



Ministry of  
Foreign Affairs and Worship  
Argentine Republic



## SECTOR REPORT ... AGRITECHNICA

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### Agricultural machinery in Argentina

Argentina is one of the world's leading agricultural machinery manufacturers. Argentine production of farming machinery increased significantly in recent years thanks to the country's remarkable expansion of industrial production and strong aggregate economic activity.

Argentina's farming machinery industry is made up of more than 730 SMEs, almost 90% of which are located in the provinces of Buenos Aires, Santa Fe and Córdoba, the largest crop growing areas with more than 80% of the wheat, corn and soybean production. This growing industrial subsector, comprised of manufacturers of seed drills, combine harvesters, tractors and agricultural implements employs 47,000 highly skilled workers.

This subsector's development and consolidation nationwide has echoed important innovations within the country's agricultural sector, in particular, the widespread adoption of precision agriculture and no-till farming, an agricultural system that allows growing crops avoiding tillage, reducing time and costs and increasing productivity and profitability. Two decades ago, no-till farming accounted for just 5% of Argentina's total planted area; today, it accounts for 80%.

In the last decade, the dynamic growth of the farming machinery industry has mirrored record-high growth of overall agricultural production throughout the country. Annual sales of farming machinery increased by 14.5% over the period 2003-2012, the same period during which agricultural exports rose 32% to reach US\$ 257 billion in 2012. Most recently, farming machinery sales set a new record when they skyrocketed 97.4% in the second quarter of 2013, compared to the same period in 2012 as a result of a strong increase in the domestic production of agricultural machinery.

Combine harvesters and tractors make up the lion's share of agricultural machinery sales, followed by agricultural implements and seed drills, representing 20% of sales on average. Domestic sales of these products are higher than agricultural machinery imports.

In terms of export destinations, Venezuela tops the list of export destinations (35.3%), followed by Uruguay (13.2%), Brazil (11.8%), Bolivia (6.6%) and Germany (5.3%). These five countries represent 72% of the total exported value.