



Uruguay – Country Presentation

Fact Pack

Swedish Trade Council in Argentina
November 2007



THE SWEDISH TRADE COUNCIL MAKES IT EASIER FOR SWEDISH COMPANIES TO GROW INTERNATIONALLY

Sweden:

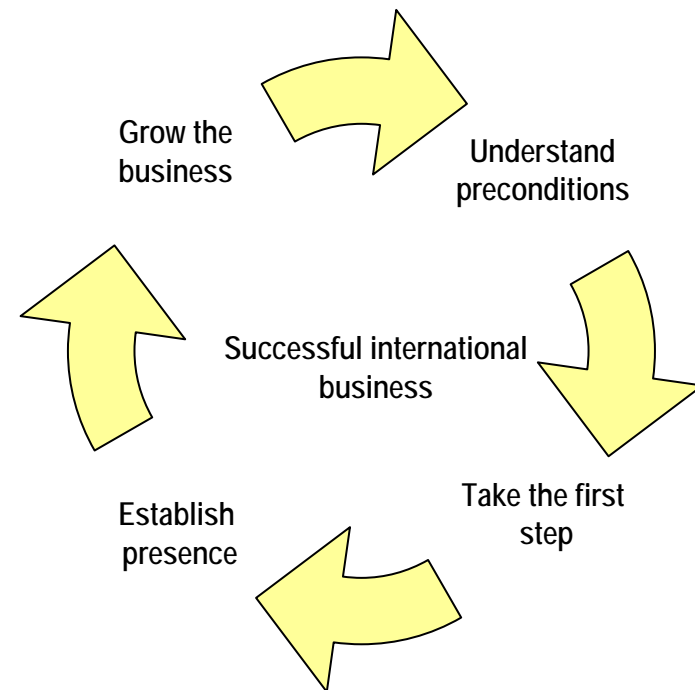
- Headquarters in Stockholm, 80 employees
- 22 regional export advisers
- All Trade Commissioners regularly visit different parts of Sweden

Abroad:

- 60 places, 400 employees in 52 countries
- Through partners and networks we cover more than 100 countries

Uruguay:

- Covered from Buenos Aires office (Argentina)
- 5 employees



Vision of the office:
STC in Buenos Aires is the primary consulting partner for Swedish companies doing business in Uruguay

URUGUAY IN BRIEF

Area: 176 215 km²

Inhabitants: 3.47 million

Constitution: Democratic republic

Head of State: President Tabaré Vazquez

Languages: Spanish (official), English often spoken in business

Inhabitants per km²: 20/km²

Currency: Peso

GDP 2006: 19 308 MUSD

GDP per capita 2006: 5 500 USD

Inflation: 6.3% (2006)

Main exports: Meat, food & beverage and agriculture products

Main imports: Machinery & equipment, oil & gas, inputs for production

Swedish Exports to Uruguay 2006: 194.4 MSEK

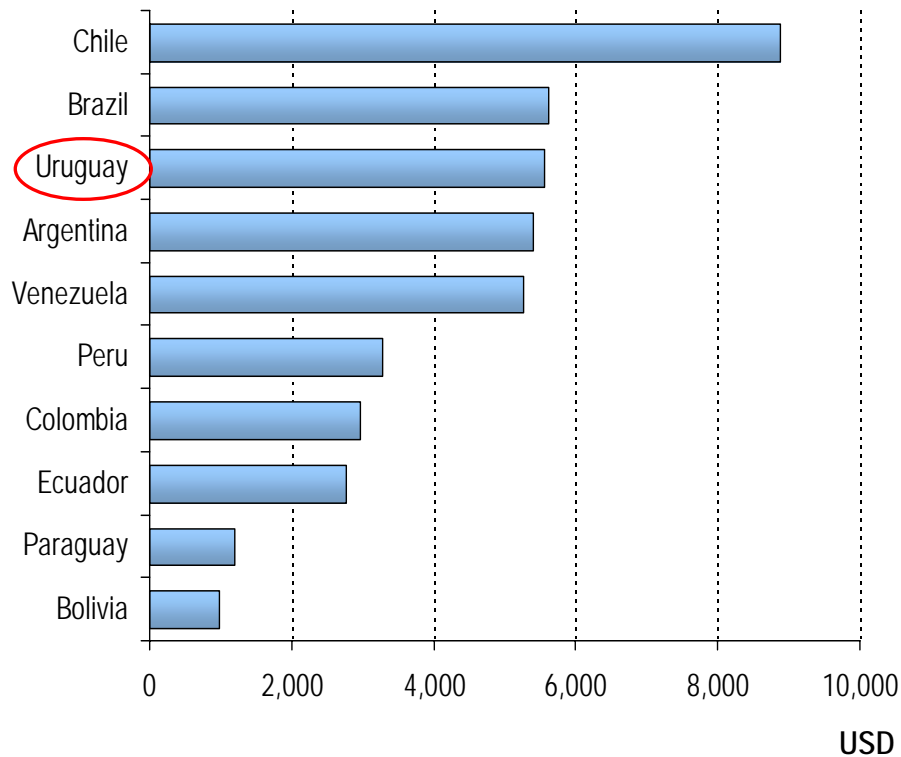
Swedish imports from Uruguay 2006: 152.9 MSEK



