



Uruguay

Hub Logístico

1. Uruguay: *a place to invest, work & live.*

2. South America & the US.

3. A strategic entrance to the region: Uruguay
as *the* RDC.

4. Supporting institutional platform.



Uruguay

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1. Uruguay: a place to invest, work & live.



Uruguay

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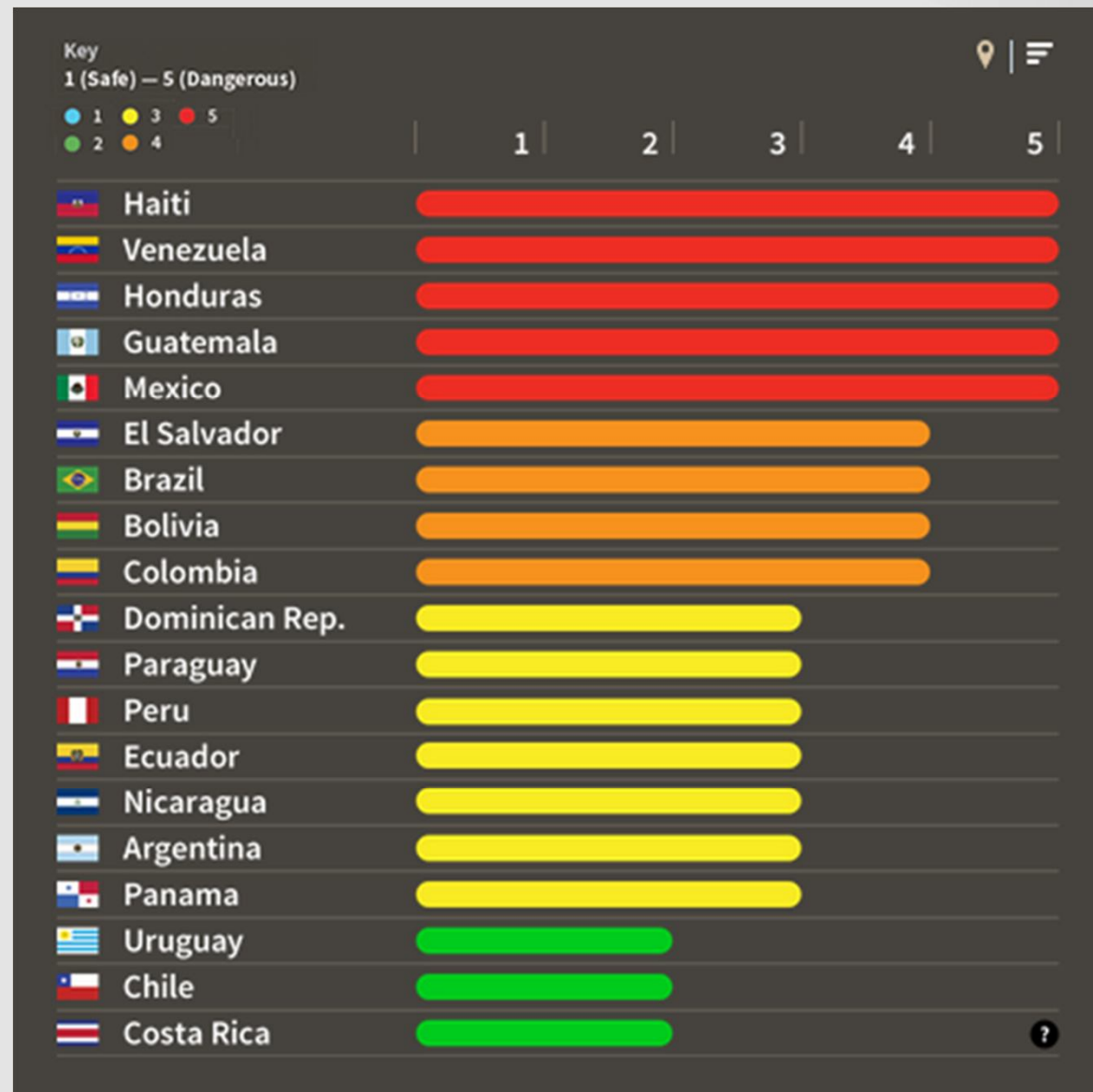


