

HALLGARTEN + COMPANY

Country Coverage

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Argentina: RIGI & Super RIGI

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Argentina

RIGI & Super RIGI

- ✗ **Use & Abuse - use of the RIGI scheme and abuse of the opening of imports and relaxation of foreign currency rules by miners is undermining positive vibes about the mining surge in Argentina**
- + **The economy remains anaemic in urban areas, yet the go-go sectors are in provinces distant from the opinion-making classes: i.e. oil & gas (i.e. Vaca Muerta), mining and agriculture**
- + **Mining activity is in overdrive with the three legs, lithium, copper and gold all under massive development**
- + **The easing of import restrictions (and foreign exchange controls) has made it easier for mining companies to plan for, and source, required equipment**
- ✗ **Mining companies in pursuit of cheapness have leaned massively on cheap Chinese imports eschewing the “Buy Local” motivations (but not requirements) behind the RIGI scheme**
- ✗ **These imports include such non-specialised imports from China such as housing units and non-mining specific structural inputs**
- ✗ **These imports have created public outrage and strong critiques from the business community**
- ✗ **Trickle-down logic fails miserably when miners subvert Milei’s original intentions in giving them fiscal advantages**
- ✗ **The RIGI scheme, after a honeymoon period with the electorate, is being widely seen as a scam to allow foreign miners to avoid creating local jobs**
- ✗ **The abuse of the RIGI scheme is making the passing of the Super RIGI scheme through the Senate much more difficult**

RIGI & its Progeny – All the Rage

The RIGI regime has been a “crowd-pleaser” with the mining crowd (and to a degree with the oil & gas crowd). The package was smart in that it set a “drop-dead” date for applications and also a time limit for the expenditures or investment to be made. As we well know and have often related miners are first to criticize governments for foot-dragging and then are frequently guilty of doing so themselves to suit some market-timing efforts (or personal financial priorities that management may have). We await now the moment when some of these first approved players in the mining space fail at the deadlines and

start a blame game and pushing for extensions and exemptions. Ever was it thus...

Then, as we related in a [specifically-themed note recently](#), there have been breaches of the spirit of the laws with foreign miners resorting to importing mundane, non-technical items (sheds, structural steel, accommodation units etc.) from China purely on the basis of cheapness and thus flying in the face of the letter and the spirit of the RIGI scheme.

This latest uproar came as the government was advancing with its Super-RIGI scheme for even bigger investments and those outside the extractive industries.

To say that the RIGI scheme has been a hit is to understate the situation. As of the 1st of October 2026, some US\$56 billion in projects have been approved under the RIGI, while another US\$150 billion are awaiting approval.

In this review of the original RIGI, and newer Super-RIGI measure, we look at the parameters of the schemes and some of the applications so far approved.

Revolving Doors

At the very beginning of the Milei regime, the administration undershot the initial potential on the mining front by rapidly (re)appointing, and then firing, the well-respected Flavia Royon, who had been Secretary of Energy (but not necessarily a political appointment) in the outgoing Massa regime. Ironically, this great promoter of the industry was axed after a few weeks due to her being perceived to be close to the governor of Salta (for Royon had been an official in the Salteño government). Milei had cast the province of Salta into the penalty box when he didn't get what he wanted on another issue and so Royon was the sacrificial victim of all this.

Royon was a loss, though we hear she has now surfaced as head of the Mesa de Litio (combining the Lithium interests of Salta, Jujuy and Catamarca), so in a sense she is higher profile than if she had stayed as the minister!

The role of Secretary of Mining was then apportioned to Sergio Arbeleche, a veteran mining lawyer from one of the largest law firms in the country. He was then swiftly replaced by another prominent mining lawyer, Luis Lucero, who has been very pro-active around the major mining markets since taking on the role.

However, as Secretary of Mining at the Federal level is somewhat of a nothing role, in terms of regulation, the job needs to go to a showman (or show-woman) to bang the drum and attract interest in the sector, rather than a legal functionary. The early days of the Milei regime were akin to a revolving door.

