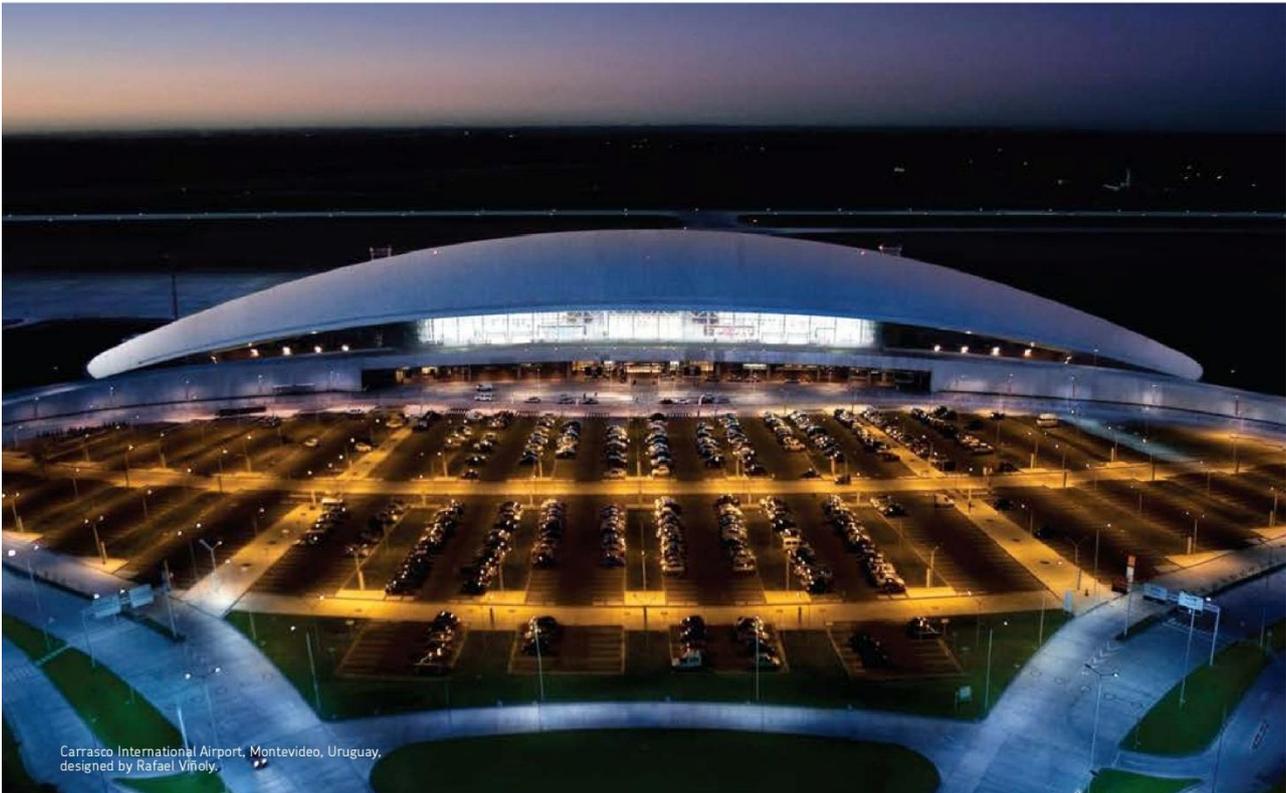


# Uruguay

## A Smart Decision for Architecture, Design, and Urban Planning Support



Highly qualified professionals



Cultural affinity



Cost savings



Convenient time zone



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## Business Opportunities & Success Cases

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### Establish a presence in LATAM in a reliable and tech-savvy country

**HUMPHREYS  
& PARTNERS**  
ARCHITECTS, L.P.

*“Uruguay’s large pool of talented professionals has allowed our company to increase its productivity and profit margin while working in a similar time zone to the US. The quality of the country’s human capital combine with training resources and other government support to create a strong value proposition for Uruguay.”*

**Walter Hughes**, FAIA, Vice President of Humphreys and Partners Architects and Head of Operations in Uruguay

### Support US and global projects with talented teams at an excellent cost-benefit ratio



*“LAGUARDA.LOW Architects from New York has been working with Uruguayan studios for more than ten years, obtaining technical architectural services of excellent quality. Exceptional results are built on architects’ professionalism, efficiency, and dedication. Their outstanding training allows professionals to become problem-solving, reliable at meeting deadlines, and adaptable to new methodologies and processes.”*

