

ARGENTINA.
General Presentation



ARGENTINA BASIC FACTS

- Capital: Buenos Aires
- Language: Spanish
- Population: 39.000.000
- Currency: Argentine Pesos (AR \$), exchange rate: 1 USD = \$ 3,78
- Area: 3.761.274 Km²
- Political System: Republican, Representative and Federal
- RNB/capita: USD 4.470
- Life expectancy: 71 years (men) / 78 years (women)
- Religion: no official one, but majority catholics.
- Annual inflation rate: average 10%
- President: Cristina Fernández de Kirchner
- Larger cities: Buenos Aires, Córdoba, Rosario, Mendoza.
- Unemployment: 9,5%





Obelisco- Buenos Aires

To know more about argentina:

<http://www.argentina.gov.ar/>

<http://www.argentina.ar>

<http://www.turismo.gov.ar/>

ARGENTINA.
Information Technology



- > The country's software industry employs almost 50.000 people, with more than 1.000 companies exporting their products to more than 100 countries. Argentina has every competitive and comparative capacity to be an outstanding world supplier. According to the Chamber of Software and Informatics Services Companies (CESSI), the industry will see a 90% growth by the year 2016, creating a minimum of 70.000 new jobs. By that time, it has been agreed to aim at reaching a total exports by 3.000 million dollars.
- > The guidelines of the [2008 - 2011 Software Industry Sectorial Action Plan](#) work as complement of the ones stated in 2004, when the sector defined its strategic 10 year-plan in a document that was produced in the Software and Informatics Services Forum.

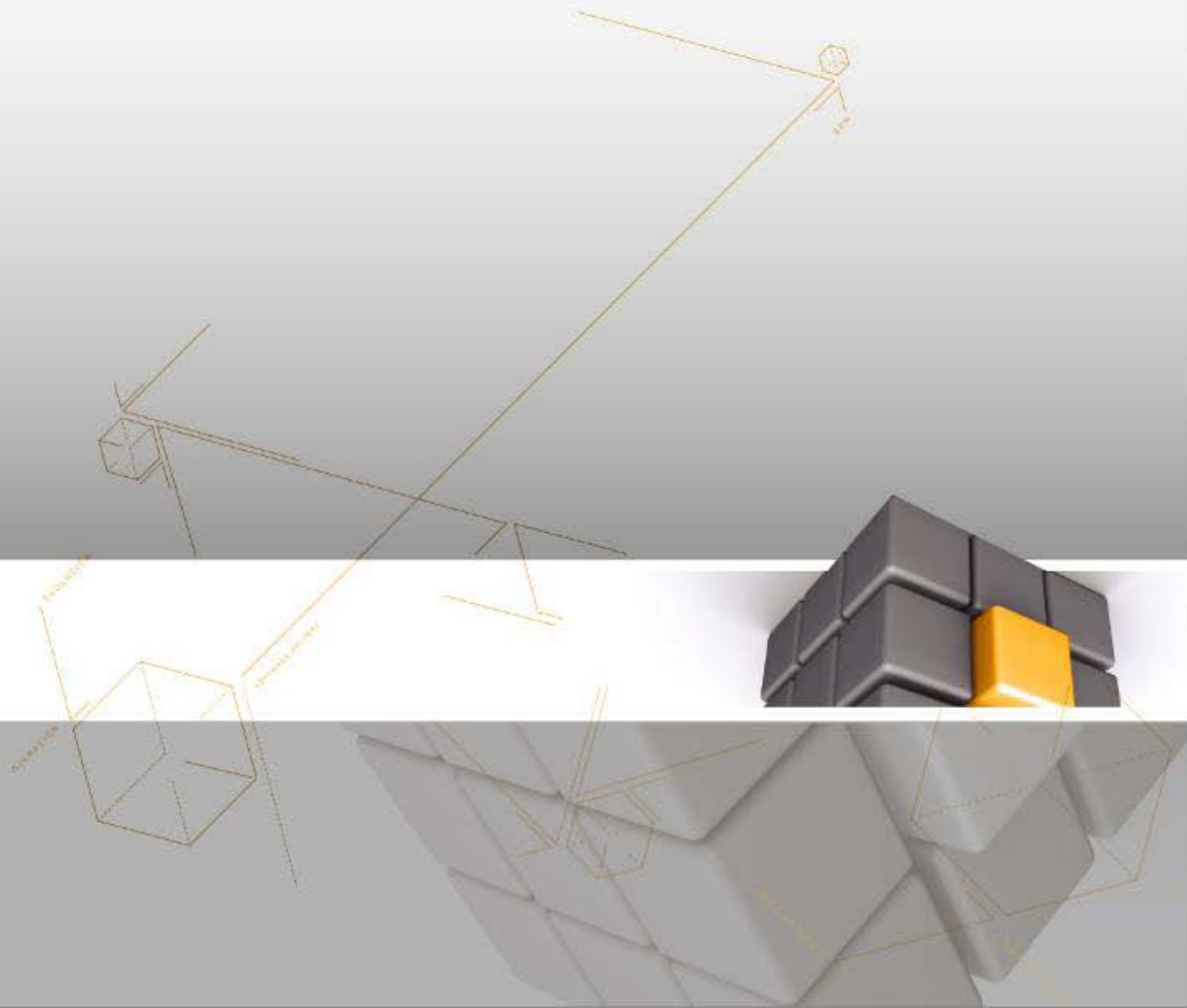
- > The efforts of the Argentine SSI sector´s to position itself as a quality software exporter are gaining recognition by prestigious education institutions. For example, a report published by the [Software Engineering Institute](#) (SEI) of the [Carnegie-Mellon University](#) placed the country in the 12th position regarding the level of adoption of CMMI (Capability Maturity Model Integration). Fifty eight percent of the sector´s companies have made at least one export transaction. From that total, almost 65% does it with a certain degree of regularity, which expresses an exporting pattern which raises above the rest of the industrial SME sectors.
- > State Policy: In order to promote the sector, the [Ministry of Economy](#) issued in 2004 the Industrial Promotion Law ([25.922](#)), which gives tax benefits to every national software company. Also, the National Science and Technology Promotion Agency carries on a finance plan known as [FONTAR](#), which aims at financing new technological projects so they would be able to enter the market.
- > The country´s IT sector employs almost 50.000 people, from which more than a third are working in off shore solutions. There are approximately 1000 companies based in the country, and around 120.000 students enrolled in undergraduate and graduate

