

Assets Seizure and confiscation

Background

So as to tackle the lack of effective seizures and confiscations in criminal proceedings, amendments to the Criminal Code and Criminal Procedure Code were proposed. These amendments aimed to bring Ukrainian legislation into line with the UN Convention Against Corruption and the EU Directive 2013/42/EU.

Timeline

Naftogaz signed an agreement for gas supply with new managing company of two arrested thermal power plants in Lviv region

26.10.2018

Officials of three companies “Energia-Novyi Rozdil Ltd”, “Energia Novoyavorivsk Ltd” and “Energia Ltd”, which were running two thermal power plants “Novoyavorivska TPP” and “Novorozdilska TPP”, are suspected by NABU in misappropriation of 300 million cubic meters of natural gas. This caused state losses exceeding 1,4 billion UAH. Beneficial owners of all these companies are MPs Yaroslav [...]

Property of Odesa airport transferred to ARMA for management

14.04.2018

The Asset Recovery and Management Agency received for management the immovable property of the international airport “Odesa” and 75% of shares of the company which owns the airport (“International airport Odesa” Ltd). Following the request submitted by NABU and SAPO, the decision to arrest the assets and transfer them to the ARMA was made by [...]

Nashi Groshi: Sentences to “Kurchenko’s group” people

13.01.2018

January 11, 2018 January 10, Al Jazeera TV-channel published text of a verdict to Arkadii Kashkin, former director of GazUkraine-2020 LLC, which enabled the biggest confiscation in the history of Ukraine – \$1.5 billion was returned to the state budget. It was reported that this verdict was classified (you can download the original Ukrainian text of the verdict). According to [...]

After a “chance encounter” with Kolomoyskyi, Prosecutor General Lutsenko took away from the state-owned “PrivatBank” compromising evidence against the oligarch

22.12.2017

On December 7, the Prosecutor General’s Office searched the nationalized “PrivatBank” on suspicion of its officials having created a scheme of seizing the money via lending to legal entities. “Kroll” detectives, investigating the bank assets withdrawal by its former owners, also fall under suspicion of being the scheme accessories. Kateryna Rozhkova, Deputy Head of the [...]

The European Court of Justice confirmed sanctions regarding Viktor and Oleksandr Yanukovych

20.10.2017

On October 19, 2017, the European Court of Justice confirmed the freezing of the funds of Viktor Yanukovych and Oleksandr Yanukovych. They challenged the all-European freezing order of funds during the period from March 6, 2015 until March 6, 2016. The Court decided that the freezing of the funds complied with the EU law and [...]

ARMA is receiving first assets for management

07.10.2017

Prosecution General Office informed that assets seized in the course of investigation of Oleksandr Klymenko’s activities were already transferred for management to the Asset Recovery and Management Agency (ARMA). Among the assets are 154 real estate properties, including fancy apartments in Kyiv downtown as well as houses in Kozyn – luxurious Kyiv suburbs. The ARMA will also [...]

Poroshenko spends stolen Yanukovych money on his friends

14.09.2017

By Daria Kaleniuk, Tetiana Shevchuk. On April 28, Ukrainian Prosecutor General Yuriy Lutsenko reported recovering 1,5 billion USD stolen by ex-President Viktor Yanukovych. “I’m sure that this money that was stolen by Yanukovych’s mob has to be used in a way that the army and the people of Ukraine can feel it,” he said. How [...]

Asset recovery in Klymenko’s case

28.07.2017

Prosecutor General Yuriy Lutsenko announced the total amount of seized assets within criminal investigation of Oleksandr Klymenko, former head of tax administration under Yanukovych regime: → assets of suspects in the criminal investigation worth of 900 mln UAH → assets of Klymenko and affiliated entities worth of 6 bln UAH It is not clear who [...]

PGO claims Oleksandr Klymenko, former associate of Yanukovych, laundered 788 million USD from Ukraine

26.07.2017

On July 14 chief military prosecutor Anatoliy Matios informed that Oleksandr Klymenko, former head of Ministry of Tax of Ukraine and close associated of Yanukovych, has laundered from Ukraine 788 million USD. The funds allegedly were stolen from the state in 2011-2014 and then placed to the offshore accounts of companies registered at Cyprus and [...]

EU requirements on seizure and confiscation satisfied

18.02.2016

The Parliament adopted the law on assets seizure and special confiscation that complied with the EU requirements.

New law on seizure and confiscation adopted

10.11.2015

The Parliament adopted new law amending the procedures of assets seizure and special confiscation. However, the adopted law contradicted the EU requirements.

Documents

VLAP

“...adopt legislation on procedures concerning seizure of assets and special confiscation with a view to make the Asset Recovery Office fully effective” para 2.3.1.3.

Full doc: <https://ec.europa.eu/transparency/regdoc/rep/1/2015/EN/1-2015-905-EN-F1-1.PDF>

MFA

“In order to ensure that officials accused of corruption cannot benefit from the proceeds of their corruption offences: (i) designate an institution to act as Asset Recovery Office; and (ii) adopt operational guidelines, including a framework for inter-agency cooperation, for the implementation of extended and civil confiscation provisions.”

Full doc:

http://ec.europa.eu/economy_finance/international/neighbourhood_policy/doc/mou_eu_ukraine_en.pdf

Documents

OECD

Show concrete and measurable results in terms of asset recovery. In particular: - Proactively take all available measures to obtaining mutual legal assistance in corruption cases; - Continue to raise capacity of the General Prosecutor's Office, NABU and ARMA in international cooperation and asset recovery; - Ensure that procedures on assets recovery allow swift repatriation of stolen assets; - Ensure effective functioning of ARMA in its tasks on asset tracing, recovery and management of stolen assets. (Recommendation 25, 4th round of monitoring of the Istanbul Anti-Corruption Action Plan)

Full doc: <https://www.oecd.org/corruption/acn/ACN-Ukraine-Round-4-Monitoring-Report-ENG.pdf>

OECD

Continue to make progress in the effective use of the newly enacted confiscation authorities (Recommendation 22, 4th round of monitoring of the Istanbul Anti-Corruption Action Plan)

Full doc: <https://www.oecd.org/corruption/acn/ACN-Ukraine-Round-4-Monitoring-Report-ENG.pdf>

OECD

Step up efforts to confiscate corruption proceeds to family members, friends or nominees (Recommendation 22, 4th round of monitoring of the Istanbul Anti-Corruption Action Plan)

Full doc: <https://www.oecd.org/corruption/acn/ACN-Ukraine-Round-4-Monitoring-Report-ENG.pdf>