



Global Investigations Guide: Eurasia

Hogan
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BGI Legal
Centil Law Firm
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GRATA International
Kalikova & Associates
Kosta Legal
MGB Law Offices
Popa & Associates
Sayenko Kharenko
Sorainen
Unicase Law

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Introduction

It is with the utmost pleasure that we, as members of Hogan Lovells' team of investigation and compliance practitioners in Russia, CIS and Eurasia, announce the release of the first edition of the *Eurasian Investigations Guide*.

This *Guide* represents the outcome of the work of leading practitioners of key post-Soviet jurisdictions in Eurasia and provides general responses to the topical issues related to internal corporate investigations. The intention of the Guide is to offer an insight to the major components of the legal investigative activity in such spheres as anti-corruption, bribery, anti-money laundering and compliance from the perspective of leading experts from across the region.

A special word of thanks goes to Daria Pavelieva, Bella Mikheeva and Alexandra Dmitrieva who undertook the important task of co-ordinating the work of the experts contributing to the Guide, as well as to harmonise style and language throughout the entire volume.

Hogan Lovells' *Eurasian Investigations Guide* is not intended to provide legal advice nor should it replace the advice of counsel. Its aim is to deliver a brief but meaningful assessment of investigative activity and assist in navigating the complexities surrounding these issues.

We hope that the *Eurasian Investigations Guide* will be favourably received by practitioners. We thank you for your interest in this publication.

Best regards



Alexei Dudko

Partner, Hogan Lovells, Moscow
T +7 495 933 3000
alexei.dudko@hoganlovells.com

Cross-border investigation

The usual and well-known challenges of a cross-border investigations, such as language barriers, different cultural and language issues, often contradicting each other local laws, data privacy provisions, compliance issues and enforcement practices, create multiple sets of problems and sensitivities for practitioners faced with the task of conducting it effectively. In Eurasian jurisdictions, there are further unique regional challenges.

Globally and regionally, cross-border investigations tend to be on the rise while businesses everywhere face increased regulatory pressure multiplied by the COVID – 19 pandemic and geopolitical issues. From the start of an investigation, to its completion it is crucial to be aware of the important issues and avoid unrepairable mistakes.

Hogan Lovells *Eurasian Investigations Guide* aims to provide assistance by offering a general overview and best practices of investigations in Eurasia, to help orient those leading or involved with such investigations throughout their life cycle – from the start to its, hopefully, successful completion.

Start of a cross border investigation

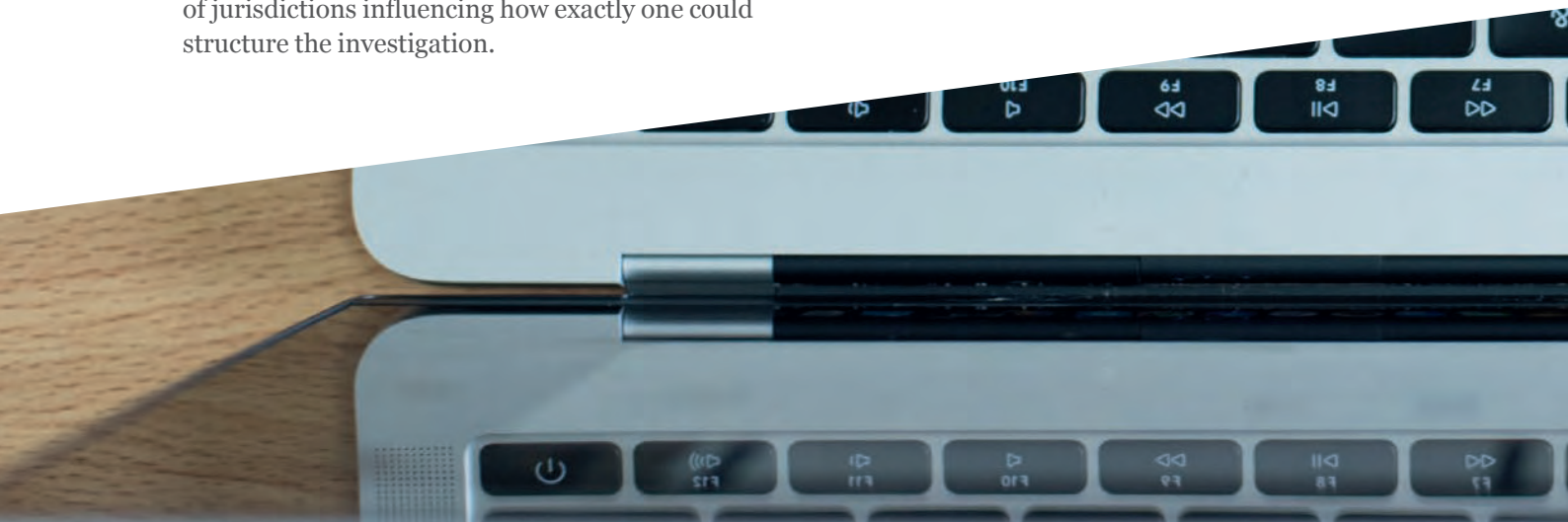
Following the assessment as to what exactly has triggered the investigation, usually a whistle-blower's complaint, an external claim, an internal finding, a media publication or a regulatory action, jurisdictional analysis has to be conducted to assess which jurisdictions are likely to be involved in the investigation. It could be that the issue in question is or is likely to be subject to investigation by authorities in a number of jurisdictions influencing how exactly one could structure the investigation.

