

GLOBAL SERVICES IN URUGUAY



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Uruguay XXI
INVESTMENT, EXPORT AND COUNTRY
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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. Investment in Uruguay is declared of national interest, regardless of whether its 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 persons can reside and work legally in the country and are assisted in processing their visa and residency applications in an expeditive manner. A residence 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. **Costa Rica and Uruguay top the Latin American and Caribbean ranking for non-traditional service exports at US\$ 1,250 and US\$ 773 per capita, respectively (2022).** Uruguay stands out among the most specialized countries in non-traditional services in the region (considering its weight in relation to total services exports). Costa Rica, Argentina, and Brazil are other countries with these characteristics.

Global service exports in Uruguay reached US\$ 2.882 billion in 2022, marking the highest level since the Central Bank of Uruguay (BCU for its acronym in Spanish) has been collecting this information. If exports associated with **merchandise trading activities (US\$ 2.827 billion)** are added to this, a total of **US\$ 5.7 billion** is achieved.

The **global service sector employs over 32,000 people in Uruguay (2022)**. Of the total, over 80% 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, half are estimated to take place in free trade zones. Also, **there are more than 600 companies associated with global services in Uruguay (2022)**, without taking into account the micro and small companies in the sector (with less than 20 employees).

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

The business models adopted by companies in Uruguay are 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.

On the other hand, 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 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 correspond to 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 SERVICE 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/
Logistics

Software &
ITO

Financial

Creative &
AEC³

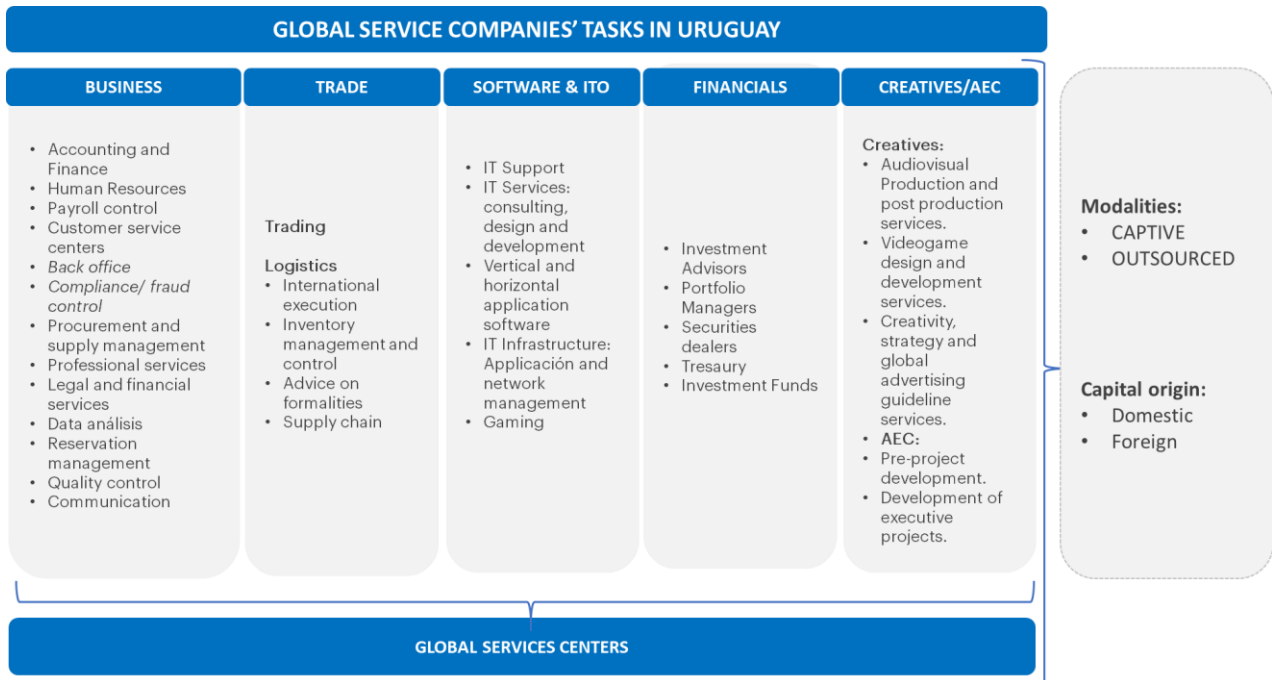
This sector also includes the **Global Service Centers (GSC)**, which contain the operations of international companies that use the country as a "regional hub" and combine tasks from different segments. For instance, a center may combine regional distribution, business services and/or trading activities.

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.

Figure 1
Global services companies' tasks in Uruguay by segment



BUSINESS 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 business services such as security and stability, tax benefits, qualified and multilingual talent, geographical location, time zone, telecommunications quality, and quality of life. This puts it in a privileged location for operations in different forms.

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

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](#)

TRADING/LOGISTICS

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 and Trafigura or Tenaris have chosen Uruguay as their regional center.

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

Regional Distribution Centers (RDC)

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.,

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.

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). Some RDCs for high-value products operating in Uruguay include MegaLabs, Merck, Adium Pharma, Ricoh, Lexmark, Biotoscana, Roche, Astrazeneca and GSK.

For further information look at: [Business Case Pharma and Life Sciences](#)

SOFTWARE & ITO

Include 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.

At the end of June 2023, the Microsoft AI Co-Innovation Lab was inaugurated at the Technological Laboratory of Uruguay (LATU, for its acronym in Spanish), one of the four labs that the company has in the world (the others are in the United States, Germany, and China).

This opening poses opportunities for business innovation in the different value chains in Uruguay, as it offers cutting-edge tools and technology, which will allow companies to evaluate specific projects in a safe environment alongside specialized technicians, making the inclusion of artificial intelligence in their processes and business more feasible.⁵

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

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 June 2023, there are 209 licensed institutions including portfolio managers, investment advisors and securities dealers. They operate both inside and outside the free trade zone.

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.

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 opens artificial intelligence lab at LATU](#) - Ministry of Industry, Energy and Mining

For further information: [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 industry 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: [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 trade⁶.

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), sales of a set of services known as **non-traditional, modern or global services** has also increased⁷. These include communication, information, technology, design, professional and creative services, among others. Like the remaining economic activities, their characteristics and importance are subject to cultural changes and technological disruptions.

