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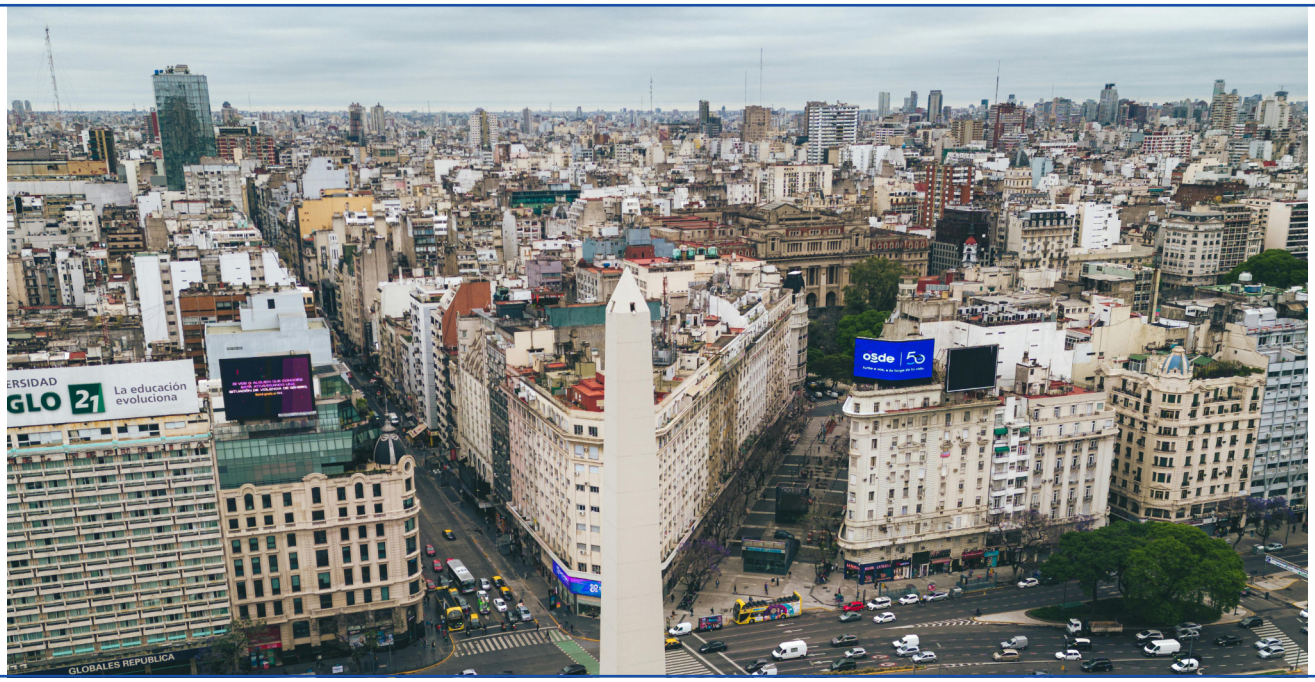
# A Historic Opportunity

## Artificial intelligence to Unleash Argentina's Economic Potential

an AI Sprinters Report




# Argentina

Argentina, as Hispanic America's third-largest economy, is well-positioned to benefit from AI. With a population of 45.5 million and a 2023 GDP of USD 646.08 billion, its core 2024 economic sectors included wholesale/retail trade (16.2%) and manufacturing (9.4%). Argentina is also the world's third-largest food exporter, with agriculture representing 5.7% of its GDP.

Despite facing recent economic challenges, including a 1.6% GDP contraction in 2023 and 117,8% accumulated inflation in 2024, the economy is rebounding, with a 5.5% growth projected for 2025-2026 and a decreasing inflation.

In this context, AI can boost productivity, efficiency, and competitiveness, supporting both economic recovery and future growth.

## Economic Potential of AI in Argentina

AI could be a key driver of Argentina's future growth. If all economic sectors were to adopt AI today, its contribution to Argentina's economy is estimated to be about USD 23.7 to USD 43.5 billion annually -equivalent to 3.7%–6.7% of GDP-.

Sectors with the highest projected impact are manufacturing (USD 7.3-12.5 billion annually), trade (USD 3.5-6.4 billion annually), real estate (USD 1.8-3.5 billion annually), and agriculture (USD 1.3-2.5 billion annually). Table 1 details the impact for each economic sector.

