
SIDERSA	No informado			

Source: CEPA on the basis of report 143 Jefatura de Gabinete

Worse, available data show that, instead of increasing, foreign direct investment plummeted during Javier Milei's tenure. From December 2023 to May 2025, the cumulative flow of FDI shows a negative balance of USD -1.5 billion, according to Central Bank figures. This dynamic shows that the regime has failed to reverse the process of disinvestment that the Argentine economy is undergoing, thus consolidating its failure as an investment attraction policy.

Graph 1. Foreign direct investment via the Foreign Exchange Market. Monthly net inflows and outflows and net accumulated balances. Period 12/23 to 05/25. In millions of dollars



Source: CEPA based on BCRA.

Chart 2. Estimated direct and indirect employment of projects applying to join the RIGI

Project	Committed Investment in Computable Assets (USD MM)	Processing Status	DDJJ of the VPU: Direct Employment	DDJJ of the VPU: Indirect Employment
PS El Quemado y Anexos	211	Aprobado	10	374
Hombre Muerto Oeste	217	En Evaluación	250	420
Sal de Oro	633	En Evaluación	567	5.240
Gualcamayo	1.000	En Evaluación	1.000	2.400
Vaca Muerta Oleoducto Sur	2.486	Aprobado	325	2.783
Licuefacción de Gas Natural	6.878	Aprobado	475	361
SIDERSA	296	Aprobado	300	3.500
Parque Eólico Olavarría	255	En Evaluación	12	153
Mariana	273	En Evaluación	544	2.729
Los Azules	227	En Evaluación	112	332
Rincón	2.724	Aprobado	506	1.479
Terminal Multipropósito Timbúes	290	En Evaluación	No informa	No informa
Sal de Vida	818	En Evaluación	No informa	No informa
PE La Rinconada	206	En Evaluación	No informa	No informa
Total	16.514		4.101	19.771

Source: CEPA on the basis of reports 142 and 143 of Jefatura de Gabinete

Are some of these new projects? Were some previously in the pipeline?

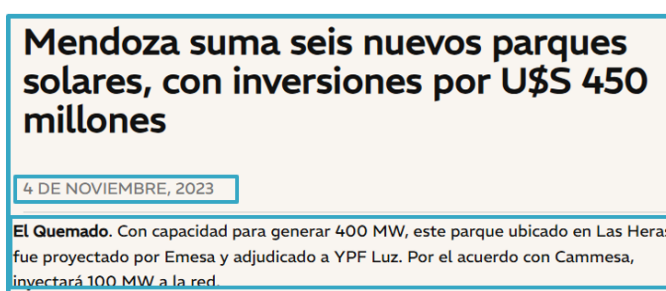
A review of the projects submitted under RIGI reveals that not all of them are new initiatives. In fact, several of them had already been publicly announced prior to the approval of the regime, indicating that their realization was not dependent on the new incentive scheme. In other words, they are projects that were already imminent and that, by entering the RIGI, seek to benefit from an extremely favorable regulatory framework in terms of tax, customs and foreign exchange.

- A clear example is the case of Galan Lithium, which in December 2023 had already announced that it would start producing lithium chloride in Catamarca from 2025.
- Similarly, the El Quemado solar park in Mendoza was submitted in November 2023,
- i.e. before the RIGI was approved.

- The same applies to the "Carbonatos Profundos" project in San Juan, announced in September 2023.
- Gold Salt Project: known to exist since February 2023.

These cases show that, rather than promoting new investments, the RIGI is serving as a tool to maximize the benefits of projects that were already in the pipeline.

Figure 3. Selected projects adhering to RIGI



Source: CEPA based on various media.

Another relevant aspect to take into account is the composition of the projects presented under the RIGI. Although the regime was conceived with the objective of attracting foreign private capital, the available data indicate that the main driver of the projected investments is YPF, a majority state-owned company.

Of the total of USD 16.514 billion involved in the 14 projects presented so far, YPF is involved in investments of USD 9.575 billion. This represents 58% of the total amount foreseen, which shows a strong dependence on a public company to drive the scheme. Moreover, these YPF investments were already expected beforehand. The construction of the Vaca Muerta Sur pipeline is a strategic project for the state oil company; the El Quemado solar park, as indicated, was also part of the previous investment plan; and the gas liquefaction project in ships replaced the agreement between YPF and Petronas to build a liquefaction plant in Bahía Blanca, an initiative that was politically strained by the national government, which pushed for its relocation to Río Negro for ideological rather than technical reasons.

Far from being a flood of autonomous, private foreign investment, RIGI, in its initial phase, relies heavily on state capital.

Figure 4. YPF's central role in the RIGI



Fuente: CEPA based on various media sources

How many jobs are created by RIGI?

One of the main arguments put forward by the national government to justify the RIGI was its supposed potential to boost employment. However, the profile of the investments included in the scheme so far shows that it is not a job-intensive scheme.

Since its approval, only 14 projects have been submitted, of which only 5 have actually been approved. These would involve the creation of just 1,616 direct jobs and 8,497 indirect jobs, for a total of 10,113 jobs. Even considering the optimistic estimates of all the projects submitted - which anticipate 4,101 direct jobs and 19,771 indirect jobs, for a total of 23,872 jobs - the impact of the RIGI on the labour market is still very limited. This figure represents only 20.7% of the cumulative loss of private employment since December 2023.

Even in the best case scenario, the RIGI's capacity to reverse the deterioration of employment is clearly insufficient. Far from being an effective tool for massive job creation, the regime is oriented towards sectors with low labor intensity.

The abolition of Personal Assets tax: less progressive taxation

Reduction in personal assets tax rates

The tax package approved in parallel to the 'Ley Bases' introduced important changes to the Personal Assets Tax. The central modification was the reduction of the maximum rate, in a similar line to the one implemented during the Macri government.

From the 2023 tax year onwards, the new regulation established rates ranging from 0.5% to 1.5%, depending on the value of the declared asset. In addition, a progressive reduction of both the rates and the scale brackets was established in the following years, until reaching a single rate of 0.25% in 2027.

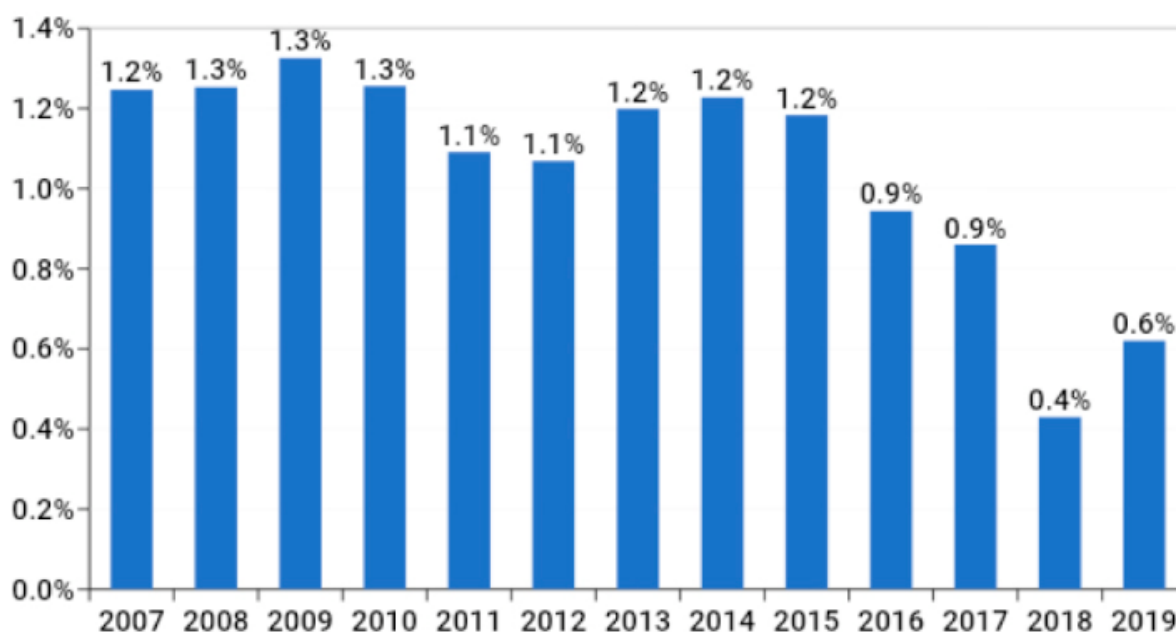
This reform implied a further lowering of the burden of a progressive tax, benefiting especially the highest earners. While those at the top of the scale (0.5%) continue to pay the same, those who were taxed at higher rates were favored with a significant reduction. The result is a flattening of the tax pyramid: within the universe of the richest, those who have the most end up paying the least.