- IT requires employment of high qualification. Argentine universities offer around 200 undergraduate degrees and 40 masters degrees with 120.000 IT students.
- Argentina boasts a superior, unrivaled education system, with the highest enrollment rate of students in the region

Career	Students	New Students per Year	Graduates
Architecture and Design	90.760	20.893	4.016
Computer Sciences	79.951	19.630	3.600
Engineering	78.087	18.145	3.581
Industries	37.436	10.957	2.124
Agricultural sciences	34.469	8.963	1.538
Biochemistry and pharmacy	29.689	6.877	1.655

Anuario 2005, Estadísticas Universitarias- MEC

Argentina - Key Points in the IT Field



- Argentina became an important service provider center for IT services, and a large platform operator for international IT companies.
- As an example, the following foreign IT companies are installed in Argentina: IBM, EDS, Sofrecom, T-Systems, Cap Gemini, Accenture, Atos Origin, Tata Services, Cognizant, Intel, Microsoft, Oracle, Motorola, SAP, Ibermática, Computer Associates, Google, Sabre, Indra, Siemens IT, Peugeot.

TIME ZONE

- One of the main weakness of traditional offshore outsourcing model has proven to be the difficulties of managing a remote team through time zone differences.
- Argentina is well located according to the time zone between USA and Europe



HIGHLY TRAINED HUMAN RESOURCES

- Argentina human resources are highly-trained with excellent skills, and bilingual professionals are regularly available.
- The IT services and software industry have advantage in order to provide high-value added solutions to the world market.
- Primary education is obligatory in Argentina, and the education level provided by the universities has excellent name worldwide. Besides, it's very common to see foreign students studying in argentine universities.