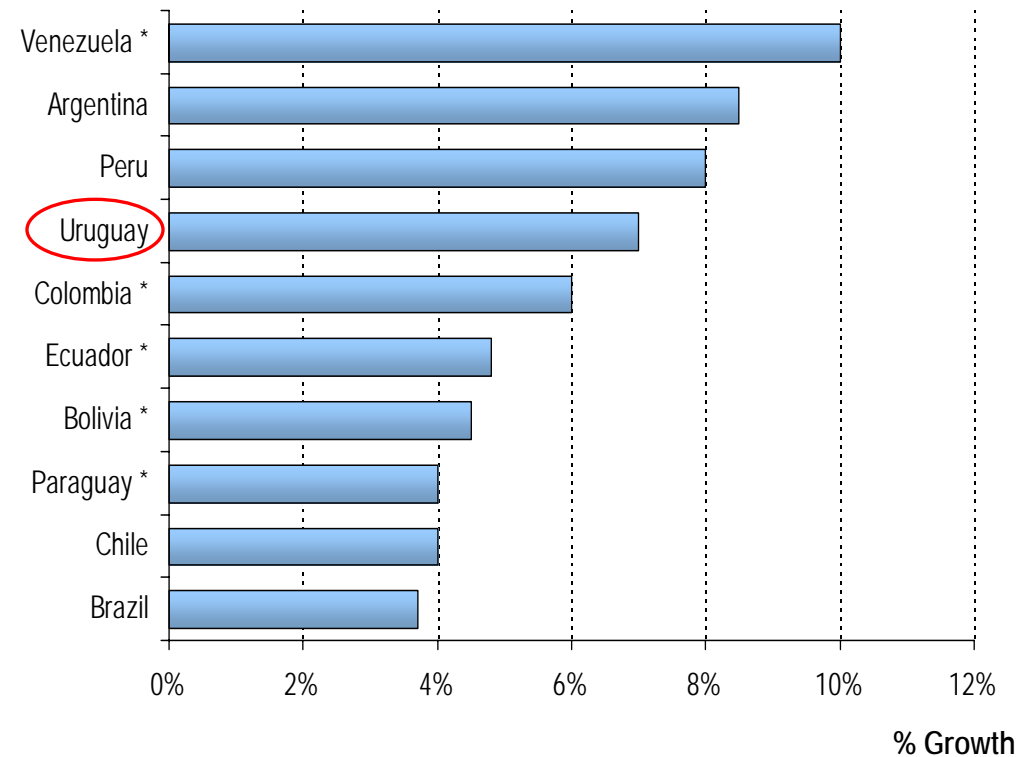
URUGUAYAN ECONOMY AMONG THE STRONGEST IN THE REGION

- Per capita GDP is among the highest in LA and the country shows high growth rates

Regional GDP per capita (2006)



Regional GDP growth (2006)