3.1. GLOBAL TRADE FLOWS

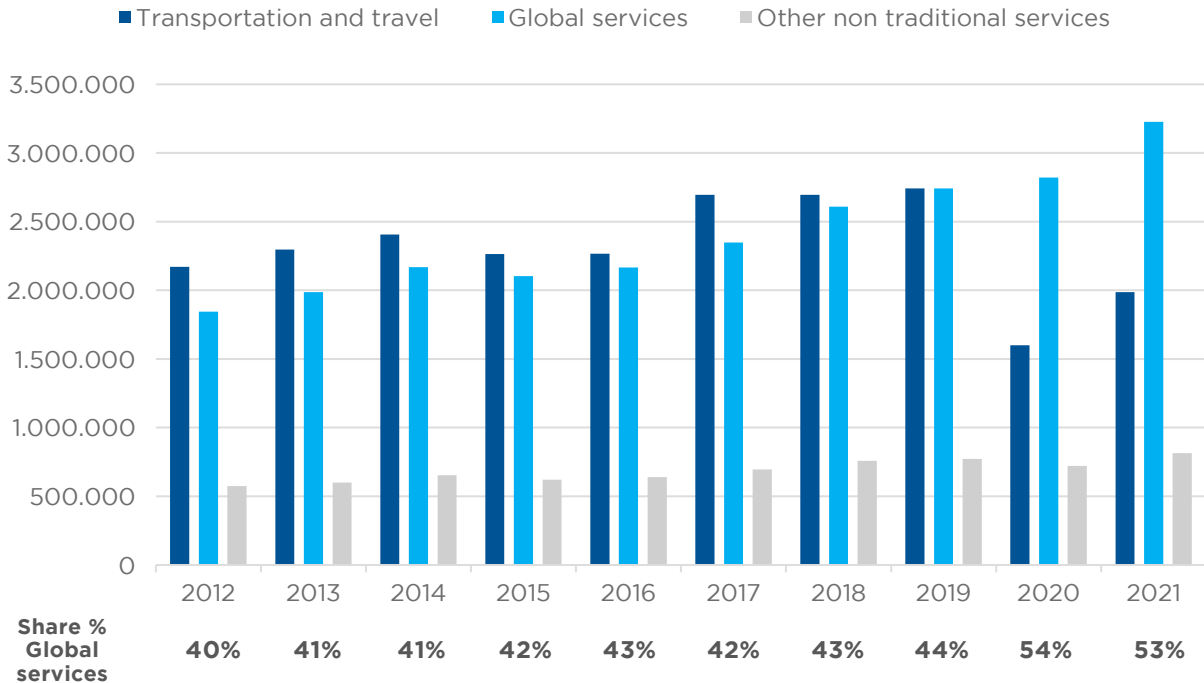
Global services exports grew by 17% in 2021⁸, exceeding US\$6 trillion. This increase is mostly explained by the increase in non-traditional services exports: IT and communication exports rose 19%, followed by professional services, which recorded a growth of 14%. Thus, global services exports increased 14% over 2020 and in 2021 accounted for 53% of global services trade.

⁶ [Services trade](#) - WTO

⁷ Non-traditional services comprise all exported services excluding transportation and tourism. However, the term global services do not include some non-traditional services, such as government services or royalties.

⁸ Latest available data.

Graph 1
Global exports of services
(Millions of US\$)



Source: UNCTAD.

Global exports of traditional services amounted to almost US\$ 2 trillion. This figure also marks a growth compared to 2020 (24%). Growth was notable in all categories: transportation (35%), trading services (12%) and travel (11%). According to preliminary data published by the WTO for 2022, service exports show a 15% recovery over 2021, placing it above pre-pandemic levels. The boost comes from traditional services, especially tourism, which almost doubled the value exported in 2021, and transportation, which grew 23% in the year-over-year comparison. Non-traditional services grew 2% compared to 2021, with increases in computer services (6%) and business services (6%) standing out.⁹

Table 1 shows global exports by type of service. Within non-traditional services, the most relevant sales were global service exports: if we consider business, IT and communication, financial and personal services, we obtain a share of 79% of total exports of non-traditional services and 53% of total services.

⁹ [Global Trade Outlook and Statistics - WTO](#)

Table 1
Global services exports (2021)

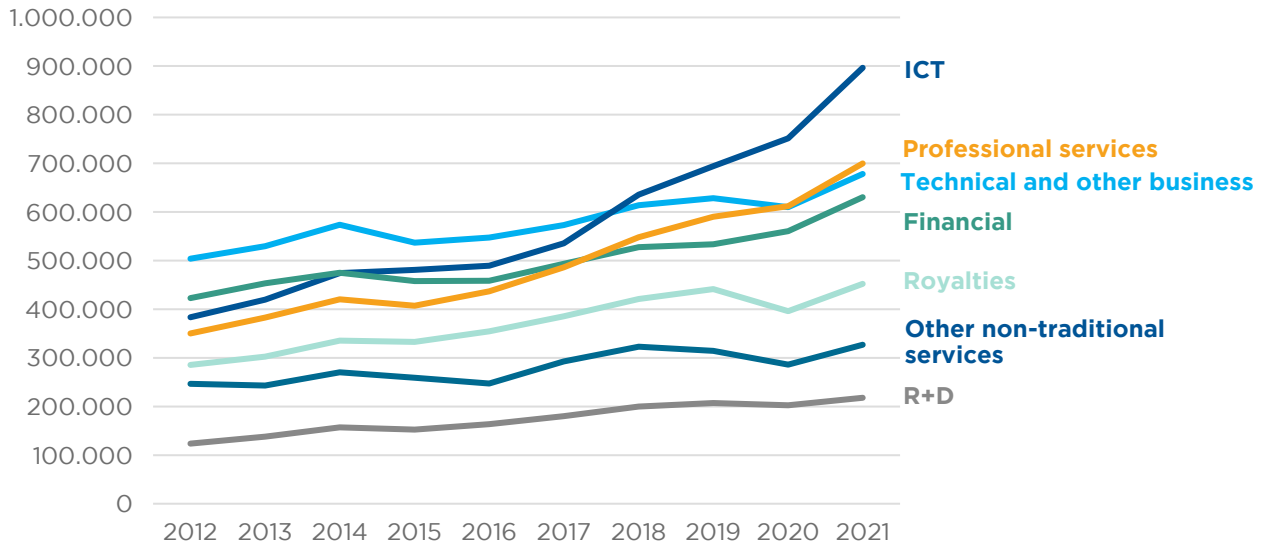
Service category	Million US\$	Y-o-Y Var %	Share %
Transportation	1,158,494	35%	19%
Travel	614,663	11%	10%
Sales and purchasing services	213,868	12%	4%
Global Services	3,225,742	14%	53%
Business: technical, trade and other	678,084	11%	11%
Business: professionals	669,720	14%	12%
Corporate: R+D	217,861	8%	4%
IT and Communication	896,418	19%	15%
Financial Services	630,319	12%	10%
Personal, cultural and recreational	103,340	19%	2%
Other non-traditional services	814,484	13%	13%
Royalties and license fees	452,082	14%	7%
Insurance and pensions	183,262	14%	3%
Construction	101,840	11%	2%
Government Services	77,300	6%	1%
Total Services	6,071,633	17%	100%

Source: Prepared by Uruguay XXI based on UNCTAD.

As can be seen in Figure 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 2021. Within ICT exports, the momentum was mainly driven by computer services, whose global exports totaled US\$ 750 billion. Meanwhile, sales of professional services have also performed well in recent years. Financial and insurance services also showed an upward trend between 2012 and 2021.¹⁰

¹⁰ These classifications correspond to UNCTAD's Balance of Payments data for each country.

Graph 2
Global exports of non-traditional services
 (Million US\$)



Source: compiled by Uruguay XXI based on UNCTAD.

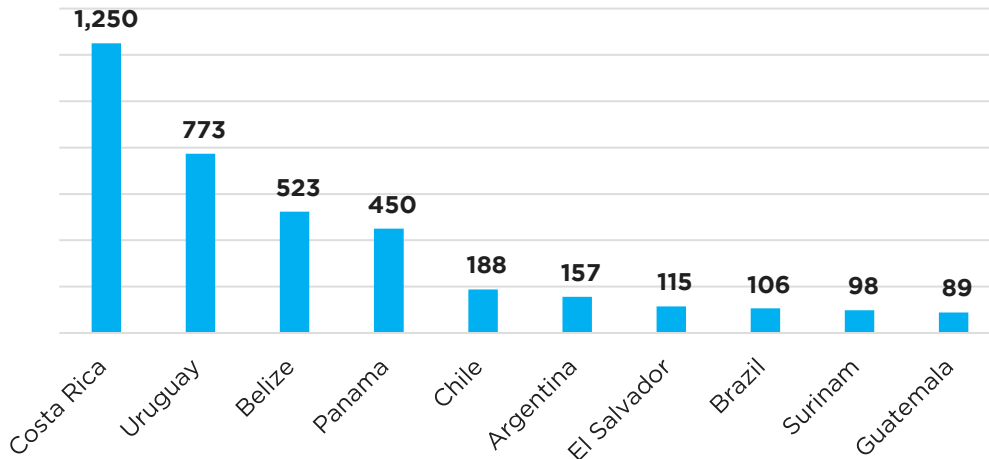
Developed economies exported 77% of non-traditional services, while developing economies exported the remaining 23%. In terms of region, Europe was the leading non-traditional services exporting region with 52% of sales in 2021. Asia and North America followed with 27% and 18% of the total, respectively. Latin America and the Caribbean accounted for 2%, while Africa accounted for the remaining 1%. With regard to each country, the main suppliers of non-traditional services in 2021 was the United States (16% of total exports worldwide) followed by European countries such as the United Kingdom (9%), Ireland (8%) and Germany (6%) Asian countries like China (6%), India (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 was the largest importer in 2021 with 11%, followed by Ireland with 9%, Germany with 6% and the United Kingdom, China, the Netherlands, and Japan with 5%.

