



INTERNATIONAL
OLYMPIC
COMMITTEE

IOC Inquiry Committee on AIBA Situation

Report to the IOC Executive Board

1. IOC Inquiry Committee mandate and work performed

1.1. Mandate

On 30 November 2018, the IOC Executive Board initiated, pursuant to the Olympic Charter, an inquiry regarding the International Boxing Association (AIBA). To that effect, the IOC Executive Board delegated its authority, including the organisation of the meeting with AIBA, to an ad-hoc Inquiry Committee with the remit to:

- a. analyse the AIBA Progress Report and the measures presented in it to address IOC's major concerns regarding governance, ethics, financial management and refereeing and judging;
- b. investigate and assess the areas of major concerns within AIBA, including governance, ethical, financial management and refereeing and judging;
- c. form a recommendation for the IOC Executive Board on potential measures and sanctions in accordance with the Olympic Charter.

The composition of the Inquiry Committee was announced as Mr Nenad Lalovic (Chair, IOC Executive Board Member), Mr Richard Carrion and Ms Emma Terho (IOC Members).

1.2. Appointment of an external independent expert

After a first review of the information provided by AIBA to the IOC during 2018, in particular the then most recent submission dated 12 November 2018, the IOC Inquiry Committee decided to appoint an independent expert, Deloitte SA ("Deloitte") to assist in further analysing the areas of major concerns within AIBA as identified by the IOC Executive Board.

Deloitte identified an additional list of documents and information needed to allow a detailed analysis of each specific area of concern. These documents were provided by AIBA to the IOC Inquiry Committee on 21 February 2019 and 10 April 2019.

Deloitte finalised its report after the official meeting with AIBA that took place on 20 May 2019.

1.3. Additional research and information

Following the announcement of its appointment, the IOC Inquiry Committee was contacted by various third parties informally. However, the IOC Inquiry Committee disregarded any information that was not submitted in writing. The IOC Inquiry Committee also made its own research in the public domain.

1.4. Official meeting with AIBA

AIBA was invited for a meeting on 20 May 2019 to present its comments over the various concerns raised by the IOC Executive Board. This meeting took place at the IOC Headquarters at 14.00.

AIBA answered a final series of questions by the IOC Inquiry Committee and was given a chance to present all its observations.

AIBA highlighted the progress they made since December 2017 in a number of areas, which in their opinion should allow them to continue to be in charge of the sport of boxing at the Olympic Games.

2. Context leading to the current Inquiry

The decision by the IOC Executive Board of 30 November 2018 to initiate this inquiry is the result of over a year of exchanges between the IOC and AIBA.

2.1. IOC Executive Board decision of 6 December 2017

On 6 December 2017, the IOC Executive Board took note of the resignation of Mr Ching-Kuo Wu as AIBA President on 9 November 2017 and as an IOC Executive Board Member. At the same time, the IOC Executive Board requested specific steps to be taken by AIBA in view of serious concerns related to governance within the International Federation and its financial stability, in particular the level of indebtedness. The deadline to take those steps was fixed at 31 January 2018. These specific steps included among others (i) a financial audit by an independent internationally recognised accounting firm, (ii) an independent review through the ASOIF Governance Task Force of AIBA's governance and (iii) the continuation of changes to be implemented in the area of refereeing and judging which were identified after the Olympic Games Rio 2016. The letter addressed to AIBA informing them of the IOC Executive Board decision was notified to the then AIBA's Interim President, Mr Falcinelli, on 12 December 2017 (Appendix I).

2.2. Appointment of Mr Gafur Rahimov as Interim President

During AIBA's extraordinary Congress held on 27 January 2018 in Dubai, Mr Falcinelli resigned from his position as Interim President and Mr Gafur Rahimov was appointed as new Interim President.

At the time of the Olympic Games Sydney 2000, despite his accreditation as Uzbekistan NOC's Vice-President, the Australian authorities refused his entrance into their territory. The IOC Inquiry Committee understands that this was related to Mr Gafur Rahimov being listed as an internationally researched person.

