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# Magnitsky Legislation and the need for an EU Policy

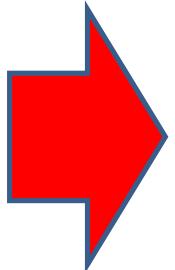


*Sergei Magnitsky (8 April 1972 – 16 November 2009)*

# Who was Sergei Magnitsky?

Sergei Magnitsky was a 37 year old, anti-corruption lawyer who was murdered in Russian police custody in November 2009 after exposing a major government corruption scheme.

Magnitsky was beaten to death in an isolation cell on 16<sup>th</sup>  
November 2009



Magnitsky's Left Hand,  
17 Nov 2009



Magnitsky's Knuckles  
17 Nov 2009



Magnitsky's Left Knee  
17 Nov 2009



Magnitsky's Wrist  
17 Nov 2009



# 59 Out of 60 Russian officials remain unpunished

Three years since his death, only one out of 60 Russian officials implicated in the Magnitsky's case have been indicted for a crime. The rest have been exonerated.

## The Cardin List of the Russian Officials Implicated in the Magnitsky Case.

#	Name	Public Institution	#	Name	Public Institution
1	A.V. Anichin	Russian Interior Ministry	29	S. N. Lazutkin	Prosecutor office
2	O.V. Logunov	Russian Interior Ministry	30	Mazhaev	Prosecutor office
3	A.N. Matveev	Russian Interior Ministry	31	Aleksandr Burov	Prosecutor office
4	Oleg Silchenko	Russian Interior Ministry	32	Andrey Pechegin	Prosecutor office
5	G.V. Karlov	Russian Interior Ministry	33	Viktor Grin	Prosecutor office
6	Natalya Vinogradova	Russian Interior Ministry	34	Sergei Zhemchuzhnikov	Russian Tax Authorities
7	A.I. Ryabinin	Russian Interior Ministry	35	Raisa Burmistrova	Russian Tax Authorities
8	S.V. Oleinik	Russian Interior Ministry	36	Aleksandra Kuznetsova	Russian Tax Authorities
9	M.O. Sapunova	Russian Interior Ministry	37	Yulia Koltunova	Russian Tax Authorities
10	E.V. Mikhailov	Russian Interior Ministry	38	Olga Stepanova	Russian Tax Authorities
11	Gritsai	Russian Interior Ministry	39	Olga Tsymay	Russian Tax Authorities
12	Varganov	Russian Interior Ministry	40	Svetlana Dubrovskaya	Russian Tax Authorities
13	N. I. Dimitieva	Russian Interior Ministry	41	Olga Davydova	Russian Tax Authorities
14	A.A. Malygina	Russian Interior Ministry	42	Yekaterina Frolova	Russian Tax Authorities
15	Artem Kuznetsov	Russian Interior Ministry	43	Olesya Shagorodskaya	Russian Tax Authorities
16	Aleksey Droganov	Russian Interior Ministry	44	Maksim Tretyakov	Russian Tax Authorities
17	Dmitri Tolchinsky	Russian Interior Ministry	45	Yelena Khimina	Civil Courts
18	A. A. Krechetov	Russian Interior Ministry	46	Sergei Podoprigorov	Civil Courts
19	Aleksandr Klevtsov	Russian Interior Ministry	47	Aleksey Krivoruchko	Civil Courts
20	Anatoly Mikhalkin	Russian Interior Ministry	48	Svetlana Ukhnalyova	Civil Courts
21	Pavel Karpov	Russian Interior Ministry	49	Yelena Stashina	Civil Courts
22	I.A. Glukhov	Russian Interior Ministry	50	Galina Filippova	Civil Courts
23	Nikolai Budilo	Russian Interior Ministry	51	Tatyana Korneyeva	Civil Courts
24	Oleg Urzhumtsev	Russian Interior Ministry	52	Rufina Gazizova	Civil Courts
25	Aleksandr Kuvaldin	Federal Security Service	53	Andrey Yushkov	Civil Courts
26	Viktor Voronin	Federal Security Service	54	Yelena Kim	Civil Courts
27	Stanislav Gordievsky	Prosecutor office	55	Ildar Salimzyanov	Civil Courts
28	N.A. Yakimovich	Prosecutor office	56	Margarita Zinurova	Civil Courts
			57	Ivan Prokopenko	Prison Officials
			58	Dmitriy Komnov	Prison Officials
			59	Dmitriy Kratov	Prison Officials
			60	Larisa Litvinova	Prison Officials

