Argentina's official NDC target is 359 MtCO$_2$e (incl. LULUCF) or 313 MtCO$_2$e* (excl. LULUCF) by 2030, an increase of 35% above 1990 levels. To keep below the 1.5°C temperature limit, Argentina’s 2030 emissions would need to be around 210 MtCO$_2$e (excl. LULUCF) or 9% below 1990 levels, thus leaving an ambition gap of 103 MtCO$_2$e.

Argentina has been in an economic recession since 2018, with the COVID-19 pandemic only worsening circumstances. In December 2020, the government announced a tax on the wealthiest portion of the population to fund recovery measures. Twenty-five percent of this scheme is directed towards the fossil fuel industry, but despite this unprecedented kind of support, with the loosening of COVID-19 restrictions, Argentina has restarted fracking in its largest shale gas field and has continued subsidising fossil fuels, while many renewable energy projects that were started prior to the pandemic have been kept on hold.

Argentina's per capita emissions (incl. land use) are 1.05 times the G20 average. Total per capita emissions have decreased by nearly 21% between 2013 and 2018.

Argentina has been developing its long-term strategy with a view to announcing a net zero target for 2050 at COP26. Despite record declines in energy prices during the COVID-19 pandemic, natural gas exploration through fracking has continued to increase in Argentina’s Vaca Muerta gas fields after energy demand recovered in 2021.
We unpack Argentina’s progress and highlight key opportunities to enhance climate action across:

- in the power sector ............. 8
- in the transport sector .......... 10
- in the building sector .......... 12
- in the industrial sector .......... 13
- in land use ........... 14
- in agriculture ...... 14

Energy used:
- in the power sector ............. 8
- in the transport sector .......... 10
- in the building sector .......... 12
- in the industrial sector .......... 13

Non-energy uses:
- in land use ........... 14
- in agriculture ...... 14

**SOCIO-ECONOMIC CONTEXT**

**Human Development Index (HDI)**

The HDI reflects life expectancy, level of education, and per capita income. Argentina ranks very high.

**Gross Domestic Product (GDP) per capita**

(PPP constant 2015 international $) in 2019

Argentina 23,647 22,190

G20 average

**Population and urbanisation projections**

(in millions)

<table>
<thead>
<tr>
<th>Year</th>
<th>Urban</th>
<th>Urban</th>
<th>Urban</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>45.2</td>
<td>91.9%</td>
<td>1.64</td>
</tr>
<tr>
<td>2030</td>
<td>49.1</td>
<td>93.2%</td>
<td>0.25</td>
</tr>
<tr>
<td>2050</td>
<td>54.9</td>
<td>95.2%</td>
<td>0.04</td>
</tr>
</tbody>
</table>

Argentina’s population is projected to increase by 21% between 2020 and 2050, and become more urbanised. Argentina is already one of the most urbanised nations in the world, with 92% of its population living in urban areas and 48% living within the broader Buenos Aires Metropolitan area.

**Death rate attributable to air pollution**

Ambient air pollution attributable death rate per 1,000 population per year, age standardised in 2019

Over 13,800 people die in Argentina every year as a result of outdoor air pollution due to stroke, heart disease, lung cancer and chronic respiratory diseases. Compared to total population, this is still one of the lower levels in the G20.

**A JUST TRANSITION**

COVID-19 quarantines and mobility restrictions, helped to contain greater contagion in the first part of the pandemic, but largely affected poorer neighbourhoods at the expense of wealthier areas. The COVID-19 response also overshadowed long-existing public health crises affecting Argentina’s poorer urban areas, such as Dengue fever outbreaks. Over a year after the beginning of the pandemic it is still unclear how the government is planning to make the recovery just and sustainable.

The energy transition, in particular is already suffering, as Argentina continue to heavily subsidise natural gas exploration and has set weak clean fuel standards in the transport sector. While the national government claims a just transition is one of the pillars of its climate targets, there are no clear indications of programmes, roundtables, nor plans to support a just transition.

Gilbert, 2020; Gobierno de Argentina, 2021b; Villasenin, 2021
ADAPTATION | ADDRESSING AND REDUCING VULNERABILITY TO CLIMATE CHANGE

PARIS AGREEMENT | Increase the ability to adapt to the adverse effects of climate change and foster climate resilience and low-GHG development.

Extreme climate events are associated with effects on economic output, with 302 billion hours of potential labour capacity lost in 2019.

Climate projections for the City of Buenos Aires include higher frequency and longer duration of heatwaves in the future.

Argentina has been suffering from extreme weather events in recent years. Flooding and drought are the most prominent impacts, especially in the agriculture sector, representing 1% of GDP losses in 2018.

