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Pascal and Guerrero in Latinvex: Global Capability Centers in Latin America

By Larry B. Pascal, Sergio Guerrero | September 11, 2026

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Global Capability Centers are becoming a key driver of innovation and growth for multinational companies seeking access to specialized talent, advanced technology capabilities and operational efficiency.

In an article for *Latinvex*, Haynes Boone Partner **Larry Pascal** and Associate **Sergio Guerrero** explore why Mexico and Colombia have emerged as strategic destinations for GCCs, highlighting investment incentives, workforce advantages, the growing use of Build-Operate-Transfer models and key legal and business considerations for companies expanding into Latin America.

Read an excerpt from their article below.

Global Capability Centers (GCCs) have emerged as an important model for multinational enterprises seeking to establish operations that perform strategic, core business functions, such as software engineering, data analytics, artificial intelligence, and advanced R&D, rather than traditional outsourcing services. …

Mexico: A Consolidated GCC Hub

Mexico has firmly established itself as the leading GCC destination in Latin America. According to Mordor Intelligence Research and Advisory report on Mexico GCC market, the Mexican market size is estimated at approximately $5.9 billion in 2026. …

Colombia: An Emerging GCC Destination

Colombia has recently gained relevance as a complementary GCC destination in Latin America. The country offers a strategic geographic position with time-zone overlap with the U.S. East Coast, a young and growing workforce with strong English-language adoption in key urban centers such as Bogotá and Medellín, and increasingly competitive labor costs. …

The Build-Operate-Transfer (BOT) Model

A common and increasingly popular entry strategy for GCC development across Latin America is the Build-Operate-Transfer (BOT) model. The BOT model serves as a structured risk-mitigation vehicle, where a specialized local provider (a) builds the infrastructure, forms the legal entity that will own the assets and render the services, and hires the local workforce, (b) operates the GCC until internal processes and teams have been well developed (typically 3-5 years), and then (c) transfers full ownership to the client through a pre-agreed asset or share purchase structure. …

Key Challenges in Developing a GCC in Latin America

While Mexico and Colombia offer their respective advantages, companies must navigate several challenges common to the region. Employment law complexity remains a primary concern. …

Conclusion

Finally, engaging experienced international counsel from the earliest stages of a project, particularly on labor structuring, tax planning, and IP protection, and using a "best practices" and not merely "mere legal requirements" approach are important considerations for a successful project development and GCC rollout and implementation.

Read the full article on *Latinvex* **here**.