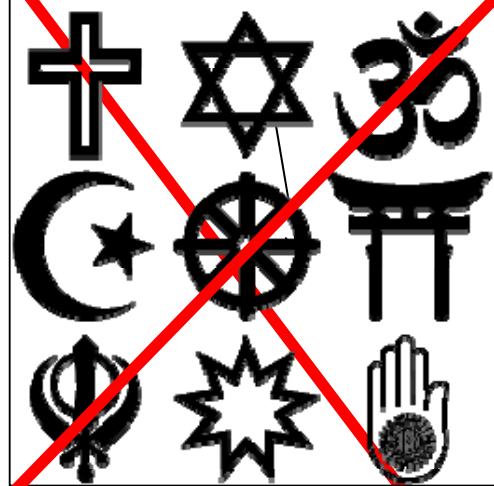
Exonerated

Only One doctor charged

# The crime against Sergei Magnitsky was motivated by money, not ideology or religion

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Religious crime



Ideological crime



Financial crime



## Interior Ministry officers who Magnitsky testified against were visibly corrupt

In July 2010, evidence surfaced that the family of the Interior Ministry officer Karpov had US\$ 1.3 million of property, even though he was earning only \$7,200 a year.



Born 27 August 1977

Assets acquired by Karpov's family  
worth more than: \$1,300,000

Official Annual Salary: \$7,200

## **Karpov's Family Assets**

Apartment worth \$930,000 Registered to Karpov's pensioner mother



Land plots worth \$120,000 Registered to Karpov's pensioner mother



\$72,000 Mercedes-Benz E280 registered to Karpov



\$55,000 Mercedes-Benz E230 and  
\$38,000 Audi A3 registered to Karpov's  
mother



# Interior Ministry officers who Magnitsky testified against were visibly corrupt

In June 2010, evidence surfaced that the family of the Interior Ministry officer Kuznetsov had US\$ 3 Million even though he was earning only \$10,200 a year.



Born 28 February 1975

Assets acquired by Kuznetsov's family worth more than: \$3,000,000  
Official Annual Salary: \$10,200

## Kuznetsov's Family Assets

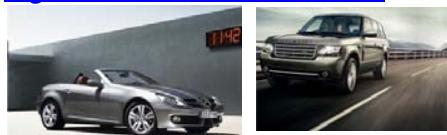
Apartment worth \$1.6 mln [Registered to Kuznetsov's pensioner mother](#)



Apartment worth \$990,000 [Registered to Kuznetsov's pensioner father](#)



\$81,000 Mercedes-Benz and \$131,000 Range Rover, both [registered to Kuznetsov's wife](#)



\$65,000 Land Rover [registered in the name of Kuznetsov's mother](#)



Source: <http://russian-untouchables.com/eng/artem-kuznetsov/>; <http://www.youtube.com/watch?v=4ZB3YoAvEro>

# Tax officials who Magnitsky testified against were visibly corrupt

In April 2011, evidence surfaced that the family of the head of tax office No 28 – Olga Stepanova had US\$ 39 million even though she was earning only US\$38,381 a year.

