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FEATURED Q&A

What's Driving Lithium's Boom in Argentina?

Argentina's commercial-grade production of lithium doubled between 2024 and 2025. Lithium mining operations in Argentina's Catamarca province are pictured. // File Photo: Roberto via Adobe Stock.

Q Rio Tinto Group announced March 11 that it has secured $1.2 billion in financing for construction of the Rincón lithium project in Argentina's Salta province, which aims to become the country's largest operational lithium mine after its scheduled opening date in 2028. Argentina is the fifth-largest producer of lithium in the world; the country saw its commercial-grade production double between 2024 and 2025, according to data from the U.S. Geological Survey. What factors best explain the rapid growth in Argentina's lithium sector? To what extent has the lithium sector improved Argentina's macroeconomic performance in recent years? Under what timeframe can Argentina's lithium sector overtake that of Chile, the world's second-leading lithium producer, in terms of output?

A Chris Berry, founder and president of House Mountain Partners: "Rio Tinto's recent announcement of $1.175 billion in financing for the Rincón lithium project in Argentina isn't the first project in the country to see significant investment, and it won't be the last. This package of loans from entities in the United States, Japan and Australia speaks to the increasing importance of Argentina as a source of lithium as supply lines are redrawn amid tense geopolitical competition for resources. This deal was announced in the wake of an agreement struck between the U.S. and Argentine governments in February designed to build a framework for cooperation in the buildout of critical mineral supply chains between the two countries. According to Fastmarkets, Argentina has 83 lithium projects in exploration and development stages with nine mines operating. President Milei's

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TODAY'S NEWS

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Rodríguez Pitches Venezuela to Potential Investors

Interim Venezuelan President Delcy Rodríguez on Wednesday addressed a conference of global investors, saying the country is in a "process of stabilization" and implementing reforms needed to attract investment.

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BUSINESS

Brazilian Retailer Americanas Files to Exit Bankruptcy

Brazil-based retailer Americanas filed a court motion to exit bankruptcy protection. The company said it had fulfilled all obligations for its emergence from bankruptcy.

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Cuba's Raúl Castro Involved in Talks With U.S.

Former Cuban president and revolutionary leader Raúl Castro, 94, is participating in the country's talks with the United States, Cuban President Miguel Díaz-Canel said Wednesday.

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Castro // File Photo: Russian Government via CC BY 4.0.

POLITICAL NEWS

Raúl Castro Involved in Cuba's Talks With U.S.: Díaz-Canel

Former Cuban president and revolutionary leader Raúl Castro is involved in talks between the communist country's government and the United States, Cuban President Miguel Díaz-Canel said Wednesday, the Associated Press reported. Though Díaz-Canel became Cuba's president in 2018, Castro, who is now 94, is seen as the country's most powerful person, the wire service reported. Díaz-Canel confirmed Castro's participation in an interview with Spanish left-wing leader Pablo Iglesias. Raúl Castro spent a decade as Cuba's president, succeeding his brother Fidel Castro, who had been Cuba's leader for nearly a half century. Díaz-Canel's interview with lasted for more than an hour and was disseminated by state media in Cuba, the AP reported. It came as the administration of U.S. President Donald Trump has exerted heavy economic pressure on Cuba, imposing a blockade on oil shipments to the island, which has caused worsening blackouts and exacerbated shortages of food, medicine and other goods. "A process of conversations that leads to an agreement is a long process," Díaz-Canel told Iglesias in the interview, the AP reported. "First, we must build a channel for dialogue. Then, we must build common agendas of interests for the parties, and the parties must demonstrate their intention to move forward and truly commit to the program based on the discussion of those agendas," he said, the wire service reported. Trump has said recently that he will have "the honor of taking Cuba" soon, and an executive order that he signed in January to impose tariffs on countries that sell oil to Cuba says that the foreign policy of the United States is to "encourage peaceful change in Cuba and to promote democracy, the principle of free expression and press, the rule of law and respect for human rights throughout the world." Faced with the U.S. pressure and a worsening economic situation, Díaz-Canel said earlier this month that Cuba needs "urgent" economic reforms. "Gradual, incremental reform is unlikely to work," Carlos Saladrigas, chairman of the Cuba Study Group and Regis HR Group, told the Advisor in a **Q&A** published March 16. "What is needed instead is a comprehensive transformation that liberalizes not only the economy but Cuban society as well," he added.

