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European Football Under the New AML/CFT Supervisory System: Legal and Institutional Implications

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Abstract

On June 19, 2024, the Anti-Money Laundering Regulation (“AMLR”), the Regulation establishing the Anti-Money Laundering Authority (“AMLAR”), and the Sixth Anti-Money Laundering Directive (“AMLD6”) were published in the Official Journal of the EU, signaling a significant shift in the institutional and substantive architecture of anti-money laundering (“AML”) frameworks within the Union. More than simply enhancing existing rules, the new regime introduces innovative solutions to address persistent deficiencies in previous AML/CFT frameworks, particularly the fragmentation across Member States. A notable innovation is the extension of the AML regulatory framework to the professional football sector, which has become increasingly vulnerable to illicit financial activity due to its complex organisation, large financial flows and opaque ownership structures. As a result, professional football clubs and football agents are now subject to AML requirements, including customer due diligence, transaction monitoring and reporting suspicious transactions. This article examines the recently introduced AML obligations for the football sector, navigating the complex regulatory framework and mapping out the underlying requirements. The aim is to increase awareness and understanding of these obligations, thereby aiding football clubs and agents in complying with them and ensuring the integrity of the European football industry.

Keywords: AML reforms; Anti-Money Laundering; Compliance and Market Integrity; Football Clubs and Agents

1. Introduction

The European Union has undertaken a major overhaul of its anti-money laundering and counter-terrorist financing (“AML/CFT”) regime through the adoption of Regulation (EU) 2024/1624 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing (“AMLR”),¹ Regulation (EU) 2024/1620 establishing the new Authority for Anti-Money Laundering and Countering the Financing of Terrorism (“AMLA”

¹ Regulation (EU) 2024/1624 of the European Parliament and of the Council of 31 May 2024 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing (OJ L, 2024/1624, 19.6.2024).

and the “AMLA Regulation”, respectively)² and the sixth AML Directive (“AMLD6”).³ Together, these instruments form the core of a new supranational supervisory system designed to harmonise AML obligations across Member States and to strengthen the integrity of the internal market. Unlike the previous directive-based frameworks, the AMLR introduces direct and uniform obligations for a wide range of public and private actors deemed to pose significant money laundering or terrorist financing risks.

A notable innovation of the AMLR is the explicit inclusion of professional football clubs and football agents within the list of obliged entities. This shift reflects growing concern at the European level over the susceptibility of the football industry to financial crime. Europol and the Financial Action Task Force (“FATF”) have repeatedly highlighted the susceptibility of football to abuse by organised crime.⁴ Several structural features of the football sector – including its global popularity, high financial volume, cross-border nature, and frequently opaque ownership arrangements – render it vulnerable to abuse for the purposes of laundering illicit funds. Key transactional risk areas include sponsorship and investment arrangements, payments to intermediaries, and the player transfer market. These risk factors, coupled with documented links between criminal actors and football operations, have prompted the extension of AML obligations to selected activities within the sector.

This paper critically analyses the legal and regulatory implications of this new regime. Section 2 provides an outlook on the football sector in Europe, outlines the risk landscape identifying structural vulnerabilities within football that justify regulatory intervention, further examining the existing body of regulation aimed at addressing AML/CFT factors. Section 3 analyses the AMLR and the AMLA Regulation in detail, focusing on the legal basis for the inclusion of football actors and the scope of their obligations. Section 4 assesses the operational and institutional implications of these novel obligations, including definitional issues, supervisory design, and potential tensions with existing structures of football governance. The paper concludes with a summary of legal considerations and reflections on future regulatory approaches.

II. Structure, economics and illicit-finance vulnerabilities of European professional football

1. Football governance, main actors and sources of revenue

The international governing body of the football industry is the *Fédération Internationale de Football Association* (“FIFA”). FIFA’s primary purpose is to promote and develop the sport across the world; it is also the “guardian” of the regulations of the game. FIFA is made up of six confederations: AFC, CAF, CONCACAF, CONMEBOL, OFC and UEFA⁵ which in turn are regional umbrella organisations of the national football associations. The national associations must be members of both FIFA and the confederation in which their region is

² Regulation (EU) 2024/1620 of the European Parliament and of the Council of 31 May 2024 establishing the Authority for Anti-Money Laundering and Countering the Financing of Terrorism and amending Regulations (EU) No 1093/2010, (EU) No 1094/2010 and (EU) No 1095/2010 (OJ L, 2024/1620, 19.6.2024).

³ Directive (EU) 2024/1640 of the European Parliament and of the Council of 31 May 2024 on the mechanisms to be put in place by Member States for the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, amending Directive (EU) 2019/1937, and amending and repealing Directive (EU) 2015/849 (OJ L, 2024/1640, 19.6.2024).

⁴ See Financial Action Task Force, *Money Laundering through the Football Sector*, 2009.

⁵ AFC – *Asian Football Confederation* in Asia and Australia; CAF – *Confédération Africaine de Football* in Africa; CONCACAF – *Confederation of North, Central American and Caribbean Association Football* in North America and Central America; CONMEBOL – *Confederación Sudamericana de Fútbol* in South America; OFC – *Oceania Football Confederation* in Oceania; and UEFA – *Union of Football Associations in Europe*.

geographically resident.⁶ Professional and amateur football clubs are members of their national football associations and are the basic cells at the foundation of the football pyramid.

There are several important financial actors in the football industry, *inter alia*: the football clubs, football players (the most valuable assets of the industry), corporate sponsors (the most significant investors), investors (individuals and private capital, including private equity funds, venture capital funds and consortiums) and football agents (acting in the interest of the player or as an intermediary on the transfer market). The national football associations may act as the governing bodies at national level and regulators and may sometimes operate financial clearinghouses for transfer payments. In many countries, the national football associations collaborate closely with the professional leagues.

In Europe, professional football relies on four main sources of revenue⁷: matchday revenues (e.g., gate receipts and all-season tickets), broadcasting and television rights, sponsorship (e.g., brand name placing on shirts and around stadiums), player transfers and other commercial revenues (e.g., licensed merchandise, conference and catering services). On the spending side,⁸ a large part of the budgets of professional football teams is spent on staff wages, including salaries, signing-on fees, social security contributions of football players and other staff. Other costs include payments in relation to image rights and transfer fees, including fees paid to players' agents.⁹

2. Football and money laundering: risk landscape

Over the last two decades European football has been transformed from a mass-participation sport into one of the most lucrative segments of the global entertainment economy. This evolution has multiplied the scale, complexity and cross-border nature of its financial flows, thereby rendering the sector increasingly attractive to criminal organisations seeking to launder illicit proceeds. Since the early 1990s football has experienced exponential economic growth, fuelled by surging broadcasting revenues, by global sponsorship and an unprecedented internationalisation of the player market. Already in its 2007 *White Paper on Sport*¹⁰ the European Commission warned that football's popularity, worldwide reach and limited financial transparency created a favourable environment for money-laundering schemes. Subsequent empirical work has confirmed those early concerns: complex player-transfer arrangements, opaque sponsorship or investment deals and high-value cash transactions offer effective channels through which the provenance of tainted funds may be concealed.¹¹

⁶ For more information: <https://www.fifa.com/about-fifa/associations>.

⁷ See, *inter alia*, Financial Action Task Force, Money Laundering through the Football Sector, 2009; European Parliament resolution of 29 March 2007 on the future of professional football in Europe (2006/2130(INI)), 2007.

⁸ Financial Action Task Force, Money Laundering through the Football Sector, 2009.

⁹ See, more broadly, KEA-CDES-EOSE, Study on sports agents in EU, 2009 Available at: <https://ec.europa.eu/assess/eac/sport/library/studies/study-sports-agents-in-eu.pdf>.

¹⁰ European Commission, White Paper on Sport (COM(2007) 391 final).

¹¹ See, in particular, Alldridge, P., "Money Laundering and Globalization," *Journal of Law and Society*, vol. 35., issue 4, 2008; De Sanctis F. M., "Football, Gambling, and Money Laundering: A Global Criminal Justice Perspective," Springer, 2014; Bishop, M. L., Cooper, A. F., "The FIFA Scandal and the Distorted Influence of Small States," *Global Governance*, Vol. 24., No 1, 2018; Cindori, S., Manola, A., "Particularities of anti-money laundering methods in football," *Journal of Money Laundering Control* vol. 23 no. 4, 2020; Abrahamyan, L., "Major International Competition Funding and Money Laundering Risks," *European Journal of Sport Sciences*, vol. 2, no. 5, Oct. 2023; Bull, W. and Appermont, N., "Money laundering and compliance in professional football: the case of Belgium in light of the new EU AML single rulebook," *Sport in Society* 1–20, 2024; Mezzacapo, S., "Antiriciclaggio e contrasto del finanziamento del terrorismo nel 'settore del calcio professionistico' ai sensi del nuovo EU Single Rulebook AML/CFT di cui al Regolamento (UE) 2024/1624," *Rivista di Diritto Bancario*, II, 2024, 447; Jocz, R., Anti-money laundering regulations in the football sector: opportunities and challenges, *Financial Law Review*, No. 36, 4, 2024.