Right resourcing from the start of the investigation is everything. Often, local in-house legal team has to be supported by outside counsel or other external resources. Given the need to hire the best experts on white collar crime or compliance, it would be recommended to build and maintain beforehand a network of experts in the key jurisdictions, available in crisis situations when time is of the essence, such as dawn raids or investigations carried out by law enforcement authorities.

Understanding the extent to which one may investigate in the respective jurisdiction is equally important, given the existing legislation on classified information, including state secrets, commercial secrets, personal information and its transfer abroad, the breach of which could sometimes trigger criminal liability.

Further, it must be carefully assessed whether early disclosures to local law enforcement agencies are necessary or would be helpful from a strategic standpoint. In most Eurasian jurisdictions, however, such disclosures are uncommon and may create more problems than they solve. In cross-border cases, where many authorities may be involved, there could be a strategic advantage to disclosing information in a certain order. One has to determine as well whether to make disclosures to third parties, including, shareholders, insurance companies, local authorities and other stakeholders.

From the start it is paramount to get the right advice to make sure the investigation progresses in the right direction.



Investigation

The immediate objective of the investigation has to do with the objective to “stop the bleed”: to ensure that any potentially on-going criminal or unlawful conduct is stopped. This often includes suspension of certain questionable business operations such as payments or goods deliveries, monitoring certain payment and goods streams or putting certain individuals at least under close monitoring or even their temporal suspension pending the outcome of the investigation in case there are serious reasons to believe that their actions could generate further risks to a company.

Preservation of all information potentially relevant to the investigation, with such measures as issuing a data hold, suspending auto-delete functions and immediately imaging data carriers, is equally important from the start, especially in the context of the investigations involving and FCPA or UK BA elements.

Given the privilege issues related to the need to protect the information, it is normally recommended, especially in the context of the investigation in Eurasian jurisdictions where legal privilege protection faces multiple challenges, as the information could be confiscated and reviewed by the authorities in some jurisdictions, to have external counsel (often with the status of an “advocate”) to take the lead in the investigation. This includes generation and storage of sensitive work product.

Observing requirements to classified information, such as data privacy as well as state and commercial secrets is equally important as Eurasian jurisdictions often are quite formalistic in this respect, requiring, for example, express written consents of employees to process their personal information, and imposing stringent liability for breaches. Given the potential legal exposure and complexities, it is strongly recommended that expert data privacy counsel be part of any cross-border investigation team in all phases.

An important issue has to do with the “export” of data to other countries in a cross-border investigation, which should not be taken for granted. This can be particularly problematic if such countries, such as the US, do not have an equivalent level of data privacy protection to the respective Eurasian jurisdictions, which regulation is close to that of the EU. This could require additional protective measures like reducing data amounts or redacting personal information before any data transfer.

Interviews often also raise various legal issues. Each jurisdiction has its own rules and best practices in this regard. If an interviewee is not properly instructed or the interview is otherwise not done correctly, it could lead to evidence being inadmissible in the subsequent legal proceedings.