## Stepanova's Family Assets



Born 29 July 1962

Assets purchased by Stepanova's family worth more than: \$38,912,000

Official Annual Salary: \$38,381

Moscow Suburb Mansion (1,100m2) worth \$28million [Registered to 80 years old Stepanova's pensioner mother in law](#)



Sea Front Villa in Palm Jumeirah, Dubai worth \$3mln [Registered to Stepanova's husband](#)



\$11 million in Cash held on the [Offshore Companies](#) Swiss [Accounts](#) Registered to Stepanova's husband

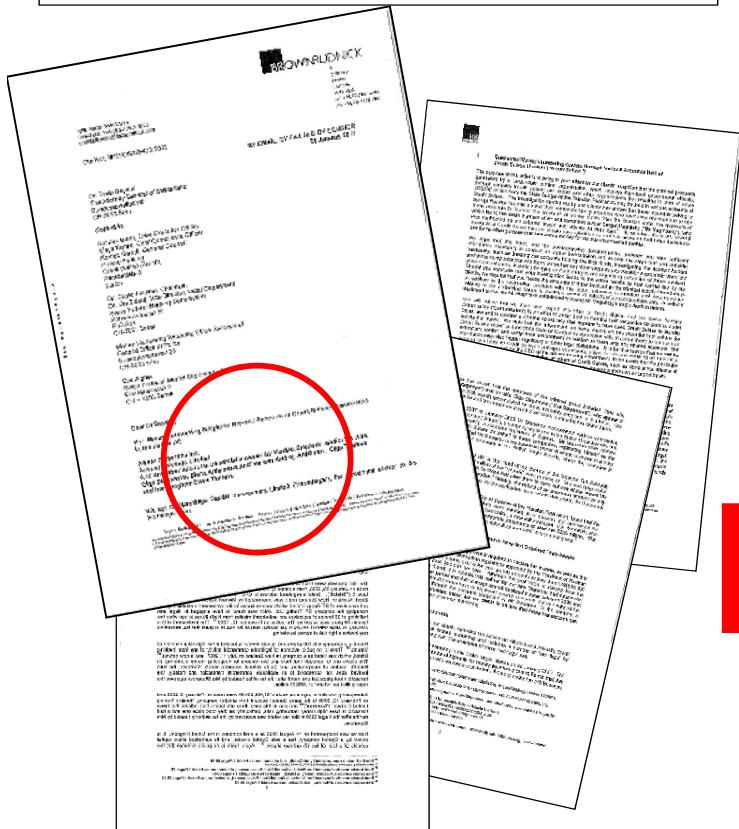


Source: <http://russian-untouchables.com/eng/olga-stepanova/>; <http://www.youtube.com/watch?v=H7yBOEPYJTc>

# Swiss authorities freeze assets

In May 2011, the Swiss General Prosecutor froze bank accounts containing over \$11 million belonging to corrupt Russian government officials who had taken part in the \$230 million theft exposed by Magnitsky.

## Application by Hermitage Capital



## Asset Freeze Reported in International Media



# Applications to 7 EU nations to freeze stolen assets

In July and August 2012, applications were made to the General Prosecutors and police in 7 European Countries to freeze the assets and accounts that contained over \$41 million of stolen Russian taxes from the \$230 million that Sergei Magnitsky uncovered.



## Money stolen from Russia

Finland:	\$199,550
Estonia:	\$9,766,289
Latvia:	\$10,647,226
Lithuania:	\$3,363,973
Belgium:	\$2,387,900
Austria:	\$150,000
Cyprus:	\$8,804,853

# The criminal group continue to steal from the Russian people

In April 2012, Novaya Gazeta and the Financial Times revealed that the criminal group stole a total \$800 million between 2007 and 2010. (\$370 million of which was stolen after Sergei Magnitsky was murdered in 2009.)



