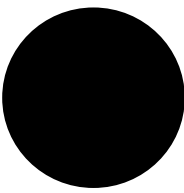


## ANNUAL REPORT 2023

**CEO'S ADDRESS / CPI 2023 / WAR / INFORMATION  
SUPPRESSION / PRESSURE ON CIVIL SOCIETY AND  
INTENSIFIED REPRESSION / UNDESIRABLE / DEATHS  
OF TOP EXECUTIVES / ELITE REAL ESTATE / CORRUPTION  
IN PUBLIC PROCUREMENT / CRYPTOCURRENCY  
EXCHANGES IN MOSCOW CITY / NOMINEES' BLACK  
MARKET / ILLEGAL FUND TRANSFERS / EVENTS  
AND EDUCATION / MEDIA / FINANCES**



## CEO'S ADDRESS

Dear colleagues and partners,

In 2023, our organisation encountered significant challenges. Amidst Russia's ongoing war in Ukraine and the intensifying repression against independent Russian media and political opposition, Transparency International Russia was declared an undesirable entity within the country. Nonetheless, we have successfully restructured our operations and adapted to these new circumstances.

In autumn 2023, we transitioned to operating from outside Russia, establishing Transparency International Russia in exile. During this period, we completed several critical investigations into schemes involving the laundering of criminal proceeds abroad, utilising methods such as cryptocurrency and electronic payment systems.

One of our key accomplishments was an investigation into how corruption in Russia fuels the war in Ukraine. We continue to underscore that corruption is not merely an internal issue for Russia but a pressing threat to international security.

The year 2023 marked a pivotal moment for our organisation. For the first time in our 20-year history, we found ourselves outlawed in Russia and facing the risk of persecution. However, this period has also brought us unprecedented support from colleagues across the globe. We have become the only Transparency International chapter working in exile, with growing interest in our activities and expert assessments.

This new phase in our work presents not only challenges but also significant opportunities. We are beginning a new chapter in the history of Transparency International, and we are confident that, despite all obstacles, we will continue our crucial mission to combat corruption and protect the rights and freedoms of citizens.

Thank you all for your continued support and cooperation.

Sincerely,  
**Iliia Shumanov**  
CEO, Transparency International Russia

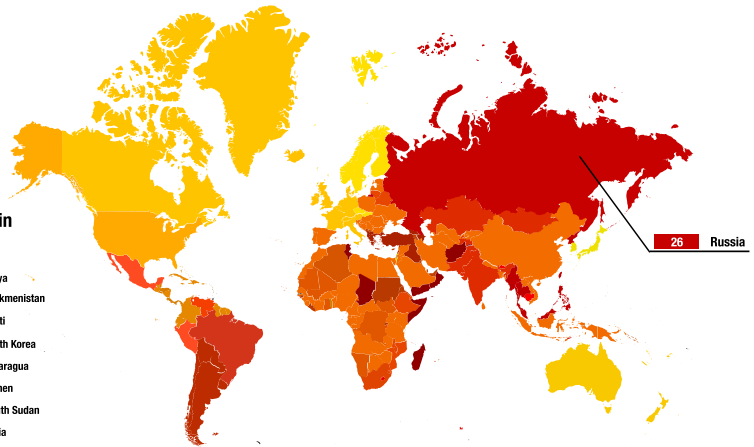


# 2023 CORRUPTION PERCEPTIONS INDEX

The central theme of the CPI-2023 is the effectiveness of judicial systems. The rankings indicate that in countries where principles of justice are undermined, corruption frequently goes unpunished and, in some cases, is even encouraged.

In 2023, Russia scored 26 out of 100 points, placing 141st out of 180. Guinea, Kyrgyzstan, and Uganda achieved the same results.

## 2023 CORRUPTION PERCEPTION INDEX

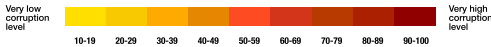


### Corruption Perception Index in the public sector

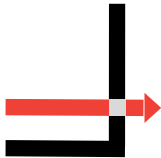
|    |             |    |              |
|----|-------------|----|--------------|
| 90 | Denmark     | 18 | Libya        |
| 87 | Finland     | 18 | Turkmenistan |
| 85 | New Zealand | 17 | Haiti        |
| 84 | Norway      | 17 | North Korea  |
| 83 | Singapore   | 17 | Nicaragua    |
| 82 | Sweden      | 16 | Yemen        |
| 82 | Switzerland | 13 | South Sudan  |
| 79 | Netherlands | 13 | Syria        |
| 78 | Germany     | 13 | Venezuela    |
| 78 | Luxembourg  | 11 | Somalia      |

leaders

outsiders



[www.transparency.org/cpi](http://www.transparency.org/cpi)



The top-ranking countries remained unchanged in 2023. Denmark, with a score of 90, has led the index for the sixth consecutive year, followed by Finland and New Zealand with scores of 87 and 85, respectively. The effectiveness of their judicial systems also places these countries at the top of the **Rule of Law Index**.