**Pablo Laguarda**, FAIA, Partner of LAGUARDA.LOW ARCHITECTS

### Create a partnership with a world-class studio for LATAM and global markets



Carlos Ott Architects in association with Carlos Ponce de León Architects is a leading, award-winning architectural design firm. Located in Uruguay’s Zonamerica Business & Technology Park, the firm has designed and built large architecture, urban planning and interior design projects that have won the International Property Awards in association with Bloomberg Television, Best Office Architecture in Asia Pacific, and the International award, for The Siruseri Technology Park for TATA Consultancy Services. The firm’s Celebra Office Building in Zonamerica won Best International Office Building. Many of the firm’s projects are LEED certified buildings.

## Uruguay | A Smart Decision

Uruguay is the **most reliable country to do business** in one of the most economically attractive regions in the world. **Many international architecture, engineering and urban planning firms**, as well as other global companies, have chosen Uruguay for their international or regional headquarter to support their teams in the United States and around the world. Our country offers them:

- » **Multilingual, highly talented and creative professionals**

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- » **Excellent cost-benefit ratio**

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- » **Similar time zone and cultural affinity**

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- » **Leader in IT development and world-class telecommunications infrastructure**

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- » **Outstanding tax benefits and government incentives**

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- » **FDI track record:** Humphreys and Partners Architects, BASF, Tenaris, Finning Caterpillar, Altisource, Netsuite, Verifone, among others.

**Home to Rafael Viñoly, who designed the Boston Convention and Exhibition Center, and Carlos Ott, who designed Paris’ Opéra de la Bastille, Uruguay is a cradle of award-winning architects.**

Investors and US clients highlight the design talent, technical knowledge, and communication skills of Uruguayan architects, as well as their strong commitment and ability to analyze and critically assess problems. Samples of architecture firms that work with Uruguayan teams are: Gensler, HOK, and LAGUARDA.LOW Architects.

Due to a generalist but balanced professional training<sup>1</sup> and early work experience, professionals soon develop the ability to provide integrated solutions involved in all four phases of the architectural process. In addition, they soon acquire practical and technical understanding of different building materials, elements, and architectural software. Finally, architects also develop coordination and interpersonal skills to participate in global project teams of high complexity. All these components grant the easy access to solution-oriented professionals qualified to engage in world-class projects.

### Language command of university students<sup>2</sup>

	Architecture	Engineering
<b>Spanish</b>	100%	100%
<b>English</b>	74%	84%
<b>Portuguese</b>	28%	32%

<sup>1</sup> 5 year Bachelor, 530 credits.

<sup>2</sup> Compilation based of data furnished by the UdelaR Statistics Unit, University Census 2012.

### Average yearly full-time salaries<sup>3</sup>

Position	Annual Cost for Company
	13 salaries, 20 vacation days and employer contributions
Architect/Designer	U\$S 23,000
Intern	U\$S 9,500

The following chart presents the labor and operational approximate average annual costs of an architecture studio of 40 architects in Montevideo (outside and inside free zone).

### Approximate average annual costs of an architecture studio in Montevideo

	Annual Cost for Company (U\$S)	
	Montevideo	Free Zone
<b>40 Architects</b>		
Average yearly full-time salaries	U\$S 923,000	U\$S 923,000
<b>Office AA &amp; AAA + common utilities</b>		
Rent (1,000 square feet per year)	U\$S 26,198	U\$S 40,704
<b>Total</b>	<b>U\$S 946,198</b>	<b>U\$S 960,704</b>

For more information about these and other utilities, check our [investor guide](#).

<sup>3</sup> Source: the information refers to average earnings received by architects as members of an architecture firm, regardless of the fees charged to their client, according to a survey responded by 85 architecture firms in 2016.

## Uruguay's Value Proposition

Uruguay's value proposition relies on four key pillars: reliability, market and nearshore location, qualified talent, and a unique lifestyle.



reliability

- Political, social and economic stability
- Free currency and free capital repatriation
- Tax compliance and outstanding benefits

In service operations maximizing investment security is paramount. Uruguay offers investment security within an economically attractive region. The country has maintained strong political and social stability for years, supported by a consolidated democracy and the rule of law.