In Latin America and the Caribbean, Brazil was the leading exporter with US\$ 22.672 billion, 31% of total sales. Argentina followed with 10%, then Costa Rica (9%), Mexico (7%), Chile (5%), Colombia (5%) and Uruguay (4%). However, if these figures are viewed in relation to population, **Costa Rica and Uruguay lead the Latin American ranking with US\$ 1,250 and US\$ 773 per person, respectively** (see Figure 3).

Non-traditional services exports in Uruguay increased at a good pace over the last decade, with a 3% 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). Argentina, Costa Rica, and Brazil are other countries in the continent with this characteristic.

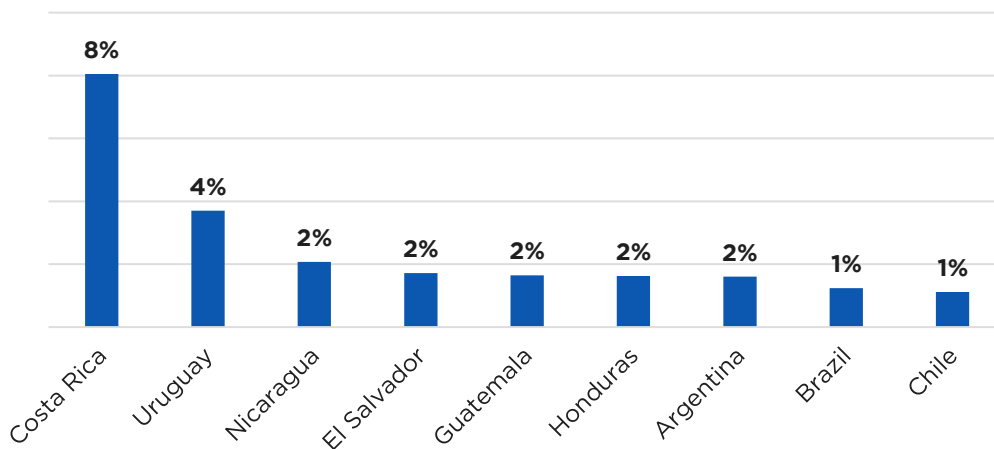
Graph 3
Exports of non-traditional services. Latin America and the Caribbean
 (US\$ per capita)



Source: UNCTAD (2021), Central Bank of Uruguay and World Bank (2022).

Uruguay also stands out in global services exports in relation to its GDP. As shown in Figure 4, it ranks behind Costa Rica.

Graph 4
Global services exports. Latin America and the Caribbean
 (% share of GDP)



Source: ESG and Global Services (ALES, 2023).

In Latin America there are cities that meet the conditions to provide non-traditional services. In its latest edition, the **Global Business Innovation Sustainability Index**¹¹ prepared by Tholons, ranks Montevideo third among Latin American and Caribbean countries.

Table 2
Global Business Innovation Sustainability Index - Super Cities

2023 Ranking	LAC SUPER CITIES
6	São Paulo
33	Santiago
40	Montevideo
50	Buenos Aires
64	Mexico City
68	San José
95	Curitiba
98	Bogotá
100	Rio de Janeiro
100	Kingston

Source: Tholons (2023).

3.2. GLOBAL INVESTMENT FLOWS

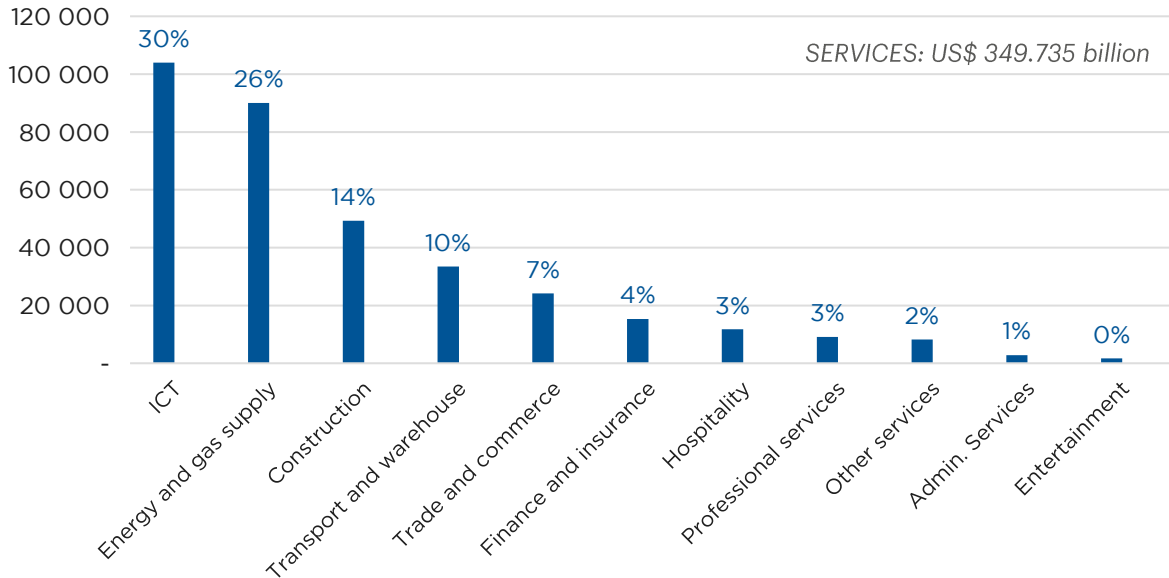
In terms of global investment flows, a similar pattern to that of trade can be seen. According to data from the World Investment Report (WIR UNCTAD 2022), investment increased 64% in 2021. Investment in greenfield projects¹² grew 15% and totaled US\$ 660 billion. Services accounted for 53% of this investment, a share three percentage points below that of 2020.

Global services accounted for 44% of investment in greenfield projects, with ICT investment having the greatest impact on total growth: it increased by 23% and totaled US\$ 104 billion. Thus, ICT services were the leading sector in terms of investment amount.

¹¹Tholons Global Business Innovation Sustainability Index (2023). This consulting firm prepares rankings and provides localization strategies to multinational companies, countries, governments, multilateral organizations, analysts, and investors.