An additional point of the reform is the early payment regime. Those who opted to pay the tax for the next five years in advance received a reduced rate of 0.45% per year. In the case of those who have joined the money laundering scheme provided for in the same tax package, the rate was 0.50%. Those who adhered to this modality will maintain these benefits until 2038, thus consolidating a highly favorable scheme for high net worth individuals.

Another relevant change was the elimination of the differentiation between assets in the country and assets abroad. Under the previous legislation, the latter faced higher tax rates, which acted as an incentive to repatriate assets. The new law eliminated this differential, thus reducing an instrument that sought to bring capital into the country.

The reduction of the Personal Property Tax had been implemented during Mauricio Macri's government and damaged the national tax collection, worsening the progressivity of the system: it went from representing 1.2% in 2015 to 0.6% in 2019.

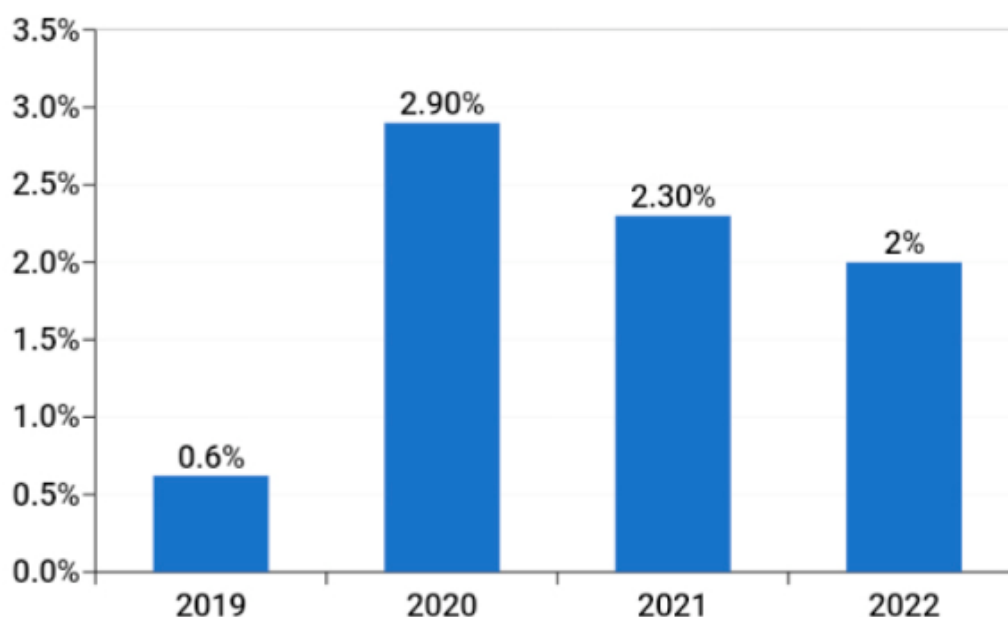
**Graph 2. Incidence of personal property tax in relation to total tax resources.
2007 - 2019**



Source: CEPA based on Ministry of Economy

In contrast, the Frente de Todos Solidarity Law of December 2019 raised the incidence of the collection of this tax. In 2020 it rises to 2.9% (with a drop in revenue due to the pandemic), in 2021 to 2.3% and in 2022 to 2%

Graph 3. Incidence of personal property tax in relation to total tax resources. 2019-2022



Source: CEPA base don Ministry of Economy

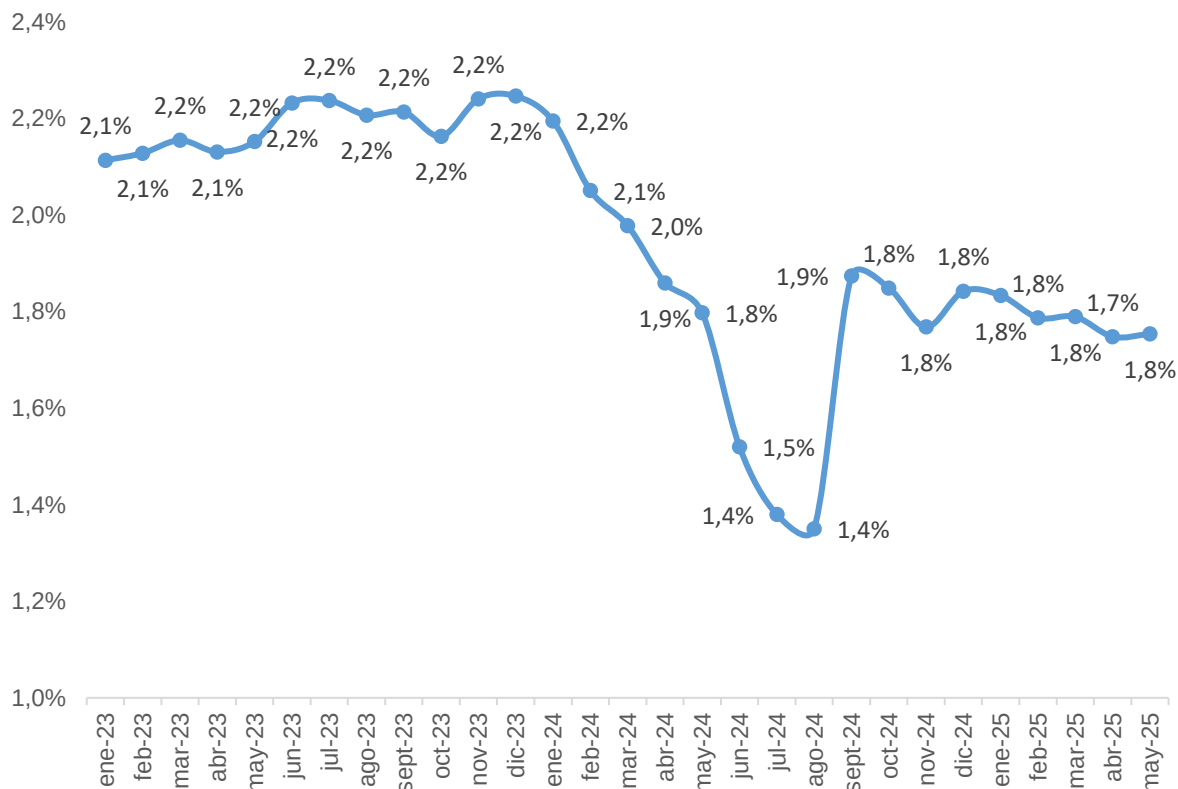
Graph 4 shows a decreasing trend in the incidence of personal property tax in relation to total national tax resources. While between January and December 2023 the share of the tax remained relatively stable at around 2.2%, from January 2024 onwards a sustained fall begins, reaching a minimum of 1.4% in July and August 2024.

Although there is a slight recovery towards the second half of 2024 as a result of the collection under the special early payment scheme, the incidence stabilizes again below 1.8% as of January 2025, far from the levels of 2023.

This downward trend is consistent with the changes introduced in the tax rules. Therefore, it is foreseeable that this decline in the relative share of the tax in total revenue will deepen in the coming years, consolidating a lower progressivity of the Argentine tax system.

**Graph 4. Incidence of personal property tax in relation to total tax resources.
12-month moving average.**

In percentages. January 2023 - May 2025.



Source: CEPA based on Ministry of Economy

Restitution of income tax to the fourth category

The fiscal package promoted by the government eliminated the schedular tax that exclusively taxed the highest salaries and privileged pensions and pensions above 15 minimum monthly salaries. In its place, income tax was reinstated for the fourth category, with much lower parameters, which significantly expanded the number of workers covered.

At the time of its implementation, around 12.2% of registered workers began to pay the tax, in contrast to the 1.7% who did so between October 2023 - when it was eliminated - and March 2024. The measure represented a sharp increase in the tax burden on formal labor income, especially in the middle sectors.²⁷

The new regulation also eliminated exemptions that protected wage earners when their income temporarily increased due to overtime, bonuses or other variable items. At the same time, the differential floor that benefited workers in the Patagonian area, who until then were taxed on incomes 22% higher than the general average, was

²⁷ Strada, J., & Letcher, H. (21 de abril de 2024). Empoderar leones. El Cohete a la Luna. <https://www.elcohetetaluna.com/empoderar-leones/>

eliminated. These modifications not only broadened the base of workers covered, but also intensified the fiscal pressure on formal income, in a context of a strong deterioration of purchasing power.