## RUSSIA IN CPI-2023

Score **26/100** Rank **141/180**

Score in 2022: **28/100**

The same score was recorded in 2018 and 2019

Scores in 2017 and 2021: **29/100**

Score in 2020: **30/100**



## RUSSIA'S "NEIGHBOURS"

**28/100**

Gabon  
Laos  
Mali  
Paraguay

**27/100**

Cameroon

**25/100**

Liberia  
Madagascar  
Mozambique  
Nigeria

## EASTERN EUROPE AND CENTRAL ASIA COUNTRIES

COMPARED TO 2022

**48** ↑  
**47**

Armenia

**45** ↑  
**42**

Moldova

**39** ↑  
**36**

Ukraine

**36** ↑  
**35**

Bosnia and Herzegovina

**35** ↑  
**33**

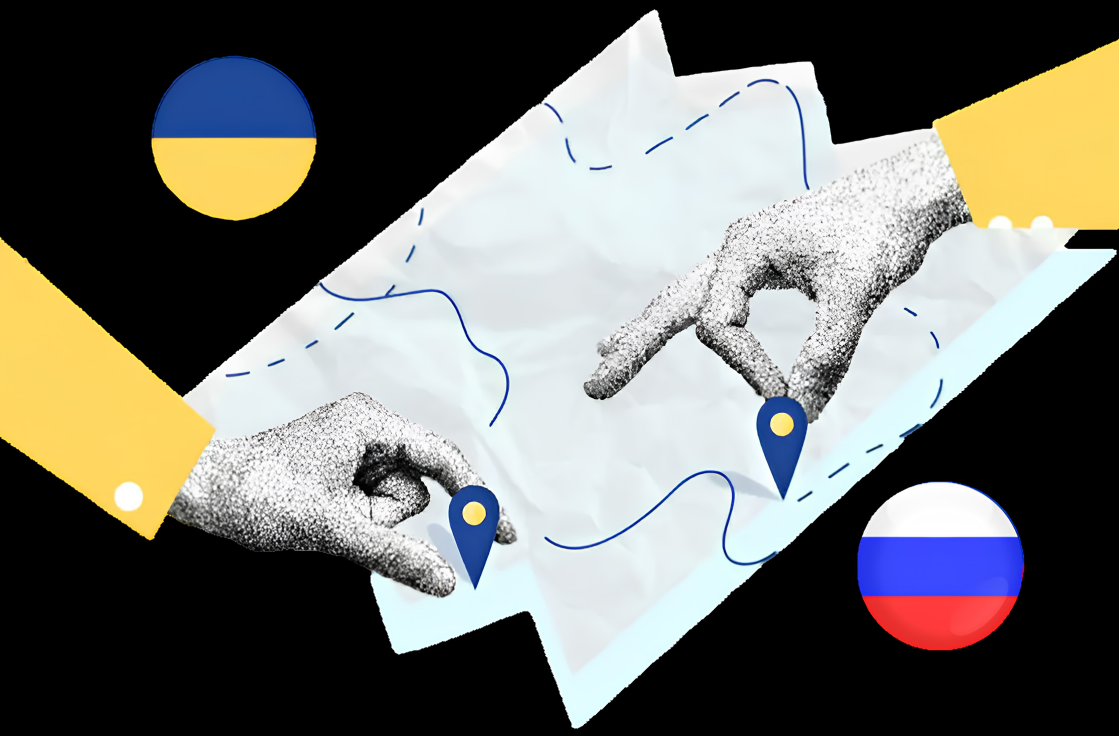
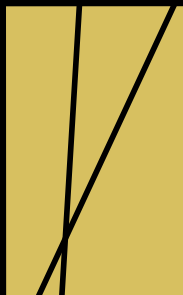
Uzbekistan



# WAR

The full-scale war launched by the Putin regime against Ukraine on 24 February 2022 has become a prolonged tragedy for millions of Ukrainians, who have lost loved ones, homes, and peaceful lives. This conflict has also fundamentally altered the course of modern history in Europe and Russia, impacting the lives of countless individuals and organisations. The war devastates lives, shatters social bonds, and deprives people of a future. For Russia, it has been a profound blow to society: censorship is intensifying, civil liberties are being eroded, and the struggle for transparency and accountability grows ever more challenging. Dissent is stifled, and expressing opposition to the war or advocating for peaceful coexistence has become nearly impossible.

