

GLOBAL SERVICES IN URUGUAY



SEPTEMBER 2024



Uruguay XXI
INVESTMENT, EXPORT AND COUNTRY
BRAND PROMOTION AGENCY

TABLE OF CONTENTS

WHY CHOOSE URUGUAY FOR EXPORTING GLOBAL SERVICES?	2
1. EXECUTIVE SUMMARY	3
2. GLOBAL SERVICES	4
2.1. DEFINITION	4
2.2. MAIN GLOBAL SERVICES SEGMENTS.....	4
3. SERVICES TRADE	9
3.1. GLOBAL TRADE FLOWS	10
3.2. GLOBAL INVESTMENT FLOWS IN THE SERVICES SECTOR	14
3.3. GLOBAL TRENDS	15
4. SERVICES IN URUGUAY	18
4.1. URUGUAY AS A SERVICE EXPORTER.....	18
4.2. GLOBAL SERVICES EXPORTS IN URUGUAY	21
4.2.1. EXPORTS	22
4.2.2. GLOBAL SERVICES FROM FREE TRADE ZONES	24
4.2.3. INVESTMENTS.....	28
4.2.4. EMPLOYMENT.....	32
4.2.5. TALENT	33
5. ANNEXES	36
5.1. DEFINITION OF GLOBAL SERVICES EXPORTS	36
5.2. INSTITUTIONAL FRAMEWORK.....	36
5.3. REGULATORY FRAMEWORK FOR SERVICE EXPORTS IN URUGUAY ...	36
5.4. REGULATORY FRAMEWORK FOR THE GLOBAL SERVICES SECTOR ...	36
6. URUGUAY AT A GLANCE	37

WHY CHOOSE URUGUAY FOR EXPORTING GLOBAL SERVICES?

A long track record of **political, social, and macroeconomic stability**, as well as a host of advantages in different business platforms, all make Uruguay an ideal regional hub for the Americas. This concept encompasses platforms for support services and commercial activities, as well as for more sophisticated and innovative operations.

Its **strategic location** as a gateway to the region, and its time zone and cultural affinity make it easy for Uruguay to do business with large global markets. The country offers first-class logistics infrastructure and state-of-the-art telecommunications technology; it is a regional leader in technological infrastructure, both in terms of connectivity and Internet access, and in terms of the ICT development index.

Easy access to decision makers. The country offers a coordinated and accessible technological and entrepreneurial ecosystem, with investment opportunities not only for existing companies (mergers and acquisitions), but also for the development of new ventures. As a small, organized, open and transparent country with access to advanced technology, Uruguay is an ideal destination to provide high quality services.

Favorable regulatory framework. Investments in Uruguay are declared of national interest, regardless of whether their origin is domestic or foreign. The country guarantees equal treatment to local and foreign investors, while a wide range of incentives are available to suit different types of activities. For the global export services sector, there are significant tax exemptions and the possibility of operating in a free trade zone regime that is geared towards exports.

Talent. Uruguay provides universal and free access to all levels of education. This has made it possible to train generations of highly qualified and multilingual talent. Companies exporting services from Uruguay have received support for the implementation of tailor-made training programs for current staff as well as for new hires.

Quality of life. Uruguay is a safe country, which offers excellent living conditions for executives and their families, with access to first class health and education services. Montevideo is the city with the best quality of life in Latin America according to the Mercer index. More and more foreigners are choosing Uruguay as their country of residence. Employed people can reside and work legally in the country and are assisted in processing their visa and residency applications in an expedited manner. A residency permit for digital nomads was recently approved in Uruguay, seeking to encourage the arrival of more overseas talent to live and work in the country.

1. EXECUTIVE SUMMARY

Non-traditional service exports in Uruguay have grown at a very fast pace in the last decade. In 2023, **Uruguay was one of the top exporters in Latin American and the Caribbean at US\$ 881 per capita**. Uruguay also stands out among the most specialized countries in global services in the region (considering its weight in relation to total services exports). Brazil, Costa Rica, and Argentina are other countries with these characteristics.

Global services exports in Uruguay reached US\$ 3.016 billion in 2023. If exports associated with **merchandise trading activities (US\$ 2.903 billion)** are added to this, a total of **US\$ 5.919 billion** is achieved.

In Uruguay, the **global services sector employs over 36,000 people (2023)**. Of the total, over 70% of jobs have a focus on activities related to software and corporate services, followed by personnel employed in trading and commerce activities. Of the total number of jobs, 40% are estimated to take place in free-trade zones. Also, **more than 660 companies associated with global services operated in Uruguay in 2023**.

The increasing importance of global services exports from Uruguay is due to certain key sectors taking advantage of the benefits offered by the country for the development of their activities. There is a large number of companies exporting this type of services in Uruguay, with a wide heterogeneity in terms of size, employment, revenue and business models.

The business models adopted by companies in Uruguay include captive centers (operations of foreign companies that provide their subsidiaries with support services and/or centralize commercial activities from Uruguay) and outsourced suppliers (local or foreign companies subcontracted by foreign clients). Some companies set up regional headquarters, which implies the participation of decision makers and a prioritization of the country with a virtuous circle of greater opportunities for new investments.

Uruguay traditionally operates as a logistics center, enabling both the exit of regional goods as well as the sourcing of supplies from countries outside the region. This approach also offers synergies with global services, to the extent that international companies that produce goods can jointly centralize logistics operations and support services.

2. GLOBAL SERVICES

2.1. DEFINITION¹

Services are the ideas, activities or processes produced by one economic unit (physical or legal), at the request of and paid for by another, with the purpose of adding value to individuals, companies or society as a whole. At the international level, **traditional services (travel and transportation)** are distinct from **non-traditional services**. With technological advances, these services have grown the most in recent times. Non-traditional services include information and communication technologies, different business processes, creative industries and knowledge-intensive services. These are also known as **global services** and are based on a business model in which a company relocates part of its activities abroad (offshoring of services), either through a subsidiary or by subcontracting a third party abroad. The purpose of this model is to reduce costs, increase operating efficiency and incorporate technological innovations and labor and/or tax advantages available in other destinations.²

2.2. MAIN GLOBAL SERVICES SEGMENTS

The following is a description of the services provided from Uruguay within the key segments. Some examples of international companies operating in the country are also provided.

CORPORATE**TRADING****SOFTWARE &
ITO****FINANCIAL****CREATIVE & AEC³**

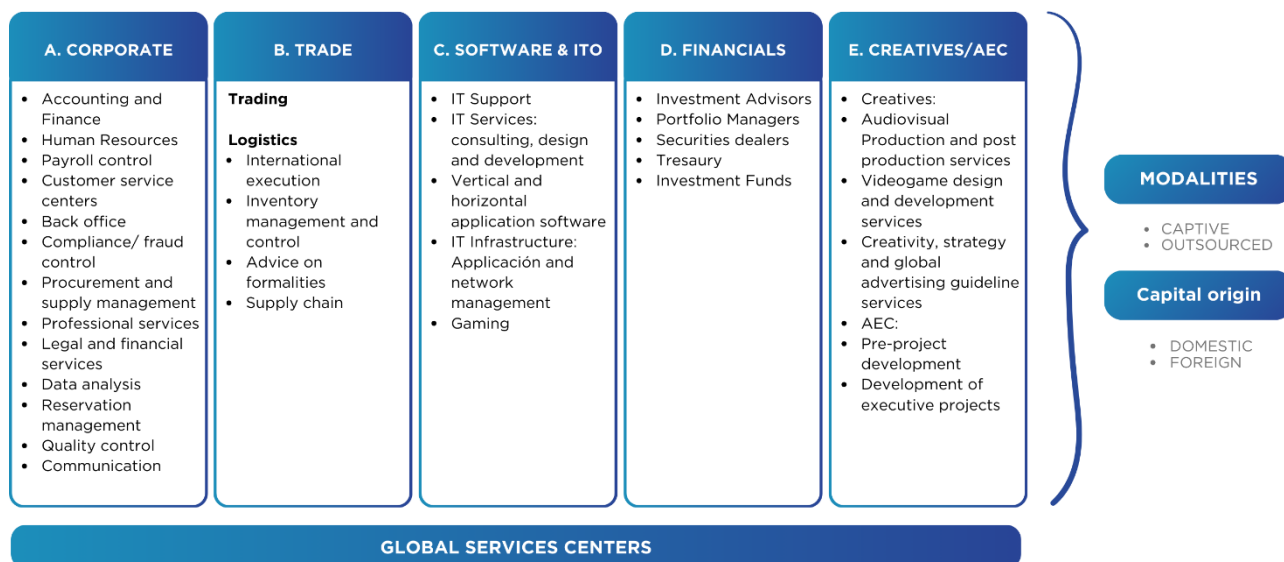
This sector also includes the **Global Services Centers (GSC)**, which contain the operations of international companies that use the country as a "regional hub" and combine tasks from different segments. For instance, a center may combine regional distribution, business services and/or trading activities.

¹ [Definition of global export services](#) — Uruguay XXI based on the book "The new era of global services", Javier Peña (2021).

² [Facilitating global export services](#) — IDB

³ AEC refers to Architecture, Engineering, and Construction.

GLOBAL SERVICES COMPANIES' TASKS IN URUGUAY BY SEGMENT



A. CORPORATE SERVICES

This category includes services related to the outsourcing of business processes, including services provided from **captive or "in house" centers** (e.g., regional headquarter and shared services centers), as well as **outsourced centers** —services provided by third parties— associated with business processes (for example, customer service) and knowledge processes (e.g., consulting and R&D).

Uruguay has a series of transversal attributes for the development of corporate services such as security and stability, tax benefits, qualified and multilingual talent, geographical location, time zone, quality of telecommunications, and quality of life. This puts it in a privileged location for operations in different forms.

Regional Headquarters (HQ) and Shared Service Centers (SSC)

In particular, Montevideo has become a hub for captive centers, providing support services in foreign trade, supply chain, finance and accounting, human resources, customer service, contract review, among other tasks. Most are located in free-trade zones. Some of the

companies that have established HQs and SSCs and have large operations in Uruguay include Altisource, BASF, Mercado Libre, Merck, Sabre, Syngenta, Tenaris, Trafigura, among others.

