

Bill Labels States That Sanction Russia 'Aggressor Countries'

By The Moscow Times

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Russia's own so-called sanctions list could include the six major international consulting and auditing firms, one of which is PricewaterhouseCoopers.

A bill classifying nations that impose sanctions on Russia as "aggressor countries" will be submitted to the Russian government on Wednesday, State Duma Deputy Yevgeny Fyodorov told Izvestia on Tuesday.

The legislation would give the government the right to bar companies affiliated with or dependent on "aggressor countries" from conducting audits or providing legal and other consulting services in Russia, said Fyodorov, who is a member of the ruling United Russia party.

Although choosing the companies on this so-called "sanctions list" would be up to the government, Fyodorov said the list would definitely include the six major international consulting and auditing firms: PricewaterhouseCoopers, Deloitte, KPMG, Ernst & Young,

Boston Consulting Group and Mackenzie.

There is no immediate threat to these corporations, as the State Duma, Russia's lower house of parliament, is currently closed for its summer break and will not open session again until September.

However, Fyodorov said that the Cabinet could potentially apply the bill now "not waiting for the law, at least in so far as state purchases are concerned."

The proposal comes at a time when Russia is scrambling to strike back against U.S. and European Union sanctions imposed in response to Russia's support of separatist rebels in war-torn eastern Ukraine. The EU may pass its first hard-hitting industry-wide sanctions this week, with likely targets to include the Russian financial, energy and defense sectors.

The bill's explanatory note justifies the measures as necessary for the protection of Russia's "constitutional order, national defense and state security," including the "protection of the domestic market ... and the national economy."

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