

# SCALING AI INFRASTRUCTURE TO LATIN AMERICA



TROPICAL IT



# Why look outside of the US?



## Speed to Power

- Abunant Energy is available and is not being competed for.
- Meet your clean energy goals and plug into existing Hydro, Wind & Solar.
- Competitive energy pricing in other regions.



## Faster dirt to token

- Grow simultaneously and achieve growht pipeline faster
- Highly Trained Engineers readily available
- Trades Manpower are abundant.
- Workforce Mobility: Utilize L1 and TN Visa Programs to enlarge your US teams.



## Political Alignment

- Capital from Development Banks available (IDB, IFC, DMF)
- The region has made significant efforts to eliminate red tape and expensive cost increases in taxes
- The alignment with the US government is at the best point in history.
- Incentives are in place for Early Movers.



# WHO IS BEHIND THE SCENE?



Dean Nelson  
Founder - iMasons



Cyre Quinones  
CEO - iMasons



Luis Schilling  
CEO - Tropical IT



Alberto Schilling  
CEO - We Install IT



Nicolas Arellaga  
CEO - Araico



Joaquin Muñoz  
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Guillermo Mulville  
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Horacio Manfredo  
VP - TigerDC



Ivan Ospina  
CEO - Qubits Energy



Ana Franco  
Director - Elea Data  
Center



Manuel Turner CEO -  
Puzzle AI



Sofia de Hagen  
Tropical IT



Gina Bonatti  
Chief of Staff - iMasons

## Sponsors and Partners:





## Yes, but why LATAM? Inference.



**662M**

Population

**2M**

Software  
Developers

**17%**

Global AI  
Consumption

**11GW**

In pipeline

**EARLY TECH  
ADOPTERS**

MercadoLibre - Top 30 OpenAI customers - Uber - >50% of Global Trips in LATAM - Brazil - Top Global GitHub hub

# LATAM's Perception



**Too expensive - Tariffs, duties, taxes**



Tax incentives in place remove all import related taxes, duties and tariffs to 0% in Arg & Paraguay



**Supply Chain is Painful**



Major customs reforms in both countries, for AI infrastructure projects customs are open and approvals only take a few days.



**Political risk**



Local and international agreements provide 30 years of peace of mind for large investments (AI Infra)



**Connectivity**



Submarine fibers from Uruguay to US - submarine fibers from Chile to asia and US - land fiber between countries - land fiber being built in Paraguay





## What's the focus of the trip?

Policies: We are meeting with the ministries of economy and energy of both countries and we might as well be received by both presidents.

## Field Trips

### Argentina:

Vaca Muerta: A globally significant shale gas resource and a strategic energy asset for Argentina, with the potential to support scalable, reliable, and cost-competitive power generation for hyperscale infrastructure and other energy-intensive industries

Genneia Wind Farm: Site in Patagonia with 200MW of available wind + grid + natural gas. Ability to grow to 2GW.

Local Chapter with regional subject matter experts from Argentina, Chile, Uruguay and Paraguay.

### Paraguay:

Itaipú Dam: Largest Hydro producing plant in the world (14GW)

Araico Iguazu Hub construction site for a 1.2GW development

## Logistics

The **trip organization** committee will coordinate all logistics, scheduling, and government engagement. We do ask you to cover all international flights (To Asunción, Paraguay, to Buenos Aires, Argentina). Our partners will take care of all internal travel.

Dedicated **transportation and security** coordination will be provided throughout the program.



# The Agenda

## **Argentina**

5/10 - Arrival to Buenos Aires, Argentina

5/11 - Visit to Vaca Muerta, Neuquen.

5/12 - Site in Patagonia with 200MW available behind the meter (Eolic) plus grid plus natural gas for redundancy

5/13 - Policy Day - Ministry of Economy, of Energy, President Milei

5/14 - South Cone Chapter in Buenos Aires - (Bringing people from Paraguay, Chile, Brazil and Uruguay) + Flight to Iguazú

## **Paraguay**

5/14 - Arrival to Iguazú

5/15 - Itaipu and Araico Site

5/16 - Policy Day - Ministry of Economy, Energy, President Peña

# About ARGENTINA



# ARGENTINA - POWER & CONNECTIVITY

43.8 GW installed · 59% low-carbon

**11.4 GW**

**Hydropower**

Largest: Yacyretá 3,100 MW

**3.7 GW**

**Wind**

High-capacity factor (Patagonia)

**1.76 GW**

**Nuclear**

24/7 baseload — ideal for AI

**308 TCF**

**Vaca Muerta Gas**

#2 shale gas globally (backup)



## Electricity Mix: 59% Low-Carbon (Renewables + Nuclear)

- Renewables 51.3%
- Nuclear 8.1%
- Thermal 40.7%

*Behind-the-meter deployment: Solar 6-12 months · Wind 8-14 months · Gas 20-24 months*

## CONNECTIVITY- National Fiber Optic Backbone (REFEFO)

### Federal Backbone

Operated by ARSAT — long-haul fiber interconnecting all provinces and regional hubs nationwide.