Political and social stability



Ranking	Uruguay in South America	Uruguay in the World
Democracy Index (Economist Intelligence Unit, 2012)	1	18
Low Corruption (Transparency International, 2012)	1	20
Economic Freedom (Heritage Foundation, 2013)	2	36
Global Peace Index (Institute for Economics & Peace, 2012)	2	33
Political and Economic Transformation (Bertelsmann Foundation, 2012)	1	4
Business Climate Index (Getulio Vargas Foundation & IFO, jan. 2013)	2	—
Quality of Living (Mercer Quality of Living City Ranking, 2012)	1	77
Human Development Index (United Nations Development Program, 2012)	3	51

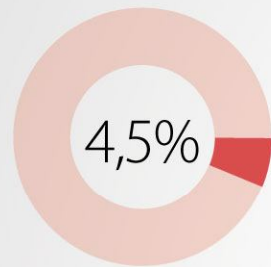
2013 Latin America Public Security Index



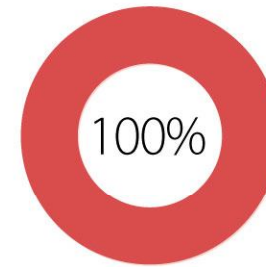
Source: FTI Consulting

Uruguay

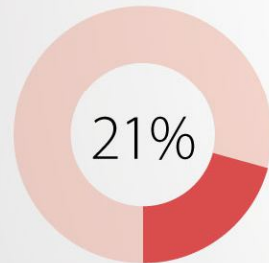
high educational level



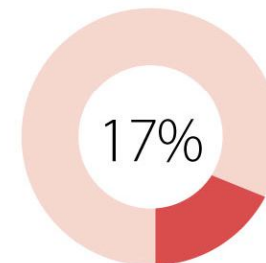
The State provides free education including University and invests 4.5% of its GDP in education



100% of 15-year old high school students have completed at least 3 years of English and Computer Science.



21% of university students study careers in Accountancy, Finance and Business Administration.

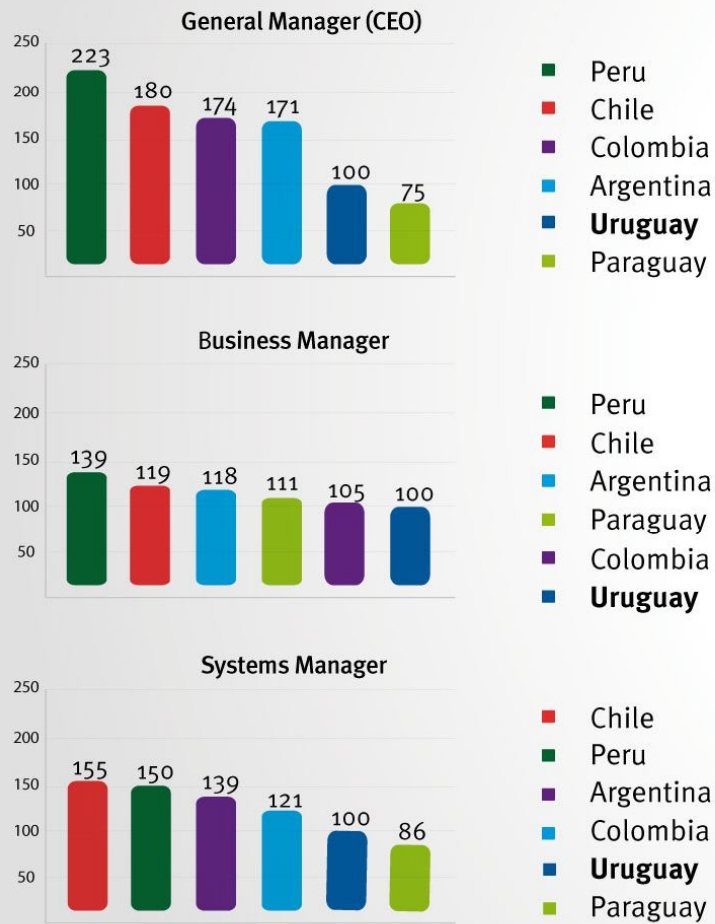


17% of university students study careers related to Science and Technology.

