When party preference creates problems

Representatives of the Hague Conference on Private International Law yesterday sought to assure Russian lawyers, professors and Ministry of Justice staff that the Convention of Choice of Court Agreements would not interfere with the allocation of competencies between the country’s courts.

Russia expressed its interest in joining the Hague convention in 2012. Since then, its has been involved in the international dialogue regarding the recognition of choice of court agreements in commercial contracts.

Since the treaty was created in 2005, only one country – Mexico – has joined. It will not take effect until another jurisdiction joins, which is expected to be the EU early next year.

“We hope that others who are in the process of studying and implementing the convention will follow, and that in time it will have a critical mass for its applicability,” said Marta Pertegás, first secretary of the Hague Conference on Private International Law.

But some Russian members of the 26-member roundtable at yesterday’s Conference on the ‘Cross-border Recognition and Enforcement of Judgments’ raised queries about how the convention would work within Russia’s procedural framework.

“Taking a similar approach to the New York Arbitration Convention, the Convention of Choice of Court agreements is designed to give parties flexibility in deciding where any dispute would be litigated.”

The arbitration convention sparked the Hague’s interest in a court-focused treaty. According to Christophe Bernasconi, secretary general of the Hague Conference on Private International Law, the idea was “to have a tool which one day will give litigants the possibility to fully choose between arbitration and litigation.”

“So the same reasons that triggered your state to join the 1958 convention should play an important role in your consideration of this 2005 Choice of Court convention,” he added.

The hypothetical case studies analysed at yesterday’s conference, which is taking place in association with the St Petersbug Legal Forum, gave rise to questions about recognising the division of competencies between St Petersburg and Moscow courts.

At the centre of debate were aspects of the convention that state when a court can override the parties’ preference of court. “Whether the Moscow court falls under the convention depends on a complicated interpretation of Article 5, paragraph 3 which says it applies to the judgment if the court is chosen, but not to the internal distribution of the courts,” said Maxim Kulkov, counsel at Freshfields Bruckhaus Deringer in Moscow.

Notwithstanding this exemption, which allows states to issue declarations that override the parties’ preference of court, Pertegás assured participants that the convention does not prevent or change that choice is a controversial matter. Pertegás assured participants that the convention does not prevent or change that choice is a controversial matter.

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Question: What are you looking forward to doing in St. Petersburg?

Ramunas Audzevicius
Matieka & Audzevicius
Lithuania

The forum is a great opportunity to meet old friends as well as colleagues who I’m currently working with. I will spend time walking around the amazing architecture and will be sure to have dinner in Terrassa near Nevsky Prospect.

Vasily Kuznetsov
Quinn Emanuel Trial Lawyers
Russia, Moscow

I lived here when I was five years old. I love the relaxed atmosphere, which is very different from Moscow. I would recommend an evening walk along the embankment and the river cruise today.

Nadezhda Raznova
Legal Partnership Case Group
Russia, Kaliningrad

I’m looking forward to meeting new people and meeting up with old friends. I love the city as a whole but will definitely take part in the evening boat trip along the canals and rivers. I did this two years ago and it was an unforgettable experience.

Januario Non Sumbane
Ministry of Justice of Mozambique
Legal secretary
Mozambique

Unfortunately I am only here for one day of the conference. I would have liked to stay to explore the city and take advantage of the cultural programme but I have to be back in Moscow.

Irina Monina
PBK
Russia, Moscow

I arrived a few days ago to have a small holiday with friends. I recommend going to the rooftop of the Isaac Cathedral – it is open until 4 am and the views of the bridges are great. The street music on Dvortsovaya Square is also worth seeing.

Pavel Volkov
Sandvik
Russia, Moscow

I visit St. Petersburg regularly. If the weather is good then all the obvious things are worth doing – boat trips and strolling around Nevsky Prospect. This week I will also visit the museum of water, located in an old water tower in the north of the city.

Polina Denyak
Property Agency
Russia, Krasnodar

I’m from Krasnodar in the south of Russia. It has been 15 years since I was in St. Petersburg and I’m looking forward to getting reacquainted with the city and seeing how it has changed.

