

NEW DATA PROTECTION AND ANTI-MONEY LAUNDERING REGULATIONS RAISING AWARENESS OF NEED TO BE COMPLIANT - CCA ONTIER

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Recent regulatory developments related to data protection and anti-money laundering are increasing awareness of corporate compliance among clients in Portugal, according to CCA Ontier partner Henrique Salinas.

The EU's General Data Protection Regulation and its fourth Anti-Money Laundering Directive are driving an increase in demand for corporate compliance services in Portugal, although many corporates still fail to appreciate the importance of having a strong compliance function, Salinas says. "A lot of companies aren't aware of the importance of corporate compliance and they only have a compliance officer if it is mandatory."

Regulated sectors including banking and finance and life sciences have traditionally had a better understanding of compliance issues, but awareness is growing in all areas of business, Salinas remarks. Changes to the Spanish Criminal Code – which introduced criminal liability for directors –

have had an impact on the Portuguese market, he adds. "This kind of provision does not exist in Portugal, but we have close business ties with Spain and we often work with Spanish clients who need to adapt their compliance programmes to Portuguese legislation."

The risks faced by clients range from financial penalties to criminal proceedings or even the suspension of their activity, Salinas says. The impact of reputational damage can be significant, says Salinas, who points to EDP – Energias de Portugal's stock market troubles as an example of the impact of non-compliance on even well-established businesses. "The fines are substantial, and with the most serious offences, companies face a temporary suspension of activity or even the shutting down of the company."