Uruguay

competitive human resources

Comparison of net annual incomes



Total Annual Costs for Companies in Uruguay (US\$)

Customer Service Executive	8,800
Junior Accountant	12,800
Systems Manager	86,273
HH RR Manager	86,610
Financial Manager	112,720
Production Manager	115,199
Business Manager	124,030
CEO	189,336

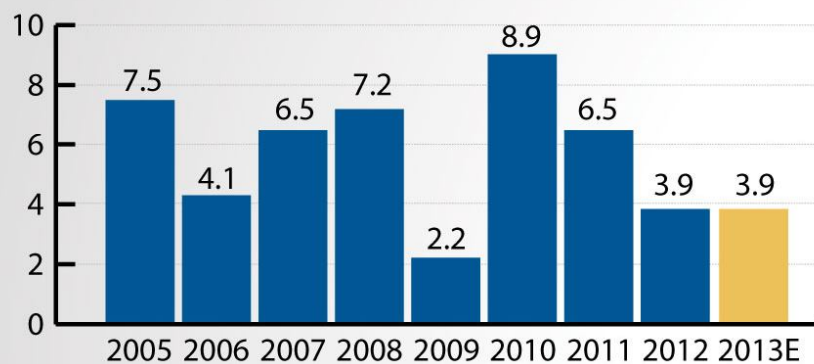
Source: Advice and PwC (2012)



Macroeconomic stability

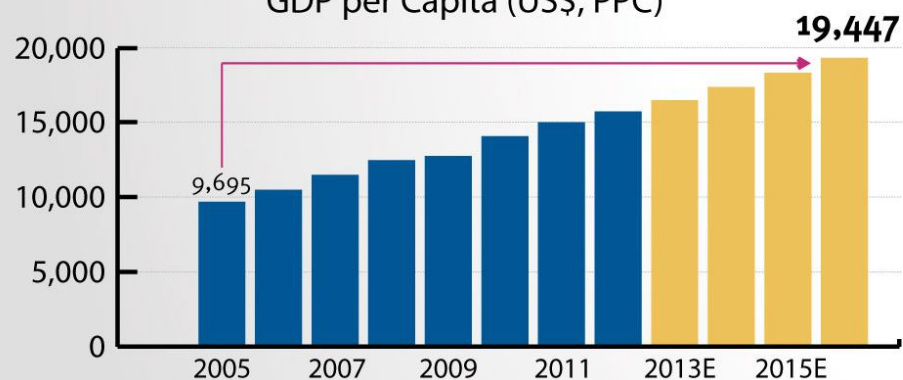
Uruguay sustainable development

GDP Growth Rate (%)



The average annual
growth rate was 5.9%
between 2005 and 2012

GDP per Capita (US\$, PPC)



Source: Central Bank of Uruguay, International Monetary Fund (WEO October 2012)