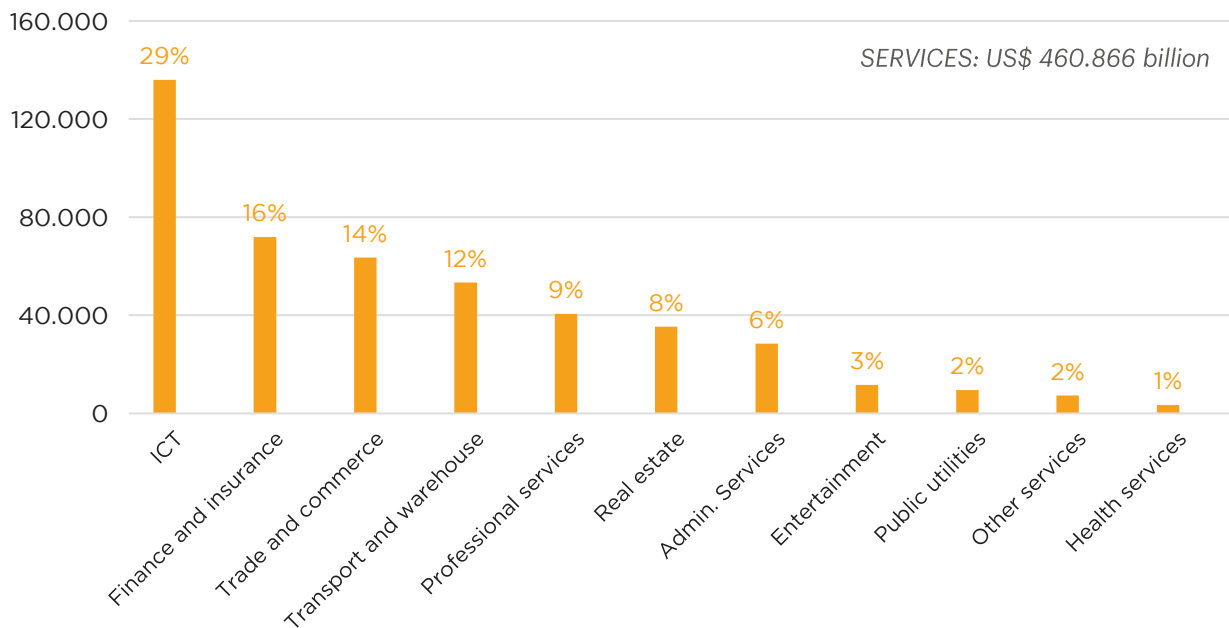
¹² Greenfield projects must be formed from the beginning or must completely change an existing one; they do not include profits reinvested by foreign companies.

Graph 5
Greenfield investment by type of service (2021)
(US\$ Millions)



Source: UNCTAD, WIR 2022.

Graph 6
Mergers and acquisitions by type of service (2021)
(US\$ Millions)



Source: UNCTAD, WIR 2022.

Mergers and acquisitions totaled US\$ 728 billion in 2021, 53% above the 2020 record. Services accounted for 63% of this total and amounted to US\$ 461 billion. Sales of global services assets accounted for 60%, with the ICT sector accounting for 49% of the total sold in the global services sector.

3.3. GLOBAL TRENDS

Finding and retaining talent

A major challenge in this sector lies in recruiting and retaining talent. New remote work options are driving organizations to look for talent in a global marketplace. When remote work became the norm during the pandemic and talent began to look beyond their local geography, organizations began branching out of their typical locations to tap into global talent.

According to “[The State of Global Business Services in 2023 And Beyond](#)”, one of the top concerns for most executives is not only recruitment, but also retention. The same survey found that the main factor for attracting talent is the potential to develop individual skills and abilities, as well as providing certifications, while offering hybrid work and flexible working hours come in second place. However, this challenge also creates an opportunity for service providers to offer solutions to this problem.

India remains the top destination for outsourcing activities. However, according to the “[Deloitte Global Outsourcing Survey 2022](#)”, change is on the horizon. Companies are dependent on India and competition coupled with increased access to global talent has led to a re-evaluation of alternative geographies. Companies are increasingly looking to Europe (particularly Eastern Europe), Latin America, and Asia-Pacific nations, as well as India and even North America as viable options for their outsourcing services. Latin America also appears to be one of the emerging regions offering entrepreneurial and technological talent, infrastructure and the benefit of a substantial time zone and cultural overlap with North America.

According to the Global Telecommuting Index¹³, **Uruguay is the best Latin American country for telecommuting**. This index considers digital security, which is analyzed in terms of whether each country has infrastructures and response capabilities to protect professionals and whether legal mechanisms are efficient to report cybercrime. In addition, Uruguay has the level

¹³ [Global Remote Work Index](#) - Nordlayer.

of political and economic stability and adequate living conditions that fit the bill. In terms of digital infrastructure, the Internet connection speed and access to coworking spaces are evaluated.

Cybersecurity and data analytics are the top outsourcing priorities

According to a survey by Deloitte, executives identified cybersecurity as the top external challenge they face in achieving their strategic objectives. A total of 81% of executives turn to external suppliers to provide all or part of their cybersecurity capabilities. A total of 96% of executives cited service providers as the source for developing their data analytics capabilities. Therefore, service providers must be willing to offer solutions that integrate talent and knowledge as well as risk-taking.

Global services and ESG drivers¹⁴

Several organizations are adding environmental, social, and corporate governance objectives to their corporate strategy, which in turn has an impact on sourcing strategy. In Europe, ESG regulations are being introduced, such as the European Union's taxonomy, a classification system that establishes a list of environmentally sustainable economic activities. Companies must incorporate ESG dimensions within their sourcing strategies and operating models. "[The State of the Shared Services & Outsourcing Industry -Global Market Report 2023](#)" shows that over half of the respondents to its survey are adding ESG initiatives.

In addition, the vast majority of the top companies in the United States have adopted ESG criteria as part of their strategies. Among the top twenty organizations with environmental, social and governance concerns, most belong to the service sector and, in particular, to the IT and financial services segments (Just Capital, 2021)¹⁵.

Technology use

According to "[The State of Global Business Services in 2023 And Beyond](#)" over 80% of survey respondents consider digital technology highly important in overall service rendering. Despite the obstacles companies face when incorporating the use of digital technology, automation is critical in the provision of global services. In terms of specific technologies, Robotic Process Automation remains the most widely adopted, but there is also the use of software, such as ServiceNow, which provides a cloud that automates workflows and IT management. In

¹⁴ "[Sourcing Trend Radar 2022](#)" - KPMG

¹⁵ Based on "ESG and Global Services" (ALES, 2023).

addition, one in four global service companies surveyed are already using artificial intelligence or machine learning in their service delivery operations.

4. GLOBAL SERVICES IN URUGUAY

4.1. URUGUAY AS A SERVICE EXPORTER

In Uruguay, service exports showed significant growth in 2022, totaling US\$ 5.43 billion and registering a 46% increase. Compared to pre-pandemic numbers, growth was only 1%. This is due to the fall of tourism exports between 2020 and 2021, related to the confinement and border closure measures derived from the pandemic. In 2022, tourism recovered its activity, tripling its exports and reaching US\$ 1.753 billion. However, it still remains 22% below the figure recorded in 2019.