Quantifying the phenomenon is challenging, yet available estimates illustrate its magnitude. Recent reports show that the European football market generated EUR 35.3 billion in the 2022/23 season, a 16% increase year-on-year, underscoring the size of the financial reservoir potentially exposed to abuse.¹² FIFA's most recent census reports some 128 694 professional male players worldwide and almost 4 000 professional clubs, of which UEFA alone accounts for 68 367 players and 1 549 clubs. The Commission's own supranational risk assessments of 2019¹³ and 2022¹⁴ classify professional football as a high-risk sector (Level 3), noting that the COVID-19 pandemic – by exacerbating liquidity constraints – further heightened clubs' vulnerability to suspect funding sources. The Commission thereby recommended that Member States determine which football actors should be bound by suspicious-transaction reporting duties and robust source-of-funds controls, specifically highlighting the opacity of transfer fees and club ownership, as well as the role of non-financial professionals in constructing laundering schemes.

In 2009, the FATF identified three main factors that contributed to AML/CFT vulnerabilities in the football sector.¹⁵ First, *structural factors* were pointed as entry barriers to club ownership are often low; governance structures are opaque; networks of stakeholders span multiple jurisdictions; and transactions are routinely high-value and cross-border. These characteristics complicate effective due-diligence and beneficial-ownership verification. Further, *financial factors* were also highlighted, such as substantial and occasionally cash-intensive revenue streams¹⁶ – ticket sales, gate receipts, merchandising, appearance fees-co-existing with large international transfers, especially in the player market. Practices such as intentional over-valuation of players or the use of third-party investment vehicles can further disguise illicit funds. Finally, according to the report, *cultural factors* also play a role. Football's social prestige attracts criminal actors seeking legitimacy; young players may be exploited as unwitting conduits for illicit finance, while club executives – concerned about reputational damage – can be reluctant to report suspicious approaches. The sport's emblematic status as a symbol of passion and unity also tends to blunt public sensitivity to financial crime allegations. Football has a long history of private persons investing in clubs, with investments made by politically exposed persons ("PEPs") and individuals with a suspected or even well-known criminal background.¹⁷

In this context, risks emerging from the transfer market are of fundamental importance: after the Court of Justice's seminal *Bosman* ruling of December 1995,¹⁸ mobility that had once been largely domestic became decisively cross-border; by 2008 expatriate players already accounted for more than one-third of all squad members in Europe, 3 923 footballers out of 11 015.¹⁹ FIFA's 2022 edition of the Global Transfer Report²⁰ highlights

¹² Deloitte, "A balancing act. Annual Review of Football Finance 2023," Deloitte's Sports Business Group, June 2023, 6.

¹³ European Commission, "Report from the Commission to the European Parliament and the Council on the assessment of the risk of money laundering and terrorist financing affecting the internal market and relating to cross-border activities," COM(2019) 370 final.

¹⁴ European Commission, "Report from the Commission to the European Parliament and the Council on the assessment of the risk of money laundering and terrorist financing affecting the internal market and relating to cross-border activities," COM(2022) 554 final.

¹⁵ Financial Action Task Force, "Money Laundering through the Football Sector," cit.

¹⁶ See, in this regard, Cindori, S., Manola, A., "Particularities of anti-money laundering methods in football," cit.

¹⁷ In this regard, the FATF report referred to in footnote 2 contains a number of interesting case studies.

¹⁸ Judgment of the Court of 15 December 1995, Case C-415/93, *Union royale belge des sociétés de football association ASBL v Jean-Marc Bosman and others*. See also Dejonghe, T., Van Opstal, W., "Competitive balance between National Leagues in European Football after the Bosman case," in Riv. Dir. Econ. Sport, 2010, 41 ss.

¹⁹ Besson, R., Poli, R., Ravenel, L., "Demographic study of footballers in Europe," The Professional Football Players Observatory (PFPO), 2008, 35.

²⁰ The 2022 edition of the report was adopted in January 2023 and is available at: <https://digitalhub.fifa.com/m/2ee0b8943684e25b/original/FIFA-Global-Transfer-Report-2022.pdf>.

that the number of international transfers of professional players (men and women) surpassed 20,000 in 2022. Clubs' spending on transfer fees reached USD 6.5 billion, an increase of 33.5% compared to 2021.²¹ The vulnerabilities identified by FATF pertain to a lack of transparency in relation to the funding for certain transfer transactions and the opportunity for funds to be paid offshore with limited disclosure requirements regarding the beneficial ownership of the destination accounts. Furthermore, it is often not feasible to estimate the transaction price for a specific player. The over-evaluation of players corresponds to a money laundering technique similar to the over-invoicing of goods and services seen in trade-based money laundering. The key element of this typology is the misrepresentation of the price of the good or service in order to transfer additional value. In this respect, a confidential report commissioned by UEFA in 2018 concluded that money laundering was widespread in the transfer market.²²

In addition to transfer fees, AML/CFT risks in the football industry are further aggravated as the sector's practices became more sophisticated. Most notably, the contemporary business architecture of European professional football is increasingly shaped by private-capital ownership.²³ As of August 2023, funds supplied through consortia, private-equity, venture-capital or sovereign-wealth vehicles underpinned roughly one club in three in the continent's top divisions. Capital is channelled into clubs in pursuit of uncorrelated returns, diversification and, not least, social prestige; yet regulatory conditions differ markedly across leagues. The German "50 + 1" rule continues to limit external control in the Bundesliga, whereas private-equity investors already hold stakes in one half of French Ligue 1 clubs.²⁴ The resulting patchwork creates fertile ground for regulatory arbitrage and complicates the verification of beneficial ownership and the provenance of funds.

Ownership opacity is compounded by two relational devices that have flourished alongside globalisation of the transfer market. Multi-club ownership structures allow the same investor to control several clubs – often in different jurisdictions – while third-party ownership of players' economic rights enables outside parties to retain percentages of future transfer fees. Both practices fragment control, obscure accountability and enlarge the perimeter within which intra-group value can be shifted beyond the immediate reach of supervisors. Within this architecture four transaction clusters emerge as systematically high-risk: (i) equity injections and shareholder loans, whose pricing and repayment terms are largely discretionary; (ii) sponsorship and advertising contracts, frequently routed through offshore or special-purpose entities; (iii) remuneration streams to agents and other intermediaries, still characterised by limited transparency; and (iv) player-transfer operations, including contingent training-compensation payments and the monetisation of image rights. Each of these categories combines high value, cross-border execution and wide latitude in valuation, thereby offering effective channels for placement, layering or integration of illicit funds.²⁵

²¹ On the matter, see Majewski, S., "Identification of factors determining market value of the most valuable football players," *Journal of Management and Business Administration*. Central Europe vol. 24, no 3/2016.

²² While the report entitled "*Intermediation market and transfers in football: State-of-play, empirical working and corrective measures*" (2018) was never published, an executive summary is available at the following link: https://dynamic.faz.net/download/2019/Geheimpapier.pdf?_ga=2.171919011.268470747.1561524996-1262706935.1559629719. See also M. Sferrazza, F. Mite, "Sulla natura giuridica del contratto di trasferimento del calciatore professionista," in *Riv. Dir. Econ. Sport*, 2017, 133 ss.

²³ See Bull, W. and Appermont, N., "Money laundering and compliance in professional football: the case of Belgium in light of the new EU AML single rulebook," cit.

²⁴ Moura, N., "Private Capital in European Football, Analysing club ownership structures in the 'Big Five' European leagues," PitchBook Analyst Note, PitchBook Data, Inc., 3 August 2023, 1.

²⁵ Id.