The end of the investigation

Importantly, the end of the investigation poses the question of whether detailed investigation report should be produced. This is mostly linked to the question of privilege. Even if outside counsel produces a report, it may have only limited protection if it enters into the custody of the company. In the cross-border context, certain authorities may view the waiver of privilege and production of a report as necessary to demonstrate good will and cooperation. There may be then be all sorts of pressures to produce the investigation report, which raises the issue of the form and scope of its release, if any.

Remediation measures addressing weak points identified during the investigation is its most natural result. In some jurisdictions it is important to assess whether the company could face liability and its amount. Remediation can include, for example, sanctioning employees, including termination, targeting legal and organisational weaknesses, assessing internal policies and procedures, including internal investigation protocols, updating companies' records, conducting mandatory compliance and other training, etc. Respective limitation periods have to be noted and observed to make sure, for example, that certain disciplinary measures could be implemented.

For companies operating in multiple jurisdictions, it may be necessary to conform worldwide internal guidelines to the higher legal standard in the home jurisdiction, even though a lower standard may be permissible in local jurisdictions.

Recovery of damages is another important step against the parties liable for misconduct to compensate some of the company's losses, which could be significant, either through civil or criminal proceedings.

Conclusion

The existing regulatory field is getting more and more complex, and sometimes is compared to a minefield. Numerous issues have to be kept in mind and observed when conducting a cross-border investigation, especially in such a diverse region as Eurasia. Issues can arise at every stage in the life cycle of an investigation. Trying to build an effective investigative activity necessitates careful assessment of critical cultural, legal, organisational and business differences and gaps, and understanding the respective methodology. This is what this *Guide* attempts to accomplish addressing, at least initially, the "blossoming complexity" of the Eurasian investigatory landscape.



Alexei Dudko

Partner, Hogan Lovells, Moscow
T +7 495 933 3000
alexei.dudko@hoganlovells.com

Heading the Russian / CIS IWCF (Investigations White Collar & Fraud) practice of the firm, Alexei offers clients the benefit of over 23 years' experience as an accomplished litigator, investigator and compliance specialist.

Alexei handles complex litigation, compliance and investigation matters. He is a recognised authority on cross-border asset recovery and contentious insolvency litigation. Alexei handled numerous multijurisdictional and internal investigations, including matters involving allegations of bribery and corruption under the Russian Criminal Code, FCPA, the UK Bribery Act and other anti-bribery laws. He advised on the set up and management of various compliance systems to leading Russian and international companies. Alexei defended top foreign clients in various regulatory investigations carried out by Russian authorities.



Editors



Alexei Dudko

Partner, Hogan Lovells, Moscow
T +7 495 933 3000
alexei.dudko@hoganlovells.com

Heading the Russian Dispute Resolution practice of the firm, Alexei offers clients the benefit of over 20 years' experience as an accomplished litigator and advisor. Alexei has built a strong portfolio of winning complex cases in both commercial and general courts in Russia and in international arbitrations. He is a recognized authority on Russian and international fraud and asset tracing litigation.



Daria Pavelieva

Senior associate,
Hogan Lovells, Moscow
T +7 495 933 3000
daria.pavelieva@hoganlovells.com

Daria is a senior associate in Hogan Lovells' Investigations practice. She provides legal support to clients during investigations by state authorities and conducts internal investigations into allegations of fraud, corruption, and export control violations. She also helps clients develop and implement robust compliance programs.





Bella Mikheeva

Associate, Hogan Lovells, Moscow
T +7 495 933 3000
bella.mikheeva@hoganlovells.com

Bella is an associate in the Dispute Resolution and Investigations practice specializing in a diverse range of matters. Her experience includes conducting internal investigations into allegations of fraud and corruption, providing investigations-related and compliance advice to clients in different sectors and representing clients in complex disputes in Russian courts and international arbitration.



Alexandra Dmitrieva

Associate, Hogan Lovells, Moscow
T +7 495 933 3000
alexandra.dmitrieva@hoganlovells.com

As part of the Dispute Resolution and Investigations practice, Alexandra focuses on conducting internal investigations into allegations of fraud, corruption, and export control violations. She also has experience in representing Russian and foreign companies in complex disputes in Russian courts and international commercial arbitration.