Research in the public domain showed that on 23 February 2012, Mr Gafur Rahimov had been added by the US Department of Treasury's Office of Foreign Assets Control ("OFAC") to the Specially Designated Nationals and Blocked Persons List ("SDN List") pursuant to US Executive Order 13581. In a press release, the US Department of Treasury identified him as a key member of the Brothers' Circle, which according to the US Treasury is a "criminal group composed of leaders and senior members of several Eurasian criminal groups". Mr Rahimov was described as "one of the leaders of Uzbek organised crime with a specialty in the organised production of drugs in the countries of Central Asia". This designation was reiterated in October 2013. On 22 December 2017, Mr Gafur Rahimov was also designated by the US Treasury Department as linked to the "Thieves in Law", another transnational crime organisation.

2.3. IOC Executive Board decision of 5 February 2018

After reviewing the AIBA progress report dated 31 January 2018, the IOC Executive Board on 5 February 2018 highlighted significant concerns regarding the said report and developments within AIBA and therefore decided a series of measures and next steps including: (i) to open an investigation into the governance of AIBA by the IOC Chief Ethics and Compliance Officer, (ii) to suspend any financial payments to AIBA, including boxing-related payments scheduled by Olympic Solidarity and (iii) to freeze all contacts with AIBA except the ones on the working level. Therefore, The IOC Executive Board required a further report by 25 April 2018. This decision was notified to AIBA's Executive Vice-President Mr Falcinelli on 8 February 2018 (Appendix II).

2.4. IOC Executive Board decision of 3 May 2018

On 3 May 2018, the IOC Executive Board took note of the information provided in the AIBA report dated 25 April 2018 in response to the requests addressed to AIBA on 8 February 2018. However, the IOC Executive Board concluded that key concerns were still not addressed and required further information, in particular in the areas of governance, finance and anti-doping. Therefore, the IOC Executive Board maintained its decision taken in February 2018 and requested that further information would have to be delivered by 6 July 2018 (Appendix III).

2.5. IOC Executive Board decision of 19 July 2018

During its meeting on 19 July 2018, the IOC Executive Board took note of the documents provided by AIBA on 6 and 16 July 2018 and expressed its significant ongoing concern with the key areas previously identified. As noted in its previous meetings in February 2018 and May 2018, the IOC Executive Board specified that appropriate steps to address the issues over the next months, as well as the outcome of the AIBA Congress in Moscow to take place on 2-3 November 2018, were crucial.

By the same decision, notified to AIBA by letter dated 20 July 2018 (Appendix IV), the IOC Executive Board maintained its previous decision, required the AIBA's report to be delivered by 12 November 2018 and specified that, should the appropriate requirements and actions not be fully implemented to the satisfaction of the IOC Executive Board, the IOC reserved the right to review the inclusion of boxing on the programme of the Olympic Games Tokyo 2020.

2.6. IOC letter dated 3 October 2018

During its meeting on 3 October 2018, the IOC Executive Board noticed misleading communication from AIBA leadership to national boxing federations regarding the IOC's position. In a public statement, the IOC Executive Board "reiterates its clear position that if the governance issues are not properly addressed to the satisfaction of the IOC at the forthcoming AIBA Congress, the existence of boxing on the Olympic Programme and even the recognition of AIBA as an International Federation recognised by the IOC are under threat" (Appendix V).

2.7. IOC Executive Board decision of 30 November 2018

During its meeting held on 30 November 2018, while acknowledging AIBA's progress and its commitments, the IOC Executive Board noted that several points of significant concern remained in the areas of governance, ethics, financial management and refereeing and judging.

The IOC Executive Board also took note of the election of Mr Gafur Rahimov as AIBA President by the AIBA Congress held in Moscow on 2-3 November 2018. In this regard, the IOC Executive Board expressed its concern on the impact of Mr Gafur Rahimov's designation by OFAC on AIBA's and its President's capacity to fulfil their responsibilities as an Olympic International Federation.

