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Central Banker Declares Homes in U.S., Mexico

By The Moscow Times

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A senior Central Bank official has declared ownership of six apartments in Mexico and a home in the United States, possibly leaving him open to criticism as President Vladimir Putin campaigns to curtail holdings of foreign assets.

First Deputy Chairman Sergei Shvetsov, who supervises $500 billion in foreign reserves, appeared to be the only board member to declare property abroad, according to documents posted on the bank's web site.

Senior Central Bank officials disclosed their personal wealth Wednesday, many of them for the first time.

Seeking to stem capital flight and play to millions of Russians who resent the globetrotting lifestyles of the elite, Putin has launched a drive to "de-offshore" the Russian economy since he started a six-year third term last year.

Legislation and presidential decrees bar many officials from holding bank accounts, stocks and other financial instruments abroad, and require them to disclose foreign real estate and explain how they paid for it.

While owning real estate abroad is not banned, it could be seen to run counter to the efforts of Putin, who has championed patriotism as an essential ingredient in a thriving Russia in his new term.

A ruling party member gave up his parliament seat in February after anti-corruption bloggers published documents showing his name on the deeds of three apartments in the U.S. state of Florida.

Shvetsov, 42, has worked at the Central Bank since 1993, aside from a five-year hiatus at a commercial bank. He sits on the supervisory board of the Moscow Exchange, which raised $500 million in a stock market float this year.

He did not respond to a message requesting comment, and the Central Bank could not be reached for comment on the matter, which could potentially cause embarrassment for Russia as it hosts a meeting of Group of 20 finance ministers and Central Bankers this week.

The disclosure gave no details about the flats except their size. Shevtsov also declared that he owned an Arctic Cat snowmobile.

He disclosed an annual income of 20.5 million rubles ($633,400) compared to an average of around 15 million rubles among senior Russian Central Bank officials.

The average annual wage in Russia last year was about $10,000, according to government statistics.

Elvira Nabiullina, Putin's former economic adviser recently appointed Central Bank chairwoman, declared income of 5.3 million rubles last year, compared to 24.7 million rubles declared by her predecessor, Sergei Ignatyev.

Heavy capital outflows from Russia — $57 billion last year — have been a worry in recent years, suggesting a poor business climate is deterring badly needed investment. Shvetsov has cited purchases of property abroad as one of the reasons for outflows.

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