



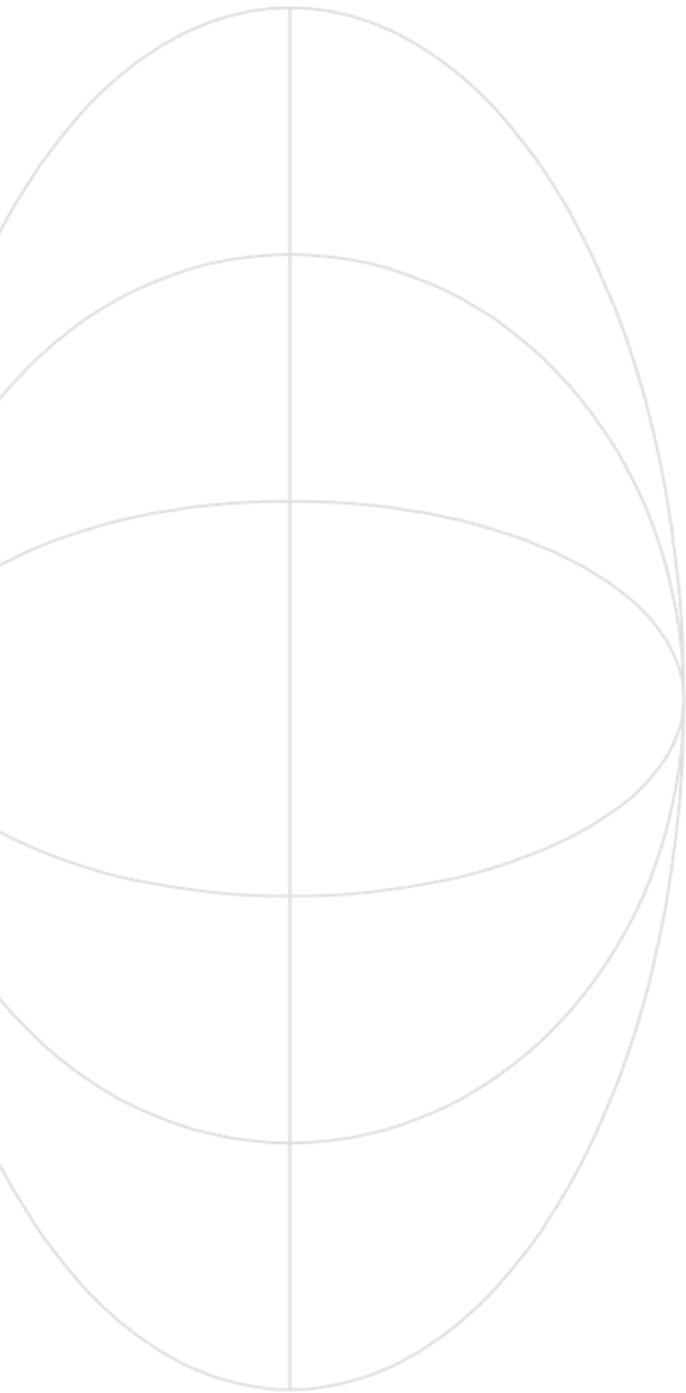
NEARSHORING FOR THE AI ERA: WHY LATAM IS POWERING THE NEXT WAVE OF AI DELIVERY

Methodology: The survey includes insights from over 200 U.S. CIOs, VPs, and Directors across various industries who have direct influence over sourcing, delivery, and digital transformation. All participants are actively engaged in, or planning to launch, nearshoring or offshoring initiatives to scale AI.

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FOREWORD



As AI becomes central to business strategy, organizations are reassessing how their technology work gets done. Delivery models optimized for cost and capacity are being tested by new demands for speed, collaboration, and specialized AI expertise.

To understand how leaders are responding, CI&T conducted a research study in Q4, 2025 - Q1, 2026, surveying U.S.-based B2B technology and business decision-makers who have participated in, or expect to participate in, a nearshoring or offshoring initiative. Respondents included over **200 CIOs, VPs, and Directors across multiple industries**, all with direct influence over delivery, sourcing, or digital transformation decisions.

