



POLITICS



► Uruguay strives to widen its economic cooperation with the United Arabs Emirates

Uruguayan President Tabare Vazquez expressed here yesterday that his country's keenness to broaden the scope of economic cooperation with the UAE.

"We look forward to widening the scope of cooperation with the UAE, particularly in the areas of trade, trade, technology and culture", said President Vazquez during a news conference.

The Uruguayan President arrived earlier in the day as part of a tour in the region.

Although the UAE and Uruguay are geographically apart, he said, they have many things in common.

"The UAE has enormous oil and gas resources. Similarly, Uruguay has lots of natural resources, notably agricultural, animal and water resources.

These resources could be exploited through economic cooperation to the best interest of the two peoples", he told reporters.

He revealed that his country would explore the possibility of importing gas from the UAE, adding that **Uruguay**

could serve as a gateway to the **UAE's** gas products to the Latin American countries, particularly to the Southern Common Market (**Mercosur**).

He said Uruguay would, sometime in the future, upgrade its representation in the UAE to ambassadorial level.

Asked on his country's endeavors to use alternative energy sources, the President said he had discussed the issue with President Khalifa and added that the Ministers of energy in the two countries would continue discussion on the topic.

"We are keen to use alternative energy sources. As you may recall, Environmental Sustainability Index (ESI) put Uruguay third on the list of the world's most environmentally sustainable countries.

Countries are ranked based on eg. pollution, natural resources and the ability to improve environmental policies over time", he said, adding that there was a room for technical cooperation with the UAE in this regard.

The Uruguayan President stressed the importance improving trade terms as per the Uruguay and Doha rounds to create opportunities for developing countries.

"Any forecast into the future would show that there is an ominous population increase amid dwindling resources. That is why we insist on fair free trade terms", he said.

He added: "Here in Arab countries, subterranean resources are in abundance. In other countries such as Uruguay, there are abundant surface resources too.

Therefore we need to stage partnership to the benefit of our people", he said.

On Palestinian question, he said his country was a strong proponent of the peaceful settlement of the Arab-Israeli conflict.

► **Dubai CCI to sign agreements of cooperation with several Uruguayan chamber representatives**

The meetings, which took place during the Dubai Chamber's reception of Honorable Tabare Ramon Vazquez Rosas, President of the Republic of Uruguay, and his accompanied delegation, set a strong base for future commercial cooperation between the two countries.

Dubai Chamber of Commerce & Industry yesterday held several meetings with some Uruguayan organizations including the National Chamber of Commerce and Services, the Uruguayan Chamber of Industry and Mercantile, and the Chamber of National Products, along with a number of businessmen who represent the main productive sectors in Uruguay.

Dubai Chamber showed interest over the initiative of the Uruguayan chambers of commerce for signing agreements of cooperation with Dubai Chamber in the near future aiming to promote the investment opportunities and economic cooperation ties between Dubai and Uruguay. The members of the Uruguayan delegation expressed satisfaction over their visit to Dubai, and they invited Dubai Chamber members and businessmen to visit Uruguay to continue the fruitful

contacts achieved during their visit to Dubai.

Honorable Tabare Ramon Vazquez Rosas, President of the Republic of Uruguay, stressed his government's interest to strengthen its diplomatic and economic ties with Dubai and the UAE in general, in addition to activate its relations, encourage investment and sign commercial partnerships between the two business communities in Dubai and Uruguay. He said that Uruguay's economy is based on agriculture and related agricultural industries representing 23% of the country's GDP, and more than two thirds of its exports.

'We admire the fast and strong economic development that Dubai and the whole UAE are witnessing, and that prompted us as a government of Uruguay to take a serious step towards strengthening our trade and economic relations with Dubai and open new channels of communication between the Uruguayan business community and its counterpart in Dubai to discover and benefit from the investment opportunities available in both countries,' said The Uruguayan President.

The Uruguayan delegation conducted a presentation which highlighted the country's economic, tourist and social potentials. The presentation stated that Uruguay's economy started to revive after 2003 representing about 2.5% of the country's GDP. Its economy started to grow in 2004 recording a rate of 12.3% of Uruguay's GDP which surged in 2005 to reach \$ 18.6 billion. The country's rate of growth is expected to reach 4.5% this year.

