

VEB Account Involved in Fraud Investigation

By [The Moscow Times](#)

January 22, 2013



The town hall in Tallinn, the city that became the location of a fraud investigation involving an account at VEB.

An Estonian lawmaker on Tuesday proposed that a parliamentary commission be set up to look into fraud linked to an account at Russian state-owned lender VEB, a news report said.

Andres Anvelt, a parliament deputy representing the Social Democratic Party, made the proposal in an interview with the newspaper Eesti Päevaleht, Interfax reported.

At the center of the fraud, which the Bank of Estonia acknowledged last week, is a forged letter from the bank to VEB in 1995.

At the time, VEB held assets of Estonian banks. It had frozen those assets in a dispute over debts that the former Soviet republics owed to each other.

Any Russia-based firms, however, could retrieve their money from the frozen accounts.

The Bank of Estonia admitted last week, after an internal audit, that it had wrongfully asked VEB to pay out \$32.2 million to TSL International, describing it as a Russian firm.

TSL was dissolved a while after it received the payment, which accounted for about half the total Estonian assets held at VEB.

Bank of Estonia president Ardo Hansson apologized for the fraudulent letter.

The audit failed to pin down who was behind the fraud. It identified Bank of Estonia's acting president at the time, Vahur Kraft, as the person who signed off on the letter.

Kraft succeeded Siim Kallas, whose term ended in 1995. Kallas is the European Commission's vice president for transportation. Before that, he was in charge of fraud prevention at the organization.

Related articles:

- [VEB Offers to Buy Baikal Pulp Mill Debt](#)
- [VEB Board Appointed](#)
- [VEB in Talks With Belarus](#)

Original url:

<https://www.themoscowtimes.com/2013/01/22/veb-account-involved-in-fraud-investigation-a20828>