



**ABA Section of  
International Law**  
*Your Gateway to International Practice*

## **Russia and Eurasia Committee Legislation Updates and News**

January-March 2017

Dear Committee Members:

We are pleased to present to you this edition of the Russia and Eurasia Committee Newsletter.

This edition of the Newsletter starts out with an overview of the Committee's engagements at the upcoming ABA Spring Meeting, which will be held in Washington, D.C., on April 25-29. Next, we present a Legal Roundup of recent developments in countries of the Commonwealth of Independent States. Among the topics covered in this Newsletter are a draft law in Russia related to the deportation of foreign nationals at sports competitions, and new laws decriminalizing domestic abuse, and regulation of the internet. Turning to the courts, the Newsletter discusses Uzbekistan's reorganization of its judicial system and a recent decision by the Russian Constitutional Court in the Yukos case. The Newsletter continues with a summary of a teleconference on the future of U.S.-Russian relations, which took place on February 27 and was moderated by the Committee Co-Chairman, Michael Shapiro. Finally, we include a link to the recently published Carnegie Endowment for International Peace series of articles about the situation in the former Soviet Republics after 25 years of their independence.

We would like to thank our contributors to the current edition: Dmitry Lysenko of Baker & McKenzie; Maria Grechishkina of Marks & Sokolov LLC; James Dawdy at the UNM School of Law; and Michael Shapiro of Bazelon Less & Feldman, P.C. Our editorial board members, Amanda Weir and Evgeny Krasnov, also contributed materials to this Newsletter.

We encourage Committee members worldwide to contribute to upcoming editions of the Newsletter!

Sincerely,  
Evgeny Krasnov  
Michael Skopets  
Ann Sultan  
Amanda Weir

## ABA Spring Meeting in Washington, DC on April 25-29

The ABA Spring Meeting will take place in Washington, DC on April 25-29.

The [Spring Meeting](#) offers over 70 substantive continuing legal education sessions with world-class speakers, cutting edge topics and the latest on international ethics issues. You will have a chance to meet and network with the best and brightest international lawyers, policy makers, and potential clients.

Russia and Eurasia Committee is planning several exciting events at the Spring Meeting:

- The Committee-sponsored panel **“Pipe Dream: Yukos’ Journey from an Oil Giant to Leading a Lifetime of Litigation” will take place on April 26, 4:30-6:00 pm.**
  - Using Yukos as a case study, the panel will explore topics of corporate governance, Energy Charter Treaty arbitrations, setting aside arbitral awards, international enforcement of arbitral awards and ECHR judgments, and sovereign immunity.
  - The panel will feature renowned international arbitration and litigation experts from the United States, Russia, and Europe.
  - An article by one of the panelists, **Dmitry Lysenko of Baker McKenzie, Moscow**, discussing a recent Constitutional Court decision pertaining to Yukos is included in this edition.
- Our Committee is also co-sponsoring the following panels:
  - “We’ll Always Have Paris: Sustaining Global Climate Action in Face of Political Change” (April 26, 9-10:30 am)
  - “Emission Reduction and Electricity Transmission: A Road to Innovative Solutions or a Stalemate” (April 26, 11-12:30 pm)
  - “The South China Sea: Collusion or Melting Pot?” (April 26, 11:12:30 pm)
  - “Has the Legal Profession Lost Its Moral Compass? Panama Papers, Lawyers, Professional Ethics, and Due Diligence Obligations.” (April 28, 9-10:30 am)
- The **Committee Dinner** will be held on **April 26 at 7:45 pm at Carmine’s**, 425 7th St NW, Washington, DC 20004, following a reception at Newseum. Please RSVP [here](#).
- The **Committee Breakfast** will be held on **April 27, 8 -8:50 am.**

We hope you will join us in Washington, DC in April. To register for the conference, please follow this [link](#).

## CIS Legal Roundup for First Quarter of 2017

*(Amanda Weir)*

### ARMENIA

#### Hydropower

Hydropower is garnering legislative attention in Armenia. Citing several concerns regarding the small [hydroelectric](#) sector, including legislative shortcomings, Armenia’s Prime Minister called for putting in place clear standards for hydropower construction, environmental impact, and operation.

The Government of the Republic of Armenia: [PM Instructs to Streamline Small Hydropower Sector](#) (2017).

