

# REPUBLIC OF MOLDOVA



**Moldova's stolen billion: the story behind the theft and chasing the assets across the world**

---

**9 APRIL 2024**





## GENERAL INFORMATION:



- ***The Republic of Moldova*** (Romanian: ***Republica Moldova***) is a landlocked country in Eastern Europe, bordered by *Romania* to the west and *Ukraine* to the north, east, and south.
- The estimated population is *2.5 million*.
- The Prosecutor's Office of the Republic of Moldova is an autonomous public institution within the judicial branch of government, including: the General Prosecutor's Office, specialized prosecution offices and territorial prosecution offices.
- ***The Anti-corruption Prosecution Office*** is a subdivision of the Prosecutor's Office, being specialized in investigating corruption crimes, as well as representing the investigated cases before the courts. APO exercises its territorial jurisdiction over the entire territory of the Republic of Moldova. Prosecutors, prosecutors' consultants, specialists and staff who provide technical support work in the APO. Criminal prosecution and investigative officers from law enforcement agencies are seconded to APO for a term of up to 5 years and work with the anti-corruption prosecutors on criminal cases under the competence of the APO.







# THE BANK FRAUD CASE

# The Bank Fraud Scheme





# BANK FRAUD SCHEME



- During 2012-2014, three Moldovan banks provided USD 2.9 billion in loans to related parties of the banks' owners.
- The money from these loans was then redirected through accounts in two Latvian banks, where they were dissipated to many jurisdictions, including some returning to Moldova.
- Almost 12% of the country's GDP was spent on rescuing the three banks at the center of the fraud in order to prevent the collapse of the country's banking system.

# BANK FRAUD SCHEME



Vladimir Plahotniuc, left, and Ilan Shor, right, were both prominent political figures in Moldova until they were implicated in a vast 2014 money laundering scheme that stole \$1 billion from Moldovan banks. Vladislav Culiomza/Reuters and Dumitru Doru/EPA, via Shutterstock



## The New York Times

**New U.S. sanctions target Russian efforts to manipulate the politics in Moldova, a neighbor of Ukraine.**

Moldova, like its neighbor Ukraine, wants closer relations with the West but has long battled Russian political interference and intimidation.





2013-2014

**18 282 000 USD**  
**3 518 705 EURO**



Companies associated with  
Șor criminal  
group

Plahotniuc



Plahotniuc



Plahotniuc

2014-2015  
**21 001 949 USD**

Companies associated with  
Ilan Șor & Vladimir  
Andronachi

Plahotniuc



Plahotniuc





Plahotniuc

**TOTAL**

2013-2015

**39 284 000 USD**

**3 518 705 EUR**



Plahotniuc



Plahotniuc



Plahotniuc



Plahotniuc







2013-2015  
**39 284 000 USD**  
**3 518 705 EUR**

Plahotniuc

Plahotniuc

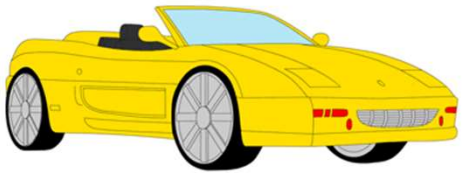
Plahotniuc

Plahotniuc

Plahotniuc

\$\$\$ used for:

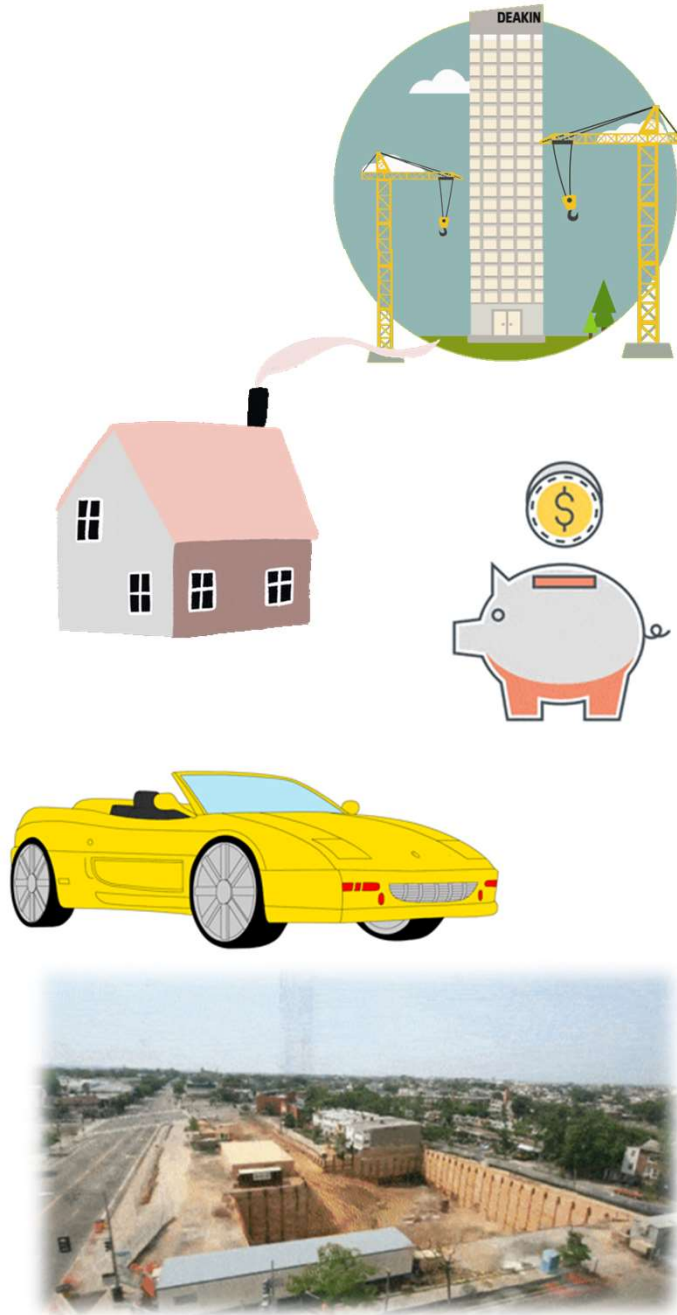
- Purchase of a private plane model EMBRAER LEGACY 650
- Charter flights on private planes
- Purchase of real estate and cars
- Services (legal, medical, tourist, construction, etc)
- Business investments
- Paying off debts
- Organizing events





# IDENTIFIED ASSETS

(in all related investigations)



Asset Type	Sum (MDL)	% of Total
Stocks	1.813.423.042	63%
Commercial buildings	305.197.748	11%
Houses, villas, apartments	274.734.460	10%
Credits	148.331.245	5%
Bank accounts	148.103.065	5%
Land	140.186.056	5%
Motor vehicles	34.477.255	1%
<b>Total</b>	<b>2.864.452.870 MDL</b>	<b>100%</b>