This war is destroying not only lives but also the very foundations of open dialogue, trust, and solidarity. Despite this, we remain steadfast in our mission, holding firm to the belief that transparency, integrity, and democracy—values we have championed for over 25 years—are worth defending, even in the most challenging circumstances.



In 2023, Russian authorities substantially tightened control over access to information and intensified pressure on civil society, effectively silencing independent voices and impeding transparency.

## INFORMATION SUPPRESSION



The year 2023 saw a continuation of escalating restrictions on anti-corruption efforts in Russia, a trend that began after the full-scale invasion of Ukraine in 2022. New legislation was introduced throughout the year, severely limiting access to information: public access to declarations from parliamentarians and regional authorities was closed; Rosreestr (the Russian State Register) ceased providing property ownership data to third-party requesters; and the government was empowered to suspend the publication of any state statistical data. These measures have significantly obstructed anti-corruption efforts in Russia.

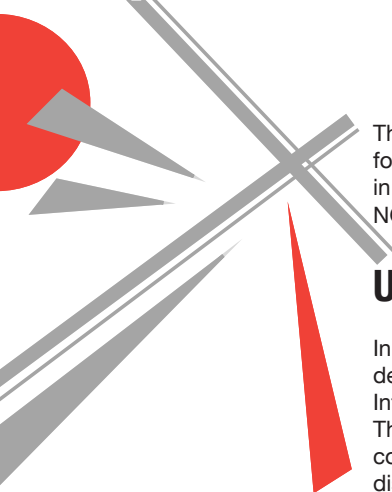
## PRESSURE ON CIVIL SOCIETY AND INTENSIFICATION OF REPRESSION

The year 2023 saw a significant intensification of pressure on non-governmental organisations and activists in Russia. Laws on «foreign agents,» «undesirable organisations,» and «military fakes» emerged as central instruments in the repression of civil society.

In April 2023, Vladimir Putin signed legislation imposing stricter penalties for collaborating with international organisations in which Russia is not a member, as well as for providing assistance to foreign state bodies. Additionally, amendments to the citizenship law allowed for the revocation of acquired citizenship from individuals prosecuted under criminal cases for «discrediting» the Russian army or associating with «undesirable» organisations.

Moreover, new bills were introduced in the State Duma to further tighten «foreign agent» legislation and establish criminal liability for creating or participating in unregistered foreign non-governmental organisations.





These measures have significantly restricted the space for public activity and independent investigations in Russia, making international engagement for Russian NGOs increasingly challenging.

## UNDESIRABLE ORGANISATION

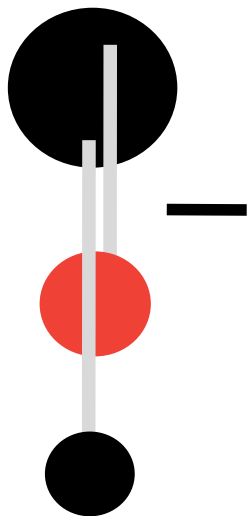
In March 2023, the Russian Prosecutor General's Office designated the international movement Transparency International (TI) as an "undesirable" organisation. The application of this legislation in Russia rendered continued operations of our branch unsafe, resulting in the dissolution of our legal entity—the Autonomous Nonprofit Organisation "Centre for Anti-Corruption Research and Initiatives Transparency International-R" (Centre "TI-R"), which was established in 2000.

The organisation's website, [transparency.org.ru](https://transparency.org.ru), has been inactive since the cessation of activities and now serves as an archive of the extensive work accomplished over many years. However, the expertise and knowledge accumulated in nearly a quarter-century of anti-corruption efforts cannot simply vanish. As a result, in September, we resumed operations outside Russia in a new format.

Our decision received support from the international Transparency International (TI) movement, with team members of TI-R based outside Russia officially accredited as the "Russian TI Chapter in Exile."