ADAPTATION NEEDS

Climate Risk Index
Impacts of extreme weather events in terms of fatalities and economic losses that occurred. All numbers are averages (2000-2019).

Annual weather-related fatalities

<table>
<thead>
<tr>
<th>Deaths</th>
<th>RANKING:</th>
<th>Low</th>
<th>Medium</th>
<th>High</th>
</tr>
</thead>
<tbody>
<tr>
<td>26</td>
<td>17th in the G20</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Annual average losses (US$ millions PPP)

<table>
<thead>
<tr>
<th>Losses</th>
<th>RANKING:</th>
<th>Low</th>
<th>Medium</th>
<th>High</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.15</td>
<td>6th in the G20</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Based on Germanwatch, 2019

Exposure to future impacts at 1.5°C, 2°C and 3°C
Impact ranking scale:

- Very low
- Low
- Medium
- High
- Very high

**WATER**

- % of area with increase in water scarcity
- % of time in drought conditions

**HEAT AND HEALTH**

- Heatwave frequency
- Days above 35°C

**AGRICULTURE**

**Maize**

- Reduction in crop duration
- Hot spell frequency
- Reduction in rainfall

**Soybean**

- Reduction in crop duration
- Hot spell frequency
- Reduction in rainfall

**Wheat**

- Reduction in crop duration
- Hot spell frequency
- Reduction in rainfall

**CORONAVIRUS RESPONSE AND RECOVERY**

Argentina has not yet submitted a National Adaptation Plan to the UNFCCC and only sets a general goal of ensuring that all Argentinians are aware of the effects of climate change and have the capacity to respond. In the Adaptation Communication submitted to the UNFCCC as part of its second NDC in December 2020, Argentina identified increased heatwaves, increased droughts, and variability of precipitation in different regions of the country as its main adaptation challenges. COVID-19 has further delayed the formulation of Argentina’s National Adaptation Plan, leaving the path for setting synergies between a green COVID-19 recovery and adaptation planning unclear.

Ministerio de Ambiente y Desarrollo Sostenible Argentina, 2020
Adaptation Readiness

The figure shows 2000-2018 observed data from the Notre Dame Global Adaptation Initiative (ND-GAIN) Index overlaid with projected Shared Socioeconomic Pathways (SSPs) from 2020 to 2060.

Argentina’s observed adaptation readiness between 2000 and 2018 is below the G20 average and not improving. Adopting socio-economic developments in line with SSP1 would produce improvements in readiness to bring it in line with the 2018 G20 average by 2035; SSP2 developments by 2050. Other measures, as represented by SSP3, would continue to undermine its readiness to adapt in the long term.

The readiness component of the Index created by the ND-GAIN encompasses social (social inequality, information and communications technology infrastructure, education and innovation), economic, and governance indicators to assess a country’s readiness to deploy private and public investments in aid of adaptation. The index ranges from 0 (low readiness) to 1 (high readiness).

The overlaid SSPs are qualitative and quantitative representations of a range of projections of future governance and, therefore, of possible adaptation readiness. The three scenarios shown here in dotted lines are described as a sustainable development-compatible scenario (SSP1), a middle-of-the-road (SSP2), and a ‘Regional Rivalry’ (SSP3) scenario.

Based on Andrijevic et al., 2020; ND-Gain Index, 2021

ADAPTATION POLICIES

National Adaptation Strategies

<table>
<thead>
<tr>
<th>Document name</th>
<th>Publication year</th>
<th>Monitoring &amp; evaluation process</th>
</tr>
</thead>
<tbody>
<tr>
<td>No adaptation policy</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Fields of action (sectors)</th>
<th>Agriculture</th>
<th>Biodiversity</th>
<th>Coastal areas and fishing</th>
<th>Education</th>
<th>Energy and industry</th>
<th>Finance and insurance</th>
<th>Forestry</th>
<th>Health</th>
<th>Infrastructure</th>
<th>Tourism</th>
<th>Transport</th>
<th>Urbanism</th>
<th>Water</th>
</tr>
</thead>
</table>

Nationally Determined Contribution (NDC): Adaptation

**TARGETS**

No precise and/or quantitative targets for adaptation are listed in Argentina’s most recent Adaptation Communication within its second NDC (2020).

**ACTIONS**

Not mentioned
Argentina’s GHG emissions, excluding LULUCF, have dropped by only 23% in the period 2013-2018. The government’s target of reaching emissions levels of 313 MtCO₂e by 2030 (excluding LULUCF) is not compatible with a 1.5°C pathway.