## Judicial Independence

In March, the RA Judicial Code statutory bill was approved by the government. The bill is designed to ensure [judicial independence](#) and accountability.

The Government of the Republic Armenia: [Government Provides Stronger Constitutional Guarantees for Judiciary Independence](#) (2017).

## **BELARUS**

### Tax Controversy

A new tax law that penalizes those who are underemployed was met with protests in February. The “anti-sponging” law levies a fine of about \$250 for those who work less than half the year and don’t sign up with a [labor exchange](#). The average monthly [salary](#) in Belarus was \$630 in 2014 but has fallen to \$380 in 2017. Many of those fined had refused to pay and on March 9, 2017, President Alexander Lukashenko announced that the law would not be enforced in [2017](#).

Reuters: Andrei Makhovsky and Alessandra Prentice, [Belarus suspends 'parasite' tax after record protests](#) (2017); DW: [Thousands protest in Belarus against 'anti-sponging law'](#) (2017).

## **GEORGIA**

### Drug Laws

Georgia eased restrictions on possession of marijuana for personal use. Previously, two counts of possession in 12 months carried a maximum sentence of [14 years](#) in jail. However, after a recent court case it was decided that jail time for [possession](#) of small amounts was unconstitutional. However, a fine for testing positive for THC still stands.

The Guardian: George Nelson, [Georgia eases draconian law on cannabis use](#) (2017).

### Religious Discrimination

In January 2017, the European Court of Human Rights (ECHR) decided in *Tsartsidze and Others v. Georgia* (no. 18766/04) that the rights of Jehovah’s Witnesses in Georgia had been [violated](#). The decision was largely based upon the plaintiffs’ claims under Articles 9 and 14 of the European Convention, with respect to freedom of religion and from discrimination.

Council of Europe: [Georgia: Court backs 13 Jehovah’s Witnesses in religious discrimination human rights dispute](#) (2017).

## **KAZAKHSTAN**

### Broadcasting Law

In January 2017 amendments to Kazakhstan’s Broadcasting Law took effect. The amendments apply to foreign TV and radio stations operating in Kazakhstan, including requirements to establish a local office, as well as registration and contract requirements. The amendments to the law “On Television and Radio Broadcasting” appear to be designed to ensure a local presence and accountability for foreign TV and radio stations that operate in or have their content broadcast in Kazakhstan.

Lexology: Morgan Lewis & Bockius, LLP, [Amendments to Kazakhstan Broadcasting Law Take Effect January 2017](#) (2016).

## KYRGYZSTAN

### Arbitration

A Canadian court will enforce a United Nations Commission on International Trade Law (UNCITRAL) arbitration decision against Kyrgyzstan in the matter of certain [ownership](#) interests in Centerra Gold Inc.

Lexis Legal News: [Ontario Court Enforces \\$22M Award Against Republic Of Kyrgyzstan](#) (2017).

## RUSSIA

### Data Protection

Amendments to the Russian Code on Administrative Offences increased fines for those who violate [data protection](#) laws. The [fines](#), which are based on the category of the violation, range from \$170-\$1,260, a significant increase from previous fines. The law also permits the Roskomnadzor to act without state prosecutors, making enforcement faster.

Chronicle of Data Protection: Hogan Lovells, [Russia Increases Fines for Violations of Data Protection Laws](#) (2017).

### Digital VAT Law

In January 2017 Russia's digital VAT law (Federal Law No. 244-FZ "On Amending Part I and Part II of the Tax Code of the Russian Federation") came into effect. The law places an 18% VAT on the sale of electronic services by [foreign providers](#). Russian companies using foreign sales platforms (e.g. iTunes, Netflix, and Google Play) will also be [affected](#). These services include online gaming, online software, subscriptions to news sites, broadcast TV and radio, webhosting, and online telephone and data service. The location of the buyer of the e-services, rather than the provider of those services, determines whether the VAT will be applied. That means the VAT will be applied to foreign companies providing e-services to customers within Russia. In addition, these companies will be required to register with the [Federal Tax Service](#) of Russia. As noted by several sources, the trend of applying a tax to e-services is growing around the [world](#).

East-West Digital News: ['Google tax law' comes into force: VAT applies to digital content and services, Uber benefits from favorable ruling](#) (2017);

Taxback international: [New VAT/GST Rules for suppliers of consumer digital products – A global issue](#) (2017);

TASS Russian News Agency: ['Google Tax' goes into effect throughout Russia](#) (2017).