Yul Edison
Embassy of Indonesia
Indonesia

There are a number of my colleagues joining and we are all looking forward to thoroughly exploring the city. The scenery and architecture around the forum site is fantastic, especially in June.
Lawyers and judges convened at one of yesterday’s flagship sessions to discuss the impact of wide-ranging amendments to Russia’s Civil Code.

On September 30 2013, Russia’s President signed a law that amended Part III of the country’s Civil Code. The new law represents the sixth set of amendments to the Russian Civil Code within the civil law reform framework.

A key point discussed by panellists was that, although the conception of the Code is good, and its ideas and principles sound, implementing the new legislation is the next hurdle for Russia’s legal community to negotiate.

“The first half of the event began with the opinion of corporate lawyers in Russia and the business perspective,” said Elena Voinikanis, a leading expert and expert activities coordinator with the Russian Corporate Counsel Association.

“Lawyers all agreed that the Code is good,” said Voinikanis. “But it is still new and to a large extent it depends on the level, quality and professionalism of the judges.”

The reforms enshrine the key European principle of fairness and reasonableness within a formal legislative framework. But the concepts of reasonableness and fairness are prone to different interpretations. Therefore, the way that the Code is ultimately implemented depends on judicial interpretation, Voinikanis continued, during an interview with the Daily News.

Fittingly, the second half of yesterday’s event presented the perspective of the judges of Russia’s highest court – the constitutional court. They identified some other risk factors associated with Russia’s large-scale civil law reform.

“The Civil Code is the highest level of regulation in the civil law,” said Voinikanis. “But now that the Code has come into force, changes to corporate legislation in Russia will also be required.”

Lawyers were aware of the risk that the flexibility at the heart of the new Civil Code could be lost through the process of formalisation involved in making changes to what is known as Russia’s special legislation.
How to eat like a Russian tsar

Whether sampling the delights of Russian cuisine, feasting in opulent surroundings or dining out like the locals, St. Petersburg’s restaurants will not disappoint, writes Amy Carlse

Long gone are the days of the Soviet empire’s limiting culinary choice. Instead, over twenty years later, St. Petersburg offers a remarkable 4,000 restaurants to choose from. The city has everything from traditional Russian delicacies to sushi and pizzaria with this whistle stop guide, visitors will know where to go for the best meal in town.

Palkin is a lavish 200-year old restaurant that transports customers back to when St. Petersburg was still the capital of Russia, ruled by the tsars. Grab a window seat and feast like an aristocrat, while gazing out at the Nevsky Prospekt below and sampling the exquisite Russian cuisine.

Another top end restaurant to consider is the L’Europe, which can be found in the Belmond Grand Hotel Europe. Priding itself as the oldest restaurant in Russia, its breathtaking art nouveau interior, mouth watering courses and weekend ballet and jazz shows are sure to impress. The Belmond Grand Hotel is also home to the City’s Caviar Bar, an upmarket and stylish Russian and European dishes.

Those looking for an award-winning steak at the city’s top steakhouse, head over to the Stogonoff, an underground grotto. Additionally, over a visit to Russkaya Rybalka, a picturesque wooden hut overlooking the lake. Not only are guests expected to catch their own fish supper from the lake (guidance is provided to all who need it), there is even the possibility of bumping into President Putin, who as a native St. Petersburg resident is often seen enjoying this scenic restaurant.

The Belmond Grand Hotel is itself as the oldest restaurant in Russia, its breathtaking art nouveau interior, live entertainment and on-hand vodka sommelier, a trip to the Caviar Bar should be high up on the list of any tourist seeking the best meal in town.

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Fighting dualism

Today’s roundtable, ‘Legal Service Market. Locked and Free Markets: Pros and Contrasts’, will examine the need for unified professional standards for legal practitioners in Russia. President of the Federal Chamber of Lawyers, and moderator of the roundtable, Evgeny Semenyako, explains why the topic is as important as ever in the year of the 150th anniversary of the Russian Bar.