Outsourced service providers (BPO and KPO⁴)

Although most of the large operations established in Uruguay are captive, there are many (foreign and local) that provide services ranging from financial administrative back-office to customer service centers (call and contact centers). Prime examples are Alorica, Synapsis BPO, Tata Consultancy Services (TCS), Willis Towers Watson, Wunderman Thompson, among others.

For further information see: [Business Case Corporate Services](#)

B. TRADE

This segment includes trading activities with or without the passage of goods traded through the country. The advantages listed above for business services apply equally to this type of activity.

Purchase and sale of goods: trading

Includes trading activities of services or goods that do not transit through the country. Intra-company commercial activities include purchasing from the company itself and selling to third parties / purchasing from third parties and selling to the company itself, and what is done by "traders", that buy and sell to third parties. Most of these are operations by foreign companies in a captive center modality. Global companies specialized in commodities trading such as Louis Dreyfus, COFCO AGRI, Syngenta, Trafigura, Tenaris Impala Terminals Uruguay, Interfood Americas S.A. or Ternium Procurement have chosen Uruguay as their regional center.

These companies are governed by Resolution 51/997 (see [Regulatory Framework](#)).

Regional Distribution Centers (RDC)

⁴ BPO (Business Process Outsourcing) refers to the subcontracting or outsourcing of services to other companies, whereas KPO (Knowledge Process Outsourcing) means the subcontracting of higher value functions and knowledge-intensive processes.

Includes wholesale trade of goods entering the country, carried out by companies in free-trade zones, activities associated with the regional distribution of high-value products (e.g., pharmaceuticals and technology), which normally combine logistics tasks with other business services or with the purchase and sale of merchandise.

Due to the tax advantages for companies with foreign trade operations and also because of its advantages as a logistics platform, Uruguay is an attractive place for the development of distribution and logistics activities, as well as providing a safe and agile entry to the region. Uruguay is the only country in South America that has free ports and airports, a stable free-trade zone regime that complies with international regulations (tax compliance) and has a single window for foreign trade ([VUCE](#), for its acronym in Spanish) and one for investments ([VUI](#), for its acronym in Spanish). Some RDCs for high-value products operating in Uruguay include MegaLabs, Merck, Adium Pharma, Ricoh, Lexmark, Knight Therapeutics, Roche, Astrazeneca and GSK.

For further information see: [Business Case Pharma and Life Sciences](#) and [Uruguay's Pharmaceutical Sector Report](#).

C. SOFTWARE & ITO

Includes operations by technology companies, either through the rendering of development services or the commercialization of technological solutions. Uruguay has outstanding benefits that favor the development of an IT industry, such as its highly qualified, committed, and competitive human resources that provide high value-added services, an important export track record, a favorable regulatory framework with significant tax incentives for ICT exports (income tax exemption), a coordinated startup and innovation ecosystem, and the most modern technological infrastructure in Latin America.

Technology companies can take advantage of all these features to set up a global operation in Uruguay that covers the entire ICT value chain, allowing them to consider establishing commercial and/or logistics offices, as well as service operations (SSC and ITO), and even R&D and testing centers for new technologies. In addition, the country's dynamic innovation ecosystem offers attractive partnership and investment opportunities (M&A). Some of the largest operations in Uruguay include Tata Consultancy Services (TCS), Sabre, Mercado Libre, Globant, Oracle- Netsuite, Verifone and Pedidos Ya (Delivery Hero), Perficient (Overactive) and Sonda, among others.

June 2024 marked one year since the Microsoft AI Co-Innovation Lab was inaugurated at the Technological Laboratory of Uruguay (LATU, for its acronym in Spanish). This artificial intelligence laboratory is Microsoft's first in Latin America, and the third one outside of the United States. In its first year of operation it has enabled the acceleration of 40 companies, while 60 others are waiting for their turn. The Lab seeks to offer AI and IoT (Internet of Things) solutions for organizations and companies' digital transformation challenges.⁵

For further information see: [Business Case ICTS](#) and [Uruguay's ICT Sector Report](#)

D. FINANCIAL SERVICES

These include advisory and financial management services to individuals and institutional investors abroad. The Central Bank of Uruguay (BCU, for its acronym in Spanish) regulates all financial institutions in the country. As of July 2024, there are 204 licensed institutions including portfolio managers, investment advisors and securities dealers. They operate both inside and outside the free-trade zones.

A number of international firms focused on market analysis, risk and consulting operate in Uruguay, as well as a critical mass of local and foreign operators, providing advisory and asset management services to regional and non-regional clients. The following are examples of companies that provide advisory and asset management services: Julius Bär, Apex Fund Services, among others.

E. CREATIVE SERVICES & AEC

This group includes architectural, engineering, design, and creative services.

In addition to the cross-cutting attributes for business development in Uruguay, there are specific aspects for **architectural and engineering** services, such as the high availability of multilingual professionals with training and experience in different construction techniques, trained to provide quality services at competitive costs. Uruguay's architectural and engineering services are well known for their availability and excellent cost-benefit ratio, as well as for the high qualification and commitment of its professionals, who are recognized worldwide and who are fluent in English and other languages.

⁵ [Microsoft AI Co-Innovation Lab celebrated one year and ranks as one of the company's most successful in the world](#) – Ministry of Industry, Energy and Mining

For further information see: [Business Case on Architecture and Engineering](#) and [Business Case on Construction](#)

With regard to creative services in Uruguay, the **audiovisual** sector is the most important in terms of exports. It is a productive sector made up of film and audiovisual production companies, service and equipment suppliers, distributors, exhibitors, and film services. The sector's exports are primarily related to sales of audiovisual production and post-production services. Among the production companies, the advertising sector is one of the most mature and experienced abroad. It is the sector with the largest number of companies and the one with the best international integration, led by a small, highly competitive group in Latin America. Also, the creative services sector includes publishing, music, and video games.

For further information see: [Audiovisual Business Case](#)

3. SERVICES TRADE

From communications to transportation, including finance, education, tourism and environmental services, the service sector has become the backbone of the global economy and the most dynamic component of international trade. Recent technological advances have facilitated the cross-border supply of services, opening up new opportunities for national economies and businesses. The World Trade Organization (WTO) states that, in terms of added value, services account for about 50% of world trade.⁶

Since the revolution in the information and communication technology (ICT) sector in the early 1990s, many business tasks that used to be performed internally —services such as software development, accounting and auditing, database analysis and other information services, most of which can be provided online— began to be outsourced. As a result, services trade grew and so did the international mobility of its production factors, both of capital (foreign direct investment) and of people and knowledge (know-how).

In addition to exports of traditional services (tourism and transportation), there are also sales of a set of services known as **non-traditional, modern or global services**. These include communication, information, technology, design, professional and creative services, among

⁶ [Services trade](#) – WTO

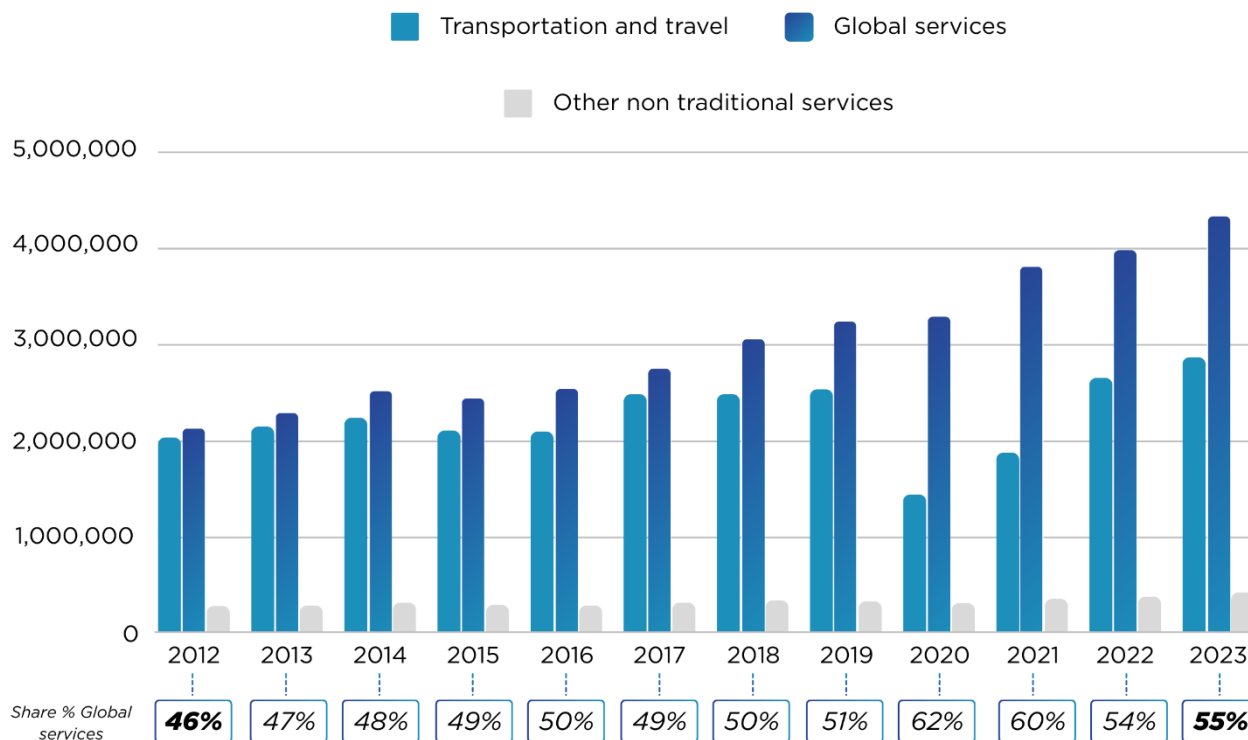
others. Like the remaining economic activities, their characteristics and importance are subject to cultural changes and technological disruptions.