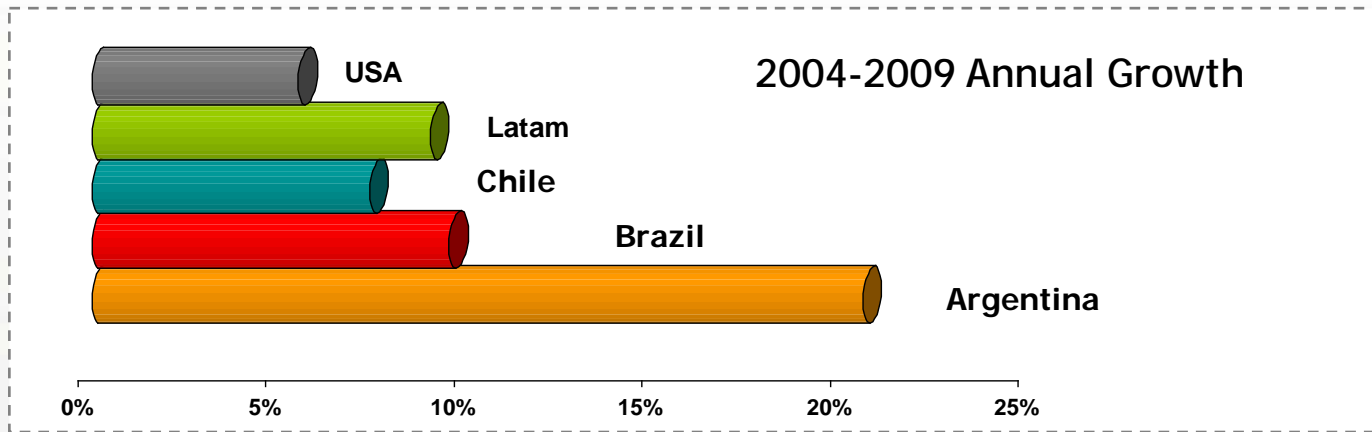
Profiles demanded by Companies- Evolution

	2004	2005	2006	2007
Analysts	807	1.029	1.367	1.689
Consultans	486	609	832	1.074
Developers	2.789	3.589	4.845	6.151
Total	4.089	5.177	7.044	8.914

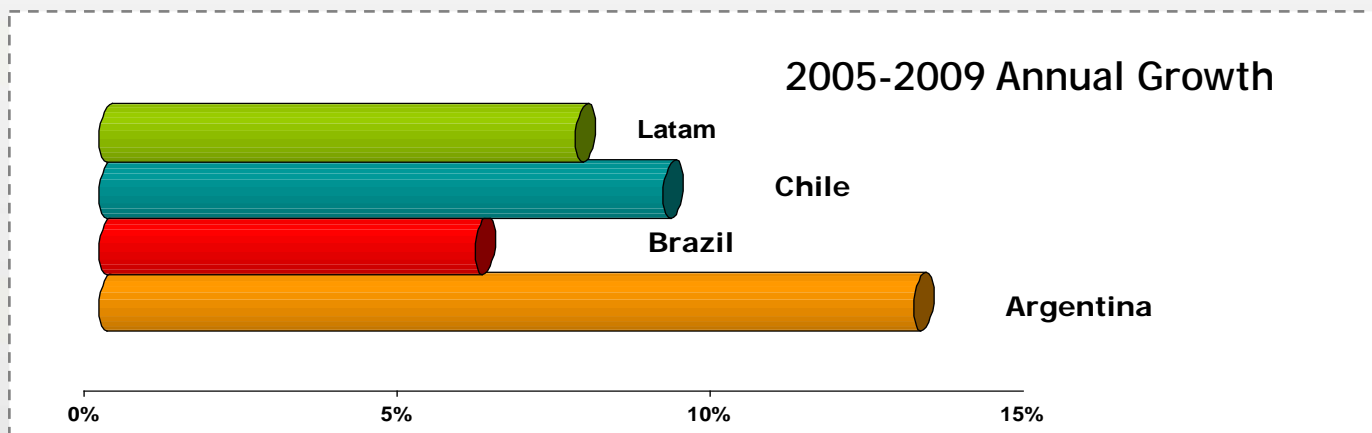
Source: CESSI (www.cessi.org.ar)

TOTAL INDUSTRY EMPLOYMENT

2004-2009: Annual growth



Source: IDC - BSA: "Expanding the Frontiers of our Digital Future" Dec 2005



Source: Witsa - Digital Planet 2006

- The telecommunications and data transmission infrastructure and network grew considerably in the last few years in Argentina.
- The total telephone fixed lines are 10.000.000, and mobile phones 40.000.000.
- More than 40% of the population have Internet connection (about 16.000.000 users), where broad band has more than 3.000.000 users.

- The Software Law N° 25.922 has been approved to stimulate the development of IT and software activities, and to promote R&D and exports.
- This law permits a saving of 70% on social security charges , and also has a rebate of 60% on taxes and profits.(Instead of paying 35%, only 14% is payed).
- This law shall be in force until the year 2014, but a request for an extension until the year 2019 has already been made who is evaluating in the Congress.

Argentina - Key Factors for an IT Company



- Highly trained human resources and its availability.
- Cutting edge telecommunications infrastructure.
- Convenient geographical location.
- An incentive law for the software industry.
- Low labor cost and general expenses, and highly competitive services.
- Convenient time zone with Western Europe and North America.