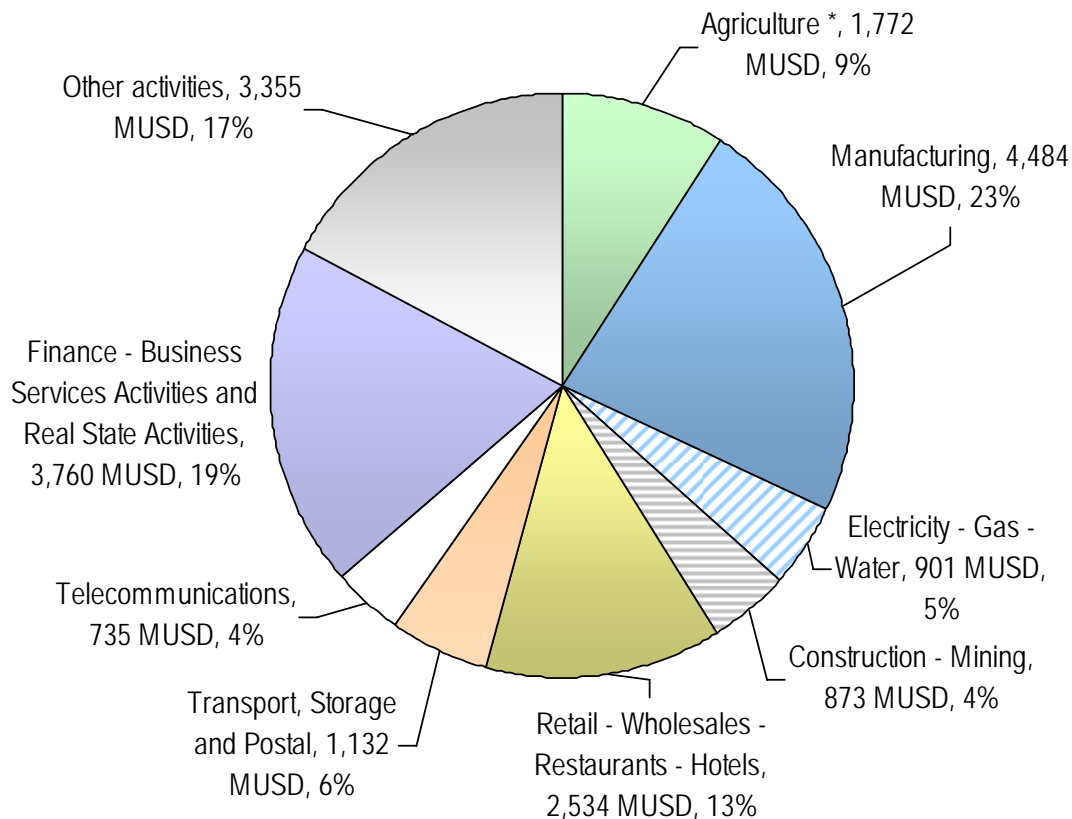


Social stability contributes to strengthen Uruguay's position in regional business rankings.

AGRICULTURE SECTOR IS KEY ECONOMIC SECTOR FOR URUGUAY

- Manufacturing industry is mainly processing of agricultural produce

Uruguay GDP structure current prices (MUSD)

