

By the Judgement of 9 July 2021 No. 34-II the Constitutional Court of the Russian Federation assessed constitutionality of Article 15.25, part 1 of the Code of Administrative Offences of the Russian Federation (CAO RF), Article 12, parts 4 and 5 of the Federal Law “On Currency Regulation and Currency Control”.

These provisions became subject to examination insofar as they served as normative basis to bring financial resident of the Russian Federation to administrative liability for actions (omission), the necessity of which was caused by real risk to lose currency valuables or lose control over them for indefinite period of time because a foreign country deployed limitation measures against the Russian Federation and its economic entities in improper international procedure and in contravention with multilateral treaties to which the Russian Federation is a party which prevented the resident to perform (finalise) lawful currency operation.

The challenged provisions were recognised not contravening the Constitution of the Russian Federation since within the current legal framework they do not encompass bringing to administrative liability the resident of the Russian Federation for actions (omission) that in normal conditions would be recognised as unlawful currency operation if their necessity was dictated the real risk to lose currency valuables or lose control over them for an indefinite period of time due to deploying the limiting measures described above by a foreign country which prevented the resident to perform a lawful currency operation – if relevant actions (omission) in essence do not distort the meaning of original lawful currency operation or are aimed at restoring the situation present before the beginning of their conduction (including at one of the stages if there is a confirmed intention to perform further steps).