Labor Reform

Fewer penalties for non-registration and a laundering of labor: did it really reduce informality?

- One of the pillars of the labor reform promoted by the 'Ley Bases' was the so-called "Plan for the Regularization of Unregistered Work", presented as a tool to promote formal employment. However, the design of this scheme largely favored employers, with benefits that were notoriously disproportionate to its concrete results.
- Among the main points of the scheme, the following stand out:
- The possibility of regularizing labor relations previous to the sanction of the law without penalties.
- Extinction of criminal prosecution and total remission of infractions, fines and sanctions related to unregistered work.

Elimination of the REPSAL (Register of Employers with Labor Sanctions) for those companies that whiten all their workers.

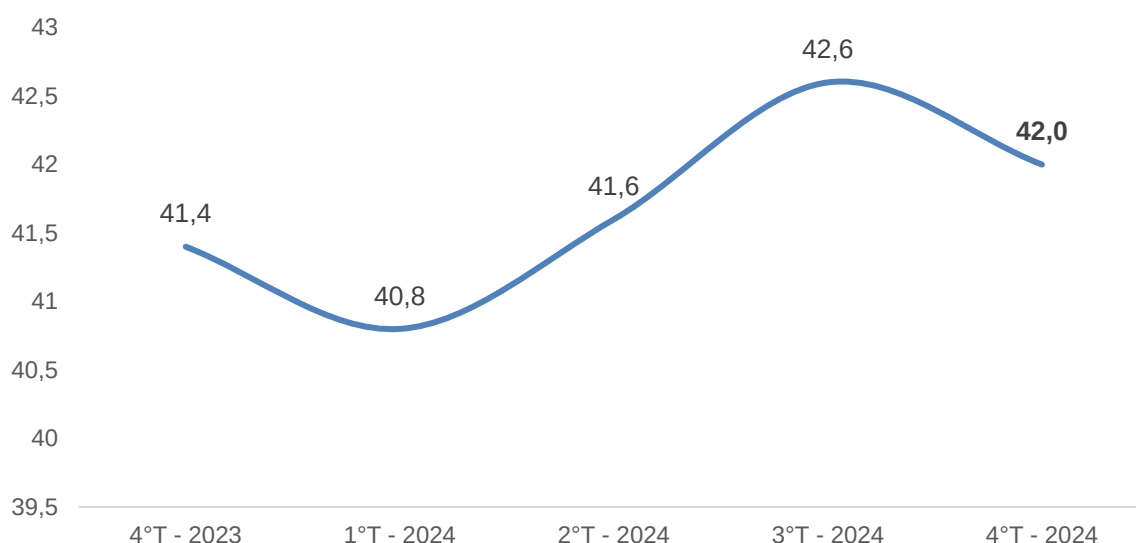
Cancellation of the capital and interest on debts arising from non-payment of social security contributions.

Despite this generous amnesty for offending employers, the results of the laundering were minimal. According to the response of the Chief of Cabinet Guillermo Francos to a request for information from national deputy Sergio Palazzo, only 7,660 workers have been registered since the implementation of the plan.

At the same time, labor informality not only did not decrease, but increased. According to INDEC data, the rate of unregistered employment in urban agglomerates reached 42.0% in the fourth quarter of 2024, which implies an increase of 0.8 percentage points compared to the same period in 2023, under the previous administration. This increase confirms that the policy of stimulating the laundering of unemployment did not succeed in reversing the precariousness of the labor market, but rather contributed to consolidating more lax conditions for hiring without rights.

Graph 5. Evolution of the rate in labor informality.

Fourth quarter 2023 – Fourth quarter 2024



Source: CEPA based on INDEC.

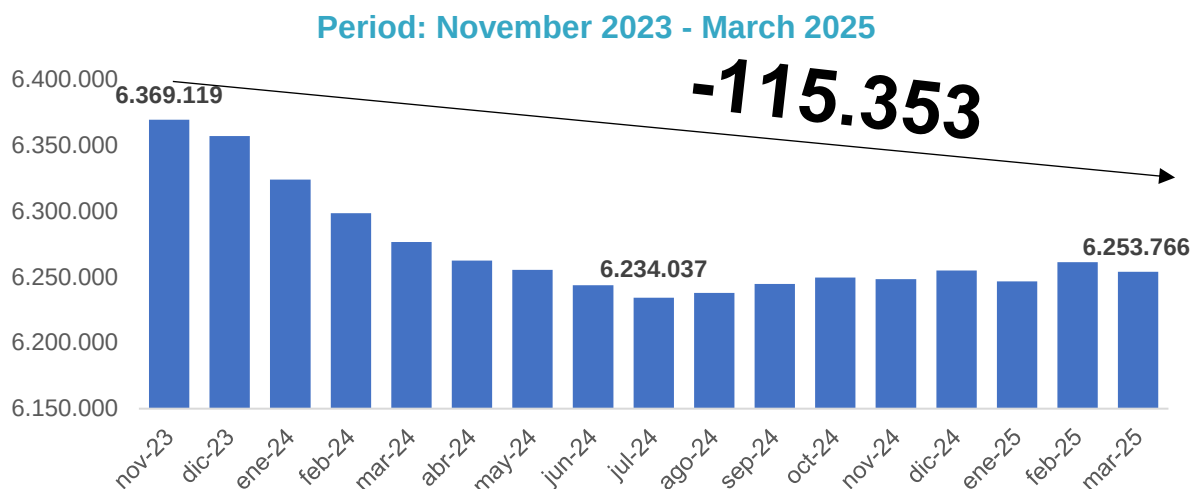
Extension of the probationary period and the figure of the "collaborator": did registered employment increase?

One of the most regressive aspects of the labor reform incorporated in the 'Ley Bases' was the extension of the probationary period, which was not only doubled, but also allowed it to be extended to 8 or even 12 months. In practice, this enabled disguised temporary hires. Many companies employ staff for periods of five or six months and then dismiss them without cause, thus avoiding the recognition of labour rights and severance pay.

To this is added the creation of a new contractual figure: that of the "collaborator". The regulation enabled single-employed workers to incorporate up to three collaborators under this modality, without this implying an employment dependency relationship. This scheme deepened precariousness, promoting outsourcing and the disregard of basic labor obligations on the part of employers.

Far from being translated into a boost to formal employment, since Javier Milei took office the registered labor market has suffered a sharp contraction. Cumulatively since December, 173,563 registered jobs have been lost. Of this total, 58,210 correspond to the public sector, while in the private sector - with an unstable behavior since August 2024 - the loss amounts to 115,353 jobs.

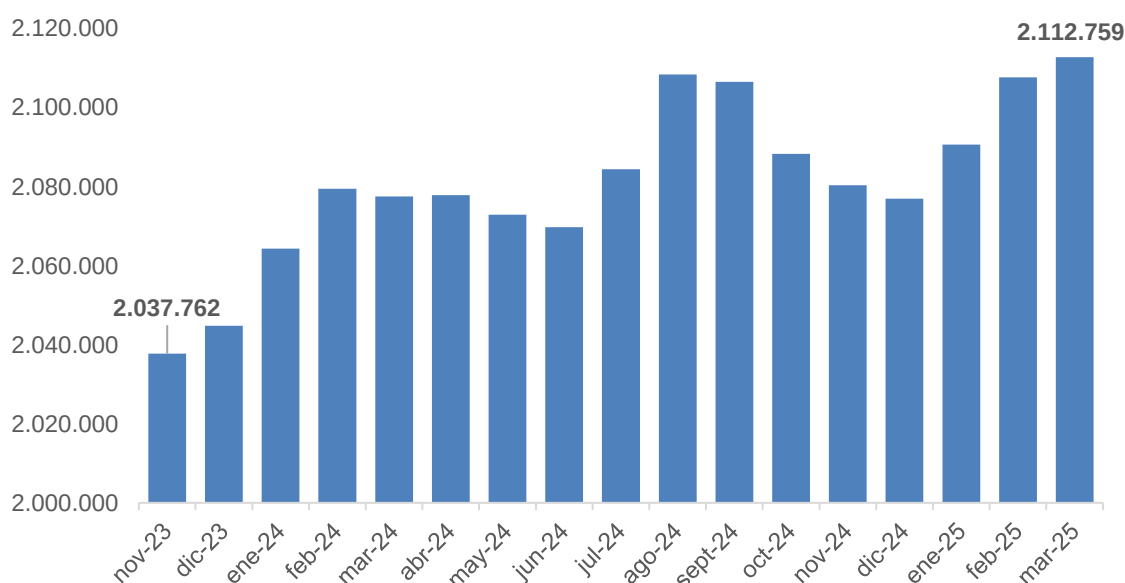
Graph 6. Evolution of private registered employment, seasonally adjusted series.