Accounting practices and valuation opacity further intensify vulnerability. Specifically, analysis of thirty-six Series A clubs over the period 2005–2017 shows that player disposals are often dictated by balance-sheet and cash-flow objectives rather than sporting strategy; the capital gains thus generated correlate positively with rising net indebtedness.²⁶ Because the fair value of a player depends on variables that are difficult to measure with precision – form, injury outlook, media exposure – transfer prices can be manipulated to create artificial profits, inflate asset values and mask structural fragility.²⁷ Such discretionary valuation provides an obvious conduit for disguising illicit proceeds under the guise of legitimate football-business income. Additional risk vectors include the rapid expansion of on-line sports betting and related match-fixing schemes; the increasing involvement of private-equity and sovereign-wealth funds with varying levels of transparency; and the pressure on financially distressed clubs to accept funding without robust due-diligence.²⁸

Against this background, Europol's 2021 Serious and Organised Crime Threat Assessment ("SOCTA")²⁹ estimates the global annual criminal proceeds from betting-related match-fixing at approximately EUR 120 million.³⁰ In its report on the involvement of organised crime groups ("OCGs") in sports corruption, Europol highlights that betting-related match-fixing can also serve for the laundering of criminal proceeds by the same OCGs involved in the match-fixing or to provide a service to other OCGs. The United Nations Office on Drugs and Crime ("UNODC") has also identified illegal betting as a major conduit for money laundering and a major drive for corruption in sport,³¹ suggesting that up to USD 140 billion may be laundered each year through sport-related betting markets alone.

Considering the above, certain transactions appear to present a lower risk for money laundering. These include: (i) transactions linked to the services provided to fans, e.g., the purchasing of tickets to attend a football match or the purchasing of football merchandise such as t-shirts or other items; (ii) transactions linked to the contractual relationship between a football club and its staff (e.g., coaches and football players); (iii) transactions linked to media and broadcasting rights; albeit a crucial source of income and revenues for football clubs, there are no proven cases of criminal activities through media and broadcasting contracts; (iv) transactions linked to the distribution to clubs of commercial revenue in relation to their participation in UEFA club competitions, e.g., the UEFA Champions League, the UEFA Europa League, the UEFA Europa Conference League and the UEFA Super Cup; (v) transactions linked to training compensation payments or solidarity contribution payments as the risks are mitigated by the FIFA Clearing House.

On the other hand, the following transactions in the football sector appear instead to present a higher risk of money laundering: (i) transactions between a potential investor and a football club; (ii) transactions between a potential sponsor and a football club

²⁶ See Contrino, A., *Rilevazione nel bilancio d'esercizio e ricadute sul reddito imponibile delle società sportive dei trasferimenti (onerati, gratuiti e a parametro zero) di calciatori professionisti*, in *Rivista di diritto sportivo*, 2019, 278–95.

²⁷ See Majewski, S., "Identification of factors determining market value of the most valuable football players," cit. See also Weimar, D., Deutcher, Ch. and Upmann, T., "No Pain, No Gain? Effort and Productivity in Professional Soccer," *International Journal of Sport Finance*, 8.2, 2013, 124–39; Fratangelo, P. and Fratangelo, J., "La palla avvelenata: il riciclaggio di denaro sporco nel calcio", in *Riv. Trim. Dir. Econ. Sport.*, 2009, 60; Kahn, L., "The sports business as a labor market laboratory," *Journal of Economic Perspectives*, 14(3), 2000, 75–94.

²⁸ Moura, N., "Private Capital in European Football, Analysing club ownership structures in the 'Big Five' European leagues," cit.

²⁹ Europol, *The involvement of organised crime groups in sports corruption*, Situation report, 6 December 2021.

³⁰ Europol, *The European Union Serious and Organised Crime Threat Assessment 2021*, available at: https://www.europol.europa.eu/cms/sites/default/files/documents/socta2021_1.pdf.

³¹ The UNODC Global Report on Corruption in Sport, available at: <https://www.unodc.org/unodc/en/safeguardingnsport/grcs/index.html>; See also UNODC, *Money Laundering. Overview*. Available at: <https://www.unodc.org/unodc/en/money-laundering/overview.html>.

(of particularly high risk are business relationships between betting companies and football clubs); (iii) transactions between players' agents or other intermediaries (both legal and natural persons) and football clubs; (iv) transactions between football clubs for the purposes of a player's transfer.

The ownership configurations, relational devices and transactional practices illustrated above supply a coherent explanatory matrix for the EU legislator's decision to target investor dealings, sponsorship agreements, intermediary payments and player transfers when extending AML/CFT duties specifically to professional clubs and agents. By focusing regulatory scrutiny on the very points at which value enters, circulates and leaves the football economy, the new regime seeks to address the sector's most acute vulnerabilities without imposing blanket rules that would overlook the specific mechanisms through which laundering risk materialises. By bringing these actors within the scope of harmonised AML/CFT supervision, the Regulation seeks both to close a well-documented regulatory gap and to safeguard the integrity of one of Europe's most lucrative-and most vulnerable-industries.

3. Existing international standards, self-regulation and national statutes

Prior to the adoption of the AML package, measures at EU level to tackle vulnerabilities in the football sector were limited. More intensive action can be traced back to the European Parliament's resolution of 23 November 2021 on EU sports policy,³² which recalled the need to regulate the activities of agents and insisted that fighting corruption in sport, often linked to money laundering and crime, requires transnational cooperation among all stakeholders and authorities. Furthermore, on 3 May 2023, the European Commission adopted an anti-corruption package, which includes a Joint Communication on the fight against corruption.³³ The Communication emphasised that sport is an example of an area relatively recently identified as high risk, where organised crime groups seek profit through match fixing through corruption and extortion. Moreover, the Communication established the EU network against corruption, a forum for discussion, which brings together national authorities, civil society, international organisations, EU agencies and relevant services of the European Commission, including in the sport field.

The Council of Europe Convention on the Manipulation of Sports Competitions³⁴ is the only international legal instrument on the manipulation of sports competitions. The Convention entered into force on 1 September 2019 and has been ratified by France, Greece, Iceland, Italy, Norway, Portugal, Moldova, Switzerland and Ukraine and signed by thirty-two other European States, as well as by Australia and Morocco. The Convention essentially requests public authorities to cooperate with sports organisations, betting operators and competition organisers to prevent, detect and sanction the manipulation of sports competitions. In addition, it also proposes a common legal framework for an efficient international cooperation to respond to this global threat.

³² European Parliament resolution of 23 November 2021 on EU sports policy: assessment and possible ways forward (2021/2058(INI)), available at: https://www.europarl.europa.eu/doceo/document/TA-9-2021-0463_EN.html. See also European Parliament, Draft European Parliament Legislative Resolution on the proposal for a regulation of the European Parliament and of the Council on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, 2021.

³³ Joint Communication to the European Parliament, the Council and the European Economic and Social Committee on the fight against corruption, JOIN(2023)12, available at: https://ec.europa.eu/commission/presscorner/detail/en/ip_23_2516.

³⁴ Council of Europe Convention on the Manipulation of Sports Competitions (Magglingen/Macolin, 18.IX.2014), CETS No. 215, available at: <https://rm.coe.int/CoERMPublicCommonSearchServices/DisplayDCTMContent?documentId=09000016801cdd7e>.

From the standpoint of sectoral bodies, FIFA has recently supplemented the statutory framework governing the transfer market by adopting the *FIFA Football Agent Regulations* (FFAR),³⁵ an instrument intended to strengthen market integrity and transparency. The Regulations introduce a mandatory licensing regime administered through the new FIFA digital platform: an applicant is admitted to practice only after passing the centralised examination, paying the annual licence fee (USD 600 for the 2023 cycle) and demonstrating an unblemished criminal record, in particular the absence of convictions for organised crime, drug trafficking, corruption, money-laundering or match manipulation. Once licensed, an agent is subject to a graduated fee cap: where the agent represents either the engaging club or the player, remuneration is limited to (i) 3–5% – where the player’s annual salary exceeds USD 200 000 – of the player’s gross remuneration; (ii) in situations of permitted dual or triple representation the ceiling rises to 6% or, respectively, 10%; and (iii) where the agent acts for the releasing club the cap is 10% of the transfer compensation.³⁶ Ongoing compliance is monitored through a bespoke disclosure and reporting set of obligations.³⁷ Although the licensing regime entered into force on 9 January 2023, the substantive provisions of the FFAR are scheduled to apply from 1 October 2023, and each member association is required to transpose the rules at national level by 30 September 2023.