In view of the above points of major concern and pursuant to the Olympic Charter, the IOC Executive Board decided additional measures and steps, including to mandate the IOC Inquiry Committee to conduct an inquiry (see section 1.1). This decision was notified to AIBA by a letter dated 3 December 2018 (Appendix VI).

3. Analysis

The IOC Inquiry Committee reviewed all the documents and information gathered during its inquiry as well as those gathered by the IOC during the period leading up to it, including the detailed report of its external expert Deloitte. The below is the assessment of the current situation based on the information available.

3.1. Continuous disregard of basic governance standards, in breach of the Olympic Charter and the IOC Code of Ethics

Information collected from AIBA as well as public sources show that AIBA has been and continues to be managed in disregard of basic principles of good governance required in accordance with the IOC Code of Ethics (2018 edition) and the Olympic Charter.

In particular, since it was first approved in 1999, the IOC Code of Ethics reminds that all the Olympic Parties, including all recognised organisations, must refrain from acting in any manner which might tarnish the reputation of the Olympic Movement. In a great number of its decisions, the IOC Ethics Commission stressed the importance of the respect of the reputation of the Olympic Movement by all its stakeholders. The disregard of these principles exposes the IOC, its members and commercial partners as well as other Olympic Movement stakeholders to excessive reputational, legal and financial risks.

3.1.1. Low level of overall governance according to the ASOIF Governance Task Force

It is noted that the ASOIF Governance Task Force (GTF) has been created to ensure that the general level of governance of the International Federations (IFs) is regularly reviewed and monitored and IFs are supported to improve their governance levels where needed. The GTF also supported AIBA through its process and made several assessments of AIBA's governance levels.

The first assessment of AIBA by the ASOIF GTF in 2017 showed very serious shortcomings. The second evaluation in 2018, taking into account all the documentation provided by AIBA as well as the information available on the AIBA website, showed that the level of transparency did effectively improve since the first assessment with the publication of AIBA statutes, rules and regulation, organisational structures, etc. It has also been noted that AIBA made effective progress regarding the implementation of the WADA Code, in particular by signing a contract with the International Testing Authority (ITA). During the meeting with the IOC Inquiry Committee, AIBA mentioned that they are expecting a substantial increase in the next ASOIF scoring.

However, the overall level of governance, at this point in time, more specifically regarding integrity, democracy and checks & balance/control mechanisms, remains very low despite the progress made since December 2017.

The following illustrate the remaining gap between the current AIBA governance and the expected level of governance which must be respected by the Olympic Movement stakeholders, according to the Olympic Charter.

3.1.2. Absence of clear governance processes

The various decisions regarding one of the AIBA Executive Committee's candidates demonstrate the low level of governance processes within AIBA.

In a letter sent to the AIBA Executive Committee on 20 September 2018 (press article *Insidethesports* 21 September 2018), Mr Falcinelli, Vice-President and former Interim President, announced his support to the candidature of Mr Serik Konakbayev, sole opponent to the Interim President, Mr Gafur Rakhimov. Between the 28 and 30 September 2018, the AIBA Executive Committee, by postal vote, provisionally suspended Mr Falcinelli from his position of AIBA Vice-President, considering that he improperly shared a confidential letter sent by the IOC Chief Ethics and Compliance Officer to the AIBA President. However, simultaneously, the AIBA Election Committee allowed Mr Falcinelli to stand for his re-election as Vice-President, while remaining under suspension by the AIBA Executive Committee.

These contradictory decisions demonstrate a divergence of perception of integrity and illustrate insufficient governance processes within AIBA.

3.1.3. Insufficient implementation of AIBA conflict of interest rules, in line with the IOC Code of Ethics

According to the IOC Code of Ethics, the Olympic Movement stakeholders must refrain from placing themselves in any situation of conflict of interest. The following are examples where basic rules around managing potential and actual conflicts of interest were ignored within AIBA.