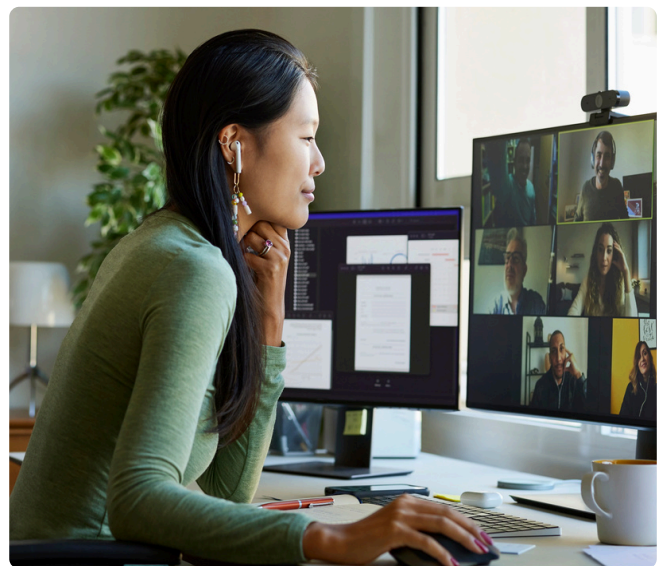
This paper explores what these findings mean for organizations scaling AI, and why the speed and dependability of nearshoring — particularly in Latin America — may be the key to keeping pace.

The rapid growth of AI across industries is reshaping what it means to be a modern software developer. According to Gartner, global AI software revenue is projected to exceed **\$300 billion in 2026**. This investment isn't just speculative; research from MIT Sloan indicates that more than half of large enterprises are already actively investing in AI initiatives to move beyond the pilot phase.

As organizations move beyond pilots and proofs of concept, they increasingly need developers who understand not only traditional application engineering, but also data pipelines, cloud-native platforms, machine learning frameworks, and MLOps. However, scaling these initiatives remains a challenge. ManpowerGroup Talent Shortage Survey reveals that **over 70% of companies report difficulty hiring AI and ML talent**, and compensation for these roles often carries a significant premium in the U.S.

The result is a growing gap between ambition and available capacity — one that can slow innovation and delay time-to-market.

Nearshore delivery from Latin America offers a practical and scalable way to close that gap. The region is home to **more than 2 million software developers**, with strong talent hubs in Brazil, Mexico, Argentina, and Colombia. Universities across LATAM graduate large numbers of STEM students each year, and investment in digital and AI education continues to grow.



Importantly, the region's **4–8 hours of time zone overlap with the U.S.** supports real-time collaboration, which is especially valuable for AI initiatives that require rapid iteration and experimentation. Benchmarks from CI&T indicate that senior engineering costs in the region are typically **30–50% below** comparable U.S. roles. This allows organizations to build sustainable, multidisciplinary teams without compromising on quality or communication.

As AI becomes embedded into core products and operations, success depends on stable, integrated teams that can manage the full lifecycle — from data engineering and model integration to deployment, monitoring, and continuous improvement.

Latin America's technology services sector has experienced consistent growth over the past decade, reflecting its evolution into a mature and trusted delivery region. By partnering with nearshore teams in LATAM, enterprises can expand their access to AI-ready talent, reduce hiring pressure, and accelerate the path from AI concept to production. Rather than serving solely as a cost alternative, nearshore delivery can act as a strategic extension of internal teams—helping organizations scale AI capabilities with confidence and agility.

AI HAS CHANGED THE GAME FOR IT HELP

Similar scenes and debates are playing out in organizations across almost every sector of the economy. Just think about the AI pressures your company is facing.

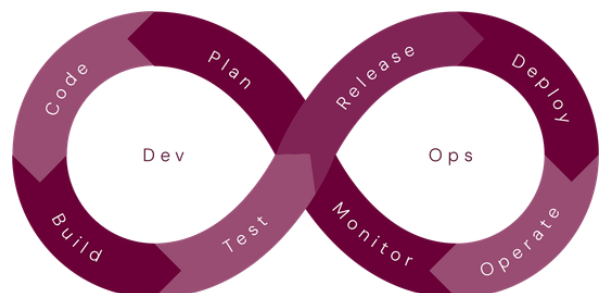
You want to be on the cutting edge of AI. More accurately, you *need* to be there. Your customers are expecting it. Your competitors are pursuing it. Your productivity and efficiency depend on it. And if you're not keeping up, you're falling behind.

But AI requires unprecedented speed, agility, and adaptability. And, like many organizations, you just don't have enough developer talent to meet those demands. You could try to:

 **Upskill your current team**, but your issue is less a question of ability and more one of bandwidth.

 **Add more in-house talent**, but this is a costly, time-consuming, and potentially futile effort.

 **Supplement your team with offshore resources**, but this may not be a good fit for AI work.



For many organizations, offshoring has long been the go-to, low-cost solution to supplement or enhance their IT teams in areas like tech support and customer service. But AI development is a different animal.

In most large organizations, AI projects are multi-million dollar investments. They demand specialized talent, speed, and coordination. They require the utmost confidence in your partners. There's no wiggle room for getting things wrong.

Unfortunately, most offshore teams simply can't deliver at this level.