### Redundant Routes

Multi-province redundancy paths via primary trunk routes and provincial interconnections.

### Carrier-Neutral

Open interconnection across major urban and industrial corridors for resilient digital infrastructure.

# ARGENTINA - POLICIES IN PLACE

RIGI Investment Framework + Data Sovereignty

Tax	Normal	RIGI
Corporate Tax	35%	25%
Import Duties	18–45%	0%
VAT	10.5–21%	0%
Other Taxes	1.2%	0%
State Taxes	1–9%	0%*

\*Applies to 71% of provinces that have adhered to RIGI

## Key Protections

- **30-Year Stability**  
Federal tax & regulatory freeze
- **FX Framework**  
Structured profit repatriation
- **Int'l Arbitration**  
PCA / ICC / ICSID access
- **IP Protection**  
Data, software, patents secured
- **Min. \$200M**  
Investment threshold, 5-year window

## Data Sovereignty & Protection

*Argentine regulations protect data, information, and intellectual property:*

### Constitutional Property Rights

Effective judicial review against arbitrary State action

### Infrastructure Safeguards

Protected from searches; any intervention requires strict judicial oversight

### Privacy & Communications Secrecy

Constitutional guarantees for data, sensitive info, and digital flows

### IP as Strategic Assets

Legal protection for models, software, patents, datasets, and know-how

### Investment Stability

Long-term regulatory predictability; resilient critical tech infrastructure

*Open to innovation: No specific "Data Embassy" regime yet, but the government is open to innovative solutions for large-scale AI infrastructure.*

# About PARAGUAY



# PARAGUAY - POWER & CONNECTIVITY

The Unmatched Energy Advantage for AI Factories, the country enjoys one of the Lowest Cost of renewable power globally with its 100% Renewable Matrix.

## 100%

### Renewable Matrix

100% hydroelectric power from Itaipú (14GW) and Yacyretá (3.2GW)

## >30 TWh

### Annual Surplus

Larger than half of the U.S data center demand in 2025

## \$3.7¢

### Energy Cost / kWh <sup>1</sup>

Lowest LCOE in the hemisphere, 4x cheaper than common U.S source (12¢) <sup>2</sup>

## 60 TWh

### Annual Generation

Domestic demand below 30 TWh, resulting in massive surplus



## CONNECTIVITY- Iguazu Hub Advantage & Bi-Oceanic Fiber

### Bi-Oceanic Corridor

Sub-20ms latency to São Paulo and Chile CLS · ~100ms East Coast · ~120ms West Coast via 1,000+ mi terrestrial fiber

### Ready-to-Build Site

1.3 GW firm capacity (100/300/500 MW stages) · Adjacent ANDE substation · 300 → 800 acres owned

### Regional Reach

Center of 150 M-person, \$2 T GDP market · 6 hydro dams within reach (Itaipú <25 mi, Yacyretá <150 mi)

Sources:

(1)

(2)

Paraguayan Government Decree 5306 2026 "Convergence Industries".  
Lazard: LCOE (Levelized Cost of Energy) & Powering the AI Revolution.

# PARAGUAY - POLICIES IN PLACE

Compute Zone Hub + Geopolitical Alignment

Lever	Standard	Compute Zone
Import Duties (hardware)	Applicable	0%
Operations Tax	Standard	Tax-Free
Interconnection	Case-by-case	500 MW Pre-Approved
Customs Path	Standard	Accelerated

*\*Per Decree 5306/2026 "Convergence Industries"*

## Key Benefits

- **Compute Free Trade Zones**  
Tax-free AI factory operations
- **Infrastructure-Ready Sites**  
Cuts CapEx and deployment time
- **AI-Ready Fiber Backbone**  
No new buildout required
- **Right-of-Use Agreements**  
In final negotiation stage
- **1.3 GW Firm Capacity**  
Secured for 15 years

## Geopolitical Alignment

*Strategic positioning for Western AI infrastructure:*

### Global Neutrality

Low geopolitical exposure · Open, transparent data center zoning frameworks

### Taiwan's Strongest Ally in the Americas

Preferred access to the latest AI hardware and infrastructure partnerships

### Steadfast U.S. Ally

Secretary of State Marco Rubio (May 2025) highlighted Paraguay's potential as the region's AI powerhouse

### Open Data Center Framework

Government open to innovative regimes for large-scale AI infrastructure investors

### Natural-Resource Stability

Atop the Guaraní Aquifer (world's 2nd largest) · 33 mi 500 kV dual-circuit transmission (4,430 MVA)

### Bottom line:

*Plug-and-play AI factory geography — Western-aligned, resource-rich, and legally predictable.*



TROPICAL IT

**A new way.** The simplest way.