3.1. GLOBAL TRADE FLOWS

Global services exports grew by 8% in 2023, and their current value is close to US\$ 8 trillion. This increase is mostly explained by the increase in non-traditional services exports, which surpassed US\$ 2.8 trillion and grew by 8% compared to 2022. While traditional services also showed great dynamism in the travel category (34%), this was offset by the decrease shown by transportation services (-11%).

Global services, which largely comprise non-traditional services —excluding insurance and pensions, construction and government services—, showed a 9% increase in the year-to-year comparison. This growth was largely driven by IT and communication services, followed by technical business services, trading and other services.

Graph No. 1
Global exports of services
 (US\$ Millions)



Source: UNCTAD (2024).

Table No. 1 shows global exports by type of service. Within non-traditional services, the most relevant sales were **global services exports**, which accounted for 91%. If total services exports are considered, this figure was 55%.

Table No. 1
Global services exports (2023)

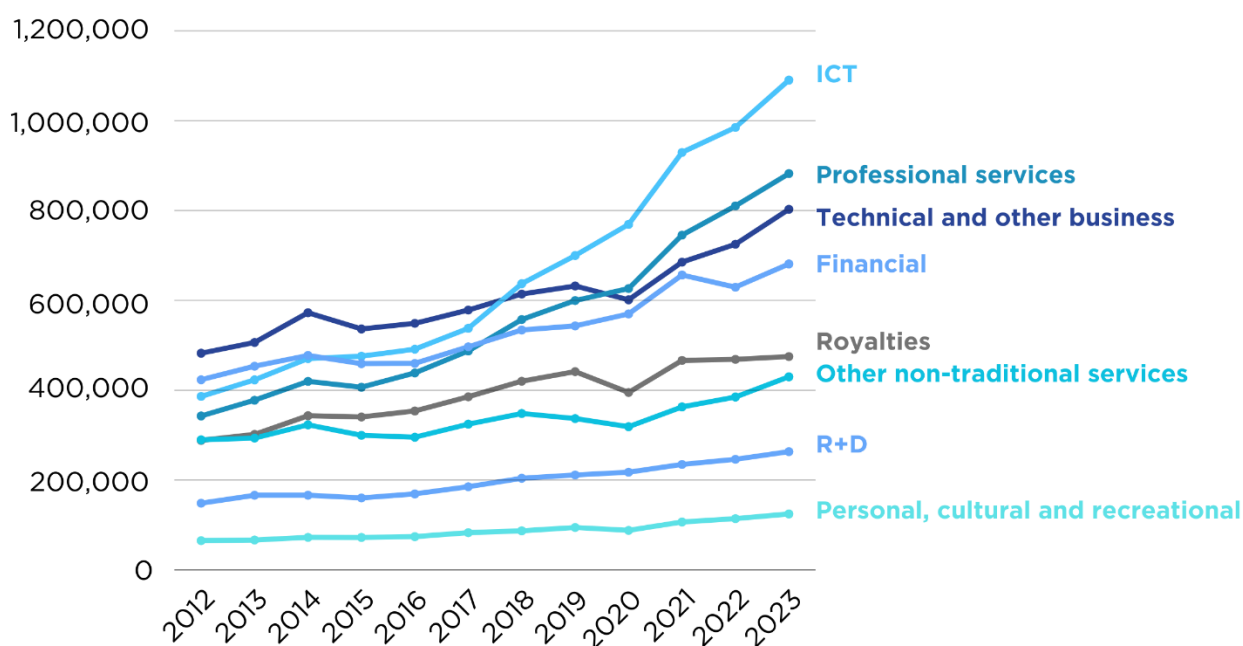
Service category	Million US\$	Y-o-Y Var %	Share %
Transportation	1,351,997	-11%	17%
Travel	1,521,472	34%	19%
Sales and purchasing services	273,123	6%	3%
Global Services	4,319,785	9%	55%
• Business: professionals	882,403	9%	11%
• Business: technical, trade and other	802,940	11%	10%
• Corporate: R+D	263,285	7%	3%
• IT and Communication	1,090,461	11%	14%
• Financial Services	681,122	8%	9%
• Royalties and license fees	475,009	1%	6%
• Personal, cultural and recreational	124,565	9%	2%
Other non-traditional services	429,899	12%	5%
• Insurance and pensions	224,227	18%	3%
• Construction	114,267	8%	1%
• Government Services	91,405	3%	1%
Total services	7,913,451	8%	100%

Source: Compiled by Uruguay XXI based on UNCTAD (2024).

As can be seen in Graph No. 2, global exports of non-traditional services presented significant momentum in the last decade. In terms of categories, sales of services associated with information and communication technologies showed the greatest increase, growing at an average annual rate of 9% between 2012 and 2023. Within ICT exports, the momentum was mainly driven by computer services, whose global exports totaled US\$ 916 billion. Meanwhile, sales of professional services have also performed well in recent years.⁷

⁷ These classifications correspond to UNCTAD's Balance of Payments data for each country.

Graph No. 2
Global exports of non-traditional services
 (Millions US\$)

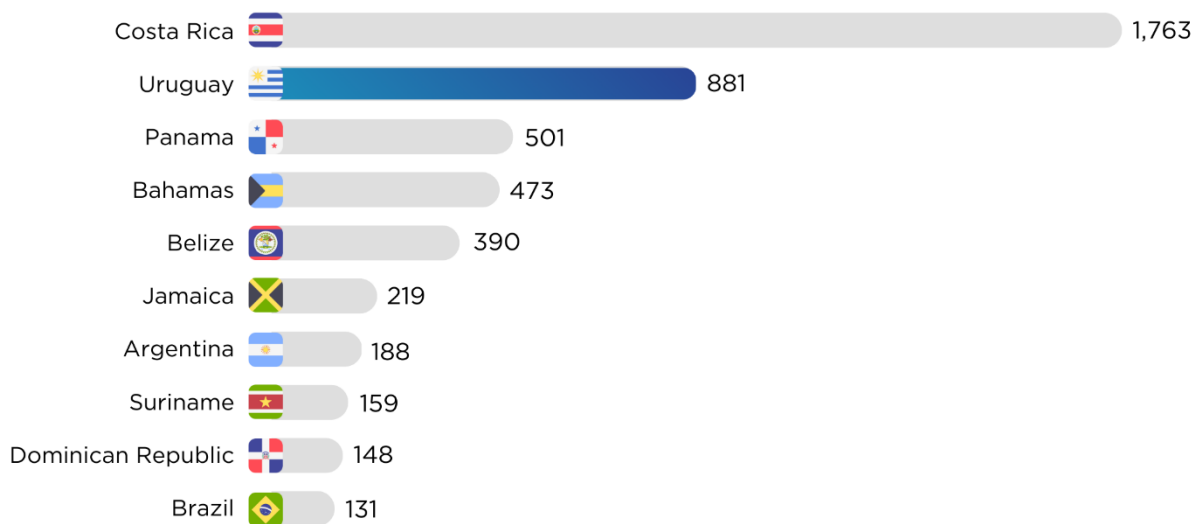


Source: Compiled by Uruguay XXI based on UNCTAD (2024).

Developed economies exported 76% of global services, while developing economies exported the remaining 24%. In terms of region, Europe was the leading non-traditional services exporting region with 52% of sales in 2023. Asia and North America followed with 27% and 17% of the total, respectively. Latin America and the Caribbean accounted for 2%, while Africa accounted for the remaining 1%. With regard to each country, the main supplier of non-traditional services in 2023 was the United States (15% of total exports worldwide), followed by countries such as the United Kingdom (10%), Ireland (8%) and Germany (6%). Asian countries like India (6%), China (5%) and Singapore (4%) also stood out. The top importers of this type of services belong to the same group of countries. The United States and Ireland were the largest importers in 2023 with 10% each, followed by Germany with 7%, and the United Kingdom and the Netherlands with 6%.

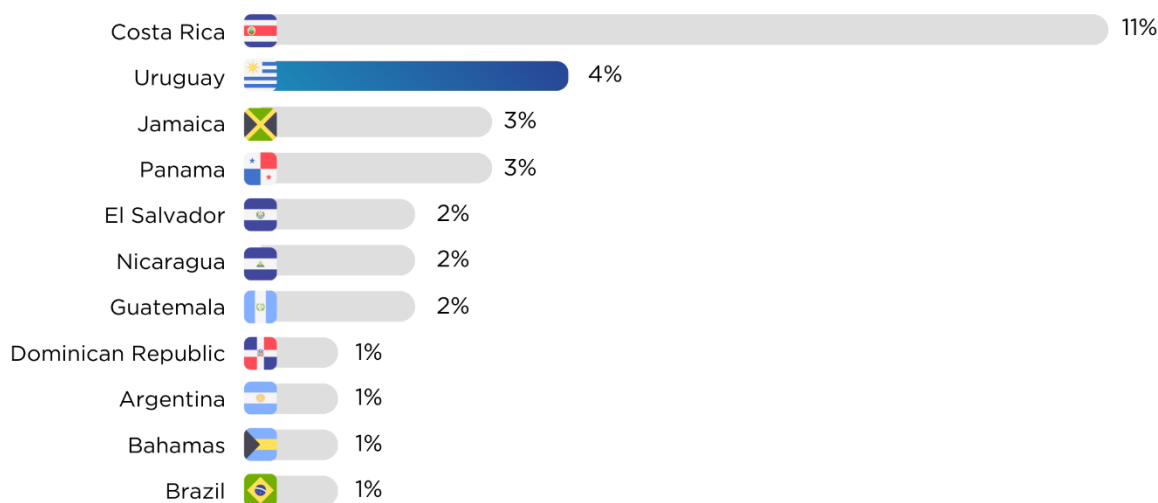
In Latin America and the Caribbean, Brazil was the leading exporter with US\$ 28.284 billion, 43% of total sales. It was followed by Costa Rica (14%), Argentina (13%), Colombia (7%) and Uruguay (5%). However, if these figures are viewed in relation to population, **Costa Rica and Uruguay lead the Latin American ranking with approximately US\$ 1,700 and US\$ 900 per person, respectively** (see Graph No. 3).

Graph No. 3
Global services exports. Latin America and the Caribbean
 (US\$ per capita, 2023)



Source: UNCTAD, Central Bank of Uruguay and World Bank (2024).