The presentation also mentioned that Uruguay's economy is based on free enterprise and private ownership, and in spite of some de-monopolization

and privatization over the past ten years, the country's government sector continues to play a major role in the economy, mainly in the sectors of water supply and electricity, telephone services, petroleum refining, airlines, postal service, railways and banking.

► Uruguay gets World Bank loan for sciences

Uruguay will continue to use World Bank loans, The bank Tuesday approved a \$26 million loan to help Uruguay bolster its science and technology research.

Uruguay's endeavors to enhance scientific and technological research will "strengthen the collaboration between innovation, research, and industry, thereby making production more efficient and improving the country's competitiveness. This will help to generate skilled jobs and improve the quality of life for all Uruguayans," said the bank's director for Argentina, Chile, Paraguay and Uruguay, Axel van Trotsenburg.

The money will not only strengthen the institutional framework for the sciences but also increase investment in scientific education and help technology transfer as well as innovation in the private sector, the agency said. (**Int. Press**)

► Uruguay President Tabaré Vazquez in Chile for Trade



Uruguay President Tabaré Vazquez starts a visit to Chile on Monday April the 9th in which he expects to ink trade accords with the Andean nation.

According to statements from the Economy and Finances Minister Danilo Astori, the agenda of the Uruguayan statesman includes seeking larger investment from that nation here and a meeting with his counterpart Michelle Bachelet.

Also on the list is to ink an accord to create the Chile-Uruguay Bilateral Trade Commission to develop commercial negotiations, in which the two countries are expected to accelerate tax relief planned in the MERCOSUR-Chile free trade agreement.

Vazquez will travel Chile accompanied by some 50 businesspeople. (*Prensa Latina*)

► Uruguay leader in Chile to promote exports to third countries

Uruguayan president T. Vazquez together with several ministers and a delegation of businessmen arrived Monday in Santiago for a two days visit to Chile with the purpose of strength ties and export possibilities for Uruguay.



Both countries are scheduled to sign an agreement which opens the possibility for Uruguay to take advantage of the many free trade agreements Chile has signed with over fifty countries.

Uruguay, a founding member of Mercosur, which has growing trade and market access differences with neighboring Argentina and Brazil, is openly involved in an aggressive initiative to increase foreign trade outside the block.

“Chile has become a reference for the region as far as economic policy is concerned, particularly since the last governments have been successful in coordinating growth with social justice and fiscal discipline”, said Uruguay’s Economy Minister Danilo Astori in a brief exchange with Uruguayan reporters during the chartered flight to Santiago.

He also underlined that Uruguay is interested in attracting Chilean investors who already have assets in forestry, paper manufacturing, port logistics, farming and other Uruguayan industries.

"Chile not only has offered to act as a jumping board for Uruguayan exports but agreed to work on legislation to avoid double taxing" revealed Astori.

The agreement contemplates several fields, cooperation, technical assistance and the exchange of trade experience and data between the host country's export promoting office Pro Chile and the Uruguay XXI Institute, a non profit organization which represents a few Uruguayan industries.

According to Astori the agreement should help a joint promotion and coordination of exporting efforts to third countries, with certain products to be manufactured through the complementation of Chilean and Uruguayan companies, to such important markets as China and India.

Pro Chile and **Uruguay XXI** will also promote joint training workshops, business forums and seminars as well as cooperation programs including exchange of technical staff. The agreement has been under negotiations since September 2006.

A bi national commission with government officials and private sector representatives will be created, with the purpose of monitoring advances in the agreements to be signed. The commission is scheduled to meet twice a year.

"We're considering the possibilities of accelerating Mercosur convergence with Chile", which means that the partial lowering of tariffs process, originally set for 2012, "can be achieved by 2010".

Chilean President Michelle Bachelet and Uruguayan President Tabare Vasquez signed three trade agreements in Santiago:

The agreements were the Bilateral Trade Commission Agreement, the Chile-Uruguay 21st Century Cooperation Agreement, and the Promotion and Investment Institution Cooperation Agreement.

