

COVID-19 in numbers:

UkraineCases: **2,270,226**Deaths: **53,368**Recovered:
2,199,118**Worldwide**Cases: **210,613,162**Deaths: **4,413,071**Recovered:
188,626,627[Agribusiness in Ukraine](#)[Corruption Watch](#)[State-Owned Enterprises](#)[Ukraine's Booming Agricultural Sector](#)

State Grain Corporation head Vlasenko tries to flee amid \$57 million fraud investigation

By Dylan Carter. Published Aug. 12. Updated Aug. 12 at 7:08 pm



 Andriy Vlasenko, head of the State Food and Grain Corporation of Ukraine, was detained by police officers at Zhuliany Airport in Kyiv in the early hours of Aug. 13. Law enforcement believes that he was attempting to leave Ukraine in order to avoid prosecution over an alleged \$57 million fraud discovered in the State Food and Grain Corporation of Ukraine.

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Photo by National Police Press Service

Editor's Note: This story has been updated with new developments on Aug. 13.

Andriy Vlasenko, head of the State Food and Grain Corporation of Ukraine, was detained by police officers at Zhuliany Airport in Kyiv in the early hours of Aug. 13.

Law enforcement believes that he was attempting to leave Ukraine in order to avoid prosecution.

Officials from the State Food and Grain Corporation perpetrated a scheme that cost the state \$57 million, the National Police **reported** on Aug. 12.

Investigators suspect Vlasenko of misappropriation of funds and abuse of office. Petitions are being prepared in court to keep the suspects in custody.

Vlasenko was appointed to the position of the unprofitable State Food and Grain Corporation on Nov. 11, 2020 after working for Ukrliktrava, a state-run cereal company.

Between January and May, corporation officials allegedly exported \$231 million worth of grain at reduced prices, without down payments.

The officials allegedly set up crooked intermediary companies, which bought grain with state credit funds before selling the goods abroad below market rates.

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Authorities opened criminal proceedings against officials involved in the scheme, conducting 62 searches in Kyiv, Volyn, Dnipropetrovsk, Rivne and Odesa.

Police seized more than \$200,000 in cash, along with financial documents, computer equipment and mobile phones.

Law enforcement officers also opened an abuse of office investigation into the state company's management.

The scheme was cooked up in a year when Ukraine has enjoyed one of its best grain harvests of the last decade. The country expects to harvest up to 76 million tons of grain this year, 11 million tonnes more than last year.

Despite the country's successful harvest, the State Food and Grain Corporation of Ukraine is infamously unprofitable, having made a net loss of \$5.5 million in the first quarter of 2021.

In 2020, the corporation was marked for privatization by the State Property Fund of Ukraine. International consultancy firm KPMG was tapped to help.

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