### Criminal Law

With the introduction of the so called "[Slapping Law](#)", Russia reduces penalties for domestic abuse. In a move met with criticism at home and abroad, Russian legislators rolled back penalties for domestic abuse. Indicating that the measure was intended to strengthen the family, penalties for first time incidents or incidents that left no visible mark were reduced from a criminal offense to an administrative offense.

Human Rights Watch: [Russia: Bill to Decriminalize Domestic Violence](#) (2017);

CNN: Clare Sebastian and Antonia Mortensen, [Putin signs law reducing punishment for domestic battery](#) (2017).

Several laws relating to cooperation and extradition in criminal cases were ratified by presidential signature in early 2017. A number of Mutual Legal Assistance agreements were ratified in early 2017, including assistance agreements between Russia and Turkey, Russia and [Sri Lanka](#), and Russia and [North Korea](#), and an agreement designed to facilitate cooperation among [CIS](#) countries in criminal investigations. In addition, agreements with Turkey and [North Korea](#) regarding [extradition](#) were ratified, as was the Fourth Additional Protocol to the European Convention on [Extradition](#).

Kremlin: [Law ratifying Agreement Between Russia and Turkey on Mutual Legal Assistance in Criminal Cases and Extradition](#) (2017); Law on ratification of Russia-North Korea agreement on extradition (2017); Law ratifying the Agreement on establishment and activity of joint investigation and operations groups on CIS territory (2017); [Law ratifying Russia-Sri Lanka agreement on mutual legal assistance in criminal cases](#) (2017); Law ratifying Russia-North Korea agreement on mutual legal assistance in criminal cases (2017); [Law ratifying the Fourth Additional Protocol to the European Convention on Extradition](#) (2017).

## **TURKMENISTAN**

### Human Rights

In January 2017, the Law on Ombudsman, which outlines the rights and responsibilities of the [State Institute](#) of the Authorized Human Rights Representative (Ombudsman), came into effect.

International Center for Not-for-Profit Law: [Civic Freedom Monitor: Turkmenistan](#) (2017).

## **UKRAINE**

### Privatization

Ukraine is working toward its commitment to the [IMF](#) to improve privatization legislation, with 2017 seeing several new regulations designed to facilitate [deregulation](#) plans and live up to Ukraine's IMF commitments.

Kyiv Post: [IMF expects Rada to improve privatization legislation by 2017](#) (2016);

CMS Law Now: Olexander Martinenko, [Ukraine: Laws on improvement of legislation in the field of state supervision \(control\)](#) (2017).

## **UZBEKISTAN**

### Corruption

In January, the bill "On Countering Corruption" was signed into law by the Uzbek President. The legislation is designed to streamline [anti-corruption](#) efforts and purportedly establishes an interagency working group, which will include representatives of public interest and business groups. The group will work to reduce corruption that stifles business, raise awareness, and develop proposals to improve anti-corruption efforts. The law calls for mandatory reporting for government employees and legal protection for those reporting [corruption](#).

UzReport Information Agency: [President of Uzbekistan signs Law "On counteraction to corruption"](#) (2017);

The Tashkent Times: [President signs Anti-Corruption Law](#) (2017).

## **New Bill Provides for Deportation of Foreign Nationals at the 2018 FIFA World Cup in Russia**

*(Evgeny Krasnov, Buzko & Partners)*

On February 8, a new [bill](#) amending the Russian Code of Administrative Offenses was [introduced](#) in the State Duma. The bill creates new penalties and enhances existing ones for causing disturbances during “official sporting events.” [Currently](#), those who violate the [rules of conduct](#) at sporting events may be subject to a number of different penalties, including fines of RUB 3,000-10,000 (equal to roughly \$50-170 based on current exchange rates), compulsory labor of up to 100 hours, or a suspension from attending sporting events for up to 3 years.

The bill adds a new section to the current law that defines “serious violations,” which result in a stricter sanction. “Serious violations” are those that endanger the safety, health, and life of others attending the sporting event, and those that cause the stoppage or suspension of the sporting event. In addition to increasing existing penalties, the bill also expands them to foreign nationals in anticipation of the upcoming FIFA World Cup, which will take place in [11 cities](#) in Russia in the summer of 2018. The bill provides that foreign nationals found to have committed either a repeat violation of the rules of conduct or a serious violation face a fine of RUB 10,000-20,000 (approximately \$170-340) and deportation from Russia.

