

Department of Criminology and Police Science

MASTER KRIMINOLOGIE UND POLIZEIWISSENSCHAFT

MASTER CRIMINAL JUSTICE GOVERNANCE POLICE SCIENCE

RUB

## Match Fixing and Organized Crime

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## Match-fixing scandal(s) in Europe

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- **380 games in Europe**, including World Cup and European Championship qualifiers, have been deemed suspicious in February 2013 by Interpol,
- with **425 match and club officials and criminals involved from 15 different countries**.
- One Champions League match is subject to ongoing judicial proceedings.

Italy arrests football match-fixing suspect  
 Singapore suspect's arrest at Milan airport comes as Singapore says alleged crime syndicate kingpin is aiding inquiry.



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## Financial Dimension

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- Every year, **between 300 and 500 billion of Euros are utilized in legal and illegal sport betting worldwide.**
- the global **online sports betting market** has grown in the past years **from 16.3 billion Euros in 2004 to 50.7 Billion Euros in 2012**

D. Hill, The Fix, 2008, p. 55 [http://www.bundesliga.de/media/native/autosync/dfb\\_bf\\_wirtschaftssituation\\_2012\\_01-12\\_dt\\_72dpi.pdf](http://www.bundesliga.de/media/native/autosync/dfb_bf_wirtschaftssituation_2012_01-12_dt_72dpi.pdf)



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## Financial Loos

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- up to 300.000 pathological gamblers in **Germany**
- Out of these: **sport gambling 25.000**
- **Financial loss per year**
  - approx. € 5 Billion (€ 16.000.- per gambler) in Germany, € 11 Billion in Italy 2006
- Sport gambling alone: **approx. 500 Mio. Euro (Germany 2006)**
- Debt: **73 % of all pathological gamblers**, compared to 55 % of cocaine addicts and 29 % of alcohol addicts
- **Social costs of gambling in Germany: 60 Billion Dollars per year**
- **Gambling = Social problem for our societies!**
- *Those who suffer: families, children, health care and social welfare systems...*
- *Those who make profit: legal and illegal gambling industrie*

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## Internet Gambling



- The global remote and internet gaming industry is forecast to grow from about €7.5 billion in €20.8 billion in 2010

Source: Study by the Swiss Institute of Comparative Law for the EU in 2006;  
[http://ec.europa.eu/internal\\_market/services/docs/gambling/study1\\_en.pdf](http://ec.europa.eu/internal_market/services/docs/gambling/study1_en.pdf)

CCA's Global Internet Gambling Revenue Estimates and Projections (2001-2010, \$M, US)



Year	Revenue (\$M)
2001	\$1,387.7
2002	\$4,000.6
2003	\$5,505.6
2004	\$5,248.5
2005	\$11,997.5
2006	\$15,182.9
2007	\$18,376.4
2008	\$20,653.5
2009	\$22,712.8
2010	\$24,471.5

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## Legal Problems of Match Fixing

- What is the object of „legal protection“ (Rechtsgut)?
- Who is the „aggrieved party“?
- What is the loss/damage/harm and how should it be calculated?

**The KEA-Study**

- ... illustrates how corruption and **match-fixing is covered in national criminal law in Europe.**
- Survey with national ministries in the 27 Member States, sporting organizations and betting operators
- European **legal landscape is not uniform**: whilst some countries focus on general offences of corruption or fraud, others have implemented **specific sport offences** to cope with match-fixing - contained either in their criminal codes, sports laws or special criminal laws (**Italy, Malta, Portugal**).
- These provisions differ greatly in regards to the act to be criminalized as well as the scope, objective and subjective elements of the offences or the relevant sanctions.**
- “Match-fixing in sport. A mapping of criminal law provisions in EU 27”. KEA March 2012.  
[http://ec.europa.eu/sport/news/documents/study-sports-fraud-final-version\\_en.pdf](http://ec.europa.eu/sport/news/documents/study-sports-fraud-final-version_en.pdf) (Aug. 23, 2012)

## Safe Haven Germany?

Germany is not on the map in the brochure of **INTERPOL** on “INTEGRITY IN SPORT - IMPROVING AWARENESS AND UNDERSTANDING OF CORRUPTION IN FOOTBALL”.