SURVEY SAYS:

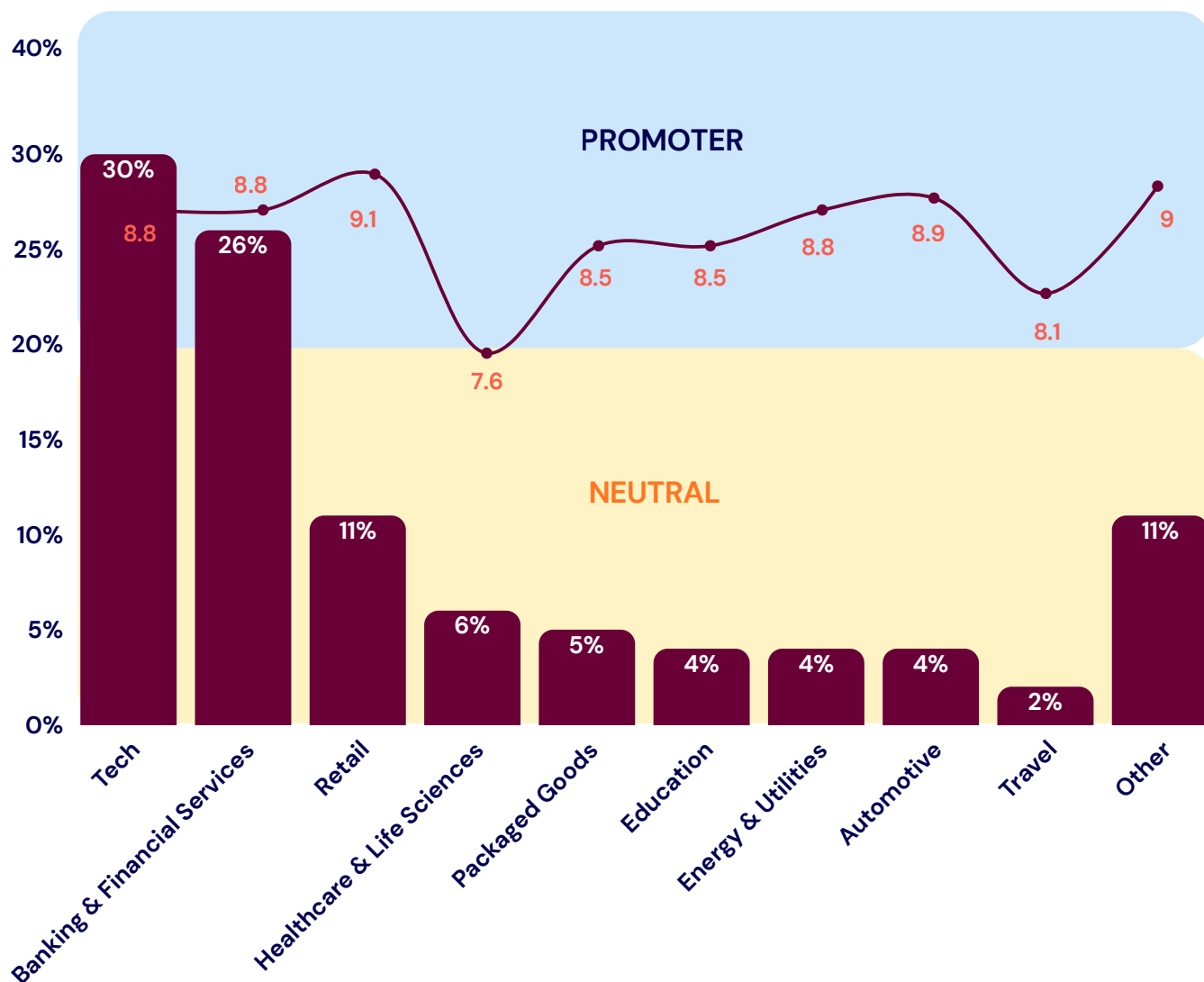
After gauging their real-world experiences with global delivery, leaders identified several reasons for favoring nearshoring over traditional offshoring, including:

-  **High-quality work**
-  **Ease of communication**
-  **Collaboration opportunities**
-  **Overall value**

Survey respondents included a significant number of participants with deep familiarity in offshoring within the Technology and Banking/Financial Services sectors.

Across most industries, NPS results indicate that participants are high Promoters of the model.

However, the Healthcare & Life Sciences (HLS) segment remains an outlier; respondents in this space leaned toward Neutral, citing reluctance around patient data privacy and the complexity of managing highly regulated workloads.



That's why more organizations are turning to nearshoring for **enhancing their teams in the age of AI**. Capitalizing on the growing talent pool in Latin America (LATAM), nearshoring offers benefits for organizations looking to supplement their AI teams that **offshoring can't match**, including:

📍 **Time zone alignment**

★ **High-quality talent**

IA **The ability to complete more advanced AI projects.**

Of course, nearshoring is not a new idea. Many companies have been taking advantage of the reliability and convenience of LATAM talent for a variety of tech projects and initiatives over the years.