Devolution Still Key

It is worth reiterating that mining law in Argentina has largely been an affair of the provinces in

Argentina since the early 1990s, with virtually no Federal input, when Menem devolved mining jurisdiction back to the provinces. The fly in the ointment has long been foreign exchange issues and the import rules for capital equipment which have caused miners and explorers and developers untold long-running headaches.

On RIGI

As at the beginning of October 2026 showed 23 approved projects worth US\$49.7 billion of these twelve were in mining and seven in oil & gas.

The RIGI, or Incentive Regime for Large Investments, is part of the Ley Bases, Law 27.742, published in the Official Gazette on 8 July 2024.

The original Omnibus Law had included:

- a promotion regime for large investments; and
- an energy transition section, under which the executive branch would be empowered to
- establish and regulate a greenhouse gas emission market

The energy transition section was deferred to a later legislative deliberation, but the Incentive Regime for Large Investments (RIGI) was finally approved.

The RIGI scheme is a cornerstone of the Milei administration's policy offering and its introduction was viewed very well outside Argentina. The program includes tax, customs and exchange incentives for companies developing a project of at least US\$200mn in the agribusiness, infrastructure, forestry, mining, oil and gas, energy or technology sectors.

The Key Terms

The key features are:

- Projects must invest at least US\$200 million.
- They pay a flat 25% income tax rate instead of the standard scale.
- Export duties fall to zero three years after a project joins. Exporters may keep 20%, then 40%, then 100% of export proceeds outside the local currency market over four years from start-up.
- The law also shields projects from tougher tax, customs and currency rules, a guarantee that runs 30 years.

What is the RIGI Supposed to Remedy?

Argentina's average tax burden for miners is above 50%, according to the *Cámara Argentina de Empresas Mineras* (CAEM), Argentina's mining industry group. Argentina miners have long complained

of unfavorable exchange rates, capital controls, import and export taxes and difficulty importing goods and equipment.

Local trade groups and unions have argued that the bill puts smaller companies at a disadvantage and that it did not do enough to ensure companies work with local suppliers. We would tend to agree with them. However, the US\$200mn bar is set at a good level as few projects outside of mining or oil & gas can get above that threshold, though one automotive plant project has been mooted as reaching that threshold.

Súper RIGI

The Súper RIGI was designed to create a *Régimen de Incentivo para Grandes Inversiones en Nuevas Industrias* (Incentive Scheme for Major Investments in New Industries). It is important to note that this is a separate, complementary regime, not a replacement for the original RIGI.

This is being touted as being exclusively for projects in industries, particularly emerging high-technology industries, that do not currently exist in Argentina or exist only at a pilot or experimental scale. The bill (*Mensaje No. 181/2026*, signed by President Milei, Minister Caputo, and Chief of Staff Manuel Adorni) was sent to Congress on the 23rd of May 2026.

The prominent international law firm, [DLA Piper](#), summarised the key terms of the Súper RIGI as:

Eligible activities

Projects must involve new industrial, technological, or strategic digital/technological infrastructure activities that are not currently developed or produced in Argentina. Target sectors include artificial intelligence, semiconductors, copper refining, lithium batteries, electric vehicles, data centers, solar and wind manufacturing, uranium processing, fertilizers, and advanced biotechnology. Expansions or modernizations of existing facilities are expressly excluded from the scope of the Súper RIGI.

Eligible vehicles

Projects must be structured through a Single Project Vehicle (VPU) with exclusive object and ring-fenced assets. Permitted structures include local stock corporations and limited liability companies (S.A.; S.A.U.; and S.R.L.), foreign branches registered locally under Art. 118 of the General Companies Law, joint ventures (UTEs), and other partnership agreements.

Minimum investment and commitment schedule

The minimum investment is USD1 billion minimum per project (compared to USD200 million under the original RIGI). At least 20 percent of the minimum must be invested within the first two years from the adhesion date (compared to 40 percent under the original RIGI). The application window is five years from regulation, extendable once by one year.

Income tax

VPUs pay a flat rate income tax of 15% (compared to 25% under the original RIGI and the 35-percent standard rate). Accelerated depreciation is available and includes movable assets in a minimum of two annual installments and infrastructure at 60 percent in the commissioning year, plus 40 percent over two subsequent years. Net operating losses may be carried forward indefinitely and transferred to third parties after 5 years. All tax losses and adjustments are indexed to CPI.

