

Tymoshenko Sues Gas Trader in U.S. Court

April 27, 2011

The  Moscow Times

NEW YORK — Former Ukrainian Prime Minister Yulia Tymoshenko is suing businessman Dmitry Firtash and Swiss-based RosUkrEnergo in U.S. court, alleging fraud, human rights violations and racketeering.

According to court papers filed Tuesday in the U.S. District Court in Manhattan, Tymoshenko accused the defendants, who include 100 unidentified "John Doe" individuals and companies, of defrauding Ukraine's citizenry by manipulating an arbitration court ruling, "undermining the rule of law in Ukraine."

The allegations stem from an international arbitration court ruling in Stockholm last year that ordered Ukraine's state energy company Naftogaz to pay RosUkrEnergo 11 billion cubic meters of gas to compensate for fuel it had "expropriated" plus 1.1 billion bcm as a penalty, according to a shareholder of RosUkrEnergo, a company jointly owned by Gazprom and Firtash.

Naftogaz and Gazprom said in November that they had agreed to a settlement under which

Naftogaz would return 12.1 bcm of gas — worth almost \$3 billion — to RosUkrEnergo, while RosUkrEnergo would redeem \$1.7 billion of debt to Naftogaz and \$810 million to Gazprom.

According to the suit, the Stockholm ruling was "widely perceived as a means of generating huge sums of cash with which Firtash and his associates could continue to illegally fund the pervasive" corruption that it said marks every level of government, "while at the same time suppressing political dissent through intimidation, racketeering and other violations of fundamental human and political rights."

The suit, a class action on behalf of the Ukrainian people, was filed in U.S. federal court under the Alien Torts Statute, which accommodates actions in U.S. courts to uphold international law, as well as the Racketeering Influenced and Corrupt Practices Act.

Tymoshenko, who served as prime minister in 2005 and again from 2007 to 2010, was joined in the suit by 10 unidentified John Does who it alleged "have all been subjected to politically motivated investigations and selective prosecutions" by Ukraine's current leaders.

Ukraine's prosecutor's office earlier this month opened a criminal case into Tymoshenko over a gas deal she reached with Russia in 2009. Tymoshenko was already accused in two other separate criminal cases since her rival, President Viktor Yanukovich, came to power.

According to the suit, which seeks unspecified damages and alleges that Firtash is a close associate of Yanukovich, the Yanukovich administration has "launched a wave of arrests and investigations aimed at ... Tymoshenko and her political allies in ... a concerted campaign to intimidate, suppress and ultimately eliminate any and all political opposition in Ukraine."

Original url:

<https://www.themoscowtimes.com/2011/04/27/tymoshenko-sues-gas-trader-in-us-court-a6626>