Vasquez, also signed business cooperation agreements and meet with Uruguayan and Chilean industrialists. **(PRENSA LATINA)**

► Uruguay/US trade and investment talks in Washington

Uruguay and United States resumed on April trade and investment talks in Washington with the purpose of increasing bilateral exchanges. Uruguay is targeting an increase in its current 20.000 tons of beef quota, free of tariffs, and the opening of the US market for lamb and mutton. The Trade and Investment Framework Agreement, TIFA, talks were initiated last January when US Deputy Trade representative John Veroneau visited Montevideo for the launching of the negotiations process.

TIFA was the alternative chosen to a free trade agreement offered by United States because of a deep division inside Uruguayan government cabinet and ruling coalition which is split this matter.

The Uruguayan delegation in Washington includes Minister Astori's main advisor, economist Fernando Lorenzo and President Tabare Vasquez most trusted aide and cabinet chief Gonzalo Fernandez.

Last March when US President George Bush visited Uruguay, one of the several legs of his Latinamerican tour, he emphasized that Washington was willing to go as far as Uruguay wished in trade affairs, in merit to the

country's stability and long standing commitment to democracy.

The "pragmatic" wing of the President Vazquez administration has said all along that TIFA is the first step towards the final objective of a free trade agreement with the US.

(Source: [MercoPress](#))

► Argentina and Uruguay agree to continue Madrid process

Argentina and Uruguay did not change their positions, but agreed to continue talks Friday at a Madrid meeting seeking a rapprochement in their dispute over a paper mill being built on the Uruguayan side of their common border.

The two countries issued a declaration saying they had re-established the direct dialogue' about 'the disagreements they currently maintain.'

The countries agreed to continue meetings on the level of technical experts and, if necessary, of political leaders. The first technical meeting was to be called within a month.

Spain is attempting to sponsor a solution in the dispute over the paper mill which is being built by the Finnish company Botnia in Fray Bentos on the bank of the River Uruguay.

Argentine demonstrators have blocked roads and bridges to Uruguay, saying the mill will pollute the river and damage tourism and agriculture.

Argentina wants the plant to be relocated, but Uruguay refuses that request and official negotiations as long as demonstrators maintain the border blockades.

The three-day meeting brought together personal representatives of the Uruguayan and Argentine

presidents, including the countries' foreign ministers.

The ministers were received by King Juan Carlos, who has appointed Spanish United Nations Ambassador Juan Antonio Yanez as a 'facilitator' in the dispute.

The declaration said Uruguay and Argentina would continue their dialogue at meetings called by Yanez. The talks would have an open agenda, but would deal mainly with subjects identified by Yanez.

The subjects included the Botnia plant project and its location, border traffic, the environmental protection of River Uruguay and the sustainable development of nearby areas, and the application of a 1975 bilateral treaty on the River Uruguay.

Anything said during the dialogue will not mean 'abdicating' and cannot be used against either of the parties in The Hague, the declaration added.

The Spanish company Ence, which was to build a plant near Botnia's, has relocated to elsewhere in Uruguay. The factory built by Botnia, which is the biggest foreign investment ever in Uruguay, would have an annual capacity of one million tons of pulp.

► Montevideo chosen as the best city to live in Latinamerica



While Zurich is considered the best city in the world to live in, Montevideo in Uruguay leads in Latinamerica followed by Buenos Aires and Santiago de Chile,

according to the Mercer Human Resource Consulting Quality of Living ranking of 215 cities taking New York as reference, with 100 points.

However in the top 50 Quality of Living cities there are none from Latinamerica, they appear in the seventies. As to the bottom of the list for the region we have Caracas, Venezuela, Bogotá and Medellín in Colombia and Santa Cruz, Bolivia.

Mercer's overall ranking for quality of living has revealed that Zurich again ranks as the world's top city, with a rating of 108.1. The city narrowly out-ranks Geneva, which scores 108. Vancouver and Vienna follow in joint third place and score 107.7.

The analysis is based on an evaluation of **39 qualities of living criteria** for each city including political, social, economic and environmental factors, personal safety and health, education, transport and other public services.

Baghdad remains the world's least enticing city for expatriates with a score of 14.5. Other low-scoring cities for overall quality of living include Brazzaville in Congo (29.5), Bangui in the Central African Republic (30.6) and Khartoum in Sudan (31).