The new framework has not gone unchallenged, however. Agents’ associations have instituted proceedings in Czechia, Germany, the Netherlands and Spain contending that the fee cap and related provisions infringe EU competition and internal-market law. In Germany the Landgericht Dortmund has issued an interim injunction barring FIFA and the Deutscher Fußball-Bund from implementing the FFAR,³⁸ and preliminary references are now pending before the Court of Justice of the European Union.³⁹

Parallel to the agent reforms, FIFA has operationalised the *FIFA Clearing House SAS* (FCH),⁴⁰ a French-licensed payment institution that functions as a central counterparty for the settlement of “training rewards” (training compensation and solidarity contributions) due under Articles 20 and 21 and Annexes 4 and 5 of the *Regulations on the Status and Transfer of Players*. Although wholly owned by FIFA, the FCH is supervised by the *Autorité de Contrôle Prudentiel et de Résolution* and conducts its onboarding, compliance assessments and payment processing independently of the parent body, thereby ensuring adherence to banking secrecy and AML/CFT standards while promoting financial transparency within the transfer system.

UEFA has likewise tightened its financial-governance regime. The revised sustainability rules place direct constraints on wage outlays and transfer spending relative to revenue and require enhanced disclosure of group structures and of persons exercising control or significant influence over a club-measures intended both to improve competitive integrity and to stabilise balance sheets.⁴¹ In the integrity sphere UEFA has re-constituted its European Football Anti-Match-Fixing Working Group, bringing together representatives of

³⁵ The FIFA Football Agents Regulation (FFAR). Available at: <https://digitalhub.fifa.com/m/1e7b741fa0fae779/original/FIFA-Football-Agent-Regulations.pdf>.

³⁶ See FRAR, Article 15.

³⁷ See FRAR, Article 16(2)(h) and (4).

³⁸ For more information: <https://www.fifa.com/legal/football-regulatory/agents/news/information-on-the-preliminary-injunction-granted-by-the-landgericht>.

³⁹ Request for a preliminary ruling from the Landgericht Mainz (Germany) lodged on 31 March 2023 – FT and RRC Sports GmbH v Fédération Internationale de Football Association (FIFA) (Case C-209/23, RRC Sports), (2023/C 235/17).

⁴⁰ For further information: <https://fifaclearinghouse.org/subuniverse-clearing-house>.

⁴¹ For further information, Articles 62–5 of the UEFA Club Licensing and Financial Sustainability Regulations available at: https://editorial.uefa.com/resources/0274-14dc03ef33b9-3e2caa872860-1000/20220408_club_licensing_and_financial_sustainability_regulations_2022-en.pdf.

sport, government, law-enforcement and the betting industry.⁴² The initiative forms part of the Anti-Match-Fixing Action Plan⁴³ approved by the UEFA Executive Committee in July 2021, which calls for intensified stakeholder co-operation and innovative methods to detect and deter match manipulation.

At national level, a number of Member States have anticipated the Union's recent reforms by extending their domestic preventive regimes to professional football, albeit through distinct legislative and regulatory techniques.

In the notable case of Belgium, the catalyst was *Opération Mains Propres* ("Operation Clean Hands"), a federal police investigation that uncovered systematic match-fixing, corruption, tax fraud and money-laundering arrangements in the national game.⁴⁴ The Belgian legislature responded by amending⁴⁵ the *Loi du 18 septembre 2017 relative à la prévention du blanchiment de capitaux et du financement du terrorisme*⁴⁶ so as to add three new categories of obliged entity: professional football clubs, players' agents active in football, and the *Royal Belgian Football Association* (RBFA). Parliamentary debates record significant scepticism on the part of the competent minister, the Belgian FIU and representatives of the professional-football sector⁴⁷; nonetheless the Chamber endorsed the measure, several members arguing that the ultimate solution should be a Union-wide inclusion of football within the AML/CFT perimeter.⁴⁸

Bulgaria has similarly opted for legislative inclusion, though in a more circumscribed form.⁴⁹ Prior to 2021, the national preventive statute captured "sports clubs" in general. An amendment adopted that year narrowed the designation to "professional football clubs," thereby directing supervisory attention to the sport officially assessed as presenting the greatest exposure to money-laundering risk.

The Netherlands has pursued a self-regulatory route. In 2018, the *Koninklijke Nederlandse Voetbal Bond* ("KNVB") introduced the *Know Your Owner* test,⁵⁰ a mandatory screening

⁴² For further information: <https://www.uefa.com/returnto play/news/0277-15ab5b5b4fe5-736713fe164e-1000-revamped-uefa-anti-match-fixing-working-group-gets-down-t/>.

⁴³ For further information: <https://www.uefa.com/insideuefa/protecting-the-game/integrity/>.

⁴⁴ Bull, W. and Appermont, N., "Money laundering and compliance in professional football: the case of Belgium in light of the new EU AML single rulebook," cit.; Appermont, N. and Bull, W., "Towards an anti-money laundering legal framework for professional football? An inductive inquiry on the basis of the Belgian case," UEFA Academy, 2022.

⁴⁵ Bill containing miscellaneous provisions regarding the prevention of money laundering and the financing of terrorism and to limit the use of cash money, Amendments, Chamber of Representatives 2019–2020, *Parl.St.* nr. 55-1324/003, p. 5; Bill containing miscellaneous provisions regarding the prevention of money laundering and the financing of terrorism and to limit the use of cash money, Amendments, Chamber of Representatives 2019–2020, *Parl.St.* nr. 55-1324/007, p. 7–8.

⁴⁶ Law of 18 September 2017 relating to the prevention of money laundering and the financing of terrorism and to limit the use of cash money, *Belgian Official Gazette* 6 October 2017, as amended by the Law of 20 July 2020 containing miscellaneous provisions regarding the prevention of money laundering and the financing of terrorism and to limit the use of cash money, *Belgian Official Gazette* 5 August 2020.

⁴⁷ For example: Bill containing miscellaneous provisions regarding the prevention of money laundering and the financing of terrorism and to limit the use of cash money, Report of the first Reading, Chamber of Representatives 2019–2020, *Parl.St.* nr. 55-1324/004, p. 13.

⁴⁸ Bill containing miscellaneous provisions regarding the prevention of money laundering and the financing of terrorism and to limit the use of cash money, Report of the second Reading, Chamber of Representatives 2019–2020, *Parl.St.* nr. 55-1324/008, p. 11.

⁴⁹ Bull, W. and Appermont, N., "Money laundering and compliance in professional football: the case of Belgium in light of the new EU AML single rulebook," cit.; Georgi Popov&Co, "Bulgarian Anti-Money Laundering Act Revised Again: Fewer Companies Required to Report," 2021. Available at: <https://gpcolaw.com/bulgarian-anti-money-laundering-law-revised-again-fewer-companies-required-to-report/>.

⁵⁰ To be noted that a similar approach has been deployed in England, where the Owners' and Directors' Test outlines requirements that would prohibit an individual from becoming an owner or director of a football club. Essentially, the test bars anybody who has an unspent criminal conviction of more than 12 months for an act which constitutes fraud of any kind, tax evasion, bribery and money laundering from owning a football club. The full criteria of the Test is available in Section F of the [Premier League Handbook](#).

mechanism triggered whenever a person or entity seeks to acquire 25% or more of the shares in a Dutch professional club. The prospective buyer bears the onus – and the cost – of demonstrating compliance with AML/CFT standards; the procedure begins with the establishment of the customer’s identity and, where the acquirer is a legal person, the identification of the *ultimate beneficial owner* in accordance with principles derived from the Union acquis.

These measures illustrate both the sector’s acknowledged vulnerability to criminal finance and the diversity of regulatory tools deployed in the absence of a fully harmonised Union regime.

III. The EU AML framework: legal innovations and scope

1. The new AML/CFT institutional set-up

Before delving into how legislators decided to address the vulnerabilities of the football sector in the new AML/CFT package, it is important to first examine the novel supervisory and regulatory architecture introduced at EU level.⁵¹ The AMLA Regulation finds its legal basis in Article 114 of the Treaty on the Functioning of the European Union (“TFEU”). This provision empowers the Union to adopt measures for the approximation of national rules where such approximation is necessary for the establishment and functioning of the internal market. The explicit recourse to Article 114 TFEU reflects the legislative intention to address regulatory and supervisory fragmentation in the field of AML/CFT through harmonisation measures designed to enhance legal certainty, supervisory convergence, and the integrity of the internal market.

The establishment of AMLA is situated within the broader regime of an integrated EU AML/CFT supervisory system, the structure and operation of which are delineated in Section 2 of the AMLA Regulation. According to Recital (16), the Union-level system is a necessary response to the insufficiency of existing arrangements for managing cross-border AML/CFT cases.⁵² In particular, the Regulation envisages a centralised institutional architecture composed of AMLA and the national AML/CFT supervisory authorities. Together, these entities form a coordinated supervisory system tasked with the consistent application of AML/CFT methodologies, enhanced cooperation, and risk-based oversight across the Union.

