

# IN-HOUSE LAWYERS MUST LOOK BEYOND THE JURISDICTION IN WHICH THEY OPERATE WHEN CONSIDERING COMPLIANCE

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Category: [In-house news](#)



**Non-compliance can often be due to a lack of sufficient due diligence, which must include an evaluation of possible risks and how they can be mitigated**

When dealing with compliance matters, in-house lawyers must not limit their view to the jurisdiction in which they operate, but rather adopt the outlook of a multinational company, which involves taking a multi-jurisdictional view, attendees at a recent Iberian Lawyer event in Madrid heard. Such an approach can carry much more weight in legal terms, participants were told. Meanwhile, much greater independence can be achieved by using an external law firm for compliance work – an external law firm can take a more objective view and could prevent in-house lawyers from being held liable in the event of any breaches of compliance-related regulations.

**Non-compliance can be the result of not carrying out sufficient due diligence, which must include an evaluation of risks and how they**

can be mitigated, said participants in the event, which was held in collaboration with Dechert and Pérez-Llorca. Compliance can sometimes be undermined by a company's need to do business while under pressure to remain competitive – a factor that emphasises the importance of having a vigilant in-house legal team.



### Take long-term view

While in-house lawyers have a vital role to play in successfully identifying risks and “red flags”, it is up to the board of directors to counter such risks, and make decisions with the long-term future in mind, rather than simply paying compensation to an aggrieved party, which is only a short-term solution. Companies must take minimal precautions at the very least, and have a protocol and series of procedures, to ensure such precautions are taken.

Ultimately, a lawyer's role is preventive, and in the event of there being an error, to apportion responsibility. However, the legal team's preventive functions must go beyond a “simple checklist of antecedents”, to ensure lawyers go into any potential case “well-armed”, attendees heard.

**Event:** A Price Worth Paying? What separates a ‘good’ ethics and compliance programme from a ‘great’ one

**Location:** Madrid

**In collaboration with:** Pérez-Llorca and Dechert LLP