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Reimbursement Ruling May End Storchak's Case

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A case against Deputy Finance Minister Sergei Storchak, implicated in what investigators call a scheme to swindle 43.4 million rubles ($1.4 million), may be closed after a court essentially acknowledged the legality of the payment ordered by the official.

Storchak was arrested in 2007 and spent 11 months in detention related to a deal involving Algeria's state debt to Russia.

A company called Sodexim agreed in 1996 to cover $26 million of Algeria's debt, expecting the country to repay it with various goods, but it never received anything.

In 2006, Russia assumed Algeria's debt to Russian companies, and the following year Sodexim requested 58 million rubles in compensation for its expenses and lost profit. Investigators deemed the claim to be a fraud scheme, saying the company had no right to request the money.

But on Friday, the Moscow Arbitration Court ordered the Finance Ministry to reimburse 24.2

million rubles ($770,000) of the main debt and another 19.2 million rubles ($611,000) of interest to Sodexim, Interfax reported.

The ruling "completely rehabilitates Storchak, decriminalizes the charges and shows that all decisions made by Storchak were absolutely legal," Storchak's lawyer, Andrei Romashov, told The Moscow Times.

Romashov said he would ask prosecutors to close the criminal case against Storchak in 10 days, when Friday's ruling takes effect, unless they appeal the verdict.

After the ruling, the Investigative Committee summoned Storchak for questioning, scheduled for Monday, Romashov told the Rapsi news agency.

The committee wrapped up an inquiry into Storchak in late October, but the Prosecutor General's Office returned it mid-November for further investigation, Interfax reported.

The Finance Ministry has repeatedly voiced its support for Storchak in the case.

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