### Uruguay consistently leads Latin America and the Caribbean rankings

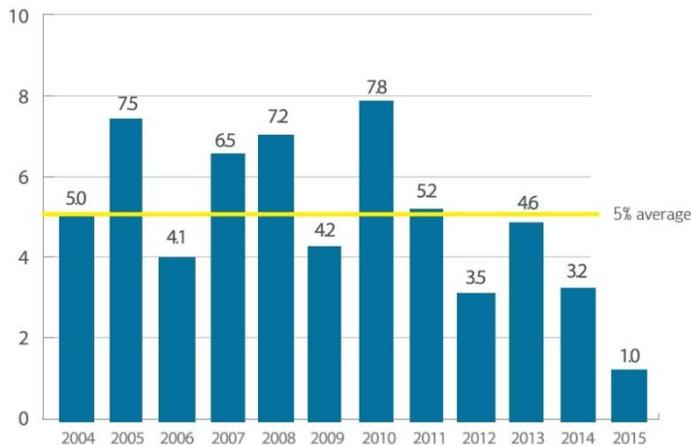
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**Uruguay has enjoyed 12 years of uninterrupted GDP growth. Between 2007 and 2014 the economy grew at an annual average rate of over 5%.**

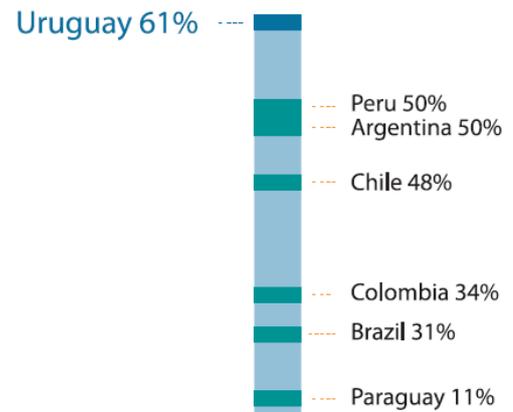
This expansion was accompanied by a growth in **GDP per capita** from US\$ 10,000 in 2005 to almost US\$ 16,000 in 2015, the **highest in Latin America** (measured in current US\$). In addition to Uruguay's high GDP per capita, the country's income distribution is also worth noting. Uruguay is the most egalitarian economy in Latin America according to any income distribution measure.

Uruguay received **FDI inflows** of US\$ 1,552 million in 2015. It remains the **second largest recipient** in the region, with incoming FDI flows of around 5.3% of GDP, well above the average of the region (2.9%). What is more, in the last decade Uruguay has become the second top of the region where **companies reinvest the most of their total profits** (61%).

GDP Growth (%) Uruguay

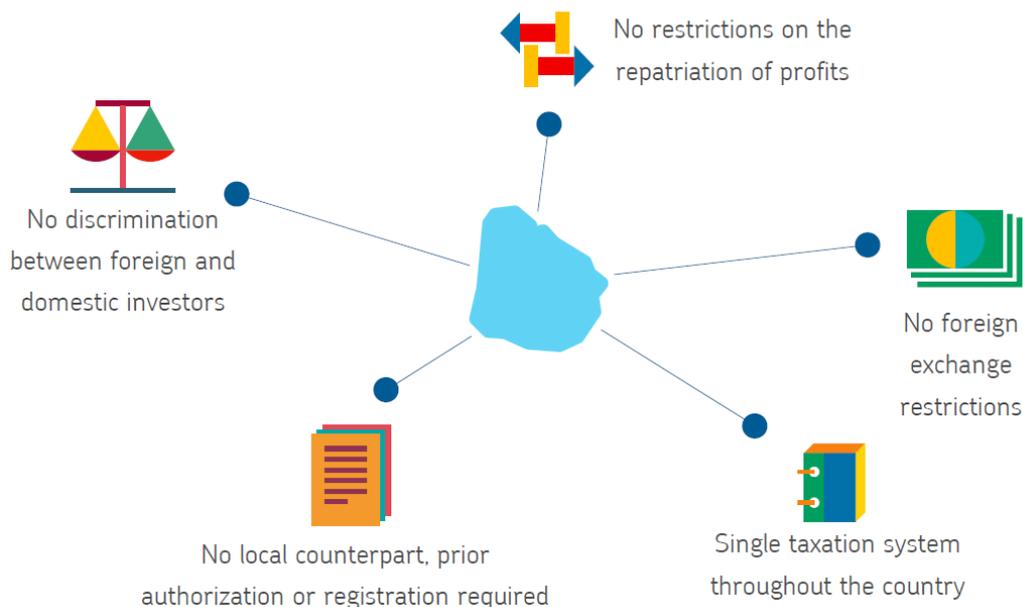


Reinvested profits (% of total profits, 2005-2015)



