

ANALYTICAL NOTE No. 6

Glusco Assets

Project - "Monitoring the Management of Seized Assets"



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This publication was prepared within the project monitoring the activities of the National Agency of Ukraine for finding, tracing and management of assets derived from corruption and other crimes (ARMA). The Institute of Legislative Ideas focuses on the practical aspects of transferring seized assets into management, including for their subsequent sale. The analysis covers the types of assets transferred into management, typical problems arising at different stages of this process, and systemic factors that prevent effective management. Based on the monitoring results, proposals have been developed to improve the relevant procedures and regulatory framework.

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Executive Summary

The manager of the assets of the "Glusco Group" was designated by the Cabinet of Ministers of Ukraine under the procedure provided for in Article 21-1 of the Law of Ukraine "On the National Agency of Ukraine for finding, tracing and management of assets derived from corruption and other crimes".

The Cabinet of Ministers of Ukraine twice designated a manager for this group of assets. The management agreements with the first manager were terminated early at ARMA's initiative due to unsatisfactory performance. As of today, PJSC "Ukrnafta" is the manager of the "Glusco Assets". ARMA is currently demonstrating active involvement in the management of the "Glusco Assets".

Identified problems as of 08.05.2025

- **It is impossible to clearly determine the types and number of assets transferred into management.**
- **The orders of the Cabinet of Ministers of Ukraine on the transfer of assets into management do not contain a list of the assets. The annexes to the orders containing the asset lists are not publicly available.**
- **The assets were managed inefficiently, which resulted in a loss of revenues for the State Budget.**

1. General information about the asset

The assets of the "Glusco Group" include, in particular, a network of filling stations that, until 2016, was owned in Ukraine by the Russian state oil and gas company Rosneft. In December 2016, more than 50% of Rosneft's shares were acquired by Glusco Energy SA, which in turn was part of the Swiss group Proton Energy Group SA¹. The official owner of the latter is Israeli businessman Nisan Moiseev.

Journalistic investigations indicate the existence of friendly relations between this businessman and Viktor Medvedchuk, as well as Medvedchuk's involvement in the business of companies belonging to the "Glusco Group"².

Journalists also suggest Viktor Medvedchuk's involvement in the business, in particular due to a possible link between the above-mentioned Swiss group of companies and a Hong Kong company (which is alleged to be controlled by Viktor Medvedchuk) that allegedly sold coal from the self-proclaimed "DPR/LPR" to Ukraine under the guise of South African coal³⁴.

2. Current status

2.1 Transfer of assets into management by the Subsidiary Company of NJSC "Naftogaz Oil Trading"

On 13 May 2022, the Cabinet of Ministers of Ukraine (hereinafter - CMU) applied a special procedure and designated the Subsidiary Company of NJSC "Naftogaz Oil Trading" as the asset manager⁵.

The transfer of the assets into management was carried out under Article 21-1 of the Law of Ukraine "On the National Agency of Ukraine for finding, tracing and management of assets derived from corruption and other crimes". This provision stipulates that, in exceptional cases, the manager is designated by the Cabinet of Ministers of Ukraine from among enterprises, institutions and organisations under the authority of a ministry or another central executive body, or from among business companies in which 50 percent or more of the shares (stakes) are held in the charter capitals of business companies where the state's share is 100 percent.

In this case, the CMU justified the exceptional nature of the situation by the risk of an emergency in the energy sector⁶. On 8 and 13 June 2022, ARMA and LLC "Naftogaz Oil Trading" concluded two asset management agreements.

¹ <https://epravda.com.ua/news/2017/06/2/625615/>

² <https://epravda.com.ua/news/2017/06/2/625615/>

³ surl.li/yaindb

⁴ surl.li/pnqkjf

⁵ <https://zakon.rada.gov.ua/laws/show/385-2022-%D1%80#Text>

⁶ <https://zakon.rada.gov.ua/laws/show/385-2022-%D1%80#Text>

2.2 Transfer of assets into management by PJSC “Ukrnafta”

On 3 August 2023, the asset management agreements concluded between ARMA and LLC “Naftogaz Oil Trading” were terminated early by the Agency unilaterally. This decision was taken due to the inefficient management of the assets identified by the Agency⁷.

On 12 September 2023, pursuant to a CMU Order, PJSC “Ukrnafta” became the new manager of the “Glusco Assets”⁸. The transfer of the assets was again carried out under Article 21-1 of the Law, and the justification for the exceptional nature of the case was the same⁹.

On 27 September 2023, ARMA and PJSC “Ukrnafta” concluded Agreement No. 1303¹⁰. Under the terms of the agreement, 85 percent of net profit is transferred to the state, while the guaranteed minimum monthly payment, irrespective of profit, is UAH 5 million¹¹.

On 31 January 2024, ARMA and PJSC “Ukrnafta” concluded an additional agreement (No. 234)¹². The details of the additional agreement are unknown. In March 2024, the Antimonopoly Committee of Ukraine granted PJSC “Ukrnafta” permissions to acquire into management the stakes in the charter capitals of the companies that together form the “Glusco Group”¹³. On 15 March 2024, ARMA and PJSC “Ukrnafta” signed asset acceptance and transfer acts¹⁴.