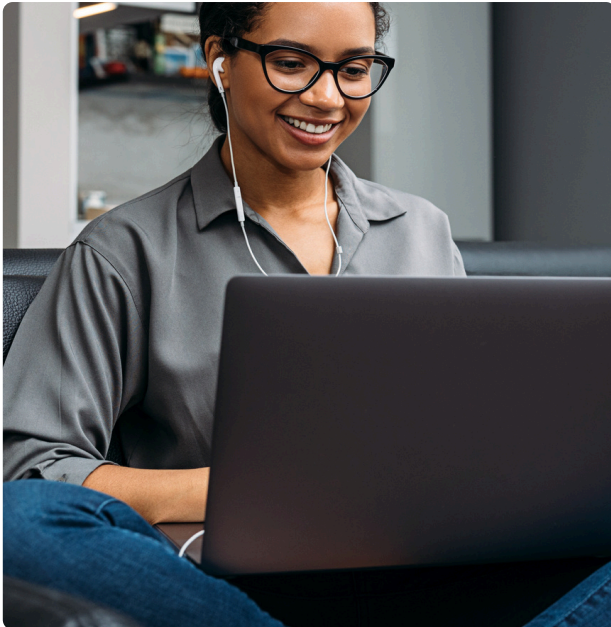
But AI has changed the game. Speed, agility, and adaptability are no longer nice-to-haves – they are non-negotiable requirements for success.



THE WORLD HAS CHANGED: THE CASE FOR NEARSHORING IN LATAM

Ten years ago, organizations trying to make the case for the viability of offshoring faced an uphill battle. Despite the potential cost savings and the immediate boost in capacity, the quality and reliability of talent in far-flung locales in Asia and elsewhere was often called into question.

Many of those organizations eventually experimented with and refined their efforts enough to offer widespread offshoring operations, most notably in basic areas such as IT support. And today those supplemental offshore teams are an integral piece of many companies' operational strategy.



So why can't offshoring for AI follow a similar trajectory? Mostly because the fast-moving world of AI development has very different needs than traditional IT support:



AI involves more advanced, specialized, and intensive work.

AI projects require close collaboration among teams.

The speed of AI development demands timely communication.

With its inherent time zone differences and specialized talent gaps, offshoring just can't meet these needs.

SURVEY SAYS:

Nearshoring Delivers AI-Ready Talent

90%

AI

of industry leaders feel either very or somewhat confident with the AI talent available in nearshore markets

Offshoring is probably fine for a straightforward IT support project. A regional bank, for example, would probably be fine handing off a core maintenance task to an offshore team at the end of one day and picking up its overnight work the next morning. The in-house team could then look for any errors and send it back the next night for corrections. There's little to no collaboration or interaction involved.

