ART DE LEX

INTERNATIONAL ECONOMIC COMPLIANCE

8 years

Of consulting about international economic compliance issues

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Sanctions pressure is constantly rising, and so are the risks that come with it. These risks are seen in international transactions and foreign investments. They affect every transaction and hence, can and should be taken into consideration when drafting and implementing a business strategy.

Sanctions affect the rights and interests of Russian nationals and entities, including those who enter into international transactions, conduct foreign currency operations, travel abroad, employ foreign associates or managers, or have beneficiaries overseas.

It's evident that sanctions risks arise not only from direct violations but indirectly, as well. They can include negligent actions, as well as those arising from attempts to circumvent sanctions.

Secondary sanctions have always been a feature of the U.S. sanctions programs, yet for many they became notable only when they were embedded into Russia-related sanctions legislation. The key feature of secondary sanctions is a transaction with an individual or an entity that violated restrictions imposed against a third party. Such violations may be found when delivering goods or rendering services.

Companies for which foreign components or goods are essential face a special risk. As these goods are under a special legal regime, their risks may have a criminal law component, as well.

ART DE LEX provides services in the realm of international economic compliance. Created in 2014, for the past five years the team has been recognized as a reputable consultant, achieving a successful track record of projects for international companies, Russian businesses, and foreign investors. We are proud to say that our solutions are always in line with the industry-specific needs of our clients.

Our experts have advised businesses with international economic compliance issues of the highest importance. These companies do business in areas with constant, permanent sanctions risks. They include the largest Russian banks and insurance companies, engineering companies of Asia and the Middle East, and energy and machine-building corporations with a focus on exports.

The main area of our practice's expertise is international, focusing on the structuring of international transactions with a sanctionable or potentially sanctionable element, as well as complex decisions in the realm of international economic compliance.

Our experts also provide services in trade investigations, representing our clients before the relevant state bodies.

Professional achievements of the practice area

We advised Stroytransneftegaz about its operation under the special economic zone regime in the Kalinigrad Region of Russia, as well concerning sanctions issues in the construction of a regasification LNG terminal on the Baltic Sea (Kalinigrad Energy Facility).

Successful case

Our team represented Daelim Copr (the largest Korean oil-processing, petrochemical, and construction corporation) in a joint venture project to create an enterprise for the construction and engineering of industrial facilities for oil and gas processing.

Successful case

In a precedent-setting case, we represented Transcapitalbank, which at the time had 44% of its shares owned and controlled by the European Bank for Reconstruction and Development and the World Bank. This case developed guidance on the execution of payment orders in U.S. dollars in a sanctions-related situation.

Successful case

Services

In the realm of international sanctions

- Complex sanctions compliance solutions in international operations
- Analytical support for sanctions regime activities, including delisting issues
- Complex support for the interaction with financial institutions in matters of sanctions concern
- Structuring of international operations with sanctions or potentially sanctionable elements
- Sanctions-related dispute resolution services
- Sanctions screening

ART DE LEX advised Korean investors about highly non-standard corporate ownership and control issues, which, in some aspects, challenged Russia's public order and corporate control customs.

In a precedent-setting case, we represented Transcapitalbank, which at the time had 44% of its shares owned and controlled by the European Bank for Reconstruction and Development and the World Bank. This case developed guidance on the execution of payment orders in U.S. dollars in a sanctions-related situation.

We advised a leading Russian insurance company in the development and implementation of a sanctions compliance program for its activities related to the insurance of international carriage of goods.

Services related to AML/CFT issues

Services related to anticorruption issues

Export controls related services

Team

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