AIBA Disciplinary and Ethics Commissions and Election Committee nominations by the AIBA President

Pursuant to article 39.2 (I and J) of the AIBA Statutes, the AIBA President proposes the individuals to become members and Chairpersons of the Disciplinary and Ethics Commissions, later approved by the AIBA Executive Committee. In addition, the Election Committee (article 36.5) is composed of the Chairpersons of the Disciplinary and Ethics Commissions and of an independent member nominated by the AIBA President. Thus, the statutory influence of the AIBA President over these three organs, through his personal rights to either directly appoint or propose the individuals for the approval by the AIBA Executive Committee, is very strong.

When the then Interim President made the proposals for the composition of the Disciplinary and Ethics Commissions, as well as for the Election Committee, he was already i) aware that the IOC Executive Board requested to the AIBA Ethics Commission to look into his personal situation regarding the respect of ethical principles and ii) had already announced his intention to be a candidate for the AIBA presidency, knowing that his candidature will have to be assessed by the Election Committee.

In such conditions, his active participation in the nomination of the Ethics and Disciplinary Commissions, as well as the Election Committee, constitutes an actual situation of conflict of interest: confronted with such situation of conflict of interest, he should have refrained from any form of influence over these nominations. Thus, such participation is contrary to the Basic Universal Principles of Good Governance of the Olympic and Sports Movement (IOC Code of Ethics) which, pursuant to the Olympic Charter, must be respected by all recognised organisations.

Executive Committee Members' appointment

The AIBA Statutes, article 34.1 (B) provide that the President can select four Executive Committee members, among the Executive Committee candidates who lost the election, to be appointed by the elected members of the Executive Committee. Pursuant to this article, the newly elected President selected Mr Wu Di, among one of the non-elected candidates, knowing that Mr Wu Di was one of the most important AIBA creditors and potentially in charge of the future marketing activities of AIBA (see below section 3.3.2). Mr Wu Di declared in general terms his situation of conflict of interest and accepted not to participate in any discussion or decision bearing a risk of conflict of interest. Since most decisions of the Executive Committee, in particular related to marketing activities, have a financial impact, his nomination to the AIBA Executive Committee demonstrates a disregard of the conflict of interest principles.

3.1.4. Insufficient basic third-party due diligence and background checks

According to the IOC Code of Ethics, AIBA as a member of the Olympic Movement, should apply strict due diligence regarding its senior management / executive team and its business partners. The following examples demonstrate insufficient due diligence, exposing not only AIBA, its athletes and national federations, but also the IOC, its members, commercial partners as well as the Olympic Movement stakeholders, to potential legal, financial and reputational risks.

3.1.4.1. The Serbian API Bank closely linked to persons under US sanctions

The IOC Inquiry Committee understands that two Swiss banks decided to close AIBA's accounts and that no other financial establishment in Switzerland agreed to open new accounts. As a consequence, AIBA is currently using the services of a Serbian bank, API Bank. During the meeting with the IOC Inquiry Committee, AIBA explained that they chose API Bank because it was able to process in the currencies AIBA trades in and because it is a recognised legal trading bank in Serbia; their due diligence did not go beyond this.

API Bank was formed in July 2018 as a spin-off, after the sale of VTB Banka a.d. Beograd from Russian banking group VTB to Mr Andrey Shlyakhovoy, a prominent Russian entrepreneur. The seller, VTB Bank, appears to be subject to US sanctions. Another bank of Mr Andrey Shlyakhovoy, the Agrosoyuz Bank, also appears to have been added to the US specially designated national list and subjected to sanctions two weeks after API Bank was sold. The Agrosoyuz Bank is accused of facilitating "significant transactions on behalf of the person who was on the sanctions list for activities related to weapons of mass destruction in connection with North Korea."

Neither the API Bank nor its owner, Mr Andrey Shlyakhovoy, are under sanction; however, their links with US sanctioned entities and persons expose AIBA as well as the IOC and the Olympic Movement stakeholders to a serious reputational risk, potentially even legal risks.