Debit and credit tax

100% of bank debit and credit tax is creditable against a VPU's income tax.

Dividend withholding tax

The dividend withholding tax is 7% during the first four years from adhesion; 3.5% from year four onwards (compared to year seven under the original RIGI).

Social security

New employment relationships from the adhesion date are subject to a flat employer contribution rate of 10% (vs. 20.4%–26.4% standard). This benefit is not available under the original RIGI.

Value-added tax

Value-added tax on computable asset purchases is offset through Tax Credit Certificates (Certificados de Crédito Fiscal), freely transferable if the Customs Collection and Control Agency (ARCA) fails to process refunds within 3 months.

Customs duties

There is full exemption from import duties; statistics tax; and all national, provincial, and municipal levies on plan-of-investment assets (including components physically integrated into fixed assets). In addition, there is full exemption from export duties on project products. A VPU may import and export freely without quotas, prior authorizations, or price measures.

FX: Export proceeds

20% of foreign currency generated by VPU's exports freely available from year 1; 40% from year 2; 100% from year 3 (vs. 100% from year 4 under the original RIGI). Capital contributions, external financings, and service payments are exempt from settlement requirements from the beginning.

Legal stability

Thirty years from the adhesion date in tax, customs, social security, and FX matters. Taxes in force at adhesion are frozen; future increases do not apply. Future decreases in the general regime apply. The burden of proving that a new measure does not increase the investor's tax burden falls on ARCA, not the investor.

Guarantees

The national government guarantees full availability of project outputs without mandatory domestic commercialization (under other local regimes guaranteeing supply to domestic market was mandatory; for example, gas exports), protection against confiscation or expropriation, uninterrupted project operation (absent prior judicial order with due process), and unrestricted access to justice.

Provincial adherence

National incentives only apply to projects in provinces (and municipalities) that expressly adhere. Adhering jurisdictions must 1) cap gross turnover tax (ingresos brutos) at 0.50% (the single most distortive local tax is up to 5% of gross sales, not including income and applicable at each stage of the local supply chain), 2) exempt all VPU transactions from stamp tax (sellos), 3) waive all royalties and administrative canons, and 4) waive the pay-to-play requirement for VPU legal challenges. Once a province adheres, subsequent withdrawal does not affect previously approved VPUs.

Arbitration

Similar to the original RIGI, disputes are subject to a 60-day amicable negotiation period, after which the VPU may elect the Permanent Court of Arbitration, the International Chamber of Commerce (no abbreviated procedure), or International Centre for Settlement of Investment Disputes/Additional Facility arbitration. The seat must be outside Argentina in a country that is party to the New York Convention. Proceedings require three-member tribunals, none of which can be nationals of Argentina or of a VPU-controlling shareholder. No exhaustion of administrative remedies is required and there are no limitation periods on arbitral claims. Project rights are treated as protected investments under applicable bilateral investment treaties.

Mutual exclusion with the original RIGI

A VPU may not adhere to the Súper RIGI if it, or a controlled-group entity, has already filed under the original RIGI with a substantially overlapping project. Overlap is defined as sharing 50% or more of capital expenditure, principal physical assets, or projected production capacity, or having the same value chain or final product. Importantly, the bill provides that corporate reorganizations, spin-offs, transfers, or other restructurings cannot be used to circumvent this exclusion; the enforcement authority may look through any such transaction and apply the overlap test to the economic reality of the project.

OECD Pillar Two

Art. 45 contains a self-limiting clause by which income tax incentives will not apply to the extent that their use would result in a transfer of Argentine fiscal revenues to foreign governments through any global minimum tax mechanism, including GloBE Income Inclusion Rules, Undertaxed Profits Rule, or analogues implementing Organisation for Economic Co-operation and Development (OECD)/G-20 Pillar Two. In practice, this means investors whose parent entities are subject to Pillar Two top-up taxes in their home jurisdiction will not receive the full economic benefit of the 15-percent rate – the Argentine

incentive will simply be clawed back abroad. Each investor will need to model the net after-Pillar Two benefit of the Súper RIGI based on its specific global tax profile.