At the same time, ARMA and PJSC “Ukrnafta” continued negotiations on the terms of the management agreement. By the time the assets were transferred, agreements had been reached to increase the amount transferred to the State Budget (90% of net profit) and to increase the minimum guaranteed monthly payment (UAH 7 million)¹⁵.

On 25 October 2024, ARMA and PJSC “Ukrnafta” concluded an additional agreement (No. 944). The details of the additional agreement are unknown.

Active asset management is currently underway.

The Agency took into account the negative experience of the asset being managed by LLC “Naftogaz Oil Trading”.

On this basis, ARMA is demonstrating its involvement in the management process and confirming that the decision to terminate the agreements with the previous manager early was justified¹⁷.

⁷ <https://hacc-decided.ti-ukraine.org/uk/documents/116038606>

⁸ <https://zakon.rada.gov.ua/laws/show/797-2023-%D1%80#Text>

⁹ <https://zakon.rada.gov.ua/laws/show/797-2023-%D1%80#Text>

¹⁰ https://arma.gov.ua/upravyteli_arma

¹¹ [surl.li/tbgyyw](https://arma.gov.ua/upravyteli_arma)

¹² https://arma.gov.ua/upravyteli_arma

¹³ <https://amcu.gov.ua/npas/pro-nadannia-dozvolu-na-kontsentratsiiu-45>

¹⁴ <https://amcu.gov.ua/npas/pro-nadannia-dozvolu-na-kontsentratsiiu-47>

¹⁵ surl.li/irsllt

¹⁶ surl.li/pdunra

¹⁷ surl.li/wujges

2.3 Types and number of assets transferred into management

According to the information table published on ARMA's website¹⁸, PJSC "Ukrnafta" received into management corporate rights and real estate assets belonging to LLC "Glusco Retail", LLC "Aviation Fuel Filling Company", LLC "Trade Nafta Komplekt", SE "Ardal", PE "Kaskad" and others.

It is impossible to establish the full list of transferred assets and their characteristics. In its orders, the CMU defines these assets as follows: "assets seized in criminal proceedings, according to the lists attached to the original"¹⁹. However, these lists are not publicly available. As for the available court decisions relating to this case, some information is closed with the note "Information with restricted access".

At the same time, the list of legal entities whose **corporate rights** were seized in this case can be found in one of the court rulings issued within the relevant criminal proceedings²⁰. The information published by ARMA on its website also indicates that on 15 March 2024 PJSC "Ukrnafta" received into management "**corporate rights** of enterprises, real estate in the form of **fuel filling complexes** and **land plots, oil depots and other assets**"²¹.

It is also known that not all assets seized in this case were transferred into management. ARMA explains this by stating that a certain number of assets are located in the occupied territories²². The most complete information on the "Glusco Assets" can be found in the Unified State Register of Assets Seized in Criminal Proceedings²³, by entering the number 22019000000000022 in the search field titled "Criminal proceeding number in the URPI". However, it should be noted that the description of each asset partly does not correlate with the facts of this case.

Thus, the information blocks for each of these assets contain a reference (probably by mistake) to the CMU Order of 23 May 2023 on the transfer of assets to PJSC "Ukrnafta"²⁴²⁵. However, the agreements concluded with the previous manager were terminated early by the Agency on 3 August 2023, and the new manager for these assets (PJSC "Ukrnafta") was designated by the CMU Order of 12 September 2023²⁶. Accordingly, the asset descriptions should refer to the latter document.

3. Grounds for seizure of the asset and its transfer to ARMA

The criminal proceedings (22019000000000022) concerning the business entities comprising the "Glusco Group" were initiated on 30 January 2019 and concerned the investigation of economic offences²⁷. According to the investigation, the "Glusco Group" brought together business entities that were interconnected through common beneficial owners.

¹⁸ https://arma.gov.ua/upravyteli_arma

¹⁹ <https://zakon.rada.gov.ua/laws/show/797-2023-%D1%80#Text>

²⁰ <https://opendatabot.ua/court/104985781-5030d3a1f5640a566c74c71d30154fc7>

²¹ surl.li/ncnoha

²² surl.li/rrcpmm

²³ <https://reestr.arma.gov.ua/>

²⁴ surl.li/sdnabs

²⁵ surl.li/wbxfsu

²⁶ <https://zakon.rada.gov.ua/laws/show/797-2023-%D1%80#Text>

²⁷ surl.li/jizqrng

*In order to prevent the beneficiaries from carrying out re-registration actions that they could have used to evade liability and to prevent recovery of damages in the criminal case, on 3 and 8 June 2021 the investigating judge of the Kyiv District Court of Kharkiv issued rulings imposing seizure on **shares in the charter capitals** of the legal entities belonging to the "Glusco Group"²⁸. On 9 May 2022, the investigating judge issued a ruling imposing seizure on the **real estate assets** of these legal entities²⁹. On the same day, the same investigating judge issued a ruling transferring the seized assets into ARMA's management³⁰.*

²⁸ surl.li/zgbgmj.

²⁹ surl.li/zgbgmj

³⁰ surl.li/zgbgmj