Uruguay

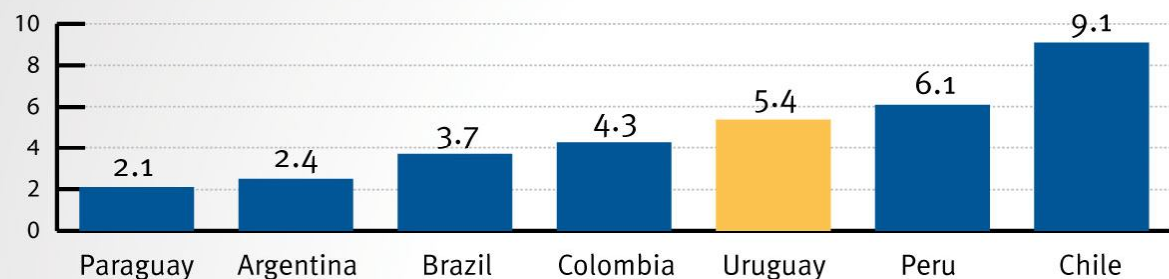
a country with investment grade status



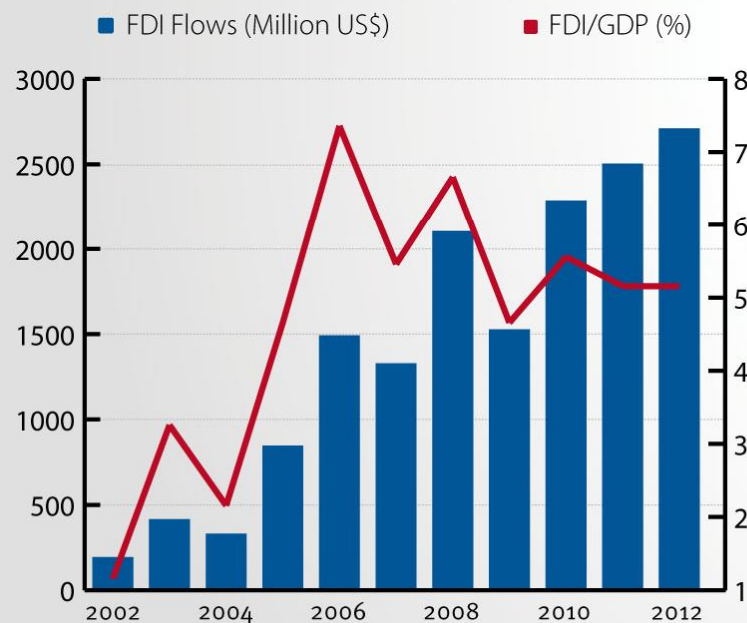
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a country that increasingly attracts more investment

FDI in South America (GDP %, 2012)



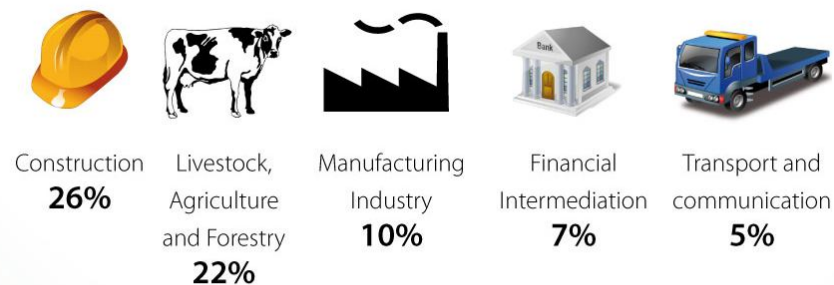
FDI in Uruguay



Main FDI Origins (2002-2011)



Main FDI Recipient Sectors (2002-2011)