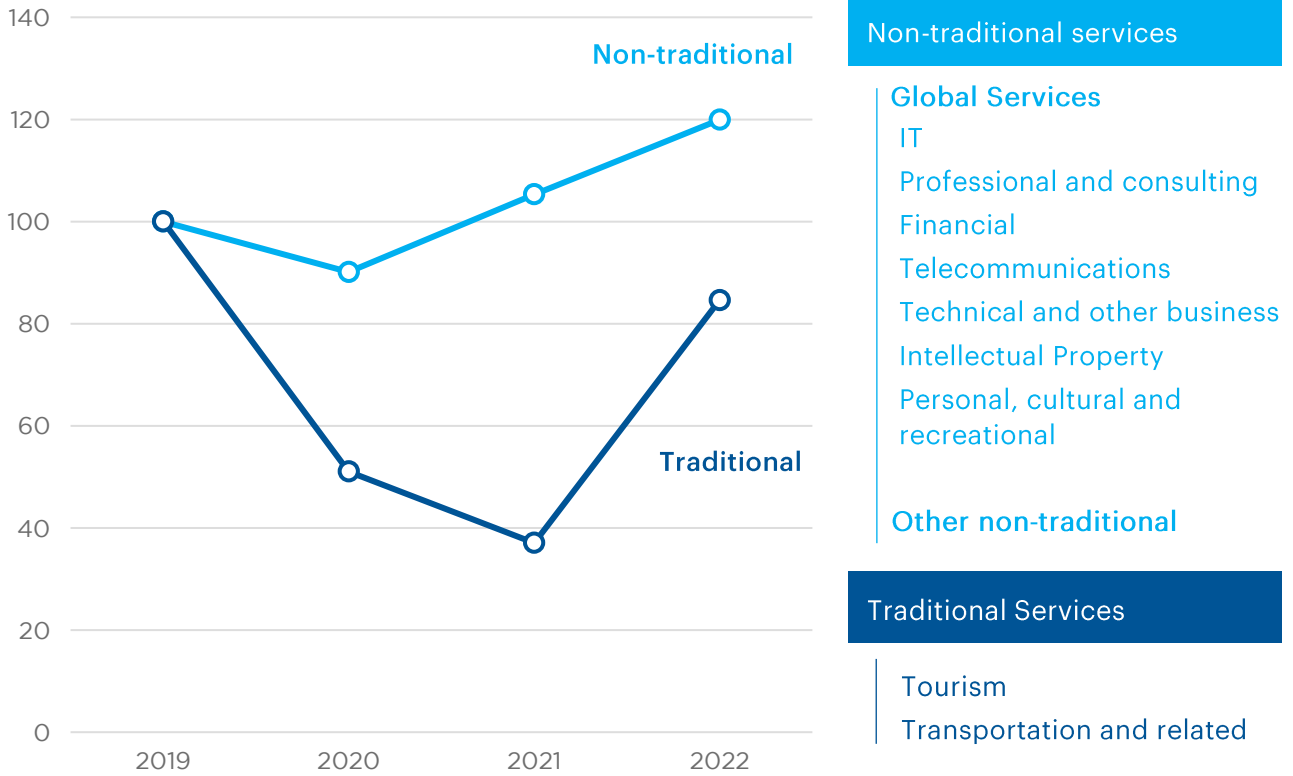
In line with what occurred globally, **non-traditional services were the most resilient in the face of the pandemic. In particular, global service exports grew 14% year-on-year, reaching almost US\$ 2.9 billion in 2022.** Meanwhile, merchandise trading activities declined by 21% and totaled US\$ 2.817 billion.

Table 3
Uruguay- Service exports and trading
 (US\$ Billions)

	2018	2019	2020	2021	2022
Global Services	2.159	2.376	2.150	2.529	2.882
Trading	1.653	1.740	1.398	3.581	2.817
Travel	2.624	2.255	1.058	0.540	1.753
Transportation and related services	0.573	0.580	0.389	0.510	0.645
Other non-traditional services	0.120	0.152	0.128	0.133	0.150
Total services + trading	7.128	7.102	5.123	7.293	8.247

Source: compiled by Uruguay XXI based on figures from the Central Bank of Uruguay.

Graph 7
Uruguay- Service exports
(Index base year 2019=100)

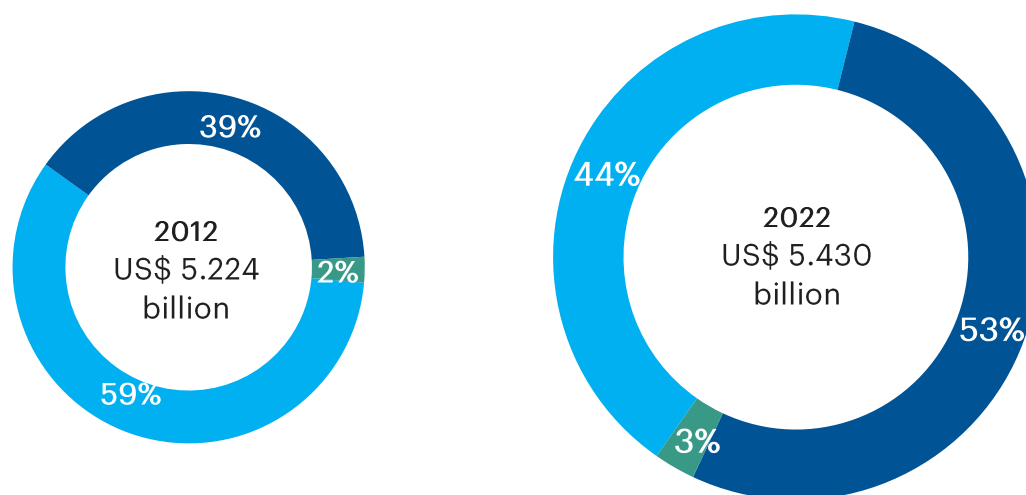


Source: compiled by Uruguay XXI based on data from the Central Bank of Uruguay.

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 53% of total service exports, to the detriment of traditional services.

Graph 8
Uruguay- Service Exports
 (Share % of total services)

■ Traditional services ■ Global services ■ Other non-traditional services



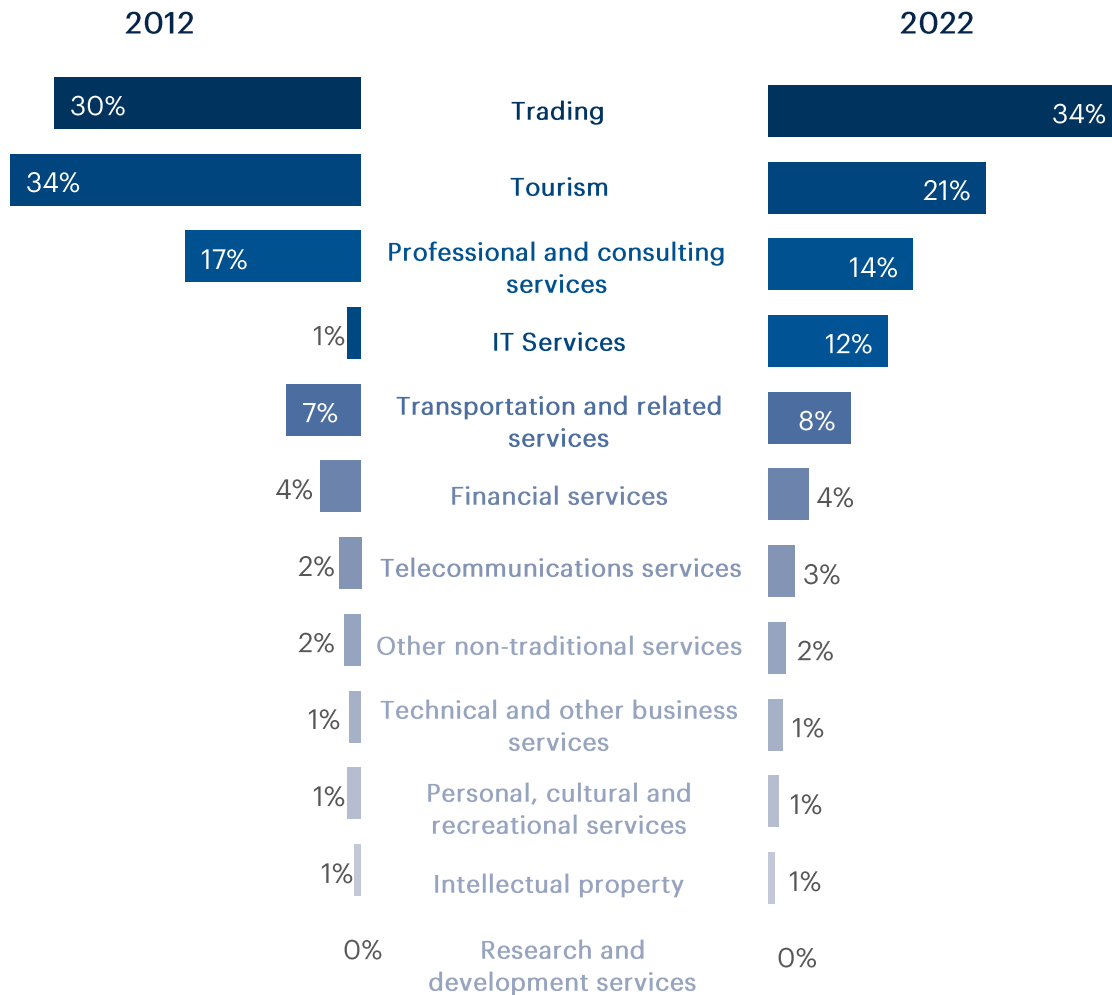
Source: compiled by Uruguay XXI based on data from the Central Bank of Uruguay.

