

Glonass Developers Suspected of Fraud, Investigators Say

By The Moscow Times

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A contractor that helped develop the Glonass satellite navigation system is suspected of fraud causing 9.5 million rubles (\$300,000) in losses, investigators said in a <u>statement</u> published Friday.

The former management of the Gonets satellite communications system producer, which helped develop the Glonass system commissioned by the Russian government, is suspected of signing fraudulent contracts worth 9.5 million rubles for work that was never done, investigators say.

Alexander Galkevich, the former head and main designer of the Gonets satellite system, was detained by Moscow police on Thursday, Interfax reported. Galkevich designed all Russian low-Earth-orbit satellites.

Investigators are now looking for other instances of fraudulent contracts being signed by the

company.

According to Izvestia, Galkevich is suspected of organizing his own scheme to acquire foreign equipment that caused 350 million rubles in losses.

Last November, Russian Space Systems, the main contractor for Glonass, was accused of embezzlement worth 6.5 billion rubles. Yury Urlichich, the head of the company, was fired as the chief engineer of Glonass over the accusations and resigned a short time later.

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