

Pavel Lazarenko (United States Civil Asset Forfeiture Case) / Guernsey

Case ID:

ARW-241

Jurisdiction of Origin of Public Official or Entity Allegedly Involved:

Ukraine

Position of Public Official(s) (yrs in office):

Member of Parliament (1998); Prime Minister (1996-1997); First Vice Prime Minister (1995-1996); various government and political positions, Dnepropetrovsk region (1992-1995)

Jurisdiction of Asset Recovery:

Guernsey

Jurisdiction of Asset Recovery ? Description:

Location of Assets / Alleged Assets

Asset Recovery Start:

2004

Asset Recovery End:

Ongoing

UNCAC Offenses Implicated:

Art.15

Art.17

Art.18

Art.20

Art.23

Contributing Factors in Asset Recovery:

ongoing case

Status of Asset Recovery :

Ongoing

Stage in Asset Recovery Chain:

Investigation/Asset Tracing/Asset Restraint

Assets Frozen or Seized (USD):

Approximately US\$150 million

Case Summary:

As of June 2016, the civil asset forfeiture case in the United States was ongoing against three accounts totalling approximately US\$150 million: (1) Credit Suisse (Guernsey) Limited - Balford Trust account of US\$147.9 million, (2) Credit Suisse (Guernsey) - Credit Suisse Trust Limited - Escrow Account Re BT of approximately GBP14,308 and (3) Bank Julius Baer Company Guernsey Branch, about \$2 million in account of P. Lazarenko. (Source: U.S. v. All Assets Held in Julius Baer, et al, Case. No. 1:04-cv-00798-PLF (D.D.C.), Court Docket Report as of June 20, 2016.)

On May 14, 2004, the U.S. filed a civil asset forfeiture suit, seeking to forfeit more than \$250 million which the government alleged were illegal proceeds of criminal activities by Mr.

Lazarenko and his associates. The U.S. government also alleged that the assets were obtained through the abuse of public office and illegally transported and/or laundered through the abuse of financial institutions in the United States, and were located in in foreign bank accounts in Guernsey, Antigua & Barbuda, Switzerland, Lithuania and Liechtenstein.(Source: U.S. v. All Assets Held in Julius Baer, et al, Case. No. 1:04-cv-00798-PLF (D.D.C.), Verified Claim for Forfeiture In Rem filed on May 14, 2004 and First Amended Verified Claim for Forfeiture In Rem filed on June 30, 2005.) On May 20, 2004, a Restraining Order was issued against the defendant accounts. (Source: U.S. v. All Assets Held in Julis Baer, et al, Case No. 1:04-cv-00798-PLF (D.D.C.), which stipulated that "terms of Order shall remain in full force and effect until the judgment rendered in the case or further Order of the court.") Actions against some of the assets were terminated in June 2005.

Disposition of Criminal Case(s):

According to the U.S. Department of Justice Press Release dated November 19, 2009, Mr. Lazarenko was sentenced to 97 months in prison, subsequent to his conviction on eight counts of money laundering. (Source: U.S. Department of Justice, "Former Ukrainian Prime Minister Sentenced to 97 Months in Prison," November 19, 2009.) According to BBC News, Mr. Lazarenko was convicted in Switzerland, in June 2000, on money laundering charges. (Sources: BBC News, "The case against Lazarenko," August 25, 2006. See also, Swiss court decisions: BGer 125 II 356 (excerpt, judgment of 25 June 1999) and BGer 125 II 238 (excerpt, judgment of 8 April 1999), both of Canton of Geneva, administrative law court).

Jurisdiction of Origin: Prosecuting Authority/Civil Attorney(s):

Prosecutor General

Documents:

<https://star.worldbank.org/corruption-cases/>

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Other Sources:

U.S. v. All Assets Held in Julius Baer, et al, Case. No. 1:04-cv-00798-PLF (D.D.C.), Verified Claim for Forfeiture In Rem filed on May 14, 2004; First Amended Verified Claim for Forfeiture In Rem filed on June 30, 2005 and Notice of Errata for First Amended Verified Claim for Forfeiture In Rem filed on January 21, 2011; Restraining Order filed on May 20, 2004; and Court Docket Report as of June 20, 2016.