If we zoom in and compare the service export basket of 2012 with that of 2022 (see Figure 9), 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 country¹⁶, 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 34% of service exports and today they account for 21%.

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 1% in 2012 to 12% in 2022.

¹⁶ Merchandise purchase and sale activities are recorded under goods in the Balance of Payments information.

Graph 9
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 service 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 SERVICE EXPORTS IN URUGUAY

In 2022 global service exports and trading totaled US\$ 5.7 billion. This figure is the sum of global services exports (US\$ 2.882 billion) and exports associated with merchandise trading activities (US\$ 2.817 billion).

Global service exports reached almost US\$ 2.9 billion in 2022, its highest levels since the Central Bank of Uruguay has collected this information. Particularly noteworthy are the exports of business services, which together with professional and technical services totaled US\$ 1.159 billion in 2022 (an 8% growth in the year-on-year comparison). They are followed by computer service exports with US\$ 980 million in 2022, 20% more than 2021 numbers. These services have been growing at a fast pace for several years: the 2022 figure is four times higher than the numbers recorded six years ago (2016). Meanwhile, financial services totaled US\$325 million. These segments account for 88% of the value of exported global services.

Table 4
Global service exports
 US\$ Millions

Balance of Payments Classification	Uruguay XXI Segments	2018	2019	2020	2021	2022
IT	Software & ITO	646	798	855	816	980
Professional and consulting	Business/Creative & AEC	801	836	693	1,075	1,159
Financial	Financial	294	291	277	308	325
Telecommunications	-	234	250	202	180	213
Technical and other business	Business	65	99	59	45	71
Intellectual property	-	55	34	26	45	52
Personal, cultural and recreational	Creative & AEC	64	68	38	59	82
Global Services		2,159	2,376	2,150	2,529	2,882
Trading (calculated as margin of sales)	Business	1,653	1,740	1,398	3,581	2,817
Global + Trading		3,811	4,116	3,548	6,110	5,700

Uruguay XXI based on the Central Bank of Uruguay.

Global service export destinations

In terms of export destinations, different sources of information are gathered to obtain an overview of destinations for the main global service 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 2021, more than 58% of sales went to the United States, which is traditionally the sector's main export destination. The United Kingdom ranked second with over 17%, followed by Chile, Colombia, Canada, and Argentina, among other countries.¹⁷
- Regarding exports of audiovisual services, Uruguay's National Institute of Film and Audiovisual Arts (INCAU, for its acronym in Spanish) published that between 2019 and 2021, budgets of upwards of US\$ 85 million were declared. If the destinations of these productions are reviewed, the United States accounts for more than 70% of the total, which shows the importance of this destination also for audiovisual services.¹⁸
- As mentioned below, the United States also stands out as the main destination for companies located in free trade zones that export services.

Exports from free trade zones

Several free trade zones in Uruguay have specialized in providing global services and a large part of exports originate from there. According to information from the Free Zone Census 2020 (latest available data)¹⁹, US\$ 1.993 billion of non-traditional services were exported, representing 87% of non-traditional service exports²⁰. In addition, sales associated with merchandise trading activities were recorded at US\$ 1.283 billion, 92% of trading sales.

GLOBAL SERVICES FROM FREE TRADE ZONES

Uruguay has a free zone regime that is very attractive for supplying global services (see Regulatory Framework). In total there are fifteen free zones, seven of which specialize in

¹⁷ For further information please see: [CUTI Report 2021](#)

¹⁸ [Audiovisual Sector Data - ACAU](#)

¹⁹ [ZZFF Survey 2020](#), Free trade zone area Economy and Finance Ministry

²⁰ This percentage arises from calculating the quotient between US\$ 1.993 billion and US\$ 2.286 billion ([See Table 8 of the ZZFF 2020 Survey](#)).

services (four of them are in operation and the other three are under construction). The following is a brief description of the free service trade zones in Uruguay²¹.

Free trade zones for services



Aguada Park²²: first global service 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, different 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, IT, 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 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): occupies an 85-hectare area and is located in the department of Canelones, on Route 101,

²¹ Information provided by each free trade zone operator (June 2023).

²² For further information visit: www.aguadapark.com

just one kilometer from Carrasco International Airport, which gives it a strategic location.

It is able to accommodate commercial, industrial and service activities. Construction began in mid-2010 and there are currently approximately 60,000 m² built with an infrastructure investment of over US\$ 220 million. Among its activities are pioneering projects in production and development under the free trade zone regime of medicine for human use and others related to life sciences, animal health and, more recently, the production of medical cannabis. One of its flagship clients is the pharmaceutical company Megalabs, which has its main 23,000 m² facility in the park for the production of sterile, solid and ophthalmic products and a state-of-the-art research and development center. In addition, in May 2021, Google LLC announced its plan to build a datacenter on a 30-hectare site within the free trade zone.

At *Parque de las Ciencias* there are currently more than 70 users operating in various fields of activity and approximately 1,000 people work there. Among users are several pharmaceutical companies, technology companies, suppliers of raw materials, diagnostic services, marketers of medical devices, logistics operators and service providers in various areas such as finance, intellectual property, marketing, design, and engineering, among others. It offers a wide range of spaces, from small office space to large industrial buildings, with different levels of development, including turnkey options, as well as a wide variety of support services for the companies that operate there.



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

Strategically located in the area of greatest urban development and services of the city, meters from 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 agrobusiness 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. The complex has LEED certification and Enterprise Certification, a first-class data center and a security system twenty-four hours a day, every day of the week.


ZONAMERICA

Zonamerica: 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, Zonamerica Uruguay is set on 90 hectares of mixed-use land. From the campus, 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 the N°1 international business community in Uruguay with over 7,000 collaborators, Zonamerica attracts and empowers the most qualified talent in the region and offers a unique environment for its development: 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 14 fastest growing industries in the world economy, such as financial services, IT, pharma, biotechnology, consulting, international trade, logistics, among others. It is also a hub for the most dynamic international companies in the region: Airbus, Altisource, Assist-Card, Despegar, Finning, Insigneo, Merck, RCI, Ricoh, Sabre, Satellogic, Trafigura, UBS and Verifone, among others.

Free trade zones for services under development


**PUNTA
 DEL ESTE
 STUDIOS**
 SOUTH AMERICA

Punta del Este Studios: in November 2019 the Executive Branch authorized the **first themed free trade zone in the country**. It is located in Maldonado and is called Punta del Este Studios. The investment for the infrastructure of the park is estimated at US\$ 21 million and consists of a specific scenographic infrastructure for the audiovisual industry. The project has a 30-hectare site, which includes soundproof film studios, several sets and multipurpose office buildings to house the so-called "creative industries" in the areas of research, development, production, storage, processing, and distribution of audiovisual services. Construction is scheduled to begin during the second half of 2023.


