

Putin to Let Foreign Banks Check Out Officials

By [The Moscow Times](#)

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President Vladimir Putin has signed a decree allowing foreign banks and international organizations to check foreign property belonging to election candidates running for positions in state bodies, a news report said Monday.

The new law will affect all federal and regional elected officials including the president, State Duma deputies, governors and heads of local municipalities, Vedomosti said.

The results of their inquiries will be used by electoral commissions or the presidential administration in cases when state officials are not elected, but nominated by a political party, provided they are "sufficient."

Russia's anti-graft legislation obliges candidates to declare their incomes, expenditures and overseas real estate, while prohibiting them from having foreign assets or bank accounts.

Until now, foreign banks and international organizations could not initiate checks on officials, while foreign participation in the electoral process was not permitted on any level.

The new decree gives foreign organizations an opportunity to influence elections in Russia, Vedomosti said.

Kirill Parfenov, president of the Bank Accountants Club, expects banks to provide information about candidates in response to official inquiries by law enforcement agencies, but he doubts that they will do so voluntarily.

Ivan Khamenushko, a senior partner at Pepelyayev Group, says international legislation against money laundering has made banking secrecy a thing of the past.

Meanwhile, an employee of a major foreign bank has called the president's initiative strange and said his bank would not participate in it.

Grigory Melkonyants, deputy director of the election monitoring agency Golos, says the new norms will hardly bring any tangible results, because even Russian banks prefer not to disclose information on their clients, while international financial institutions would respond to inquiries only in cases of suspected terrorist activities or money laundering.

Head of the National Anti-Corruption Committee Kirill Kabanov agrees, noting that foreign and especially western banks are interested in keeping "dirty" money from Russia and would not voluntarily disclose information on its owners.

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