Within this system, AMLA is conferred a dual mandate: first, to directly supervise a subset of high-risk obliged entities⁵³ – the so-called selected obliged entities (“SOEs”) – and second, to coordinate and support the supervision of all other obliged entities, whose oversight remains within the purview of national competent authorities.⁵⁴ Article 2(1)(2) AMLAR defines a “non-selected obliged entity” as “*a credit institution, a financial institution, or a group of credit institutions or financial institutions at the highest level of consolidation in the Union in accordance with applicable accounting standards, other than a selected obliged entity.*”⁵⁵ AMLA has the power to request a transfer of supervisory tasks and powers relating to a specific obliged entity on its own initiative in the case of inaction, or failure or inability to

⁵¹ See, *ex multis*, Villard, K., “A European Anti-Money Laundering Supervisory Authority: Perspectives and Challenges,” in Lee, J. And Darbellay, A. (eds.), *A Research Agenda for Financial Law and Regulation*, Edward Elgar, 2025; Allegrezza, S., “The Proposed Anti-Money Laundering Authority, FIU Cooperation, Powers and Exchanges of Information: A Critical Assessment,” Policy Department for Economic, Scientific and Quality of Life Policies Directorate, European Parliament, 2022.

⁵² See Recitals (19) to (26) AMLAR.

⁵³ *Ibid.*

⁵⁴ See Recitals (2) and (3) AMLAR.

⁵⁵ Given that the transfer of tasks and powers would require a discretionary decision on the part of AMLA, it is obliged to request a specific authorisation to that end to the Commission (see, Recital (38) AMLAR).

follow its instructions. These competences are exercised within the limits of the powers expressly conferred by the Regulation and the broader legal framework of Union AML/CFT law.

Notably, the institutional configuration of AMLA is explicitly inspired by the Single Supervisory Mechanism (“SSM”)⁵⁶ established in the context of the Banking Union under Council Regulation (EU) No 1024/2013.⁵⁷ The European Commission, in its original 2021 proposal, expressly referred to the SSM as the structural and conceptual model for the AMLA framework.⁵⁸ The Regulation adopts many of the design principles of the SSM, including the distribution of tasks between the Union and national levels, the formation of Joint Supervisory Teams (“JSTs”), and the leadership role of the central authority. The JSTs, provided for in Article 16 AMLAR, comprise staff from both AMLA and national authorities and are led by an AMLA-appointed coordinator. These teams are responsible for conducting supervisory activities in accordance with the principle of sincere cooperation enshrined in the Treaties and are further supported, where appropriate, by dedicated on-site inspection teams.⁵⁹

Pursuant to Article 1(3) of the AMLA Regulation, the overarching objectives of the Authority are articulated as follows:

- (i) to protect the public interest and the integrity and stability of the Union’s financial system;
- (ii) to safeguard the proper functioning of the internal market;
- (iii) to prevent the use of the Union’s financial system for money laundering and terrorist financing;
- (iv) to contribute to the identification and mitigation of ML/TF risks, including those emanating from third countries;
- (v) to ensure a high quality of AML/CFT supervision and promote convergence in supervisory practices;
- (vi) to enhance the detection of suspicious transactions or activities by Financial Intelligence Units (FIUs); and
- (vii) to coordinate the exchange of information between FIUs and between FIUs and other competent authorities.

These objectives underpin the four principal axes of action through which the Regulation structures AMLA’s operational mandate: (i) market-wide risk assessment and quasi-regulatory functions, including methodological support and data consolidation (Chapter II, Sections 2 and 7); (ii) direct supervision of selected obliged entities (Chapter II, Section 3); (iii) coordination and indirect supervision of national financial and non-financial supervisory authorities, including oversight of supervisory colleges and peer

⁵⁶ Nielsen, B.S., “Main Features of the European Banking Union,” *European Business Law Review*, p. 805 ff., esp. p. 809; Lo Schiavo, G. (ed), *The European Banking Union and the Role of Law*, Cheltenham, 2019; Chiti, M.P., Santoro, V. (eds.), *The Palgrave Handbook on the European Banking Law*, London, 2019; Bush, D., Ferrarini, G. (eds.), *European Banking Union*, Oxford, 2015; Chiti, E., Vesperini, G. (eds.), *The Administrative Architecture of Financial Integration. Institutional design, legal issues, perspectives*, Bologna, 2015.

⁵⁷ See Schlarb, D., “Rethinking anti-money laundering supervision: The Single Supervisory Mechanism – a model for a European anti-money laundering supervisor?” (2022) 13(1) *New Journal of European Criminal Law* 69. See also Lo Schiavo, G., “The Single Supervisory Mechanism (SSM) and the EU Anti-Money Laundering framework compared: governance, rules, challenges and opportunities” (2002) 23 *Journal of Banking Regulation* 91, 96–7.

⁵⁸ See COM(2021) 421 final, point 1.5.3.: “From the SSM it has been observed that supervision of directly supervised entities can be carried out effectively using Joint Supervisory Teams, led by staff of the EU supervisor based in the Member State of a directly supervised entity, but also involving staff of the national supervisor. This model has been applied to the direct supervision activity of the Authority.”

⁵⁹ Recital (27) AMLAR.

reviews (Chapter II, Sections 2, 4, 5, and 6)⁶⁰; and (iv) cooperation with other Union bodies, third-country authorities, and relevant international organisations (Chapter V, Section 2).

In its risk assessment and regulatory support function, AMLA is tasked, pursuant to Article 5(1), with monitoring systemic vulnerabilities, emerging threats, and the effectiveness of AML/CFT measures at both the Union and national levels. It maintains a centralised AML/CFT database to consolidate and analyse data from its own supervisory work and that of national authorities.⁶¹ This database informs risk-based approaches, identifies structural weaknesses and supports supervisory convergence. Moreover, AMLA plays an active role in monitoring risks linked to the evasion of targeted financial sanctions, as provided under Article 7 of the AMLD6, and may undertake any other specific task conferred by Union law or national implementing legislation, pursuant to Article 5(1)(j).

AMLA's direct supervisory powers over selected obliged entities include the authority to conduct individual and group-level supervisory reviews, assess internal control frameworks, and impose binding requirements, corrective measures, and administrative sanctions. Where appropriate, the Authority also convenes AML/CFT supervisory colleges, particularly for cross-border groups, and maintains a dynamic risk assessment system to support the selection and prioritisation of entities subject to its direct oversight. In exceptional circumstances, AMLA may assume direct supervision over non-selected obliged entities where immediate Union-level intervention is deemed necessary.

With respect to national financial supervisors, Article 5(3) mandates AMLA to assess and support the adequacy of their institutional capacities, facilitate supervisory colleges, promote convergence, and mediate disputes. Similar coordination is foreseen with regard to non-financial supervisors under Article 5(4), including those that rely on self-regulatory bodies for AML/CFT supervision. AMLA may conduct peer reviews, issue recommendations, and monitor compliance with Union law to ensure the consistency and effectiveness of non-financial sector oversight.

Finally, AMLA plays a central role in the coordination and support of FIUs across the Union. It monitors changes in national frameworks, supports joint analysis of complex or cross-border cases, develops analytical tools and methods (including the use of artificial intelligence), and operates the FIU.net platform. AMLA also provides training, facilitates expert exchanges, and promotes information-sharing between FIUs and other authorities. These functions are designed to strengthen the detection and reporting of suspicious transactions and to enhance the Union's overall capacity to prevent, identify, and disrupt illicit financial activity.

2. AMLA's role in the football sector

Although professional football clubs and football agents are now classified as obliged entities, they do not fall within AMLA's remit of *direct* supervision. The AMLA Regulation confines day-to-day Union-level supervision to a narrowly defined subset of *selected obliged entities* in the financial sector—essentially large cross-border credit institutions, certain systemic insurers and, in the most recent text, major crypto-asset service providers. All other obliged entities, including those operating in non-financial industries, remain under the primary jurisdiction of the supervisory authorities designated by each Member State pursuant to Article 41 of the AMLD6.⁶²

⁶⁰ See also Recital (33) AMLAR.

⁶¹ Art. 11 AMLAR.

⁶² See Nicholls, L., European Parliament tackles professional football: 6th anti-money laundering directive to apply to professional football clubs, associations, and agents (<https://soccerex.com>), 14 March 2024.