In 2030, global CO₂ emissions need to be 45% below 2010 levels and reach net zero by 2050. Global energy-related CO₂ emissions must be cut by 40% below 2010 levels by 2030 and reach net zero by 2060. Rogelj et al., 2018

GHG emissions across sectors and CAT 1.5°C ‘fair-share’ range (MtCO₂e/year)

Total GHG emissions across sectors (MtCO₂e/year)

Argentina’s emissions (excl. land use) increased by 30% between 1990 and 2018, reaching 351 MtCO₂e in 2018. This was mainly driven by a sustained increase in energy-related emissions in all sectors, with the majority coming from the transport and energy sectors. Argentina’s 2030 target is not 1.5°C ‘fair-share’ compatible. To be 1.5°C ‘fair-share’ compatible, Argentina would need to strengthen its domestic emissions reduction target.

Gütschow et al., 2021; Climate Action Tracker, 2020a, 2021

*This target is in AR4 GWP; Argentina expressed its official NDC target in SAR GWP of 359 MtCO₂e excl. LULUCF

Energy-related CO₂ emissions by sector

Annual CO₂ emissions from fuel combustion (MtCO₂/year)

The largest driver of overall GHG emissions are CO₂ emissions from fuel combustion. In Argentina, emissions increased steadily between 2009 and 2016, and have since declined, with a more noticeable drop in 2020 due to the COVID-19 pandemic. The power sector, the largest contributor, accounts for 22% of emissions from fuel combustion followed by the transport and other energy-related sector at 20% and 19%, respectively.

Ministerio de Ambiente y Desarrollo Sostenible, 2019  Due to rounding, some graphs may sum to slightly above or below 100%

*Other energy-related sectors* covers energy-related CO₂ emissions from extracting and processing fossil fuels.
**ENERGY OVERVIEW**

Fossil fuels account for 85% of Argentina’s total primary energy supply, while renewables (excl. large hydropower) account for only 5%. The main fuels used in Argentina’s total primary energy supply are natural gas (55%) and oil (30%).

The share of fossil fuels globally needs to fall to 67% of global total primary energy by 2030 and to 33% by 2050, and to substantially lower levels without carbon capture and storage (CCS).

Rogelj et al., 2018

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**Compatibility**

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**Energy mix**

Total primary energy supply (TPES) (PJ)

This graph shows the fuel mix for all energy supply, including energy used not only for electricity generation, heating, and cooking, but also for transport fuels. Fossil fuels (oil, coal, and gas) make up 85% of Argentina’s energy mix, which is slightly higher than the G20 average of 82%.

Natural gas production has continuously increased since 1990, while the proportion of oil has remained relatively constant over the years but shows signs of declining from 2019 onwards.

BEN, 2020; CAMMESA, 2021. Due to rounding, some graphs may sum to slightly above or below 100%.

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**Solar, wind, geothermal, and biomass development**

TPES from solar, wind, geothermal and biomass (PJ)

Solar, wind, and biomass accounted for 5% of Argentina’s energy supply in 2020 – the G20 average is 7%. The share of renewables in Argentina’s total energy supply has increased by around 15% in the last five years (2015-2020). Biomass (for electricity and heat) makes up the largest share (3.5%), with wind at 1.3% in 2020.

Ministerio de Ambiente y Desarrollo Sostenible, 2019; BEN, 2020. Due to rounding, some graphs may sum to slightly above or below 100%.
Carbon intensity of the energy sector

Tonnes of CO₂ per unit of TPES (tCO₂/TJ)

Carbon intensity is a measure of how much CO₂ is emitted per unit of energy supply.

Carbon intensity remained almost constant in Argentina between 2011-2016, around 55 tCO₂, and is slightly lower than the G20 average (58 tCO₂), reflecting the continuously high share of fossil fuels in the energy mix.

Ministerio de Ambiente y Desarrollo Sostenible, 2019; Ministerio de Desarrollo Productivo, 2020

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Energy supply per capita

TPES per capita (GJ/capita) in 2019

The level of energy use per capita is closely related to economic development, climatic conditions and the price of energy. Energy use per capita in Argentina is, with 72 GJ/capita in 2019, well below the G20 average of 97 GJ/capita, and it has been decreasing faster, at 6% between 2014 and 2019, compared to the G20 average of a 2% increase in the same period.

Ministerio de Ambiente y Desarrollo Sostenible, 2019; BEN, 2020; United Nations, 2019

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Energy intensity of the economy

(TJ/million US$2015 GDP) in 2019

This indicator quantifies how much energy is used for each unit of GDP. This is closely related to the level of industrialisation, efficiency achievements, climatic conditions or geography. Argentina’s energy intensity is lower than the G20 average, but has been decreasing at a slower pace (-1.8%) between 2014 - 2019 compared to the G20 average of -10.56%.