Uruguay is recognized for its orderly management of public debt and for its **fiscal stability**. The three major credit ratings agencies Fitch (March, 2015), Moody’s (May, 2015), and Standard & Poor’s (June, 2015) have all ratified the country’s **investment grade**. Uruguay has a set of multiple strengths that position it differently against possible external shocks. The very large stock of reserves (USD 18,500 million, equivalent to 32% of its GDP), the floating exchange rate scheme, and its excellent access to international financing are some factors that explain this shield. Uruguay successful business environment and macroeconomic stability has been acknowledged by the most important credit rating agencies throughout the years.

### Regulatory framework | Easy for business



**By virtue of its investment law, Uruguay guarantees equal treatment for local and foreign investors.**

No prior approval or registration is required to operate in Uruguay, and there are no restrictions on the transfer of capital or profits from investments. Companies can operate in domestic or foreign currency. Furthermore, there is a single national tax system.

The most relevant benefits for global architecture firms with are the Investment Law (up to **100% return on investment**), the free trade zones<sup>4</sup> (**100% tax exemption**), and **Finishing Schools** (grants up to 70% for **training programs**). The free zone areas located in the metro area of Montevideo and specialized in professional services are the following: Zonamerica, World Trade Center, Aguada Park, and Parque de las Ciencias (Science Park).

### World Class facilities | Cutting-edge Free Zones



World Trade Center



Science Park



Zonamerica

### Total Annual Rental Costs for AA and AAA Offices (US dollars per sq.ft.- including utilities)

	Minimum	Average	Maximum
<b>Outside Free Zones</b>	<b>20</b>	<b>26</b>	<b>39</b>
<b>In Free Zones</b>	<b>25</b>	<b>42</b>	<b>44</b>

<sup>4</sup> Free zones have operated in Uruguay for more than 25 years. They are **exempted from ALL taxes** (net income tax, VAT, customs duties, property taxes, etc.). Dividends paid to shareholders are never taxed or retained. No VAT or customs taxes are waived for constructions or equipment needed for operations in free zones.



## market & nearshore

- Easy access to Brazil / Spanish-speaking countries
- Convenient time zone and cultural affinity
- World-class facilities and connectivity

**Given the country's location, language, business history, shared culture and trade agreements, Uruguay is an excellent platform to access markets such as Brazil and Spanish-speaking countries.**

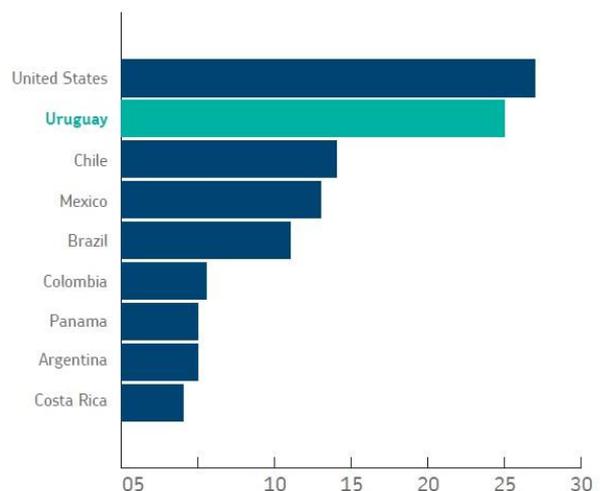
As a MERCOSUR member and its Free Trade Agreement with Mexico, Uruguay has access to a market of 398 million people, which represents the 76% of Latin America's GDP.

Moreover, Uruguay's cultural affinity with Europe and North America, similar time zone, and excellent telecommunications infrastructure make the country an ideal nearshore location with those markets.



Uruguay is leader in communications in Latin America according to the International Telecommunication Union's 2014-2015 Information Technology and Communication's Development Index (ICT), which measures Internet penetration, mobile phone usage, and other related indicators.

