

Update: Italy unfreezes \$33 million in Vatican funds

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VATICAN CITY (RNS) Prosecutors in Rome on Wednesday (June 1) released \$33 million (23 million euros) in Vatican funds that had been frozen last September pending an investigation for possible money laundering.

The prosecutors had charged the Institute for Religious Works, commonly known as the Vatican Bank, with violating Italian law by attempting to transfer funds from one of its accounts in an Italian bank to two other banks, one of them in Germany, without supplying the required information to Italian authorities.

The Rev. Federico Lombardi, director of the Holy See Press Office, said the prosecutors' decision was an acknowledgment of the "seriousness" of the Vatican's commitment to "adhere fully to international standards for preventing and resisting illegal activities in the field of finance."

Since the start of the investigation, the Vatican has brought its banking laws in line with international norms intended to prevent money laundering and terrorist financing, and has set up an oversight body called the Financial Information Authority.

The official Vatican newspaper, L'Osservatore Romano, quoted a statement from prosecutors citing recent "normative and institutional changes" at the Vatican as the basis for the decision to unfreeze the funds.

According to the Italian news agency ANSA, the prosecutors said they were satisfied that the Vatican's new financial regime would "prevent any repetition of the (bank's) omissions."