



## Resolution 2652 (2026)<sup>1</sup>

# Tracking the proceeds of the crime denounced by Sergei Magnitsky and holding its perpetrators accountable

Parliamentary Assembly

1. The Parliamentary Assembly reaffirms its unwavering commitment to combating impunity for perpetrators of serious human rights violations and to combating corruption, which poses a threat to the rule of law. It reiterates its call for all those responsible for the death of Sergei Magnitsky, as well as the beneficiaries of the fraud he uncovered, to be held accountable.
2. Referring to its [Resolution 1966 \(2014\)](#) “Refusing impunity for the killers of Sergei Magnitsky”, the Assembly recalls that Sergei Magnitsky, a Russian tax adviser and auditor, uncovered a massive fraud perpetrated by Russian Government officials and accomplices involving the embezzlement of approximately US\$230 million through the fraudulent appropriation of tax rebates from the Russian Treasury. Mr Magnitsky revealed that the scheme was executed through the illegal seizure of companies belonging to his client, Hermitage Capital Management, and the subsequent fabrication of official documents. In retaliation for his revelations, Mr Magnitsky was arrested, subjected to inhuman and degrading treatment and denied medical care, and ultimately died in a Moscow prison in 2009. He was posthumously convicted of tax evasion. The international responsibility of the Russian Federation for his ill-treatment, death and conviction was legally established in a judgment of the European Court of Human Rights in 2019, which found multiple human rights violations in his case. All criminal cases within the Russian Federation against the officials involved in Mr Magnitsky’s ill-treatment and death have been closed, with no one being held to account. Some of them were publicly commended by senior officials of the Russian Federation, and others received promotions.
3. Proceeds of the crime exposed by Mr Magnitsky were laundered through a complex network, potentially involving waystations in several States, including the Russian Federation, Belgium, Cyprus, Estonia, France, Latvia, Lithuania, Luxembourg, the Republic of Moldova, Monaco, the Netherlands, Spain, Switzerland, the United Kingdom, the United States of America and the United Arab Emirates.
4. The Assembly welcomes that many member and observer States of the Council of Europe, including Switzerland, opened investigations into the reported laundering of proceeds originating from the fraud against the Russian Treasury. It deeply regrets that several other member and observer States either did not open such investigations (Austria, Canada, Denmark, Finland, Sweden, and the United Kingdom) or failed to secure convictions and/or confiscations (Belgium, Cyprus, Lithuania and the Republic of Moldova). It notes with satisfaction that in five States these investigations resulted in convictions, settlements and/or confiscations of the proceeds of the crime (France, Latvia, Netherlands, Switzerland, the United States of America). It regrets however that in several States the proceedings have not led to any conclusions or convictions so far. Referring to its [Resolution 2218 \(2018\)](#) “Fighting organised crime by facilitating the confiscation of illegal assets”, the Assembly strongly reiterates its support for the confiscation of illegal assets as an effective tool in the fight against organised crime, including by reducing the authorities’ burden of proof as to the criminal origin of unexplained wealth.

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1. *Assembly debate* on 22 April 2026 (15th sitting) (see Doc. 16362, report of the Committee on Legal Affairs and Human Rights, rapporteur: Ms Lesia Vasylenko). *Text adopted by the Assembly* on 22 April 2026 (15th sitting).  
Provisional version subject to editorial review.



5. The Assembly welcomes the fact that on 30 March 2026, the Paris Correctional Court held the first criminal trial in a Western jurisdiction against Dmitry Klyuev, the principal organiser of the US\$230 million fraud, for aggravated habitual money laundering, with a verdict expected on 8 June 2026.

6. In Switzerland, in response to a complaint lodged by Hermitage Capital Management, the prosecuting authorities found a link between the funds embezzled from the Russian Treasury and part of the assets held in Swiss banking accounts. In 2021, they decided to confiscate a quarter of the funds frozen during the investigation, applying the so-called “proportional confiscation” method, on the grounds that the embezzled assets were mixed with assets of lawful or undetermined origin. These prosecuting authorities further re-examined Hermitage Capital Management’s status as a private claimant and decided to revoke it. The decision became final in January 2025 when Hermitage Capital Management’s appeal was rejected by the Swiss Federal Supreme Court.

7. The Assembly regrets that the Swiss money laundering investigation, notwithstanding the prompt seizure of approximately US\$18 million in alleged proceeds of the crime exposed by Mr Magnitsky, has been overshadowed by serious allegations that Swiss officials involved in the investigation accepted undue advantages from high-ranking Russian officials and oligarchs. The Office of the Attorney General of Switzerland opened criminal proceedings against a member of the Swiss investigative team, charging him with abuse of authority, breach of official secrecy, and accepting a bribe. He was ultimately convicted by a court, although the Office of the Attorney General of Switzerland downgraded the charge to accepting undue advantages. The authorities determined that this investigator’s conduct had no impact on the investigation itself or on its findings.

8. The assets originally seized were located in Swiss accounts belonging to Dmitry Klyuev, Denis Katsyv and Vladlen Stepanov – three Russian citizens identified in multiple jurisdictions, including in the United States of America, as persons directly involved in the large-scale fraud denounced by Sergei Magnitsky and/or the laundering of the proceeds of that fraud. Their names appear on the “Magnitsky sanctions” lists in several Council of Europe member and observer States.

9. The Assembly takes note that, to date, Switzerland has not enacted its own “Magnitsky legislation” and that it regards confiscation predominantly as a criminal measure, which in most cases requires a court conviction. This contrasts with several other jurisdictions, including the United States, the United Kingdom and numerous European Union member States, where confiscation may be ordered through non-conviction-based proceedings. Swiss law permits non-conviction-based confiscation primarily in relation to illicit assets of foreign politically exposed persons, and on the basis of presumptions regarding assets linked to criminal organisations.