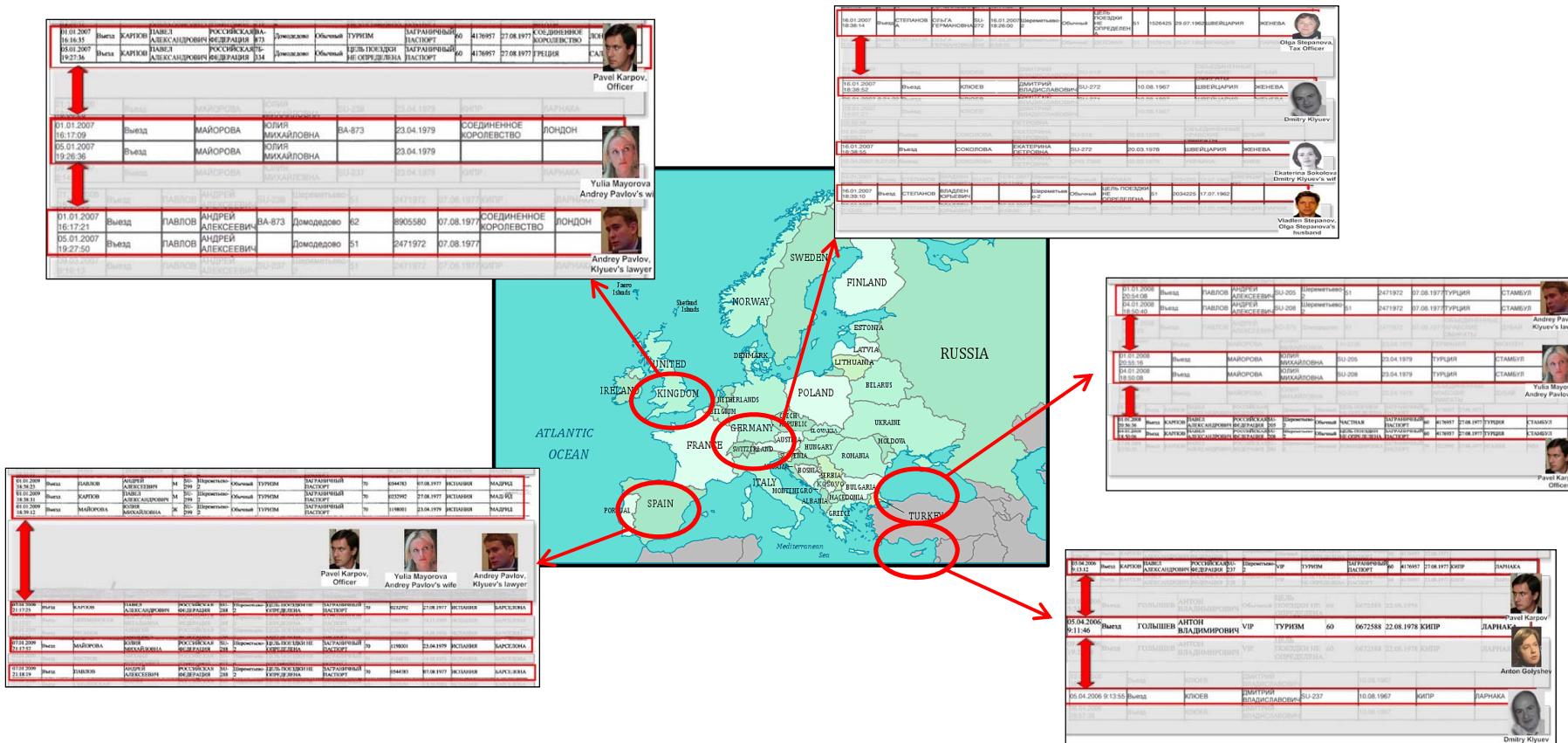
Financial Times, April 2012



Novaya Gazeta, April 2012

## Travel records show extensive trips to European countries

Travel records \* show hundreds of trips to Europe were taken by the corrupt Russia government officials involved in the Magnitsky case.



\*Russian Border Control Service records

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# What should the European Parliament be doing?