What was your thinking behind creating the roundtable ‘Legal Service Market. Locked and Free Markets: Pros and Contrasts’?

We remember well May 31 2002 when the first advocacy Constitution was adopted, namely the Federal Law On Advocacy and the Bar in the Russian Federation. A few years later that day was declared as our professional holiday.

Now we are intent on arranging the second advocacy Constitutional that will unite all attorneys and other competent lawyers within the same corpora-

tion. This event is going to become the holiday all Russian lawyers have in common. Hopefully, the ‘Legal Service Market. Locked and Free Markets: Pros and Contrasts’ round table at the St. Petersburg International Legal Forum will be a comfortable step towards developing the conception of this union. We would love followers and opponents to take part in our discussion.

Why is the topic so important for the Russian legal community?

Dualism in the legal profession is currently the most serious problem in the area of a qualified legal aid. Nowadays, professional and ethical standards, liability for their non-fulfilment refer only to the advocates whose activity is regulated by the Federal law of May 31 2002, On Advocacy and the Bar in the Russian Federation (law on advocacy).

By virtue of the first part of Article 1 of this law, advocacy means qualified legal assistance rendered by those having the status of advocate to individuals and juridical persons in order to protect their rights, freedoms and interests and provide access to justice. The high quality of the legal service rendered is ensured by fulfillment of the above-men-

tioned requirements. However, others, who render legal services analogous requirements, are not set and their activity is not regulated by law.

In the absence of unified professional standards for legal practitioners we can’t provide everybody with a right to obtain a qualified legal assistance, something that is guaranteed by the part 1 of the article 48 of the Constitution of the Russian Federation. The absence of such standards marks the difference between Russia and the other developed countries.

According to the Federal Chamber of Lawyers, this problem can be solved if we unite advocates and competent legal practitioners within the same corporation based on the advocacy status.

This issue is especially significant in this, the year that celebrates the 150th anniversary of the Russian Bar when we have a right to note that the modern Bar established by the Law on Advocacy is a professional and socially responsible corporation. Law on Advocacy has embodied the hopes of a few generations of advocates who wanted to establish a united independent professional community and it has also fixed many traditions developed by the legal profession. It is safe to say that after the adoption of this law the Russian Bar reached the new important stage of its historical development.

Moreover, we feel an inextricable connection with our great ancestors who started creating our legal profession during the Judiciary reform in 1864. Their names – and their honest attitude towards their profession – are guiding stars for us.

Twelve years after passing the law on advocacy it is clear to see that the bar is fulfilling itself not only as a necessary element of the whole legal system but as an active institution of civil society.

Our corporation got stronger both in its system and organisation. The activities of qualification commission, where advocates, judges, representatives of judicial and executive authority work together, proved its significance. Councils of Bar Chambers are also effective bodies of self-government. One of their priorities is a protection of advocates’ professional rights. In the regions where interests of our colleagues are protected both on the level of local authorities and in different courts, members of our corporation feel safe.

The current level of organisation and corporate culture allows us to think of extension of democratic principles at electing advocate self-regulatory bodies and presidents of chambers. The law on advocacy gives us this opportunity. We shouldn’t forget though that we are a professional corporation and should follow the priorities defined by our professional goals.

Upgrading the quality of competence standards and ethical norms in our community and strengthening the institution itself, we will strive to establish the united corporation of practicing lawyers. We are sure that this corporation will increase the legal protection for citizens and institutions dramatically, overcome legal nihilism and boost the prestige of both legal profession and our state.

A state-run programme entitled Justice, from April 15 2014, is aimed at closing the gaps in legal aid. Among the main tasks of the programme is to increase the level of protection of public interests, implement rights of citizens and institutions. Sub-programme one defines ways of complementing this task, in particular, it mentions: adjustment of the qualified legal aid system and modernisation of the bar institution; promotion of the status of advocates in professional legal community through the mechanism of regular professional enhancement and competence assessment; development and maintenance of competition on the professional legal services market; provision of legal assistance to people, including pro bono.

