

# Argentine politics could change anti-graft investigations, hear delegates

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Argentina's high-profile Cuadernos graft scandal might change its course under a new government, heard delegates at Latin Lawyer - GIR Live 7th Annual Anti-Corruption & Investigations, held earlier this month in São Paulo.

The return to power of the Peronist party, which was cemented by Sunday's vote, could mean a change in the pace of Argentina's biggest investigation into corruption. The party views the *Cuadernos* – or notebooks – scandal as an example of 'political persecution' and has voiced doubts over the authenticity of the material.

Argentina held primary elections in August, the results of which indicated that incumbent Mauricio Macri would be deposed by Alberto Fernández come October. In the aftermath of the August vote judges presiding over *Cuadernos* began lifting pre-trial custody orders imposed on some implicated former public officers and businessmen, said Maximiliano D'Auro, a partner at [Beccar](#)

[Varela](#) . He was speaking almost two weeks before the election took place. “The administrative branch cannot do much about court decisions, but we know some of our judges have been permeable to political influence in the past,” said D’Auro.

“Technically speaking they might be right if some of those custody orders shouldn’t have been imposed in the first place. But it was sudden, and the timing raised some concerns in the legal community,” said D’Auro.

The *Cuadernos* scandal came to light in 2018 after driver Óscar Centeno, who ferried several public officials during the presidencies of Néstor and Cristina Fernández de Kirchner, handed over to authorities several notebooks containing years’ worth of sensitive information pointing to widespread organised corruption.

D’Auro predicted that Fernández’s ascent to the presidency will not mark the end of the investigation completely. “It is too early to know if and how the likely the change in government might affect the pace of the investigation in the Cuadernos case,” D’Auro added.

D’Auro was speaking on a panel moderated by Jonathan Kolodner of Cleary Gottlieb Steen & Hamilton LLP’s New York office. The discussion also included updates on where investigations into Odebrecht currently stand in their jurisdictions.

José Valentín González of [D'Empaire](#) in Caracas said that when Odebrecht approached the public prosecutor’s office in Caracas to negotiate a leniency agreement, the request fell on deaf ears. “Nobody wanted to know – because not only members of the government, but also members of the opposition were involved in those cases,” he says.

Meanwhile Odebrecht may be about to face fresh troubles in Peru. The embattled constructor disclosed four schemes to Peruvian prosecutors that formed the basis of a leniency agreement reached in December 2018, but further schemes have since been discovered.

Under the terms of the leniency deal, the Peruvian government agreed not to impound Odebrecht’s assets, instead allowing it to divest assets as long as it paid agreed upon annual instalments, explained Héctor Gadea, a partner at [Rebaza, Alcázar & De Las Casas](#) in Lima. But non-disclosure of further schemes could see the government go back on that decision. “The government was obliged to release the assets upon [their] sale and they haven’t done so, as they believe Odebrecht breached the agreement by not disclosing everything,” added Gadea.

Still, Alejandra Montenegro Almonte, a partner at Miller & Chevalier's Washington, DC office, was optimistic about the fight against corruption in other jurisdictions in the region. "Colombia has made significant progress enforcing local laws and partnering with the US Department of Justice and Securities and Exchange Commission," she said. "Mexico's law [passed in 2016] is still very new, but now there is a more robust enforcement programme in place, which bodes well," she said.

The [conference](#) was chaired by Andrew Levine of Debevoise & Plimpton LLP's New York office, alongside Renata Muzzi Gomes de Almeida and Shin Jae Kim of [TozziniFreire Advogados](#) in São Paulo. It also [included](#) a panel that called on Brazilian agencies to prioritise punishing individuals rather than companies.

Latin Lawyer will continue to report on the conference in the daily news briefing.

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