

AEB LEGAL ALERT: Draft Law on Criminal Responsibility for complying to sanctions against Russia

The Association of European Businesses (AEB) brings to your attention that [draft Law № 464757-7 amending the Criminal Code and introducing criminal responsibility for complying to sanctions of foreign states on the Russian territory as well as committing actions contributing to introducing restrictive measures towards Russia by foreign states](#) (hereinafter – “the draft Law”) has been submitted to the State Duma on May 14, 2018.

The draft Law is elaborated with the aim to ensure implementation of the draft Law № 441399-7 on counter measures regarding unfriendly actions of the United States of America and/or other foreign states which was introduced to the State Duma on April 13, 2018.

In the terms of the draft law (a new article 2842 to the Criminal Code) complying with sanctions of foreign states on the Russian territory means action (inaction) refusing the Russian citizen, legal entities registered in the Russian Federation, municipal bodies as well as Russian private and public companies in performing ordinary transactions in the framework of restrictive measures against Russia. Consequences of these actions are severe and can include a fine up to 600.000 RUB, imprisonment up to four years, compulsory works, or others.

The draft Law also introduces criminal responsibility for committing actions contributing to introducing restrictive measures against Russia by foreign states and can also include a fine up to 500.000 RUB, imprisonment up to three years, compulsory works, or others.

The draft Law also gives a general explanation of the ordinary transaction which is not, however, clear and needs to be further analysed, as well as the question of subjects of responsibility.

The Government has officially supported the draft Law, the Supreme Court has no objections to it.

Please also note that as to our knowledge and based on information from the State Duma, the [draft law № 441399-7 on counter measures regarding unfriendly actions of the United States of America and/or other foreign states](#) will contain a general possibility for the Russian President, the Government or in some cases the Security Council to introduce bans and restrictions on goods/services/persons (the current draft text is to be revised after the 1st reading).

Both draft laws will be heard at 1st reading on May 15, 2018.

AEB actions

The AEB is in contact with state authorities and is also closely monitoring the situation on both draft laws. We will inform you on the further developments.

Contacts in the AEB

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Additional materials

Translation of the draft Law № 464757-7 is attached.

Text of the draft Law № 464757-7 amending the Criminal Code

<http://sozd.parliament.gov.ru/bill/464757-7>

Text of the draft Law № 441399-7 on counter measures

<http://sozd.parlament.gov.ru/bill/441399-7>

State Duma website

<http://duma.gov.ru/news/26932/>

Articles in the press

<https://www.kommersant.ru/doc/3628286>

<https://www.rbc.ru/politics/14/05/2018/5af92f619a794793697e64c8?from=newsfeed>