Among the results we expect from this sub-programme is the development of the unified legal services market accessible for different groups of the population. A number of measures mentioned in the Appendix 3 are designed to achieve this result. For instance, in 2014 the regulation of professional legal services market providing citizens and juridical persons with access to competent legal aid should be enacted by the decree of the Ministry of Justice of Russia. In addition, in 2015 we plan to draft the Federal law on professional legal assistance in the Russian Federation aimed at optimising the permit to work as an advocate as well as standardising the professional legal services market.

All these measures will be addressed at today’s roundtable.

What topics will the panellists discuss?

We plan to discuss issues around the bar institution enhancement, promotion of the status of advocates in the legal community, adjustment of the qualified legal aid system with the help of unified requirements for all the players of the legal services market, exclusion of all the unfair participants from the market.

Who will speak at your session?

Our roundtable will feature representatives of judicial, legislative and executive branches of the government, advocates, bars, legal attorneys and counselors.

Our discussion session will be interesting for both Russian and foreign attorneys, lawyers from Russian and international companies, representatives of state authorities and academics. So it will be of relevance to everyone dealing with protection of the rights of citizens and institutions and problems of advocacy.
Financing a renewable future

European Bank for Reconstruction and Development (EBRD) senior counsel, James Wilson, speaks to Ben Naylor about his work in Russia and the CIS

Can you briefly outline the EBRD’s objectives in Central and Eastern Europe (CEE) and the Commonwealth of Independent States (CIS)?

Our main aim is to help the countries in the EBRD make the transition from state-planned to open market economies, and we do this primarily by supporting and encouraging local companies in our regions to adopt best practices, as well as developing important businesses for the local economy through EBRD debt and equity financings.

What energy or infrastructure projects have you worked on in the CEE or CIS?

Recently I’ve worked on wind, solar, biomass and hydro power plant financings in Ukraine and gold and copper mine financings in Bulgaria and, indirectly, Armenia.

Would it be fair to say you have a strong focus on renewable energy in the CEE/CIS region?

We are very focussed on it. We are an international financial institution, despite our name; EBRD has significant non-European shareholders including the US, Japan and Australia, as well as the EU and its individual EU member states. All of EBRD’s shareholders have a say in setting EBRD’s strategy for clients in connection with EBRD financing.

The shareholders recognise that developing renewable energy and energy independence and efficiency is very important. This translates into renewable energy being an important and growing sector for EBRD investment, as well as EBRD imposing high standards of corporate governance, environmental and social behaviour standards on its clients.

Do you finance conventional energy projects in the CEE/CIS region too?

We could, and we do, but conventional energy projects tend to be more controversial and difficult for a number of reasons. Also, we have an internal requirement that we must be “addition al”, in the sense that if other commercial banks are willing to provide financing, then EBRD should not become a financier and thereby exclude them. There must be a development role for EBRD to play in any project. In the case of a high-profile conventional energy project in EBRD’s region, the argument for EBRD being involved in the financing tends to be different and more complex because it is based on the fact that it would lead to tighter IPI covenants being imposed on the operator, rather than the need for financing itself from EBRD.

Is Russia an active market for EBRD and you personally?

Russia is our largest and most active country of operation, but I personally have many projects in Ukraine, Ukraine is, and has been for the last few years, the second or third largest and most active country of operation after Russia; it is comparable to Poland and Turkey.

How important a role do public-private partnerships (PPPs) play in achieving the EBRD’s objectives you outlined earlier?

Part of our role is to help countries make this transition to free market economies and on the legal side, we have a team who help legislators within governments design their PPP laws. It is seen as a key component, if you can eliminate corruption at that level and make engagement with the private sector cleaner and more transparent, then that’s a very positive thing. We are very supportive of PPPs, at the point of changing laws to provide for them but also at the level of financing PPP builders.

Are there any regulatory issues that frequently arise when you are working on Ukrainian energy projects?

In most cases, the client has obtained all the construction and supply contracts and the equity money, then EBRD lends its money and they go ahead and complete the construction and operation of the new renewable power plant. They enter into a grid connection agreement and a power purchase agreement, when the state energy market, the state offtaker, buys the power from this new power plant.