Status

In late June of 2026, the measure passed the Lower House, with the initiative garnering 130 votes in favour, 106 against and seven abstentions. It then passed on to the Senate.

The bill included a “Buy National” clause to allocate at least 20% of the investment to local suppliers for the projects under the régime and incentives being doubled when it comes to investment in research and development (R&D).

The project currently, at the start of September, languishes within the Senate and is the subject of heated debate and still lacks final approval. The irony here is that the Super RIGI is being subjected to a fine-tooth comb treatment because of the abuses exposed by the actions of the Vicuña construction contractors under the RIGI scheme. Actions have consequences.

Summation

In early August, Reuters reported some miners feared they may get left out before the program's cut-off date in late 2026.

Since then, Milei introduced the so-called Super-RIGI. Amongst the most interesting aspects of this was the “*Mutual exclusion with the original RIGI*” clause, which effectively excludes the swathe of First Movers on RIGI from taking advantage of the Super RIGI.

As we have noted, the likes of the operators of Vicuña have queered the pitch for those that come after them. Ever was it thus that major miners cannot help themselves from being political clueless and abusing the gift horse that they are offered.

The challenge that RIGI puts in front of fakers in the mining space is that faking doesn't cut it under the RIGI regime. Unless the rubber hits the road soon, the talkers and the doers will be clearly delineated with the government having no interest in the former.

Appendix I:

The Roll Call of Deals

Oil & Gas Deals

The energy sector is seeing a massive push in Argentina at the moment. Amongst the deals are:

- Pluspetrol plans more to spend than US\$12 billion at Bajo del Choique-La Invernada.
- Tecpetrol & GyP (Los Toldos II Este), a US\$6.4 billion upstream oil project
- Phoenix Global Resources, the Vaca Muerta-focused producer controlled by Swiss commodity trader Mercuria Energy Group, with US\$6 billion at Mata Mora
- Pampa Energía (Rincón de Aranda): US\$4.5 billion investment
- Argentina LNG / Pampa del Castillo is US\$6.8 billion floating LNG-export and infrastructure initiative in Río Negro involving PAE, Golar LNG, YPF, Pampa Energía, and Harbour Energy.

Argentina LNG, a YPF-led plan valued at US\$51 billion, was still under evaluation in early October 2026.

Mining Deals

Thirteen mining projects worth about US\$25.2 billion had been approved under RIGI by early October 2026. These included:

- The Vicuña mine, a copper, gold and silver deposit in San Juan owned by BHP and Lundin Mining has a CapEx of US\$9.737 billion. This is the largest mining project in the RIGI
- Glencore's MARA copper project in Catamarca, worth US\$4 billion, cleared the RIGI committee on 2 October 2026
- McEwen Copper's Los Azules in San Juan (US\$2.672 billion)
- PSJ Cobre (aka San Jorge) in Mendoza (US\$891 million)
- The expansion of the Veladero mine, run by Barrick with China's Shandong Gold is registered under the RIGI at US\$436 million

- Rio Tinto's Rincón lithium project in Salta is registered under the RIGI at US\$2.744 billion
- Exar's Cauchari-Olaroz lithium expansion in Jujuy (US\$1.241 billion)
- Posco's Sal de Oro II lithium operation (US\$547 million)
- Tres Quebradas in Catamarca, linked to China's Zijin Mining, is listed at US\$710 million.
- Hombre Muerto Oeste (HMW): A \$292 million lithium project in Catamarca by Galán Lithium.

Others

These included:

- A US\$1.3 billion automotive project approved for Toyota at Zárate (Buenos Aires) to produce a future electrified vehicle line.
- El Quemado Solar Park: a US\$211 million photovoltaic solar project in Mendoza by YPF Luz.
- Olavarría Wind Farm: a US\$255mn–\$276 million wind energy project in Buenos Aires by PCR and ArcelorMittal Acindar.
- Sidersa Steel Plant: a US\$286 million green long-steel manufacturing plant in San Nicolás, Buenos Aires.
- Terminal Multipropósito Timbúes: a US\$277 million port and logistics infrastructure expansion in Santa Fe.

The Grand Total?