Accordingly, compliance monitoring and enforcement *vis-à-vis* clubs and agents will be carried out by the competent national AML/CFT supervisors – or, where a Member State relies on professional self-regulatory organisations, by those bodies under the residual responsibility of the State. AMLA’s involvement is therefore indirect and methodological. In particular, the Authority will: (i) issue binding regulatory and implementing technical standards that flesh out the risk-based approach and the due-diligence obligations applicable to non-financial entities; (ii) adopt guidelines and recommendations designed to harmonise national supervisory practice; (iii) coordinate periodic *peer reviews* of national supervisors responsible for the non-financial sector, and request remediation where material deficiencies are identified; and (iv) act as mediator in disputes between national supervisors and, where necessary, launch an Article 40 “breach of Union law” procedure.

The only circumstance in which AMLA could assume hands-on oversight of a football club or agent is the “last-resort” scenario envisaged by Article 42 of the AMLA Regulation: if the Commission determines that systemic supervisory failures threaten the Union AML/CFT regime, it may invite AMLA to take temporary direct control of a non-selected obliged entity. The provision is deliberately narrow; it is not intended to shift the ordinary locus of supervision away from the Member States.

National authorities must, however, embed their supervision of clubs and agents within AMLA’s wider architecture. Where a football club forms part of a cross-border ownership structure that also contains financial entities, AMLA may establish or participate in an AML/CFT supervisory college to ensure coherent group-wide oversight. Moreover, the risk data generated by national inspections and enforcement actions will feed into the common risk-analysis database operated by AMLA, thereby influencing future Union-level risk assessments and methodological updates.

In practical terms, therefore, the inclusion of football actors in the AML/CFT Single Rulebook alters the substance of their obligations but does not relocate their primary supervisory counterparty: they will continue to interact chiefly with domestic AML/CFT authorities, albeit under a supervisory methodology and escalation ladder now set and coordinated from the centre. In this regard, through its risk-assessment, methodological and peer-review functions, AMLA exercises *indirect supervision* over targeted football entities, shaping the supervisory expectations and governance culture to which the sector will now be subject under the EU’s integrated AML/CFT regime.

3. Risk-based methodology and due-diligence duties

The AMLR brings the Union’s AML/CFT acquis to full regulatory maturity. Building on the scaffolding first erected by the previous directives, the Regulation elevates the risk-based approach (“RBA”) from supervisory guidance to binding law and then translates that approach into a graduated system of customer-due-diligence (“CDD”) obligations, introducing a uniform set of substantive rules (the “AML/CFT Single Rulebook”). Risk identification now proceeds along three concentric axes. At supranational level, Article 7 of the AMLD6 obliges the Commission to update, on a biennial basis, a pan-Union risk map that catalogues horizontal threats and vulnerabilities across the internal market. Member States must, in turn, conduct their own national and sectoral assessments, taking due account of the Commission’s findings, FATF methodology and the analytical standards set by the EBA Guidelines on risk-based supervision, which require the collection of “sufficient, relevant and reliable information” when determining both inherent and residual risk profiles. Finally, Articles 8 and 9 of the Regulation impose an enterprise-level duty on every obliged entity to identify, document and periodically review the ML/TF risks embedded in their products, delivery channels, geographic reach and business model, and to calibrate internal controls proportionately. This stratified architecture replaces one-size-fits-all prescriptions with documented, auditable risk analysis.

Title III of the Regulation (Articles 11–38) reformulates the traditional four-step CDD cycle into binding Union law. Obligated entities must, first, identify and verify the customer's and, where relevant, the beneficial owner's identity on the basis of reliable documentation or recognised electronic identification means. Secondly, they must establish and record the purpose and intended nature of the business relationship or occasional transaction. Thirdly, they are required to monitor the relationship on an ongoing basis, scrutinising transactions and refreshing identity data where necessary to ensure consistency with the assessed risk profile. Finally, they must retain the resulting records for at least five years.

The intensity of those measures is calibrated to residual risk. Where the enterprise-level assessment indicates a low-risk scenario, the entity may adopt simplified CDD under Article 22. Conversely, enhanced measures are mandatory in objectively high-risk circumstances, *inter alia* when the counterparty is established in a Commission-listed high-risk third country (Article 23), when the relationship involves politically exposed persons or their close associates (Articles 24–6), or where the transaction features complex ownership structures, unusually large values, or extensive use of cash. Recitals 24 and 25 make clear that football clubs in the top domestic division, unless exempted under Article 5, must apply enhanced CDD when dealing with opaque investor vehicles, high-value sponsors or cross-border player transfers.

Articles 39–47 complement the CDD regime with organisational obligations. Every obliged entity must adopt group-wide AML/CFT policies, designate a board-level member with compliance responsibility, subject its systems to independent audit testing, screen and train staff, and establish secure channels for the prompt transmission of suspicious-activity or transaction reports to the competent FIU. These requirements ensure that the findings of the multilayer RBA are embedded in day-to-day decision-making. Nonetheless, flexibility is built into the regime at two junctures. First, an obliged entity that wishes to invoke simplified CDD must justify the decision by reference to its documented risk assessment, and supervisors retain power to re-qualify risk determinations they deem inappropriate. Secondly, Article 5 authorises Member States to exempt lower-turnover football clubs from Union obligations where empirical evidence shows genuinely limited exposure; exemptions are, however, subject to Commission oversight under Article 7. In this way the Regulation seeks to protect the integrity of the internal market without imposing disproportionate burdens on low-risk actors.

Taken together, these provisions complete the Union's transition to a fully fledged risk-based model, now uniform across Member States: risk identification determines the selection and intensity of CDD measures; those measures supply granular data for supervisory analytics; and supervisory findings feed back into the periodic updating of both national and Union-level risk pictures—a self-reinforcing cycle intended to keep pace with the evolving typologies of financial crime.

IV. The legal treatment of football agents and clubs under the new AML/CFT supervisory system

The preceding sections have shown that the professional-football economy combines high volumes of cross-border finance with well-documented opacity in ownership, transfer pricing and sponsorship flows—features that create persistent opportunities for money-laundering. National responses have been heterogeneous: Belgium and Bulgaria have brought clubs, agents and associations under their preventive statutes, whereas other jurisdictions rely principally on ownership “fit-and-proper” tests or ad-hoc integrity audits. Against this uneven regulatory backdrop, the Union legislature confronted a twofold question: whether professional football should be integrated into the Single

Rulebook and, if so, how the attendant compliance burden could be calibrated to respect the sector's competitive diversity.

The compromise embodied in the AMLR resolves the first question in the affirmative. By designating football clubs – though only for specified high-risk transactions – and football agents as obliged entities, the Regulation subjects them to the core AML duties already familiar to financial intermediaries: risk-sensitive customer due diligence, record-keeping, and mandatory reporting of suspicious activity. Parallel market-entry requirements are intended to exclude complicit actors and to deny criminal capital formal access to the football ecosystem. Union-wide inclusion, moreover, eliminates competitive distortions arising from divergent national rules and establishes a common baseline of vigilance. Belgian regulators, initially sceptical of their own domestic reform, now acknowledge that the measure has yielded intelligence previously unavailable to the FIU and has reset expectations within the sector.⁶³

Yet the extension of the preventive regime had to accommodate legitimate concerns voiced by UEFA, several national associations and smaller leagues about disproportionate cost and potential loss of competitive parity *vis-à-vis* non-EU jurisdictions. The resulting framework therefore combines uniform obligations with proportionality mechanisms—turnover-based exemptions, a deferred application date and a continued role for national supervisors—to ensure that regulatory stringency is targeted where risk is greatest and calibrated where risk is demonstrably low.

To better understand the rationale of the specific exemptions ultimately included in the regime and the overall cautious approach of the Regulation, it is worth considering the legislative trajectory that led to the inclusion of the football sector into the AML Regulation, as briefly outlined in the next section.

1. Legislative path to inclusion

When the European Commission presented its proposal for a new AML Regulation in July 2021 (COM(2021) 420 final), professional football did not feature among the envisaged categories of obliged entities, in spite of the Commission's 2019 report on the matter. The initiative's focus lay squarely on harmonising financial-sector obligations and transferring certain non-financial professions into a directly applicable regulation.

