

EC Partners

Ministries of Industry, Agriculture, Tourism, Transport and Health. Uruguay XXI.

Provincial Governments of Río Negro, Rocha, Colonia, San José, Maldonado, Salto, Canelones, Paysandú and Montevideo

Technical Agencies (LATU, INIA, ANII)

Main National Chambers and Business Associations

Universidad de la República (State University)

Facts and Figures

- EC contribution: 5 400 000 € (72,4% of the total)
- Duration: from 10/2005 to 12/2009



EUROPEAN
COMMISSION

Private Sector Support

Competitiveness and Export Promotion Support to Small and Medium Enterprises in Uruguay (PACPYMES)

"PACPYMES represents a very useful tool for more than 4.000 businessmen organised in clusters. There are hundreds of agents in different sectors and parts of the country that make businesses together, being well informed and associated. We share with them the satisfaction of having constructed a collective long-term strategic vision to promote business in Uruguay".

Ing. Daniel Martinez, Minister of Industry of Uruguay



Context

Uruguay embarked in 2004 on a phase of recuperation in the aftermath of one of the most severe economic crises of the last decades. The country's long-term challenge has been how to enhance productivity in order to sustain rapid growth and boost employment and competitiveness. PACPYMES is a cornerstone of a national development plan called "Uruguay Productivo", the government policy to strengthen the Uruguayan economy nationwide.

Objective

- Enhance competitiveness of the Uruguayan economy by strengthening association mechanisms, export capacity and internationalisation of its Small and Medium Enterprises (SMEs).

Impact

- Creation of nine clusters nationwide that gather more than 4000 entrepreneurs.
- Increase of the export capacity of the Uruguayan SMEs through individual support. More than 500 SMEs directly benefited from the project. It has strengthened their management capacity.
- Generation of business opportunities for SMEs.

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The case of Limay

Since July 2008, Limay, an the industrial farming company is working on a development and business improvement project supported by PACPYMES. Limay is dedicated to the manufacture of jams and marmalades for the domestic market, and the export of pulp to Brazil.

Limay was founded in 1969 and is located at 30 kilometers from Montevideo, an area where very high quality fruits can be grown. "There were times where we made good jams and marmalades and, if prices were lower, there were no problems in marketing" said Raul Carretto, the company founder. However, four decades later, as a small family business they had no capacity for conquering foreign markets. Liliana Carreto, head of the family's next generation, highlighted the challenges in marketing.

PACPYMES invites business to "work together in a wider world". The project worked on three key areas of a company: creation of a financial department, adjustments in the manufacturing plant, and business planning. Limay went through a generational change and modified the management practices to work more efficiently. Andrea Russo, the consultant who advises the company, stresses "Limay is an enterprise with courage that has generated profound changes in less than a year."

Alejandro Ortiz, of the PACPYMES technical advisory team, said that the main achievement of Limay is the know-how to detect problems earlier and the beginning of a new era of professionalism and constant search for improvement.



Presentation of PACPYMES. More than 500 people from the bussiness community attended the presentation.