# The Investigation

Including International Cooperation



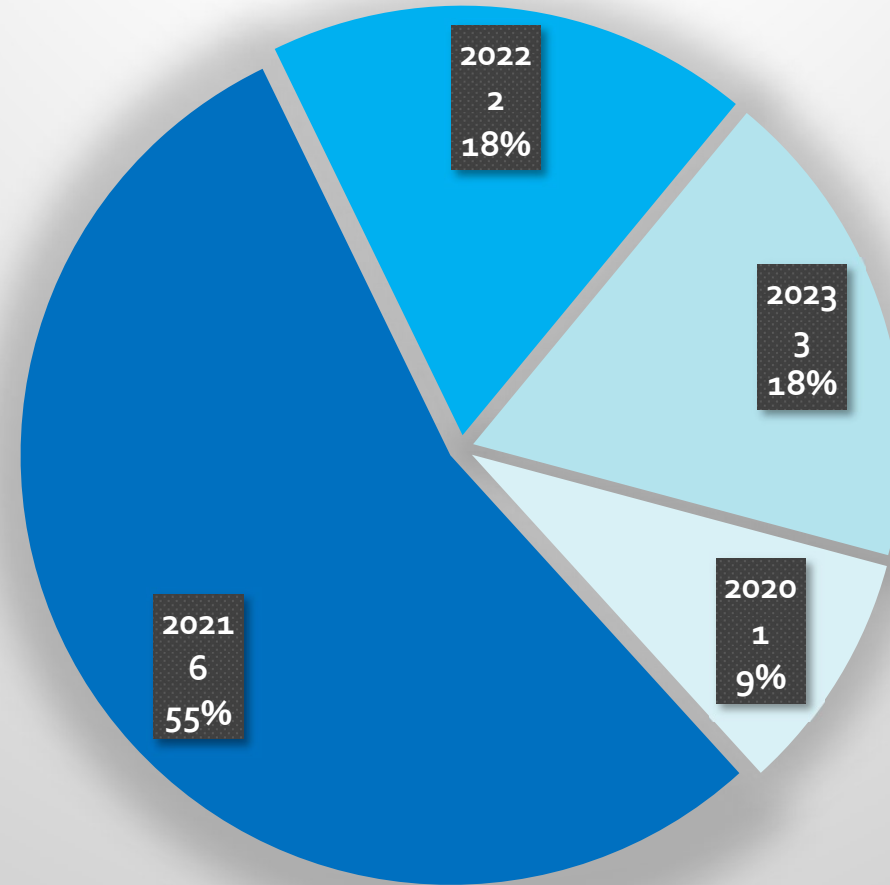
- On December 4, 2014, Moldovan authorities initiated criminal case no. 2014978151, investigating the crime of abuse of official positions resulting in large-scale consequences – *art. 335 of the Criminal Code*.
- The investigated period covers 2011-2015.
- 67 persons, both public and private, are accused, being investigated for the offenses provided in art. 190, 191 (*fraud*), 284 (*criminal organization*), 243 (*money laundering*), 238, 239, 239/1, 239/2, 244, 252 (*financial crimes*) of the Criminal Code.
- The Ministry of Finance of the Republic of Moldova was recognized as an injured party, considering the amount of damage caused by the crime as **13,583,717,000 MDL (*prejudice*)**, and a civil party, considering the civil action in the amount of **22,929,882,634 MDL**.



# 12 FINALIZED CRIMINAL INVESTIGATIONS IN 2020-2023



## FINALIZED CRIMINAL INVESTIGATIONS





Parlamentul Republicii Moldova

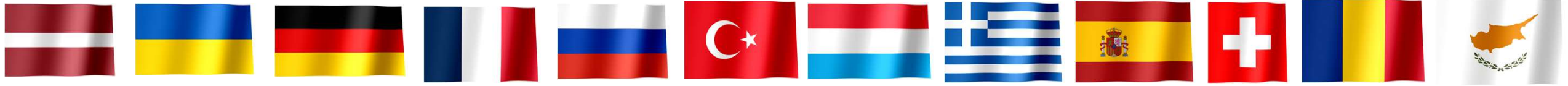


Banca Națională a Moldovei



- The charges against the defendants in these criminal cases relate to **fraud** and **money laundering** on a particularly large scale for the benefit of a criminal organization.
- Among the defendants sent to court are:
  - **Vladimir Plahotniuc** (Moldovan oligarch, fugitive)
  - **Ilan Șor** (Moldovan oligarch, fugitive)
  - **Vladimir Andronachi** (close associate of Plahotniuc)
  - **Member of Parliament** (close associate of Șor)
  - **ex-governor**, two **ex-vice-governors** and a **department head** from *the National Bank of Moldova*
  - **ex-interim presidents** of BC "Banca de Economii" and BC "Banca Socială", the **ex-president** BC "Unibank" SA
  - two **accountants** of the "Shorholding" group of companies
  - and **others** (17 people in total)
- Evidentiary materials **123,400 pages** + electronic information
- Indictments (total) **3,600 pages**

