

Seventeen LatAm firms unite to develop investigations best practices

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Brazilian law firm [TozziniFreire Advogados](#) has launched a network aimed at developing compliance best practices and enhancing discussion on regional anti-corruption matters.

TozziniFreire announced that it had launched the Latin American Compliance & Investigation League (LACIL) in a [statement](#) on 8 November and that 17 law firms from 11 Latin American countries have joined. They include Argentinian firm [Allende & Brea](#), Brazilian firm FeldensMadruga, Chilean firm [Carey](#), Mexican firm [Galicia Abogados](#), and Uruguayan firm [Guyer & Regules](#).

Shin Jae Kim, the head of TozziniFreire's compliance and investigation group in São Paulo, said in the statement that the network was started because compliance and investigations practices in Brazil and other Latin American countries have grown rapidly in the past five years. In Brazil, this is largely due to Operation Car Wash, an investigation into allegations of corruption tied to the country's state-controlled oil company Petrobras and

the Clean Companies Act, which became law in January 2014. The legislation holds companies responsible for the corrupt acts of their employees and introduces strict liability for those offences.

Investigations practices have developed in other Latin American countries in response to changes in law and a ramping up of anti-corruption enforcement in the region.

Kim said that the idea for LACIL originated from the need to even out the knowledge gap among the practices in the region because matters are increasingly multijurisdictional.

Marcos Ríos at [Carey](#) in Santiago said that his firm is participating in LACIL “to share best practices and continue to build regional networks to better serve clients requiring compliance counsel outside of Chile”. In an emailed statement, Giovanni Paolo Falcetta at TozziniFreire in São Paulo said that regional similarities in Latin American countries’ legal systems and cultures will promote cooperation and the exchange of knowledge.

LACIL is a non-exclusive network of law firms, which intends to gather the major experts in the field. Falcetta said that it may lead to work referrals, but that it is not a key goal.

Antenor Madruga at FeldensMadruga in Brasília said that the LACIL initiative will allow its participants to share experiences and to have law firms on call in case clients need a multijurisdictional legal team at any time.

Florencia Castagnola at [Guyer & Regules](#) in Montevideo said that the association is very important as compliance matters will continue to have increasing importance in the region. She added that the firm’s compliance practice has become busier because of recently enacted laws and regulations. Uruguay’s parliament passed a new money laundering and terrorist finance legislation into law on 10 January.

David Gurfinkel at [Allende & Brea](#) in Buenos Aires said that companies doing business in the country will benefit from having a network of specialised counsels, particularly in the investigation field, which in many cases involve multiple jurisdictions.

“We believe that LACIL comes at the right time,” Gurfinkel said.

Gurfinkel said that the network is timely because of Argentina's new Corporate Liability Bill and ongoing investigations tied to the "notebook scandal".

Argentina passed its Corporate Liability Bill in November 2017 to hold companies accountable for bribery schemes. Under the legislation, a judge can fine companies up to five times the benefit obtained from the misconduct and companies can be blacklisted from public contracts for up to 10 years.

The notebook scandal emerged in August and refers to notebooks that were kept by Oscar Centeno, who was employed as a driver by a public works official in Argentina. The notebooks detail alleged bribes paid by construction companies to politicians, including the country's former president Cristina Fernández de Kirchner. Kirchner denies wrongdoing. The scandal has so far led to dozens of arrests of individuals, including prominent businessmen, and to lawyers speculating that it could be the next [Operation Car Wash](#).

LACIL held its first event in São Paulo on 8 and 9 November. On the first day, participants discussed best practices in governmental investigations, multilateral settlements, global compliance programmes, and the role of financial institutions in preventing and fighting corruption.

The second day featured six panel discussions on white-collar matters and local legal developments. More than 100 attendees were at the event and the audience was composed of board members, C-Level executives, in-house lawyers and compliance professionals.

The network will organise annual meetings to discuss new developments in the sector and share expertise and best practices. The next meeting will be in Buenos Aires at the end of the year.