Source: Central Banks of each country

2. South America & the US.

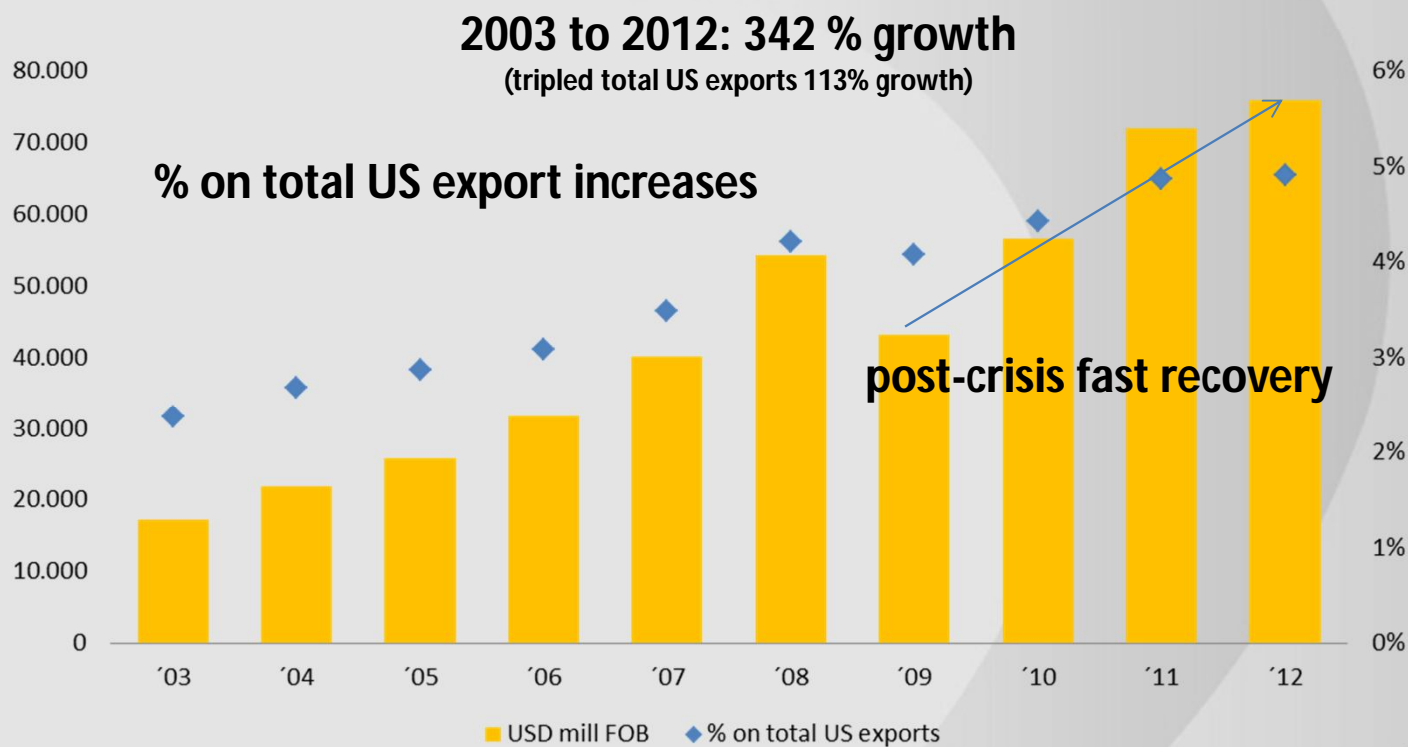


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US goods exports to the region

Selected countries: AR, BOL, BRA, CHI, PY, UY



Source: US Department of Commerce

Top 30 HS chapters in 2012:

2710 Petroleum oils and oils obtained from bituminous minerals, other than crude
8800 Aircraft, spacecraft, and parts thereof
8471 Automatic data processing machines and units thereof
8517 Telephone sets, including telephones for cellular networks
8542 Electronic integrated circuits; parts thereof
2701 Coal; briquettes, ovoids and similar solid fuels manufactured from coal
8431 Parts suitable for use solely or principally with the machinery of heading
3004 Medicaments put up in measured doses
9018 Instruments and appliances used in medical, surgical, dental or veterinary science
8704 Motor vehicles for the transport of goods
8703 Motor cars and other motor vehicles
8473 Parts and accessories suitable for use with machines of headings 8469 to 8472
8708 Parts and accessories of motor vehicles
3105 Mineral or chemical fertilizers
8411 Turbojets, turbopropellers and other gas turbines, and parts thereof
8443 Printing machinery
3808 Insecticides, rodenticides, fungicides, herbicides
3901 Polymers of ethylene, in primary forms
8429 Self-propelled bulldozers, angledozers, graders, levelers, scrapers
9504 Video game consoles and machines, articles for arcade, table or parlor games
8525 Transmission apparatus for radio-broadcasting or television
2711 Petroleum gases and other gaseous hydrocarbons
8413 Pumps for liquids
3907 Polyacetals, other polyethers and epoxide resins
2815 Sodium hydroxide (Caustic soda)
8481 Taps, cocks, valves and similar appliances
9027 Instruments and apparatus for physical or chemical analysis
8421 Centrifuges, including centrifugal dryers; filtering or purifying machinery
2713 Petroleum coke, petroleum bitumen
8523 Discs, tapes, solid-state non-volatile storage devices

DIVERSITY

INDUSTRY
ORIENTED

3. A strategic entrance to the region: *Uruguay as the RDC.*



Uruguay

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Uruguay as *the* RDC.

