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PRESS RELEASE

For immediate release

Turkmenistan's gas billions: Deutsche Bank must safeguard state funds following Niyazov's death

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Following the reported death of President Niyazov, anti-corruption campaigners today warned that billions of dollars of Turkmenistan's public funds held in accounts at Deutsche Bank in Frankfurt need to be kept safe until they can be used for the benefit of the citizens of the gas-rich country.

Between two and three billion US dollars of Turkmenistan's public funds are held by the Turkmen Central Bank at Deutsche Bank in Frankfurt, according to research by Global Witness, a London-based group that investigates the role of natural resources in fuelling conflict and corruption. Further billion-dollar foreign reserve funds of oil, gas and cotton revenues, which were under the sole control of Niyazov, are also believed to be held at Deutsche Bank. Evidence suggests that many of Niyazov's bizarre prestige projects, including golden statues and palaces, were paid for out of these funds.¹

"Niyazov's failure to use public funds for the good of the population, and the secrecy surrounding these accounts, raises serious concerns about what might happen to this money if there is any political instability following his death," said Tom Mayne, a campaigner at Global Witness.

Deutsche Bank must now take special care to monitor any suspicious activities relating to these accounts and report them to the German authorities. Global Witness believes that no withdrawals or transfers should be allowed from any accounts held by the Turkmen state or its representatives before an internationally-recognised government has assumed power and credible transparency measures have been put in place. Global Witness would welcome an assurance from Deutsche Bank to ensure that money from these accounts is only withdrawn or transferred for legitimate public purposes.

"As a member of both the UN Global Compact and the Wolfsberg group of banks, Deutsche Bank has committed itself to a high duty of care to prevent corruption and money-laundering. This is an opportunity for Deutsche Bank to put these words into action," said Tom Mayne.
Ends

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¹ See Global Witness, *It's a Gas: Funny Business in the Turkmen-Ukraine Gas Trade*, April 2006
http://www.globalwitness.org/media_library_detail.php/479/en/its_a_gas_funny_business_in_the_turkmen_ukraine_g

Global Witness campaigns to achieve real change by highlighting the links between the exploitation of natural resources, conflict and corruption. Through a combination of covert investigations and targeted advocacy, Global Witness has changed the way the world thinks about the extraction and trading of natural resources, and the devastating impact their unsustainable exploitation can have upon development, human rights and stability. Global Witness was co-nominated for the 2003 Nobel Peace Prize for its leading work on 'conflict diamonds' and awarded the Gleitsman Foundation prize for international activism in May 2005. For more information visit www.globalwitness.org