

Contractor's CEO Arrested Over Glonass Embezzlement Probe

By [The Moscow Times](#)

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An arrest warrant for the head of the Synertech has been issued in connection with the investigation into the theft of state funds during the development of the Glonass satellite-navigation network.

The current head of the research and production company has been detained while the former CEO has been placed under house arrest for the duration of the inquiry, the Interior Ministry press service said Friday.

The investigators suspect Synertech's top management of embezzling at least 85 million rubles (\$2.7 million) of state funds allocated for research work as part of the Glonass program, which was never completed, RBK reported.

A criminal case has been opened on charges of grand-scale fraud, which carry a maximum sentence of up to 10 years in prison.

Police announced the discovery of new instances of theft during the criminal investigation of several top managers of Russian Space Systems, one of the contractors in the Glonass program.

In spring 2012, police uncovered the embezzlement of 6.5 billion rubles (\$200 million) during the implementation of Glonass, the Russian satellite navigation system, which is similar to the U.S.-designed GPS network.

The investigation established that money had been embezzled during the development of technical specifications for Glonass' maintenance.

Yury Urlichich, the head of Russian Space Systems, was dismissed from his position as the chief engineer of Glonass over the accusations last November.

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