Four Killed in Latest U.S. Military Strike on Alleged Drug Boat

Four people were killed Wednesday in the latest U.S. military strike on a boat allegedly carrying illegal drugs, the U.S. Southern Command said. "Intelligence confirmed the vessel was transiting along known narco-trafficking routes in the Caribbean and was engaged in narco-trafficking operations," the military command said in a post on social media site X, along with video of the boat being destroyed. The U.S. campaign of strikes against allegedly drug-laden boats in the Caribbean and eastern Pacific, which began in September, has killed at least 163 people, the Associated Press reported.

ECONOMIC NEWS

Rodríguez Pitches Venezuela to Potential Investors

Interim Venezuelan President Delcy Rodríguez addressed a conference of global business leaders in Miami on Wednesday in an attempt to attract foreign investment to Venezuela, the Associated Press reported. "We are in a process of stabilization, implementing the reforms needed for a productive environment and to attract investments that will diversify the engines of the Venezuelan economy," she told the conference, which is organized by Saudi Arabia's sovereign wealth fund, the AP reported. Rodríguez said that Venezuela's economy will grow by double digits through at

NEWS BRIEFS

Venezuela's Maduro to Attend Court Hearing in New York

Ousted Venezuelan President Nicolás Maduro and his wife are set to appear today at a court hearing in Manhattan, where they face drug trafficking charges, Reuters reported. Maduro's defense team has argued that the case should be dismissed because U.S. sanctions prevent him from using public Venezuelan funds to select a lawyer of his choosing, thus violating rights afforded under the Sixth Amendment of the U.S. Constitution. Prosecutors have dismissed the claim, saying that the U.S. government had not recognized Maduro as Venezuela's president since 2019, Reuters reported. Maduro last appeared before U.S. District Judge Alvin Hellerstein in January.

Mexico Will Continue Hosting Cuban Doctors: Sheinbaum

Mexico will continue to allow Cuban doctors to work in the country, Mexican President Claudia Sheinbaum said Wednesday. Her statement came as some other countries, such as Honduras and Jamaica, have ended the Cuban medical missions amid U.S. pressure.

Mexican Authorities Clean 128 Tons of Oil Residue From Gulf After Spill

Mexico's government said Wednesday that it has removed 128 tons of crude oil residue from waters off the coast of Veracruz and Tabasco states after an oil spill happened at the beginning of this month, Agence France-Presse reported. Mexican authorities are still investigating the source of the spill; President Claudia Sheinbaum has suggested that a private firm, likely an oil tanker, was responsible for the incident that environmental groups have deemed a "disaster," AFP reported.

least 2028, and that the country now "has laws that allow for the safe return of [firms'] investments," the wire service reported. Rodríguez spoke at the conference via video call from Caracas; she is still barred from traveling to the United States due to active sanctions that were imposed against her while she served as oil minister and vice president under President Nicolás Maduro, El País reported. At least six unnamed attendees of the Saudi conference in Miami told the Spanish newspaper they were unconvinced that Venezuela's risk profile has adequately improved since Maduro's deposal in early January. Some of the sources said their pessimism specifically stemmed from a lack of substantive political change under Rodríguez's interim government, El País reported. The administration of U.S. President Donald Trump has called on U.S.-based companies to invest dozens of billions of dollars in Venezuela's oil and mining sectors, but some firms have publicly expressed reservations about the prospect. Also on Wednesday, Venezuelan political activist and opposition leader María Corina Machado, who fled Venezuela in December to accept her Nobel Peace Prize, addressed the CERAWeek energy conference in Houston, El País reported. She told attendees that Venezuela must hold "fair and free" elections before investors can be certain of legal security in the country.

BUSINESS NEWS

Brazilian Retailer Americanas Files to Exit Bankruptcy

Brazilian retailer Americanas announced Wednesday that it had filed a court motion in Rio de Janeiro to exit bankruptcy, Reuters reported. The company said it fulfilled all obligations that had been established for it to emerge from bankruptcy. Americanas entered bankruptcy proceedings in January 2023 after saying it had discovered approximately $4 billion in accounting inconsistencies, the wire service reported.

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pro-business agenda and new policies such as the RIGI Incentive Regime, which offers tax and foreign exchange benefits to large projects across a host of sectors including mining, are aimed squarely at helping these projects get developed as Argentina continues to earn the trust of international investors. This pro-business push stands in contrast to recent moves in Chile, a lithium superpower, that has seen the state dictate the terms of production and development of the lithium industry. While I don't see Argentina overtaking Chile in terms of lithium production anytime soon, what's happening now highlights the point that in a globalized financial system, capital flows to where it is treated best. Right now, that's why Argentina is seeing such strong interest and investment in the lithium sector."