At the end of this process, the last step for EBRD is to receive an assignment of the money that is coming in from the state offtaker so that if there’s a problem for the plant operator in repaying the loan, EBRD can just receive the money directly from the state offtaker.

At that point, we would allow the guarantee that we’ve had from our main shareholder – our sponsor – to fall away because we have this additional security, which should be sufficient to support our loan. But the problem for our clients – and for EBRD because this was always part of the project – is that the state offtaker in Ukraine won’t allow, for technical reasons, an assignment whereby it can just be informed by EBRD that it should start paying EBRD instead of the power plant.

Our challenge is to convince the state offtaker in Ukraine that they should allow financiers, not just EBRD and other development banks, to have rights to be paid directly because that allows these power plants to be properly financed and improves the whole sector. But we haven’t managed to do this yet.

Are there any specific laws or regulations that make energy projects more difficult to finance for EBRD?

We have encountered problems with the National Bank of Ukraine (NBU) introducing new regulations, which interfere with the administration and operation of our hard currency loans. In Ukraine, they currently have a control regime and we understand that the NBU is trying to shore up the banks in Ukraine, but quite frequently they introduce a new regulation that causes serious concerns about our existing and future exposures, and we have to revert to the NBU and to demand, at the very least, an exemption for EBRD loans from the new regulation.

Can you give me a recent example?

Recently the NBU stated that no hard currency lender was permitted to impose an uncapped floating interest rate component (eg Libor or Euribor) in a loan to a Ukrainian borrower. In the loan registration certificate, the NBU wanted to be able to say that the maximum interest payable by any Ukrainian borrower is X, and obviously if there’s no cap and the loan rate is floating, they can’t include such a figure.

However, almost every EBRD loan starts off at least as a floating rate – sometimes the rate is fixed later – and we have had problems in convincing the NBU and gaining an understanding that this floating rate we were providing for in our loan agreements would be respected, recorded and a borrower could pay it. After many discussions, the NBU confirmed that it didn’t apply to EBRD.

This article appears courtesy of IFLR1000’s Energy and Infrastructure Guide 2014
C
orporate governance failings could be banks’ biggest weakness in future stress tests, research has revealed.

According to a report published by risk management firm Moody’s Analytics, governance has become a key tenet of stress-testing programmes and a qualitative measure regulators use to assess the rigor, auditability, and repeatability of the banks’ stress testing processes.

Stress tests are economic and financial shocks imposed on a country’s biggest lenders to gauge their ability to withstand a crisis and prevent further taxpayer bailouts. Simulated doomsday scenarios include a currency crisis, a property market crash and a spike in unemployment.

“The institutions’ process and governance framework for stress testing calculations and workflows is becoming even more important than the calculation itself,” said Cayetano Gea-Carrasco, head of stress testing services and advisory at Moody’s Analytics, an author of the report.

In the recent US stress test, the Federal Reserve Bank (Fed) objected to the capital plans of several banks due to qualitative deficiencies in their governance frameworks, analyses, internal controls, information systems and assumptions when performing stress testing.

“Where banks are failing, they are not failing because they are not passing the stress tests, but because they are not able to explain clearly how they reached their results and the narrative regarding the qualitative assumptions used in the calculation,” said Gea-Carrasco.

The Moody’s Analytics practice head added that regulators want banks to use stress testing as a part of their business management process and as a risk management tool for strategic decisions – not only for regulatory compliance.

“This represents a significant challenge for the banks in terms of data, systems integration and workflow coordination,” he said.

A new regime for Europe

While banks in the UK and US have established governance frameworks for stress testing, their European counterparts lack such clear guidelines. “If stress testing is going to be a regular exercise in Europe, in the same way it is in the US, banks in the region will need a governance framework specifically for stress testing,” said Gea-Carrasco. “Traditionally banks work in silos – finance, technology, risk, and so on. Stress testing cuts across all these boundaries.”