Graph No. 4
Global services exports. Latin America and the Caribbean
 (% share of GDP, 2023)



Source: UNCTAD, Central Bank of Uruguay and World Bank (2024).

Non-traditional services exports in Uruguay increased at a good pace over the last decade, with a 4% average rate during this period. This allowed Uruguay to become one of the most specialized countries in non-traditional services in the region (considering its weight in relation to total services exports). Brazil, Costa Rica and Argentina are other countries in the continent

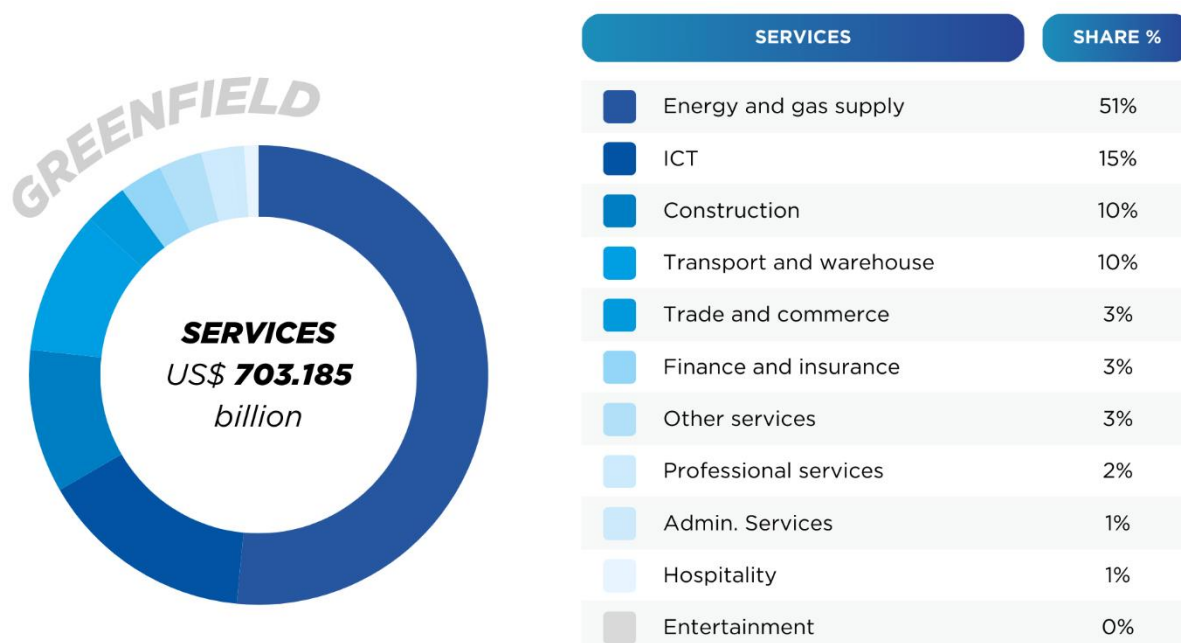
with this characteristic. In this regard, as shown in Graph No. 4, Uruguay also stands out in global services exports in relation to its GDP.

3.2. GLOBAL INVESTMENT FLOWS IN THE SERVICES SECTOR

According to data from the *World Investment Report* (WIR UNCTAD 2024), investments decreased 2% in 2023. Investments in greenfield projects⁸ grew 5% and totaled US\$ 1.380 billion. Services accounted for 51% of these investments, a share four percentage points below that of 2022.

Global services accounted for 25% of investments in greenfield projects, a 7% decrease compared to 2022. ICT investments had the greatest impact on total decline: they decreased by 15% and totaled US\$ 110.064 billion. Thus, ICT services ranked second in terms of invested amount, after the energy and gas supply.

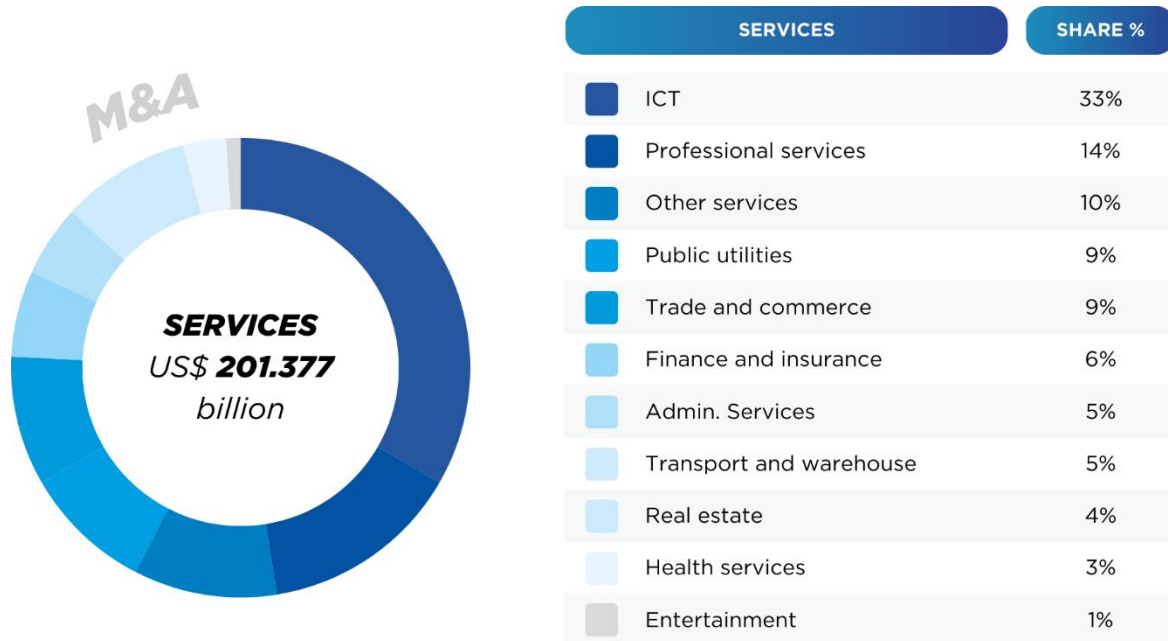
Graph No. 5
Greenfield investments by type of service (2023)



Source: UNCTAD, WIR 2024.

⁸ Greenfield projects must be formed from the beginning or must completely change an existing one; they do not include profits reinvested by foreign companies.

Graph No. 6
Mergers and acquisitions by type of service (2023)



Source: UNCTAD, WIR 2024.

Mergers and acquisitions totaled US\$ 378 billion in 2023, 46% below the 2022 record. Services accounted for 53% of this total and amounted to US\$ 201 billion. Sales of global services assets accounted for 59%, with the ICT sector accounting for 57% of the total sold in the global services sector, and decreasing 60% compared to 2022.

3.3. GLOBAL TRENDS⁹

Global services are going through a period of transformation. The conventional model, focused on standardization and profitability, is being challenged by technological advances and a dynamic business landscape that is constantly evolving.

Today, however, customer and employee experience has positioned itself as a crucial factor in the success of shared services. Therefore, outsourcing is now recognized as a viable means of delivering an enhanced experience.

The following are some of the main trends in the global services sector.

⁹ Information prepared from [KPMG Sourcing Trendradar 2024](#), [2023 Global Shared Services and Outsourcing SurveyExecutive](#) and [State of the Shared Services & Outsourcing Industry Global Market Report 2024](#).

Cost reduction

Despite the period of changes, the main focus of global services continues to be strategic cost reduction. Optimized processes and automation contribute to cost-effective operations, maximizing efficiency without compromising service quality.

Automation

Automation, ERP systems and workflow tools are key enablers for the success of global services. ERP, Enterprise Resource Planning, is a management system that integrates and manages the main functions of a company in a single software system. These functions usually include processes such as finances, accounting, inventory management, purchasing, human resources, among others.

Customer and employee experience

User experience refers to the set of perceptions and emotional and behavioral responses of a person resulting from interaction with a product, service or system. In the context of global services, user experience is crucial because it directly impacts operational efficiency, internal and external customer satisfaction, and ultimately, organizational success. Companies are increasingly prioritizing the improvement of the customer and employee experience through global services. This includes the implementation of innovative technologies such as artificial intelligence and automation to improve efficiency and satisfaction.

In today's competitive landscape, shared services are increasingly recognizing customer experience (CX) as the primary focus in service delivery. While the primary strategic objectives continue to be cost reduction, service excellence and effectiveness, each of these objectives is inextricably linked to the ultimate goal of delivering an exceptional customer experience.

Finding and retaining talent

A major challenge in this sector lies in recruiting and retaining talent. The value proposition that companies offer to employees, considering their desires and expectations, plays a fundamental role in attracting talent. Those with a strong or renowned brand use this advantage to position themselves and capture the attention of potential collaborators. In addition, companies report expanding their talent acquisition channels, using social networks, for example.

In terms of recruitment, the trend towards location-independent hiring continues to increase, which implies less concern for the specific location of potential employees. As a result, the last three years have seen an increase in global and regional hirings.

Some of the challenges in recruiting the talent needed to successfully operate in today's global services ecosystem have already been mentioned. Specifically, in regard to the demographics of the entering workforce, shared services recognize the desire to work remotely, which is the main factor for attracting Gen Z workers. Other factors influencing this generation's decisions include organizational culture (more important and transparent than ever thanks to social media channels), and compensation and benefits.

According to the Global Telecommuting Index,¹⁰ **Uruguay is the best Latin American country for telecommuting**. In this regard, the 2023 census revealed that 6.5% of the Uruguayan workforce has adopted remote work.¹¹

ESG factors

Several organizations are adding environmental, social, and corporate governance objectives to their corporate strategy, which in turn has an impact on the sourcing strategy.

Organizations incorporating ESG criteria are increasingly prioritizing sourcing agreements and continuous monitoring of the entire supply chain. With CSRD (Corporate Sustainability Reporting Directive) reporting, there is a shift towards consideration of ESG compliance in supplier selection, moving beyond individual organization-focused reporting to a more collaborative and comprehensive approach between customers and suppliers.