The explanatory note that accompanies the bill states that the bill is being prepared in connection with the upcoming World Cup and lists some statistics. For example, there have been a total of over 2,100 cases of violations of the administrative rules, 1,900 of them at soccer matches. 679 of these cases were related to the use and carrying of pyrotechnics, but the most frequent violation (828 cases) was attending an event while intoxicated. 73 cases involved “stoppage or suspension” of the sporting event, i.e. running out on the field during a match. In total, 1,382 people were fined, and 18 were jailed.

The drafters have underscored that currently the risk of being found liable for a violation of these provisions is not high enough and that the existing sanctions do not produce the desired preventive effect. For instance, in 2015, there were almost twice as many instances of fireworks at events as there were in 2014. The explanatory note also explicitly states that the bill was prompted by “the events of the UEFA European Football Championship 2016 in France, which led to the mass deportation of Russian fans.” That tournament was marred by fan riots, most notably confrontations between Russian and English fans that led to the [deportation](#) of 50 Russian fans from France and the Russian team [receiving](#) a suspended disqualification and a fine of €150,000.

To date, the bill has passed the first reading and will very likely become law.

Text of the Bill:

[Bill No. 48959-7](#)

Selected Resources and Publications:

BBC Russian: [State Duma Supports Bill on Deportation of Foreign Fans at World Cup 2018](#) (Russian)

[Code of Administrative Offenses, article 20.31](#) (Russian)

[Order of the Government of the Russian Federation No. 1156](#) (Russian)

Welcome 2018: [Welcome to the 2018 World Cup Host Country](#)

The Telegraph: [Uefa issues Russia with suspended Euro 2016 disqualification as French authorities set to deport up to 50 fans](#)

ESPN FC: [Russia fined, given suspended disqualification for Euro 2016 violence](#)

## Russia's Cyber-Regulations: Regulating Internet Content and Access in Russia

(Amanda Weir)

Russia has been legislatively aggressive when it comes to internet regulation, with Russian cyber-regulations addressing everything from customer data storage to consumer protection and copyright violations. Many of Russia's cyber-regulations have been criticized on the [grounds](#) that they undermine privacy, stifle dissent, target [opposition views](#), and amount to broad censorship. However, Russian lawmakers frequently point to internet regulations as an important method of protecting consumers and preventing access to harmful content, including extremist and terrorist propaganda.

A particular issue that Russian legislators have focused upon is how to effectively limit access to blocked websites. To this end, the Russian Federation Council recently introduced a bill that levies new fines against internet providers that fail to [block banned](#) websites. Once a site is restricted, providers have [twenty-four](#) (24) hours to block access to the blocked site. The new legislation [affects](#) public officials, entrepreneurs, and ISPs. The new law amends the Code of Administrative Offenses and adds teeth to previous legislation that established a so-called "blacklist" of blocked websites. This list was established in [2012](#) and is administered by the Federal Service for Supervision of Communications, Information Technology, and Mass Media ([Roskomnadzor](#)). Russia has blocked various websites, including pornography websites, websites that may foment unrest, encourage drug use or suicide, gambling websites, as well as seemingly innocuous websites, such as LinkedIn and Daily Motion. It was LinkedIn's failure to comply with a 2014 amendment to the Russian Personal Data Law, requiring [local storage](#) of Russian users' data, that prompted the blocking of [LinkedIn](#) in 2016. Under the new regulations, fines for failing to block banned websites will range from approximately \$50 to \$1700, with the higher fines being levied against ISPs. Given that there are an estimated [60,000](#) blocked websites, the legislation could have a significant impact on affected entities.

These regulations raise several issues for companies and organizations operating in Russia and providing services to Russian consumers. Compliance may result in burdensome technology requirements and increased costs for affected entities, while international organizations may also face competing legal obligations and pushback from consumers. For all those affected by the regulations, a level of uncertainty regarding how the laws will be interpreted, what constitutes adherence to the law, and how enforcement actions will impact the ability to operate in the Russian marketplace is to be expected.

Despite the challenges of enforcement and compliance, as well as criticism of these laws, Russian Lawmakers seem unlikely to roll back such regulations or soften their approach to internet regulation. Therefore, companies maintaining a presence in Russia should be prepared to face additional regulatory and compliance issues related to their internet activity in the future.