Source: CEPA based on SIPA

In contrast, self-employment registered under the single-tax regime continued to expand during the period under review. Between November 2023 and March 2025, 74,997 new self-employed persons were added, from 2,037,762 to 2,112,759. This increase in many cases represents a refuge from the loss of registered salaried jobs. These are survival strategies in the face of the lack of formal job opportunities or situations of disguised underemployment, where workers who previously had a relationship of dependence began to bill as self-employed, often with lower incomes and less coverage of labor rights.

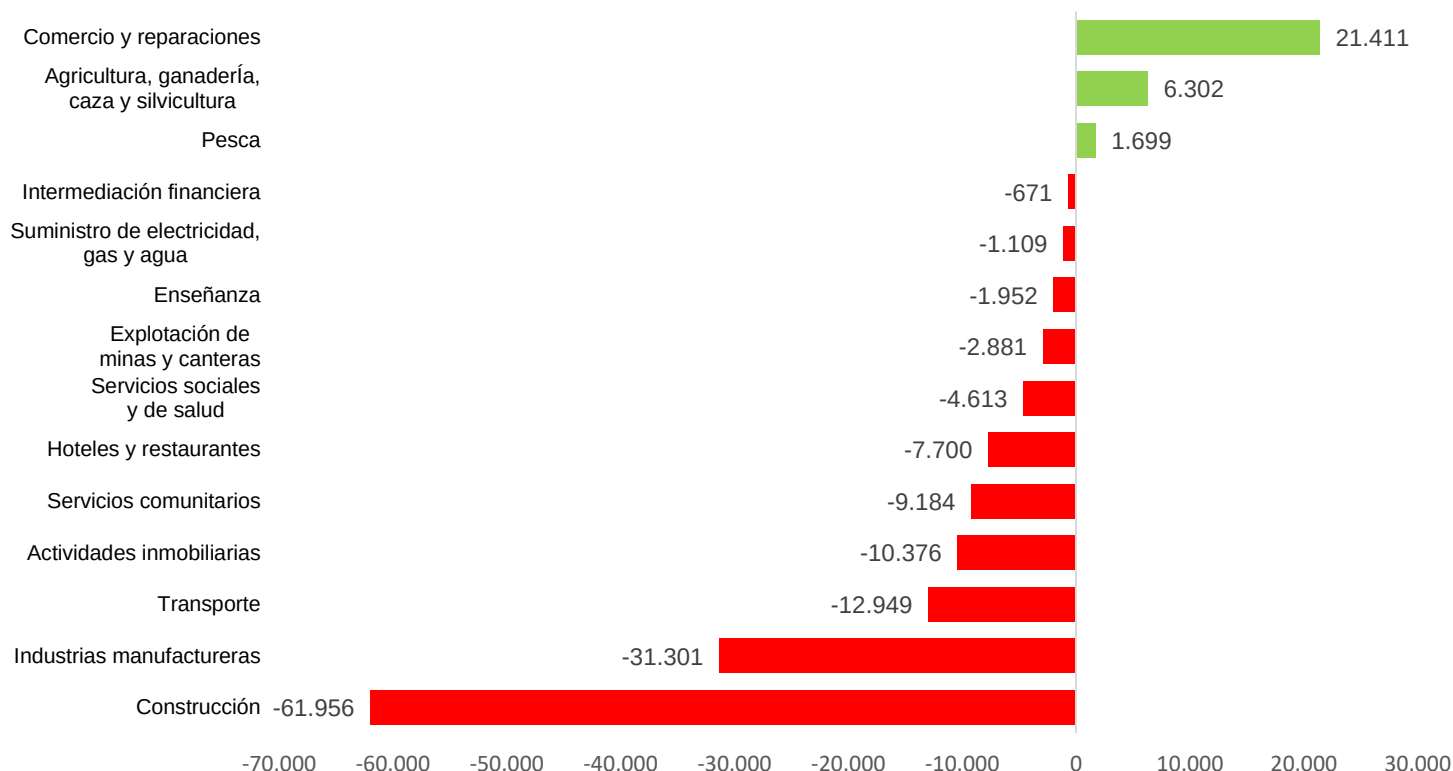
Graph 7. Evolution of self-employmentSelf-employment Monotributo Seasonally adjusted series. Period: November 2023 - March 2025



Source: CEPA based on SIPA.

In sectoral terms, the only sectors that managed to create private registered employment between November 2023 and March 2025 were commerce (+21,411) and those linked to primary activities: agriculture, livestock, hunting and forestry (+6,302 jobs) and fishing (+1,699). The rest of the sectors show negative balances, with deep job destruction in construction (- 61,956) and manufacturing industry (- 31,301).

Graph 8. Change in private registered jobs by sector. Seasonally adjusted series. Period: March 2025 vs. November 2023

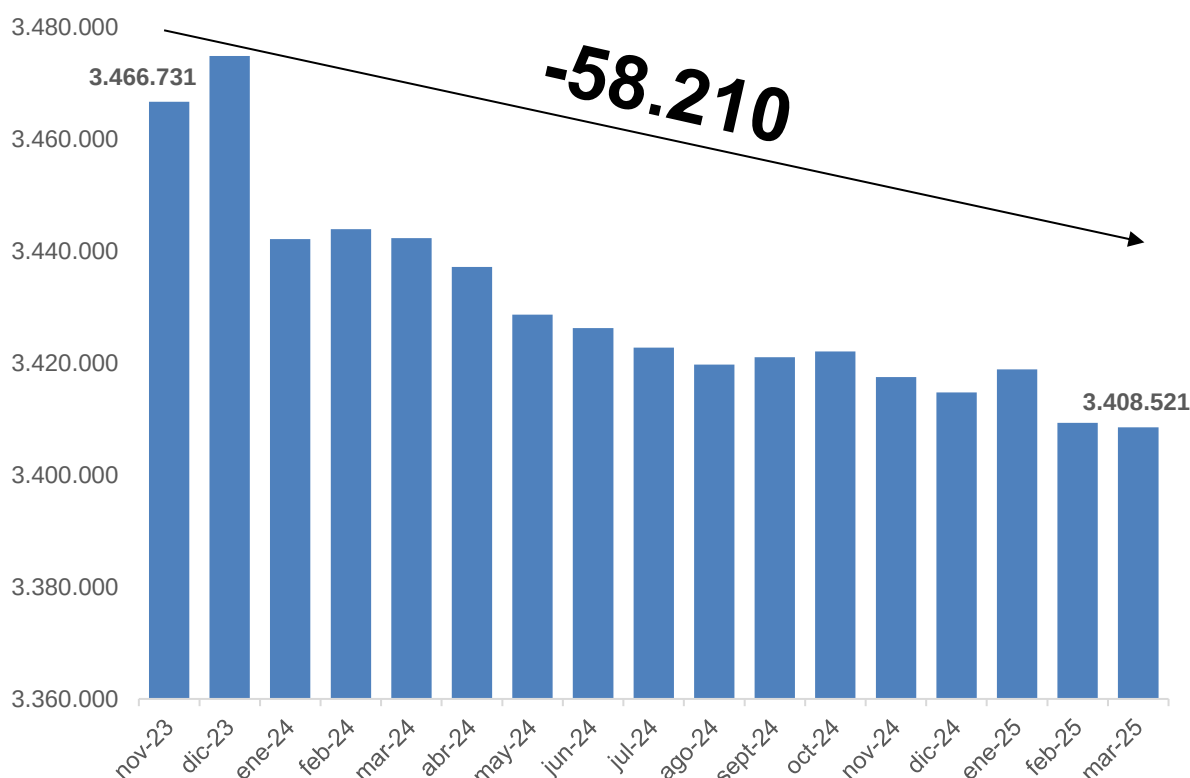


Source: CEPA based on SIPA.

Impacts on public employment

In parallel, registered salaried employment in the public sector also showed a downward trend, this time as an expressly intended objective and in line with the dismantling of public sector agencies and enterprises ordered by the national government. Between November 2023 and March 2025, 58,210 jobs were lost, from 3,466,773 to 3,408,521. Bear in mind the modification of the public employment law incorporated in the 'Ley Bases' which enabled state workers to be made available for a period of up to 12 months, after which they can be dismissed.