Enerdata, 2021; World Bank, 2021
POWER SECTOR
Emissions from energy used to make electricity and heat

Argentina produced 1% of its electricity from coal in 2020, and has not set a phase-out date. Instead, in 2021, Argentina plans a new 21 MW thermal coal power plant in the Río Turbio coal field region, to improve "energy security".

Share of energy-related CO₂ emissions from electricity and heat production in 2020.

Worldwide, coal use for power generation needs to peak by 2020, and between 2030 and 2040, all the regions of the world need to phase out coal-fired power generation. By 2040, the share of renewable energy in electricity generation has to be increased to at least 75%, and the share of unabated coal reduced to zero.

Rogelj et al., 2018; Climate Action Tracker, 2020b

Electricity generation mix
Gross power generation (TWh)

Argentina generated 61% of its electricity from fossil fuels in 2020. The share of renewable energy in Argentina’s power sector has been increasing steadily, accounting for approximately 9% of the power mix in 2020. The major forms of renewables in the energy mix are onshore wind (7%) and solar (1%).

CAMESSA, 2020
Due to rounding, some graphs may sum to slightly above or below 100%

Share of renewables in power generation
(excluding large hydro) in 2020

A rapid expansion of onshore wind capacity between 2015 and 2020 has seen a huge jump in the share of renewables in power generation. **Large hydro is not included.**

CAMMESSA, 2020; Ministerio de Ambiente y Desarrollo Sostenible, 2019
For each kilowatt hour of electricity, 307 g of CO₂ were emitted in Argentina in 2020. This is well below the G20 average. Between 2015 and 2020 emissions intensity decreased at a faster rate (19%) than the average decreasing G20 trend (11%) due to the economic crisis and growth of onshore wind capacity.

Enerdata, 2021

**Emissions intensity of the power sector**

(gCO₂/kWh) in 2020

<table>
<thead>
<tr>
<th>Argentina</th>
<th>G20 average</th>
</tr>
</thead>
<tbody>
<tr>
<td>307</td>
<td>426.8</td>
</tr>
</tbody>
</table>

-18.9% | -11.18%

**POLICY ASSESSMENT**

**Renewable energy in the power sector**

Argentina is developing sectoral plans for its NDC, but renewable energy installation is stalling due to economic challenges and a lack of new incentives to encourage renewable energy development.

Under the Law on Renewable Energy (Law 27.191), Argentina set targets for the share of non-hydro renewables in the power supply to reach 20% by 2025. In 2020, the non-hydro renewable power production reached 9.5%, while wind and solar accounted for only 4% and 1%, respectively. At the Leaders’ Summit in April 2021, President Fernandez announced that Argentina would commit to achieving a 30% share of renewable energy in the energy mix by 2030.

*El Senado y Cámara de Diputados de la Nación Argentina, 2015; Subsecretaría de Planeamiento Energético, 2019*

**Coal phase-out in the power sector**

Far from phasing out coal, in 2020, the government announced that it would assign substantial funds to the power plant in Río Turbio through increased budget for the national energy scheme.

This 240 MW coal-fired power plant has been out of service since it was inaugurated in September 2015, due to insufficient coal production by the Rio Turbio coal mine. Successive governments have made repeated announcements that coal production would be increased in order for power generation to begin, but the power-plant is still not fully operational.

*Subsecretaría de Planeamiento Energético, 2019*

**CORONAVIRUS RESPONSE AND RECOVERY**

Despite the sharp drop in fossil fuel prices caused by the pandemic, Argentina announced new support for fossil fuels at the end of 2020, prioritising subsidies to natural gas production in the Vaca Muerta shale gas field. This directs over USD 5bn in subsidies to fossil fuels rather than green recovery measures, such as increased investments in renewable energy projects. The Argentinian government justified its decisions in the name of rapidly restarting the economy and building back confidence in energy security.

*Alzúa and Gosis, 2020; Gilbert, 2020*
Emissions from transport in Argentina are still on the rise. 70% of passenger transport and 93% of freight transport was by road in 2017. Both sectors are dominated by fossil fuels, and electric vehicles (EVs) still make up less than 1% of car sales.

The share of low-carbon fuels in the transport fuel mix globally must increase to between 40% and 60% by 2040 and 70% to 95% by 2050.

Rogelj et al., 2018; Climate Action Tracker, 2020b

Transport energy mix

Final energy consumption of transport by source (PJ/year)

Electricity and biofuels make up only 6.5% of the energy mix in transport.

