News



A Caritas logo is pictured in a 2019 photo. Nicaragua has revoked the legal status of the Cáritas chapter in the Diocese of Matagalpa and continued arresting priests and laity there, delivering another blow to a diocese decimated by the detentions and expulsions of clergy and the exile of its bishop to the Vatican. (OSV News/Remo Casilli, Reuters)



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Catholics in Luxembourg have expressed shock over a massive theft at their church's Caritas charity, while hoping the scandal will not halt donations ahead of Pope Francis' September visit.

"We are astonished — we never thought such a thing could happen," said Gerard Kieffer, press officer for the Luxembourg Archdiocese. "But Caritas is legally and juridically independent of the church, so while we can anticipate negative consequences, reflections are underway as to how these might be limited."

The church representative spoke to OSV News as investigations continued into the reported theft of 61 million euros ($67 million) from Caritas, one of Luxembourg's largest charities, in fraudulent bank loans and transfers.

He said efforts were being made to "find solutions," adding that the Catholic Church would issue a statement once the scandal's parameters became clearer.

Meanwhile, a local Catholic priest said Luxembourg, which borders Germany, France and Belgium, was tightly regulated as a "financial hub," fuelling consternation among church members as to "how one person could steal so much money."

"This is a spectacular piece of embezzlement, and there appears to have been little if any competent oversight as this staffer used Caritas collateral to secure the loans," the priest, who asked not to be named, told OSV News.

"It's good that the alleged perpetrator was quickly identified and arrested. But people are wondering how this could have happened — and whether they can still donate to this Catholic charity with any confidence."

Caritas confirmed July 19 it had filed a criminal complaint about misappropriated funds, pledging to "cooperate fully" with investigators, while continuing its mission of "supporting the most disadvantaged."

Media reports said the money was diverted from the charity between February and July into bank accounts in Spain, while a female staffer had been bailed out after surrendering to police but denying theft charges.

In a July 22 interview with the French-language RTL agency, Caritas Director General Marc Crochet said he felt "conned" and "dumbfounded" by the revelations, insisting the Catholic organization, founded in 1932, remained "trustworthy."

He added that the charity, which supports victims of poverty, homelessness and trafficking, as well as migrants and refugees, currently had 28 million euros ($30.6 million) in its account, mostly made up of government-assigned funds.

Meanwhile, in a July 23 statement, Caritas said it was counseling its "much shaken" employees and volunteers, and had received "numerous messages of solidarity and support from institutions, private companies and individuals."

However, Luxembourg's foreign minister, Xavier Bettel, branded the embezzlement "sickening" and warned it would impact "the poorest people" both at home and worldwide.

Meanwhile, the country's prime minister, Luc Frieden, said July 24 the charity, which is committed to Catholic social teaching, had already obtained almost half the 45 million euros ($49 million) in government funding expected in 2024, and would receive no further state assistance until the crisis was settled.

In an Aug. 6 statement, Caritas said it had set up a "crisis committee," headed by economic consultant Christian Billon and supported by the accountant firm, PricewaterhouseCoopers, to "restore confidence with all stakeholders," and was also creating new entities to maintain its national and international activities.

Meanwhile, the Luxembourg Prosecutor's Office confirmed Aug. 6 the charity had fallen victim to a "fake president method," or "CEO fraud," aimed at bypassing standard authorization procedures to procure payment of fake invoices, adding that it was still ascertaining the extent of the fraud.

Catholics traditionally make up two-thirds of the 662,000 inhabitants of Luxembourg, whose church was placed under direct Vatican supervision by St. John Paul II in 1988 and reduced its parishes from 274 to 33 in a 2017 reorganization to cope with falling Mass attendance rates.

Auxiliary Bishop Léon Wagener of Luxembourg, told OSV News he understood public interest in the "Caritas scandal," but added that the church, headed by Cardinal Jean-Claude Hollerich, a member of the pope's advisory council and relator-general of the Synod of Bishops, had not yet made a public statement.

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Meanwhile, the director of the church's "Reech eng Hand" pastoral program for refugees, Marie-Christine Ries, said she hoped the crisis would not fuel wider "public hostility."

"With evidence still being collected, it's too soon to say what lessons might be learned," Ries told OSV News.

"But we are a Catholic church organization, working from private donations with no government funding — so we must count on a continued willingness to give to projects like ours."

The Caritas scandal broke amid preparations for a Sept. 26 Luxembourg stopover by Francis, ahead of a four-day visit to neighboring Belgium for the sixth centenary of its Catholic universities of Leuven and Louvain-la-Neuve.

In a joint statement for OSV News, Caritas Europa in Brussels and Caritas Internationalis in Rome said their 162 member-charities were "deeply saddened and alarmed" at the "financial appropriations," and had been "in close contact" with offers of support.

They added that Caritas Luxembourg was a "highly-valued, autonomous member" of both networks, and was required by statute to "meet minimum standards of governance, organizational infrastructure, financial viability, accountability and compliance with professional standards and ethical codes of conduct."

"Caritas Internationalis … is continuously working" with national Caritas members "to ensure compliance with international standards and continual improvement of their systems and procedures," said the statement, co-signed by Maria Nyman and Alistair Dutton, the heads of Caritas Europe and Caritas Internationalis, respectively.

"Caritas' Members' financial systems and procedures are regularly internally and externally assessed as part of the Management Standards, and improvement plans

are put in place to address any weaknesses that are identified," the statement said.