Since resuming our work, we have focused on the international dimensions of corruption, investigating the impact of Russian corruption on global processes and the participation of Russian officials in international corruption schemes.

We remain steadfast in our civil resistance against corruption in Russia, upholding the principles of transparency, accountability, integrity, and honesty.



We are immensely proud of our colleagues who, despite the “undesirable” designation, the risk of persecution, the challenges of re-establishing operations, and other associated difficulties, have continued their crucial work with unwavering professionalism and expertise. We are pleased to share some of our achievements in 2023 with you!

## DEATHS OF TOP EXECUTIVES

In a joint investigation with Novaya Gazeta Europe, we conducted an investigation that uncovered a money-laundering scheme involving a luxury hotel and a yacht marina in Montenegro. This scheme may be connected to the mysterious death of a Gazprom executive.

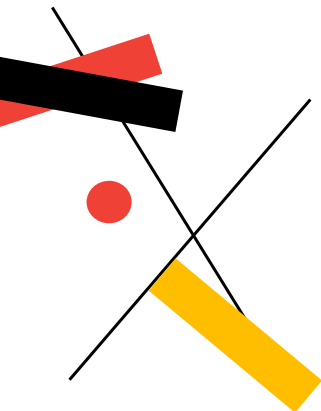
Throughout 2022, senior executives from Russian oil and gas companies died one after another under suspicious circumstances. Currently, there is no clarity regarding the causes of these deaths, the outcomes of the investigations, or the responses from state-owned companies. Transparency International Russia, in collaboration with Novaya Gazeta Europe, discovered that these executives worked within structures that we suspect are involved in financial manipulations related to multi-billion-dollar contracts with Gazprom. Beneficiaries of these schemes included family members of the deputy chairman of the gas monopoly and his close associates—individuals with backgrounds in intelligence and military services.

## ELITE REAL ESTATE

In one of our investigations, the Transparency International Russia team uncovered that individuals bearing the same full names as figure skaters Alina Zagitova, Evgenia Medvedeva, and Diana Davis became owners of elite real estate in Moscow. These apartments are situated in a residential complex where the government acquires housing for state employees.

Over recent years, we have been examining how officials are provided with housing. In Moscow’s Ochakovo-Matveevskoe district, we identified three luxury apartments owned by individuals named Zagitova, Medvedeva, and Davis, each with a substantial floor area.

These apartments previously belonged to the Russian Federation and were managed by the Federal State Budgetary





Institution “Office for the Operation of the Housing Stock of the Presidential Property Management Department of the Russian Federation.” Their cadastral values range from 39 to 50 million roubles, while the market values reach up to 70 million.

Russia allocates billions of roubles towards housing for state employees, and in certain cases, athletes receive luxury housing through non-transparent schemes. Since 2012, approximately 650 state employees have benefited from housing subsidies, with no legal restrictions on the subsidy amounts or requirements to demonstrate need. Half of these beneficiaries already owned other properties, with some holding as many as five apartments.



## CORRUPTION IN PUBLIC PROCUREMENT



Several of our investigations have exposed evidence of corruption in sectors crucial to public welfare. Notably, we uncovered collusive practices in procurement for Lobnya Central Hospital.

Our experts found that the primary supplier to Lobnya Municipal Hospital in Moscow Oblast, LLC “Freyr,” had been responding to auction participants’ inquiries on the hospital’s behalf since 2017 and setting medical product requirements tailored to its own supplies. Metadata from documents on the public procurement website confirms this, showing authorship data linked to Freyr. As a result, Freyr was awarded contracts worth over 57 million roubles.



We also identified suspicious procurement activities at a hospital in the Novosibirsk region, where public records indicate that a supplier may have prepared procurement documentation.

Our specialists discovered around ten tenders from Karasuk Central District Hospital (CRH) where, based on digital traces, documentation may have been prepared by LLC «Intrade.» In recent years, this company has secured at least 136 contracts with Karasuk CRH, totalling approximately 11 million roubles, while a related sole proprietorship obtained around 120 additional contracts worth approximately 10.2 million roubles.





We have also suspected the administration of Armizonsky District in the Tyumen Region of collusion concerning boiler house repair works. Our investigation revealed that the expected auction winner had drafted the technical specifications for the contract, valued at 11.2 million roubles, a month prior to the tender announcement.