Guide questions

1. What are the laws relating to anti-corruption, bribery, and money laundering in your country?
2. Do the following persons or bodies have the right to be informed, or is the company obliged to inform the following persons/bodies, about an internal investigation before it is commenced? Do they have the right to participate in the investigation (e.g., in interviews)?
 - a. Employee representative bodies, such as a works council or union.
 - b. Data protection officer or data privacy authority.
 - c. Other local authorities.

What are the consequences of non-compliance?

3. Do employees have a duty to support the investigation, for instance by participating in interviews? Is there anything a company can do to require employees to support an investigation (e.g., advance consents)? Can companies impose disciplinary measures if an employee refuses to cooperate?
4. Can any labor law deadlines or statute of limitations be triggered, or any rights to sanction employees be waived, by investigative actions? How can this be avoided?
5. Are there relevant data privacy laws, state secret laws, or blocking statutes in your country that have to be taken into account before:
 - a. Conducting interviews?
 - b. Reviewing emails?
 - c. Collecting (electronic) documents and/or other information?
 - d. Analyzing accounting and/or other mere business databases?
6. Do any specific procedures need to be considered in case a whistle-blower report sets off an internal investigation (e.g., for whistle-blower protection)?
7. Before conducting employee interviews in your country, must the interviewee:
 - a. Receive written instructions?
 - b. Be informed that he/she must not make statements that would mean any kind of self-incrimination?
 - c. Be informed that the lawyer attending the interview is the lawyer for the company and not the lawyer for the interviewee (so-called Upjohn warning)?
 - d. Be informed that they have the right to have their lawyer attend?
 - e. Be informed that they have the right to have a representative from the works council (or other employee representative body) attend?
 - f. Be informed that data may be transferred across borders (in particular to the United States of America)?
 - g. Sign a data privacy waiver?

- h. Be informed that the information gathered might be passed on to third parties, including local or foreign authorities?
 - i. Be informed that written notes will be taken?
- 8. Are document-hold notices or document-retention notices allowed in your country? Are there any specific rules that need to be followed (point in time, form, sender, addressees)?
- 9. Can attorney-client privilege (legal advice privilege) be claimed over findings of the internal investigation? What steps may be taken to ensure privilege is maintained?
- 10. Can attorney-client privilege also apply to in-house counsel in your country?
- 11. Are any early notifications required when starting an investigation?
 - a. To insurance companies (D&O insurance, etc.) to avoid losing insurance coverage.
 - b. To business partners (e.g., banks and creditors).
 - c. To shareholders.
 - d. To authorities.
- 12. Are there any other immediate measures that have to be taken in your country, or would be expected by the authorities once an investigation starts, e.g., any particular immediate reaction to the alleged conduct?
- 13. Is there a duty to self-report the discovered misconduct to prosecuting authorities?
- 14. If local prosecuting authorities become aware of an internal investigation, would they interfere in it or ask for specific steps to be followed?
- 15. Please describe the legal prerequisites for search warrants or dawn raids on companies in your country. If the prerequisites are not fulfilled, can the evidence gathered still be used against the company?
- 16. Would voluntary self-disclosure or cooperation with state authorities help avoid or mitigate liability? What are the requirements to obtain the cooperation credit?
- 17. Are deals, non-prosecution agreements, or deferred prosecution agreements available and common for corporations in your jurisdiction?
- 18. What types of penalties (e.g., fines, imprisonment, disgorgement, or debarment) could companies, directors, officers, or employees face for misconduct of (other) individuals of the company?
- 19. Can penalties for companies, their directors, officers, or employees be reduced or suspended if the company can demonstrate an efficient compliance system? Does this only apply in cases where efficient compliance systems have been implemented prior to the alleged misconduct?
- 20. Please briefly describe any investigation trends in your country (e.g., recent case law, upcoming legislative changes, or special public attention on certain topics).