Ministerio de Economía, 2020  Due to rounding, some graphs may sum to slightly above or below 100%

Transport emissions per capita

excl. aviation (tCO₂/capita) in 2020


Enerdata, 2021, United Nations, 2019
### Aviation emissions per capita\(^6\)

(tCO\(_2\)/capita) in 2018

<table>
<thead>
<tr>
<th>Country</th>
<th>Emissions</th>
<th>G20 Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>Argentina</td>
<td>0.2</td>
<td>0.1</td>
</tr>
<tr>
<td>+12.95%</td>
<td>+21.25%</td>
<td></td>
</tr>
</tbody>
</table>


### Motorisation rate

| VEHICLES | 238 | per 1,000 inhabitants in 2019 in Argentina* |

Enerdata, 2021

### Passenger transport

(modal split in % of passenger-km) in 2017* |

<table>
<thead>
<tr>
<th>Mode</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Road</td>
<td>79.9%</td>
</tr>
<tr>
<td>Rail</td>
<td>20.1%</td>
</tr>
</tbody>
</table>

Enerdata, 2021

### Freight transport

(modal split in % of tonne-km) in 2014* |

<table>
<thead>
<tr>
<th>Mode</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Road</td>
<td>93%</td>
</tr>
<tr>
<td>Rail</td>
<td>4%</td>
</tr>
<tr>
<td>Water</td>
<td>3%</td>
</tr>
</tbody>
</table>

Ministerio de Ambiente y Desarrollo Sostenible, 2017

*Owing to the variety of sources and data years available, these data are not comparable across G20 countries.

### Market share of electric vehicles in new car sales (%)

The share of EVs in car sales in 2020 was 1.1%.

ADEFA, 2020, SIOMMA, 2021

### POLICY ASSESSMENT

#### Phase out fossil fuel cars

Medium

Argentina has not yet set national targets for phasing out fossil fuel light-duty vehicles (LDVs). Its 2017 National Transport Mitigation Plan indicates it plans to reduce transport sector emissions by 47 MtCO\(_2\)e by 2030 through a combination of "low-emission" vehicles, revival of road freight transport, and promotion of non-motorised transport, such as biking. As of August 2021 the government was revising the Plan. Law 27640, passed in August 2021, sets minimum requirements for the content of nationally produced bioethanol included in transport fuels, with a minimum of 5% biodiesel in diesel fuels and a minimum of 12% bioethanol in gasoline.

CAT, 2020; Ministerio de Ambiente y Desarrollo Sostenible, 2017; Ministry of Energy of Argentina, 2017; New Climate Institute, 2020; Boletín Oficial de la República Argentina, 2021

#### Phase out fossil fuel heavy-duty vehicles

Medium

Similar to its treatment of LDVs, Argentina has not set any date to phase out fossil fuel heavy-duty vehicles (HDVs). Under Law 27640, it has, however, set emission performance standards and established a scheme to support the use of mixing biofuels and diesel in order to lower emissions from HDVs.

Ministerio de Ambiente y Desarrollo Sostenible, 2017; Ministry of Energy of Argentina, 2017; New Climate Institute, 2020; Boletín Oficial de la República Argentina, 2021

#### Modal shift in (ground) transport

Medium

Argentina maintains support schemes to encourage modal shifts, such as increasing freight transport by rail, incentivising the purchase of EVs and non-motorised transport. The government reduced import tariffs on EVs, and set a goal in 2017, to import 6,000 vehicles. It is particularly focusing on increasing the share of EVs in public transport, setting a target to have 30% electric buses in Buenos Aires, by 2030. However, there are still no national targets for shares of EVs in the national fleet, nor a longer-term strategy for decarbonisation of the transport sector.

Ministerio de Ambiente y Desarrollo Sostenible, 2017; New Climate Institute, 2020
BUILDING SECTOR

Emissions from energy used to build, heat and cool buildings

Direct and indirect emissions from the building sector in Argentina account for 15% and 12% of total energy-related CO₂ emissions, respectively. Per capita emissions from this sector are 0.7 times the G20 average. Argentina has mandatory energy efficiency standards and a renewable energy support scheme for social housing, but not for all buildings. **There is no climate-focused urban planning strategy.**

![Share of buildings in energy-related CO₂ emissions. Building emissions occur directly (burning fuels for heating, cooking, etc) and indirectly (grid-electricity for air conditioning, appliances, etc.)](image)

**By 2040, global emissions from buildings need to be reduced by 90% from 2015 levels, and be 95-100% below 2015 levels by 2050, mostly through increased efficiency, reduced energy demand, and electrification in conjunction with complete decarbonisation of the power sector.**

Rogelj et al., 2018; Climate Action Tracker, 2020b

### Building emissions per capita

(incl. indirect emissions) (tCO₂/capita) in 2020

<table>
<thead>
<tr>
<th>Country</th>
<th>2020 Building emissions per capita</th>
</tr>
</thead>
<tbody>
<tr>
<td>Argentina</td>
<td>1.1</td>
</tr>
<tr>
<td>G20 average</td>
<td>1.4</td>
</tr>
</tbody>
</table>

Building-related emissions per capita in Argentina are slightly less than the G20 average as of 2020. Argentina has also managed to reduce its buildings emissions per capita by 23% (2015-2020), at a faster rate than the G20 average of 3%.