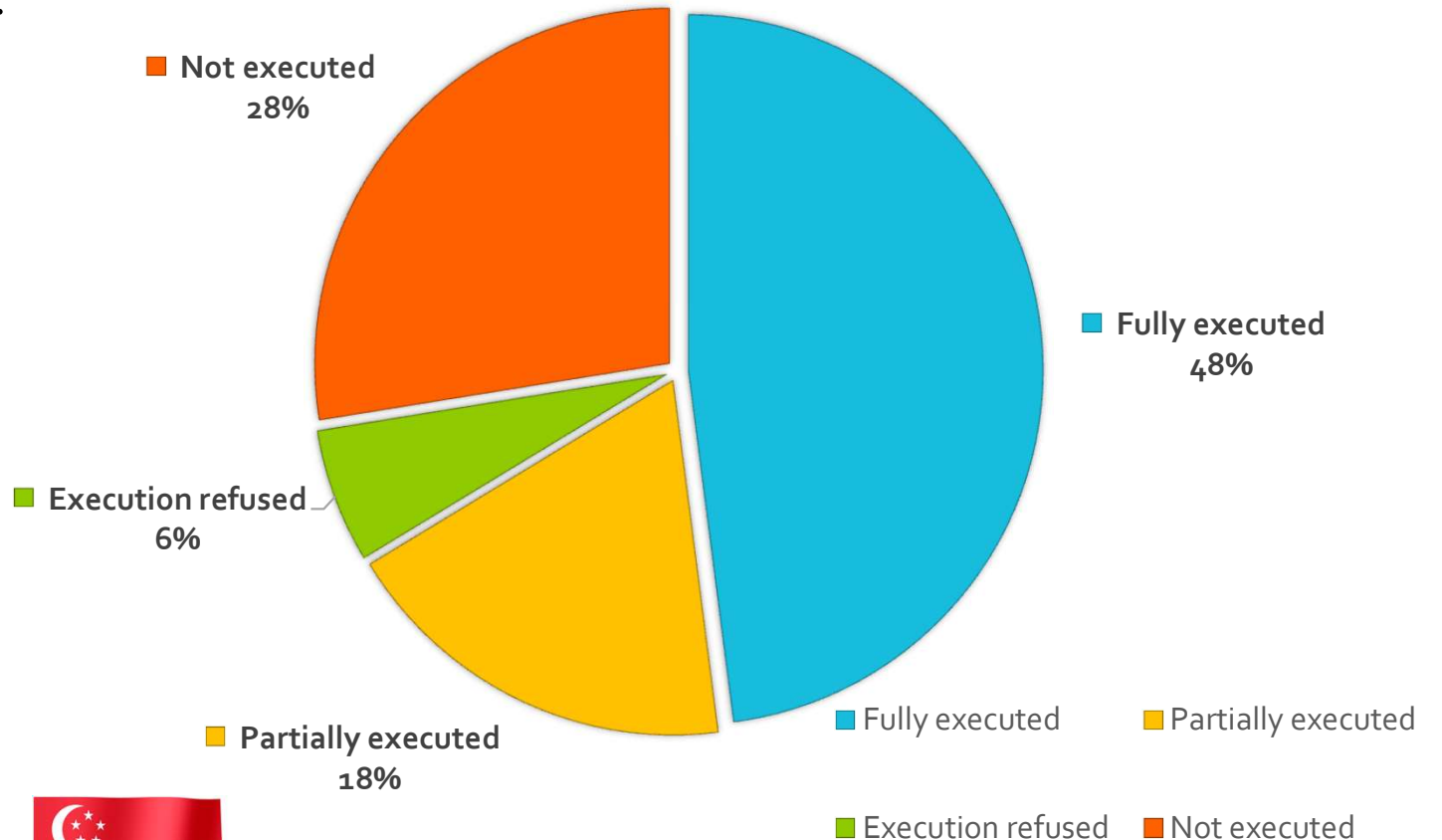




## INTERNATIONAL COOPERATION

Since 2014, the Moldovan criminal investigation group on the *Bank Fraud* case has sent approximately **100 requests for letters rogatory** to Latvia, the Russian Federation, Ukraine, Romania, Germany, Switzerland, Cyprus, Greece, Spain, the United Kingdom, France, Qatar, Turkey, Luxembourg, the United Arab Emirates, Hong Kong, Singapore, and others.