Uzbekistan

Contributed by Kosta Legal

| | Corporate liability | Public bribery | Commercial bribery | Extraterritorial applicability of criminal laws | Adequate procedures defense |
|-----|---------------------|----------------|--------------------|---|-----------------------------|
| Yes | | ✓ | ✓ | ✓ | |
| No | ✗ | | | | ✗ |

1. What are the laws relating to anti-corruption, bribery, and money laundering in your country?

In the Republic of Uzbekistan, the following laws and regulations apply:

- The Anti-Corruption Law (Law No. O'RQ-419 *O'zbekiston Respublikasining "Korrupsiyaga qarshi kurashish to'g'risida"gi Qonuni*).
- The Law on Counteracting Legalization of the Proceeds of Crime, Terrorism Financing and Financing Proliferation of Weapons of Mass Destruction (Law No. 660-II *O'zbekiston Respublikasining "Jinoiy faoliyatdan olingan daromadlarni legallashtirishga, terrorizmdni moliyalashtirishga va ommaviy qirg'in qurolini tarqatishni moliyalashtirishga qarshi kurashish to'g'risida"gi Qonuni*).
- Articles 61¹, 193¹ and 193² of the Code of the Republic of Uzbekistan on Administrative Liability (*O'zbekiston Respublikasining Ma'muriy javobgarlik to'g'risidagi kodeksi*) establishing administrative liability for some types of corruption.
- Article 179³ of the Code of the Republic of Uzbekistan on Administrative Liability establishing administrative liability for a violation of the law on counteracting legalization of the proceeds of crime, terrorism financing and financing proliferation of weapons of mass destruction.
- Articles 192⁹, 192¹⁰ and Articles 210 to 214 of the Criminal Code of the Republic of Uzbekistan (*O'zbekiston Respublikasining Jinoyat kodeksi*) criminalizing different types of corruption.
- Articles 171, 243 of the Uzbek Criminal Code criminalizing money laundering.

2. Do the following persons or bodies have the right to be informed, or is the company obliged to inform the following persons/bodies, about an internal investigation before it is commenced?

Do they have the right to participate in the investigation (e.g., in interviews)?

a. Employee representative bodies, such as a works council or union.

There is no legal obligation to inform employee representative bodies of internal investigations, except for cases of industrial accidents or instances where the health of employees has been injured. For these cases, Uzbek labor laws provide a specific order, in accordance with which, employee representative bodies shall be informed of and participate in internal investigations.

Notwithstanding this, the internal compliance policies of a company may regulate general notification and participation procedures for employee representative bodies in relation to internal investigations.

b. Data protection officer or data privacy authority.

Not required by law.

c. Other local authorities.

Not required by law

What are the consequences of non-compliance?

Where the internal compliance policies of a company stipulate that the employee representative bodies have the right to be informed and/or participate in internal investigations, and where an employer or an authorized person, impedes on that right, they may face administrative liability and fines.

3. Do employees have a duty to support the investigation, for instance by participating in interviews? Is there anything a company can do to require employees to support an investigation (e.g., advance consents)? Can companies impose disciplinary measures if an employee refuses to cooperate?

Under Uzbek laws, employees are not under a duty to support internal investigations. However, where the company's internal policies place an obligation on employees to support internal investigations, the employee may face disciplinary sanctions if they fail to comply.

4. Can any labor law deadlines or statute of limitations be triggered, or any rights to sanction employees be waived, by investigative actions? How can this be avoided?

Under Uzbek laws internal investigations do not trigger any labor law deadlines or statutes of limitations, nor do they waive the right to sanction employees.

As a general rule under the Uzbek Labor Code, disciplinary measures for violation of labor discipline must be imposed and applied by the employer in relation to employees within one month from the date the misconduct was detected.

Disciplinary measures cannot be imposed more than six months from the date the misconduct was committed. However, where the misconduct was detected during an inspection by the relevant state authorities, disciplinary measure must be imposed within two years.

5. Are there relevant data privacy laws, state secret laws, or blocking statutes in your country that have to be taken into account before:

a. Conducting interviews?

In accordance with the provisions of the Law on Personal Data (No. O'RQ-547 *O'zbekiston Respublikasining "Shaxsga doir ma'lumotlar to'g'risida"gi Qonuni*), where an interviewer obtains personal data (recorded on electronic, paper and/or in any other tangible carriers), the following conditions must be taken into account:

- i. personal data cannot be collected and processed without the prior informed consent of the owner;
- ii. personal data can only be used for the purposes for which it was obtained;
- iii. the owner of the personal data may request to have this data classified as confidential; and
- iv. the owner may request updates and clarifications on the use of their personal data.

A person who violates personal data laws can be subject to administrative or criminal liability.

b. Reviewing emails?