## CRYPTOCURRENCY EXCHANGES IN MOSCOW CITY

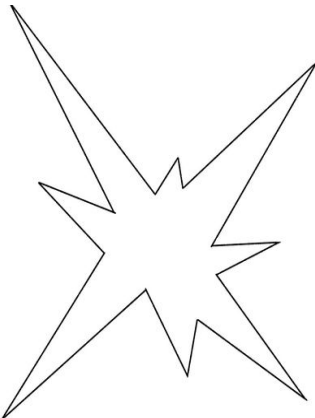
We have identified that several cryptocurrency exchanges operating within Moscow City are prepared to facilitate anonymous international fund transfers, including to the United Kingdom.

Eight exchanges in Moscow City were willing to exchange USDT for British pounds, followed by cash disbursement in London. The transaction process across these exchanges follows a consistent model: initially, the client is required to make a prepayment by transferring USDT to a designated cryptocurrency wallet. Subsequently, a courier delivers the cash to a specified location in London on the same day or the day after. Most exchanges indicated that Russian-speaking couriers are available in London. In each instance, we successfully arranged a USDT exchange exceeding £10,000.

Through analysis of data from cryptocurrency wallets used for USDT transactions, we established that, on average, between \$420,000 and \$470,000 passed through these wallets monthly. Each exchange utilises multiple such wallets.

Our investigation has identified several shadow cryptocurrency exchanges operating in the United Kingdom that are prepared to exchange cryptocurrency for cash without verifying clients' identities. This practice breaches British laws and introduces significant corruption risks, underscoring the vulnerability of the financial system to high-ranking officials laundering illicit funds.

**Following the publication of our investigation, the FBI took action to shut down the websites and seize the servers of nine cryptocurrency exchanges, several of which were referenced in our report.**



# NOMINEES' BLACK MARKET

The first investigation by Transparency International Russia since resuming operations in exile focuses on anonymous cryptocurrency-to-fiat transfers.

Our investigation uncovered a black market for verified accounts in cryptocurrency-to-fiat transfer systems, facilitating the anonymous movement of funds from Russia to the United Kingdom and the European Union. To understand how this market operates, we posed as prospective buyers and engaged with account sellers.

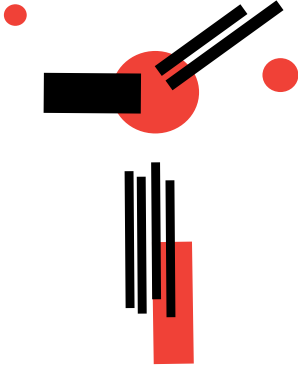
We focused particularly on accounts registered with Wirex, a British company and a significant entity in the crypto-to-fiat sector. Wirex enables the transfer of cryptocurrency to traditional bank accounts and offers bank cards. Thus, purchasing a verified account on the black market permits individuals to convert illicitly obtained funds from cryptocurrency to fiat currency anonymously, bypassing standard client verification procedures.

Our research revealed that buying a verified account, while illegal, is a straightforward process that preserves anonymity for both buyer and seller. These accounts are registered to EU citizens and refugees, with prices ranging from \$30 to \$220. Suppliers provide up to 60 accounts per week, supporting practices such as smurfing—a money laundering tactic in which large sums are divided into smaller transactions to evade regulatory detection.

The average monthly inflow to the USDT wallet of one seller was approximately \$95,088, theoretically corresponding to hundreds, if not thousands, of account sales each month.

Our investigation has underscored vulnerabilities within the financial system that allow malicious actors to channel illicit funds into the traditional banking system through cryptocurrency transactions.

Subsequent to our findings and with the backing of Transparency International UK and media attention, Wirex announced the implementation of enhanced measures to mitigate risks associated with the darknet. A central component of this security upgrade addresses nominees' black market, which we identified as a substantial money-laundering threat for cryptocurrency payment providers.





## ILLEGAL FUND TRANSFERS

We analysed cases of illegal fund transfers from Russia to the United Kingdom over the past decade.

Our focus centred on Russian court rulings under Articles 193 and 193.1 of the Russian Criminal Code, which pertain to illegal currency transactions and the use of falsified documents. Between 2013 and 2022, we identified several hundred such rulings, with British companies implicated in every tenth case. Over this period, at least 20 billion roubles (approximately £150 million) were syphoned out of Russia through these entities, accounting for around 10% of the total volume of illicit funds laundered via trade.