As a result:



## ROGATORY COMMISSION



- On June 17, 2020, a **Joint Investigation Team** was created between the Prosecutor General's Office of the Republic of Latvia and the Anti-Corruption Prosecution Office of the Republic of Moldova. The purpose of the JIT was to facilitate international cooperation in the investigation of the criminal case „*Bank Fraud*”.
- The **Latvian criminal investigation group** traveled to the Republic of Moldova in *November 22-26, 2021* and *August 23-26, 2022*.
- The **Moldovan criminal investigation group** traveled to Latvia in *December 26-30, 2021* and *October 4-7, 2022*.





# The Bank Fraud case - Seizures

**Total amount > 7,9 billion MDL**

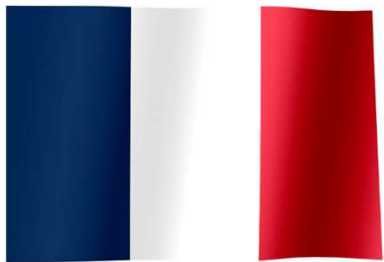


Procuratura Anticorupție și Agenția de recuperare a bunurilor infracționale (ARBI)





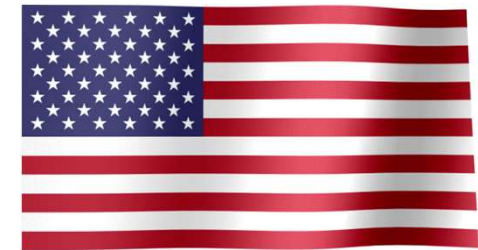
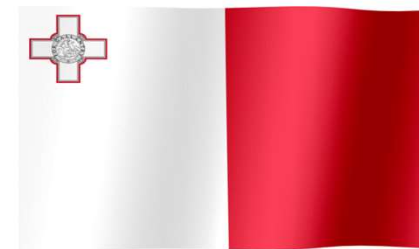
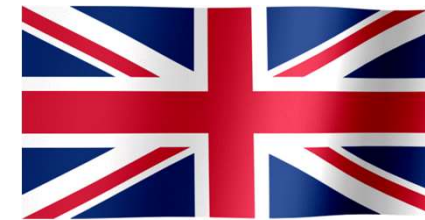
7.5  
billion



## ASSET SEIZURES:

- In the *Bank Fraud* case, prosecutors have applied seizures in the amount of approximately **7.9 billion MDL (411 million EUR)**, which constitutes approximately **59% of the total damage caused**.
- Seizures are applied both as a result of parallel financial investigations carried out by CARA and by the Anticorruption Prosecution Office.
- The amount of seizures applied in criminal cases sent to court is over **1.4 billion MDL (74 million EUR)**.
- The amount of seizures applied to assets located abroad (outside the Republic of Moldova) is **about 1.59 billion MDL (83 million EUR)**.
- At the moment, a successful collaboration regarding the identification and freezing of criminal assets was carried out with authorities from **Romania, France, Spain and Switzerland**.

Moldova has participated in many different bilateral and multilateral work meetings, including at the **GlobE Network conference in July 2023**, including exchange of information and evidence, events, seminars, trips, conferences, both online and offline, especially with representatives of the authorities from **Switzerland, Latvia, the United States, the United Kingdom, Malta, Spain, France, other countries in the European Union, the World Bank, Eurojust, and many others**, which helped to advance the investigations and obtain results by cooperation.



# Successes & Challenges

# ILAN ȘOR CONVINCTION



- On April 13, 2023, the Chisinau Court of Appeals, issued a decision whereby **Ilan Șor**, an Israel-born Moldovan oligarch and politician, president of the Șor Party and former chairman of the board of BEM, was found guilty of fraud and money laundering and was definitively sentenced to **15 years in prison**, with deprivation of the right to hold positions in the banking system for 5 years.
- BEM's civil action was fully admitted, with a judgment in the amount of **5,291,708,829 MDL** (\$ 295,462,562 USD / € 267,204,837 Euro) to be collected from the defendant.