Graph 9. Public sector registered wage and salary jobs. Seasonally adjusted series. November 2023 – March 2025



Source: CEPA based on SIPA.

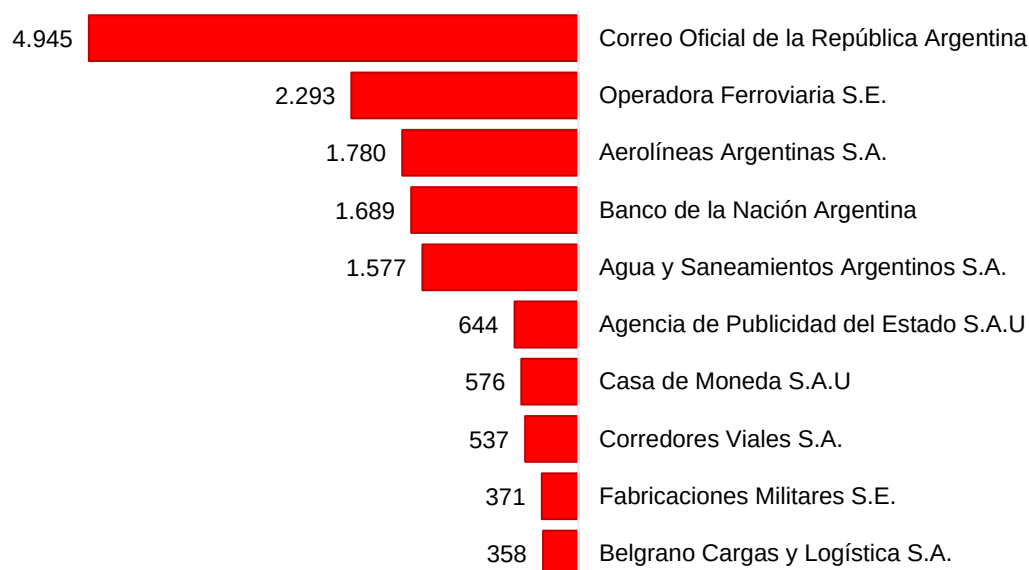
Company-level analysis

Since November 2023, staff cuts in the public sector have been deep, with a strong impact on strategic state enterprises and agencies.²⁸

The company-level analysis shows that the most significant case in absolute terms is that of Correo Argentino, which tops the list with 4,945 redundancies. It is followed by Operadora Ferroviaria S.E., with 2,293 layoffs, and Aerolíneas Argentinas, with 1,780 layoffs, while Banco Nación recorded 1,689 dismissals.

²⁸ See report 'The Staffing of the National Public Sector: data as of May 2025'. Published on 1 July 2025. Available at: <https://centrocepa.com.ar/informes/656-la-dotacion-de-personal-del-sector-publico-nacional-datos-a-mayo-2025>

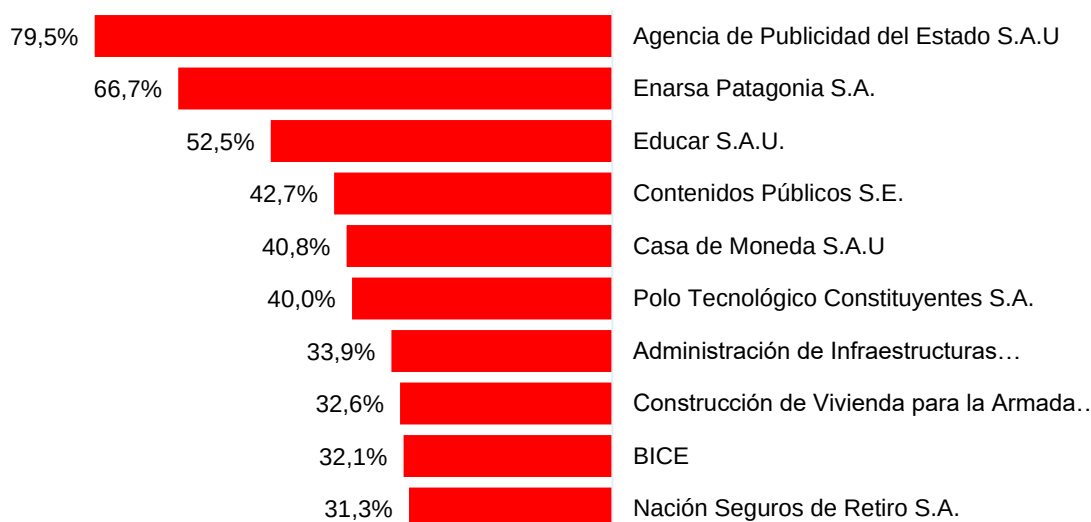
Graph 10. Change in staffing levels of the ten State enterprises or corporations with the largest adjustment in numbers. November 2023 to May 2025.



Source: CEPA based on INDEC

In proportional terms, the most drastic cutbacks occurred in the former Télam, where almost 80% of the staff was dismissed. It is followed by ENARSA Patagonia, and then by Educar S.A. and Contenidos Públicos S.E., which also show particularly significant reductions

Graph 11. Variation in the staffing of the ten State enterprises or companies with the greatest adjustment in percentage. November 2023 to May 2025

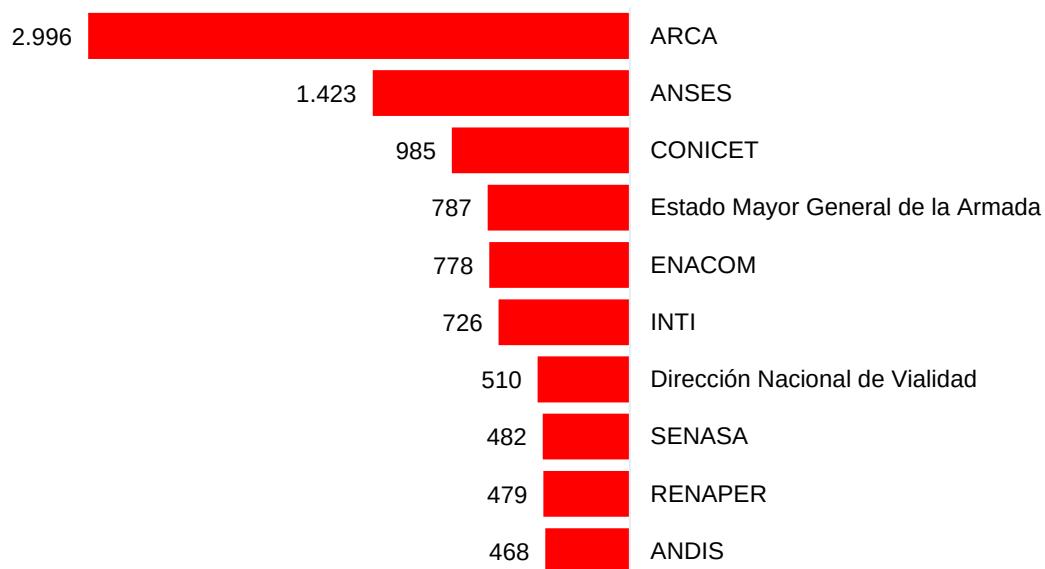


Source: CEPA based on INDEC

Within the scope of the National Public Administration (APN), including both deconcentrated and decentralized agencies, the most significant case in absolute terms is that of ARCA, with 2,996 jobs eliminated. It is followed by ANSES, with 1,423 dismissals, and CONICET, with a reduction of 985 workers.

Graph 12. Variation in the staffing of the deconcentrated and decentralised National Public Administration with greater adjustment in numbers.