"In recent years, the gap between low-ranking and high-ranking cities has widened. While standards have improved in some regions, there remains a stark contrast between those cities where overall quality of living is good and those experiencing political and economic turmoil" said Slagin Parakatil, senior researcher at Mercer.

Regarding health and sanitation ranking in the Americas, Canadian cities covered by the survey appear in the top 25 rankings for health and sanitation. Only a few Latinamerican

cities figure just below the 100 points mark, **Montevideo**, Buenos Aires and Panama City.

► Punta del Este:

South America's Summer Wonderland



(The Epoch Times)

Casapueblo is the definitive tourist symbol of Punta del Este and one of the most popular resorts in all of Uruguay. (Dreamstime.com)

We boarded the bus from South Brazil to Uruguay. It took us around 6 hours to get in the upmarket vacation spot Punta Del Este. Arriving there at sunset we took a quick tour around the peninsula. The setting sun formed a mixture of colours in the sky that rivalled with the dark blue of the immense Sea just in front of us.

Punta Del Este is a piece of paradise 130km from Montevideo, the capital of Uruguay in South America. It is a glamorous coastal town known for its mansions and casinos. The huge mansions around the seashore, used for only one or two months a year by their owners and the numerous casinos make you feel a bit like you're in Los Angeles and Las Vegas at the same time.

The place draws people from around the globe. Punta Del Este is only a small piece of land indeed. This fact makes it easy to bump into other foreigners who are enjoying the place as well. In just one night in one of the best restaurants and Pubs of Punta del Este, was possible to meet people from Sweden, Italy, Germany and England. At the same time, photographers and cameramen were shooting and making videos of models in the popular spot.

The food in this resort-town is certainly something to brag about as well. Starting with the **parrilla**, a traditional Uruguayan barbecue you can have in the El Tucan restaurant. For the meat fans, it's definitely a must. But for the sugar lovers, nothing is comparable with the **dulce de leche** desserts. The traditional sweet from Uruguay tastes a bit like a caramel cream and can be found anywhere there. It's even among the ice cream flavors.

Many famous people like Antonio Banderas, Naomi Campbell and Madonna have been on holidays in the peninsula. Even George Bush Senior and the former First Lady have stayed in a stunning house in the Golf district. This exclusive district is in one of the three local golf courses.

With the most expensive square meter of real estate in South America, Punta Del Este is definitely impressive with its variety of architectural styles and lavish designs.

The most exotic though was the mansion of a famous Uruguayan Artist Carlos Páez Vilaró. The massive house on its own peninsula looks more like a huge sculpture than anything else.

Totally white and shaped like a sand castle, *Casapueblo*, the name of the house opened for visitors, was originally only a place where Páez Vilaró, still working in his 81st year,

lived and worked. The house got bigger each time he had a new guest. The painter, as a compliment, used to name rooms after his visitors.

Besides Punta itself, if you drive about 25 miles north-east of downtown you can reach the tranquil Jose Ignacio Beach, famous for its lighthouse and for its sea-lions.

The place is opposite the large peninsula separating the Atlantic Ocean and Rio de la Plata (De la Plata River), where lie the enchanted Gorriti Island and De los Lobos Island, inhabited by one of the world's largest sea-lion colonies.

Coming back from Jose Ignacio Beach after a special lunch in a unique restaurant by the sea where chairs and tables are settled in the sand, you will cross a river in an unusual bridge in wave form. Then why not stop in a cozy little deli to try a famous local pastry called "moon cake" to finish the trip in the most southern state of South America in a typical regional style.

At the beginning of the 19th century, Punta Del Este was a vast semi-deserted region only visited by sailors and fishermen. The city was founded in 1829 and took the name of "Villa Ituzaingó". In 1907 it was renamed Punta Del Este, or "point of east".

ECONOMICS

► Ericsson to supply Uruguayan broadband network

Ericsson and **Antel**, a telecom operator in Uruguay, have signed two contracts for the supply of Ericsson optical networking and microwave transmission equipment to provide a

platform for flexible, scalable, and cost-effective transport network for fixed and mobile services.

Antel will use the new equipment to offer Uruguayan consumers a wide range of services and to meet the demand for network capacity, driven by the increasing number of subscribers and the uptake of new data services in Uruguay, according to Ericsson.