3.1.4.2. Mr Umar Kremlev's offer to cover AIBA's debts with funds of uncertain origin

On 28 March 2019, Mr Umar Kremlev informed the media of his proposal to "close all the debts of AIBA in full, so long as our favourite sport remains in the Olympic program." Later on, the same day, his letter was sent to the IOC (Appendix VII).

The letter was written on the Russian Boxing Federation letterhead of which Mr Umar Kremlev is the Secretary General. Mr Umar Kremlev signed this letter as AIBA Executive Committee Member and EUBC First Vice-President. However, the wording of the letter (using the first person) seems to indicate that it is rather a personal commitment from Mr Umar Kremlev himself and thus, it is unlikely that the Russian Boxing Federation's funds will be used to cover AIBA's debts. In a media declaration Mr Kremlev stated that he would use his private funds (press article *Insidethegames* 28 March 2019).

Research in the public domain shows that Mr Umar Kremlev changed his name from Umar Lutfuloev; his various business ventures seem unlikely to be able to secure sufficient personal savings to cover AIBA's debts.

AIBA's Executive Director publicly announced "that AIBA was certainly grateful to Kremlev after he said that he would clear the governing body's USD 16 million debt" (press article *Insidethegames* 29 March 2019).

Given the aforementioned information regarding Mr Umar Kremlev and the fact that his letter did not provide any explanations on the origin of the funds to be used, the IOC Inquiry Committee questions the seriousness of the due diligence carried out by AIBA before the announcement to the media. Background checks on the origin of funds from external parties is part of basic standards of good governance expected to be implemented by Olympic IFs.

During the IOC Inquiry Committee meeting, in response to a question by the IOC Inquiry Committee, AIBA explained that the offer would only be accepted after satisfactory due diligence.

Additionally, during the week preceding his proposal (press article *TASS* 25 March 2019), Mr Umar Kremlev expressed his willingness to campaign for the AIBA presidency, in case this position would become vacant. Thus, the acceptance of his personal financial support to cover the debt of AIBA would constitute a major conflict of interest.

3.1.4.3. Election of a person designated on a US Treasury sanction list as AIBA President

In February 2018, the IOC Executive Board requested that the AIBA Ethics Commission reviews the situation of its then Interim President in the light of the decisions taken by the US authorities (see section 2.2). This request was reiterated in all the subsequent decisions by the IOC Executive Board.

Despite the fact that both, the AIBA Ethics Commission and the Election Committee were aware of the situation of Mr Gafur Rahimov and his designation by the US Treasury Department, and assumingly the consequences of such designation, none of these bodies seriously considered his situation taking into account the reputational, legal or financial risk for AIBA and the Olympic Movement.

The fact that Mr Gafur Rahimov has appealed against the decisions by the US Treasury Department does not remediate these risks since pending a decision on the appeal, Mr Gafur Rahimov remains a listed person. During the meeting with AIBA, it was confirmed that the procedure is still ongoing.

According to US law, US persons are prohibited from dealing with sanctioned persons or entities, directly or indirectly, controlled by sanctioned persons. As a consequence, this designation may have an impact on the relationship between AIBA and the US boxing entities, or more generally US companies or companies with significant presence in the US, as well as US sponsors of AIBA.

This prohibition also concerns IOC members from the US or IOC's US sponsors and commercial partners, since the IOC provides funding to the Olympic Movement stakeholders.

In addition to US persons, given broad enforcement of US sanctions laws by US authorities, even non-US persons chose, more and more often, out of precaution, to decide not to deal with US-sanctioned persons or entities. This includes many US and non-US banks, including the bank of the IOC, which refuses to make any payments to AIBA at the moment.

By email sent by AIBA's external lawyer on 20 March 2019, the IOC was made aware of the decision by Mr Gafur Rahimov to "step aside" from the AIBA presidency, in accordance with article 39.3 of the AIBA Statutes.