Investigation  
1 year 2 months

Trial  
10 months

Appeal I  
6 mo.

Appeal II  
3 years 6 mo.

Appeal III  
1 year 8 mo.



Appeal  
(Curtea  
Chişinău)  
28.07.2017

Appeal  
(Curtea  
Cahul)  
13.02.2018

Appeal  
(Curtea  
Chişinău)  
20.08.2021

Appeal  
(Curtea  
Chişinău)  
13.04.2023



Sent to  
court  
24.08.2016



Conviction  
(trial court)  
21.06.2017



\$ launder.  
inves.  
started  
21.06.2015



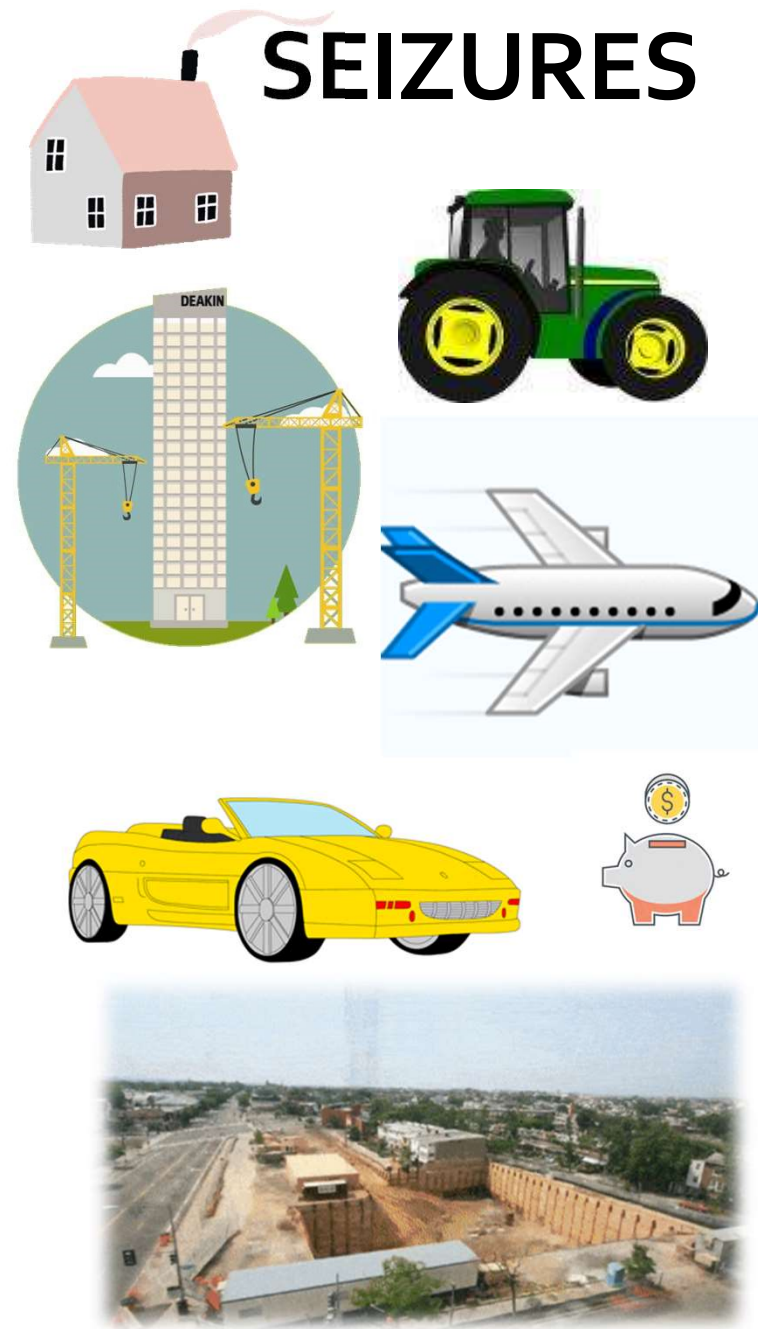
Pre-trial  
arrest  
22.06.2016 –  
05.08.2016