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<http://www.interpol.int/Crime-areas/Corruption/Integrity-in-Sport>



**UNITED STATES**  
 In December 2011, FIFA confirms it is investigating allegations of corruption in the 2010 CONCACAF Gold Cup, citing irregular betting patterns during the tournament - particularly those matches involving Canada, El Salvador and Cuba.

**ITALY**  
 Italian player Andrea Manna is arrested in April 2012 after admitting to receiving €100,000 (€200,000 in illegal payments) from the referee, who was playing for Bari at the time, nine days before the match. Eight of his former Bari teammates are also under investigation. Italy made several arrests in 2011, related arrests in 2011.

**CHINA**  
 A Chinese court sentences four soccer referees, including a former World Cup match official, to jail in February 2012 for their involvement in match-fixing and gambling. Several local players, referees, coaches and officials were put on trial the previous December following a two-year investigation into match-fixing.

**SOUTH KOREA**  
 A former coach and two former players are found dead - the most recent in April 2012 - in suspected suicides following a July 2011 championship on corruption. Forty-six players and 11 others were indicted on charges of match-fixing in the professional K-League.

**PHILIPPINE**  
 Around 100 players are suspended as of 2012 for alleged involvement in Asian betting syndicates linked to match-fixing. The scandal dubbed as “Singapore” involved players allegedly taking bribes to lose friendly matches between 2007 and 2009 in Malaysia, Vietnam and Thailand.

**TURKEY**  
 Some of the top names in Turkish football face judges in February 2012 as 81 people go on trial for match-fixing allegations, including the country's top soccer team, Fenerbahce. The Champions team of the Turkish league was banned from the UEFA Champions League in 2011 in relation to allegations of corruption.

## Case Sapina / „Don Ante“ (2011/13)


- Case involved at least **32 matches in Germany and 200 in the continent, including three matches of the Champions League.** (see next slide)
- Three people were sentenced in April 2011 by the Bochum District Court for to up to **3 years and 11 months in prison for trying to fix matches and bribe players.**
- Inquiry began - by accident - end of 2008.**
- Police were **investigating a prostitution and narcotics ring run by a transnational criminal organization based in Bochum**
- On 19 November 2009 a series of **raids were conducted in the UK, Germany, Switzerland and Austria** in relation to the betting investigation.
- The investigators discovered that the criminals were also running a vast network instigating corruption in sport and rigging bets **to launder** the fruits of their activities.
- On 19 November 2009, after a year of telephone tapping, **20 people were arrested and charged with corrupting over 320 football matches in 10 European countries. Afterwards some 100 more were arrested.**

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## Trial, April 7, 2011 (from the minutes): The „Five Star “ System

**“The SAMVO delegation has suggested to me a so-called star system. This meant that the degree of manipulation should be labeled with one to five stars. 1 should it be the weakest manipulation and 5 a strong influence [...] The SAMVO people have then explained that I could bet at a 5 star game very much, because then they would be able to bet for themselves. For me this was a new situation. [...] In the future, we implemented it. I shared with SAMVO when I had a good game and at the beginning I also forgave star numbers. The interaction with the bookmakers worked well (...)”**

This was denied by SAMVO.




See also <http://www.spiegel.de/sport/fussball/fussball-manipulationsprozess-weltspieler> the article had to be modified after interventions by SAMVO lawyers.

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## Who is the crook? Or: The „frauded fraudster“

- One may doubt, whether in the Sapina case the bookie „SAMVO“, (where Sapina placed his bets) was really defrauded by him.
- Sapina claimed to did this together with SAMVO and that SAMVO joined these bets.
- Eric Ho and Frank Chang met Ante Sapina in 2008 and agreed on this system – which was used previously in other cases with other betters.



