

COMPANIES' COMPLIANCE AND LEGAL TEAMS OFTEN IN CONFLICT - SRS ADVOGADOS

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Clients' legal departments are often more business-orientated, while compliance departments tend to view matters from a regulatory perspective

Conflicts of interest often exist between companies' compliance departments and in-house legal teams, according to SRS Advogados partner Alexandra Maia de Loureiro.

"Internal legal teams work more with the commercial department so they are more business-orientated," she says. "Compliance departments are more on the regulatory side so quite often their interests do not go together."

For this reason, the independence of external lawyers brings added value for clients, according to Maia de Loureiro. "Getting external advice from an independent entity which is very specialised in that particular sector is always a good option," she says.

Maia de Loureiro says that the increase in regulation is posing a challenge for businesses with the result that there is a need among clients to expand their legal departments. "Regulations are becoming more complex and very technical so you do need to understand them, read them thoroughly and implement them within the organisation," she adds.

Maia de Loureiro says that the banking sector in particular will face a considerable amount of new regulation. She adds: "With [the EU's] 'banking union', we anticipate a number of new, complex and technical regulations."