

# Russia Takes Critical Step to Join the OECD Anti-Bribery Convention

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On February 17, 2012, Russia deposited its formal instrument of accession to join the Organization for Economic Cooperation and Development (OECD) Anti-Bribery Convention (the Convention). The Convention, adopted by the United States and 37 other countries, establishes legally binding standards to criminalize the bribery of foreign public officials in international business transactions.

Russia's accession to the Convention, which will be effective on April 17, 2012, may significantly increase liabilities for businesses and individuals that conduct operations in Russia or with Russian nationals. For example, courts in the United States, Germany and Italy have imposed sanctions totaling approximately EUR 1.24 billion (or US 1.64 billion) against a single company in connection with violating the Convention. Since the Convention entered into force in 1999, over 290 companies and individuals have been sanctioned for foreign bribery offenses.

Industries that are traditionally most affected by the Convention's foreign bribery provisions include the natural resources and energy, defense and military, telecommunications, mining, pharmaceutical, construction, infrastructure projects and property development sectors. Businesses in these and other sectors should be aware of important provisions in the Convention, such as the provisions that require member states to implement criminal sanctions that can cause businesses or individuals to be prosecuted for intentionally engaging in business with third parties who bribe foreign officials.

As part of its accession, Russia will undergo detailed and systematic reviews of its implementation and enforcement of its anti-bribery laws. In order to meet the terms of the Convention, Russian President

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## Practice Areas

Foreign Corrupt Practices Act (FCPA) and  
Anti-Corruption  
International Trade

Dmitry Medvedev recently signed legislation that specifically criminalized foreign bribery and significantly increased the maximum monetary sanctions for companies and individuals that bribe foreign officials to gain unfair business advantages.