INVENTORY OPTIMIZATION

Centralized management of inventory	Provides Regional Coverage: Argentina, Brazil, Paraguay while in each of those countries the company has placed stocks to supply critical local demands.
Flexible stock	Shared stock: goods can be dispatched wherever & whenever the customer wants. Goods have no fixed destination.

COSTS REDUCTIONS

Financial and economic benefits	Transit from a customs perspective. Imported on their final destination.
Low cost	+ stock in USD + Capital expatriation
Operational	+ unified operations

SERVICE IMPROVEMENT

Speed to market Logistics - Lead time reduction.	Geographic location + logistics platforms complementary region.
Customization.	Diverse value-added activities to respond to national regulations.
Customer retains ownership of the goods.	Ownership + possibility to establish own personnel & offices within the logistics operator's premises.

**LOCAL
CONDITIONS**

**FREE TRADE
ZONES**

**SHARED VALUES
BY PUBLIC AND
PRIVATE
STAKEHOLDERS**

**FREE PORT &
FREE AIRPORT**

**BONDED
WAREHOUSES**



FREE TRADE ZONES



FTZ DEVELOPMENTS

- Industrial
- Services
- Trade & Logistics

- Goods can be moved free of taxes.
- Unlimited storage time .
- Value added activities, including modification of nature of the product.
- Free movement of foreign exchange.

100% EXEMPTIONS:

- Corporate Income Tax
- Net Wealth Tax
- VAT
- Import duties.
- Any other tax created or that might be created in the future

The State is the guarantor of the exemption regime, assuring users the enjoyment of its benefits during the term of their contract.



FREE PORT AND FREE AIRPORT



Unique on the Atlantic coast of South America.
(Ports Law N°16.246, year 1992 + Economic Reactivation
Law. N°17.555, year 2002)

Free movement of merchandise.

Freedom to determine the destination of the goods (possibility to modify the same)

Unlimited storage time of goods, free of taxes and import duties.

Value-added activities (without modifying the nature of the goods).

EXEMPTIONS:

- Corporate Income Tax
- Net Wealth Tax
- VAT
- Import duties.



BONDED WAREHOUSES

COMMERCIAL WAREHOUSES: Storage without splitting or any other activity that alters the goods or increases its value.

BONDED WAREHOUSES: Value added activities without altering the nature of the goods.

INDUTRIAL WAREHOUSES: Manufacturing activities.

- Maximum storage time: 1 year.
- Foreign companies exempt from:
 - Corporate Income Tax
 - Import tariffs

4. Supporting institutional platform.



Uruguay

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Supporting institutional platform.

Uruguay's **historical calling** as the natural hub in the region.



LOGISTICS: *A STATE-POLICY*

Evolution of regulation according to the Hub's needs.



- ✓ Single Window for Foreign Trade (Spanish acronym: VUCE).
- ✓ Electronic payments.
- ✓ Documents digitalization.
- ✓ "Uruguay Safe Transit". E-Seals.
- ✓ Authorized Economic Operator (AEO).
- ✓ Customs infrastructure improvements.
- ✓ New Customs Code.

Supporting institutional platform.

Logistics Institutionalization: private – public synergy triggered the creation of the National Institute for Logistics.

**Instituto
Nacional
de Logística**

An organization where logistic leaders, both private and public ones, coordinate the process of promotion, professionalization, innovation and training, in order to place Uruguay as a Logistic Hub, contributing to national development

- Supply chain analytics: costs, times and predictability.
- International Commercial Missions.
- Information Centre.
- Arrangements of visits to logistic platforms.



Through access to our logistic platform and by choosing the most convenient regime, we propose to increase your business in the region.

Thank you!

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