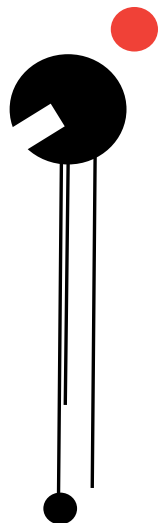
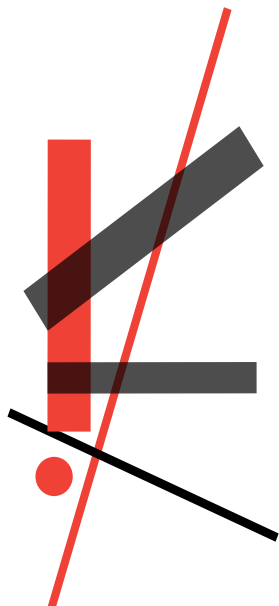
This method of illegal fund transfer is commonly referred to as trade-based money laundering (TBML). Our investigation reveals two dozen previously unreported cases of funds laundered from Russia through TBML schemes.

Some of these schemes involve genuine shipments of goods, albeit with inaccurate values listed on customs declarations or under the pretence of different products. For instance, copper powder or industrial cleaning agents might be falsely declared as other types of goods.

In other cases, no physical shipment takes place; instead, falsified documents report export-import transactions for items such as electronic equipment or construction materials. This practice also extends to services, including transport and forwarding, which are inherently more challenging to verify.

Transactions are facilitated through companies incorporated under the English common law system, such as Scottish Limited Partnerships (SLPs), which act as intermediaries within international “laundromats” – cross-border money-laundering schemes. These companies are often founded by shell entities registered in offshore jurisdictions like the Seychelles, Marshall Islands, British Virgin Islands, or Belize, effectively concealing information about the ultimate beneficiaries.

Our research examines illicit trade operations originating from Russia up until 2022. However, following Russia’s invasion of Ukraine, we are observing how similar British-registered firms and shell companies may be repurposed to facilitate the supply of dual-use goods to Russia.



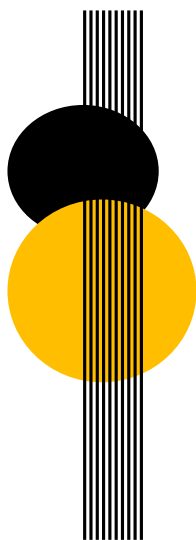
## EVENTS AND EDUCATION

# 1286

individuals participated in our online events and events held outside of Russia in 2023. Our work spanned a diverse audience, including students, schoolchildren, entrepreneurs, journalists, and civil society activists. Key events included internship programmes, live-stream discussions on topics such as the impact of sanctions on environmental corruption, the distribution of privileges in Russian sports, and the erosion of governmental accountability. We also explored the restriction of information access through the weakening of anti-corruption legislation, including the dismantling of declaration systems and the closure of public databases.

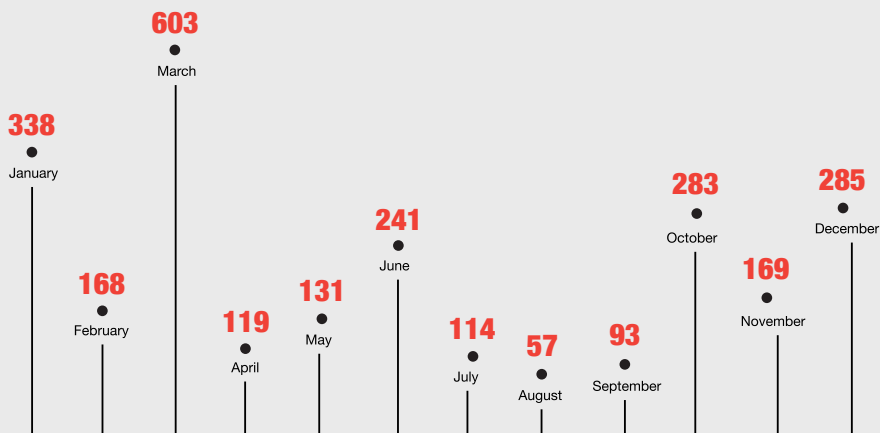
As part of the “70 Steps Against Corruption” programme, we held events focusing on experience-sharing in anti-corruption investigations and conducted seminars on accessing information and drafting appeals to government authorities. Additionally, we organised educational courses on effective anti-corruption strategies, tools for combating corruption, and trends in anti-corruption policy. Participants received practical advice and insights into anti-corruption education, learned from examples of successful reforms, and were introduced to relevant sources for conducting anti-corruption investigations.

