

[Vatican](#)



Vatican judges preside over a session of the trial of defendants accused of financial crimes, at the Vatican City State criminal court April 5, 2022. Pictured from left are judges Lucia Bozzi, Venerando Marano, Giuseppe Pignatone and Carlo Bonzano. (CNS photo/Vatican Media)

Nicole Winfield

[View Author Profile](#)

The Associated Press

[View Author Profile](#)

[**Join the Conversation**](#)

Vatican City — May 31, 2022

[Share on Bluesky](#)[Share on Facebook](#)[Share on Twitter](#)[Email to a friend](#)[Print](#)

The Vatican's longtime investment banker testified May 30 that he repeatedly voiced concerns about a fund that was investing in a troubled London property, but said the Holy See's secretariat of state insisted on pursuing the deal even as it lost money.

Enrico Crasso said he was very much on the sidelines of the London deal, which is at the center of the Vatican's [big fraud and embezzlement trial](#). Prosecutors have accused Crasso and nine other people of fleecing the Holy See of tens of millions of euros and of ultimately extorting the Vatican for 15 million euros to get control of the property.

Crasso, who handled the secretariat of state's investments for 27 years at Credit Suisse and his own firms, is accused of several counts of embezzlement as well as corruption, fraud and extortion. Crasso denies wrongdoing and testified Monday that in his more than quarter-century of work for the Holy See, the investments he managed always turned a profit.

On his first day on the stand, Crasso stressed that he was only brought into the London deal by chance after he was called on by the secretariat of state to help it evaluate ways to diversify its asset portfolio in 2012, first into a potential petroleum development deal in Angola and then the London property.

Crasso said Credit Suisse recommended a commodities expert, Raffaele Mincione, to evaluate the Angola deal. After all sides agreed against it, Mincione stayed on as a new money manager for the Vatican via his Athena investment fund that was investing in the London property.

Crasso referred to a 2016 formal statement from the Vatican secretary of state, Cardinal Pietro Parolin, making clear that there were no limits on where the Vatican's Credit Suisse assets could be invested. Crasso's defense has cited the letter to rebut the embezzlement allegation that Crasso routed Vatican money destined for charity to highly speculative investments.

Crasso testified that he was essentially sidelined after the Vatican began working with Mincione and he cited a series of emails he sent to Vatican officials expressing concern and perplexity at some of Mincione's investment choices.

By 2018, the Vatican decided to exit Mincione's fund because it had lost some 18 million euros and was looking for a way to buy him out of the London property. Enter another defendant, Gianluigi Torzi, who was proposed by a friend of Pope Francis as a potential manager and developer for the property.

The deal involved paying off Mincione 40 million euros and then entering into an agreement with Torzi via a new holding company, Gutt, to manage and develop the property. The deal, in which the Vatican held 30,000 shares in Gutt and Torzi 1,000 shares, was hashed out over three days in Torzi's London office in November 2018.

Advertisement

Crasso said he attended the meetings but had no real reason to be there since the negotiations were being handled by the two top in-house money managers of the Vatican.

Unbeknown to the Vatican at the time, Torzi structured the Gutt shares in such a way that his 1,000 shares were the only ones with the right to vote, meaning he controlled the building and the Vatican held virtually nothing.

According to previous testimony, Francis and the Vatican decided against suing Torzi for alleged fraud and agreed to pay him 15 million euros to finally get control of the property — a payout that Vatican prosecutors say amounted to extortion.

Crasso said there was no logic to prosecutors' claim he was involved in the alleged extortion since he had only met Torzi for the first time a few days before the November 2018 meetings.

A version of this story appeared in the **June 10-23, 2022** print issue under the headline: Banker warned Vatican about London fund investor.