

The General Regime for the Prevention of Corruption enters into force: is your company compliant? 6-step check-list

June 2022

With this regime's entry into force, companies must implement new mechanisms towards the prevention of risks of corruption and related infringements. Companies have one year to finalize the full adaptation of their compliance programs or endow their organization with all the necessary means to implement, review and control an effective system for preventing cases of corruption or face the regulatory penalty regime (with fines for companies that may reach 44,891.81 euros) that is drawing nearer.

On June 08, 2022 [Decree-Law n° 109-E/2021, dated December 9](#), will enter into force, establishing the General Regime for the Prevention of Corruption (GRPC), applicable, among other and public private entities, to companies with headquarters in Portugal and branches in national territory of companies with headquarters abroad employing 50 or more employees. The **penalty regime of the GRPC** (with fines of up to €44,891.81) **renders effects as from June 8, 2023** (with this date being June 8, 2024 for companies classified as medium-sized enterprises).

In order to know whether or not your company complies with the GRPC, we have identified the **6 main mechanisms to be adopted and implemented** on a regulatory compliance level for the prevention of corruption and related infringements.

1

Risk Prevention Plan against corruption and related infringements (RPP)



The RPP contains the **identification, analysis and classification** of the risks and situations that expose the party covered to offenses of corruption and related infringements, the **preventive and correction measures** for reducing the likelihood of the occurrence and impact of the risks identified and the **appointment of a person generally responsible** for the execution, control and review of the RPP. Subject to periodic and annual control, reviews every 3 years (or in the event of any relevant changes in the structure) and communication to all employees, this is the main means of delimiting the areas of risk and appropriate actions adapted to each business structure.

2

Code of Conduct



This encompasses the **principles, values and rules of conduct** of all managers and employees in matters of professional ethics, including any disciplinary penalties applicable in the event of a breach, the criminal punishments for offenses of corruption and related infringements and the respective risks of exposure. This should be reviewed every 3 years or whenever any changes in the structure justify this, publicizing this throughout the entire organization, including to employees.

3

Whistleblowing Channel



The **internal whistleblowing channel** must obligatorily cover and monitor any complaints of acts of corruption and related infringements.

For further information on whistleblowing and its implementation, see [here](#) and [here](#).

4

Internal Training Program



The companies covered must **ensure the performance of internal training programs** for all their managers and employees, adjusted to the risks identified, so that all of them might be familiar with and understand the policies and procedures involved in the prevention of corruption and related infringements.

5

Internal Control Procedures and Prior Risk Assessment



Internal control mechanisms must be implemented for the RPP, ensuring the fulfillment of any obligations of the GRPC and the production of periodic and annual reports, as well as a report for each infringement, identifying the rules breached, the penalty applied and the measures adopted or to be adopted as a result.

Procedures must also be implemented that allow the prior assessment of the risk in respect of any third parties acting on behalf of the entities covered, suppliers and customers, adjusted to each risk profile, identifying the beneficial owners, risks related to image and reputation, the commercial relations with third parties and any potential conflicts of interest.

6

Person Responsible for Regulatory Compliance



The entities covered must also appoint, as part of the executive management or equivalent, a person responsible for regulatory compliance, ensuring they have access to and providing them with the tools and means to perform such duties independently, permanently and with decision-making autonomy. This person will guarantee and control the application of the regulatory compliance program and may also act as the person generally responsible for the execution, control and review of the RPP.



João Duarte de Sousa

Partner

joao.duarte.sousa@garrigues.com



Marta Veludo dos Santos

Senior associate

marta.veludo.santos@garrigues.com