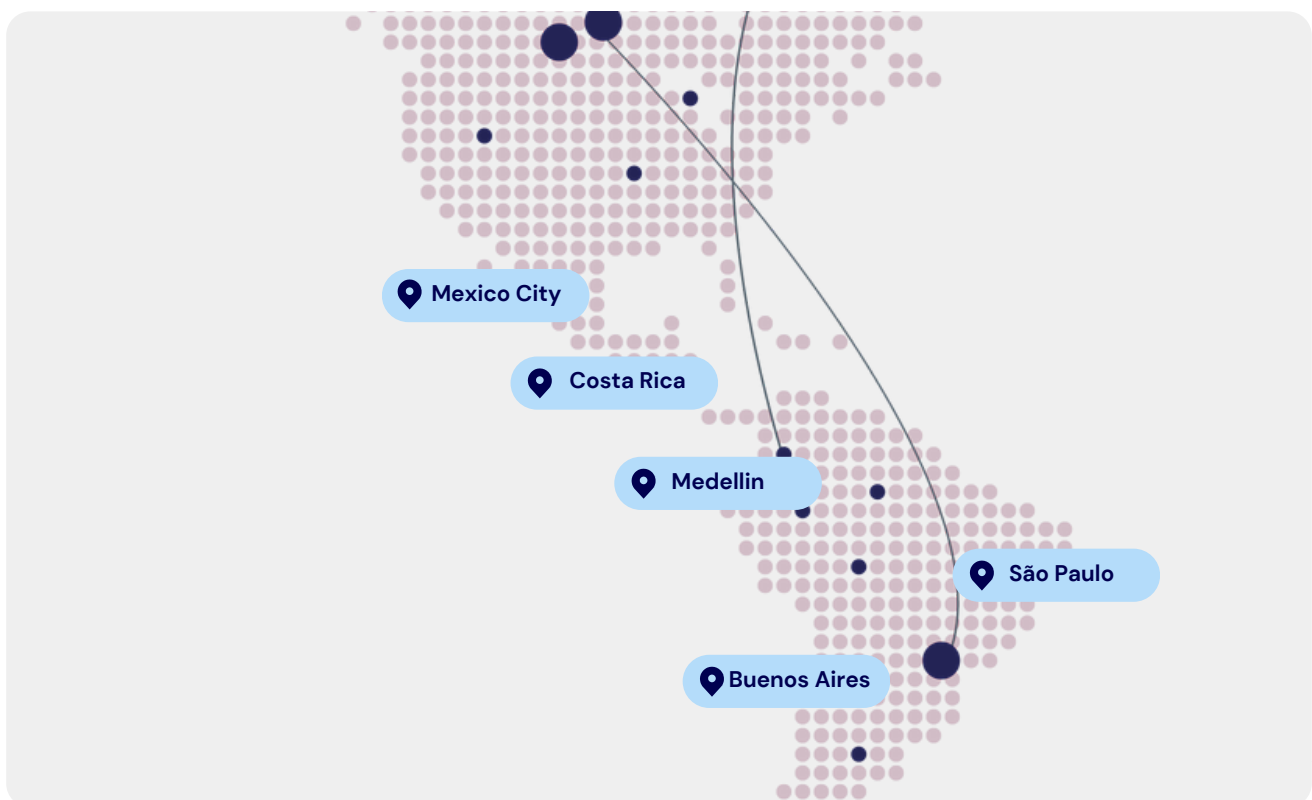
EMERGING AI TALENT HUBS IN LATAM

But when it comes to AI development, speed and accuracy matter more. The process can't be slow and the output can't be wrong. That's why collaboration and communication are so important. And it's why **nearshoring in LATAM better meets the needs of today's AI-focused work**, thanks to...

 **Time zone alignment between the U.S. and many LATAM countries**, which facilitates more timely interaction between and among teams.

 **Strong English proficiency in LATAM countries** that allows for easier, more effective communication.

 **Higher-quality talent populations** that boast the kind of specialized skillsets that AI work requires.

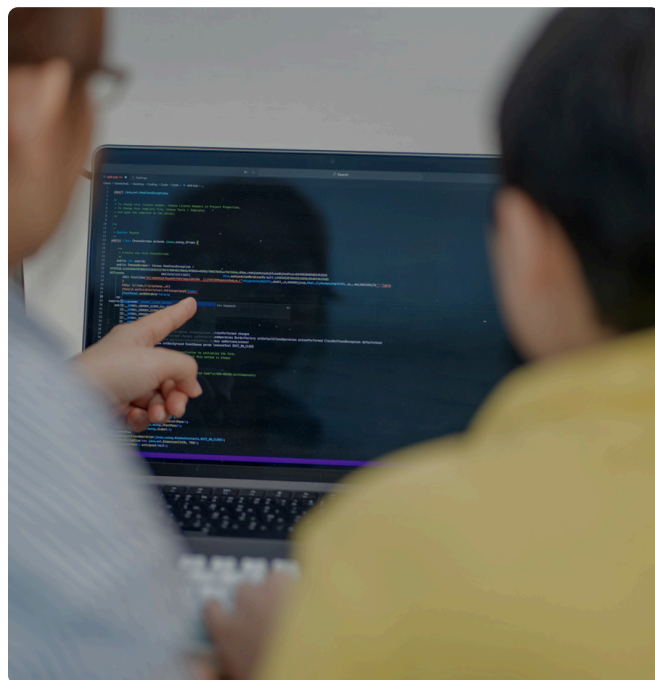


What do these attributes add up to? A value that goes far beyond the potentially lower cost of offshoring. While nearshoring may be more expensive, it offers you a true extension of your team – not just a handoff. That means greater continuity, fewer reworks, more immediate feedback, and faster iterations that allow you to build, test, learn, and refine more quickly and efficiently. The payoff? The ability to get to ROI-positive products and processes faster.

Think of nearshoring as an investment. In the case of AI, it's like flying rather than taking the bus. You'll get there either way, but one is much more efficient and lets you start enjoying your vacation – or, in this case, seeing the benefits of your AI projects – much sooner.

