

Swedish Judge Arrests State Assets

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A German businessman has claimed success in a multiyear effort to confiscate Kremlin property, saying a court in Stockholm has ordered an arrest on Russian state assets in Sweden.

Judge Sakari Alandar of the Stockholm district court, or Tingsrätt, confirmed Thursday that a decision was made Oct. 11 to seize \$4.7 million in property owned by Russia, following a complaint by Franz Sedelmayer.

The multimillion-dollar sum is based on an arbitration award that Sedelmayer won in Stockholm in 1998, Alandar told RIA-Novosti.

He added that the seizure has not taken place because a fitting real estate object has yet to be identified.

Sedelmayer, however, told Kommersant in an interview published Thursday that Swedish court marshals had already seized buildings belonging to Russia. "According to conservative estimates, Russian state-owned property in Sweden is worth between \$2 million and \$3

million," he was quoted as saying.

The Munich-based businessman has waged a legal battle for years to confiscate Kremlin property as compensation for a company he lost in St. Petersburg in the 1990s. He has said previously that the Russian state owes him up to \$10 million.

But the Office for Presidential Affairs, which oversees state property outside the country, dismissed the claim Thursday, saying it was a lowest-tier decision that will hardly be upheld.

"Our lawyers received the decision, and we will definitely challenge it in Swedish courts," spokesman Viktor Khrekov told The Moscow Times.

Khrekov argued that the decision was made by a district judge who failed to take into account an earlier refusal by a Swedish appeals court to hear Sedelmayer's complaint.

"The judge was unfamiliar with the case as a whole, especially with the Sept. 30 decision [that declined the complaint]," he said in faxed comments.

Khrekov added that the Oct. 11 decision formally identified the defendant as a natural person who might flee the country. "This means that the Russian Federation can hardly be the defendant in this case," he said.

Repeated calls to Sedelmayer went unanswered Thursday. The Stockholm court's press service referred all enquiries to Judge Alandar, who did not return requests for comments.

Sedelmayer ran a security firm in St. Petersburg in the 1990s and was evicted from its headquarters in a luxury mansion in 1994 by a Kremlin decree.

He has claimed in past interviews that he set up the firm with the help of Vladimir Putin, who was then a St. Petersburg city official responsible for foreign investors, and that it was Putin who advised him to sue the Kremlin after the eviction.

Sedelmayer made headlines in 2008 when he forced the auction of a Kremlin-owned housing estate in Cologne, Germany. But the auction was won later that year by a Kremlin-controlled firm that avoided paying any money because the Kremlin had earlier transferred all profits and benefits from the property to the firm.

In a case reminiscent of the Swedish case, Sedelmayer claimed last fall to have won a court seizure of the Russian House, a piece of prime real estate in central Berlin. But the decision by a court registrar was overturned by a judge within days.

The businessman has claimed that he has been receiving rental payments from the Cologne estate via court orders. He told Kommersant that he has collected one million euros (\$1.4 million).

But Khrekov said Thursday that the Russian state has not paid Sedelmayer "a single kopek."

He also accused Sedelmayer, who runs a company advising individuals on multinational asset recovery, of generating PR for his firm.

"Obviously [his] business is not doing well, and the money lasts only for such free advertising," he said, referring to the media coverage of Sedelmayer's case.

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