

## Foreign Investment

Uruguay strongly encourages industrial development using both foreign and domestic capital. The *Industrial Promotion Act* promotes investment that will increase Uruguay's export capability and revenue, or increase tourism. Depending on the type of business, industries may be exempt from taxes or granted credit assistance. Foreign investment is prohibited only in activities considered vital to the national interest. Contact the Commercial Division of the Canadian Embassy in Buenos Aires, Argentina for further information.

The remittance of profits is guaranteed by the *Foreign Investment Law* which also regulates tax over profits. Some restrictions apply but, in general, the laws offer favourable terms to foreign capital. It would be prudent to engage the services of a lawyer to advise you. The Canadian Embassy in Buenos Aires, Argentina can provide a list of legal offices in Uruguay.

For further information on both the *Foreign Investment Law* and the *Industrial Promotion Act*, contact the Consulting Unit on Industry and Energy at:

Unidad Asesoría de Promoción Industrial  
Rincon 723, P.2  
Montevideo, Uruguay

## Countertrade

Uruguay's debt burden and the pressure to improve vital infrastructures have led the government to make countertrade agreements for the acquisition of foreign goods or services more accessible. Publicly controlled organizations must give priority to foreign procurement bids that include countertrade options.

In Uruguay, the Office of International Trade in the Ministry of Economics and Finance will promptly approve countertrade transactions that involve private companies when they increase the export of Uruguay manufactured goods. In Ottawa, the Latin America Trade Development Division (LST) of External Affairs and International Trade Canada will answer questions on countertrade and provide you with information and contacts.