Enerdata, 2021; United Nations, 2019

### POLICY ASSESSMENT

**Near zero energy new buildings**

Medium

Argentina has enacted several policies geared toward improving the efficiency of new social housing projects, including mandatory energy efficiency standards and heating/cooling support schemes for these types of housing projects. However, these standards and incentives do not yet extend to all types of housing. There is also no mention of incentivising or implementing near zero energy building standards in this sector.

*International Energy Agency, 2019; New Climate Institute, 2020*

**Renovation of existing buildings**

Low

No policies exist regarding mandatory retrofitting or energy efficiency standards for existing buildings.

*International Energy Agency, 2020; New Climate Institute, 2020*
Argentina is in the process of developing a Green Productive Development Plan focusing on sustainable mobility, green hydrogen production, “green industrialisation”, energy transition, guidelines for small and medium-sized enterprises (SMEs), circular economy, sustainable construction and “sustainable mining.”

Industry emissions intensity\(^7\)

\((\text{tCO}_2/\text{USD2015 GVA})\) in 2017

\(0.5\)

Argentina

\(0.7\)

G20 average

Energy efficiency

There are no mandatory energy efficiency standards for the industrial sector as a whole. Argentina has, however, enacted policies to incentivise industrial producers to use energy more efficiently through introducing a carbon tax and offering lower electricity prices to companies that implement energy management systems. The government has also introduced a labelling law for LDVs and a number of provincial laws and pilot projects on housing energy efficiency.  

El Senado y Cámara de Diputados de la Nación Argentina, 2017; Ministerio de Energía y Minería, 2017; New Climate Institute, 2020

Carbon intensity of steel production\(^8\)

\((\text{kgCO}_2/\text{tonne product})\) in 2016

No data available

Argentina

1,900

World average

Steel production and steelmaking are significant GHG emissions sources, and challenging to decarbonise.  

World Steel Association, 2018
**LAND USE SECTOR**

Emissions from changes in the use of the land

LULUCF emissions, contributed only 8% of Argentina’s overall emissions in 2016, and the native forest area continues to shrink. To stay within the 1.5°C limit, Argentina needs to make this sector a net sink of emissions, which would be facilitated by enforcing the National Law on Native Forests.

**POLICY ASSESSMENT**

**Target for net zero deforestation**

The 2007 National Forests Law set ambitious LULUCF sector goals, outlining protection for native forests and biodiverse areas against deforestation; however, enforcement was not sufficiently funded.

At the 2019 UN Climate Summit, Former President Mauricio Macri announced Argentina’s intent to achieve net zero deforestation, but this statement was never enshrined in law. In April 2021, during the Leaders’ Summit, current President, Alberto Fernández, stated that there would be a stronger emphasis on eradicating illegal deforestation, declaring it an environmental crime, but has so far not acted on this.

**AGRICULTURE SECTOR**

Emissions from agriculture

Argentina’s agricultural emissions are mainly from livestock, in the form of enteric fermentation, particularly from cattle, as well as livestock manure. A 1.5°C ‘fair-share’ compatible pathway requires a transformation of the agricultural production system towards more sustainable practices with lower emissions.

**POLICY ASSESSMENT**

**Methane emissions (mainly enteric fermentation) need to decline by 10% by 2030 and by 35% by 2050 (from 2010 levels).**

Rogelj et al., 2018

In Argentina, the largest sources of GHG emissions in the agriculture sector is enteric fermentation from livestock, mainly cattle, accounting for 57% of agricultural emissions in 2018. Livestock manure also plays a significant role, accounting for 26% of agricultural emissions. Behavioural and dietary shifts towards less meat consumption nationally could also contribute from a demand perspective.

FAO, 2021

Due to rounding, some graphs may sum to slightly above or below 100%.
The combined mitigation effect of Nationally Determined Contributions (NDCs) assessed by April 2021 is not sufficient and will lead to a warming of 2.4°C by the end of the century. This highlights the urgent need for all countries to submit more ambitious targets by COP26, as they agreed to do in 2015, and to urgently strengthen their climate action to align to the Paris Agreement’s temperature goal.