**WTC™ PUNTA DEL ESTE
 FREE ZONE**

WTC Punta del Este Free Zone: is the free service 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: in June 2023 the company Zona Franca del Plata was authorized to operate a private service free zone in Colonia del Sacramento. In 2021 the construction was approved by the Municipality of Colonia and the Departmental Board. 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 8,565 leasable m². It will be the first free trade zone in the coastal area destined to the service sector and it is expected to receive 110 companies with an estimated occupation of 1,000 people²³.

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. In addition, this type of structure has the advantage of being a product with low carbon emissions in its manufacture and a significant reduction in construction time compared to traditional construction.²⁴

²³ [How will the projected Free Trade Zone for Services in Colonia work? – La Diaria \(local newspaper\).](#)

²⁴ [Government approved the construction of a service free zone in Colonia del Sacramento - La Diaria.](#)

FREE TRADE ZONE CENSUS 2020

The **Free Trade Zone Census** has information on almost all the companies that carry out activities in free trade zones. Although the detail on the activity level of the census does not allow for a fully comparable analysis with the information published in the Balance of Payments at the global services level, the aggregate information is of interest to the sector, considering that most of its foreign sales are produced in free trade zones. Two tables are presented in this section. The first contains the companies, employment and exports of the free trade zones specialized in services.

Free trade zones for services (2020)

	Exporting Companies	Jobs	Exports (US\$ Millions)
Zonamerica	371	7.022	1.673*
WTC Free Zone	108	1.620	815
Aguada Park	72	2.988	741
Parque de las Ciencias (Science Park)	24	969	177**
Total Free Trade Zones	575	12.599	3.406

Notes: *includes trade. **includes goods.

The second table shows a breakdown of service exports from free trade zones by type of service and destination. The United States is the main recipient of services from free trade zones for the software & ITO services and business services. Europe follows in importance.

Exports from free trade zones by destination and activity (2020) (US\$ Millions)

Main activity	Asia	Europe	Others	Other LAC	United States	Mercosur (Common market of the south)	Total
Services	378	402	64	297	698	231	2,071
Transportation and storage	3	63	0	3	4	3	77
Information and Communication	30	121	0	26	449	31	657
Financial and insurance	2	112	4	29	140	53	340
Real estate	0	0	0	0	0	0	0
Periodic and technical	337	51	59	127	76	20	672
Administrative and support	3	46	0	102	24	92	267
Arts and Entertainment	0	1	0	1	0	0	2
Other services	2	8	0	10	5	31	56
Trading	154	240	31	493	135	230	83

INVESTMENTS

Of the investments²⁵ announced in 2022, 63% are about activities grouped under the concept of global services, with 60% of total investments in the business and software & ITO segments and 3% associated with trade (mainly logistics). Within the business and software segments, investments in IT²⁶ centers and GSC²⁷ stand out, accounting for 49% and 30% respectively. Table 5 details the investment announcements of foreign companies in the country for the sector of global services exports.

Table 5
Investment project announcements in Uruguay - Global Services (2022)

Date of announcement	Investment	Origin	Sector	Sector of Investing Account	Type of Project
Dec-22	BIND Group	Argentina	GSC	FINANCIAL	New Investment
Dec-22	BARBUSS	Belgium	GSC	FINANCIAL	New Investment
Dec-22	Epam Systems	United States	R+D SERVICES	TECHNOLOGY	New Investment
Nov-22	CENCOSUD CHILE	Chile	GSC	TEXTILE	New Investment
Oct-22	Dualboot Partners	United States	IT CENTERS	TECHNOLOGY	New Investment
Oct-22	Hyperclear	South Africa	GSC	TECHNOLOGY	New Investment
Sept-22	SURPRISE SHIRTS	United Kingdom	RDC	CLOTHING AND FOOTWEAR	New Investment
Sept-22	WORKPLACE OPTIONS	United States	GSC	PROFESSIONAL-BPO	New Investment
Aug-22	Exness	Cyprus	GSC	INVESTMENT GROUP/FUND	New Investment
Aug-22	Fantastic Funding	United States	GSC	TECHNOLOGY	New Investment
Aug-22	Banque Syz & CO	Switzerland	FINANCIAL&INSURANCE	FINANCIAL	New Investment
Jul-22	1NCE	Germany	IT Center	TECHNOLOGY	New Investment
Jun-22	MFS Investment Management (MFS International)	Canada	GSC	FINANCIAL	New Investment
Jun-22	Labbi GO	Argentina	E-COMMERCE	TECHNOLOGY	New Investment
Jun-22	Microsoft	United States	R+D SERVICES	TECHNOLOGY	Reinvestment
May-22	MERCADOLIBRE	Argentina	IT Center	TECHNOLOGY	Reinvestment
May-22	PRINTFACTORY	Netherlands	IT Center	TECHNOLOGY	New Investment
Apr-22	COMBINED RATIO SOLUTIONS	United States	IT Center	PROFESSIONAL-BPO	New Investment
Apr-22	INFOGAIN	United States	IT Center	TECHNOLOGY	New Investment
Apr-22	NIMBLE GIANT ENTERTAINMENT	Argentina	CREATIVE SERVICES	CREATIVE	New Investment
Mar-22	GROTOKEN ESPAÑA	Spain	IT Center	TECHNOLOGY	New Investment
Feb-22	INFINOX	United Kingdom	GSC	TECHNOLOGY	New Investment
Jan-22	CloudGaia	Argentina	IT CENTER	TECHNOLOGY	Reinvestment

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.

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

Table 6 details the agreements with foreign buyers for companies established in Uruguay in the global services export sector.

Table 6
Mergers and acquisitions announcements - Deals with Uruguayan companies (2022)

Announcement Date	Investment	Target Company	Origin	Platform Sector	Investment Account Sector	Type of Project
Nov-22	Saks Consultoria, Assessoria, Vida e Previdencia Ltda	DIF Markets Agente de Valores SA	Brazil	FINANCIAL & INSURANCE	INVESTMENT GROUP/FUND	Acquisition
Nov-22	Constellation Software Inc	Datalogic Ingenieros SRL (Datalogic Software)	Canada	IT CENTER	TECHNOLOGY	Acquisition
Nov-22	ADVANTA SEEDS UK LTD	Hong Kong	Hong Kong	GSC	AGRO - FOOD	Minority Interest
Jul-22	Anymarket Technologies SA	Sagal	Brazil	IT CENTER	TECHNOLOGY	Acquisition
Jun-22	ITAU UNIBANCO HOLDING SA	RESONANCE URUGUAY SA	Brazil	GSC	FINANCIAL	Acquisition
May-22	Emergent Cold Latin America (Emergent LatAm)	Polo Logistico de Frio (PLF)	Brazil	LOGISTICS OPERATOR	LOGISTICS	Acquisition
May-22	THE SANDBOX	CUALIT	Hong Kong	IT CENTER	TECHNOLOGY	Acquisition
May-22	OIKOCREDIT ECUMENICAL DEVELOPMENT CO-OPERATIVE SOCIETY UA	BANKINGLY	Netherlands	IT CENTER	FINANCIAL	Minority Interest
Abr-22	Globant	GeneXus	Argentina	IT CENTER	TECHNOLOGY	Acquisition
Abr-22	Unknown	H TECHNOLOGIES INC.	Unknown	IT CENTER	UNKNOWN	Minority Interest
Abr-22	Greyhound Capital	Strike Security LLC	United Kingdom	IT CENTER	INVESTMENT GROUP/FUND	Minority Interest
Mar-22	NET2PHONE INC.	INTEGRA CCS	United States	IT CENTER	TELECOM	Acquisition
Mar-22	Mouro Capital; Quona Capital Management Ltd	Nocnoc Group LLC (nocnoc)	United Kingdom	IT CENTER	INVESTMENT GROUP/FUND	Minority Interest
Feb-22	SOFI TECHNOLOGIES	TECHNISYS	United States	IT CENTER	TECHNOLOGY	Acquisition
Jan-22	SkyTel Telecomunicaciones Argentina SA	Avanza	Argentina	GSC	PROFESSIONAL-BPO	Acquisition
Jan-22	Cartesian Capital Group	TIENDAMIA	United States	FINANCIAL & INSURANCE	INVESTMENT FUND/GROUP	Minority Interest

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

EMPLOYMENT

The service sector is very labor intensive, and Uruguay is no exception, employing almost 75% of the working population²⁸. In addition, global services -due to the type of services they include- contribute by generating quality jobs²⁹, 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 33,000 people in a dependent relationship (2022)**. Of this total, it is estimated that half are jobs located in free trade zones. The following table presents the estimated employment in the sector based on information of direct employment of large and medium-sized companies. Of this total, over 80% is found in the software and business services subsectors, followed by personnel employed in commerce and trading activities.