### Selected Resources and Publications:

Deloitte: Oleg Berezin, [Russian VAT rules for electronically supplied services](#);

East-West Digital News: [Russian lawmakers increase pressure on Internet providers to block banned sites, but users can still bypass the law](#) (2017);

Freedom House: [Freedom on the Net 2016. Russia: Country Profile](#) (2016);

Inside Counsel: Anastasia Dergacheva and Ksenia Andreeva, [Russia: The impact of new Internet regulations on international companies](#) (2015);

The Moscow Times: [Russia Imposes New Fines on Internet Providers That Don't Block Banned Sites](#) (2017);

The New York Times: Mark Scott, [Russia Prepares to Block LinkedIn After Court Ruling](#) (2016);



Russian Legal Information Agency: [Russian upper house approves fines for failure to block sites with banned information](#) (2017);

Russian Legal Information Agency: [Bill on blocking mirror websites submitted to State Duma](#) (2017);

Russia Legal Information Agency: [Russian government approves bill on protection of online customers' rights](#) (2017);

The Federal Service for Supervision Of Communications, Information Technology, And Mass Media: [Statute on Roskomnadzor](#).

## **Uzbekistan Reorganizes Its Court System**

*(James H. Dawdy, University of New Mexico School of Law)*

In the [latest in a series of reforms](#), Shavkat Mirziyoyev, the newly elected president of Uzbekistan, signed the “[Decree on Measures to Radically Improve the Structure and Efficiency of the Judicial System in the Republic of Uzbekistan](#)” (“Decree”) on 21 February 2017. The decree is part of a [resolution](#) issued by Mirziyoyev, “Action Strategy for the five priority areas of the Republic of Uzbekistan in 2017-2021,” the goal of which is improvement of the economy, social development, providing for the rule of law and further reformation of the judicial system, promoting security, interethnic harmony, religious tolerance, and the implementation of constructive foreign policy.

Like most of the former Soviet Republics, the judicial system of Uzbekistan is strongly influenced by the Soviet system, but also retains influences of traditional [Uzbek and Islamic practices](#). After independence, the Uzbek court system was established by Chapter XXII of the [Constitution of the Republic of Uzbekistan](#) (updated 2016). The Constitution established a Supreme Court, Constitutional Court, the Higher Economic Court, and several regional, city and district courts. The Constitutional Court hears cases concerning the constitutionality of legislative and executive acts, while the Supreme Court is the court of final authority for all civil, criminal, and administrative matters. Notably, due to the presence of the autonomous Republic of Karakalpakstan, a sparsely populated desert region in the northwest of the country left over from the Soviet period, the Constitution also recognizes the supreme courts of Karakalpakstan and requires that the constitutions and laws of both republics conform.

The [Decree](#) focuses on streamlining the Uzbek court system, mainly by merging the Supreme Court and Supreme Economic Court into a single body that will hear civil, criminal, economic and administrative cases. The previous system of two separate supreme courts [led to conflicting decisions](#), thus the reorganization was necessary to resolve that issue. The Military Collegium of the Supreme Court, the Military Court of the Republic of Uzbekistan, district and territorial military courts will be transferred to the Supreme Court to ensure better judicial independence.

The Decree also establishes the Supreme Judicial Council of the Republic of Uzbekistan and abolishes the Higher Qualification Commission that previously existed for selecting judges under the office of the President. The Council will be tasked with selection of judges and recommendations for judicial promotions, prevention of interference with judicial activity, interaction with the media, judicial training, ensuring the independence of the judiciary and proposing legislation for the improvement of judicial practice.

Under the new system, judges of the Constitutional Court and Supreme Court are to be elected by the Senate, based on recommendation of the President. However, the judges of the military courts, the courts of Karakalpakstan, and of regional, district and city courts will be appointed and dismissed by the Council in consultation with the President of the Republic of Uzbekistan, while appointment and dismissal of the Chairman and Deputy Chairman of these courts will be reserved to the President in consultation with the Council.

It is difficult to predict the effect the changes will have on civil society in Uzbekistan. Like many of the former Soviet republics, Uzbekistan has experienced problems with corruption, and is ranked 156<sup>th</sup> out of 176 on Transparency



International's 2016 [Corruption Perception Index](#). However, the creation of the Supreme Judicial Council represents an opportunity for President Mirziyoyev to improve the independence of the judiciary by staffing it with a strong and impartial cadre of experienced jurists.