The turning point came during the inter-institutional negotiations of 2023, in which the European Parliament advocated for extending the scope *ratione personae*. The Parliament's Committee on Economic and Monetary Affairs (ECON) and the Committee on Civil Liberties, Justice and Home Affairs (LIBE), published on 15 March 2022.⁶⁴ In their explanatory report, the co-rapporteurs explicitly referred to Europol's 2021 SOCTA findings that professional football was “prone to the risks of criminal money and money-laundering transactions,” and to the Commission's 2019 risk assessment, which described football as a “global industry with significant economic impact” in which “questionable sums of money with no apparent or explicable financial return or gain are being invested.” On that basis, the co-rapporteurs proposed extending the list of obliged entities to encompass “high-level professional football clubs, football associations and sport agents in the football sector.”⁶⁵

⁶³ See Appermont, N. and Bull, W., “Towards an anti-money laundering legal framework for professional football? An inductive inquiry on the basis of the Belgian case,” cit.

⁶⁴ See European Parliament, “Draft Report on the proposal for a regulation of the European Parliament and of the Council on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing” (2021/0239(COD)), 15 March 2022.

⁶⁵ See p. 1 of the explanatory statement.

Although the detailed scope underwent certain revisions, the inclusion of professional football within the list of obliged entities was broadly preserved throughout the ensuing inter-institutional negotiations, which reached a successful conclusion in February 2024. Among the most significant changes, two elements may be highlighted: (i) first, the Parliament's original proposal was limited to "high-level professional football clubs," defined as those in which "at least one team plays in the championship of the highest level of the competition" in a certain Member State. Such qualification fell entirely in the legislative process, resulting in the broader formulation ultimately found in the adopted text; and (ii) second, the original proposal also contemplated "football associations," members of the Union of European Football Associations, as obliged entities under the Regulation – a category that was left out of the scope of final text.

The Council eventually accepted the Parliament's position in principle but insisted on a series of mitigating mechanisms designed to ensure proportionality. These included, first, the removal of "football associations" from the list of obliged entities, so as to avoid potential overlap between AML supervision and the disciplinary functions of sporting bodies; and second, the introduction of a quantitative threshold allowing Member States to exempt clubs in the top division with annual turnover below EUR 5 million, as well as lower-division clubs deemed to present a "proven low level of risk."

Having clarified the normative foundations and legislative trajectory of this reform, attention now turns to its supervisory dimension: the allocation of competences between the new AMLA and the national authorities responsible for the oversight of non-financial obliged entities.

2. Football agents and professional football clubs

Under Article 3(1)(n) of the AMLR, "football agents" are unambiguously included in the list of obliged entities. The Regulation defines a football agent in Article 2(53) as "*a natural or legal person who, for a fee, provides intermediary services and represents football players or professional football clubs in negotiations with a view to concluding a contract for a football player or represents professional football clubs in negotiations with a view to concluding an agreement for the transfer of a football player.*" The rationale for including specifically football agents within the perimeter of the regime is explained by the likelihood that these actors might become a focal point of illegal transactions occurring in the transfer market. In an increasingly complex environment, players and sports clubs request the services of agents to negotiate and sign contracts. The international transfer market consists of thousands of football agents.⁶⁶ Football agents can perform several different activities in parallel, e.g., they may manage their players, but also customer's funds (asset management consultancy), give tax advice (tax consultancy), offer an image contract or take care of their publicity (advertising agents). Their role is fundamental as they often determine whether a transfer happens or not (e.g., through their influence over a player and/or relationship with a football club).

By defining agents based on functional involvement in contractual or transfer negotiations, the Regulation captures both individual intermediaries and corporate entities operating in the agency space. This inclusion responds to longstanding concerns about the opaque and cash-intensive nature of agent activity, often characterised by informal payments, multi-jurisdictional flows, and overlapping representation roles. From a legal standpoint, the blanket inclusion of agents implies that they are now subject to the same compliance architecture as financial institutions, despite their structural and operational differences – a move likely to trigger capacity challenges for smaller operators

⁶⁶ For example, in April 2023 FIFA reported that it has received 6,586 applications for the first-ever FIFA football agent exam.

in this market segment. The Regulation now imposes on these actors the full range of AML/CFT obligations, including CDD, internal controls, record-keeping and reporting of suspicious transactions.

The legal treatment of “professional football clubs” is more nuanced. The Regulation defines a “professional football club” in Article 2(52) as a legal person that owns or manages a licensed club competing in a national league in a Member State, with contractually engaged and remunerated players and staff. However, under Article 3(1)(o) AMLR, “professional football clubs” are deemed obliged entities from a functional point of view, in respect of specific categories of transactions. These are exhaustively listed as:

- (i) transactions with investors;
- (ii) transactions with sponsors (including advertisers);
- (iii) transactions with football agents or other intermediaries; and
- (iv) transactions for the purpose of a football player’s transfer.

This threshold aims to exclude purely amateur or recreational entities, thereby narrowing the regulatory scope to entities with significant financial stakes and formal employment structures. Union and national risk assessments converge in identifying these nodes as the most susceptible points in the football-finance chain to criminal infiltration and the layering of illicit funds. By contrast, ordinary lines of business – merchandising, gate receipts, stadium rental or payroll – remain outside the personal scope of the Regulation unless they intersect with one of the four high-risk categories.

Where a club does fall within that scope, it must discharge the full suite of obligations laid down in the AMLR. It is required to adopt and maintain internal policies, controls and procedures capable of detecting and mitigating money-laundering risk (Article 9) and to conduct an enterprise-wide assessment of such risk across all business lines (Article 10). Responsibility for compliance must be vested in a member of the management body acting in a managerial capacity (Article 11). The club is further obliged to apply risk-sensitive customer due-diligence measures in accordance with Articles 19 to 22. Notably, the requirement to carry out adequate verification entails a proper due diligence of all relevant counterparties – whether investors, sponsors, season-ticket holders in certain circumstances, other clubs involved in a transfer or the agents brokering a deal. The obligation does not end at onboarding: Articles 26 et seq. impose continuous monitoring of each business relationship, so that transactions remain consistent with the club’s knowledge of the customer’s risk characteristics. Transparency duties extend to the identification of the beneficial owner behind every counterparty and funding stream (Articles 51 et seq.). Where ownership structures involve multilayer vehicles or offshore entities – a common feature of contemporary club finance – the club must trace and verify the natural person who ultimately controls or profits from the arrangement. In parallel, Article 69 and the provisions that follow it require the prompt filing of suspicious-activity reports with the competent Financial Intelligence Unit whenever the club detects behaviour that is inconsistent with its risk assessment or otherwise indicative of potential money-laundering or terrorist-financing activity.

Collectively, these requirements position professional clubs as fully fledged gate-keepers, equipped – at least in regulatory design – with the same preventive arsenal deployed in the traditional financial sector: risk-based governance, customer due diligence, ongoing monitoring, beneficial-ownership transparency and mandatory reporting to the FIU. Their effective implementation is essential if the new AML framework is to achieve its stated aim of sealing off the transactional choke points through which criminal capital has historically entered the football economy.

3. Risk-based exemptions and national discretion

While the AMLR brings professional football clubs within the EU's anti-money-laundering perimeter, it simultaneously recognises the sector's heterogeneity by creating a differentiated exemption mechanism. Article 5 empowers Member States to release clubs from all or part of the Single Rulebook's obligations where a "proven low level of risk" can be demonstrated. The degree of latitude accorded to national authorities turns, first, on the competitive tier in which the club participates and, secondly, on objective economic indicators.

For clubs competing in the top division of a national league, an exemption is permissible only when two conditions are fulfilled cumulatively: (i) the club's total annual turnover must have remained below EUR 5 million – or the equivalent in national currency – for each of the two financial years preceding the exemption, and (ii) the competent authority must be able to document that the club's characteristics and scale of activity generate a low exposure to money-laundering or terrorist-financing risk. Participation in the highest tier is therefore treated by the Union legislature, in itself, as an indicator of heightened vulnerability, a position that Recitals 24 and 25 justify by reference to the larger financial volumes, more complex ownership structures and cross-border transactions typically associated with elite football.

Clubs operating in lower divisions are subject to a more flexible regime, in particular: (i) the turnover threshold does not apply; and (ii) the decisive criterion is simply the substantiated existence of a low risk in light of the nature and scale of the club's operations. Nonetheless, Article 5(2) requires every national exemption decision – whether in favour of a top-tier or lower-tier club – to rest on an assessment that addresses, at a minimum, the threats, vulnerabilities and mitigating factors characterising the club, and the size and international dimension of the relevant transactions. In preparing that assessment, Member States must take into account the Commission's periodic supranational risk analysis carried out under Article 7 of the AMLD6.