# European Parliament actions

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## **European Parliament Motion, December 2010**

A Resolution was passed with an over-whelming majority of 318 in favour and 163 against (with 95 abstentions) calling on EU states to consider imposing entry bans & freezing bank accounts and other assets on the Russian officials who played a direct role in the Magnitsky case <http://russian-untouchables.com/rus/docs/D405.pdf>

## **European Parliament Motion, December 2011**

The European Parliament strongly condemned the impunity of Russian officials involved in the Magnitsky case and vowed to impose EU-wide visa and asset freezes should the Russian authorities fail to prosecute the officials complicit in Magnitsky's death and involved in the on-going cover up.

<http://russian-untouchables.com/rus/docs/D406.pdf>

## **EU-Russia Parliamentary Co-operation Committee, May 2012**

The European Parliament's Delegation to the EU-Russia Parliamentary Cooperation Committee stated that it disapproved of the "prolonging of the investigation process" and urged EU member states to "start immediate procedures to enact measures such as an EU-wide travel ban and a freeze on the financial assets of those believed to be guilty of the torture and death of Sergei Magnitsky as well as of covering up the case." <http://en.rian.ru/russia/20120229/171614439.html>



**Despite all these efforts, nothing has happened**

# 7 Countries and 2 international organisations have called for sanctions in the Magnitsky case

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US Legislation: “*Sergei Magnitsky Rule of Law Accountability Act of 2012*”



Canadian Parliament Motion, 2010

Canadian Parliament Legislation: “*An Act to Condemn Corruption and Impunity in Russia in the Case of Sergei Magnitsky*”, 2011



Parliamentary Assembly of the Council of Europe, 2012



OSCE Parliamentary Assembly Resolution, 2012



Polish Sejm Motion, 2010



United Kingdom, House of Commons, Early Day Motion, 2010

United Kingdom, Backbench Committee Motion, 2012



Dutch Parliament Motion, 2011



Swedish Parliament Petition, 2012



Italian Parliament Resolution, 2012

# Support for Magnitsky sanctions from Russian Activists

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All members of the Russian opposition and civil society support Magnitsky's sanctions



## **Former Russian Prime Minister Boris Nemtsov:**

“[the visa blacklist] won't be against Russia, but against the corrupt system in Russia.” Feb 2012  
<http://www.canadaforvisa.net/nemtsov-backs-canadian-call-for-russia-visa-blacklist-2/>



## **Russian Opposition Leader Alexei Navalny:**

“Such legislation is not anti-Russian, in fact I believe it is pro-Russian. It helps defend us from the criminals who kill our citizens, steal our money, and hide it abroad.”

May 2012

<http://online.wsj.com/article/SB10001424052702304692804577281210489679138.html>

# Support for Magnitsky sanctions from Russian Activists

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**Former Russian Deputy Prime Minister Mikhail Kasyanov:** “This is not a law against the Russian Federation or Russian citizens, this is a law against officials who violate human rights on a daily basis.” June 2012  
<http://www.worldaffairsjournal.org/blog/vladimir-kara-murza/magnitsky-human-rights-sanctions-advance-senate-russias-thugs-notice>



**Garry Kasparov, Leader, United Civil Front:**  
“By passing the Magnitsky Act, [it] will be supporting the Russian people, strengthening democracy and the rule of law, and protecting its own long-term interests.” June 2012  
<http://online.wsj.com/article/SB10001424052702304870304577489033172932866.html>

# What the EU should be doing?

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1. Establish a common EU list of officials responsible for the death of Sergei Magnitsky, for the subsequent judicial cover-up and for the ongoing and sustained harassment of his mother and widow.
2. To impose and implement an EU-wide visa ban on these officials and to freeze any financial assets they or their immediate family may hold inside the European Union.
3. To call on Russia to conduct a credible and independent investigation encompassing all aspects of this case.
4. Use Magnitsky as test case for other human rights abuse cases and follow the same procedure towards all serious human right offenders.

