

Latin America - The Next Big Tech Frontier ^x

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Data Centers are at the forefront of the growing technology sector in Latin America, steered by global trends toward digital transformation.

The demand for Data Centers in Latin America (LATAM) is thanks to the region's growing technology sector, led by factors such as digitization, technology trends, and new investments. This has ultimately resulted in suppliers from around the world vying for a piece of the billion-dollar pie. And yet, the region's appetite for digital infrastructure is left largely unsatisfied.

This shortfall is due to Latin America's notoriously rigorous customs and compliance regulations. These regulations are compounded by complex restrictions and processes that make **importing into South America** seem virtually impossible. Ultimately, those seeking Data Centre solutions are expected to have expert knowledge of the landscape and the risks associated with expanding into this market. However, they often find themselves stuck in a tangle of administrative constraints.



Why Is the LATAM Technology Industry Booming? ^x

x Growth equals opportunity – Global digital growth is unprecedented, with the first world leading the charge for the lagging developing nations. This ultimately means that LATAM's largely untapped technology space presents abundant market opportunities for potential investors. As a result, the growth trends and market expectations in the sector are highly optimistic, predicting an investment market size of over US\$9 Billion by 2027 – a whopping 50% growth. This puts the change at a compound annual growth rate of 7.16%, which also puts the rate 4.95% above the market average during the same period.

x Digitization in the region – Another factor is the push for digitization around the world which has become synonymous with progress and growth. Digitization offers new opportunities for emerging markets to diversify their economies, transform industry, improve remote access to education, and bridge communication gaps on a massive scale. Data Centers are the perfect example of contemporary digitization in the most globalized form.

x Technological trends – In the hopes of tackling LATAM's notorious inefficiencies, technologies that mirror more efficient global trends are propelling the region's growth with increased speed. Existing technologies drive the implementation of already tested and augmented setups and encourage the development of new, locally-focused solutions. These trends will help smooth the road to more efficient processes and large-scale investing.

What Does This Mean for Data Centers? ^x

Data Centers are at the core of the Latin American tech boom as a fundamental form of digital infrastructure. They fulfill the growing need for storage and networking real-estate, which prefaces digitization. Yet, companies attempting to establish Data Center solutions in LATAM face the infamously complex **global trade compliance** landscape.

Furthermore, language barriers, time delays, and costly processes add additional complexities, which are also responsible for lagging digital growth throughout Latin America. So, it is no easy feat for tech companies looking to expand into the region. In fact, companies tackling global logistics and compliance without help often end up with costly stuck or, in extreme scenarios, destroyed shipments.

As a result, the market has turned to industry specialists to bridge the gap, take on the risk and facilitate the import of digital infrastructure into the region. Companies specializing in high-value shipments containing IT hardware are now an essential tool for successfully setting up Data Centers in Latin America.

What Is the Data Center Solution? ^x

TecEx is one of these specialists that helps companies expand into Latin America. By leveraging our specialized knowledge of shipping technology equipment worldwide, our established global relationships, our commitment to meticulous compliance checks, and hands-on, expert service, we can step in and turn a potential crisis into company success.

For Colocation Providers

Servicing customers and helping them to deploy their gear to your colocation sites without a local presence or any knowledge of compliance requirements. Collaborating with a company like TecEx offers a local presence and extensive knowledge of global compliance requirements as a value-added partnership offering for customers.

For Hyperscalers

Even Data Centers that are being set up by Hyperscalers face the arduous task of clearing customs in compliance-intensive regions. With the help of a specialist like TecEx, Hyperscalers can limit exposure to risks and streamline the process.

For Data Center Agents/Telecom Service Brokers

Maintaining global infrastructure by shipping Data Center gear into Latin America can be challenging for your customers – compounded by the absence of a locally registered entity in the destination country. A mutually beneficial partner referral program with an expert like TecEx can help mitigate risks and offer your customers a full door-to-door Importer of Record solution to ensure their gear gets to where it needs to be.

No matter where your company lies in the IT value chain, TecEx can assist with importing IT hardware into those locations where your company or its customers do not want to/cannot act as the local importing entity. With TecEx's door-to-door solution, we can arrange the pick-up, international freight, import process, customs clearance, and final delivery in the destination country. We take on full responsibility for the import, requiring minimum involvement from you and your customer. Our proven track record and in-house expertise ensure fast clearance times and first-time clearance for all players within the IT channel. We make the difficulty that is Latin America a hassle-free and professional experience.

Contact us for more information on how we can help you expand into Latin America.

Further Reading

Importing into South America

6 April 2021

The Latin American market is developed to fuel an appetite for growth in the tech space.



Navigating the Complexities of LATAM Imports

19 May 2021

Read about how TecEx facilitated importing sophisticated Video Assistant Referee (VAR)



Outsource your international import licensing, permits, and Importer of Record (IOR) needs to TecEx and ensure hassle-free, first-time customs clearance in over 200 international destinations.

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