This directive is a European Union initiative designed to standardize and improve transparency in sustainability reporting by companies. The main objective of the CSRD is to ensure that companies report in a clear, consistent and comparable manner on their performance in sustainability-related areas, such as environmental, social and corporate governance (ESG) aspects.

Generative AI as a driver of change

Generative artificial intelligence appeared in 2023. This technology can generate creative text formats, translate languages, and answer questions. By leveraging generative AI,

¹⁰ [Global Remote Work Index](#) — Nordlayer

¹¹ [6.5% of Uruguayans telecommute: What benefits do companies offer?](#) — El Observador

organizations can automate content creation, personalize client interactions, and develop innovative solutions for corporate challenges. As generative AI continues to evolve, it promises to have a profound impact in the shared services industry. However, it is still at an early stage of adoption.

Data from [SSON research & analytics](#) indicates that only 10% of the companies surveyed are currently implementing various generative AI use cases, approximately 30% are conducting pilot tests, and more than half are still in the evaluation phase, waiting for more concrete data before committing.

4. SERVICES IN URUGUAY

4.1. URUGUAY AS A SERVICE EXPORTER

In Uruguay, service exports showed great dynamism in 2023, totaling US\$ 6.167 billion and registering an 11% increase. Compared to pre-pandemic numbers, growth was 15%. This is due to the recovery of tourism after the confinement and border closure measures derived from the pandemic. In 2023, tourism recovered, and reached US\$ 2.488 billion, a growth of almost 40% compared to 2022. In regard to pre-pandemic numbers, tourism exports grew by 11%.

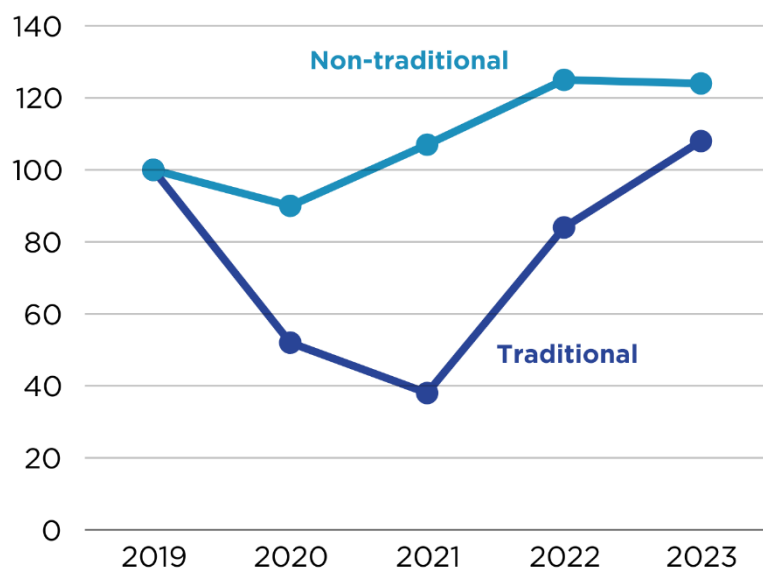
In 2023, global services exports reached US\$ 3.016 billion, registering a minimum decreased compared to 2022. Meanwhile, merchandise trading activities showed a slight 1% increase and totaled US\$ 2.903 billion.

Table No. 2
Uruguay- Service exports and trading
(US\$ Billions)

Service category	2019	2020	2021	2022	2023
Global Services	2.376	2.154	2.563	3.041	3.016
Trading	1.740	1.468	3.750	2.864	2.903
Travel	2.251	1.081	0.556	1.800	2.488
Transportation and related services	0.580	0.389	0.511	0.582	0.556
Other non-traditional services	0.152	0.128	0.133	0.120	0.107
Total services	5.359	3.752	3.763	5.544	6.167
Total services + trading	7.099	5.220	7.513	8.407	9.070

Source: Compiled by Uruguay XXI based on data from the Central Bank of Uruguay.

Graph No. 7
Service exports
(Index base year 2019=100)



Non-traditional services

Global Services

- IT
- Professional and consulting
- Financial
- Telecommunications
- Technical and other business
- Intellectual Property
- Personal, cultural and recreational

Other non-traditional

Traditional Services




- Tourism**
- Transportation and related**

Source: Compiled by Uruguay XXI based on data from the Central Bank of Uruguay.

In the last ten years, the country has undergone changes that have allowed it to insert itself into global trade flows in a dynamic manner and have also led to a transformation in the

composition of Uruguayan service exports. Global services increased their share, from almost 40% to 49% of total service exports, to the detriment of traditional services.

Table No. 3
Service exports
 (Share % of total services)

	 <i>Traditional</i>	 <i>Non-traditional</i>	 <i>Other non-traditional</i>	TOTAL SERVICES
2013	57%	41%	2%	US\$ 5.119 BILLION
2023	49%	49%	2%	US\$ 6.167 BILLION

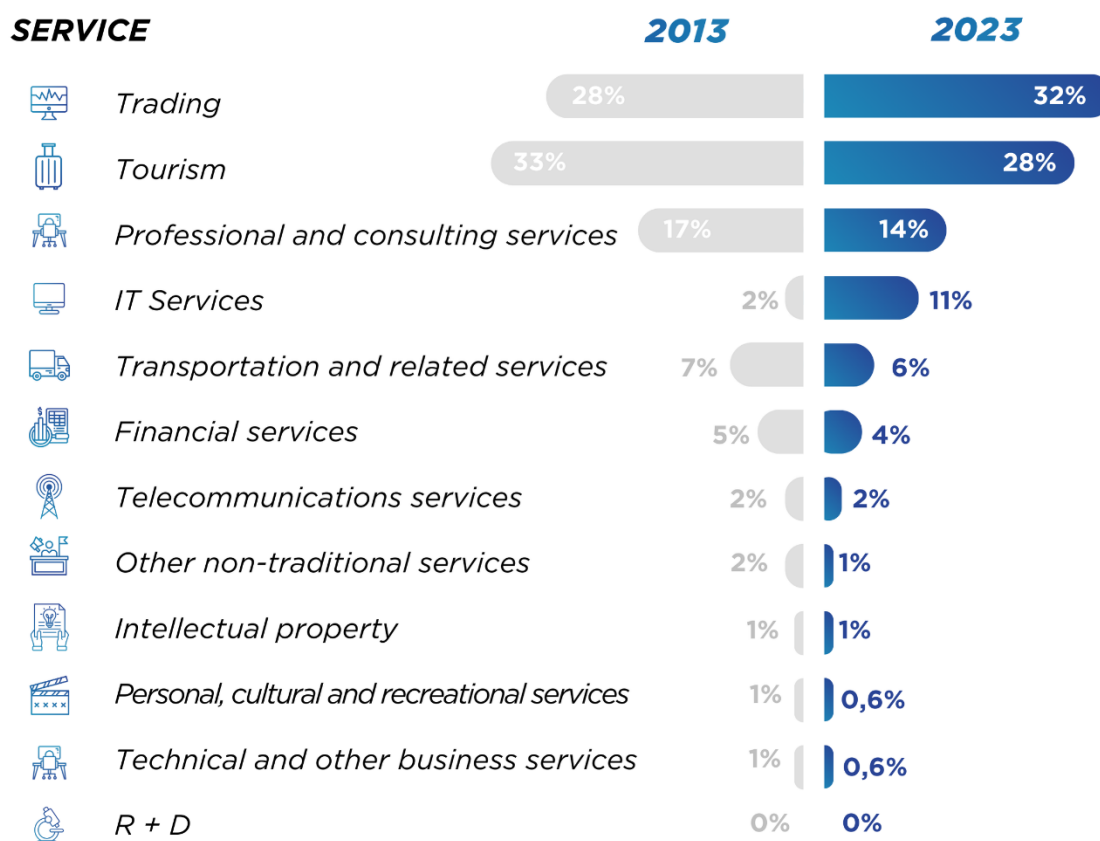
Source: Compiled by Uruguay XXI based on data from EMIS and ORBIS.

If we zoom in and compare the service export basket of 2013 with that of 2023 (see Graph No. 8), we can notice a change in its composition. On the one hand, trading activities involving the purchase and sale of merchandise that does not enter the country,¹² an activity that involves high-value transactions, are quantified. Traditional tourism and transportation services have a lower share. A decade ago, tourism exports accounted for 33% of service exports and today they account for 28%.

At the same time, non-traditional exports of services have increased, and among these we have global services. Within global services, the share of IT services increased from 2% in 2013 to 11% in 2023.

¹² Merchandise purchase and sale activities are recorded under goods in the Balance of Payments information.

Graph No. 8
Uruguay- Service exports and trading
 (Share % of total services and trading)



Source: Compiled by Uruguay XXI based on data from the Central Bank of Uruguay.

The growing relevance of Uruguay's global services exports is based on certain key sectors that have taken advantage of the benefits offered by the country for the development of their businesses. In Uruguay there is a large number of companies that export this type of service, with a great heterogeneity in terms of size, employment and turnover, as well as business models. The following section details the different types of services offered by Uruguay to foreign countries.

4.2. GLOBAL SERVICES EXPORTS IN URUGUAY

Quantifying **value added**, exports and employment in global services in Uruguay is a major challenge. The implementation of the 6th Balance of Payments manual by the Central Bank of Uruguay (BCU) improved the measuring of these services by expanding the coverage of the

surveys used for measuring them.¹³ This source of information provides more accurate data on exports, but has some limitations: i) the data is grouped according to definitions from the Balance of Payments, which may not be useful for reflecting some types of services and ii) information on employment, number of companies and export destinations is not available. Therefore, it is key to seek additional sources of information.

To quantify the importance of the sector, the value added of the sector is examined using information from the BCU national accounts. The total sectoral value added (including the domestic market) is estimated at 20% of Uruguay's GDP. If only the export segment is considered, global export services account for 8.4% of the GDP. This is equivalent to an aggregate value of US\$ 5.228 billion (data as of 2022).



Source: Compiled by Uruguay XXI with data from national accounts of the Central Bank of Uruguay (BCU).

(*) Data estimated based on 2023 GDP and 2022 participation. Sectoral participation prepared by ECLAC and Uruguay XXI based on the product input matrix of BCU national accounts and export information from Uruguay XXI.

