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The Brazilian anticorruption law: What has changed?

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As Brazil emerges from its last presidential elections, an event seemed to be still unnoticed by many: the fifth anniversary of the Federal Law 12,846/2013 (the Brazilian Anti-Corruption Statute, or BAS) and its effects on national politics. The enactment of BAS was supposed to represent a turning point for the establishment of an ethical culture and a corporate governance mind-set in Brazilian society—and especially among its political agents. However, after five years of effect, what is BAS's real legacy?

The first answer is perhaps intuitive, but no less relevant: the perception that the corruptor must be repelled with the same focus and energy as the bribe receiver itself.

Uncovering the 'web of corruption'

Historically in Brazil, bribe receivers have always been targeted and criminally sanctioned. However, some individuals and many companies that benefited from or funded the corruption acts used to freely pass law enforcement investigations. This changed (a lot) under BAS. Several corruption schemes involving some of the biggest companies in Brazil unfolded during the last years. The most notorious of them is the Car Wash scandal, which has been described by the press as one of the biggest corruption scandals in the world.^[1] The Car Wash investigation started uncovering a huge and unprecedented web of corruption involving Petrobras (a major oil company in Brazil owned by the federal government) and several political parties represented in the Brazilian Congress, which led to many other investigations in several other infrastructure industries.

Another effect of BAS could be the importance attributed to anti-corruption commitments in the political sphere. The new president of Brazil was elected under a vivacious speech against corruption in a polarized dispute against the political party that governed the country at the time when most of the recently disclosed misdeeds were practiced. His government has been posing as aware and fully engaged with anti-corruption demands from the society and international investors and already approved several actions aiming to enhance the oversight of public and private entities. Most of these actions are covered by the current administration's 35-action plan for the first 100 days.^[2] For example, there is a specific topic related to the reinforcement of the Federal Administration Anti-Corruption Initiative and the improvement of transparency and oversight of governmental entities.

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