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# Economic Impact of Cloud Adoption in Uruguay

FTI Consulting was commissioned by AWS to estimate the economic impact of public cloud adoption in six Latin American countries, including Uruguay. Uruguay has a growing services sector that represents 62% of GDP, encompassing finance, telecommunications, and software development. It is also well known for its strong primary sector and the production of high-quality beef and dairy products.

**The adoption of public cloud computing already has economy-wide impacts in Uruguay. We estimate that in 2023 it supports:**

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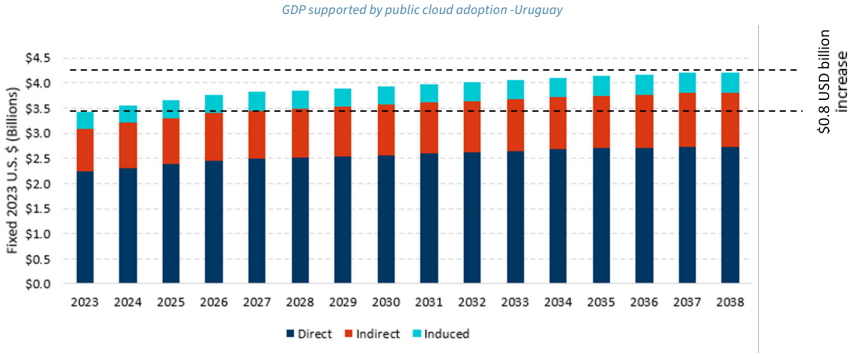
|---|---|---|---|---|
| 132 thousand jobs | $5.4 billion USD in economic output | $0.9 billion USD in fiscal revenue | $3.4 billion USD in GDP | $1.4 billion USD in labor income |

## FTI found that, from 2023-2038:

Cloud adoption in Uruguay is estimated to support, on average, **$3.9 billion USD in additional GDP** each year from 2023-2038. For context, total **baseline 2021 GDP in Uruguay was $58 billion USD.**




- Firm productivity impacts from public cloud adoption will support an average of **$1.6 billion USD in labor income each year.**
- Additional activity throughout the economy, enabled by the cloud, is estimated to support, on average, an additional **$1.0 billion USD in Uruguayan fiscal impact annually.**
- On average, **33 thousand metric tons of CO2e emissions will be avoided every year** due to the efficiency of public cloud. This is equivalent to the carbon sequestrated by nearly 540,000 tree seedlings grown over 10 years.

Estimate based on the US EPA Greenhouse Gas Equivalencies Calculator.

**On average, an estimated 151,000 jobs will be supported by public cloud adoption in the period covered by this report**

**Jobs supported will rise from 132 thousand in 2023 to 163 thousand in 2038, an increase of 23%.**

The MIT Technology Review Insights' Global Cloud Ecosystem Index 2022 analyzes 76 nations and territories. It is structured around four sets of variables: infrastructure, ecosystem adoption, security and assurance (which covers the maturity of the regulatory environment), and talent and human affinity. Uruguay tied for the highest score among the countries covered by this report in digital adoption in government and business, ranking 9th overall. However, the country ranked only 34th overall in regulatory quality and 51st in terms of its innovation level.

Selected case studies show benefits that companies and institutions across Uruguay have achieved by implementing cloud services:

- Gourmeat, a Uruguayan meat retailer, used cloud services to improve its inventory management system – their productivity **increased by more than 40%.**
- During the pandemic, Uruguay developed a vaccine scheduling system using cloud services that can **simultaneously serve 800,000 people.**

[1] OECD. n.d. 2021 Input-Output Tables. https://stats.oecd.org/Index.aspx?DataSetCode=IOTS_2021

[2] Compared to a counterfactual scenario without the use of public cloud.

[3] https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator

[4] MIT Index https://www.technologyreview.com/2022/04/25/1051115/global-cloud-ecosystem-index-2022/

[5] https://aws.amazon.com/solutions/case-studies/gourmeat-lightsail/

[5] https://aws.amazon.com/es/solutions/case-studies/agesic-msp/?did=cr_card&trk=cr_card