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## „Tip of the Iceberg“

Europe hit by 'biggest-ever' match-fixing scandal

- Champions League fixtures among games under scrutiny
- Arrests made by police in Germany and Switzerland

Owen Gibson  
guardian.co.uk, Friday 20 November 2009 19:18 GMT



**200 + games**  
**50 raids**  
**Euro 1 Mio. seized**  
**200 people**  
**32 players**

Head investigators Friedrich Althaus (L) and Andreas Bachmann (R) with Peter Limacher of Uefa at a press conference in Bochum. Photograph: Vladimir Rys/Bongarts/Getty Images

Around 200 games across nine countries have been implicated in the biggest match-fixing scandal to hit European football, with German police yesterday warning the cases they had so far uncovered were "only the tip of the iceberg".

Fifteen people were arrested in Germany and two in Switzerland following more than 50 raids across those two countries, Austria and Britain during which cash and property worth more than €1m (£300,000) was seized. At least 200 people, including 32 players, are suspected of being involved.

Source: <http://www.guardian.co.uk/sport/2009/nov/20/uefa-match-fixing-germany>

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## Matches

**“The biggest match-fixing scandal ever to hit Europe”.**  
Peter Limacher, a spokesman of UEFA

### Suspected Cases

Turkey	76
Germany	69
Switzerland	40
International	24
Belgium	19
Croatia	18
Austria	16
Hungary	17
Bosnia	7
Slovenia	7
other European countries	11
Canada	1
other sports	3
other criminal acts	16
<b>total</b>	<b>323</b>

UEFA Euro League	1
UEFA EL Qualification	14
UEFA Champions League	2
UEFA CL Qualification	2
World Championship Quali	2
European Championship Quali	1
EC U21 Qualification	2

The following slides are taken from a presentation of the head of proceedings of Taskforce „Flankengott“ regarding commercial gang fraud related to the manipulation of national and international football games in Belgrade, March 2012 (courtesy of F. Althaus and police HQ Bochum)

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Police headquarters  
Bochum / Germany  
Organised Crime

### Cooperation with law enforcement agencies

Presentation Belgrade, 15 March 2012

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Police headquarters  
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Organised Crime

### Residence of the suspects

351 suspects

**Where is Italy?**

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Police headquarters  
Bochum / Germany  
Organised Crime

### Betting input and betting outcome

sums of bets	investigation / wiretapping	with evidence
effort	13.853.694,58 €	10.028.118,40 €
net profit	8.115.346,84 €	5.075.814,81 €
payout	15.448.756,68 €	12.285.699,13 €

**payout corruption players / referees etc.**  
1.756.400,00 €

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Police headquarters  
Bochum / Germany  
Organised Crime

### Task Force „Flankengott“

FA 2.31	31.10.09	14:00	VfL Bochum (U19)	Arminia Bielefeld (U19)	4:0 (1:0)
FA 2.32	31.10.09	14:00	FC Bayern Alzenau	Stuttgarter Kickers	1:3 (1:0)
FA 2.33	31.10.09	14:00	1. FC Saarbrücken	SC Verl	3:1 (1:0)

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## Ante S.: Leader of the gang – or flotsam?

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- Sapina the “*jetsam and the flotsam of a huge tide in global gambling*”? (D. Hill)
- **Globalization of the gambling business**
- Sapina had placed most of his bets in **Asian gambling markets because legitimate bookmakers in Europe generally have restrictions on the size of wagers** they will accept.
- **“In the normal markets it is just not possible to make the kind of money you can win in Asia”.**

<http://www.nytimes.com/2011/01/07/sports/soccer/07iht-match07.html?pagewanted=2&src=tpw>  
Declan Hill, The Fix. Soccer and Organized Crime. Plattsburg, 2008/2010

## Criminological Background and Forensic Evidence

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- Investigation **very difficult and time consuming** due to
  - **clandestine structures**,
  - very well (illegally and **legally**) connected actors,
  - different **legal structures**,
  - different **law enforcement cultures**,
  - **language problems** (e.g. in the Lim-Bee-Wah-case, the investigators did not know what language Lim spoke (it was Kookien or Hakka))
- Germany a “**safe haven**” for internationally organized, but locally networked groups?
- **The Italian Mafia is expanding its influence on the economy and politics in Germany**, as the BKA in a recent report has shown.