Nevertheless, Argentina's current AI adoption rate is still low (about 4.2%). This adoption rate reduces the economic impact of AI to USD 0.987-1.8 billion annually. This number stresses the importance of promoting AI adoption to leverage its potential as an engine of economic growth.

**3.7-6.7%**

Of Argentina's GDP could represent the economic impact of AI

**Table 1**
Estimated AI impact by Economic Sector in Argentina (millions of USD 2023)

| Economic Sector | Low impact scenario | High impact scenario | Average sectorial impact |
|---|---|---|---|
| Manufacturing | 7,337 | 12,491 | 30% |
| Wholesale and retail trade; repair of motor vehicles and motorcycles | 3,522 | 6,434 | 15% |
| Real estate activities | 1,845 | 3,518 | 8% |
| Agriculture, forestry, and fishing | 1,307 | 2,541 | 6% |
| Human health and social work activities | 1,304 | 2,475 | 6% |
| Education | 1,272 | 2,430 | 5% |
| Transportation and storage | 1,098 | 2,054 | 5% |
| Public administration and defence; compulsory social security | 973 | 1,950 | 4% |
| Construction | 981 | 1,911 | 4% |
| Mining and quarrying | 807 | 1,573 | 4% |
| Financial and insurance activities | 850 | 1,510 | 4% |
| Information and communication | 772 | 1,439 | 3% |
| Accommodation and food service activities | 566 | 1,134 | 2% |
| Electricity, gas, steam, and air conditioning supply, and Water supply; sewerage, waste management, and remediation activities | 429 | 797 | 2% |
| Other service activities | 327 | 605 | 1% |
| Arts, entertainment, and recreation | 278 | 517 | 1% |
| Activities of households as employers; undifferentiated goods-and services-Producing activities of households for own use | 55 | 111 | 0% |
| **Total** | **23,721** | **43,491** | |

Source: Elaborated based on national economic statistics

## Enabling Public Policies

In 2019, Argentina released its National AI Plan, a broad strategy to become a regional leader in AI. Despite the original strategy not being implemented, the current government is promoting the development of AI with the vision of becoming a global hub by capitalizing on competitive advantages like its energy resources, human capital, entrepreneurial ecosystem, and favorable climate for data center investments.

Esteban Lescano, director of the Law and Policy Commission at the Argentinian Internet Chamber (CABASE), explains: *"The government looks favorably upon and has made some public statements in favor of the development of artificial intelligence, of turning Argentina into a regional hub, or fourth in the world in artificial intelligence development."*

Legislatively, there's a burst of AI draft bills in Congress, reaching more than 40 in 2025. The proposed bills are in many cases inspired by the European Union's AI Act. Moreover, some proposals include creating new promotional bodies and authorization processes for using AI systems in specific domains, and specific criminal law provisions.

Most of these legislative initiatives, however, lack broad consensus within or outside Congress. Soledad Guilera, Director of the AI and Public Policy Program at Universidad Torcuato Di Tella, explains: *"There is growing legislative interest in AI governance in Argentina, with over forty initiatives submitted to the National Congress as of June 2025. These proposals reflect a regulatory landscape still in formation, characterized by a predominance of broad, punitive approaches and limited attention to enabling factors or the broader impacts of AI, such as environmental effects or its use in the public sector. The diversity of proposals and the lack of clear definitions of AI reveal both the early stage of the national legislative debate and the absence of global consensus on the most effective regulatory models."*

## Recommendations

- Consolidate a long-term national AI strategy

  Argentina should prioritize fully consolidating and implementing a national AI strategy that can coordinate initiatives under a common goal. This strategy needs broad multi-sector consensus and should include clear goals, progress indicators, and adequate budgeting to ensure consistent execution, regardless of changes in government.

- Prioritize adopting international principles and standards:

  By aligning policies with international standards and industry best practices, Argentina can foster cross-border collaboration, attract tech investments, and ensure advanced AI solutions are implemented locally, safely, and ethically.

  Argentina could strategically adopt international principles and standards, such as those from ISO/IEC and the IEEE. These frameworks provide a strong foundation for responsible AI system development and deployment, while promoting global interoperability and reducing regulatory fragmentation risk.

- Review existing laws and proposed bills

  Modernize the personal data protection law and public procurement system. Comprehensively review the more than 40 draft laws on AI to reduce regulatory uncertainty and move toward a single, coherent regulatory framework.