 SURVEY SAYS:
Nearshoring as a Strategy Booster

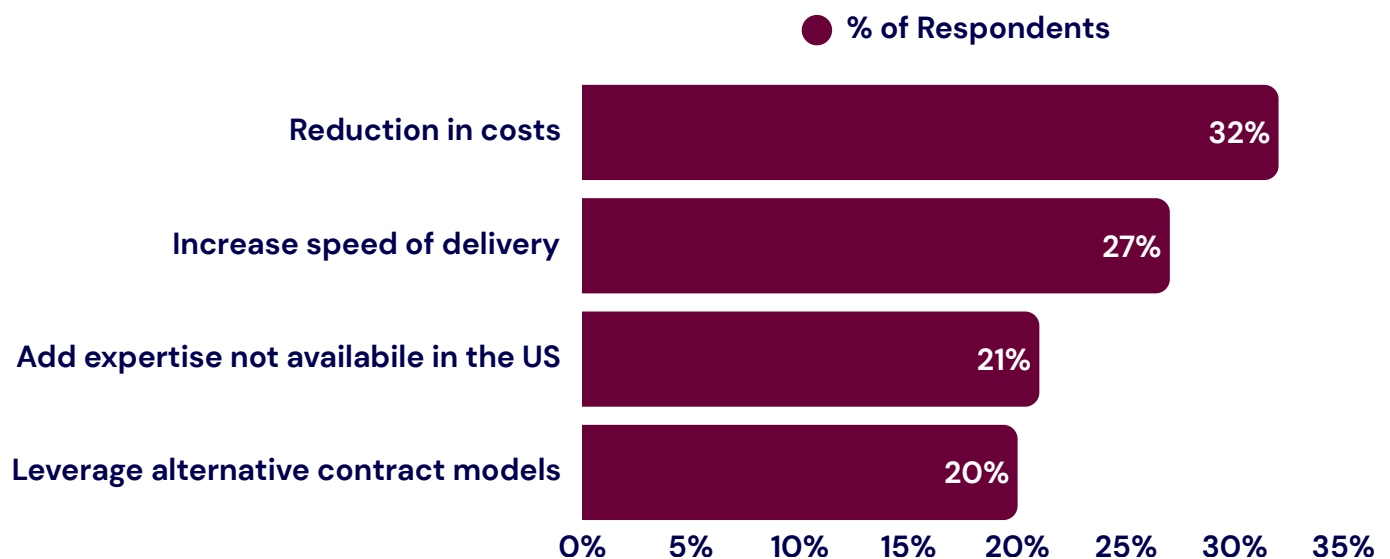
C-level leaders (CIO, CMO, CISO) and VPs said **nearshoring is far more likely to deliver strategic insights than offshoring**



WHY FIRMS ARE LOOKING FOR OFFSHORE AND NEARSHORE CAPABILITIES



Although cost reduction is the predominant driver for firms seeking additional capabilities from offshore and nearshore technology providers, there is a significant need around increasing the speed of delivery and accessing specialized expertise unavailable in the domestic market. Furthermore, organizations are increasingly pivoting toward outcome-based engagement models as an alternative to traditional "Time & Materials" structures.