November 2023 to May 2025

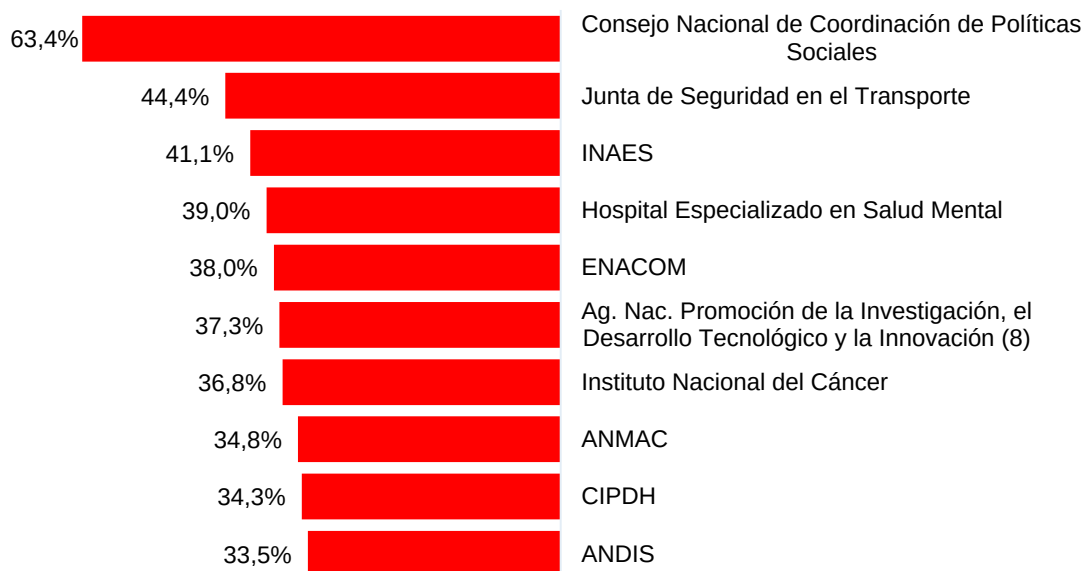


Source: CEPA based on INDEC

In proportional terms, the most severe cut was in the National Council for the Coordination of Social Policies, which lost 64% of its staff. In second place is the Transport Safety Board (JST), with a reduction of 44%, and in third place is the National Institute of Associativism and Social Economy (INAES), which suffered a 41% cut in its staffing levels.

Graph 13. Variation in the staffing of the deconcentrated and decentralized National Public Administration with the largest percentage adjustment.

November 2023 to May 2025



Source: CEPA based on INDEC

Labor terminations funds and CNV resolution 1071: a reform that redefines dismissal rules

'Ley Bases' introduced a substantial modification in the severance payment regime by allowing employers and unions, through collective bargaining, to replace the traditional system with new severance fund mechanisms. The regulation was presented as a supposed adaptation of the model in force in the construction industry, but the truth is that its design implies a much greater flexibilization with fewer safeguards for workers. Unlike the construction regime, no minimum guarantees were set and, in addition, the door was opened for contributions to these funds to be deducted from the workers' own salaries.

However, the concrete implementation of this scheme was limited by the lack of regulated financial instruments to channel funds. This barrier was removed on 18 June with resolution 1071 of the Argentina's National Securities Commission (CNV), which regulated the vehicles that can be used: bank accounts, mutual funds and financial trusts. As of this decision, any sector that agrees within the framework of a collective bargaining agreement will be able to activate these mechanisms in replacement of the severance payment provided by the Labor Contract Law. The regulation also enables an even more lax alternative, known as 'individual cancellation', in which the parties may freely define any form of redundancy compensation, with no obligation to respect minimum criteria or equivalence with the existing regime.

This new scheme implies a significant transfer of risk to the workers. The final value of the compensation will depend on the financial performance of the instruments in which the contributions are invested. In a context of high macroeconomic volatility, this exposure to the market introduces enormous uncertainty. At the same time, the legislation does not establish guarantee clauses to ensure a minimum floor to be received in case of losses or negative returns. In this way, one of the few mechanisms that operated as a brake on arbitrary dismissal, the predictability and economic cost of traditional severance pay, is weakened.

Although the law establishes that these mechanisms must be agreed in collective bargaining agreements, the 'optional' character in favor of employers allows us to anticipate an asymmetrical dynamic in their application. In practice, the decision will be left in the hands of the business sector, which will be able to impose the adoption of these schemes as a condition for maintaining employment or advancing in negotiations on collective bargaining. Even workers who were already employed before the law came into force could be covered by these changes if their employers manage to impose a new collective framework.

In the short term, employers are expected to start pushing for the new mechanisms to be included in agreements. In the medium term, the idea of moving towards a decentralization of collective bargaining, favoring company-level agreements, is gaining momentum in the official discourse. In the meantime, the institutional framework is already in place.

End of the pension moratorium

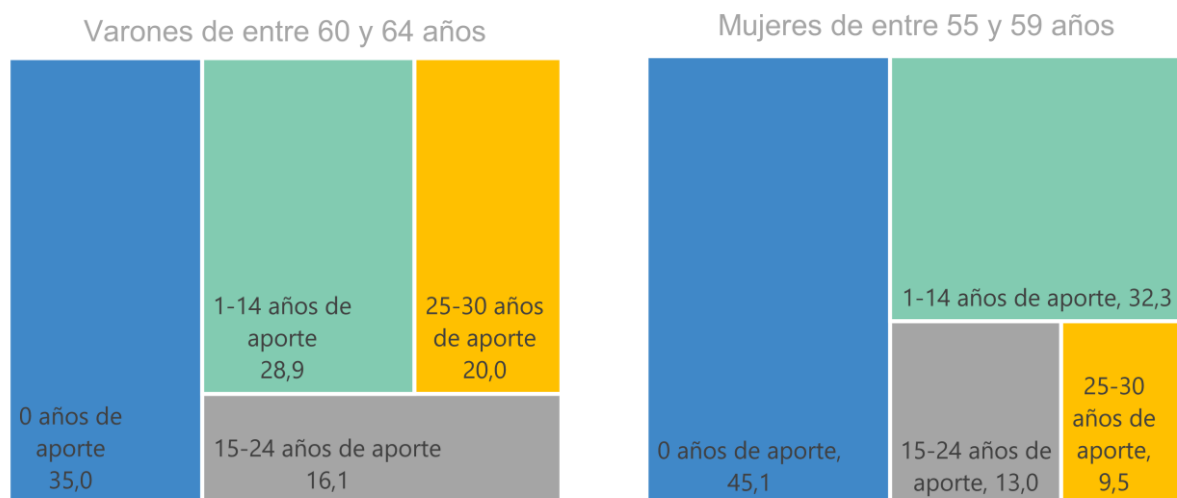
In the first instance, the Chamber of Deputies approved the draft 'Ley Bases' including the elimination of the pension moratorium. The original text proposed replacing it with a proportional benefit scheme for people who reach the age of 65 without having completed the required 30 years of contributions. However, during the treatment in the Senate, Title VIII, which contained these modifications, was withdrawn from the final opinion, so that the elimination of the moratorium was not carried out through this legislative route.

Despite this, in March 2025 the term of the last pension moratorium expired and, as the executive branch had announced, it was not extended. Since then, the only alternative available for those who do not meet the necessary contributions is the Universal Pension for the Elderly (PUAM), a benefit that represents only 80% of a minimum retirement pension, is not inheritable and can only be paid in cash.

The moratorium has been applied for from the age of 65, even by women, who were previously entitled to retire at the age of 60.

The non-renewal of the moratorium severely aggravated access to pension rights: 9 out of 10 women and 8 out of 10 men who reach retirement age do not have more than 25 years of contributions, which leaves them excluded from the contributory pension system.

Graf 14. Number of contribution years according to gender



Source: CEPA based on BESS.

On 5 June 2025 the Chamber of Deputies passed a preliminary approval for the reinstatement of the pension moratorium, along with a general 7.2% increase in retirement benefits and a 57% raise in the minimum pension bonus.

Conclusions

Impacts of the decrees delegated by 'Ley Bases'.