The Constitution of the Republic of Uzbekistan (*O'zbekiston Respublikasining Konstitutsiyasi*) notes that everyone is entitled to protection against interference with his privacy, including privacy of correspondence. Therefore, reviewing personal emails without prior consent of the owner is considered a violation can lead to administrative or criminal liability.

There is a lack of regulation specifically focusing on the utilization and review of employees' corporate emails by an employer. Therefore, a company's internal policies may contain appropriate provisions regarding the employer's right to access employees' corporate emails. Subsequently, these policies may also prohibit the personal use of corporate emails.

c. Collecting (electronic) documents and/or other information?

The same rules mentioned in section (a) apply to documents and/or other information which contains personal data.

Otherwise, the requirements of the Law on Protection of State Secrets (No. 848-XII *O'zbekiston Respublikasining "Davlat sirilarini saqlash to'g'risida"gi Qonuni*) should be taken into account when collecting any information, which constitute state secrets. Notably, the disclosure or conveyance of state secrets shall lead to criminal liability.

d. Analyzing accounting and/or other mere business databases?

In accordance with the Law on Financial Accounting (No. 279-I *O'zbekiston Respublikasining "Buxgalteriya hisobi to'g'risida"gi Qonuni*), accounting information is deemed to be confidential. Thus, anyone who has access to such information must keep its confidentiality.

Any breach of confidentiality shall lead to administrative or criminal liability.

6. Do any specific procedures need to be considered in case a whistle-blower report sets off an internal investigation (e.g., for whistle-blower protection)?

Uzbek laws do not provide any specific procedures which need to be considered in cases where a whistle-blower report sets off an investigation.

Nevertheless, individuals, and legal entities have the right to report corruption offenses to appropriate state authorities. Under Anti-Corruption Law No. O'RQ-419, such persons are protected by the state.

7. Before conducting employee interviews in your country, must the interviewee:

a. Receive written instructions?

Not required by law.

b. Be informed that he/she must not make statements that would mean any kind of self-incrimination?

Not required by law unless the interview is conducted in the process of criminal investigation.

c. Be informed that the lawyer attending the interview is the lawyer for the company and not the lawyer for the interviewee (so-called Upjohn warning)?

Not required by law.

d. Be informed that they have the right to have their lawyer attend?

Not required by law unless the interview is conducted in the process of criminal investigation.

e. Be informed that they have the right to have a representative from the works council (or other employee representative body) attend?

Not required by law. However, a company's internal documents (policies, collective agreement) may grant employees the right to have a representative from the works council or other employee representative body present.

f. Be informed that data may be transferred across borders (in particular to the United States of America)?

Where data obtained is considered to be personal, its owner shall be informed that it may be transferred across borders.

In general, as per the Law on Personal Data No. O'RQ-547, personal data (recorded on electronic, paper and/or other tangible carriers) cannot be collected and processed (including transferred across borders) without the owner's prior informed consent and can only be used for the purposes for which it was collected.

g. Sign a data privacy waiver?

Uzbek laws do not require an interviewee to sign a data privacy waiver before being interviewed.

Nevertheless, as previously mentioned, an interviewer is prohibited from collecting and processing the interviewee's personal data without their prior informed consent.

h. Be informed that the information gathered might be passed on to third parties, including local or foreign authorities?

Where information gathered is considered to be personal data, it cannot be passed on to third parties unless the owner of the personal data is informed, and his/her consent is obtained.

i. Be informed that written notes will be taken?

Unless the notes contain the employee's personal data, employers are not obligated to inform employees that written notes will be taken during an interview.

8. Are document-hold notices or document-retention notices allowed in your country? Are there any specific rules that need to be followed (point in time, form, sender, addressees)?

There is no particular regulation in Uzbekistan on document hold or document retention notices.

9. Can attorney-client privilege (legal advice privilege) be claimed over findings of the internal investigation? What steps may be taken to ensure privilege is maintained?

In accordance with the Law on Advocacy (No. 349-I *O'zbekiston Respublikasining "Advokatura to'g'risida"gi Qonuni*) and the Law on Guarantees of Advocacy and Social Protection of Attorneys (No. 721-I *O'zbekiston Respublikasining "Advokatlik faoliyatining kafolatlari va advokatlarning ijtimoiy himoyasi to'g'risida"gi Qonuni*), all information and material received by an attorney from its client are the subject to advocacy secret (attorney-client privilege), thus, attorney-client privilege may apply to the findings of an internal investigation.

