

# Confiscation of Lazarenko's money: the USA wants to make it to elections in Ukraine - Deutsche Welle

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Former Prime Minister of Ukraine Pavlo Lazarenko delays negotiations with the US Department of Justice regarding the amount of his arrested money which he is going to give back voluntarily. Americans are worried about this due to forthcoming elections in Ukraine.

In the appeal to the District Court of Columbia, which is available at the DW, the US Department of Justice accused Pavlo Lazarenko of delaying negotiations regarding the settlement agreement. This is about the amount of money out of around 200 million USD, which are arrested on the accounts of former Ukrainian Prime Minister in Switzerland and offshores, he will voluntarily give back in order to avoid the total confiscation. The USA promises to return money of former Prime Minister to Ukraine. The United States warns that the countdown is on for months. They say, if all legal procedures are not completed before the presidential elections in Ukraine, neither the US nor Ukraine might get Lazarenko's money.

## *Four months of thoughts*

In August, after 14 years of litigation over the issue of confiscation of money which were allegedly illegally transferred by Lazarenko and his accomplices from Ukraine, former Prime Minister agreed to start negotiations with the US government regarding the distribution of funds. This happened after chances of Ukrainian fugitive to avoid confiscation with the help of legal leads decreased due to the number of court decisions. At the same time, the United States no longer wants to wait for years for Lazarenko's money and is willing to leave him some money in order to get the rest.

The court gave the parties two months to agree on the distribution of funds. However, Pavlo Lazarenko delays negotiations. According to court documents available at the DW, the US Department of Justice provided the draft agreement on distribution of funds to Ukrainian fugitive on September 13. According to August decision of the District Court of Columbia, the parties had time to agree until the mid-October.

## *Does Lazarenko buy the time?*

But Pavlo Lazarenko did not respond at all to suggestions regarding the distribution of funds made by the US law enforcement officers until the mid-November. On December 18, another deadline for negotiations expired. A few days before that attorneys of the Ukrainian stated they had not even consulted third parties to discuss the US government suggestions.

Meanwhile, the US Department of Justice seems to wits end. In the appeal to court, the Department of Justice directly accused Lazarenko of buying the time. The law enforcement officers are afraid that Ukrainian former Prime Minister uses negotiations regarding the voluntary return of part of funds transferred from Ukraine only to sabotage the trial on confiscation of all his funds in Switzerland and a

number of offshore jurisdictions. The American party warns about the risk of disrupting the process of confiscation due to forthcoming presidential elections in Ukraine.

### *The deadline is March 31*

In case of failure of negotiations with Lazarenko, the Department of Justice insists that all legal procedures in Ukraine that are needed to complete the trial regarding the confiscation should be carried until March 31, the date of the presidential elections. In particular, court documents state the need to transfer the testimony of Oleksandr, the son of Pavlo Lazarenko, from Ukraine, as well as the number of expert opinions. The related procedures within the framework of international legal assistance are suspended while Lazarenko and the US government are negotiating regarding the distribution of funds.

The question whether Pavlo Lazarenko will really delay the process until the presidential elections is rather delicate from the political point of view. According to sociologists, Yuliya Tymoshenko currently has the highest presidential rating in Ukraine. According to American investigation, Tymoshenko was Lazarenko's partner in schemes of illicit enrichment. She transferred at least 162 million USD to Lazarenko's accounts, according to materials of the case. As investigation has previously established, these were kickbacks for the assistance to the energy company United Energy Systems of Ukraine (UESU), controlled by Tymoshenko. The US promises to return this money to Ukraine in case of confiscation.

In court, Lazarenko's attorneys tried to exclude this money from the list of confiscation funds. However, according to the decision as of April 23, the District Court of Columbia refused former Prime Minister and [confirmed the justification of suspicion regarding extortion and money laundering due to the transfer of funds by Yuliya Tymoshenko's company UESU to the accounts of Pavlo Lazarenko.](#)

If Yuliya Tymoshenko wins the presidential elections in Kyiv, the conflict of interests regarding the return of Lazarenko's money may arise. The point is that all procedures within the framework of international legal cooperation are carried out via the Prosecutor General's Office of Ukraine. The Prosecutor General, in his turn, is appointed by the President. It is the Prosecutor General who decides when and in what form to respond to requests on international legal assistance.

### *Will do anything to make it before the election*

The US Department of Justice in its appeal to the court demands Pavlo Lazarenko to give as soon as possible the final answer on how much money he wants to leave to himself, and how much he is going to transfer voluntarily to the US Treasury. The final agreement on distribution of funds, according to the court decision, must be no later than on January 31. If the parties do not make the agreement until this date, the US lawsuit regarding confiscation will be resumed immediately, in order to receive the latest necessary documents from Ukraine until March 31.

If Pavlo Lazarenko does not agree to give voluntarily the agreed amount of money until January 31, the US Department of Justice will demand in court to impose fine on the Ukrainian at the rate of half a million USD for every two weeks of delay of signing the distribution agreement.