Pursuant to article 39.3 of the AIBA Statutes and By-law 16.3, while the Interim President could serve for a maximum of one year, there is nothing to refrain the “stepped aside” President to recover his authority at any time, provided it is 90 days before the date of the Extraordinary Congress called to elect a new President. Given these elements, the IOC Inquiry Committee underlines the uncertainty around the level of engagement, influence and control over AIBA by the “inactive” President.

In fact, the IOC Inquiry Committee notices that Mr Gafur Rahimov is still mentioned on the AIBA website as “AIBA President (Inactive)” with the email address “president@AIBA.org”.

Considering this situation, the risks to the Olympic Movement linked to Mr Gafur Rahimov’s designation by the US Treasury remain unchanged.

3.2. Insufficient safeguards to ensure sustainable and fair management of refereeing and judging

The IOC Inquiry Committee considered the repeated allegations related to refereeing and judging at recent Olympic Games, while noting that such processes and decisions are under the exclusive authority of the AIBA, including during the Olympic Games.

3.2.1. Olympic Games Athens 2004

Following a series of negative comments on the judging process and decisions during the Olympic Games Athens 2004 boxing tournament, the IOC strongly expressed its concern regarding the system of judging as well as the mechanism to select the AIBA officials. As a consequence, on 8 July 2005, the IOC Executive Board decided that all direct financial payments from the IOC to AIBA be temporarily frozen until AIBA took the appropriate steps to address these issues.

3.2.2. Olympic Games Beijing 2008

In 2006, AIBA reformed the refereeing and judging process under the leadership of the then newly elected AIBA President, Mr Ching-Kuo Wu, which was implemented for the Olympic Games Beijing 2008 competitions. Despite effective improvements, many serious claims of manipulation of the Olympic judging emerged after a series of disputed bouts.

Following the Olympic Games Beijing 2008, AIBA stated that the competition had been fair; however, acknowledged that the level of judges and referees as well as the transparency of the processes must be further improved.

3.2.3. Olympic Games London 2012

In 2011, the IOC Ethics Commission looked into media allegations of “money against medals” but was unable to obtain witness statements confirming the allegations regarding Olympic medals.

During the Olympic Games London 2012, it should be noted that a scoring review system was in place. Some of these reviews, specifically related to refereeing, resulted in the overturning of few controversial decisions. Following the Olympic Games London 2012, the then AIBA President, Mr Ching-Kuo Wu, dismissed the then Executive Director, Mr Ho Kim.

3.2.4. Olympic Games Rio 2016

In 2013, AIBA decided to withdraw the scoring review system from the AIBA Technical and Competition Rules and introduced a new scoring system, similar to the one used in professional boxing.

During the Olympic Games Rio 2016, despite this new scoring system, strong criticism was voiced by various athletes and media. Before the end of the Olympic tournament, the AIBA President, Mr Ching-Kuo Wu, decided to suspend the then AIBA Executive Director, Mr Karim Bouzidi, from his functions and to set up an AIBA Special Investigation Committee (SIC).

The AIBA SIC, chaired by Mr Tom Virgets, investigated the allegations of corruption among senior staff, judges and referees. All 36 Rio boxing referees and judges were suspended during the investigation. This investigation reported evidence of an internal “bad culture driven by power, fear and lack of transparency”.

Despite concluding that no result from the Olympic Games Rio 2016 needed to be reviewed, the AIBA SIC recommended that in the future, in order to ensure greater transparency, the draw of the referees and judges for each bout should be computer generated and no longer conducted by the Draw Commission. During the Olympic Games Rio 2016, the Chair of the Draw Commission was Mr Mohamad Moustahsane.

3.2.5. Youth Olympic Games Buenos Aires 2018 (YOG)

Due to the ongoing concern, the IOC required independent oversight of the refereeing and judging processes at the Youth Olympic Games Buenos Aires 2018 and appointed PricewaterhouseCoopers to:

- i. Review the AIBA refereeing and judging selection and evaluation processes; and
- ii. Assess whether the relevant statutes and regulations were followed during the YOG boxing competitions.