In establishing the new framework, European banks are grappling with who to put in charge of the exercise. While some favour the chief risk officer or chief financial officer, Gea-Carrasco reported that some are planning to introduce a newly-created role of chief operating officer for enterprise-wide stress testing.

Results of the European Banking Authority’s stress tests will be published in October.

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Why governance matters to stress tests

“If stress testing is going to be regular, banks will need a governance framework specifically for it”

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Results of the European Banking Authority’s stress tests will be published in October.
The flowering of in-house

 Barely a year goes by without an article or discussion on how the role of the in-house is changing. This regularity is unsurprising though, because it’s true: the job is not what it used to be, and as multinationals grow, so does the role of the in-house lawyer.

 As today’s session, ‘In-house counsels: where we are and what is coming’ will explain, those who practice in-house are no longer expected to simply provide legal advice. Companies now demand their internal lawyers navigate the commercial complexities of legal and regulatory risks within the global market.

 Essentially the role of an in-house counsel is to steer a company away from risk and act as a legal guardian. But there are a number of other duties as well. A general counsel, for instance, is no longer just a legal advisor – instead she is a strategic business advisor, risk analyst and board member.

 Difficult transitions

 As the role evolves, so too do the expectations of the company. David Leitch, group vice-president and general counsel of Ford Motors, believes that in-house lawyers are now expected to be intimately aware of everything going on inside the company so as to increase their ability to anticipate and identify potential risks. For Leitch, this brings with it a unique challenge. “When things go wrong inside a company, in some way or another, the general counsel is at the centre, either leading the investigation or being investigated,” he says. That can be a difficult transition for a lawyer who must share in the success or failure of the company, rather than just move on to the next case file.

 In Russia specifically, the last several years have witnessed general counsels as board members participating in the most significant business decisions. According to Alexandra Nesterenko, president of the Russian Corporate Counsel Association, and moderator of today’s session, general counsel also often lead the most important company committees: compliance, investment and other key business committees. “Business advice supported by legal knowledge is the main advantage of the company legal director,” says Nesterenko.

 As general counsel find themselves navigating the path between legal advisor and business strategist, it is important to recognise the growing demands for them to provide an insightful perspective into business decisions.

 From a financial perspective, companies with in-house legal teams save on arduous and lengthy legal fees by having a self-contained team of in-house lawyers that can provide a deeper understanding of the business, and thus can provide a greater appreciation of how to deal with problems that may arise.

 Of course, in-house legal teams still turn to outside counsel for help on more complex issues. Leitch notes that it is imperative that in-house teams feel comfortable relying on the advice and counsel of lawyers who are trained in legal systems that the general counsel may not know – an issue important for those operating in multi-national companies.

 Clear messages

 Other priorities general counsel should consider for a harmonious in-house/private practitioner relationship include being aware of one another’s expectations, ideally through good communication channels so as to limit the number of surprises along the way, according to Leitch. Nesterenko agrees: “in-house counsel should effectively manage external counsel regarding the task, fees and final result. They must give clear messages to the outside counsel and keep the process under control. These two points are crucial for the successful cooperation.

 Working for only one client can be attractive, says Leitch, who believes that while outside lawyers do have the best interests of the enterprise in mind, as an in-house lawyer, one’s priorities are more aligned with those of the company. “You tend to feel more invested in the overall enterprise,” he says. Not only are general counsel intimately acquainted with the nuances of the business, but their legal knowledge provides the company with a commercial edge which is not always possible from the constraints of a law firm office.

 For the in-house lawyer, your colleagues also happen to be your client. Nesterenko thinks that in-house counsel actually have more than one client, despite working for a single company, “In-house deal with finance, sales, marketing, HR, production and logistics departments,” she says, adding every day they must find the right tone for each department and every person. “So the complexity of the tasks managed by in-house counsels should not be underestimated,” she adds.

 Today’s session will focus on the growing expectations companies have on general counsel, with distinguished speakers from a range of prominent in-house legal teams. Nesterenko, who is moderating the session hopes the panelists will be forward-looking in their analysis. “We will discuss the future of the in-house profession. That’s going to include business expectations, role models, regulation needs as well as ethical points of the profession.”