### Energy Infrastructure and AI

In December 2024, the Government unveiled a national nuclear plan, that includes building small modular reactors (SMR) at the Atucha Nuclear Power Plant, developing uranium reserves, creating an Argentinian Nuclear Council, and establishing a "Nuclear City" in Patagonia for data centers and high-energy demand applications. The goal is to position Argentina as a leader in nuclear energy and AI.

### Infrastructure

AI development largely depends on robust, accessible digital infrastructure. In recent years, Argentina has made significant progress in connectivity and technological capacity, creating an increasingly favorable environment for AI expansion. Internet penetration in households rose from 82.9% in 2019 to 93.4% in 2023. In June 2025, the country surpassed the Hispanic American average in mobile download speed, reaching 61.01 Mbps, while fixed broadband averaged 92.42 Mbps.

Fernanda Martínez, Director of the Center for Studies in Technology and Society at Universidad de San Andrés, notes: *"Argentina is quite well connected to the internet, compared to the region. The number of households with computers and internet access is an enabler. However, one of the challenges we see is interoperability between systems, for example, in health."*

Argentina has advanced in High-Performance Computing (HPC), with five high-performance clusters and 14 data centers. Building on this foundation, there is an opportunity to attract greater investment, supported by a government plan to position the country as an AI hub by leveraging its nuclear energy capacity.

### Recommendations

- Promote investment in digital infrastructure and access to computing capacity

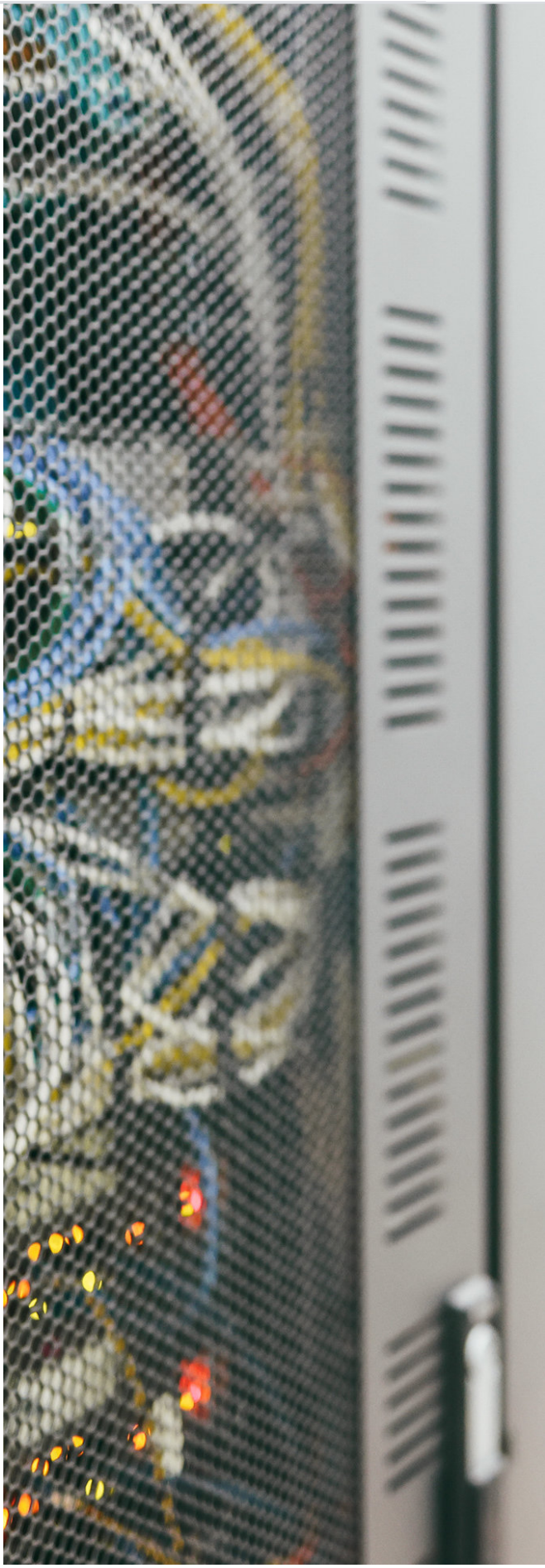
  Expand and modernize data infrastructure by attracting investment and providing access to modern, secure, and energy-efficient data centers. This plan should be part of a consensus-based strategy to ensure its long-term continuity.