Jose Luis Saldias, CEO, Antel, says, "We have chosen Ericsson as their microwave transmission and optical solutions efficiently meet our need for modernization of the transmission and transport network, and support the necessary voice and data traffic required by our customers. The solutions are reliable and they meet our precise requirements." Luis Lopez, country manager, Ericsson Uruguay, says, "This new agreement takes our relationship with Antel Uruguay to a new level and confirms our position as a leader in microwave and optical transmission solutions provider in Uruguay."

The agreements include the MINI-LINK TN microwave system, Marconi OMS 1600 optical multiservice transport system, and Marconi OMS 1200, as well as services including installation, integration, and hardware support.

► OSE increase annual investment during next 4-5yrs – Uruguay

Uruguayan state-owned water utility **OSE** plans to increase its annual investment to US\$55mn-60mn for the next 4-5 years, OSE president C. Colacce told BN Americas.

The company, which was investing an average US\$35mn annually, is working

to update its national investment plan to optimize the country's potable water services.

Investments will be covered by OSE's revenues and by multilateral banks such as the **Inter-American Development Bank** and the **World Bank**, he said.

Officials are working with the country's 19 departmental governments to define their investment needs and to optimize the use of the already existing water and drainage infrastructure.

The plan comes as an effort to improve Uruguay's environmental standards, as investment will also cover sewerage necessities in all of the country except for Montevideo.

A number of audits have been carried out in each department to obtain detailed data of the municipalities' real needs, Colacce said on the presidential website, adding that sanitation and wastewater treatment will be prioritized in cities such as **Maldonado and Punta del Este**.

Other works will include the construction of wastewater treatment plants - of which a number are already under construction, increasing the number at a national level - and the construction of potable water and sewerage networks in cities **Salto and Paysandú**.

The utility will also increase efforts to connect users to sewerage networks. According to OSE 50,000 families have access to sewerage networks but are not connected to them.

OSE officials are working along with the country's national water and sanitation department (DINASA) which analyzes national policies regarding water and sanitation, later implemented by OSE.

Business News Americas

► Itaú parent buys ABN Amro private banking units in Latin America.

Itaúsa, parent of Brazil's second largest private sector bank Itaú (NYSE: ITU), has bought the Latin American private banking business of Dutch bank ABN Amro (NYSE: ABN), the holding said in a press release.

The business operates out of **Miami** and **Montevideo in Uruguay** and includes approximately US\$3.3bn in assets. With the purchase, Itaú Private Banking raises its total assets under management to US\$20.3bn, Itaúsa said.

In November last year, Itaúsa acquired BankBoston International in Miami and BankBoston Trust Company Limited in Nassau, Bahamas, from Bank of America (BofA; NYSE: BAC) for US\$155mn through Banco Itaú Europa (BIE) and subsidiary Banco Itaú Europa Luxembourg.

The two BankBoston units held US\$3.67bn in total assets under management at the time of the acquisition, mainly from Latin American private banking clients.

Itaú bought BankBoston Brasil in May 2006 for 4.5bn reais (currently US\$2.22bn) in shares. Itaú then paid US\$633mn in August for BankBoston units in Chile and **Uruguay, including Uruguay's largest credit card issuer OCA.**

Itaú also has offices in the Bahamas, the Cayman Islands, Hong Kong, Lisbon, London, Luxembourg, Miami, New York, Shanghai and Tokyo.

ABN Amro extended on Tuesday the exclusivity period of merger talks with UK bank Barclays (NYSE: BCS) until April 20. The talks began March 20.

The Dutch bank also agreed to start exploratory talks with Royal Bank of

Scotland (RBS), Santander (NYSE: STD) and Fortis.

If the RBS-led consortium eventually buys ABN Amro, Santander could take over Brazilian subsidiary ABN Amro Real.

However, if BofA buys ABN Amro and sells the Brazilian operations to Itaú as it did with BankBoston, Itaú would become the largest bank in Brazil with 324bn reais in total assets, according to end-2006 figures from the central bank.

Business News Americas

► GRAPEVINE: great wines from an unlikely source Uruguay.

Uruguay has 400 miles of golden beaches, a **Unesco** heritage site reminiscent of old Lisbon and a whole lot more to appeal to tourists, but it's not on the must-go holiday destination list of many Britons. I've not been there, but I have a friend who has.