 It should prove to be a fascinating session, with Yuliya Bondarenko, director of the legal department at Rothmans, Benson & Hedges in Canada among the panelists. Other speakers include Elena Borisenko, deputy minister of Justice of the Russian Federation, Ruslan Ibragimov at Mobile TeleSystems, Igor Kondrashev at Sberbank SIB, David Leitch at Ford Motors and Igor Maydannik at Rosneft.
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The Russian authorities over recent years have been actively working on reforming anti-monopoly legislation. Markets undergoing vibrant growth, the gap being bridged with western regulatory rules, the role of the antimonopoly authority being bolstered – these and much more have been summoned to encourage competition in our country. However, do all initiatives of the authorities justify their initial aims of developing the competitive environment?

Receiving unclear signals from the authorities and becoming lost in the unjustifiably frequent changes to legislation, Russian business figures sometimes find themselves in the most real kingdom of crooked mirrors. At the same time, a lack of understanding of legal rules, resulting in breaches of them can hit a company’s budget with billions of rubles in fines, trigger criminal investigations of its managers or, as a minimum, seriously damage the reputation of the infringing company.

If the law is amended, models of business conduct should be transformed, and in some cases should the corporate structure. Business is obliged to adapt to changing regulation on the fly. To this end, the necessity arises to create an anti-monopoly compliance system that would assist with reacting as promptly and efficiently as possible to new signals and with reducing anti-monopoly risks.

Integrated systems

Business needs an integrated system for reacting promptly to a dynamically changing legal environment. This system should combine several functions at once: identifying and analysing risks, devising and implementing a system for meeting anti-monopoly requirements and arranging for those involved in business processes to communicate with one another. Such a complete system for warning of antimonopoly risks and for minimising the consequences if they come to pass may offer a way out in conditions of excessive legislative activity, if business does not wish to fall under the watchful eye of the regulator.

On June 20 2014 within the scope of the IV St Petersburg International Legal Forum, Pepeliaev Group in association with Legal Insight magazine will hold an introductory session devoted to the topic: ‘Antimonopoly compliance: Reality or utopia?’.

There are currently more questions than answers in the antimonopoly compliance system. Specialists in the sector and business representatives are discussing whether it is possible to create such a system in practice, what the risks are of implementing it and the costs are of developing it, what practical steps have been taken in this direction, and ultimately whether business feels that such an instrument is needed.

The introductory session ‘Antimonopoly compliance: Reality or utopia?’ will take place on June 20 2014 at 16:00 before the start of the ‘Russia’s Best Legal Departments’ awards ceremony at the Corinthia Hotel, 57 Nevsky Prospekt, St Petersburg.

Attendance is by invitation. To apply to take part, please contact Irina Krylova at Pepeliaev Group: i.krylova@pgplaw.ru
Russia’s white light

From castles to cathedrals; vodka to Da Vinci, St. Petersburg is steeped in history and culture. Amy Carlse finds out what’s in store for adventurous visitors.

St. Petersburg is known for its majestic architecture, impressive history and cultural delights, which are likely to impress even the most seasoned travellers. As a city steeped in Russian history, plenty remains of the previous tsardom, which has helped maintain it as a destination of choice for those eager to learn more about the country’s past.

During the summer months, St. Petersburg is awash with the midnight sun, an annual phenomenon that celebrates the extended sunlight caused by the city’s northern location. The White Nights Festival provides tourists and locals with an excuse to party throughout the night, while the Arts Festival offers a fantastic opportunity to catch the best of Russian ballet and music. There is little doubt that summer is the best time to visit St. Petersburg, as it transforms into a city that never sleeps.

The St. Petersburg International Legal Forum is held at Palace Square, a central location, which many consider the hub of the city. The square boasts excellent views of the Winter Palace and General Staff Building, but most visit to see the 47.5 metre high Alexander Column, erected after the Russian victory in the war with Napoleon's France. The Square can transport visitors back to Russia’s turbulent past, especially considering the pivotal role the location played during both the 1905 and 1917 revolutions.

