

Tycoon's Graft Bill Fails to Impress

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January 11, 2012

The  **Moscow Times**

Billionaire United Russia Duma Deputy Andrei Skotch has drafted a bill that would require officials to declare their expenses, although critics have dismissed it as effectively toothless unless Russia ratifies Article 20 of the UN Convention against Corruption.

Skotch [submitted](#) the bill to the Duma in late December, following through on an order from President Dmitry Medvedev late last month in his state-of-the-nation address.

But no date for a first reading has been set, and the Duma legal department can decide against allowing the bill at all, said Oleg Zhdanov, spokesman for Irina Yarovaya, who heads the Duma's security and anti-corruption committee.

Some lawmakers and anti-corruption experts say the bill, as it stands, would be ineffective as it only obliges personnel departments to verify expenses but does not require that they be made public or for the expenses of officials' adult children to be declared.

Kirill Kabanov, head of the National Anti-Corruption Committee, a nongovernmental

organization, said the introduction of the bill would be pointless unless Russia ratified Article 20 of the UN corruption convention, which requires making it a criminal offense for officials to use their position to illicitly enrich themselves.

"This is an effective mechanism that can lead to the detection and seizure of property abroad," Kabanov said. "And the main goal of corrupt businesses in Russia is to siphon off assets abroad."

Yarovaya would not comment on the bill because it has not yet been considered, Zhdanov told The Moscow Times.

Lawmakers said they were puzzled by the fact that Skotch — who is not a member of the committee fighting corruption but deals with CIS affairs — failed to consult the committee about the bill. Repeated calls to Skotch's spokesman Albert Istomin went unanswered Wednesday.

Government spokesman Dmitry Peskov told The Moscow Times that the executive branch would prepare an alternative bill by mid-April, as Medvedev had [ordered](#) in late December.

Prime Minister Vladimir Putin also [said](#) last March that officials must declare their expenses.

Kabanov, a former member of the Kremlin anti-corruption council under Medvedev, said the president had "tried" several times to "get support" from other authorities to ratify Article 20, but some officials had protested that the article was unconstitutional.

The Constitutional Court spoke in favor of ratifying Article 20 in 2001 and 2004, Nezavisimaya Gazeta [reported](#) in May. Russia ratified the Convention, except for Article 20, in February 2006.

Vyacheslav Timchenko, first deputy head of United Russia's faction in the Duma, told The Moscow Times that the party would "absolutely support" the bill but would "actively work on its contents to make it as transparent and understandable for the population as possible."

Timchenko said expense declarations should be made public but their "credibility" must only be examined by "oversight bodies if any citizen has doubts" about it.

"We have a presumption of innocence," he said. "Publicity will guarantee that the provided information is true."

The current draft of the bill requires the personnel department of the agency where the official works to send requests to banks and tax agencies to verify an expense declaration and forces such institutions to reply, excluding expenses from data considered bank secrets.

Timchenko also said it would be useless to oblige grown children of officials to declare their expenses because officials can register their property with distant relatives.

Gennady Gudkov, of the Duma's anti-corruption committee, [told](#) Izvestia that the declarations would only be effective if they included the expenses of officials' children and were made public, rather than just checked by subordinates.

Information about the assets and income of Skotch himself, a business partner of Kremlin-friendly businessman Alisher Usmanov in the Metalloinvest holding, has been controversial.

Skotch had ceded his shares in Metalloinvest to his father, a pensioner, and said in 2010 that his main income came from his lawmaker's salary, but last year reported a 10-fold increase in his income to 20 million rubles (\$631,000), Vedomosti [reported](#) Wednesday.

But Forbes last year placed Skotch 29th on the [list](#) of Russia's richest people with an estimated wealth of \$3.9 billion.

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