Criminal  
conduct

2014      june 2015      june 2016      aug. 2016      june 2017      feb. 2018      aug. 2021      apr. 2023

# ILAN SHOR SEIZURES



The type of good	Quantity	Value (MDL)	% from Total
Capital Stock	7	436 299 890	32%
Aircrafts	3	421 426 233	31%
Non-residential constructions	16	12 764 219	9%
Lands for construction	7	112 409 963	8%
Non-residential rooms	6	82 398 149	6%
Other goods	86	70 110 281	5%
Residential construction	3	39 285 719	3%
Means of transport	95	38 946 154	3%
Bank accounts	19	22 129 895	2%
Residential rooms	4	8 176 502	1%
Agricultural equipment	7	2 535 767	0%
<b>Total</b>	<b>253</b>	<b>1 361 362 774 MDL</b>	

# VLADIMIR FILAT CONVINCTION



**Vladimir Filat, former Prime Minister of the Republic of Moldova,** was arrested on October 15, 2015, and convicted and sentenced, in June 2016, to *nine years of prison* by the Chişinău Court, for passive corruption and influence peddling in the form of money and benefits accepted from Ilan Shor from the *Bank Fraud* scheme.

The sentence became final by the decision of the Supreme Court in February 2017, and includes a confiscation order of apx. **20 million Euro** (still uncollected).



# VLADIMIR ANDRONACHI CRIMINAL CASE



- In March 2023, the Anticorruption Prosecution Office sent to court the criminal case in which **ex-MP Vladimir Andronachi** is accused of fraud and money laundering in particularly large amounts, through complex participation as an organizer, instigator and author in the interest of a criminal organization, led by the former democratic leader, Vladimir Plahotniuc.
- Stolen money from Banca de Economii through the *Bank Fraud scheme* in the amount of more than ***\$1 million USD dollars*** and approximately ***800,000 Euros*** was laundered in the account of other companies affiliated to the criminal organization led by Vladimir Plahotniuc, as well as to the companies within the organized criminal group led by Vladimir Andronachi, thus creating the necessary conditions for the stratification and integration of the embezzled money into the legal circuit of Moldova and other countries.



# VLADIMIR ANDRONACHI CRIMINAL CASE



# VLADIMIR ANDRONACHI CRIMINAL CASE



DAILY NEWS POLITICS **SOCIETY** ECONOMY IPN DEBATES FEATURES ELECTIONS 2023 AGENDA OF EV

Home / News / Society

## Vladimir Andronachi under arrest, refuses to make statements

10:02 11/2022 12:02 in 1397 0-2 unread



JUSTICE

## Anti-corruption prosecutors: Vladimir Andronachi remains in pre-trial detention

15 February 2023 | 10:43

The Chisinau Court of Appeals rejected on Tuesday, February 14, the appeal of Vladimir Andronachi's defenders challenging the decision to extend the preventive arrest applied to the former Democratic deputy.



# VLADIMIR PLAHOTNIUC CRIMINAL CASE



- The Anticorruption Prosecution Office obtained court approval to send to court the criminal case against **Vladimir Plahotniuc**, the former democratic leader, in his absence, and did so in July 2023.

- The Anticorruption Prosecution Office has several other criminal investigations against Vladimir Plahotniuc pending, and anticipates sending the cases to court in his absence, pursuant to Moldovan legislative changes made in July 2022.





# VLADIMIR PLAHOTNIUC CRIMINAL CASE



PROCURATURA ANTICORUPȚIE

## Searches on the territory of the French Republic in the "Bank Fraud" criminal case

---

CHIȘINĂU - Between January 9-11, 2024, prosecutors and officers from the Anticorruption Prosecution Office, together with officers from the Criminal Assets Recovery Agency (CARA) of the National Anticorruption Center, assisted employees from the Central Directorate of the Judicial Police, a subdivision of the National Police of France, in carrying out searches on the territory of the French Republic, in the context of the execution of requests for international legal assistance in the "Bank Fraud" criminal case.