The number of **companies** was also estimated using complementary sources of information³⁰. There are more than 600 companies in Uruguay linked to the global services sector. It is important to note that this is only a minimum estimate, since large and medium-sized companies are mostly being considered, without including micro and small companies, which tend to be numerous. Almost 71% of the companies are in corporate services and software, followed by companies in financial services. The enterprises in this sector are located in the metropolitan area of Montevideo and largely in the free trade zones specialized in services.

²⁸ Continuous Household Survey (ECH, for its acronym in Spanish) 2022.

²⁹ The degree of informality of the sectors associated with Global Services is 7.7%, compared to 20.6% for the total economy (ECH 2022).

³⁰ Annual Economic Activity Survey (EAAE, for its acronym in Spanish 2021) of the National Statistic Center, the National Customs Directorate, the Free Trade Zone Census of the Ministry of Economy and Finance and the Central Bank of Uruguay.

Table 7
Employment and companies -Global Services - 2022

Segment	Subsector	Companies	Employment
Financial Services	Securities Brokers	22	382
	Investment Advisors	32	421
	Portfolio Managers	43	491
		97	1,294
Business Services	Contact centers	25	5,252
	Service Centers	33	6,435
	Other Professional and Business Services	191	2,611
		249	14,298
Trade	Regional distribution centers and associated services	79	3,684
	Trading	15	970
		94	4,654
Software & ITO	IT Service Centers	17	7,568
	Other software services	208	5,001
		225	12,569
Global Services		665	32,815

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 zone, only those with more than twenty employees are calculated. 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.

4.3. 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 2022, 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 8
People working in tasks related to global services

Task	2018	2019	2020	2021	2022
Accounting	61,623	61,317	62,761	58,673	67,774
ICT	24,383	23,365	29,003	30,900	32,174
Creative & AEC	33,669	34,247	35,107	33,230	33,254
Sales	14,479	14,691	15,058	18,762	20,133
Customer Service	10,617	9,743	11,503	12,076	11,183
Other administrative	10,381	10,409	10,905	10,973	11,281
Logistics	9,646	10,144	9,982	10,439	8,965
Financial	8,226	7,831	8,386	7,389	7,998
Legal	7,766	8,725	10,044	8,832	10,815
Human Resources	3,146	2,667	2,666	2,803	3,455
Purchases	3,418	2,520	2,078	3,012	2,904
Total	187,354	185,659	197,492	197,088	209,936

Source: Uruguay XXI based on the Continuous Household Survey (2022) 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 and private institutions³¹. Table 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.³²

³¹ The main universities in Uruguay are 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.

³² For further information, please see: [ICT Sector Report in Uruguay](#).

Table 9
University Degrees (2021)

Field of study	Admitted	Admitted 2021 over 2020	Enrolled	Enrolled in Degree Programs Global Services (%)	Graduates
<i>Finance and accounting</i>	7,400	29%	42,044	29%	2,044
<i>Legal Processes</i>	4,064	33%	23,318	18%	1,051
<i>Human Resources</i>	3,802	30%	18,030	12%	668
<i>Social sciences</i>	2,887	19%	14,525	10%	430
Total - BPO	18,153	29%	100,917	70%	4,193
<i>Architecture</i>	801	18%	6,649	5%	552
<i>Engineering</i>	945	-4%	5,359	4%	198
Total - Architecture and Engineering	1,746	5%	12,008	8%	750
<i>Creative Services</i>	1,372	7%	6,052	4%	166
<i>Communication and creative services</i>	1,780	15%	7,790	5%	285
Total - Creative Services	3,152	11%	13,842	10%	451
<i>ICT</i>	4,311	32%	17,935	12%	512
Total - ICT	4,311	32%	17,935	12%	512
Total	27,362	25%	144,702	100%	5,906

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

Table 10
Technical Degrees (2021)

Fields of study	Enrolled	Enrolled in Degrees Global Services (%)
<i>Finance and accounting</i>	2,174	19%
<i>Legal Processes</i>	0	0%
<i>Human Resources</i>	753	7%
<i>Social sciences</i>	575	5%
Total - BPO	3,502	31%
<i>Architecture</i>	339	3%
<i>Engineering</i>	612	5%
Total - Architecture and Engineering	951	8%
<i>Creative Services</i>	459	4%
<i>Communication and creative services</i>	1,596	14%
Total - Creative services	2,055	18%
<i>ICT</i>	4,746	42%
Total - ICT	4,746	42%
Total	11,254	100%

Fuente: Uruguay XXI based on the Education Yearbook of the MEC.

5. ANNEXES

5.1. DEFINITION OF GLOBAL SERVICE 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 refer to: [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 services 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 refer to: [Regulatory Framework](#).

5.5. CAREER LISTINGS

For more information on the list of careers in Uruguay in the global services sector, see: [Career Listing](#).

6. URUGUAY AT A GLANCE

URUGUAY IN NUMBERS

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 (2022)	3.57 million
Population growth (2022)	0.3% (annual)
GDP per capita (2021)	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

KEY ECONOMIC INDICATORS

Indicators	2018	2019	2020	2021	2022	2023*
GDP (Annual Variation %)	0.16%	0.74%	-6.26%	5.28	4.92%	1.97%
GDP (Million US\$)	65,118	61,992	53,613	61,380	74,182	75,484
Population (Million people)	3.51	3.52	3.53	3.54	3.55	3.57
GDP per capita (US\$)	18,573	17,619	15,184	17,324	20,867	21,164
Unemployment Rate - Annual Average (% EAP)	8.3%	8.9%	10.4%	9.3%	7.9%	8.1%
Exchange Rate (Pesos per US\$, Annual Average)	30.8	35.3	42.1	43.6	39.5	40.9
Exchange Rate (Average Annual Variation)	7.3%	14.7%	19.2%	3.6%	-9.4%	3.5%
Consumer Prices (Accumulated annual variation %)	8.0%	8.8%	9.4%	8.0%	8.3%	6.7%
Exports of goods and services (US\$ millions)**	17,216	17,185	13,735	19,336	22,605	23,605
Imports of goods and services (US\$ Millions)**	13,964	13,499	11,364	14,903	18,716	21,287
Trade surplus / Deficit (Millions of US\$)	3,252	3,687	2,371	4,433	3,899	2,318
Trade surplus / Deficit (% of GDP)	5.0%	5.9%	4.4%	7.2%	5.2%	3.1%
Overall Fiscal Result (% of GDP)	-3.9%	-4.4%	-5.8%	-4.1%	-3.4%	-
Gross Capital Formation (% of GDP)	14.9%	14.3%	16.4%	19.2%	18.8%	-
Gross Public Sector Debt (% of GDP)	59.1%	60.1%	74.5%	69.1%	64.3%	-
Foreign Direct Investment (Millions of US\$) ***	-11	2,018	746	2,244	3,839	-
Foreign Direct Investment (% of GDP)	0.0%	3.3%	1.4%	3.7%	5.2%	-

*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 (**).



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