A significant emphasis was placed on the gendered aspects of corruption and anti-corruption, enhancing understanding of the social and cultural factors that influence corruption. TI-R experts also engaged in international events, including training sessions for University of South Florida students and anti-corruption lessons for teenagers from Eastern Europe, fostering an exchange of international experience and the spread of best practices in anti-corruption efforts.



# CITATIONS IN MEDIA, NEW MEDIA, AND SOCIAL NETWORKS

## 2,591 (compared to 1,887 in 2022)



The full-scale war, in addition to causing devastating casualties and destruction, has brought censorship and repression on a scale Russia has not faced since Soviet times.

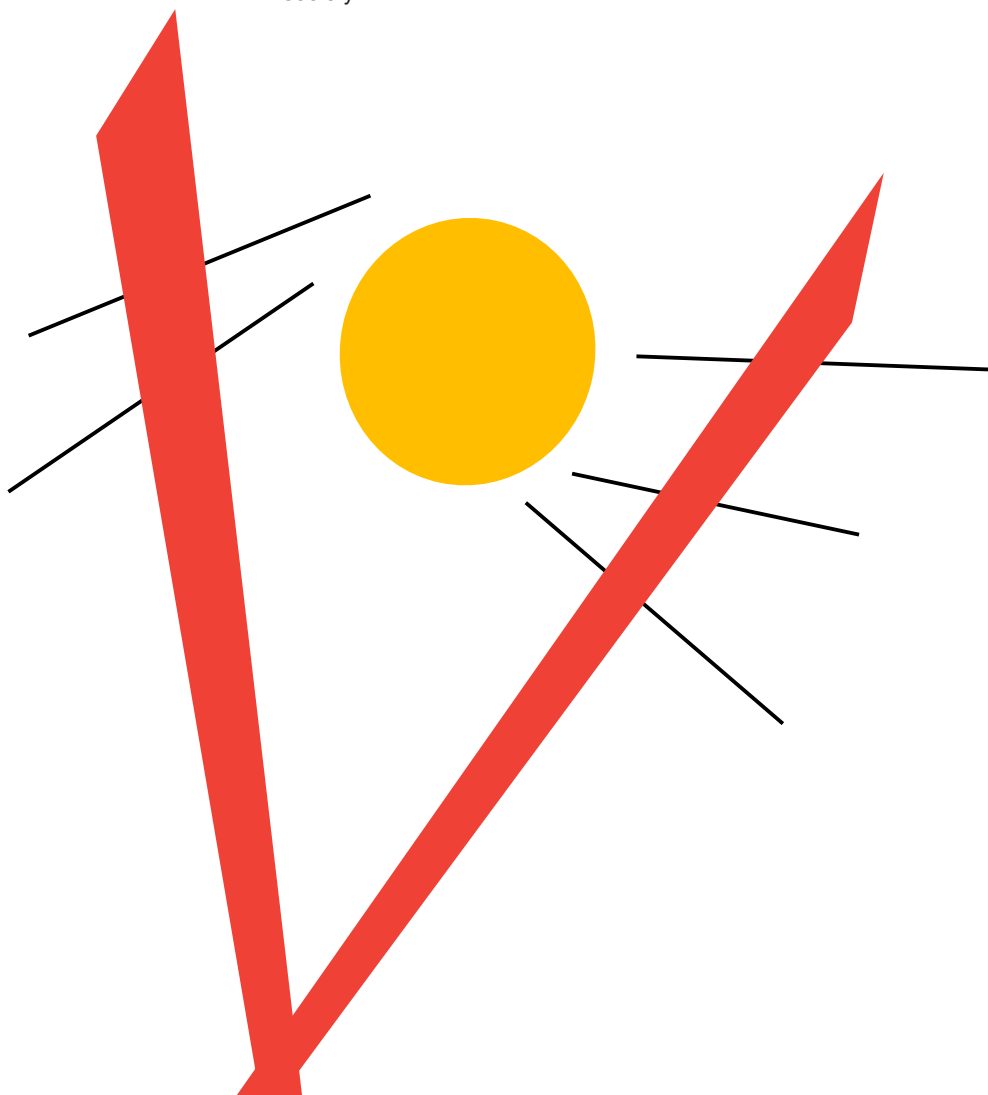
Dozens of journalists have been forced to relocate to safe countries, where they are not only rebuilding their lives but also establishing new media outlets. We are, in many ways, returning to the Cold War era, where Russian-language media outside Russia relay the reality of the situation back to Russians.

