

Letter no. 308 of 4 April 2022

OPEN LETTER OF THE UKRAINIAN BAR ASSOCIATION TO INTERNATIONAL LAW FIRMS, LEGAL ASSOCIATIONS AND REGULATORS

4 April 2022 marks the 40th day of war of the Russian Federation against Ukraine. While Ukrainian army resists the aggression, Ukrainian population and economy are suffering from vast-scale damages inflicted by indiscriminate shelling, bombing, deportation and disappearance of civilians, and other atrocities. Recent liberation of Bucha and other cities of Kyiv region revealed a horrible picture – mass killing and torture of civilians, mass graves, rape and other crimes made the world shiver. There are no reasons to suspect that situation in other cities of Ukraine that are currently under Russian occupation or siege is any different.

Since the beginning of the war, more than 500 <u>foreign businesses</u> and law firms have decided to withdraw from Russia as a sign of protest against illegal aggression and in support of the people of Ukraine. Ukrainian Government and people welcome such approach, since **economic isolation of the Russian Federation is the only alternative to a lengthy and exhausting war, and consequent occupation of the Ukrainian territory.**

Unfortunately, there are still companies who continue business as usual or, while cutting investment, go on with significant business operations. Despite worldwide sanctions, condemnation by the international community and urges by the Ukrainian Government, some companies turn the blind eye towards events in Ukraine, thus further enabling Russian economy to fund the war.

Every dollar that business invests in Russian economy are spent not for humanitarian purposes, not for education, human rights protection or rule of law – all of which are lacking in Russia – but for financing military actions in Ukraine. Every day of war in Ukraine costs Russia around USD 20,000 billion (!), and these sums come from the biggest taxpayers to the Russian budget.

Here are some numbers to demonstrate what <u>foreign money can cover</u>: USD 4,8 billion paid by Philip Morris in taxes to Russia in 2020 is enough to finance 68 (!) mobile short range ballistic missile systems Iskander. USD 502 million paid by Nestle would buy Russia 502 infantry fighting vehicles. USD 335 million paid by Leroy Merlin are enough to cover 335,000 AK-74.

Legal community is instrumental in supporting operations and functioning of big businesses who are still present in the Russian Federation. Indirectly, legal services enable good wellbeing of such companies and, consequently, enable the war. In contrast, cutting the chain of services and supplies that are vital for businesses operating in Russia, will have a strong effect and will encourage withdrawal.

The war will not stop until each and every person finally realises that economic isolation of the aggressor country is the only alternative to complete destruction of population in Eastern and Southern Ukraine, or to the World War III. Until foreign companies continue investing in the state budget of the Russian Federation, aggressive, devastating and draining war will continue.

As legal service providers with high ethical standards, practically all Ukrainian law firms have already ceased providing legal advice to Russian businesses and individuals. In a <u>recent statement</u>, more than 70 Ukrainian law firms also informed on their decision to suspend legal services to international businesses still present in Russia, unless and until such businesses unequivocally announce their complete or essential withdrawal. Ukrainian legal community may not understand and accept the position of international companies still doing business with and keeping their presence in Russia as diligent taxpayers contributing to the Russian war budget.



Although the rule of law principle protects the right to legal advice and representation for all, it also requires every individual to obey and submit to the law. In the circumstances of the situation in which Ukraine and the world find themselves, activities of legal communities should pursue objectives of restoring the rule of law in Ukraine and stopping atrocities that are being committed by the Russian Government with the support of Russian and international business. It is our belief that the rule of law principle affords lawyers with a choice to refuse or terminate contracts with clients who directly or indirectly support or finance the war of aggression. Lawyers can decide not to take on new clients for any reason, including for ethical reasons.

IN VIEW OF THE ABOVE, UKRAINIAN BAR ASSOCIATION URGES:

- FOREIGN LAW FIRMS to terminate and deny any legal services not only to Russian businesses but also to international companies who continue operating in the Russian Federation, thus supporting the state budget of the Russian Federation;
- LEGAL ASSOCIATIONS to support UBA's stance and encourage their members to terminate
 and deny legal services to Russian businesses and international companies who continue
 operating in the Russian Federation, as well as discourage by whatever means possible,
 including public statements foreign companies from continuing business in Russia;
- REGULATORS OF THE LEGAL PROFESSION to update relevant regulations whereby explain that ethical considerations of law firms and of individual lawyers is a valid reason for refusing and terminating legal services to businesses who continue operating in the Russian Federation and thus support Russian military machinery. Lawyers' and law firms' stance on the war in Ukraine and volunteering/fundraising activities might amount to a conflict of interests, in which case termination and denial of legal services is a logical choice and a natural response.

Yours faithfully,

Anna Ogrenchuk

President of the Ukrainian Bar Association