More to the point, I've been to a tasting of Uruguay's wines, given by that friend. Wink Lork is former chairwoman of the Association of Wine Educators, and she and fellow AWE member Vivienne Franks are currently offering a taste of South America's number four grape grower to wine clubs around the UK.

The dozen wines they show (eight at each tasting) are an intriguing introduction to a nation which has made wine for 250 years, though only for about half that time with the tannat grape, now Uruguay's flagship variety.

Tannat crossed the Atlantic from south western France - it's the grape of madiran, that once toughly-tannic

but now very appealing deep, rich red wine from the foothills of the Pyrenees - carried by a Basque immigrant. And it has flourished on the chalky-clay soils of its new homeland.

Uruguay's wineries are small, family-owned, boutique operations, harvesting all their grapes by hand and taking a great deal of care of them in modern cellars.

As a result, the wines aren't likely to end up as buy-one-get-one-free offers in supermarkets.

They're still hard to find in the UK, though the educative efforts of Wink and Vivienne may help to change that. The likes of Oddbins and Majestic haven't discovered them, and of the supermarkets only Waitrose can help - with Pizzorno 2005 (£7), a merlot/tannat blend where the former smooths the latter, there's plenty of meaty fruit and a crispness which makes it pleasantly drinkable, especially with casseroles and game.

A very few branches also have a 2004 tannat/merlot from Bouza (£9.95), a high-investment, impressively-equipped operation which is experimenting with varieties less familiar in Uruguay, including tempranillo and albarinho.

The society's buyers argue that value is best at that top end, and certainly a lot of effort has gone into the Gran Bodegon - almost half tannat, with decreasing proportions of cabernets sauvignon and franc, merlot, petit verdot and marselan. Under the oak on the nose there's fruit fragrance, herbs, coffee and even a hint of eucalyptus, and much of that carries on in the mouth.

If you like impressive oaky reds, go for it now - I'm not entirely certain it will age as well as its makers might hope.

Of the other wines Wink showed, two of the whites were unexpectedly good - De Lucca marsanne Reserva de la Casa 2006 (not yet available in the UK) had lovely peachy scent and layers of rounded, nutty fruitiness, and Marichal chardonnay Reserve Collection 2003 demonstrated that Uruguay's whites can age elegantly, though it prompted my first-ever use of "putty" in a tasting note.

As far as prices go, Uruguay is on a similar level to New Zealand.

But while the wines have made huge steps forward in the last decade, it will be quite a while yet before the former fills as much UK shelf space as the latter.

(An Englishman opinion)

MERCOSUR

MERCOSUR Parliament opens May 7th in Montevideo - Uruguay



MERCOSUR Parliament will be formally opened next May 7 at Uruguay's Legislative Palace and in its first year will have an operational monthly budget of 30.000 US dollars, according to delegates from the five member countries.

The group's parliament, made up of Argentina, Brazil, Paraguay, Uruguay

and Venezuela, was solemnly launched last December 14 in Brasilia.

Although Paraguay currently holds the six months rotating chair, the ceremony is scheduled in Uruguay because Montevideo was chosen as the seat for the group's Parliament.

However and in spite of the political agreement to a "low cost, no bureaucracy" parliament, the Mercosur Council, (Foreign Affairs and Economy ministers) still have to decide on the 2008/2010 budget during a meeting scheduled next May in Paraguay.

The Parliament bill will be split, half of it according to the number of legislators from each country and the other half based on GDP of each member.

Legislators will not be paid for their work in the regional parliament and the basic staff in 2007 will be limited to 25, possibly growing to 45/50 as of next year, revealed Uruguayan Congress member Roberto Conde.

Each Mercosur member will be represented in this first stage by 18 Parliamentarians elected by the two chambers of the legislative branch of each country. Paraguayan senator Alfonso González Acuña will preside the opening session.

Mercosur Parliament will function at **Montevideo** Town Hall while a decision on a definitive location, --and budget—is decided.