The Regulation also imposes relevant procedural safeguards. Where an exemption is granted, the Member State must establish an appropriate system of ongoing monitoring to detect any abuse or material change in risk profile, thereby preventing exemptions from becoming a conduit for regulatory circumvention. Furthermore, Article 7 introduces a stand-still mechanism: a Member State intending to adopt or retain a national exemption must notify the European Commission in advance, providing a detailed justification. The Commission enjoys a two-month window to object, and an objection prevents the measure from taking effect. This arrangement seeks to balance national flexibility with the need to avert supervisory fragmentation and regulatory arbitrage within the internal market.

The overall architecture thus reflects once again the measured legislative compromise achieved in the negotiation phase. On the one hand, it extends Union AML/CFT requirements to the transactional areas of football that empirical evidence identifies as most susceptible to criminal exploitation. On the other, it preserves a proportionate response for clubs whose financial scale or competitive status does not warrant the full compliance burden, while subjecting any national derogations to a uniform Union-level oversight process. In doing so, the Regulation seeks both to respect domestic particularities in the governance of professional football and to safeguard the integrity and homogeneity of AML/CFT supervision across the European Union.

4. Transitional period and remaining challenges

The formal extension of Union anti-money-laundering law to professional football clubs and football agents inaugurates an entirely new compliance chapter for an industry that economic analysis and policy literature have long regarded as highly exposed to financial-

crime risk. The AMLR imposes on these actors, for the first time ever, the same core duties that already bind credit institutions and other gatekeepers: internal AML strategies, enterprise-level risk assessments, board-level responsibility for compliance, risk-sensitive customer-due-diligence and prompt filing of suspicious-activity reports. In principle, enhanced oversight of investor financing, sponsorship agreements, intermediary remuneration and player transfers should curb the practices – overvaluation, opaque ownership structures, undisclosed third-party payments – that have facilitated the insertion and layering of illicit funds in football’s financial circuits.

Yet the practical translation of these norms is likely to prove arduous. Football’s organisational ecosystem – marked by multi-jurisdictional ownership chains, cross-border cash-flows and unconventional contractual relationships – differs from the business models of sectors that have traditionally sat at the core of EU AML legislation. Compliance with the new regime will therefore demand bespoke procedures, specialised staff training and, not least, substantial investment in governance and data-management systems. Acknowledging both the heterogeneity of the sector and the uneven distribution of risk, the legislator has adopted a two-pronged mitigation strategy. First, the already mentioned exemption contained in Article 5, which allows Member States – on the basis of a documented “low-risk” finding – to exempt certain clubs from all or part of the Single Rulebook obligations. Secondly, Article 90 introduces an extended implementation horizon for the two newly created categories of obliged entity: specifically, whereas the Regulation becomes generally applicable on 10 July 2027, the obligations apply to football agents and for professional football clubs in respect of the high-risk transactions listed in Article 3(3)(n)–(o) only from 10 July 2029. The additional two-year grace period is intended to give the sector time to build the necessary compliance architecture and to allow supervisors to issue tailored guidance; conversely, the longer transition inevitably leaves a window in which criminal networks may adapt their methods, underscoring the need for vigilant interim monitoring.

In addition, implementation hurdles are not confined to logistics and cost. The Regulation obliges clubs to perform due-diligence on their “customers,” yet the instrument offers no sector-specific definition of that term. In the football context, a “customer” may be a player, a sponsor, an investor or even another club, and Member-State practice has historically diverged on precisely this point.⁶⁷ Absent interpretative guidance, the risk of inconsistent application – and consequent supervisory fragmentation – remains real. The same holds true with regard to the definition of “business relationship” under Article 2(1)(19) AMLR,⁶⁸ which can lead to inconsistent applications. Determining when a club acts as a service provider – and therefore required to comply with due diligence obligations – can be ambiguous, for example in negotiations with prospective investors or when purchasing, rather than selling, a player from a team established in a high-risk third country.⁶⁹ The regulatory approach must be neither so

⁶⁷ See Appermont, N. and Bull, W., “Towards an anti-money laundering legal framework for professional football? An inductive inquiry on the basis of the Belgian case,” cit. The authors argue, looking at the Belgium Preventive Anti-Money Laundering Law (PAML) of 2017, that fans, sponsors and other football clubs in certain cases could be regarded as customers of clubs, whereas players, coaches, managers, other staff, as well as suppliers and independent contractors would fall out of the definition.

⁶⁸ According to which “business relationship” “means a business, professional or commercial relationship connected with the professional activities of an obliged entity, which is set up between an obliged entity and a customer, including in the absence of a written contract and which is expected to have, at the time when the contact is established, or which subsequently acquires, an element of repetition or duration.”

⁶⁹ See European Commission, “Report from the Commission to the European Parliament and the Council on the assessment of the risk of money laundering and terrorist financing affecting the internal market and relating to cross-border activities” (COM(2019)370final), 2019.

narrow as to exclude manifestly high-risk interactions nor so broad as to impose unnecessary bureaucracy.

Moreover, the timing constraints inherent in the transfer market raise operational challenges. Customer due-diligence duties apply when a business relationship is established or an occasional transaction is executed. Transfers concluded shortly before the close of the registration window may leave clubs inadequate time to verify the identity and beneficial ownership of counterparties, potentially placing EU clubs at a competitive disadvantage *vis-à-vis* teams in jurisdictions where football is not subject to AML/CFT rules. Provisions on provisional registration or conditional completion might therefore be necessary to preserve both regulatory effectiveness and sporting fairness.

Finally, although the Regulation will harmonise AML standards throughout the Union, football's financial chain is global. Major leagues operating outside the EU's legal order, most prominently the English Premier League, are not subject to the new regime. Complete insulation of the European market from illicit football-related flows will therefore depend on sustained cross-border cooperation that extends beyond the Union's regulatory perimeter. In this regard, the Union's decision to subject football clubs and agents to a fully fledged AML/CFT regime does not displace the sector-specific systems of self-regulation that have developed in parallel. At the European level, UEFA has long relied on disciplinary instruments to address match-fixing and the laundering of illicit proceeds that frequently accompanies it: Article 12 of the 2022 UEFA Disciplinary Regulations, read in conjunction with Article 50(3) of the UEFA Statutes, empowers the organisation to investigate and sanction clubs, players and officials involved in manipulations of sporting results. On the global stage, FIFA has introduced an additional layer of financial-integrity control through the aforementioned FIFA Clearing House SAS. The Union framework therefore overlays, rather than supplants, an existing constellation of private-law mechanisms aimed at safeguarding the financial integrity of the game.

V. Final remarks

The new AML/CFT supervisory system marks a decisive step in the EU's effort to close long-recognised regulatory gaps in professional football. By extending obliged-entity status to football clubs – albeit only for identified high-risk transactions – and to football agents, the legislature has moved a sector that handles multi-billion-euro cross-border cash flows onto the same preventive footing as more traditional, financial-sector gatekeepers. The preceding sections have traced the empirical justification for that choice, the substantive obligations now imposed, and the allocation of supervisory competences. The discussion also points to three sets of issues that might shape the effectiveness of the new regime.

Compliance with the AMLR will require clubs and agents to structure robust internal AML systems that are comparable in sophistication to those long familiar to credit institutions. Although large clubs may already possess elements of this architecture – for example through UEFA licensing – small and medium-sized clubs and many agents will need to build it from scratch. The deferred application date mitigates the immediate resource shock, but the sector will have to mobilise legal, technological and human-capital investments well in advance of that deadline.

Moreover, the Union regime inevitably intersects with the self-regulatory prerogatives of FIFA, UEFA and national associations. AMLA's power to issue binding standards, and to trigger breach-of-Union-law procedures against passive national supervisors, shifts a measure of regulatory authority from the sports industry to the public domain. That said, the new regime does not displace existing instruments such as UEFA's Financial Sustainability Regulations or FIFA's Clearing House, instead, it overlays them with a

harmonised baseline of financial integrity. Co-ordination protocols – such as joint supervisory colleges involving AMLA, FIUs and football bodies – will therefore be essential to avoid regulatory duplication and to preserve the operational autonomy envisaged by sporting statutes.

If implemented coherently, the new AML/CFT regime promises to enhance financial transparency, curtail criminal infiltration and reinforce public confidence in European football – while still leaving room for the cultural and economic diversity that makes the sport a defining element of Europe’s social fabric.

Author contributions. Although this article is the result of a joint reflection, Sections I, II and V can be primarily attributed to Andrea Minto, while the remaining Sections III and IV are primarily attributable to Thomaz de Arruda.