Below, the economic contribution of the global services sector to the Uruguayan economy is examined through its impact on **exports, investments and employment**.

4.2.1. EXPORTS

In 2023, global services exports and trading totaled US\$ 5.919 billion. This figure is the sum of **global services exports (US\$ 3.016 billion)** and exports associated with merchandise trading activities (US\$ 2.903 billion).

Global services exports reached almost US\$ 3.016 billion in 2023, reaching the highest levels since the BCU has been collecting this information. Particularly noteworthy are the exports of business services, which together with professional and technical services totaled US\$ 1.331 billion in 2023 (an 8% drop in the year-on-year comparison). They are followed by computer service exports with US\$ 1.020 billion in 2023, although they remained stable with respect to 2022. These services have been growing at a fast pace for several years: the 2023 figure is

¹³ See the Balance of Payments methodology (6th manual: http://www.bcu.gub.uy/Estadisticas-e-Indicadores/Balanza%20de%20Pagos/metodolog%C3%ADa_mbp6.pdf).

double the numbers recorded in 2017. Meanwhile, financial services totaled US\$ 337 million. These segments account for 89% of the value of exported global services.

Table No. 4
Global services exports
 (Millions US\$)

Balance of Payments Classification	Uruguay XXI Segments	2019	2020	2021	2022	2023
Professional and consulting	Business/Creative & AEC	836	736	1,136	1,399	1,273
IT	Software & ITO	798	819	794	1,016	1,020
Financial	Financieros	291	277	308	249	337
Telecommunications	-	250	202	180	200	198
Intellectual property	-	34	26	45	76	72
Technical and other business	Business	99	59	44	55	58
Personal, cultural and recreational	Crative & AEC	68	35	54	45	57
Global Services		2,376	2,154	2,563	3,041	3,016
Trading (calculated as margin of sales)	Trading	1,740	1,468	3,750	2,864	2,903
Global + Trading		4,116	3,622	6,313	5,905	5,919

Source: Uruguay XXI based on data from the Central Bank of Uruguay.

Global services export destinations

In terms of export destinations, different sources of information are gathered to obtain an overview of destinations for the main global services categories. All sources show the importance of the United States as an export destination for this type of services.

- The export markets of the ICT sector are surveyed by the Uruguayan Chamber of Information Technology (CUTI, for its acronym in Spanish). In 2022, more than 86% of sales went to the United States, which is traditionally the sector's main export destination. The United Kingdom ranked second with over 4%, followed by Argentina, Canada, Chile, and Colombia, among other countries.¹⁴
- Regarding exports of audiovisual services, according to data from Uruguay's Film and Audiovisual Agency (ACAU, for its acronym in Spanish) in 2022, budgets of approximately US\$ 28 million were declared. If the destinations of these productions are reviewed, the United States accounts for more than 70% of the total, which shows

¹⁴ For further information, see: [CUTI Report 2022](#)

the importance of this destination for audiovisual services too. It is followed by Spain and Mexico with 4%.¹⁵

4.2.2. GLOBAL SERVICES FROM FREE TRADE ZONES

Uruguay has a free-trade zone regime that is very attractive for supplying global services (see Regulatory Framework). In total there are twelve operational free-trade zones, and there are three currently in development. Seven of these fifteen free-trade zones specialize in services. The following is a brief description of the free service trade zones in Uruguay.¹⁶

Free-trade zones for services



Aguada Park:¹⁷ First global services free trade zone in Uruguay.

It consists of more than 55,000 m² located in the heart of the capital city, facing the bay of Montevideo, very close to universities and with the best urban transportation connectivity. Its buildings have world-class infrastructure, 20 floors of flexible offices, adaptable to the needs of companies and a state-of-the-art datacenter with high connectivity, robust cybersecurity and 24-hour monitoring every day of the week, among other features.

Defined as "Montevideo's boutique free-trade zone", it has a dynamic, modern design and high-quality standards. The "Community and Wellness" concept is highly recognized among the more than 120 companies with over 3,000 employees. Young Uruguayan trained professionals who provide services to the world make all the difference.

Aguada Park has communal green areas, a game room for recreation, cultural and corporate activities, various culinary offerings, a conference room, changing rooms, parking lots, bicycle racks and a unique rooftop with the best views of Montevideo. One of the pillars of Aguada Park is caring for the environment, carrying out a sustainability policy for the future.

Some of the companies that choose Aguada Park as their hub come from various industries, such as BPO (Business Process Outsourcing & IT), GBS (Global Business Services), Contact Centers, software development and commercialization, Internet, the financial sector, product trading, shipping companies, professional services, advertising agencies, trading, representations, business development, etc. Some of the clients that distinguish it are Mercado

¹⁵ [Audiovisual Sector Data – ACAU](#)

¹⁶ Information provided by each free trade zone operator in July-August 2024.

¹⁷ For further information visit: www.aguadapark.com

Libre, Cencosud, Alorica, Workplace Options, Terumo BCT, Corporación Navíos, Ingenious Americas, Kinesis, Protect Group, Latechco, Intraway, Bamboo Payments, Ferrere, Wunderman Thompson Studios, among others.



Parque de las Ciencias (Science Park; PDLC for its acronym in Spanish):¹⁸ A logistics, industrial, services and high technology park that offers companies the possibility of operating under the Uruguayan Free-Trade Zone regime, in an area of 85 hectares, constituting one of the main life sciences, high technology and value-added clusters in the region.

Operating since 2010, more than 90 companies use the park's infrastructure to develop their regional or global business from Uruguay.

Located in the “innovation axis” of the Department of Canelones, Uruguay, it has state-of-the-art infrastructure and buildings specially designed to house highly complex service, commercial and industrial activities.

Taking advantage of the industrial characteristics of its infrastructure, the main pharmaceutical production companies in Uruguay's Free-Trade Zones are located there. An example of this is Megalabs, which in a plant of more than 23,000 m² —its headquarters and a unique Research and Development center in Uruguay—, produces sterile, solid and ophthalmic medicines for all the Americas.

Currently, more than 80% of the companies installed in *Parque de las Ciencias* carry out activities related to life sciences, high technology and high value-added, including: Pharmaceutical and veterinary laboratories; suppliers of raw materials for human and animal health; specialized service providers in the pharmaceutical industry (engineering, clean rooms, auditing, production of packaging and leaflets, among others); logistics operators specializing in health products; GMP plants for drug production, GMP plants for production of injectables; provision of injectable manufacturing services for third parties; vials, pre-fillings, analysis and physical-chemical quality control of raw materials and finished products for third parties; GMP plants for the extraction of CBD oil and pure crystals; cloning bank and THC extraction plants, pharmaceutical research and development centers; microbiology and physical-chemical control laboratories; genetic diagnosis laboratories; biological raw material production plant; serum production plants; among other industries.

¹⁸ For further information see: www.zonafrancapdlc.com

BGI Genomics recently installed its first laboratory in Latin America, precisely in *Parque de las Ciencias*. In order to do so, it will invest US\$ 10 million in five years. The Chinese company is the world's leading provider of integrated precision medicine solutions, specializing in next-generation DNA and RNA sequencing. In addition to this, Google has confirmed the installation of a data center in Uruguay with a project that will involve an investment of US\$ 850 million over the next few years.¹⁹



WTC Montevideo Free Zone:²⁰ : The free-trade service zone of the World Trade Center complex in Montevideo.

A triple impact company, with international certifications (LEED, Company B, ISO 50.001) and with value-added proposals to clients aligned with sustainable development.

Strategically located in the area of greatest urban development and services of the city, by the promenade and 20 minutes from both the Port and Carrasco International Airport.

It has modern infrastructure spread out on 44 floors of offices distributed in two towers arranged for different types of companies and collaborators worldwide.

It has over 200 companies from 35 different nationalities, ranging from the main technology and agribusiness multinationals, to leading regional financial advisory firms, professional firms of various kinds including: D Local, Globant, PwC, Deloitte, Baker Tilly, Bestseller, Etermax, Willis Towers Watson and Nation Traffic, among others.

It has 3,200 m² of green spaces and areas designed for the community to interact, enhancing the quality of working life. It also has a first-class data center and a security system twenty-four hours a day, every day of the week.



Zonamerica:²¹ With more than 30 years of experience and presence in Uruguay and Colombia, Zonamerica specializes in the design and creation of highly competitive international business communities.

Strategically located in Montevideo, close to the Carrasco International Airport and the main highways in Uruguay, Zonamerica Uruguay combines the advantages of being close to a city with green spaces and fantastic views in 90 hectares of mixed-use land.

¹⁹ Source: Information provided by the free-trade zone *Parque de las Ciencias* (July 2024) and [Google installs its new data center in Uruguay: what will it be used for and what impact will it have on the economy](#) (Búsqueda).

²⁰ For further information see: <https://www.worldtradecenter.com.uy/en>

²¹ For further information see: www.zonamerica.com

As the only datacenter in Uruguay with Tier III certifications, Zonamerica provides its clients with an integral solution based on flexible and scalable world-class infrastructure, with modern redundant technology services, in a sophisticated business ecosystem with unique amenities and services for its collaborators, facilitating the growth of companies and people.

Consolidated as Uruguay's leading international business community, Zonamerica attracts and empowers the region's most qualified talent and offers a unique environment for its development. It has a community of over 7,000 employees enjoys a sustainable environment with a lively culture that stimulates creativity and networking.

Zonamerica offers an efficient and secure ecosystem with more than 500 companies from the



**WTC™ PUNTA DEL ESTE
FREE ZONE**

14 fastest growing industries in the world economy, such as financial services, IT, pharma, biotechnology, consulting, international trade, among others. It is also a

hub for the most dynamic international companies in the region: Airbus, Altisource, Deloitte, Despegar, Finning, Insigneo, Merck, RCI, Ricoh, Sabre, Satellogic, Trafigura, UBS and Verifone, among others.

Zonamerica is a place where infrastructure, human resources, and corporate services combined with tax and customs benefits provide established companies with the necessary support for their development with the region and the world.