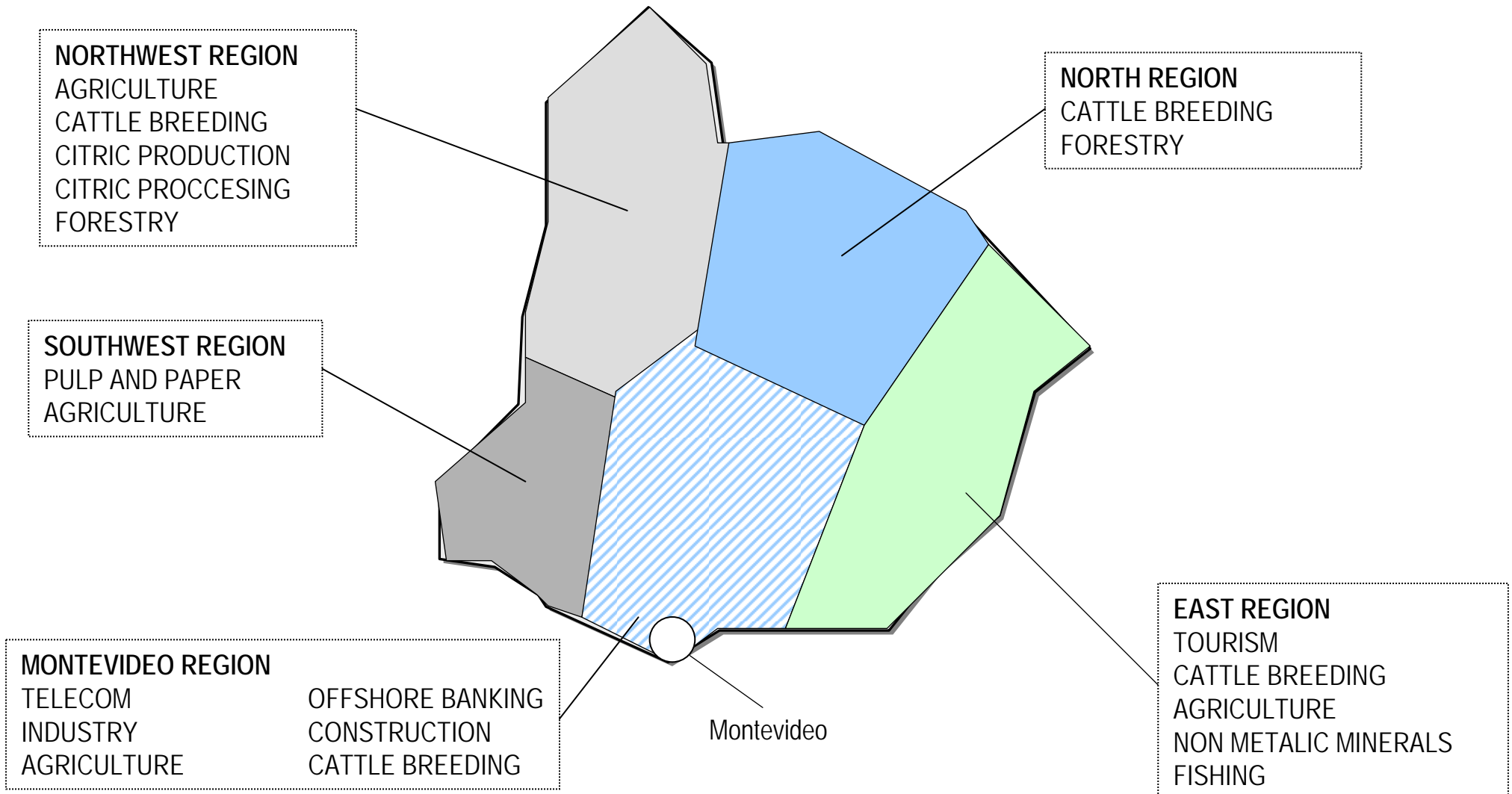


- Offshore financial services makes banking one of the leading economic activities in Uruguay
- Telecommunications sector has strongly increased mainly due to dramatic increase in mobile telecommunications.
- The economy is export-oriented:
 - Tourism, offshore banking and agriculture are the leading sectors.
- Industry-share of GDP is higher than in other Latin America countries.

Financial services and tourism sector are closely linked to the Argentine economy.

MONTEVIDEO IS URUGUAY'S ECONOMIC CENTER AND MOTOR

- Agriculture and forestry are key sectors for the Uruguayan economy





KEY SECTORS FOR SWEDISH COMPANIES

- Three sectors are growing fast and generating new investments

AGRICULTURE

- A traditional but still dynamic sector of the country.
- One of the most important sectors of the economy in terms of export.
- Producers are investing in new technologies in order to increase productivity.
- Arising capital-intensive market niches such as blueberry cultivation and olive plantation.

FOREST, PULP AND PAPER

- Large FDI in pulp plants are changing the sector.
- New pulp plants will make Uruguay a world class player in the pulp sector.
- Forestry is growing strongly due to industrial related projects and independent investments.
- Investments in saw mills are also influencing forestry investments positively.

TELECOM

- One of the most dynamic sectors of the Uruguayan economy.
- Since deregulation of the market, competition is increasing strongly.
- Uruguay is rapidly recovering ground after a "slow start".
- Demand of products and services compatible with the offering of Swedish companies within telecom.

A FEW NOTES ABOUT URUGUAYAN BUSINESS CULTURE

- Dress formally, be on time and be prepared to small talk

Business meetings

Meetings don't always start on time. However, try to be on time.
Business atmosphere is more formal than in Sweden but less formal than in other Latin American countries.
Be prepared for small talk before getting down to business, personal relations are important for Uruguayans.
Business cards should be presented to everyone in a meeting, otherwise you could be considered rude.

Dress code

Dress code is more formal than in Sweden. Suits should be worn for business meetings.
Women wear dress suit, long trousers or skirt and jacket.

Gifts

Gifts are not an important part of business, but are appreciated.
Traditional products from Sweden can be a good gift.

Negotiations with Uruguayan counterpart

- Business language is generally Spanish.
- Connections are important for Uruguayans. Having the right connections can simplify the negotiation process. Uruguay is a small country and everyone knows each other within the business community.
- Agreements should always be confirmed in writing.
- Written agreements should be detailed.
- The boss has the final say.

Uruguayan business culture can accurately be described as European.

URUGUAY PROVIDES CONSIDERABLE BUSINESS OPPORTUNITIES

- A small but fast growing economy open to foreign investments.
- A transparent government and an economy with clear rules. A member of MERCOSUR - an springboard to a larger market
- New sectors are developing fast and require equipment & technology, such as forestry, wood, pulp & paper and telecommunications
- High growth of imports over the past years, particularly of inputs for production.

... which has contributed to...

...the fact that more than **10** Swedish companies are registered in Uruguay and many more are there as sub suppliers or via distributors.

STC in Buenos Aires is the natural partner for all Swedish companies who want to establish or develop their business in Uruguay



USEFUL CONTACTS

Gobierno de Uruguay

(Uruguay's government on the Internet)

Tel: +59 82 1712 2262

www.uruguay.gub.uy

Agencia de Promoción de inversiones y exportaciones

(Exports and Investment Promotion Agency)

Tel: +59 82 900 2912

www.uruguayxxi.gub.uy

INE

(National Statistical Office)

Tel: +59 82 902 7303

www.ine.gub.uy

Banco Central de Uruguay

(Uruguay's Central Bank)

Tel: +59 82 1967

www.bcu.gub.uy

Ministerio de Economía

(Ministry of Economy)

Tel: +59 82 902 7303

www.mef.gub.uy

Consulado General de Suecia en Uruguay

(Swedish General Consulate in Uruguay)

Tel: +59 82 916 3935

www.swedenabroad.com/buenosaires

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