

Bogus Import Deals With Belarus Cover \$15Bln Capital Flight

By [The Moscow Times](#)

June 13, 2013

The  **Moscow Times**

A quarter of the total net flight of capital from Russia in 2012 was due to a scam — by the estimates of the Central bank, fictitious export contracts with Belarus concealed the removal of \$15 billion from the country, Kommersant reported.

The "Belarus syndrome" flourished after customs barriers between Russia, Belarus and Kazakhstan were lifted in July 2011 as the countries created a customs union. Under the scheme, Russian buyers draw up bogus purchase contracts with Belorussian producers. The buyer, often a company specially registered for the purpose, transfers cash out of the country to pay for the purchased goods, which never materialize.

Since customs control on the Russian-Belorussian border ceased, banks have had a hard time monitoring transactions between the countries.

While \$15 billion left through Belarus in 2012, the amount of money siphoned out of Russia

in the same way through Kazakhstan remains unspecified.

"Thanks to the customs union, our trade [with Belarus and Kazakhstan] grew significantly faster than with the rest of the world," said Andrei Slepnev, trade minister at the Eurasian Economic Commission, which is in charge of the customs union. "But of course, there are players in the market that are out to abuse the system."

The Central Bank and Interior Ministry are taking measures and working with the Belorussian National Bank and Russian banks to control the problem.

"It's still early to talk about results," said a source in the Interior Ministry, but work is "ongoing, and very actively so."

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