Free-trade zones for services under development

WTC Punta del Este Free Zone:²² It is the free-trade services zone in Punta del Este, which began construction in mid-2022 and is expected to be completed in August 2025. It will consist of a 27-level tower with a total area of 28,000 m², distributed in floors of 750 m².

The tower meets all the requirements in terms of technology, infrastructure, and energy efficiency to obtain LEED certification. The estimated investment is US\$ 65 million.



Zona Franca del Plata.²³ In May 2023, the company Zona Franca del Plata was authorized to operate a private service free-trade zone in Colonia del Sacramento. After

obtaining the authorization, the executive project was prepared and the construction permit was requested from the Local Government, which is expected to be granted soon in order to

²² For further information see: www.wtcpuntadelestefreezone.com

²³ For further information see: www.zonafrancadelplata.com

begin construction. In addition, it has environmental clearance from the Ministry of Environment.

It will consist of a five-story building in the Real de San Carlos area. The total investment will be approximately US\$ 20 million, and it will be operational in the second half of 2025. The site used for the construction of this project is located at Rambla de las Américas and Eloy Perazza, with a total construction area of 11,200 m² and 8,500 m² of leasable area. It will be the first free trade zone in the coastal area destined to the service sector and it is expected to receive 100 companies with an estimated occupation of 1,000 people.

The building will be made of wood, which has a low environmental impact because it is a great natural insulator that results in energy savings, and is also a product with low carbon emissions in its manufacture.

Project for a free-trade zone for audiovisual services



Punta del Este Studios:²⁴ It is a specialized infrastructure with the necessary resources to facilitate and promote the creation, development, production, distribution and storage of all audiovisual content, including movies, TV series, commercials, animations, virtual reality (VR), augmented reality (AR), video games through IPTV, OTT, streaming, VOD and/or any other technological support.

The infrastructure will include Digital Studios equipped with state-of-the-art technology to support the creation of digital content, production offices, workshops and all services for all **“creative industries”**, which includes world-class convergent media services in the cloud under this specific regime, making the industry more profitable.

4.2.3. INVESTMENTS

Of the investments announced in 2023, 55%²⁵ are about activities grouped under the concept of global services, with 49% of total investments in the corporate and software & ITO segments and 6% associated with trade (mainly logistics). Within the business and software segments, investments in IT centers²⁶ and GSC²⁷ stand out, accounting for 50% and 30% respectively.

²⁴ For further information see: www.puntadelestestudios.com

²⁵ Number of investment projects.

²⁶ IT centers: development activities of IT products and services such as IT solutions, artificial intelligence, digital platforms, among others.

²⁷ GSC: global services centers include activities such as shared service centers, call centers, professional services, BPO, KPO, trading and procurement, among others.

Table No. 5 details the investment announcements of foreign companies in the country for the sector of global services exports.

Table No. 5
Investment project announcements in Uruguay - Global Services (2023)

Date of announcement	Investment	Origin	Sector	Sector of Investing Account	Type of Project
Dec-23	 Space AI		IT Center	Technology	New Investment
Nov-23	 BGI		R+D services	Pharmaceuticals	New Investment
Nov-23	 BITFINEX		IT Center	Technology	New Investment
Nov-23	 MarshMcLennan		GSC	Professional-BPO	New Investment
Nov-23	 SCHRYVER LOGISTICS		RDC	Logistics	New Investment
Oct-23	 NTT DATA		IT Center	Technology	New Investment
Aug-23	 PAGBAM Pérez Alati, Grondona, Benites & Arntsen		GSC	Professional-BPO	New Investment
Aug-23	 Alonso Grupo		Logistics operator	Logistics	New Investment
May-23	 Press Start Evolution		IT Center	Technology	New Investment
May-23	 kalexius Alternative legal services		GSC	Professional-BPO	New Investment
Apr-23	 alorica		GSC	Professional-BPO	Reinvestment
Apr-23	 COCONUT SILO		IT Center	Technology	New Investment
Apr-23	 Roebuck		GSC	Agro - Food	New Investment
Feb-23	 SINTECROM		GSC	Other Industries	New Investment
Jan-23	 byrna Technologies Inc.		RDC	Other Industries	New Investment

Note: The companies that authorized Uruguay XXI to publish their names are shown. New investments and reinvestments are taken into account.

Source: Compiled by Uruguay XXI based on FDI Markets and own data.

In this context, the arrival of Space AI in Uruguay is noteworthy. The company, which specializes in advanced artificial intelligence and space technology solutions, reinforces the country's attractiveness for investments in high-tech sectors. The company will invest US\$ 5 million in Uruguay to build a laboratory for developing software, hardware and satellite integration.²⁸

In addition, at the end of 2023, BGI Genomics decided to install its first laboratory in Latin America in Uruguay. To do so, it will invest US\$ 10 million in five years and it expects to

²⁸ [A Silicon Valley space company will invest U\\$S 5M in Uruguay](https://www.uruguayxxi.gub.uy/en/) – ámbito.

generate approximately US\$ 45 million. The laboratory is located in *Parque de las Ciencias*.²⁹ The law firm Pérez Alati, Grondona, Benites & Arntsen (PAGBAM) also landed in Uruguay with the creation of its Latin American Desk, which will focus on providing comprehensive services for projects covering several Latin American countries.³⁰

In addition, in May 2023, the Colombian company Press Start Evolution, which is dedicated to the design and development of custom software, as well as the creation of immersive augmented reality experiences and video games, arrived in Uruguay.³¹

The following are some of the most recent announcements related to mergers and acquisitions in the global services sector in Uruguay.

Element14 was acquired by JARS Capital, an American investment group based in Leesburg, Virginia, that provides the capital, sales and back-office resources for startups to scale sustainably. Element14 specializes in empowering large and small companies through quality software, providing MVPs built quickly and capable of enabling product validation. At the time of the acquisition, it had a team of 15 employees, was valued at a seven-digit dollar figure, and its market was exclusively the United States.³²

The Uruguayan company Vopero, a technological platform for buying and selling clothing, has attracted a US\$ 4 million investment that will enable it to expand its business in Latin America. The round was led by Cencosud Ventures and joined by its current investor, Grupo Axo. It is important to note that Cencosud has been operating its technological, digital and innovation hub in Uruguay since March 2023. From its offices located in Aguada Park, the company began operations in the country to develop and accelerate a digital ecosystem for the group's companies.

Another acquisition in the global services sector was that of Montevideo Labs by the American company Blend360. Montevideo Labs is a highly sophisticated software development and data science company that provides solutions to different industries and empowers clients in Big Data, machine learning and critical integrations using the latest technologies. This would be the first entrance of the American technology company into Latin America, which would open

²⁹ [Leading Chinese company in human genetics inaugurated its first laboratory in Latin America in Uruguay](#) — Ministry of Industry, Energy and Mining.

³⁰ [Pérez Alati, Grondona, Benites & Arntsen \(PAGBAM\) launches its Latin American Desk with the promotion to partner of Marina Basavilbaso](#)

³¹ [Press Start expanding its horizons in Uruguay](#) — CUTI

³² [Uruguayan technology company Element14 acquired by U.S. investment group JARS Capital](#) — CUTI

the possibility for other Uruguayan companies or companies from other countries in the region.³³

Table No. 6
Mergers and acquisitions announcements - Deals with Uruguayan companies (2023)

Announcement Date	Investment	Investment	Origin	Platform Sector	Investment Account Sector	Type of Project
Dec-23	 Jars CAPITAL	 element 14		IT Center	Financial	Acquisition
Dec-23	 misoit payments	 totalnet		Financial & Insurance	Technology	Acquisition
Nov-23	 UniTeller	 more payment evolution		IT Center	Technology	Acquisition
Oct-23	 AXO cencosud	 VOPERO		E-Commerce	Clothing and footwear	Minority Interest
Oct-23	 VESTA SOFTWARE GROUP	 nodum		IT Center	Technology	Acquisition
Aug-23	 AON	 NGS		GSC	Financial	Acquisition
Aug-23	 FACTORY	 BrainLogic ^{ai}		IT Center	Financial	Minority Interest
Aug-23	 VESTA SOFTWARE GROUP	 GSOFT		IT Center	Technology	Acquisition
Jun-23	 Blend	 montevideolabs		IT Center	Technology	Acquisition
Jun-23	 PayPal	 nocnoc		IT Center	Technology	Minority Interest
May-23	 RECOGNIZE	 moove IT December Labs		IT Center	Technology	Acquisition
Feb-23	 Arcadia FENDS, LLC	 marco FINANCIAL		GSC	Financial	Minority Interest
Jan-23	 NXTP	 EXACTLY		IT Center	Financial	Minority Interest
Jan-23	 THE YIELD LAB	 THE CLIMATE BOX		IT Center	Technology	Minority Interest
Jan-23	 WARBURG PINCUS	 scanntech		IT Center	Technology	Minority Interest

Note: the buyers of these agreements have foreign capitals.
Source: Compiled by Uruguay XXI based on EMIS and ORBIS.

³³ [Montevideo Labs, acquired by U.S. company](#) — ámbito

4.2.4. EMPLOYMENT

The service sector is very labor intensive, and Uruguay is no exception, employing almost 75% of the working population.³⁴ In addition, global services —due to the type of services they include— contribute by generating quality jobs,³⁵ which require a high degree of qualification.

This section estimates employment in the sector and its segments, using information from the Ministry of Labor and Social Security (MTSS, for its acronym in Spanish). Based on the available information, **the global services sector in Uruguay employs almost 36,000 people in a dependent relationship (2023)**. Of the total number of jobs, 40% are estimated to take place in free-trade zones. The following table shows the estimated employment in the sector based on information of direct employment of large and medium-sized companies. Of the total, over 70% of jobs have a focus on the software and corporate services sectors, followed by personnel employed in trading and commerce activities.

The number of **companies** was also estimated using complementary sources of information.³⁶ **There are approximately 660 companies in Uruguay linked to the global services sector.** It is important to note that this is only a minimum estimate, since the companies being considered are large and medium-sized, without including micro and small companies, which tend to be numerous. 62% of the companies are in corporate services and software, followed by regional distribution centers companies and associated services and trading (16%). Companies in this sector are located in the metropolitan area of Montevideo and largely in the free-trade zones specialized in services.