The new refereeing and judging system in place included the development of a computerised draw system for appointing referees and judges to a bout. However, despite the automated system, an apparent incident occurred when Swiss Timing received at the last-minute additional option settings for the system-based draw, causing the automated draw system to fail and subsequently forcing the Draw Commissioner to manually select referees and judges. All this ultimately made again the system more vulnerable.

As a general conclusion on refereeing and judging, the IOC Inquiry Committee notes that AIBA has experienced consistent allegations related to refereeing and judging processes and decisions, which have caused long standing and ongoing concern for athletes. These allegations show that AIBA was unable to establish an effective firewall between the professional judges and referees on one hand and the AIBA political leadership and management on the other hand; thereby represented a significant risk for the IOC and the Olympic Movement.

3.3. Incapacity to renew the AIBA management team, in particular regarding the influence over the refereeing and judging

Given the recurrent issues over the past years, the IOC Executive Board requested in December 2017 that AIBA renews its executive level positions. The IOC Inquiry Committee notices that so far this does not seem to have happened as explained below.

Mr Ho Kim, former Executive Director during the Olympic Games Beijing 2008 and London 2012, continues to provide regular information to the IOC regarding the management of AIBA. The opacity of the relationship between AIBA and this former Executive Director appears to be confirmed by the AIBA expenses 2018, which include consultancy fee payments to Mr Ho Kim; Deloitte was not able to ascertain the basis of such payments.

Mr Karim Bouzidi, former Executive Director during the Olympic Games Rio 2016, was present in various occasions during AIBA events in 2018, in particular during the AIBA Congress in Moscow in November 2018. He has also been photographed discussing with the current Executive Director during the AIBA World Women Championships in New Delhi (press article *Bulgaria Today* 25 March 2019).

The AIBA Special Investigation Committee concluded that the manipulation of the referees and judges draw during the Olympic Games Rio 2016 was the result of the interventions of different actors under the main responsibility of Mr Karim Bouzidi, one of them being the Chair of the Draw Commission, Mr Mohamad Moustahsane. Mr Mohamad Moustahsane was also chair of the Draw Commission during the Youth Olympic Games Buenos Aires 2018. He has been designated as Interim President after Mr Gafur Rahimov stepped aside.

Mr Tom Virgets, Chair of the then AIBA Special Investigation Committee on the Olympic Games Rio 2016, and Chair of the Disciplinary Commission, became, after the designation of the first Interim President, the ad-hoc Executive Director and was later confirmed in this position. In addition, he is still the Director, with individual signature, of the World Series of Boxing SA, which is part of the agreements with First Commitment International Trade Co. Ltd (FCIT), one of AIBA's most important creditors. Mr Tom Virgets was also Administrative President of Boxing Marketing Arm SA, which is now liquidated.

Despite the controversies related to refereeing and judging reported throughout the years, both former and active Chair of the AIBA Refereeing and Judging Commission still carry out critical roles in the AIBA management: Mr Terry Smith, who was Chair of the AIBA Refereeing and Judging Commission between 2006 and 2014, is currently member of the AIBA Executive Committee and Chair of the newly created Compliance Unit. Mr Osvaldo Bisbal, who was Chair of the AIBA Refereeing and Judging Commission between 2015 and 2018, including the controversial tournament of the Olympic Games Rio 2016, has been recently confirmed to lead the Refereeing and Judging Commission for another term. Mr Mohamad Moustahsane, previously Chair of the Draw Commission during the Olympic Games Rio 2016, is now the Interim President.

Taking into consideration the above, the IOC Inquiry Committee notices the incapacity of AIBA to effectively renew its leadership.

3.4. Over-indebtedness and impossibility to confirm going concern

For several years, AIBA had to deal with high debts and liquidity issues. Since 2017, several external auditors retained by AIBA have highlighted their inability to confirm its going concern. Such a situation seriously hinders AIBA's ability to fulfil its roles and responsibilities as a recognised International Federation.