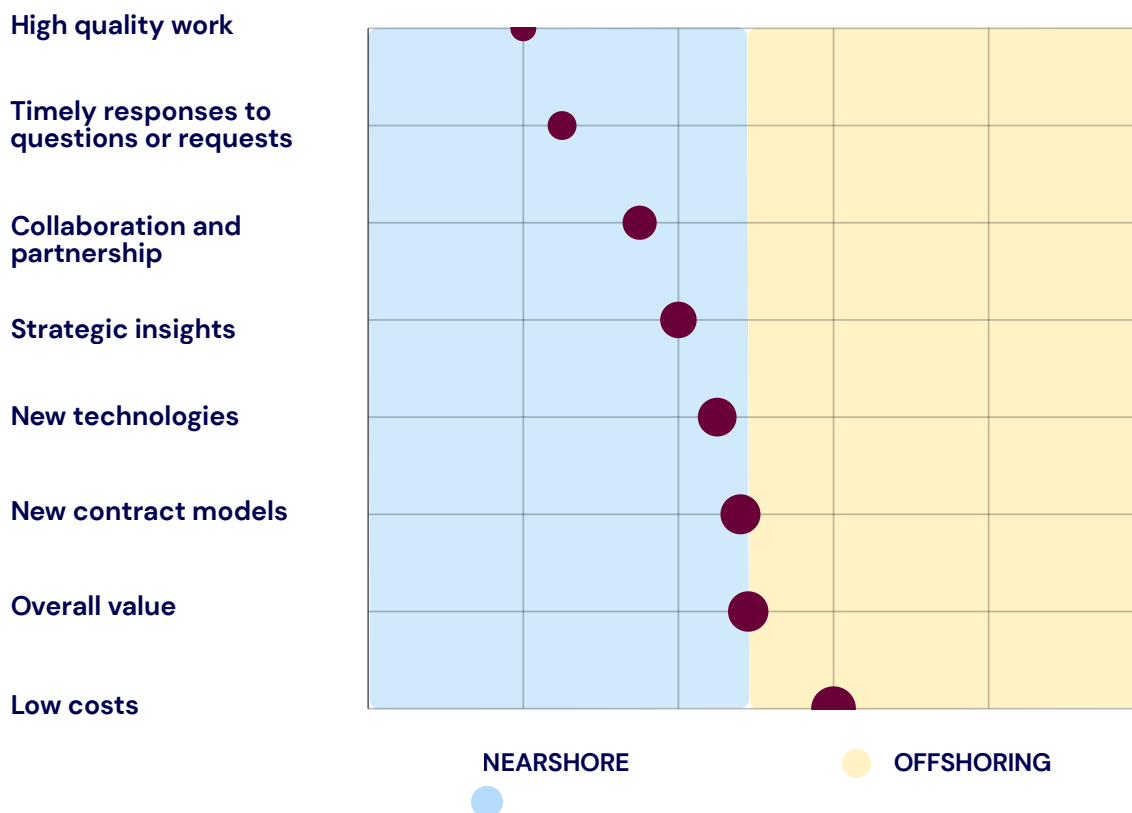
FACE OFF: NEARSHORE V. OFFSHORE

	LATAM (nearshore)	Asia (offshore)
Cost Efficiency	Countries like Brazil, Colombia, and Mexico offer labor costs that are generally lower than those in the U.S. and Canada, while still maintaining a high level of competency.	Places like India, China, and the Philippines also present lower initial costs. But hidden expenses can emerge from long-distance communication challenges and inconsistent quality.
Time Zone Alignment	With only a few hours difference, LATAM's favorable time-zone alignment with North America allows teams to collaborate seamlessly, enabling real-time communication and faster project turnaround times.	Significant time-zone challenges mean teams may have to deal with delays and misunderstandings that can slow down project timelines and diminish productivity.
Cultural Fit	The shared values and business practices among the U.S. and many LATAM countries can help enhance collaboration and understanding among teams.	Differences in work ethics, management styles, and communication preferences between the U.S. and some Asian countries can lead to misunderstandings and strained communication, increasing the risk of project failure.
Talent Quality	Countries like Brazil and Argentina have heavily invested in education, producing a rich and diverse population of skilled, bilingual professionals in the tech and engineering fields.	Despite being home to a vast pool of highly skilled IT and software development professionals, the sheer size of the Asian workforce can sometimes lead to variability in quality.

VALUE EXPLAINED

Respondents indicated that when considering nearshore and offshore partners, **value is increasingly defined beyond traditional costs.**

By focusing on high-quality work, real-time collaboration, and timely responsiveness, organizations can also gain the strategic alignment necessary to bridge the gap between AI ambition and successful market execution.





SURVEY SAYS:

Bullish on Nearshoring

76%

of industry leaders plan to increase nearshore hiring over the next two years

Will following these steps make your nearshoring partnership a sure thing? Not necessarily. Solid due diligence doesn't prevent every hiring mistake either. But taking the time to work through this type of detailed process can give your organization a much better chance of landing a difference-making nearshoring partner.



SURVEY SAYS:

Parsing Nearshore Partners

When asked about the most important factors for selecting a nearshore AI partner, survey respondents said they're focusing on:

- Proven track record / case studies
- Depth of AI experience
- Access to niche skills, such as GenAI or MLOps
- Strong security and compliance practices
- Flexible engagement / pricing models

MAKING THE MOVE:

EVALUATING AND ENGAGING WITH LATAM PARTNERS

60%

 of respondents indicate a shift
in their offshore/nearshore
dollars to LATAM

An organization that adopts a LATAM nearshore strategy can create a more agile, responsive, and resilient technology operation. In doing so, it can set itself up for better AI readiness and more sustainable growth in an increasingly competitive global market.



MARKET COMPARISON

TOP 5 LATAM LOCATIONS

BRAZIL	COLOMBIA	ARGENTINA	MEXICO	COSTA RICA
The Brazilian IT Services Market: • Valued at USD \$22 billion, in 2024. • Grew 10% in 2023 • Ranks 6th in the IT world market • Total workforce of 750k professionals Brazil currently produces over 500,000 programming engineers, with a comparatively low turnover rate of 20% compared to India's 40%. According to the IT human resource market study produced by the Brazilian Association of Communication & IT, Brazil is expected to welcome approx. 237,000 people into the workforce from 123 technology institutes and 400 incubators operating across the country.	The Colombia IT Services Market: • Over 200,00 software developers • Projected 16,000 computer science graduates per year Colombia is one of the fastest-growing BPO markets and has increased their technology capabilities in relationship to this. The company has a 90.9% rating from Offshore BPO Confidence Index for 2021 and is listed as one of the top 12 world's most popular offshoring/nearshoring destinations.	The Argentina IT Services Market: • Valued at USD \$3.1 billion, in 2024. • Approximately 120,000 software developers available The country boasts a highly educated and tech-savvy workforce, with a large number of software developers and excellent English proficiency. Government initiatives, including tax incentives through the Knowledge Economy Promotion Regime, encourage tech investment and growth. Predominant remote workforce.	The Mexico IT Services Market: • Valued at USD \$17.82 billion 2024. • Approximately 700,000 software developers available Mexico has 130,000+ STEM graduates each year, with computer science, engineering, and IT among the fastest-growing fields. Mexico is a top global nearshore destination for U.S. enterprises due to geographic proximity, time-zone alignment, and mature enterprise delivery centers.	The Costa Rica IT Services Market: • Expected value of USD \$187.1 million in 2025 • Shows promise as a smaller but growing nearshore IT- and BPO-services hub Costa Rica is one of the most stable and mature nearshore ecosystems in Latin America. Consistently ranked among the top 20 global outsourcing destinations and known for exceptional bilingual capability—especially English proficiency.
Pros • IT Infrastructure • Employee Retention • Quality of work • Reasonable Costs • Time Zone (ET -1 hour)	Pros • IT Infrastructure • Quality of work • Proximity to US • Reasonable Costs • Time Zone (ET) • English proficiency	Pros • Reasonable Costs • Time Zone (ET) • English proficiency	Pros • English proficiency • Time Zone • Deep talent pool	Pros • English proficiency • High quality talent • Reputation for specialization
Cons • Complex bureaucracy and tax system	Cons • Smaller talent pool	Cons • Economic instability • Broadband is limited • Smallest talent pool	Cons • Higher turnover • Regional disparities	Cons • Limited ability to scale • Small talent pool