³⁴ Continuous Household Survey (ECH, for its acronym in Spanish) 2023.

³⁵ The degree of informality of the sectors associated with Global Services is 10.6%, compared to over 20% for the total economy (ECH 2023).

³⁶ Annual Economic Activity Survey (EAAE, for its acronym in Spanish, 2021) of the National Statistics Center, the National Customs Directorate, the Free-Trade Zone Census of the Ministry of Economy and Finance, and the Central Bank of Uruguay.

Table No. 7
Employment and companies - Global Services - 2023

Segment	Subsector	Companies	Employment
Financial Services	Securities Brokers	26	456
	Investment Advisors	31	414
	Portfolio Managers	43	467
	Subtotal	100	1,337
Business Services	Contact centers	24	5,038
	Service Centers	44	6,576
	Other Professional and Business Services	145	2,013
	Subtotal	213	13,627
Trade	Regional distribution centers and associated services	85	4,658
	Trading	23	1,366
	Subtotal	108	6,024
Software & ITO	IT Service Centers	58	9,565
	Other software services	143	4,119
	Subtotal	201	13,684
Creative Services	Architectural and Engineering	27	419
	Audiovisual / Advertising	8	336
	Gaming	5	119
	Subtotal	40	874
TOTAL		662	35,546

Notes: 1) Financial Services: Includes all securities brokers, investment advisors and portfolio managers authorized by the Central Bank of Uruguay with 5 or more employees. 2) Business Services: For Contact Centers this includes companies with more than twenty employees serving the local and foreign markets. In other services, for companies outside of the free-trade zones, only those with more than twenty employees are taken into account. 3) Companies in the trade sector include regional distribution centers (mainly in the pharmaceutical sector), associated logistics operators and companies that intermediate goods that do not pass through Uruguayan territory (traders). 4) Employment in the Software & ITO sector is based on the total export propensity.

Source: Compiled by Uruguay XXI based on the MTSS, EAAE 2021 and the National Customs Directorate, among others.

4.2.5. TALENT

Employment in the service sector accounts for its importance in the economy and is an approximation of the demand for workers in the sector. On the supply side, it is necessary to consider the talent availability in Uruguay for these sectors. This section first examines the number of people working in activities related to global services. In 2023, more than 200,000 people were working in tasks of interest to the sector. The division by type of task is shown in

the following table, as well as the evolution of employment over the last five years. The largest number of jobs can be found in activities associated with accounting and finance and also ICT, in line with the evolution of exports in the sector.

Table No. 8
People working in tasks related to global services

Task	2019	2020	2021	2022	2023
Accounting	61,317	62,761	58,673	67,774	60,914
ICT	23,365	29,003	30,900	32,174	31,153
Creative & AEC	34,247	35,107	33,230	33,254	30,915
Sales	14,691	15,058	18,762	20,133	23,857
Other administrative	10,409	10,905	10,973	11,281	11,365
Logistics	10,144	9,982	10,439	8,965	11,021
Customer Service	9,743	11,503	11,756	11,183	9,421
Financial	7,831	8,386	6,844	8,840	8,177
Legal	8,725	10,044	8,832	10,815	6,987
Human Resources	2,667	2,666	2,803	3,455	3,582
Purchases	2,520	2,078	3,012	2,904	2,751
Total	185,659	197,492	196,223	210,778	200,143

Source: Uruguay XXI based on the Continuous Household Survey (2023) according to the International Standard Classification of Occupations (CUIO, for its acronym in Spanish).

Uruguay has a varied educational offer from pre-school to university, with free public institutions as well as private institutions.³⁷ Table No. 9 shows the high percentage of students enrolled in university programs related to business services. In the case of technical careers, ICT-related careers stand out.

Both from the public and private sectors, other training initiatives have emerged in recent years, mainly linked to the IT sector. Some examples are programs such as *Jóvenes a Programar*, *Sembrando TIC*, Holberton and SoyHenry. The Uruguay Bootcamp Program was also launched in 2022 with funding from INEFOP.³⁸

³⁷ The main universities in Uruguay are the University of the Republic (UdelaR), Employment University of Uruguay (UTU), Technology University (UTEC), ORT University of Uruguay (ORT), Catholic University of Uruguay (UCUDAL), Business University (UDE), University of Montevideo (UM) and CLAEH University.

³⁸ For further information, see: [ICT Sector in Uruguay Report](#).

Table No. 9
University Degrees (2022)

Segment	Field of study	Admitted	Admitted 2022 over 2021	Enrolled	Enrolled GS (%)	Graduates
Business Services	Finance and accounting	6,164	-18%	42,539	28%	1,655
	Human Resources	3,534	-7%	18,944	12%	638
	Legal Processes	2,718	-9%	21,706	14%	723
	Social sciences	2,208	-36%	16,712	11%	693
	Subtotal	14,624	-18%	99,901	67%	3,709
Architecture and Engineering	Engineering	1,255	27%	7,532	5%	271
	Architecture	720	6%	6,583	4%	458
	Subtotal	1,975	7%	14,115	9%	729
Creative Services	Communication and creative services	2,329	51%	11,013	7%	290
	Creative Services	1,233	-4%	6,348	4%	269
	Subtotal	3,562	13%	17,361	11%	559
ICT	ICT	4,595	4%	16,760	11%	608
	Subtotal	4,595	4%	16,760	11%	608
TOTAL		24,756	-9%	148,137	100%	5,605

Source: Uruguay XXI based on the Education Yearbook of the Ministry of Education and Culture (MEC, for its acronym in Spanish).

Table No. 10
Technical Degrees (2022)

Segment	Fields of study	Enrolled in Global Services careers	Share %
Business Services	Finance and accounting	3,672	27%
	Social sciences	1,444	11%
	Human Resources	1,114	8%
	Legal Processes	35	0%
	Subtotal	6,265	47%
Architecture and Engineering	Architecture	602	4%
	Engineering	485	4%
	Subtotal	1,087	8%
Creative Services	Communication and creative services	1,395	10%
	Creative Services	733	5%
	Subtotal	2,128	16%
ICT	ICT	3,937	29%
	Subtotal	3,937	29%
TOTAL		13,417	100%

Source: Uruguay XXI based on the MEC's Education Yearbook of the MEC.

5. ANNEXES

5.1. DEFINITION OF GLOBAL SERVICES EXPORTS

For further information on the definition of global export services please see: [Definition of global services](#).

5.2. INSTITUTIONAL FRAMEWORK

For further information on the institutional framework of the sector in Uruguay, please see: [Institutional Framework](#).

5.3. REGULATORY FRAMEWORK FOR SERVICE EXPORTS IN URUGUAY

For further information on the regulatory framework for exporting services from Uruguay, please see: [Regulatory framework for service exports from Uruguay](#).

5.4. REGULATORY FRAMEWORK FOR THE GLOBAL SERVICES SECTOR

For further information on the regulatory framework of the sector in Uruguay please see: [Regulatory Framework](#).

6. URUGUAY AT A GLANCE

Official name	Oriental Republic of Uruguay
Geographical location	South America, located between Argentina and Brazil
Capital	Montevideo
Surface Area	176,215 km ² and 95% of the territory is productive land suitable for agriculture and livestock farming.
Population (2023)	3.57 million
GDP per capita (2023)	US\$ 21,164
Currency	Uruguayan Peso (\$)
Literacy rate	0.98
Life expectancy at birth	77.9 years of age
Form of government	Democratic republic with presidential system
Political division	19 departments
Time Zone	GMT - 03:00
Official language	Spanish

Indicators	2019	2020	2021	2022	2023	2024*
GDP (Annual Variation %)	0.93%	-7.38%	5.56%	4.71%	0.37%	3.35%
GDP (Million US\$)	62,166	53,615	60,728	70,236	77,131	79,715
Population (Million people)	3.44	3.44	3.44	3.44	3.44	3.44
GDP per capita (US\$)	18,095	15,593	17,648	20,395	22,422	22,267
Unemployment Rate - Annual Average (% EAP)	8.9%	10.4%	9.3%	7.9%	8.3%	8.6%
Exchange Rate (Pesos per US\$, Annual Average)	35.3	42.1	43.6	41.1	38.9	40.0
Exchange Rate (Average Annual Variation)	14.7%	19.2%	3.6%	-5.6%	-5.5%	2.9%
Consumer Prices (Accumulated annual variation %)	8.8%	9.4%	8.0%	8.3%	5.1%	5.2%
Exports of goods and services (US\$ millions)**	17,224	13,879	19,611	22,584	27,537	28,116
Imports of goods and services (US\$ Millions)**	13,504	11,431	15,134	18,993	18,857	19,234
Trade surplus / Deficit (Millions of US\$)	3,721	2,448	4,477	3,591	8,680	8,881
Trade surplus / Deficit (% of GDP)	6.0%	4.6%	7.4%	5.1%	11.3%	11.1%
Overall Fiscal Result (% of GDP)	-4.4%	-5.8%	-4.1%	-3.4%	-3.6%	-
Gross Capital Formation (% of GDP)	14.1%	16.4%	18.3%	18.9%	17.3%	-
Gross Public Sector Debt (% of GDP)	59.9%	74.5%	69.8%	68.1%	69.1%	-
Foreign Direct Investment (Millions of US\$) ***	2,018	756	1,937	3,458	3,551	-
Foreign Direct Investment (% of GDP)	3.2%	1.4%	3.2%	4.9%	4.6%	-

*Data projected in red.

Sources: BCU, INE, MEF and estimated data (*). Fiscal result data includes the effect of Law No. 19,590 (fifty-year-olds). In 2017 the Central Bank of Uruguay adopted the methodology of the 6th balance of payments manual. The methodology includes merchandise sales and re-exports and is available since 2012. Data are net flows so they may show negative values (**).



Uruguay XXI
PROMOCIÓN DE INVERSIONES,
EXPORTACIONES E IMAGEN PAÍS

 www.uruguayxxi.gub.uy

 info@uruguayxxi.gub.uy

  [UruguayXXI](#)