- 'Ley Bases' enabled an unprecedented legislative delegation, allowing the executive branch to issue **157 regulations with the force of law between December 10, 2023, and July 4, 2025: 75 Emergency Decrees (DNU) and 82 delegated decrees, of which 61 are based on Title II of the Basic Law (State Reform)**. This legislative initiative by the Executive Branch adds to the still-valid Mega DNU 70. This level of unilateral action reflects a hollowing out of Congress's role (See detailed table in Annex I).
- **Dissolution of agencies, programs, and regimes:** The elimination of agencies was aimed at suppressing entities linked to public works, eliminating policies to promote different sectors, and shifting the State's role as an equalizer. We can detail the dissolutions of: National Agency for the Control and Management of Waterways; AFIP (now ARCA); National Institute against Discrimination, Xenophobia and Racism (INADI); National Agency for Water and Sanitation Works (ENOHSA); Pre-Conciliation Service in Consumer Relations (COPREC); National Tourism Investment Program; National Program to Support Young Entrepreneurs; and the dissolution of various programs promoting sheep and llama farming, cattle farming in arid areas, and cotton production.
- **Dissolution of trust funds:** These dissolutions moved forward by eliminating, primarily, important programs related to housing and habitat (such as PROCREAR, the Social Housing Plan, the Fund for the Construction of Housing for Various Police Forces, and even the Socio-Urban Integration Fund) and technological and scientific promotion. Other funds were also eliminated, such as the National Emergency Fund (necessary in the event of disasters such as those in Bahía Blanca or the north of the PBA in 2025), the PROGRESAR Trust Fund, the Direct Assistance Fund for Victims of White Slave Trade, and the Trust Fund for the Rural Development and Family Farming Program. This elimination was carried out through delegated decrees enabled by the powers granted in the 'Ley Bases', and in a context of budgetary adjustment and discretion (two consecutive years, 2024 and 2025, without a national budget). As a result, these decrees also raised serious doubts about the destination of the funds existing in each of them at the time of their elimination.
- **Transformations and transfers of agencies and assets:** The measures promoted in this segment were driven by an ideological perspective, contrary to human rights policies (such as those related to the Museum of Memory and the ESMA Site) and against icons of Argentine culture and history (Sanmartinianos, Yrigoyeneano, Eva Perón Institutes, Commission of Popular Libraries, Institute of Indigenous Affairs, among others), as well as deregulation

aimed at eliminating controls and mechanisms for promoting other specific sectors. Also by decree, the Genetic Data Registry was transferred to the Ministry of Security, contrary to what was defined by Congress (Law 27,759, subsequent to the Ley Bases), which expressly established its operation within the Ministry of Justice.

- **Transformation of public companies into corporations or authorization for privatization:** within the framework of the companies authorized for privatization under the Ley Bases, a decree was issued providing for the legal transformation of Belgrano Cargas y Logística S.A., Corredores Viales S.A., Intercargo, ENARSA, Banco Nación (suspended in court) and Yacimientos Carboníferos Río Turbio (YCRT) transformed into Carboeléctrica Río Turbio S.A.
- **Changes to the functions and powers of agencies:** progress was made in modifying various types of agencies, such as the National Gendarmerie and the Naval Prefecture, the Federal Police (new statute), the Financial Investigation Unit (UIF), the National Agency for the Promotion of Research, Technological Development and Innovation, and even the National Commission for Refugees.
- **Changes to various regimes:** here too, progress has been made on various regimes, such as the abolition of ANSES's functions relating to the granting of loans, the amendment of the Argentores law, and the elimination of the right to access housing for homeless people and homeless families.
- **Emergency decrees.** To complete this analysis, it is worth mentioning the executive's progress in the legislative field through emergency decrees (rather than delegated decrees). Following the line of DNU 70/2023, the government issued other DNUs that deepened the liberalization of strategic sectors through: Decree 446/2025 (eliminates price regulation on gas cylinders), Decree 304/2024 (ICTs and mobile telephony), Decree 338/2025 (commercial aviation deregulation), Decree 340/2025 (merchant marine deregulation and limitation of the right to strike), Decree 103/2025 and 397/2025 (facilitating the possession of semi-automatic weapons). This represents the withdrawal of the State from the defense of the public interest, with direct impacts on consumers, users, and workers.

Privatizations:

- The regulations of the Ley Bases established the mechanisms to move forward with the sale—total, partial, or through concessions—of the following companies: Energía Argentina S.A. (ENARSA); Intercargo; Agua y Saneamientos Argentinos (AySA); Belgrano Cargas; Sociedad Operadora Ferroviaria (SOFSE); Corredores Viales; Nucleoeléctrica Argentina S.A. (NASA) and the Coal, Railway, Port and Energy Complex operated by Yacimientos Carboníferos Río Turbio (YCRT). Through the aforementioned

decrees, the government enabled the start of the privatization process in each case. The closure of the SOFSE company was also ordered.

- Decree 416/25 established the conditions for the sale, concession, or auction of these companies, which will be carried out digitally through the CONTRAT.AR and SUBAST.AR platforms.
- The IMPSA company, outside the Ley Bases given the shareholding of the province of Mendoza, is the first case of privatization by the Milei government. It was finalized in February 2025. The Mendoza-based company, which manufactures turbines and energy solutions, was transferred to the US company ARC Energy. It is no coincidence that this company was the buyer, as it was ARC Energy that hired IMPSA to build bridge cranes for the US Navy, under a contract for which \$120 million was advanced.
- Beyond the initial set of public companies on which formal processes have already been activated under the Ley Bases, the national government has made it clear that it intends to further expand the scope of the privatization program even if these do not have congressional authorization. In recent statements on July 2, 2025, at a conference at the IAE Summit at Austral University, Economy Minister Luis Caputo said that the Treasury's strategy for accumulating reserves will be linked to four mechanisms: 1) privatizations; 2) sale of assets (those held by AABE); 3) concessions (specifically citing hydroelectric plants); and 4) block trades, in the event that large investors enter the country. Off the record, media reports specified that the planned privatizations refer to NASA and AySA, both approved by the Ley Bases, but also include Aerolíneas Argentinas, Correo Argentino, and Banco Nación.
- **Aerolíneas Argentinas:** after the approval of the Ley Bases, an attempt was made to privatize it with a special law passed by Congress, an initiative that stalled after debate in committees in the Chamber of Deputies in October 2024. However, the government continued to promote a progressive hollowing out, favoring low-cost airlines on profitable routes, without guaranteeing comprehensive connectivity throughout the national territory. The route to Reconquista was interrupted, the “Atlantic Corridor,” which connected Buenos Aires, Mar del Plata, Bahía Blanca, Trelew, and Comodoro Rivadavia with Río Gallegos three times a week, was eliminated, and the suspension of flights between Córdoba–Trelew, Rosario–Calafate, Rosario–Neuquén, and Salta–Neuquén was announced. There were also threats to close the route to Río Cuarto, which ultimately did not materialize because the local municipality offered a risk-sharing scheme, committing to cover the economic difference if a minimum occupancy rate for flights was not reached. To date, Aerolíneas Argentinas has already implemented adjustment measures that include the reduction of 1,780 jobs and the closure of commercial offices in different parts of the country and abroad.

- **Banco Nación:** On February 20, 2025, the government established the conversion of Banco Nación into a public limited company in Decree 116/2025, published in the Official Gazette by Milei, Chief of Staff Guillermo Francos, and Minister of Economy Luis Caputo, with the intention of paving the way for its subsequent privatization. This transformation was suspended in court following the ruling of the Federal Court of La Plata on June 5, 2025. Three other deregulatory precedents show the intention to favor private financial institutions to the detriment of the BNA: 1) A key precedent in this process is DNU 70/2023, which repealed the legal prohibition on privatizing the BNA established in 1999, which had been approved with the support of all the party blocs that had “shielded” the bank from Menem's privatization process; 2) Through Decree 747/2024, the government eliminated in August the obligation to pay the salaries of public administration personnel through the Banco Nación. It also ordered that all existing agreements with that entity be canceled within one year. Far from being aimed at efficiency, this measure hides a clear intention to weaken the public bank and transfer a million-dollar business to private banks; 3) With the new statute—approved by Decree 116/2025—the Board of Directors could decapitalize the Bank.
- **Casa de la moneda:** In November 2024, the national government ordered the permanent closure of the banknote manufacturing plant located in the town of Don Torcuato. Meanwhile, the 270 people who worked at the plant were laid off. On Tuesday, July 1, 2025, Decree 442/2025 ordered the transfer of personnel, assets, and functions from the agency responsible for printing banknotes and coins to other state entities, such as ARCA, the National Registry of Persons (Renaper), and Arsat.
- **Trenes Argentinos Capital Humano (DECAHF):** In December 2024, the government ordered the closure of Trenes Argentinos Capital Humano (DECAHF), a state-owned company dedicated to training railway personnel and preserving the history of railways in the country.
- **Correo Argentino:** As a first step, regulations limiting competition in the parcel and parcel delivery market were eliminated. Following this opening, the executive branch announced that it would seek to move forward with transferring the company to the private sector. The Minister of Deregulation and State Transformation, Federico Sturzenegger, outlined the possible scenarios for the company: “It will be privatized, concessioned, or transferred to the employees, whichever way it can be done.”
- **Represas del Comahue:** On Tuesday, June 10, the Minister of Economy announced that the Executive expects to receive between USD 400 million and USD 500 million from the auction of the share package of these power plants, whose concession, in force since the 1990s, expires in August of this year. The dams involved are Alicurá, El Chocón-Arroyito, Cerros Colorados, and Piedra

del Águila, distributed between the provinces of Neuquén and Río Negro. According to the announcement, the government will publish the tender documents in the coming days to move forward with their privatization, in what would constitute a new transfer of strategic assets to the private sector.

