

PHARMA SECTOR IN URUGUAY

Uruguay is positioned as a strategic pharmaceutical hub in Latin America due to a combination of factors that include infrastructure, geographic location, tax and regulatory incentives, and a robust innovation ecosystem. The main aspects are as follows:

Why to invest in Uruguay?

- The country offers reliability, political and economic stability, tax incentives, access to qualified talent and modern infrastructure.
- It is a strategic hub for multinational companies, focusing on logistics, production and innovation.

Pharma Sector in Uruguay

- It represents 11% of industrial GDP and 1% of total GDP, with production estimated at US\$ 928 million in 2024.
- Exports totaled US\$ 362 million in 2024, of which US\$ 226 million were in human pharmaceutical products, US\$ 91 million in veterinary products and US\$ 44 million in medical devices.
- It directly employs around 7,800 people, with a strong presence of foreign companies.

Trade and services hub

- **Free Trade Zones:** Zonamerica and Parque de las Ciencias offer modern infrastructure for logistics, production and services. The free airport (LACC) is unique in the region, allowing multimodal operations (air, sea and land).

Presence of global companies

- Multinationals such as Megalabs, Roche and Merck operate in the country, carrying out production, export and service activities.
- Companies such as AstraZeneca, GSK and Merck operate hubs in the country, carrying out logistics, fractionation and distribution activities.

Production and Innovation

- The pharmaceutical sector includes human medicines (78% of production) and veterinary medicines (22%), as well as medical devices.
- Companies such as Megalabs, Eriochem and Integer lead exports and innovation, focusing on regional and global markets.
- The R&D ecosystem is robust, with institutions such as the Pasteur Institute and LATU supporting research and startups.

Global Tendencies

- The global pharmaceutical sector is growing, driven by biotechnology, artificial intelligence and sustainability, areas that are also a focus in Uruguay.

Infraestructure and location

- Geographical proximity: Strategic location for quick access to the main cities in Latin America, with direct connection to the Paraná-Paraguay-Uruguay waterway.

Hub activities

- **Logistics and distribution:** Multinational companies such as AstraZeneca and GSK use the country to consolidate and distribute pharmaceutical products in the region.
- **Fractionation and packaging:** Value-added operations, such as cold storage and drug compounding.
- **Global trading and services:** Companies such as Merck and Abbott operate regional service centers, including foreign trade, finance and administrative support.

Regulatory incentives

- Free trade zone, free airport and customs warehouse regimes facilitate logistics operations and reduce tax costs.
- Specific legislation for products such as medicinal cannabis-based medicines.

Innovation ecosystem

- Institutions such as the Pasteur Institute and LATU support research and development, as well as startups and biotechnology projects.
- Collaboration between companies and research groups for innovation in products and processes.

Results

- In 2024, the pharmaceutical sector moved US\$ 914 million in drug transits and generated exports of US\$ 362 million.
- The country is a reference for the distribution of pharmaceutical products in Latin America, especially to Mercosur countries.

With its advanced infrastructure, tax incentives and strategic location, Uruguay is consolidating itself as a regional pharmaceutical hub, attracting global companies and promoting innovation and logistical efficiency.