

Russian Parliament passes arbitration anti-bribery Bill at first reading

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The State Duma (the lower house of the Russian Parliament) has passed a Bill at the first reading on amendments to Russian criminal codes in relation to the liability of arbitrators for corruption.

On 9 July 2020, the State Duma (the lower house of the Russian Parliament) passed a *Bill* “On Amendments to the Criminal Code of the Russian Federation and the Criminal Procedure Code of the Russian Federation in order to establish the liability of arbitrators for corruption” at the first reading.

The Bill aims to criminalise the bribery of domestic and foreign arbitrators. It was introduced by a group of Parliament members under the recommendation of the Group of States Against Corruption (GRECO), following its assessment of Russian legislation and anti-corruption practices.

The Bill establishes liability for anyone bribing an arbitrator with a fine of up to RUB400,000 (approximately £4,500), as well as certain restrictions of freedom, imprisonment of up to two years, or correctional labour for the same period.

Corruption relating to particularly large sums of money, that is more than RUB1 million (approximately £11,000), will lead to a fine of RUB1 million to RUB2.5 million (approximately £11,000 to £27,500). Further, those persons found bribing an arbitrator will be deprived of the right to hold certain positions or engage in certain activities (which may include participation in arbitral proceedings as arbitrator) for up to five years.

Arbitrators that have accepted a bribe will be penalised with a fine of up to RUB700,000 (approximately £7,500) or imprisonment for up to three years. In cases of bribery in the amount of more than RUB1 million, arbitrators will be fined from RUB2 million to RUB5 million (approximately £11,000 to £55,000). They may also be deprived of the right to hold certain positions (most likely, performing the role of the arbitrator) or imprisonment from 6 to 12 years.

The dates of the second and third readings are expected to be scheduled in July 2020. Afterwards, the Bill requires approval by the Federation Council (the upper house of the Russian Parliament) and signature by the President.

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