Large Investment Incentive Regime:

- Of the five projects approved (out of a total of 14), four already existed prior to the scheme's approval, namely: El Quemado Solar Park and Annexes, Vaca Muerta Oleoducto Sur, Rincón, and Sidersa. The fifth, Natural Gas Liquefaction by PAE and others, replaces the withdrawal of PETRONAS, also a project that was in the pipeline.
- Instead of attracting local and, above all, foreign private capital, the majority state-owned oil company, YPF, is leading the RIGI investments. Of the total USD 16.514 billion involved in the 14 projects presented so far, YPF is participating in investments worth USD 9.575 billion. This represents 58% of the total amount planned.
- Despite granting extraordinary concessions (which exceeded the LNG law proposed by the previous government), the government lost the main investment led by Malaysia's PETRONAS for the liquefaction plant due to mismanagement in the location of the plant, which generated mistrust among investors in terms of legal certainty.
- Not only have the promised large-scale FDI investments failed to materialize, but the FDI item in the BCRA's balance of payments for May 2025 is negative at USD -1.5 billion since Milei took office, due to divestments in various activities authorized by the BCRA.
- The potential liquidation of dollars is weak: according to report 143 from the Chief of Staff's Office, the five approved projects represent an investment of USD 2.105 billion to be disbursed in the first year, barely 40% of the Foreign Asset Formation recorded in 45 days (April and May 2025). It should also be borne in mind that, in the third year of the projects' maturity, the regime establishes the free availability of foreign currency. To date, not a single dollar of FDI corresponding to these projects has been disbursed, highlighting the gap between the regime's promises and their actual implementation.
- In terms of employment, job creation is also deficient: the five projects announced would involve the creation of only 1,616 direct jobs and 8,497 indirect jobs, totaling 10,113 jobs. Even the 14 projects presented estimate the creation of only 23,872 jobs (direct and indirect), a figure that represents only 20.7% of the private jobs lost since November 2023.

In terms of taxation:

- The reform of the Personal Property Tax represented a further setback in the progressivity of the Argentine tax system. By reducing the highest rates (from 1.75% to 0.25% in 2027) and keeping the lowest rates unchanged, it disproportionately benefited the largest estates, flattening the tax pyramid.
- The creation of an advance payment regime with preferential rates consolidated a tax scheme that rewards large taxpayers with the ability to make advance payments or with previously undeclared assets. Furthermore, maintaining these benefits until 2038 further deepens this advantage.
- The elimination of the tax rate differential between assets in the country and abroad removed a key instrument for encouraging the repatriation of assets.
- While between January and December 2023, the share of personal property tax in total tax revenue remained relatively stable at around 2.2%, a sustained decline began in January 2024, reaching a low of 1.4% in July and August 2024.
- Although there is a slight recovery in the second half of 2024 as a result of revenue from the special advance payment regime, the incidence stabilizes again below 1.8% from January 2025, far from 2023 levels.

In terms of labor:

- The extension of the trial period and the creation of new contractual figures such as the “collaborator” enabled a more precarious hiring model, with less protection for workers. However, far from promoting registered employment, the formal labor market contracted, with a loss of 115,353 registered jobs in the private sector from November 2023 to March 2025.
- The labor amnesty failed to achieve its objectives: only 7,660 workers were registered, despite the extensive benefits granted to employers.
- The growth in the number of single-tax payers (74,997 new registrants between November 2023 and March 2025) does not reflect a genuine improvement in employment, but rather a subsistence strategy in the face of job losses in the formal sector.
- Registered salaried employment in the public sector fell by 58,210 jobs as part of a policy of dismantling the state. The reduction took place within the framework of fiscal adjustment and was facilitated by labor reform, which allowed state workers to be placed on 12-month leave and then dismissed.
- The informal employment rate increased by 0.8 percentage points between the fourth quarter of 2023 and the fourth quarter of 2024, reaching 42% in urban agglomerations. This increase contrasts with the official discourse, which

maintains that labor market flexibility would increase formality. In fact, the opposite occurred.

- The implementation of severance funds to replace traditional severance pay represents a clear setback in terms of labor rights. Under a much more lax design than the construction regime, with no minimum guarantees or obligation of equivalence with the current scheme, this new model shifts the risk of dismissal to the workers themselves, whose compensation is tied to the performance of financial instruments.

Anexo I - Decretos delegados dictados en ejercicio de delegaciones previstas en la Ley Bases

Decreto	Descripción
696/2024	Disolución del INADI.
699/2024	Disolución del Ente Nacional de Control y Gestión de la Vía Navegable.
724/2024	Modificación de leyes 19.349 (Gendarmería Nacional) y 18.398 (Prefectura Naval).
819/2024	Modificación de la conformación de la Comisión Nacional para los refugiados.
888/2024	Disoluciones de fondos fiduciarios.
891/2024	Modificación de la ley 25.246 (UIF).
953/2024	Disolución de AFIP.
985/2024	Disolución FONCAP.
1018/2024	Disolución Pro.Cre.Ar.
1020/2024	Disolución de ENOHSA.
1037/2024	Circulación de bienes culturales.
1039/2024	Derogación de normas sobre créditos a beneficiarios previsionales.
1048/2024	Disolución de fondos fiduciarios.
1109/2024	Modificación de la ley 24.653 de transporte automotor de cargas. Sanciones.
1110/2024	Derogación de normas sobre trámite vinculados a Obras Sanitarias.
jun-25	Disolución de fondos fiduciarios.
18/2025	Modificaciones del Decreto-Ley N° 15.943/46.
49/2025	Reducción de derechos de importación para vehículos eléctricos.
55/2025	Disolución COPREC.
67/2025	Privatización de Belgrano Cargas y Logística S.A..
97/2025	Privatización de Corredores Viales S.A..
105/2025	Modificaciones de la ley 13.064 y del decreto 1023/01.
115/2025	Transformación de YCRT.
116/2025	Transformación del BNA.
117/2025	Transformación de COVIARA.
144/2025	Disolución del Fondo Fiduciario de Infraestructura de Seguridad Aeroportuaria.
198/2025	Privatización de Intercargo.
205/2025	Transferencia de bienes de Fabricaciones Militares a CAMYEN S.E.
207/2025	Modificación de la ley 20.115 (Argentores).
216/2025	Modificaciones de la ley 25.997 (Turismo).
234/2025	Disolución del Fondo Fiduciario para el transporte eléctrico federal.
244/2025	Intervención de Corredores Viales S.A..
274/2025	Modificaciones de la ley 25.246 (atribuciones UIF).
286/2025	Privatización de ENARSA.
304/2025	Pase del Registro de Datos Genéticos al Ministerio de Seguridad.
311/2025	Transferencia de la Caja de Retiros de la Policía Federal.
312/2025	Disolución de fondos fiduciarios.

339/2025	Derogaciones de leyes PyMEs.
341/2025	Modificación de la ley 26.075.
342/2025	Modificación de la ley 23.551.
344/2025	Transformación del Archivo Nacional de la Memoria.
345/2025	Reorganización de institutos.
351/2025	Transformación del Banco Nacional de Datos Genéticos.
373/2025	Modificaciones a la ley 27.654 de Situación de calle y familias sin techo.
383/2025	Nuevo Estatuto PFA.
395/2025	Modificaciones al régimen de importaciones científico tecnológicas.
396/2025	Transformaciones y fusiones de institutos (INA - INPRES).
408/2025	Disolución de regímenes de promoción.
410/2025	Derogación de la ley 17.606 de Sanidad Vegetal.
415/2025	disolución de fondos fiduciarios (PPP - GLP - HOGAR).
428/2025	Modificación de la ley 25.761.
429/2025	Derogación de la ley 26.060.
431/2025	Modificación de la ley 26.184.
433/2025	Modificación de las leyes 26.522 y 27.078.
436/2025	Derogaciones de arts. de leyes 27.234 y 27.214.
437/2025	Derogación de la ley 21.134 (Fondo Nacional para la Construcción de Viviendas de Servicio para el Personal Militar).
438/2025	Transformación del Instituto Nacional de Asuntos Indígenas.
442/2025	Reconformación de la Casa de la Moneda.
445/2025	Transformación de la Agencia Nacional de Materiales Controlados.
446/2025	Modificaciones al régimen de GLP.
447/2025	Modificaciones a la Agencia Nacional de Promoción de la Investigación, el desarrollo tecnológico y la innovación.



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