PROVIDERS IN MARKET

TOP NEARSHORE TECHNOLOGY SERVICES PROVIDERS IN LATAM

An organization that adopts a LATAM nearshore strategy can create a more agile, responsive, and resilient technology operation. In doing so, it can set itself up for better AI readiness and more sustainable growth in an increasingly competitive global market.

CI&T

- **Headquarters:** Brazil
- **Additional locations:** Colombia and Mexico
- **Overview:** One of the most established providers in Brazil with a global client roster. Applies a nearshore/offshore delivery model and offers vertical capabilities in enterprise solutions, consulting and software engineering.
- **Best for:** AI embedded in the SDLC, AI transformation and application modernization.

GLOBANT

- **Headquarters:** Argentina
- **Additional locations:** Brazil, Chile, Colombia, Peru, Ecuador, Costa Rica, Uruguay
- **Overview:** Well-known for digital transformation, software engineering, experience design, cloud, and data services.
- **Best for:** Enterprise digital transformation and high-growth tech initiatives.

PRODUCTORA DE SOFTWARE

- **Headquarters:** Colombia
- **Overview:** Software services company with a long track record in nearshore application delivery and consultancy. Strong in software quality, maintenance, and enterprise app development.
- **Best for:** Mature custom software development and application support.

SOFTTEK

- **Headquarters:** Mexico
- **Additional locations:** Argentina, Brazil, Chile, Colombia, Paraguay
- **Overview:** One of the largest and most established IT services firms in Latin America, widely recognized as a pioneer of the nearshore delivery model. Offers broad services: software development, IT consulting, infrastructure, cloud, security, digital transformation, and managed services.
- **Best for:** Large enterprise partnerships and complex technology engagements across multiple domains.

SONDA S.A.

- **Headquarters:** Chile
- **Additional locations:** Argentina, Brazil, Chile, Colombia, Costa Rica, Panama, Peru, Uruguay
- **Overview:** One of the largest IT services and outsourcing firms in Latin America. Offers systems integration, infrastructure services, consulting, BPO, and full IT lifecycle support.
- **Best for:** Broad IT services ecosystems and hybrid nearshore solutions.

STEFANINI

- **Headquarters:** Brazil
- **Additional locations:** Argentina, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, Honduras, Mexico, Panama, Paraguay, Peru, Uruguay, Venezuela
- **Overview:** Global tech consulting and IT services company that helps enterprises modernize, operate, and transform their technology using a mix of consulting, outsourcing, and digital solutions.
- **Best for:** Infrastructure, managed services, enterprise IT.

NEARSHORE CAN BE THE KEY TO SCALING AI

In the age of AI, companies seeking to accelerate their digital transformation efforts and drive operational efficiency need more bandwidth than their current teams can deliver. But finding that additional talent can be difficult (and expensive), and traditional offshoring isn't a good fit for the intensive, highly specialized work of AI development.

Enter nearshoring, which marries the accessibility and high-quality talent of an in-house team with the cost feasibility of offshoring for a solution that can meet the demands of today's AI projects. In particular, LATAM's unique combination of technical expertise, cultural affinity, and favorable time zones position this region as a strategic hub for nearshore technology services.

Does your organization have the talent to compete in today's fast-moving AI space? If you'd like to see how a nearshoring strategy can help keep your organization on the cutting edge of AI, [get in touch.](#)

CI&T

MEET THE EXPERTS



Bruno Guicardi

Co-founder and President

30 Years | Digital Services, LATAM & North America Expertise



Young Pham

Chief Strategy Officer

30 Years | IT Services and Global Delivery Leadership

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