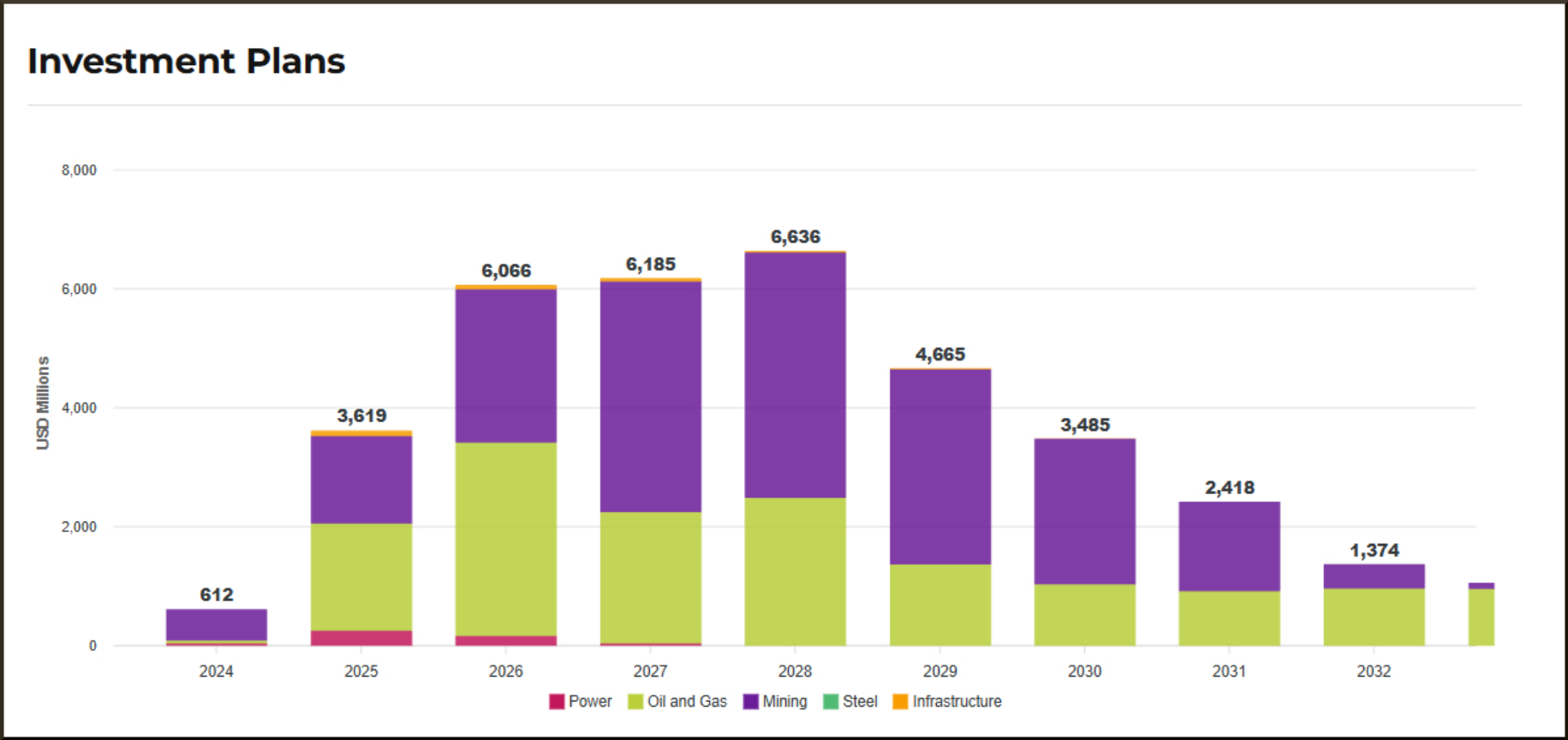
Numbers seem to differ as the Argentine consulate in NY shows:

Approved Projects

- 16 projects
- US\$29.892 billion in investment
- 54,495 direct and indirect jobs

Projects Under Evaluation

- 25 projects
- US\$111.037 billion in investment
- 142,168 direct and indirect jobs



Source: Argentine Government

Important disclosures

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