- Promote “Cloud First” policies

  Encourage the use of cloud infrastructure as an efficient and scalable way of taking advantage of AI capabilities in the private and public sectors.

- Improve system interoperability

  Address interoperability gaps, especially in critical sectors like health and education. This involves promoting common data standards, open architectures, and platforms that enable secure and efficient information exchange among public, private, and academic institutions.



## Technological Innovation

Strengthening innovation capabilities is essential for Argentina to become a key player in the regional AI ecosystem. Sustained investment in research and development (R&D), promoting technology transfer, and supporting the entrepreneurial ecosystem are key to achieving this goal.

Argentina invests approximately 0.6% of its GDP in R&D, split between 0.33% public and 0.27% private investment. While private investment has grown steadily since 2014 (from 0.14% of GDP), public investment decreased in the same period, from 0.46% in 2014 to 0.33% in 2023. This setback poses challenges for developing scientific and technological capabilities in strategic areas like AI.

Corporate AI adoption is also crucial. A 2024 study by The Conference Board revealed that 100% of surveyed executives consider that AI can boost their organizations' efficiency and productivity, 98% think it is a key factor for improving job performance, and 96% recognize it as an innovation driver. However, 98% of respondents also noted the need to develop new skills and training programs for effective implementation. According to the same study, only 20.4% of Argentina's companies use AI in their operations, and 44.4% plan to adopt it in the short term.

Ariel Graizer, president of the Argentinian Internet Chamber, highlights the dynamism of the local ecosystem: *"Most Argentinian software companies are already using these tools. For example, we apply them in various operational areas of our data centers and networks, improving processes and efficiency."*

Argentina is also attracting significant investment in the AI sector. According to the Emerging Technologies Observatory (ETO), the country hosts 38 AI companies that have completed 87 investment deals, totaling USD 7,135 million. Juan Cruz Díaz, Managing Director of Cefeidas Group, states: *"The Argentinian entrepreneurial and technological ecosystem is very successful, which is a key opportunity for development."*

A remarkable example of AI's transformative impact in Argentina is in the agricultural sector. Various platforms are applying image-based technologies and machine learning to optimize crop yields, efficient water and fertilizer use, and early pest detection, promoting more sustainable agriculture.

In 2022, the country had 165 Agtech companies using technologies like IoT, Big Data, AI, remote sensors, and geolocation. According to Juan Cruz Díaz, managing director of Cefeidas Group, agriculture has historically been a key sector that underwent deep modernization since the 1990s. This technological openness has made the industry particularly receptive to AI adoption today.

### Argentinean Agtechs

DeepAgro uses AI for crop weeding. Their technology combines a camera with a recognition algorithm to identify weeds in fallow, soybean, and corn crops. This reduces spraying costs, improving operational efficiency.

Calice, through its NODES platform, integrates company data to conduct advanced virtual field trials based on AI models. It predicts the behavior of new crop varieties under different conditions.

ZoomAgri uses AI for quality testing and differentiation of agricultural products like barley, wheat, soybeans, and corn. Its scanning devices, ZoomVarieties and ZoomSpex, analyze the physical quality of the produce, improving efficiency and accuracy in agricultural testing.

**Recommendations**

- Support AI adoption in strategic productive sectors

  Create incentives such as sector-specific tech credit lines, AI pilot competitions, or challenge-based procurement to promote AI integration in agribusiness, manufacturing, energy, and healthcare.

- Accelerate AI use in state-owned enterprises

  Launch innovation programs in public companies such as YPF, Arsat, or INVAP to pilot AI applications and generate transferable lessons for broader ecosystem adoption.

- Establish sector-focused AI centers of Excellence

  Create regional hubs that connect universities, businesses, and public agencies to co-develop AI solutions addressing sector-specific productivity and sustainability challenges.

## People

AI development in Argentina relies on a continuously expanding talent base, vital for harnessing its transformative potential. In recent years, the country has seen rapid growth in AI talent concentration, doubling in just eight years. This progress is accompanied by significant female participation in AI research, reaching 24.8%.

Argentina also surpasses the regional average in early science education and specialized postgraduate AI training, reflecting a sustained commitment to human capacity development in strategic areas.

However, a challenge in Argentina is talent retention. Despite recent improvements, the country had a negative net flow of AI experts in 2023. This trend reflects local market tensions, where domestically trained talent often finds better opportunities abroad.