<http://www.juergen-roth.com/mafialand.html>  
[http://www.bka.de/nr\\_193314/SharedDocs/Downloads/DE/Publikationen/JahresberichteUndLagebilder/OrganisierteKriminalitaet/Bundeslagebild2011,templateId=raw,property=publicationFile.pdf/organisierteKriminalitaetBundeslagebild2011.pdf](http://www.bka.de/nr_193314/SharedDocs/Downloads/DE/Publikationen/JahresberichteUndLagebilder/OrganisierteKriminalitaet/Bundeslagebild2011,templateId=raw,property=publicationFile.pdf/organisierteKriminalitaetBundeslagebild2011.pdf)

## Social Background?

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- **Class discrepancies and poverty are increasing in Europe**
- Thatcherism: “*Morality is personal*”, “*poverty is not material but behavioral*”
- In Britain in 2010, the richest 1,000 got 30 per cent richer in just one year, in Germany 10% of the population own 2/3 of the capital, **50% auf the population have less than 1 %.**
- **In GB under Labour party the number of sports and social clubs fell by 55 per cent - the number of betting shops rose by 39 per cent.**

• Owen Jones, Chavs. The Demonization of the Working Class. London 2012 (2<sup>nd</sup> ed.)  
• Ingo Fiedler [http://www.wiso.uni-hamburg.de/fileadmin/user\\_upload/rechtswissenschaftsinstitut/Sonstiges/Die\\_socialen\\_Kosten\\_von\\_Gluecksspielen\\_-\\_Hamburg\\_facs\\_11.08.01.pdf](http://www.wiso.uni-hamburg.de/fileadmin/user_upload/rechtswissenschaftsinstitut/Sonstiges/Die_socialen_Kosten_von_Gluecksspielen_-_Hamburg_facs_11.08.01.pdf)



## Ante Sapina, a personal profile

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- **16.02.1976 born in Raško Polje (Croatia)**
- raised in Duisburg, Germany,
- youngest of three sons, immigrants from Croatia
- Father died 1988, family moved to Berlin
- **Ante was excellent in mathematics in school**
- When he was 14 years of age, he sent money to Ireland for sports betting (30.- German Marks each envelope)
- **In 1999 he won 76.000.- Euro at a betting machine in Berlin**, of which he invested 50.000 Euro in the German Bundesliga Champion 2000 – and won 100.000.-.
- Later he called this his „**breakthrough**“.
- **Studied business economics** at a university, but found „his profession“ in bets
- Got in trouble with private bookies – **he is too good for them**. He is put on betting limits, certain sports are blocked for him, **went to the state-run Oddset, with the „worst odds in Europe“ (Sapina).**
- **As a consequence, he moves to the Asian market with better options**

## The Story of Sapina

- 2004 he met the referee Hoyzer at Cafe King, owned by his brother Milan
- **met Messi** during the 2006 championship
- **„He loves football“**
- Sapina and Hoyzer **become friends** and agree on match fixing
- August 2004; **Sapina won 751.365.- Euro** (SC Paderborn vs. Hamburger SV, fixed by Hoyzer)
- Hoyzer and Sapina were sentenced, **Sapina 2 y 11m prison, released on probation after serving half the time**
- Sapina **stays in the milieu, bets again, fixes matches**
- **diagnosed as pathological gambler**
- His Porsche had the license plate „B-OG“ for „Bog“, the Croatian word for god. **Sapina is a Catholic, went to church whenever possible...**



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## Ante Sapina: Why?