Nationally Determined Contribution (NDC): Mitigation

**TARGETS**
Unconditional mitigation target to reach emission levels of 359 MtCO₂e (including LULUCF) by 2030, or 313 MtCO₂e excluding LULUCF

**ACTIONS**
Not mentioned

The Climate Action Tracker (CAT) evaluation of targets and actions shows that Argentina’s 2030 climate target is rated as “Insufficient” when compared to modelled domestic emissions pathways, and “Highly insufficient” when compared with its “fair-share” contribution to climate action. Argentina’s policies and actions are also rated as “Highly insufficient” as they lead to rising emissions. Overall, Argentina’s climate targets and policies are not stringent enough to limit warming to 1.5°C and need substantial improvement.

The CAT rates Argentina’s climate targets and policies together as “Highly insufficient”. Several sub-elements are rated to create the overall rating: policies and actions, domestic targets, “fair-share” and contribution to climate finance. For the full assessment of the country’s target and actions, and the explication of the methodology see www.climateactiontracker.org

The Paris Agreement invites countries to communicate mid-century, long-term, and low-GHG emissions development strategies by 2020. Long-term strategies are an essential component of the transition toward net zero emissions and climate-resilient economies.

**Status**
Announced, not yet submitted to UNFCCC

**Interim steps**
Interim steps not yet published

**Sectoral targets**
Not yet published

**Net zero target**
Yes

**Net zero year**
Not yet announced

For more visit www.climate-transparency.org/ndc-transparency-check
FINANCE | MAKING FINANCE FLOWS CONSISTENT WITH CLIMATE GOALS

Make finance flows consistent with a pathway towards low-GHG emissions and climate-resilient development.

In 2019, Argentina spent just over USD 5bn on fossil fuel subsidies, two-thirds of it on oil (76%). While less USD was spent than previous years, the devaluation of the currency implies that every year Argentina spends more pesos on fossil fuel subsidies. Argentina introduced a carbon tax in 2018 for liquid fuels but does not tax the fossil fuel most used in the country, natural gas.

PARIS AGREEMENT

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FISCAL POLICY LEVERS

Fiscal policy levers raise public revenues and direct public resources. Critically, they can shift investment decisions and consumer behaviour towards low-carbon, climate-resilient activities by reflecting externalities in the price.

Fossil fuel subsidies

(USD billions)

Over the past decade (2010-2019), Argentina’s fossil fuel subsidies peaked in 2014 and then steadily declined, reaching their minimum historical value of USD 5.3bn in 2019. Over this period, most of the subsidies were directed to supporting the production and consumption of petroleum, followed by natural gas production and consumption, and the consumption of fossil-fuelled electricity.

Comparable data is not available yet for 2020. However, according to the Energy Policy Tracker data, during 2020 Argentina pledged at least USD 1.36bn to fossil fuel energy as part of its energy-related funding commitments and COVID-19 economic response. This includes the earmarking of 25% of the revenue from the extraordinary once-off tax imposed on the wealthiest in the context of the COVID-19 pandemic (Proyecto de Ley de Aporte Solidario y Extraordinario para ayudar a morigerar los efectos de la Pandemia) to support gas extraction and exploration by the state-owned enterprise Yacimientos Petrolíferos Fiscales (YPF). The tax contribution to the gas sector is estimated to be in the order of USD 1.06bn.

Energy Policy Tracker, 2021; OECD-IEA Fossil Fuel Support database, 2020

Due to rounding, some graphs may sum to slightly above or below 100%

CORONAVIRUS RESPONSE AND RECOVERY

In June 2021, Argentina was selected as one of the first five countries to receive green recovery support funds from the UN’s Partnership Action for the Green Economy (PAGE) programme for its proposal to include “green industry”, climate change policy and circular economic policies in its green recovery planning. However, a recent ranking on “greenness” of stimulus measures for countries around the world ranked Argentina as having an overall negative contribution, mainly due to the country’s intent to continue subsidising fossil fuels post-pandemic.

UN PAGE, 2021; Vivid Economics, 2020
Governments steer investments through their public finance institutions, including via development banks both at home and overseas, and green investment banks. Developed G20 countries also have an obligation to provide finance to developing countries, and public sources are a key aspect of these obligations under the UNFCCC.

Public finance for fossil fuels

USD per annum (2018-19 average)

In 2018, Argentina provided USD 79m in public finance for the Arroyo Seco and Timbúes power plants through its DFI Banco de Inversión y Comercio Exterior (BICE). There was no evidence of public finance for fossil fuels in 2019 from public credit institutions. The country also has no recorded public finance for coal; however, there is evidence that the government has consistently provided public finance for coal outside of the institutions included in this data, such as for state-owned coal enterprise Yacimientos Carboníferos Río Turbio.

Oil Change International, 2020

Due to rounding, some graphs may sum to slightly above or below 100%.

