

PART II - CORRUPTION ENFORCEMENT IN BRAZIL: WHAT DOES THE FUTURE HOLD?

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The anti-corruption regulatory environment in Brazil has become more risky and complex during the CCA era. Do enforcement trends foreshadow eventual robust application of the CCA? The number of recent high profile cases brought against individuals in Brazil strongly suggests a climate with little tolerance for bribery. What was historically commonplace within Brazilian economic and political spheres may no longer be the norm. Indeed, in taking the oath of office for her second term as President on Jan. 1, 2015, Dilma Rousseff promised to embark on an anti-corruption crusade in response to the corruption scandal engulfing Petrobras. [She went further](#) in pledging to forward the Brazilian legislature an anti-corruption bill during the first half of 2015 and to lead the Brazilian political system in a “national pact against corruption.” While January 2015 marked the first anniversary of the Clean Companies Act, long awaited regulations in support of the CCA have yet to be adopted. Adoption of those regulations will give more teeth to the CCA and more guidance to those companies and individuals who operate within its target areas. Given recent activity, and especially the promise by President Rousseff to forward new anti-corruption legislation to the Brazilian congress during the first half of 2015, it is clear that Brazil is intent on increasing its enforcement efforts against corrupt behavior. As a result, companies doing business in Brazil should strongly consider the following actions:

- Implementing and/or updating compliance programs and training to address anti-corruption efforts in Brazil.
- Performing an in-depth self-risk assessment to help ensure success of any Brazilian based compliance program.
- Identifying the degrees and frequency of interaction with Brazilian public officials.
- Identifying the need to have third party agents involved in Brazilian business dealings.
- Be mindful of the need for due diligence related to any M&A transactions in Brazil given the risk of successor liability under the CCA.
- Business partnerships in Brazil should be carefully scrutinized due to the risk of joint and several liability.

[Read Part I - Corruption Enforcement in Brazil: What Does it Look Like?](#)