Thankfully, one thing has changed: with the internet, state monopoly over the media space is no longer absolute. Certainly, channels like TV Rain, The Current Time, and The Breakfast Show cannot be accessed through a Russian TV antenna.

«Zhivoy Gvozd» cannot be heard on FM radio, and platforms like Meduza, The Insider, «Novaya Gazeta», The Bell, «Vazhnye Istorii», The Moscow Times, «Agentstvo», Mediazona, and «OVD-Info» are only accessible with VPN. Yet, despite these challenges, all of these outlets still reach millions of readers, most of whom are within Russia.



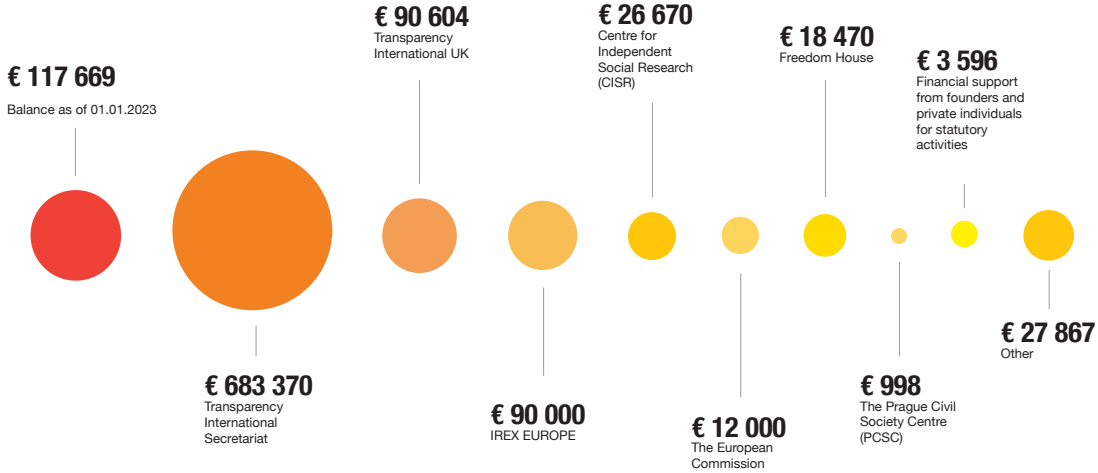
We urge everyone to support independent media in their essential work. Remember, they exist largely thanks to donations. The Transparency International Russia team would also like to express our sincere gratitude to our colleagues for their dedication, courage, and unwavering commitment to our shared goals of building a fair and open society.



# FINANCES. SOURCES OF FUNDING IN 2023

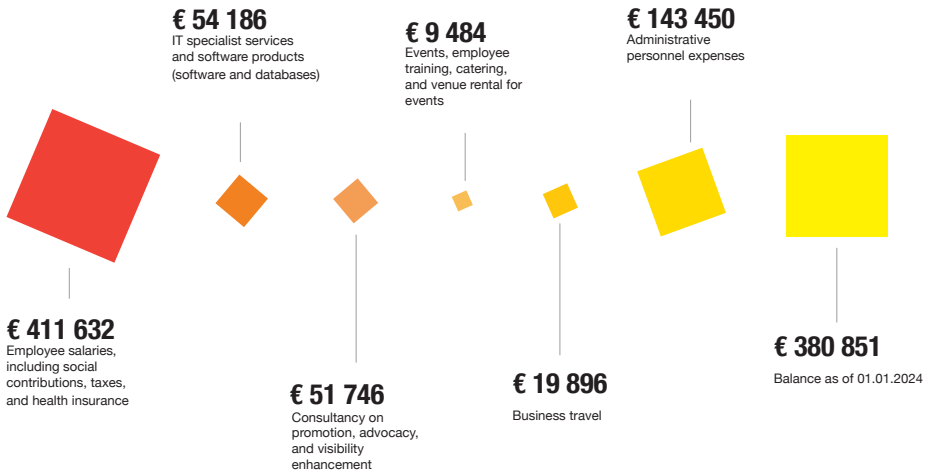
## € 1 071 245

total funding



# TOTAL EXPENDITURES IN 2023

## € 690 394







[TI-RUSSIA.ORG](https://www.ti-russia.org)



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