10. Notwithstanding the well-documented nature of the fraud in the Russian Federation, including a detailed investigation by the United States Department of Justice implicating Messrs Klyuev, Katsyv, and Stepanov, the Swiss prosecuting authorities, having regard to the position of the General Prosecutor’s Office of the Russian Federation, concluded that it was not possible to consider the money laundering to be the work of a criminal organisation. This conclusion precluded the ordering of confiscation of the seized assets through non-conviction-based proceedings. By contrast, the authorities in the United States and in France determined that the US\$230 million fraud and subsequent laundering was conducted by a criminal organisation involving Russian Government officials.

11. The Assembly observes that, according to the 2021 Swiss report on the national assessment of the risks of money laundering and terrorist financing published by the Federal Department of Finance, the main risk to which Switzerland is exposed is that of being used as a location for the laundering of assets obtained from financial crimes committed abroad. This risk is explained by the strong international focus of the Swiss financial centre and, in particular, its dominant position in cross-border asset management. The Assembly therefore considers that the utmost caution is required when dealing with attempts by suspected foreign criminals to misuse the Swiss financial system in order to launder the proceeds of crimes committed abroad. Due to the described exposure of Switzerland, the Assembly appreciates its attachment to the standards of the Financial Action Task Force (FATF).

12. In this context, the Assembly welcomes the judgment of the Swiss Federal Supreme Court of 5 December 2025, declaring the so-called “proportional confiscation” method unlawful. The Assembly notes that the Swiss Federal Supreme Court described its ruling as a “landmark judgment”. Under Swiss law, the invalidation of the proportional method must apply equally to all three account holders, regardless of the amount involved.

13. The Assembly expresses serious concern that, following the Swiss Federal Supreme Court's ruling of 5 December 2025 declaring the proportional confiscation method unlawful and ordering recalculation, the Swiss authorities did not refreeze the funds held by Denis Katsyv. According to banking records reported by SWI on 18 April 2026, Denis Katsyv transferred approximately CHF 6 million from his UBS accounts to banks in Armenia and Israel on 12 February 2026.

14. Nevertheless, considering the high-profile nature of the Swiss investigation, the serious allegations of misconduct against former Swiss investigators due to their close links with high-ranking Russian officials, which have been duly examined by the competent Swiss judicial authorities (including within the framework of recusal requests), the prominent global status of the Swiss financial centre, and the decision to release the assets belonging to Russian citizens appearing on the "Magnitsky sanctions" lists in several Council of Europe member and observer States, the Assembly regrets that the Swiss authorities were not able to prove the allegations and confiscate all the seized assets.

15. The Assembly finds it regrettable that at a time when the Russian Federation is attempting to assert its dominance in its illegal war of aggression against Ukraine, including by increasing attacks against the Ukrainian civilian population, the money originally seized in Switzerland will return to the disposal of three Russian citizens with established links to the Russian State apparatus.

16. Referring to its [Resolution 2218 \(2018\)](#), the Assembly reiterates that the confiscation of illegal assets is often impeded by an unreasonably heavy burden of proof placed upon the competent national authorities. Consequently, the Assembly invites Switzerland and other Council of Europe member and observer States to:

16.1. review their legislation and, where applicable, to introduce or expand the use of non-conviction-based confiscation, in particular by reversing the burden of proof as to the origin of unexplained wealth, while establishing appropriate safeguards;

16.2. review the application of the "proportional confiscation" method, and consider replacing it with more dissuasive alternatives to punish perpetrators of money laundering.

17. The Assembly urgently calls on the Swiss authorities to:

17.1. refreeze the assets of all three account holders (Denis Katsyv, Vladlen Stepanov and Dmitry Klyuev) and recalculate confiscation amounts in accordance with the Federal Supreme Court's "arrêt de principe" of 5 December 2025;

17.2. explore all available legal avenues, including mutual legal assistance, to trace and recover funds that have already left Switzerland;

17.3. sign and ratify the Council of Europe Convention on Laundering, Search, Seizure and Confiscation of the Proceeds from Crime and on the Financing of Terrorism (CETS No. 198) and, once adopted and opened for signature, its Additional Protocol; and bring Swiss confiscation law and practice into line with modern asset-recovery standards, including the effective use of extended confiscation, non-conviction-based confiscation and confiscation from third parties, as shortcomings in this area were laid bare in the handling of the proceeds linked to the Magnitsky case.

18. The Assembly further calls on all member and observer States who have not yet done so to consider, in line with [Resolution 2252 \(2019\)](#) "Sergei Magnitsky and beyond – fighting impunity by targeted sanctions", enacting legislation or other legal instruments enabling the executive, under the general supervision of parliament, to impose targeted sanctions, such as visa bans and asset freezes, against individuals reasonably believed to be personally responsible for or benefiting from serious human rights violations for which they enjoy impunity for political reasons or due to corrupt practices.

19. The Assembly further calls on the European Union to:

19.1. apply its EU Global Human Rights Sanctions Regime (EU Magnitsky Act) to individuals involved in the ill-treatment and death of Sergei Magnitsky;

19.2. expand the EU Magnitsky Act to enable the sanctioning of legal and natural persons, responsible for, or intentionally participating in, acts of significant corruption, including the misappropriation of private or public assets for personal gain, corruption related to expropriation, government contracts or the extraction of natural resources, bribery, or facilitating or transferring the proceeds of corruption to foreign States.

20. Finally, the Assembly calls on the FATF and the Committee of Experts on the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism (MONEYVAL) to consider issuing a recommendation requiring States to introduce the reversal of the burden of proof in relation to unexplained wealth.