

About Uruguay

Uruguay lies on the Atlantic Coast between Brazil (in the Northeast) and Argentina (in the West). It has an area of approximately 68,000 square miles (175,000 square kilometres), and most of the country consists of gently undulating plains crossed by long rivers.



Language

- Spanish is the official language.
- English is also widely spoken in Uruguay and Portuguese is becoming more prominent due to Brazil's participation in the MERCOSUR trading agreement.

Population

- 3.2 million (approx).
- Uruguay has a cosmopolitan society as a result of many successive European migrations. As such, it is an open society, promoting tolerance, non discrimination towards foreigners regardless of race, religion or political ideologies.
- The crime rate is low and the country offers better security than most other countries in Latin America.

Literacy

- Uruguay's literacy rate is the highest in Latin America, as is the secondary level schooling rate (50% above the continent's average).

Monetary system

- The Peso Uruguayo (\$U) is the legal currency.
- A free trade system governs every operation and transaction.
- There are no Monetary Exchange Controls in Uruguay.

Financial services

- Uruguay has become one of the major financial centres of the region.
- The financial services sector is well supported by local and regional law firms, professional accounting firms, asset management and fiduciary businesses.
- Uruguay has a banking secrecy law, which is consistently respected.

Gateway to MERCOSUR

- Uruguay is located at the centre of a market inhabited by more than 225 million consumers, with GDP of U\$S 23,000 million.
- MERCOSUR has its best "gateway" in Uruguay, as the MERCOSUR agreement has created excellent conditions for the development of trade and business between the members of the block.
- An extensive and varied communications network, together with strong competitive financial and business support, assures easy access to the large MERCOSUR market and to the rest of Latin America, Europe and the Pacific.
- Uruguay has excellent telecommunications, postal facilities and international courier services.
- Montevideo is linked by international and regional airlines to the major cities of the world.
- International cargo transportation flows without restrictions through the different borders (points between Uruguay, Argentina, Brazil, Chile and Paraguay).
- The country is divided into 19 Departments. Montevideo, the capital has a land surface of about 530 sq km and is a safe and modern metropolis on the shores of the Rio de la Plata River. It welcomes ships from all over the world in its exceptional natural port, which operates on the Atlantic Coast.

Government

- Uruguay is a Republic with a democratic government system.
- The state is divided into three independent branches: Executive, Legislative and Judicial. The Executive branch is in the hands of the President and a cabinet of 13 Ministers. The Legislative branch is composed by two chambers. The Senate is composed of 30 members, plus the Vice President of the Republic. The Vice President acts as chairman, elected on a nation-wide basis.
- In addition, the House of Representatives, which consist of 99 members, is elected on the basis of proportional representation from each of the 19 Departments.

Tax system

- Uruguay has a territorial tax system and resident entitles are not taxed on foreign source income.
- Corporate income tax on domestic source income is currently 25%. Consequently, Uruguayan domestic or resident companies (the SA) can be utilised for tax effective international investment and trading activities.
- Uruguayan withholding tax is not levied on dividends paid non-resident shareholders if the country in which the recipient is resident does not allow a credit for the Uruguayan withholding tax.

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