In order to claim attorney-client privilege an external attorney should be engaged under a contractual agreement for the provision of legal assistance. Under the agreement, the attorney should be instructed to conduct the investigation and be provided with all the evidence, findings, and documents produced during the investigation.

10. Can attorney-client privilege also apply to in-house counsel in your country?

As per Uzbek laws attorney-client privilege does not apply to in-house counsel.

11. Are any early notifications required when starting an investigation?

a. To insurance companies (D&O insurance, etc.) to avoid losing insurance coverage.

Not required by law but early notifications might be required under insurance contracts and policies.

b. To business partners (e.g., banks and creditors).

Not required by law but it might be required by way of contract.

c. To shareholders.

Not required by law but it might be required under a company's constitutional documents.

d. To authorities.

Not required by law.

12. Are there any other immediate measures that have to be taken in your country, or would be expected by the authorities once an investigation starts, e.g., any particular immediate reaction to the alleged conduct?

In Uzbekistan, there are no legal requirements or guidelines regarding the performance of internal investigations.

13. Is there a duty to self-report the discovered misconduct to prosecuting authorities?

The Uzbek Criminal Code provides for a criminal liability of individuals for:

- i. a failure to report a conclusively known serious or especially serious crime being prepared or having been committed; and
- ii. a failure to report a conclusively known impending or committed terrorist crime.

Moreover, certain organizations (such as banks, exchange members, professional securities market participants, insurance companies, law firms etc.) engaged in monetary operations or operations with other property, are obliged to report suspicious transactions to the Department for Combating Tax, Currency Crimes and Legalization of Criminal Proceeds under the General Prosecutor's Office of Uzbekistan. This includes cases where:

- i. there are suspicions that a transaction is aimed at legitimizing the proceeds of crime or terrorism financing, or
- ii. one of the parties to the transaction is involved or suspected to be participating in terrorist activity.

In turn, employees of state authorities are obliged to notify their supervisor or law enforcement agencies of all cases where a person orders or incites them to commit corrupt offenses. Employees should also notify their supervisor or law enforcement if another state authority employee commits such offenses.



14. If local prosecuting authorities become aware of an internal investigation, would they interfere in it or ask for specific steps to be followed?

Prosecuting authorities shall start to act (i.e., carry out preliminary inquiry or formal criminal investigation), only when they become aware of a crime committed or being prepared. Reasons to act shall consist of:

- i. complaints filed by individuals;
- ii. communications submitted by enterprises, organizations, institutions, public associations, and officials;
- iii. communications in mass media;
- iv. discovery of information and marks, showing indicia of an offense, immediately by an inquiry agency, inquiry officer, investigator, prosecutor, or court, or
- v. a voluntary surrender.

In such cases, information and circumstances revealed during an internal investigation might be investigated by prosecuting authorities.

15. Please describe the legal prerequisites for search warrants or dawn raids on companies in your country. If the prerequisites are not fulfilled, can the evidence gathered still be used against the company?

In accordance with the Criminal Procedure Code of the Republic of Uzbekistan (*O'zbekiston Respublikasining Jinoyat-protsessual kodeksi*), search and seizure can be conducted by resolution of the inquiry officer or investigator and with the sanction of a prosecutor. The ruling of the court may also authorize the inquiry body or the investigator to conduct a search or seizure.

In urgent cases, a search may be performed without a prosecutor's sanction, however, the prosecutor must be informed of the search within 24 hours. The investigator or inquiry officer must substantiate the urgency of the case to the prosecutor.

A resolution or ruling on conducting a search or seizure shall indicate who should be subject to a search and seizure, where it should take place and what items and documents must be detected and seized.

An attesting witness and, if required, a specialist or translator should participate in the search and seizure. The search and seizure within the premises of enterprises, institutions, organizations, and military units shall be conducted in the presence of representatives thereof.

Where there has been a violation of the search and seizure procedures, and evidence is found or collected in the course of the search and seizure, this evidence is of no legal value.