**Internet download speed/ 90%  
Fiber Optic (Kbps, 2014 average)**





- Highly skilled and multilingual: Spanish, English, Portuguese
- Competitive, adaptable and committed labor force
- Free, high-quality public education through college

**Human resources in Uruguay are highly competitive due the high quality of basic, technical, and university training, and the flexibility of Uruguayan workers to adapt to new technologies.**

The Uruguayan workforce has been showing a steady increase in its ability to master other languages, in particular English and Portuguese.

Uruguay has the highest literacy rate in Latin America: 98%. Free public education is provided from kindergarten through university. Also, 6% of the country's GDP is invested in education and 100% of high school students at the age of 15 have already completed at least three years of English and two years of computer science.

The potential of access to talent is complemented by the easiness to getting residence for professionals coming from other Mercosur countries (Argentina, Brazil, Paraguay and Venezuela), who find working and living in Uruguay very attractive.

**Uruguay was the first country in the world to provide laptop computers freely to all students and teachers in public schools and high schools.**

Uruguay's Ceibal Plan is an initiative promoted by the Uruguayan government since 2007, based on the One Laptop Per Child (OLPC) program of the Massachusetts Institute of Technology (MIT). Through the Ceibal Plan the following goals have been achieved:

- » Connectivity: 100% of schools, high schools, and technical universities have fiber optic.
- » Digital gap: has been reduced from 35% to 8% of households during the period 2005-2015.
- » English: Ceibal platform is implemented in English, contributing to the bilingualism of the Uruguayan population.



**The Finishing Schools Program reimburses up to 70% of training costs in the specific skills required by global companies.**

Since the program started operating, 78 projects have been approved, 2,500 people have been trained, and a total of U\$S 2,000,000 has been invested.



Uruguay also offers SMART TALENT, a website for job opportunities focused on global services which offers tests to measure the knowledge of the registered candidates. Through Smart Talent, companies can post their job vacancies and have access to tested profiles without any charge.

## Population and Labor Force

Around 66% of Uruguay's labor force is concentrated in the Montevideo metropolitan area.

	Country total	Metropolitan Area
Population	3,453,691	2,072,214
Productive Population	63.8%	64.9%
Labor force	1,797,877	944,537
Unemployment rate	7.7%	7.7%

### Number of Architecture, Interior Design, and Engineering students in Montevideo (2014)

	Architecture and Interior Design	Engineering (civil, industrial, and electrical)
Total number of enrolled students	6,500	4,800
Total anual graduates	350	190
Total anual admissions	800	900

Source: Uruguay XXI based on 2014 Statistical Yearbook of the Ministry of Education.

### Number of registered architects and civil engineers in Montevideo (2014)

	Architects	Civil Engineers
	7,260	1,730



- Relaxing and enjoyable place to live
- Vast cultural, educational and health amenities
- Friendly and polite people

**Uruguay’s capital city of Montevideo (1.3 million inhabitants), Punta del Este and other cities offer excellent living conditions for executives and their families.**

More and more foreigners are choosing Uruguay as their place of residence for all or part of the year, and comparing to other cities from the region, Montevideo has been appointed as the cheapest place to live for expatriates according to Mercer (2015).

Uruguay ranks as one of the safest countries in Latin America on the Latin Security Index, developed by FTI Consulting for Latin Business Chronicle. The index measures security for multinational executives. According to the 2014 Legatum Prosperity Index, Uruguay is the best place to live in Latin America. The ranking is based on a variety of factors including wealth, economic growth, and quality of life.

### Quality of life

City	Latin America
Montevideo	1
Buenos Aires	2
Santiago	3
Brasilia	6
Asunción	9
Río de Janeiro	10
Sao Pablo	11
Lima	12
Mexico city	13

### The Economist named Uruguay its first-ever Country of the Year.

Namely, Uruguay is one of the most socially progressive countries in the Americas, for instance it is the first country in Latin America to legalize gay marriage and to enact other daring social reforms. In addition, Uruguay’s middle class is the largest in Latin America. This means that besides being a country where you can live in a relaxed and friendly environment, the excellent levels of social equality enhance even more the lifestyle indicators.

Liberal immigration laws are attracting a wave of talented executives who can legally reside and work in the country while their resident visa applications are being processed.



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