Winter Palace

For the art critics in attendance this week, St. Petersburg provides an assortment of galleries and world-renowned collections. As one of the oldest and largest museums in the world, the State Hermitage offers a fantastic opportunity to marvel at the La Danse (Rembrandt), La Madonna (Da Vinci) and the gallery’s three million other pieces. The artwork isn’t the only attraction: located in the Winter Palace, around the former imperial residences of the Russian tsars.

Others may prefer spending time at Art Square, which boasts a number of cultural highlights including the Philharmonic Hall and the State Russian Museum, which is well known for its collection of Russian art. For those with a fondness for Britain, the Ristsordi Art Loft is hosting a British Contemporary Art exhibition, entitled ‘English Breakfast’, to celebrate the British Council’s 2014 Cross Cultural Year of Great Britain and Russia.

As the former capital of the Russian Empire, St. Petersburg is able to offer a number of interesting and unique attractions, including the iconic Church of Our Saviour on Spilled Blood. Its impressive architecture will have visitors grabbing for their cameras as they gaze up at its early 20th century design. The striking interior is just as impressive, especially the mosaic icons and jasper shrine to Tsar Alexander II, who was assassinated at the site. And then there’s the Peter and Paul Cathedral, the tallest Orthodox Church in the world and St. Isaac’s Cathedral is worth a visit for its size alone. The imposing regal architecture and winding canals make St. Petersburg a strong contender for one of the world’s most beautiful cities.

In a city well known for its opulence, a visit to one of St. Petersburg’s many majestic palaces is essential. UNESCO World Heritage Site Peterhof Palace, also known as the Russian Versailles, is sure to impress thanks to its impeccable gardens, splendid cascades and commanding views of the Baltic. Just as impressive is the flamboyant Tsaritsyno Selo, which boasts the infamous Amber Room, a luxurious chamber adorned with over six tonnes of amber, that wouldn’t look out of place in the pages of a fairy tale. The palaces become increasingly busy during the summer, so those eager to spend time admiring the grandeur of the Russian Empire, should arrive early.

Other attractions include the Fabergé Egg Museum, the Museum of Soviet Arcade Games (all of which still work), the Mariinsky Theatre, The House Upside Down and the Komarov Botanical Gardens, the oldest in Russia. Keep a look out for the tsaritsyno nochi, a flowering cactus that only blossoms one night a year – in the middle of June.

Those after some retail therapy will be pleased to hear that St. Petersburg offers a vast selection of shops, most of which are centred on or around the Nevsky Prospekt, a bustling street that runs through the heart of the City. Look out for the Kazan Cathedral, Singer House, The Russian National Library and the Gosn Dvor. Those wanting a more refined shopping experience, can head over to The Passage, an 19th Century arcade and home of the Komissarzhevskaya Theatre.

There are plenty of ways to get around St. Petersburg, including the canal tours under the city’s 314 bridges, the tram service and the reliable Metro, which is not only one of the world’s deepest Metros, but also impresses commuters with its artwork, opulent chandeliers and marble columns. Public transport closes at around midnight, so do ensure that if you are out in ‘St. Partysburg’ you make alternative means back to your hotel. If you do want to sample what the city has to offer after hours, then look out for the legendary avant-garde bar Fish Fabrique, The Barrel, a slick cocktail bar that holds karaoke contests on Wednesdays; XXXX a popular Russian nightclub chain that plays plenty of hits from the 1980s and Purga, a club that parties like its New Years Eve every night. Visitors looking to unwind after a long day will find a number of enchanting pubs and bars to let loose in. For those after a traditional English pub, head over to Dickens, while wine bar fans should consider Jean-Jacques. Others may prefer spending their time at The Hat, an excellent spot to listen to live jazz, and those seeking an edgier Russian bar can visit Da Vinci. But for the truly authentic Russian drinking experience, visit the St. Petersburg Vodka Museum, Visitors can learn about the history and importance of vodka to the City, while sampling a number of native vodka shots and snacks.

The forum organisers will be running excursions throughout the week. Just check your delegate pack for details and information on how to book.
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