



FOLLOW THE MONEY *in the manipulation of sports competitions*

**COUNCIL OF EUROPE MACOLIN CONVENTION
GROUP OF COPENHAGEN
INTERNATIONAL NETWORK OF NATIONAL PLATFORMS
AGAINST SPORTS MANIPULATION**

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CONCLUSIONS



WHAT ARE THE KEY TAKEAWAYS?

1. Financial tracking ("follow the money") is fundamental to help uncovering crimes happening in the sports environment.

Tracking financial flows is essential for **uncovering illicit activities** linked to sports, such as money laundering, fraud schemes, and corruption practices. By analysing these flows, it becomes possible to identify **key individuals and networks** involved, as well as those who benefit from these crimes.

It is acknowledged that financial investigations can be **lengthy, complex, and challenging**, requiring significant specialised resources and expertise. They involve uncovering hidden structures, tracing rapid and anonymous transactions, and navigating international regulatory differences.

2. The importance of transversal approaches and building bridges between different forms of criminality in sport.

The manipulation of sports competitions can be linked to crimes such as **money laundering, fraud, corruption and cybercrime**. It is therefore essential to draw established practices in these areas and to develop synergies, particularly within the Council of Europe, for example with Moneyval and initiatives addressing cybercrime.

3. The world of sport, particularly football, is exposed to a significant risk of financial crime.

The FATF (Financial Action Task Force) has identified several key risks related to money laundering in football, including the **ownership of football clubs, transfers and ownership of players, betting activities, and image rights, sponsorship, and advertisement**.

In the fight against manipulation, it is therefore crucial to focus on stakeholders such as clubs, sports agents, and betting platforms, particularly those operating in poorly regulated jurisdictions.

Football clubs and player agents are specifically targeted in the **6th Anti-Money Laundering Directive** providing further confirmation of this risk

4. Payment methods and common ways of transferring money evolve over time, driven by technological advancements.

The most common ways of transferring money include credit/debit cards, cash, eWallets, and cryptocurrencies. Criminals often combine these payment methods, utilising **money transfer services, bank transfers, digital wallet transfers, cash couriers, or informal systems like Hawala** to evade detection.

Advanced technologies further complicate matters with their **anonymity, speed, and decentralised** nature. These factors create significant challenges for tracking and regulating financial transactions.

5. Financial Intelligence Units (FIUs) can play a crucial role in combating the manipulation of sports competitions.

FIUs are essential in financial investigations by **collecting, analysing, and sharing information** on suspicious transactions. Each year, these entities process millions of **suspicious activity reports** from the financial sector.

Through **Know Your Customer (KYC)** protocols, they can identify whether athletes, sports professionals, or referees are involved in suspicious financial activities. Integrating FIUs into the national platform significantly strengthens efforts to combat manipulation.

Financial Intelligence Units (FIUs) cooperate within the **Egmont Group** to promote collaboration and information exchange in the fight against financial crimes, such as money laundering and terrorist financing. Established in 1995, the group provides FIUs with a secure platform for sharing information and best practices.

6. The detection of suspicious movements in the sports betting market and the fight against illegal websites remain central to the fight against manipulation.

Whether in the physical or online market, reporting **atypical movements** is crucial. Regulators, data providers, betting operators, sport betting bodies and public authorities must collaborate and **share information** to initiate investigations.

Abnormal betting patterns, such as unusually **high returns** or spikes in small matches, can indicate operator errors or insider knowledge like match-fixing. Analysing **player profiles** and betting histories helps identify suspicious behaviour, such as sudden large bets or multiple accounts created in the same location. These signs provide crucial leads for investigating potential manipulation. At the same time, combating **illegal betting** remains a significant challenge, particularly in terms of detection.

7. The modus operandi of criminal organisations evolves rapidly and continuously.

Previously, money laundering was reserved for large organisations, particularly those involved in drug trafficking. Technological advancements have made **money laundering accessible to smaller actors**, using anonymous crypto accounts and international payment gateways, which complicates police investigations.

While **EU-based companies generally cooperate** with judicial authorities, many gateways are established outside the EU, where significant amounts of money flow, often beyond reach.

8. Investigations, prosecutions, and convictions, as well as the level of asset recovery and confiscation in money laundering cases, remain low.

In recent years, legal frameworks for combating money laundering have been established. Despite positive results, the provisions are **not always enforced**, and convictions remain insufficient. The level of asset recovery is negligible.

Some initiatives, notably initiated by Interpol, aim to enhance cooperation between law enforcement and Financial Intelligence Units. A new notice is also being developed to improve asset recovery.

WHAT ACTIONS SHOULD BE TAKEN?

1. Enhance national cooperation by integrating Financial Intelligence Units (FIUs) in the national platform.

Investigations into organised crime require a **multidisciplinary approach** from the start due to intertwined financial elements. All stakeholders have a role to play: public authorities, the sports movement, and the gambling sector. Cooperation with FIUs is essential to increase investigations, prosecutions, and convictions.

2. Develop international cooperation between the Group of Copenhagen Group, the network of Magistrates Responsible for Sports (MARS), the Financial Action Task Force (FATF) and the Egmont Group.

Inviting the FATF and the Egmont Group to the **plenary meetings** of the Group of Copenhagen Group or the MARS network to develop synergies.

3. Raise awareness and educate stakeholders in the fight against manipulation.

On one hand, organise training sessions on **financial investigation techniques** for national platforms. On the other hand, provide training on the **manipulation of sports competitions** for FIUs and financial organisations.

4. Provide national platform coordinators with a comprehensive checklist to review with sports betting operators to detect suspicious financial flows.

This should include details of **any suspicious betting attempts that operators have rejected**.