David Mielnik, AI Leader at the National Tax Court and founder of InteligenciaLegal, recaps: *"Argentina is a great producer of talent in the knowledge economy. We are great talent exporters. Programmers and software designers export their services because they are highly valued abroad, but not quite well recognized in the local market."*

### Talent Training Initiatives

Google.org, Google's philanthropic arm, plays a key role in talent development. For example, it has invested USD 1 million in Argentina, distributed to Chicos.net and Eidos, to train over 100,000 people in AI.

Chicos.net will allocate USD 500,000 to its 'HumanIA' educational project, providing resources and training for teachers and students, along with interactive activities to encourage reflection on AI uses and advancements. The project aims to reach 50,000 new educators and students nationwide, with a strong focus on including women.

**Recommendations**

- Connect Argentinian talent to global networks

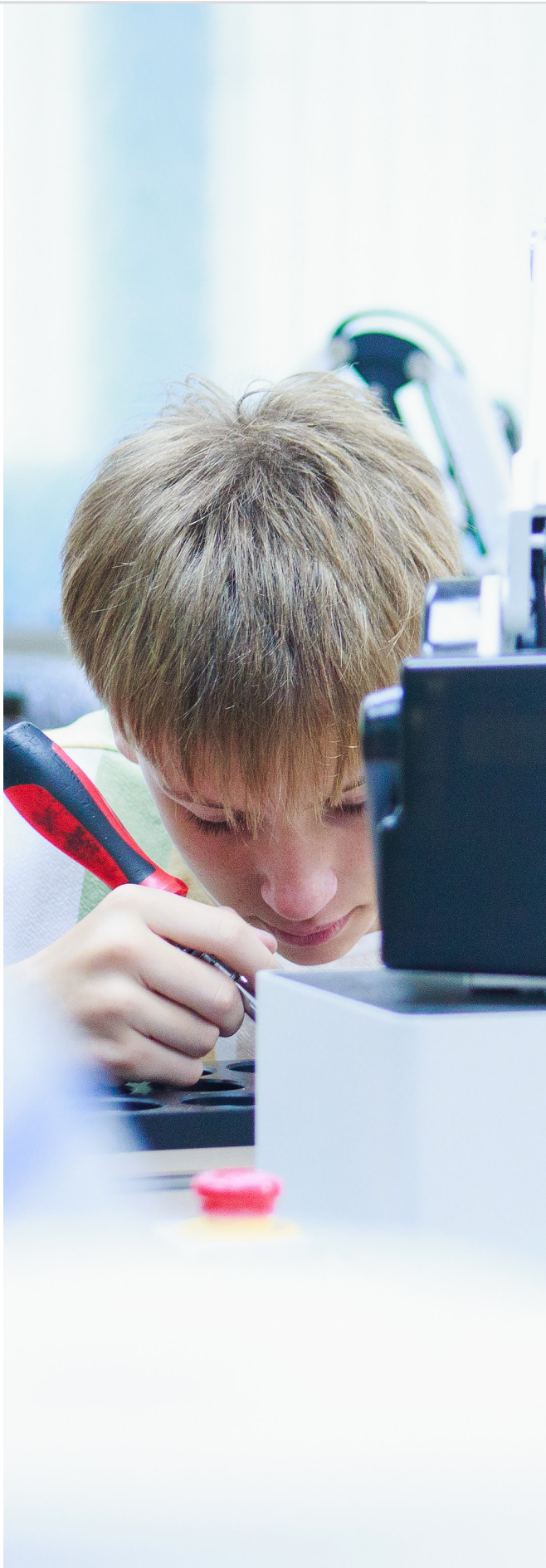
  Create mechanisms to engage Argentinian professionals abroad through mentoring, remote collaboration, and return programs that strengthen local innovation ecosystems.

- Train trainers in applied AI skills

  Invest in upskilling programs for teachers, instructors, and facilitators in AI knowledge and technology-enabled teaching to ensure scalable and equitable learning opportunities.

- Develop national certification systems for AI skills

  Establish competency-based certification schemes that validate functional AI abilities, independent of traditional academic degrees, to support workforce integration.



# Methodological Annex

The economic impact of Artificial Intelligence (AI) in Argentina was estimated by adapting McKinsey's frameworks (2018, 2023). on generative AI and deep learning, taking into account the particularities of the country's productive structure and the availability of national data.

The estimation calculates the percentage effect of AI on industry sales across a range of scenarios (conservative and optimistic) and incorporates the local adoption rate.