16. Would voluntary self-disclosure or cooperation with state authorities help avoid or mitigate liability? What are the requirements to obtain the cooperation credit?

The Uzbek Criminal Code provides a non-exhaustive list of mitigating circumstances, which shall be taken into account by courts when administering a penalty. Such circumstances include voluntary surrender, active repentance, assistance in crime detection, and voluntary expiation of a harm.

Thus, voluntary self-disclosure and/or cooperation with state authorities may help avoid or mitigate liability, if such circumstances are considered by the court as mitigating for particular cases.

17. Are deals, non-prosecution agreements, or deferred prosecution agreements available and common for corporations in your jurisdiction?

Non-prosecution agreements and deferred prosecution agreements are not available under Uzbek laws.

18. What types of penalties (e.g., fines, imprisonment, disgorgement, or debarment) could companies, directors, officers, or employees face for misconduct of (other) individuals of the company?

Uzbek laws do not provide for liability of companies, directors, or employees for misconduct of other individuals of the company.

The only exception is that, under the Uzbek Civil Code (*O'zbekiston Respublikasining Fuqarolik kodeksi*), the employer shall redress the injury inflicted by its employee during the performance of official labor duties.

19. Can penalties for companies, their directors, officers, or employees be reduced or suspended if the company can demonstrate an efficient compliance system? Does this only apply in cases where efficient compliance systems have been implemented prior to the alleged misconduct?

There is no particular regulation on this issue under the Uzbek law.

20. Please briefly describe any investigation trends in your country (e.g., recent case law, upcoming legislative changes, or special public attention on certain topics).

Being a participant of the Istanbul Anti-Corruption Action Plan (“**Action Plan**”), the Republic of Uzbekistan has undertaken a number of key reforms in the area of anti-corruption policies. For instance, in order to be compliant with the Action Plan recommendations, and fully comply with the United Nations Convention against Corruption, a statutory definition of certain types of investigative measures was introduced.

Uzbekistan is moving towards compliance with new recommendations, including:

- i. establishing laws on the anonymous reporting (whistle-blowing) of possible corruption crimes that are verifiable;
- ii. raising the effectiveness of the use of financial monitoring information for initiating criminal cases on corruption, ensuring a wider use of financial monitoring data in criminal prosecution of such crimes;
- iii. providing investigative authorities engaged in financial investigations, direct access to the databases of tax and customs authorities, property registries – subject to the protection of personal data, and
- iv. expanding the provisions of the Uzbek Criminal Procedure Code on international cooperation in criminal matters, including regulating the procedure for conducting interrogations under the request of foreign law enforcement authorities, including interrogations by means of a video or telephone conference;
- v. expanding the provisions of the Uzbek Criminal Procedure Code on the procedure for tracing, arresting and confiscating assets, on the procedure for creating and operating joint investigative teams and providing grounds for refusal to provide mutual legal assistance.





Authors



Vazgen Grigoryan
Partner, Kosta Legal
T +998 71 2090240
vgrigoryan@kostalegal.com

Vazgen Grigoryan is one of the Uzbekistan's most highly regarded litigators, financial, and corporate law practitioners. He has vast experience in advising clients on complex cross-border commercial litigation cases, regulatory enforcement proceedings and multi-jurisdictional investigations, corporate restructurings and insolvency, as well as bank financing. Vazgen's work over the past 20 years has covered a full range of corporate and financial litigation matters, including acting for foreign investment banks in disputes arising out of using financial instruments and letters of credit and advising the world's largest multinational corporations in investment disputes involving the Uzbek state.

Being an exceptionally strong commercial litigation practitioner and a recognized specialist in the area of corporate and financial law, Vazgen is recognized as "one of the best litigators in the market" and a "reliable partner" by the Chambers & Partners Asia-Pacific guide.



Ernest Khachatryan
Associate, Kosta Legal
T +998 71 2090240
ekhachatryan@kostalegal.com

Ernest Khachatryan obtained his law degree with a specialization in commercial law from Westminster International University in Tashkent.

Ernest is an Associate with strong experience in complex commercial and corporate dispute resolution cases and arbitration proceedings. He regularly assists local and foreign companies in a wide range of related matters, helping senior lawyers in developing relevant dispute resolution strategies, participating in litigation and arbitration procedures, advising on initiating disputes in courts and arbitration tribunals.



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