Selected Resources and Publications:

[A Resistance to Reform in Uzbekistan: The new president's attempts to shift policies have exposed a deeper power struggle along clan and political lines.](#) (Stratfor)

[Decree on Measures to Radically Improve the Structure and Efficiency of the Judicial System in the Republic of Uzbekistan](#) (Russian)

[Action Strategy along Five Priority Development Areas in the Republic of Uzbekistan for 2017-2021](#) (uzbekembassy.gov.kw)

[A Guide to Legal Research in Uzbekistan by Maria Stalbovskaya](#) (Hauser Global Law School Program, NYU)

[Constitution of the Republic of Uzbekistan](#) (www.press-service.uz)

[Uzbek judiciary to undergo improvement](#) (news.uzreport.uz)

[Transparency International Corruption Perception Index 2016: Uzbekistan](#) (transparency.org)

## **Russia Adopts Law Decriminalizing Battery in Domestic Settings**

*(Maria Grechishkina, Marks & Sokolov LLC)*

On February 7, 2017, President Putin signed a law decriminalizing domestic violence.

The Federal Law No. 8-FZ sets forth new wording of Article 116 of the Criminal Code of the Russian Federation. According to the amended provisions, the first-time offence of beating of a family member will be downgraded from a crime to an administrative violation. Previously, violence towards family members qualified as a criminal offence punishable by compulsory works for 360 hours, or correctional labor for a term of up to one year, or obligatory works for up to two years, or an arrest for up to six months or imprisonment for up to two years.

The amended law decriminalizes any violence which, while having caused physical pain or suffering to the victim, does not cause short-term health issues and loss of ability to carry out employment-related functions. If there is a second beating within a year, however, the case can be escalated to a criminal offence.

The new law covers not just violence between spouses, but any violence within the family. According to the members of the Parliament who initiated the amendment, the new law was enacted in attempt to reconcile the penalties for assaulting family members with those for assaulting others.

Domestic violence is widely acknowledged to be a [major problem](#) in Russia, with more than 10,000 women believed to die every year from injuries inflicted by their spouses or partners. Activists say that police often do not take domestic violence cases seriously, dismissing complaints from women about violence at home.

Text of the Law:

[The Federal Law dated February 7, 2017, No. 8-FZ "On Amendments to Article 116 of the Criminal Code of the Russian Federation."](#)

## **Russian Constitutional Court Denies Enforcement of the ECHR Judgment in the Yukos Case**

*(Dmitry Lysenko, Baker & McKenzie)*

On January 19, 2017, the Russian Constitutional Court issued Judgment No. 1-P/2017 which denied enforcement of the European Court of Human Rights (the “ECHR”) judgment of July 31, 2014 for payment of €1.866 bln to former Yukos shareholders as contradicting the Russian Constitution.

In its judgment, the ECHR ruled that Russia was to pay the above-mentioned amount as a result of Russia’s violation of certain provisions of the European Convention on Human Rights, in particular, Article 6 of the Convention (right to a fair trial) and Article 1 of Protocol No. 1 to the Convention (protection of property).

The Constitutional Court, in turn, ruled that “the interrelationship of the European conventional and the Russian constitutional legal orders is impossible in the conditions of subordination [...]” and found that the interpretation of the Convention given by the ECHR violated the Russian Constitution.

In particular, the Constitutional Court found that the ECHR’s position on the application of Article 113 of the Tax Code of the Russian Federation, which sets forth a three-year limitations period, contradicted the interpretation of this Article by the Constitutional Court in 2005. Since Yukos was a bad-faith taxpayer, it could not benefit from the limitations period in the same way as good-faith taxpayers. Moreover, according to the Constitutional Court, payment of the large award to former Yukos shareholders, while Yukos itself was involved in large-scale tax evasion schemes, would contradict the constitutional principles of equality and justice in tax relations.

The Constitutional Court further found that the 7% enforcement fee was in essence an administrative penal sanction, and its application to Yukos in the maximum admissible amount could be determined by systematic, unprecedented large-scale and long-lasting tax evasion practiced by the company.

It should also be noted that the Constitutional Court refrained from opining on procedural issues raised by the Russian Ministry of Justice (such as Yukos’ alleged turning down the claim to reduce the enforcement fee or powers of Yukos’ legal representative), leaving these issues within the jurisdiction of the ECHR.

