

Figure in APEC Embezzlement Case Arrested in Flee Attempt

By The Moscow Times

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The former head of the Regional Development Ministry's office in Vladivostok was detained in Moscow while trying to flee to Spain in the midst of a 93 million ruble (\$3 million) embezzlement investigation involving the 2012 APEC summit.

Oleg Bukalov, who violated a pledge not to leave town for the duration of the investigation, will remain in detention until July 1, 2013, the Interior Ministry said in a <u>Statement</u> on Wednesday.

Police say Bukalov used his lawyer to sell his property in Russia and apply for a Spanish visa.

The former official also had real estate in Alicante that he hid from investigators.

Bukalov previously headed the Far Eastern Regional Development Ministry central office, which was involved in the construction of several facilities for the 2012 APEC summit in Vladivostok.

Police say Bukalov and his colleagues used their official positions to give state contracts for design and engineering work to companies affiliated with Bukalov which then received state financing.

Using this scheme, Bukalov received 93.5 million rubles from the budget that was diverted through a series of false contracts with fly-by-night firms and then cashed out.

The former official faces charges of large-scale fraud, which carry a maximum sentence of 10 years in prison.

The Regional Development Ministry recently announced that it will be closing the Far Eastern office, where employees have not been paid since January, RIA-Novosti reported.

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