

The West Australian

Ukraine ex-PM Tymoshenko faces fresh criminal probe

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KIEV (Reuters) - Ukraine's state security service SBU said on Tuesday it had launched a criminal case linked to the affairs of an energy company once run by former Prime Minister Yulia Tymoshenko.

Tymoshenko, a popular opposition politician, is on trial charged with abuse of office over a 2009 gas deal with Russia and is the target of two other criminal cases relating to her activities as prime minister.

She has dismissed all charges as politically motivated and accused the government of President Viktor Yanukovich, who narrowly beat her in the 2010 presidential election, of cracking down on opposition.

SBU said in a statement that United Energy Systems of Ukraine, a company that once imported Russian gas for resale in Ukraine, along with some former government officials, had tried to steal \$405 million from the state budget.

Tymoshenko ran United Energy Systems in 1995-96, earning herself the nickname "gas princess."

She already faces up to 10 years' prison if found guilty on abuse of power charges and her case has raised concerns in the West, clouding Ukraine's plans to forge an association deal with the European Union.

In the current trial, the prosecution alleges that Tymoshenko, who was twice prime minister, forced the then-head of state-owned Naftogaz to sign the 2009 deal with Russia's Gazprom without consulting her government. Tymoshenko denies this.

Yanukovich's administration says the agreement was a sell-out of national interests, though it is abiding by the terms.

BITTER RIVALRY

Separate cases are pending against Tymoshenko over alleged misuse of funds received in exchange for carbon emission quotas and over purchases of emergency rescue cars by her government.

Since Yanukovich came to power, several former members of Tymoshenko's cabinet have been prosecuted for alleged offences in office and at least one has fled Ukraine.

Western governments have not publicly supported Tymoshenko but have expressed concerns over the possible use of "selective justice" in Ukraine and "the appearance of a political motive" in her case.

Yanukovich has repeatedly denied that politics was involved and said his government was merely fighting corruption.

Tymoshenko's fiery rhetoric brought her international fame as a leader of the 2004 "Orange Revolution" street demonstrations that ultimately doomed Yanukovich's first bid for the presidency.

She went on to serve two terms as prime minister under ex-President Viktor Yushchenko, her Orange Revolution ally, although their relationship quickly soured.

Early last year, frustrated with the "orange" leadership's handling of the global economic crisis and infighting between Tymoshenko and Yushchenko, voters punished the duo in the presidential election, handing victory to Yanukovich.

Tymoshenko remains one of the most popular politicians in the country but has so far failed to unite other opposition figures around her.

(Writing by Olzhas Auyezov, editing by Paul Taylor)