A **María Inés Corrá, partner at Bomchil in Buenos Aires:** "Argentina is part of the 'Lithium Triangle' together with Chile and Bolivia, a region that holds more than half of the world's lithium reserves. Argentina alone accounts for approximately 20 percent of global resources and 13 percent of global reserves; it also ranks as the third-largest country investing in lithium exploration, after Australia and Canada. A distinguishing feature of Argentina is its mid-range production cost structure, which remains significantly lower than that of Chile, thereby supporting project viability even under moderate price scenarios. In 2024, Argentina implemented the Large Investments Incentive Regime (RIGI), which provides tax, customs and foreign-exchange benefits, as well as 30-year regulatory stability. To date, approved lithium projects include those submitted by Rio Tinto for $2.7 billion and Galan Lithium for $217 million. Earlier this year, China's Ganfeng Lithium submitted a third project, which is valued at $3 billion, for RIGI's approval. For the time being, the envisioned scenario is optimistic. Lithium demand is expected to continue growing over the coming years, driven by electromobility and battery energy storage growth in developed countries. With prices stabilized at around $9,000 per ton during this decade, lithium projects based on brine (salars) could sustain better profit margins than hard rock projects, while the low cash costs of Argentine projects could provide an additional safeguard, ensuring a profitability floor that would allow lithium brine production operations in the country to remain cost-efficient. At those price levels, due to its more free-market legal system than Bolivia and Chile, Argentina could become the world's third-largest lithium producer by 2030 and surpass Chile as the second-largest by 2033, behind only Australia."

A **José Hofer, lithium battery specialist at SC-Insights and former analyst at Chile's Ministry of Mining:** "Argentina surpassed the milestone of 100,000 metric tons of lithium carbonate-equivalent (LCE) production last year, and its lithium sector continues to move at a surprisingly fast pace. The country will double its production by 2028, and in 10 years' time we anticipate the country will be above 600,000 tons per year of LCE output. It is surprising but not entirely unexpected, since Argentina's provinces have done a fantastic job promoting the lithium, copper and silver mining sectors by fostering foreign investment and making the development of projects less bureaucratic. It is well known that part of the Argentine miracle is due to the openness of its mining sector; mining rights can be traded, and the state participates as a minority stakeholder, mostly helping major projects move forward instead of creating legal obstacles. It's no wonder why Argentina has seven lithium projects in production. Rio Tinto's plans are extremely ambitious, but at the moment they are still in the pilot stage, and the company is trying to develop its own direct-extraction technology (DLE). As opposed to Rio Tinto's Hombre Muerto project, which the firm

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had bought from Livent, the design for the Rincón project is based entirely on DLE. So with its own technology and a full DLE plant in a salt flat without historic production, the commissioning phase for the Rincón project will definitely be longer than others. The full utilization of the plant will likely not happen until 2029 or 2030."

A **Nahila A. Cortes, counsel for international arbitration and natural resources at Baker-Hostetler:** "Argentina is currently the world's fourth largest lithium producer, behind Australia, China and Chile. Over the past four years, the country has steadily expanded its market share, increasing production. According to the U.S. Geological Survey (USGS), Argentina produced approximately 6,590 metric tons of lithium in 2022. Output rose to 8,630 tons in 2023, increased further to 13,800 tons in 2024 and is estimated at 23,000 tons in 2025, representing a significant increase. This growth has been driven chiefly by the expansion and ramp up of four key projects. Rio Tinto's existing portfolio includes the longstanding Fenix operation and the Olaroz project; another notable recent development was the full scale ramp up of the Cauchari-Olaroz project in Jujuy province, which is operated by Ganfeng Lithium, Lithium Argentina and JEMSE. Additional momentum came recently with the first commercial shipments from the Centenario Ratones project (Eramine). These gains reflect not only current market conditions, but also investment decisions made years earlier, combined with surging global demand linked to the energy transition. Fenix has been producing since 1997 and has since undergone expansions; Olaroz entered commercial production in 2015 and has steadily increased output; Cauchari-Olaroz, which completed initial brine evaluation in 2015, shipped its first exports in 2023 and reached full-scale production in 2025. Beyond operating mines, Argentina has 15 projects in advanced stages and more than 40 early stage exploration and prospecting projects. Looking ahead, Argentina's prominence in global lithium markets is set to grow. Under the Large Investment Incentive Regime (RIGI), major benefits are granted to covered investors. Two major lithium projects, Rincón and Hombre Muerto Oeste, were approved in 2025, while other high profile projects, such as POSCO's Sal de Oro, Rio Tinto's Sal de Vida and Ganfeng Lithium' Pozuelos-Pastos Grandes, remain under evaluation, underscoring the depth of the country's lithium pipeline."

The Advisor welcomes comments on its Q&A section. Readers can write editor Gene Kuleta.

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