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3 European States Freeze Ukraine Ex-Leaders' Assets

By The Moscow Times

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Ukrainians watching ousted President Yanukovych deny having foreign bank accounts to the press on Friday. **Alex Kuzmin**

ZURICH — Switzerland, Austria and Liechtenstein on Friday moved to freeze assets and bank accounts of up to 20 Ukrainians including ousted president Viktor Yanukovych and his son, after Ukraine's new rulers said billions had gone missing.

The three countries did not say how much money was affected by the asset freezes. The European Union agreed to similar measures earlier last month but they have yet to come into force.

Ukraine's new prime minister, Arseny Yatsenyuk, on Thursday accused Yanukovych of stripping state coffers bare and said $37 billion of credits had disappeared. In the past three years, $70 billion had disappeared into offshore accounts, he said.

The Swiss government ordered the freezing of the assets of 20 Ukrainians, including the fugitive president and his son Oleksander, the Swiss financial markets authority, FINMA, said.

Swiss authorities said the asset freeze would come into force on Friday at noon.

The prosecutor's office in Geneva said it had also launched a money laundering investigation against Yanukovych and his son.

"A penal investigation for severe money laundering is currently being conducted in Geneva against Viktor Yanukovych and his son Oleksander," a statement said.

It said prosecutor Yves Bertossa and the police had searched the office of a company owned by Oleksander Yanukovych on Thursday morning and seized some documents.

Switzerland said Thursday that it would order banks to freeze any funds in Swiss banks found to be linked to any Yanukovych fund.

Austria said it would freeze the bank accounts of 18 Ukrainians as a precautionary measure until EU sanctions entered into force.

"Austria has decided to freeze possible bank accounts and assets of 18 Ukrainian citizens in Austria. This has been done on the basis of an official request by the Ukrainian Foreign Ministry," the foreign Ministry in Vienna said.

After Ukraine suffered its bloodiest day since the Soviet era in protests that led to Yanukovych's overthrow last week, the EU agreed to impose sanctions such as visa bans and asset freezes on unnamed senior Ukrainian officials.

Austria said it would freeze accounts via a central bank decree under its foreign currency law. It did not identify the people affected or say how much wealth was seized.

"The decree from the National Bank provides the appropriate legal basis to be able to determine which assets are actually in Austria and to prevent potential abuse," Foreign Minister Sebastian Kurz told the Austria Press Agency.

The EU cannot unilaterally tell banks to freeze assets without a legal decision agreed among all member states.

Ukraine's acting prosecutor general said Wednesday that the country would ask international organizations to help trace bank accounts and assets controlled by Yanukovych and his allies.

Austria's FMA markets watchdog has already warned banks to be vigilant about dealing with customers from Ukraine.

Liechtenstein will freeze the assets of 20 members of the former Ukrainian government including Yanukovych, a senior Liechtenstein government source said.

In London, the Foreign Office said it was still working with EU partners on implementing sanctions after they were agreed upon on in mid-February. They have not named any individuals they will sanction yet.

Italy will take punitive measures if and when adopted by the EU, foreign ministry spokesmen Aldo Amati said.

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