- **Bright boy, excellent in mathematics**
- gambling, small bets, **looking for challenges as a boy**
- Bigger bets, **(financial) success**
- **Addiction** (pathological gambling)
- **Cultural and business environment** (Cafe King)
- **Private, personal success and appreciation**
- Looking for higher aims: Asian betting market
- **Contact with and appreciation by Organised Crime representatives**
- **Caught by coincidence**: phone tapping of another person

= **Sapina is NOT a typical member of organized crime structures**  
**Is this the reason, why he got caught and sentenced?**

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## Reasons for success?



- **Smart, polite, trustworthy**
- **Able to „read“ other people, to find their very personal chink or weak points**
- Knows how to deal with characters like Hoyzer on the one side and organized crime activists on the other side
- Was released after half sentence - very unusual in Germany. Why?
- **Was released from pre-trial custody in 2011 because he was „cooperative“; case is still ongoing.**

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## Consequences and the Way Forward

- Match Fixing causes **high financial losses** (associations, players and bet providers, each individual player)
- **Clubs** may end up with high debts after relegation or elimination of international competitions
- Result: **Job cuts** on sides of professional players and coach; club insolvent
- Citizens **lost trust in sports**, but also athletes and functionaries
- Consequence: **The „money“ draws back from Sports??**

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## Monitoring systems

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... are (at least at the moment) **not effective** because

- no facts or data, which can be used in investigations and trials, **no evidentiary value**,
- **monitored by criminal networks**,
- **even tactically used by such networks** (or by the organization itself) for own bets („Nachwetten“).
- (*“a net with very large mesh”*), because Asian fixers do not bet with Betfair or English betting companies

## Recommendations (1)

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1. Better **cooperation** between all stakeholders (law enforcement, sports federations, bookmakers/bookies, etc.)
2. **Exchange of Information** between law enforcement agencies in different countries, both on the **formal and informal** level
3. Better **knowledge about worldwide acting betting cartels** and **organized crime networks** and structures
4. **Monitoring systems** must be re-structured and an independent body must overview and evaluate their work; early detection is crucial; uniform procedure for handling suspicious cases
5. **Investigations** by using all tools incl. under cover agents on all levels and on all potential actors
6. **Ombudsmen** or independent commissions, where people can anonymously report suspicious activities or observations

## Recommendations (2)

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7. **Unification** (in Europe and worldwide) of laws, law enforcement activities, court decisions, data bases
8. **Standards** for legal and administrative cooperation
9. **Cooperation** with sports federations (UEFA, national organisations, not only football); they should inform police about suspicious matches;
10. **Licensing** of bookmakers should be combined with an agreement to provide information about suspicious matches, persons, clubs.
11. Regulatory authorities should agree on (European?) **standards to supervise and control the betting market** and bookmakers. Problem in Germany: No nation-wide agency possible like in France, Italy or GB due to the federal system (e.g. urban, communal regulatory agencies in cities)
12. **Integrity delegates** in sports federations and betting providers / bookmakers for cooperation with law enforcement agencies

## Finally: The Way Forward

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- **Betting fraud = organized crime**
- **Fight against trivialization** and lack of awareness
- **Really professional management of football associations** (independent people from “outside”)
- **Public awareness and acceptability of investigations** increased,
- **misleading information** by media and associations contradicted
- **Legislation** concerning fraud in the sport and betting business should be **equalized** between countries
- Establishing of **national regulatory authorities**
- Simplification of **legal and administrative cooperation**
- **Closer supranational cooperation** between betting-companies, regulatory authorities, sport associations and law enforcement agencies
- **Specified Unit within soccer associations** like UEFA, DFL, DFB, security departments **to protect and police the game!**
- **re-structuring of investigation bodies**



Abendgesellschaft: Frauen verdienen im Bereich des Fußballsports höhere Löhne als Männer.



**Perhaps an unexpected solution:  
More women as referees\*, more women officials...**

*„... there is... a culture of supplying women to referees before the matches...“  
(Hill p. 188)*