Finally, the Constitutional Court allowed the Russian Government to manifest good will and consider payment of respective amounts when distributing the newly revealed property of Yukos to those shareholders who themselves suffered from unlawful actions of the company and its management. However, such payment “[...] in any event must not affect budget receipts and expenditures, as well as the property of the Russian Federation.”

[Text of the Decision \(in Russian\):](#)

[Decision of the Constitutional Court of the Russian Federation](#)

## **Teleconference “The Future of U.S.-Russia Relations under the Trump Administration: Heading for a Reset or an Overload?”**

*(Michael Shapiro, Bazelon Less & Feldman, P.C.)*

The teleconference on the future of U.S.-Russia relations under the Trump Administration took place on February 27, 2017. The teleconference, organized by the Russia and Eurasia Committee, generated a lot of interest within the Section of International Law, with seven other committees co-sponsoring the event. The panel, moderated by the Committee Co-Chair Michael Shapiro, included Professor William Burke-White of the University of Pennsylvania Law School and Carroll Colley, a principal at Highgate Consulting LLC and a former Director of Research at Eurasia Group. Dr. Andrew Kuchins of Georgetown University supplied the materials for the conference.

The panelists covered a number of topics pertinent to the bilateral relations, including national security, foreign policy, economic relations, sanctions, and rule of law issues. Although the panelists agreed that the U.S. policy towards Russia under the Trump administration is likely to be different from the policy pursued at the end of the Obama term, the contours of any new policies remain unclear. The issue of economic sanctions has been a particular concern for the business community. The panelists noted that any unilateral action by the Trump administration in easing the sanctions would face strong opposition from the U.S. public and Congress. [Indeed, in early February, a bipartisan group of senators introduced legislation that would force the Trump administration to confer with Congress before taking any steps to relieve Russian sanctions.](#)

The panelists agreed that the Trump administration is unlikely to actively advance a rule of law agenda in dealing with Russia or other countries. On the other hand, Professor Burke-White noted that the rule of economic law issues, such as improving transparency of the investment framework, bilateral investment treaty, and protecting property rights, might be on the agenda as they relate to the U.S. business interests and improving overall investment climate in Russia.

Selected Resource and Publications:

[Dr. Andrew Kuchins "Elevation and Calibration: A New Russia Policy for America"](#)

[Eugene Rumer, Richard Sokolsky, and Andrew S. Weiss "Guiding Principles for a Sustainable U.S. Policy Toward Russia, Ukraine, and Eurasia"](#)

[Julianne Smith and Adam Twardowski "The Future of U.S.-Russia Relations"](#)

## **Carnegie Endowment for International Peace has published a series of articles about the situation in the former Soviet Republics after 25 years of their independence**

The Carnegie Endowment for International Peace has published a series of articles about the situation in the former Soviet Republics after 25 years of their independence. To access all articles in the series, please go to the Carnegie Endowment website at <http://carnegieendowment.org> and type "twenty five" in Search.

\*\*\*

The materials and information in this Newsletter are intended for educational and informational purposes only. Nothing contained herein constitutes or should be considered as legal or tax advice. The opinions and comments in this Newsletter are those of its contributors and do not necessarily reflect any opinion of their respective firms, editorial board members, or ABA. Editorial board members act in their individual capacity and not on behalf of their respective firms.

We appreciate your comments and suggestions regarding the contents of this Newsletter.

If you would like to contribute or have any questions, please feel free to contact editorial board members:

[Evgeny Krasnov](#), [Michael Skopets](#), [Ann Sultan](#), and [Amanda Weir](#)

\*\*\*

The Russia and Eurasia Committee unites ABA members around the world who are interested in the countries of the Eurasian region: Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Russia, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan.

The Committee focuses on issues relevant to the region and, through its activities, promotes dialogue and cooperation between legal professionals in business, academic, non-profit, and government spheres.

The Committee's current particular emphasis has been on legal issues relating to Russia and U.S.-Russian relations. However, the Committee welcomes a broad range of projects and members.

**Co-Chairs:**

[Pamela Egan](#)

[Anastasia Herasimovich](#)

[Michael Shapiro](#)

For more information, including access to the Committee's publications and other resources, please visit the Committee's [website](#).