

# Probe Shows Multi-Million-Dollar Fraud in Vladivostok APEC Summit

By [The Moscow Times](#)

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Investigators have wrapped up a year-long probe into the multi-million-ruble embezzlement of funds earmarked for an economic cooperation summit in Russia last year, news reports said.

Investigators estimated that an estimated 29 million rubles (\$889,000) were stolen from funds meant for the Asia-Pacific Economic Cooperation (APEC) summit held in Russia's eastern city Vladivostok in September 2012, Kommersant business daily reported Wednesday.

The authorities, who uncovered the embezzlement two months later, initially estimated the theft at 178 million rubles (\$5.5 million), then revised the figure to 93 million rubles (\$2.9 million).

Roman Panov, prime minister of the Perm region and a former deputy regional development

minister, was detained in November 2012 as the first suspect in the scam. He is suspected of paying funds to fictitious construction and insurance firms.

Three other suspects — Oleg Bukalov, former head of the Regional Development Ministry's Fain Vladivostok; Roman Barbashov, the director of the construction company GK Kontrol, and Alexei Kudryavtsev, whom police called an accomplice — have been detained for fraud and attempted fraud.

All suspects deny any wrongdoing.

Police said that along with the construction fraud, the men intended to rig an insurance company contest and get kickbacks from the winner, but were unable to put the plan into action.

Russia spent roughly 600 billion rubles (\$18.4 billion) preparing for the summit, set up in 1989 to promote economic cooperation among the countries and regions of the Pacific.

In November 2012, the Audit Chamber said it had discovered 15 billion rubles' worth (\$4.6 billion) of financial violations in the APEC budget.

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