TOURISM

► Uruguay: Latin America's Hidden Jewel

High economic and educational levels and an attractive regulatory environment are among the key benefits Uruguay offers to foreign investors

Uruguay may not get the same attention as its larger neighbors in Mercosur, but it has a good story to tell: *The South American country ranks among Latin America's best countries when it comes to business environment, economic and political freedom and transparency.*

"There are many advantages for doing business in Uruguay," says Marko Janhunen, a vice president at Finland-based pulp manufacturer Botnia, the largest foreign investor in Uruguay.

"Uruguay is a politically, economically and socially very stable country. ***It has a good level of basic and higher education and therefore it is easy for companies to hire people with excellent skills and the government is favourably disposed to foreign investments.***"

Last, but not least, is the large potential for rapid growth eucalyptus trees, which are used to produce pulp and paper. The combination of eucalyptus and attractive local conditions have lured not only Botnia, but also other pulp producers such as Spain-based Ence and Swedish-Finnish Stora Enso. Combined, the three pulp producers are investing nearly \$3 billion in Uruguay over the next eight years and generating more than 6,000 direct jobs.

Latin Business

► The chic go wild in Uruguay - José Ignacio

Driving north from Punta del Este, a full-blown city resort with a Miami skyline, a casino and yacht-choked marina on the Uruguayan Riviera, the promise of the much more intimate **Jose Ignacio** beckons.

The light-brown sand of the wide Atlantic beach at last gives way to a promontory peppered with low-slung homes and the stone finger of a lighthouse rising from its jagged point. The sky is lead-grey and briefly I am dubious. Is this really the red-hot new destination in South America for the world's jet-set crowd?

Jose Ignacio, until a few years ago a fishing village unworthy of a dot on anyone's map, is baffling at first. The small grid of narrow streets offers no easy clues as to why you have travelled so far to get here. It offers no colonial architecture and even the main square is little more than a children's playground. You will find no tourist information booths, no obvious sightseeing attractions and not the slightest trace of neon. " *In Jose Ignacio, only the wind is in a rush,*" declares a roadside sign.

Even the hotel, the Posada del Faro, while exquisite in cool white, is not quite on the scale I had imagined. Naomi Campbell has stayed here, as well as Mario Testino and Giselle Bundchen. The pool is cute but has no infinity edge. This is how the celebrities go on holiday? Should there be more glamour? But forgive my dull soul - I had only just arrived and the spell of Jose Ignacio had not yet quite caught me.

It is this modest mien that gives Jose Ignacio its special appeal and why it is being described as a **mini-Hamptons in Latin America** (that string of towns on Long Island that are the

summer paradise of America's most prosperous and decadent).

"It can be intimidating," admits Frances Mallman, a celebrity chef in his native Argentina who owns **Los Negros**, the most prestigious restaurant in town. Go not just to taste Mallman's menu - for us he serves giant shrimps sautéed with prosciutto followed by a sea bass cooked in a two-inch-thick crust of salt - but to absorb his love of poetry. Scraps of poems are written, graffiti-wise, up and down the restaurant's white-painted walls.

The risk in Jose Ignacio is finding yourself walled out by its very exclusivity. "You have to make your own connections," "That means going to the beach and connecting with people. If you're in Jose Ignacio it's because you want the action and to get the action you have to work for it."

The Belfast Telegraph

► Uruguay presents a great tourist destination surprise in South America

Most people are a little unsure about Uruguay, dismissive almost. This is strange as unlike some other countries in South America Uruguay's reputation has not been tainted by a history of kidnaps or revolutions. The big issue for many visitors to this corner of South America is one of what to do in Uruguay, especially when Argentina, with big, glitzy old Buenos Aires, is just over the river.

I decided that despite all the fun to be had in Buenos Aires, I was hankering



Colonia del Sacramento

to do something more than visit old haunts in that great vibrant city. As such, the solution was a few days in Uruguay, and the discovery of **an unexpected gem in Colonia del Sacramento.**

To visit *Colonia del Sacramento* is to take a step back in time. Once out of the ferry terminal the town centre is a five-minute taxi ride away. As I did not have any accommodation booked, I just asked to be dropped off at the town square.