Provision of international public support

Argentina is not listed in Annex II of the UNFCCC and is, therefore, not formally obliged to provide climate finance. While Argentina may channel international public finance towards climate change via multilateral and other development banks, it has not been included in this report.
Financial policy and regulation

Through policy and regulation, governments can overcome challenges to mobilising green finance, including real and perceived risks, insufficient returns on investment, capacity and information gaps. Argentina has only recently started taking steps in terms of greening its financial system. In January 2021, Argentina’s National Securities Commission (CNV) approved a public consultation on the creation of a new special regime for sustainable investment instruments.

In May 2021, the Ministry of Economy participated in a new meeting of the Technical Roundtable on Sustainable Finance (MTFS), led by Ministry of Economy and coordinated by the International Affairs Management and Coordination Unit. In the meeting, the Roadmap for the development of sustainable finance in the country was approved. The framework will undertake the analysis of taxonomies on sustainable finance; the promotion and deepening of the social, green and sustainable bond market; and the design of the National Sustainable Finance Strategy.

Nationally Determined Contribution (NDC): Finance

<table>
<thead>
<tr>
<th>Conditionality</th>
<th>Not applicable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment needs</td>
<td>Not specified</td>
</tr>
<tr>
<td>Actions</td>
<td>Not mentioned</td>
</tr>
<tr>
<td>International market mechanisms</td>
<td>No contribution from international credits for the achievement of the target</td>
</tr>
</tbody>
</table>
Where referenced, “Enerdata, 2021” refers to data published in July 2021. Argentina’s data has been augmented by country-specific datasets and is therefore not in line with the global data used for comparing the G20 countries. For more detail on sources and methodologies, please download the Technical Note at: www.climatetransparency.org/g20-climate-performance/g20report2021

1 The ‘1.5°C compatible pathway’ is derived from global cost-effective pathways assessed by the IPCC’s SR15, selected based on sustainability criteria, and defined by the 5th-50th percentiles of the distributions of such pathways achieving the long-term temperature goal of the Paris Agreement. Negative emissions from the land sector and novel negative emission technologies are not included in the assessed models, which consider one primary negative emission technology (BECCS). In addition to domestic 1.5°C compatible emissions pathways, the ‘fair-share’ emissions reduction range would already require a developed country to provide enough support through climate finance, or other means of implementation, to bring the total emissions reduction contribution of that country down to the required ‘fair-share’ level.

2 ‘Land use’ emissions is used here to refer to land use, land use change and forestry (LULUCF). The Climate Action Tracker (CAT) derives historical LULUCF emissions from the UNFCCC Common Reporting Format (CRF) reporting tables data converted to the categories from the IPCC 1996 guidelines, in particular separating Agriculture from LULUCF, which under the new IPCC 2006 Guidelines is integrated into Agriculture, Forestry, and Other Land Use (AFOLU).

3 The Decarbonisation Ratings assess the current year and average of the most recent five years (where available) to take account of the different starting points of different G20 countries. The selection of policies rated and the assessment of 1.5°C compatibility are primarily informed by the Paris Agreement and the IPCC’s 2018 SR15. The table below displays the criteria used to assess a country’s policy performance.

5 The 1.5°C ‘fair-share’ ranges for 2030 are drawn from the CAT, which compiles a wide range of perspectives on what is considered fair including considerations such as responsibility, capability, and equality. Countries with 1.5°C ‘fair-share’ ranges reaching below zero, are expected to achieve such strong reductions by domestic emissions reductions, supplemented by contributions to global emissions reduction efforts via, for example, international finance. On a global scale, negative emissions technologies are expected to play a role from the 2030s onwards, compensating for remaining positive emissions. In order to maintain comparability across all countries, this report harmonises all data with PRIMAP, 2021 dataset to 2018. However, note that Common Reporting Format (CRF) data is available for countries which have recently updated GHG inventories. Where countries submitted updated NDC targets before August 2021, these have been analysed and included.

6 This indicator adds up emissions from domestic aviation and international aviation bunkers in the respective country. In this Country Profile, however, only a radiative forcing factor of 1 is assumed.

7 This indicator includes only direct energy-related emissions and process emissions (Scope 1) but not indirect emissions from electricity.

8 This indicator includes emissions from electricity (Scope 2) as well as direct energy-related emissions and process emissions (Scope 1).


---. (2019). “Land use” emissions is used here to refer to land use, land use change and forestry (LULUCF). The Climate Action Tracker (CAT) derives historical LULUCF emissions from the UNFCCC Common Reporting Format (CRF) reporting tables data converted to the categories from the IPCC 1996 guidelines, in particular separating Agriculture from LULUCF, which under the new IPCC 2006 Guidelines is integrated into Agriculture, Forestry, and Other Land Use (AFOLU).