The main information sources used were:

- Industry Sales

Annual company data (2023) from the Argentinean Internal Revenue Service (Servicio de Impuestos Internos).

- AI Adoption

PwC Survey (2024) which indicates that 5% of companies have fully integrated AI.

# List of Interviewees

As part of the qualitative component of this research, semi-structured interviews were conducted with key actors across Latin America's AI ecosystem. These virtual conversations lasted around 60 minutes and focused on each expert's view of AI adoption in their country and its potential economic impact. Discussions also explored key enablers and barriers for AI development and implementation. This qualitative input helped enrich the analysis with grounded, contextual insights from stakeholders directly involved in the space.

## Argentina

Ariel Graizer: Electronic engineer (National Technological University, UTN), president of the Argentine Internet Chamber (CABASE) since 2009. Leads LAC-IX, the Latin American and Caribbean Internet Exchange Point Operators Association, since 2011. Previous roles include CEO of Servicios y Telecomunicaciones S.A. (since 1999) and founding member/vice president of NAP CABASE (1997).

David Mielnik: Lawyer and Master in Criminal Law (Torcuato Di Tella University). Founded InteligenciaLegal.com.ar, the first international academy for AI in Law, and Legaltech Software Factory, where he trains/advises lawyers on AI for legal practice. Also, an AI leader for the National Tax Court and a professor at UTDT Law School since 2013.

Inés Reineke: Economist (Pontifical Catholic University of Argentina) with a master's in public management (Universitat Pompeu Fabra). Global Innovation Director at the Local Innovation Network, leading initiatives to strengthen public management in Argentine municipalities.

Juan Cruz Díaz: Director at Cefeidas Group and co-director of the Corporate Governance Program at Universidad de San Andrés. Special Advisor at the Americas Society/Council of the Americas (AS/COA) and has advised organizations like OAS, IFC, and the World Bank. Lawyer with a master's from The Fletcher School of Law and Diplomacy at Tufts University.

Esteban Lescano: Argentine lawyer (Universidad Austral), with master's degrees in Business Law (UFV, Madrid) and Business Management (IAE). Professor at UBA and researcher on internet freedom of expression. Founded Lescano & Etcheverry Abogados, specializing in communications law. Directs the CABASE Legal Commission and actively participates in Internet Governance forums (ICANN, LACNIC, IGF, NETMUNDIAL). Has published on digital regulation and attended international programs in Europe and the US on digital diplomacy and governance.

Julia Pomares: Expert in strategy and public policy, with over 25 years of experience in institutional reforms, digital transformation, and, more recently, AI governance. Former Executive Director of CIPPEC, presided over the G20 T20, and was Chief of Staff for the Government of Buenos Aires City. Currently an Independent Director at La Anónima and Pampa Energía, Co-Founder of GIDE, and Lead Author for UNESCO's AI report in Argentina. Holds a doctorate in Political Science from LSE and is a professor at Torcuato Di Tella University.

Luciano Crisafulli: Economist (National University of Córdoba) and Director of the Coalition of Cities for Artificial Intelligence (CIIAR). Founder and director of the CorLab Innovation Laboratory, creator of the Córdoba Smart City Fund, Latin America's first govtech startup investment fund.

María Fernanda Martínez: Holds a Master's in education (Universidad de San Andrés). Serves as Executive Director of the Center for Studies in Technology and Society (CETyS) at Universidad de San Andrés, Argentina.

Pablo Poza: Part-time professor in Business Policy at IAE Business School since 2013, specializing in decision-making and technology. Also directs the Digital Business degree at Universidad Austral. Professionally, serves as Business Developer Executive at Edrans, leading Latin American growth through Amazon Web Services solutions. Previously held leadership roles at IBM Global Business Services and PwC Consulting, with over 23 years of

experience in consulting and the telecom/media industry.

Soledad Guilera: Director of the Artificial Intelligence and Public Policy Program at the Government School of Torcuato Di Tella University (Argentina). Advisor to Urban AI, member of the GovAI US Coalition, and expert in Government, AI, and Smart Cities. Formerly taught at UC Berkeley, led Bloomberg's What Works Cities certification in Latin America, advised the Argentine Presidency on its 2030 Strategy, and worked in Deloitte Consulting's Strategy and Operations practice in New York. Currently part of the team implementing UNESCO's RAM in Argentina.

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