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A view of St. Peter's Basilica at the Vatican, March 11, 2020. The Vatican was forced to stand trial in a London court Wednesday, as a British financier sought to recover from the reputational harm he said he suffered as a result of a Vatican investigation into its 350 million euro investment in a London property. (AP/Andrew Medichini, File)

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The Vatican went on trial in a London court Wednesday, as a British financier sought to recover from the harm he said he suffered to his reputation as a result of a [Vatican investigation](#) into its 350 million euro (around \$375 million) investment in a London property.

It is believed to be the first time the Holy See has been forced to stand trial in a foreign court.

A Vatican tribunal has [already convicted](#) Raffaele Mincione of an embezzlement-related charge, and sentenced him to more than five years in prison, for his role in the London deal. But Mincione, who remains free pending an appeal, lodged a counter civil claim against the Holy See's secretariat of state at London's High Court, insisting he acted in good faith.

On Wednesday, he asked the court to approve a series of declarations asserting that he indeed acted in good faith in his dealings with the secretariat of state, that the Holy See knowingly and lawfully entered into the transactions in question and have no grounds to make any claims against Mincione as a result.

"I am delighted that these proceedings in England are finally underway," Mincione said in a statement. "I look forward to these issues being examined by an independent and internationally-respected judicial system."

The Holy See had tried unsuccessfully to quash Mincione's claim and in pleadings Wednesday urged the court to refuse to agree to the declarations Mincione is seeking. It said they were unnecessary since a Vatican court has already convicted Mincione and others for crimes related to the transactions.

The trial is expected to last a few weeks and feature the in-person testimony of a high-ranking Vatican official, Archbishop Edgar Pena Parra, the No. 3 in the secretariat of state.

While several lawsuits in the U.S. have sought to hold the Vatican liable for clergy sexual abuse, they have always failed since the Holy See was able to claim it enjoyed immunity as a sovereign state. But the British court allowed Mincione's case to proceed because it involved a commercial transaction, which is not typically covered by sovereign immunity claims.

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The case concerns the Vatican's decision in 2013-2014 to invest an initial 200 million in [a Mincione fund](#) to acquire 45% of the London property, a former Harrod's warehouse that it hoped to develop into luxury apartments to then reap rental income as a long-term return on its investment.

By 2018, the Vatican's secretariat of state decided to exit the fund, unhappy with its performance, but wanted to retain its ownership of the property. Another London-based broker, Gianluigi Torzi, helped negotiate a 40 million euro payout to Mincione.

Vatican prosecutors alleged that Torzi and Mincione, who had had previous business dealings, were working together from the start and conspired to defraud the Holy See of millions of euros.

They alleged that Mincione, whose fund had purchased the Harrod's warehouse at auction in 2012 for 129.5 million pounds (around US\$165 million) plus 8 million pounds in costs, had inflated the property's value to 230 million pounds when it came time for the Vatican to invest in it. The prosecutors accused Torzi of then extorting the Vatican for another 15 million euros to cede control of the building, after the Vatican realized it still didn't own it.

Those transactions were at the heart of the Vatican trial, which [ended in December](#) with several convictions among nine of the 10 defendants, including Mincione and Torzi. The tribunal's written explanation of the verdict hasn't been published, but both [prosecutors and the defendants](#) have announced appeals.

Mincione has insisted he acted in good faith throughout his dealings with the Vatican and rejected the Vatican's accusations of fraud and embezzlement. He has taken his case to [the United Nations human rights](#) office to highlight some of the incongruities of the Vatican trial, which have also been flagged as problematic by other defense lawyers and [outside Italian legal experts](#).

In the British civil case, he is seeking to have the court rule that he acted in good faith, arguing that such a ruling is necessary since he and his businesses have suffered reputational harm as a result of the Vatican's highly-publicized trial.

In an 84-page filing, the Holy See's lawyers argued that Mincione certainly did not act in good faith, alleging that he misled the Vatican by inflating the value of the

property and participated in an “unlawful conspiracy” to defraud it.

If Mincione and his firms “cannot show that they did in fact act in good faith at all material times in the lead-up to the transaction, the entire house of cards upon which the claim is founded falls down,” the Vatican’s lawyers argued.

A separate British court has previously [cast doubts](#) about the Vatican prosecutors’ allegations in the London deal. In 2021, Judge Tony Baumgartner of Southwark Crown Court reversed another judge’s decision to seize the British-based bank accounts of Torzi.

Baumgartner accused the Vatican prosecutors of making “appalling” misrepresentations and omissions to the court in seeking to freeze Torzi’s assets, and concluded that they hadn’t provided sufficient evidence to make their case against him.