BBVA Spark

Argentina, a place of resilient entrepreneurship

Adaptability, globalism and creativity

3 QUICK FACTS...

Fourth in Hispanic America

Argentina has recently dropped in the rankings to become the fourth most entrepreneurial country in Hispanic America*.

Buenos Aires leads the way

The Buenos Aires ecosystem ecosystem is ranked first in Argentina and fourth in Latin America.

Among the most valuable

Argentina's MercadoLibre, the first Latin American technology company to be listed on the NASDAQ, is the 2nd most valuable company in the country (13 billion USD).

*Behind Mexico, Chile and Colombia, according to StartupBlink data in 2023. Hispanic America includes the Spanish-speaking countries in Latin America and the Caribbean.

STARTUP OVERVIEW

The global slowdown in venture capital and the local economic situation have reduced investment in the Argentine ecosystem: 6 rounds of financing were closed in the first half of 2023, compared to 36 in the same period in 2022. Recent political changes will continue to affect entrepreneurship.

The most popular sector for entrepreneurship was the knowledge economy.

12 BILLION USD
value of the Argentine entrepreneurial ecosystem.

+1,000
startups in an ecosystem that continues to evolve and grow, most of them in the seed or growth stage, and more than 300 at the scale-up level.

14
Argentine startup exits in 2022.

ARGENTINA TODAY: ECONOMIC SNAPSHOT

Inflation, which reached 142.7% year-on-year in October 2023, marks the reality of Argentine companies and entrepreneurs.

Aid for startups

2022 → The World Bank approved a loan of 200 MUSD* (72 billion ARS) to support the creation of technology-based companies.
*Millions of US dollars

2023 → The Government expanded the Argentine Credit Programme (Crédit) to mobilise 800 billion ARS (2,218 billion USD) in financing lines for SMEs.

Private investment

2021 → 662.4 MUSD · 85 agreements

2022 → 252.7 MUSD · 61 agreements

RANKING OF ENTREPRENEURIAL CITIES

1 Buenos Aires
2 Córdoba
3 Rosario
4 Mendoza

THE ADVENTURE OF ENTREPRENEURSHIP IN ARGENTINA

The opportunities...

- Benchmark technological talent.
- Success stories of startups that drive the ecosystem.
- Easy access to the market.

...And the challenges

- Macroeconomic context: inflation and exchange rates.
- Tax burden.
- Changing regulations.

THE ARGENTINE ENTREPRENEURIAL PROFILE

Resilience to withstand bear markets.

Inventiveness to find new solutions in complex scenarios.

International vocation to continue growing.

Adaptability to political and economic ups and downs.

THREE KEY SECTORS

Fintech innovation

- The Argentine fintech sector already has more than 330 startups.
- Buenos Aires has announced measures such as a **digital identification system based on blockchain** or tax payments through **cryptocurrencies.**

Deeptech depths

- Argentina leads deeptech innovation in Latin America.
- The sector registers 103 startups, with a total value of 1.9 billion USD.

Cultivating agritech

- Argentina is a major global agricultural producer and the world's second largest exporter of soybean meal.
- The sector had almost one hundred startups in 2021.

ENTREPRENEUR RADAR

OF (EX) UNICORNS

Fintech

ualá

The fintech Ualá, a financial management app linked to a prepaid card, is currently **the only Argentine unicorn.**

VALUATION
2.45 BILLION USD

Other Argentine companies have reached unicorn status before.

Their success has led them to major exits:

E-commerce
mercado libre
Online commerce and digital payments ecosystem
LISTED SINCE
2017

SoftTech
Globant
Consulting and technology for digital transformation
LISTED SINCE
2014

Cybersecurity
authO
Digital authorisation and access solutions
ACQUIRED BY OKTA IN
2021

E-commerce
OLX
Classified ads platform
ACQUIRED BY NASPERS IN
2014

AdTech
Aleph
Advertising and digital media holding company
ATTRACTED AN INVESTMENT OF 100 MILLION USD IN 2022 AND ANOTHER 100 MILLION WITHDREW IN 2023

Crypto
Bitfarms
Bitcoin mining
LISTED SINCE
2021

E-commerce
despegar
Online travel agency
LISTED SINCE
2017

OTHER COMPANIES THAT ARE AIMING HIGH IN THE ECOSYSTEM

Fintech
ripio
Platform for buying and selling cryptocurrencies
VALUATION
95 MUSD

Edtech
DIGITALHOUSE
Online digital skills academy
VALUATION
70 MUSD

Fintech
pomelo
B2B fintech infrastructure provider
VALUATION
45 MUSD

E-commerce
Agrofy
E-commerce platform specialised in agribusiness
VALUATION
30 MUSD

Healthtech
osana
API-connected infrastructure for the healthcare industry
VALUATION
28 MUSD

Logitech
clicOH
Logistics solutions for online stores
VALUATION
25 MUSD

ENTREPRENEURIAL INFRASTRUCTURE

Incubators, accelerators and investors are positioned as strategic partners that drive the Argentine entrepreneurial ecosystem:

Incubators
IDEAS FACTORY
IncubAte
socialab

Accelerators
GLOCAL
GRIDX
wayra

Investors
Globant Ventures
cites
NXTP VENTURES

SUPPORT FOR STARTUPS

From new regulations and public spaces to communities and associations, Argentina has an interesting network of support for entrepreneurs:

LEGAL INITIATIVES

Entrepreneurial capital support law

- The Trust Fund for the Development of Entrepreneurial Capital is created alongside the credit programme Crédi
- It includes measures such as tax deductions, crowdfunding and the new legal form of the Simplified Joint Stock Company.

Knowledge Economy Law

- Promotes the application of advanced technologies in sectors of interest in exchange for tax benefits.

Digital nomad visa

Spaces
Parque Tecnológico
UNR Universidad Nacional de Rosario
CorLab

Events
Argentina.gob.ar
campus party
endeavor

Associations
asea
ARCAP
ASETEC

Communities
startupgrind
STARTUP BUENOS AIRES

ENTREPRENEURSHIP + INNOVATION = CHANGE

23.3% of people aged between 18 and 64 years of age in Argentina are entrepreneurs. Technology is an increasingly important pillar of Argentine entrepreneurship, and a driver of **value creation for the entire economy.**

As the fourth most vibrant ecosystem in Latin America (and 47th globally), Argentina has a lot to say in the innovation landscape.

"The local Argentine entrepreneur has problem-solving in their DNA; in turn, successful entrepreneurs return to the ecosystem to teach and help those who are starting out, because they know that the beginning is difficult."

Daniel Gatti, BBVA Spark Coordinator in Argentina.

Sources: StartupBlink, Kantar BrandZ, Ministerio de Economía de Argentina, WorldBank, Crunchbase, Gobierno de la ciudad de Buenos Aires, Forbes, Bloomberg Línea, Endeavor, Cámara Argentina Fintech, Soomconnx Club, BBVA Spark, Startup Genome, Medium, ASEA, The LatAm Tech Report 2023, Venture Capital Argentina KPGM, CB Insights