Colonia del Sacramento oozed old world charm, and even though I'd been in the country for less than half an hour I was already congratulating myself on opting to cross Río de la Plata. The most outstanding aspect of the town was its colonial architecture, with white washed walls and leaded windows. It reminded me of Lisbon, which was hardly surprising considering the fact that the Portuguese founded the place in 1680. From its low-rise buildings with the wrought iron balconies to the lazy Sunday attitude that was several beats behind the jaunty tango of Buenos Aires, this felt like the ideal place to relax in before heading back to Argentina, and the plane home.

Colonia del Sacramento is built on a peninsular, and its main street is just one block away from the bay at its tail end. As I was staying within striking distance of the sharp end of town I headed off to explore the point where Colonia meets the waters. I passed a couple of interesting looking restaurants on the way, and found a rather eccentric eatery right on the edge of town opposite a pontoon where a few people sat drink yerba mate and watching kids kick a football on a cozy little beach to the left.

The sun was pretty high so I opted for a stroll along the tree-lined streets of the Barrio Histórico. Considering that the peninsular limited the size of this district of the town, there were plenty of things to see. I passed numerous quaint local artisan shops, not to mention the numerous ancient, pre-war Fords, some of which seemed to have long passed their best.

As I made my way through a maze of small cobbled streets unexpected pleasures appeared, including the Puerta del Campo, a restored fortress and the impressive lighthouse, which I climbed in return of a small donation.

From the top I could see across the town, and further, almost as far as **Plaza de Toros**. There is a poignant tale about this attraction, which comprises more than just a bullring, as it also features a hotel and racetrack. A wealthy businessman, who was keen to invigorate Uruguay's tourist industry, built Plaza De Toros early on in the last century. As it was, wider political issues intervened and the banning of bull fights soon after its completion meant that for the dream of many would-be matadors were never realised. Ultimately, the only action most Uruguayan bulls saw happened in the nearby fields.

I headed back down the spiral stairs to the foot of the lighthouse and marvelled at the ruins of the **Convento de San Francisco**. It was now way past noon and so I headed for a local restaurant, where I was

planning to write to some friends and reserve some energy for the afternoon. What with the oldest church in Uruguay numerous museums, the bullring, and a plethora of attractive little bars to enjoy I found myself wondering whether a day and a bit was enough time to spend in sleepy old Colonia del Sacramento.

► **Uruguay and Tannat have a wonderful relationship**



I would like to take a break for a moment and talk about a bottle that was given to me recently as a gift from an uruguayan friend. I will say up front that this wine is over twenty bucks. But I just have to talk about it. And it is worth every penny. This wine is from an area of the world I have never tried so it was pretty exciting for me. The area of the world I am speaking of is **Uruguay**. Everyone these days knows about Argentina's malbec, which actually came from the Cahors region of France where it is known as auxerrois as well as the Loire Valley where it is known as cot. And we are becoming very well acquainted with Chile's carmenere grape which also from France (from the Bordeaux region) as well as their cabernet sauvignon (interestingly enough, carmenere is related to cabernet sauvignon so it kind of makes sense why they both are doing so well there).

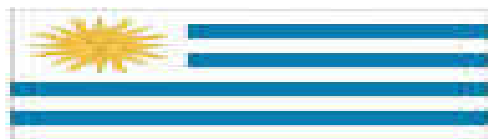
But there is another grape from France doing very well in Uruguay, Tannat.

*Tannat comes from the Madiran region in southwest France. It made its way to Uruguay in the 1800's and has been the wine that the Gaucho (cowboys) drink with their steaks for decades. I am still researching the history of Uruguay's viticulture practices and will be trying more very soon but for now, let me get to talking about this here **vino**.*

The wine is a 2002, unfiltered one hundred percent tannat made from sixty, eighty and one hundred year old vines. It is a "gold reserve" and the producers name; I believe is **Los Cerros De San Juan**.

I highly recommended this Wine to order with a skirt steak. It's an age worthy wine that can hang out in your "wine cellar" for a couple more years or just have around for special occasions when you have friends over for dinner.

Definitely eat with this wine, especially steak, and if you don't eat meat cook up some hearty vegetable dish or grill up some portabellas with a nice dollop of blue cheese on top. **Thank you for the excellent wine** and I look forward to trying many more of the wines from Uruguay. I will definitely be putting a couple in the shop to expose an amazing and internationally burgeoning wine region of the world. Cheers!



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