3.4.1. Level of AIBA indebtedness

The K2 Intelligence Ltd report, produced in 2018 at the request of the AIBA management, concluded, amongst other things, that the level of indebtedness was the result of a series of poor decisions directed by the former President and enacted by the successive Executive Directors; this led to AIBA investing in projects that were substantial cash drains on the association.

As explained in Deloitte's report, according to AIBA interim financial statements for the period ended 31 December 2018, the organisation has a cash balance of around CHF 663'000. This has decreased from CHF 6.8 million as of 30 June 2017 and from CHF 1.8 million as of 30 June 2018 (AIBA website, report of the statutory auditor as at 30 June and 31 December 2018).

Deloitte's report also underlined that, putting aside the AIBA competitions revenue and taking into account the AIBA level of cash in the bank as at 31 December 2018, AIBA may face significant difficulties in covering its 2019 cash requirements, as they seem higher than the level included in the cash flow forecast for the 2019 budget.

The level of indebtedness also means that the funds received by AIBA from the IOC will necessarily need to be used first and foremost to cover its excessive accumulated debts rather than for the benefit of the development of sport and the athletes. As of 31 December 2018, interim financial statements, total liabilities amount to around CHF 22 million with assets at around CHF 5 million, therefore leaving a balance sheet deficit or net liability of CHF 17 million.

Based on the information provided by AIBA and as noted by Deloitte, in addition to the accumulated liabilities without Olympic funding, AIBA may be unable to close the FCIT settlement agreements mentioned below. This means that the claim in respect of FCIT would also need to be included in full and AIBA's indebtedness would increase by a further CHF 19 million. By June 2021, the Benkons loan balance (see below) should be reduced to CHF 7 million, but with FCIT's potential claim, AIBA's total liability could be in excess of CHF 26 million with an additional negative cash balance of CHF 3 million (based on AIBA's cashflow forecast and assuming no revenue in addition to that forecast). Based on these figures AIBA's indebtedness could reach a level of CHF 29 million by 30 June 2021.

3.4.2. Concerns regarding two AIBA settlement agreements

According to Deloitte's report, since June 2018, the major changes to AIBA's financial situation have been new settlement agreements with their major debtors, Benkons LLC ("Benkons") in Azerbaijan and with FCIT in Hong Kong. Neither of these agreements provides a cash benefit to AIBA allowing an immediate diminution of the debt, as explained below.

AIBA was guarantor to a loan of USD 10 million provided by Benkons to a subsidiary of AIBA, WSB-AO. No repayments were made on time and the loan repayment obligation was transferred to AIBA. In July 2018, AIBA and Benkons entered into a settlement agreement in relation to this debt. This settlement agreement waives all previous interests that had been accrued; it provides Benkons with sponsorship rights for 2019 and 2020 for the value of a small part of the debt, while the repayment of the debt by AIBA has been postponed until 2021 and should continue until 2028. It is not clear how these payments will be financed in the long term. Should any breaches of this repayment plan occur, then the significant additional interests become payable.

AIBA also entered into a settlement agreement with FCIT in 2018. This settlement agreement does not substantially change AIBA's current financial situation, since it also provides no cash benefit to AIBA in the short term. As a consequence of this settlement agreement, AIBA will transfer a majority of its shares in the World Series of Boxing, the AIBA marketing subsidiary, to FCIT against a reduction of FCIT's claim. Simultaneously, AIBA will grant FCIT a licence for intellectual property rights and commercial rights pertaining to AIBA competitions and activities for a long period of time.

Therefore, there remains significant uncertainty regarding the financing of the future payments provided by the above-mentioned settlement. In addition, it is highlighted that the future AIBA marketing revenues for the years to come will be transferred to a company owned in majority by FCIT, thus depriving AIBA of any future independent revenue, in particular for its own activities provided by the Olympic Charter.

As a result, the IOC Inquiry Committee considers there remain several major risks for the IOC:

- It is unclear how AIBA will be able to fulfil its roles and responsibilities according to the Olympic Charter, which are primarily the development of sport and support to the athletes;
- the AIBA revenue, expected to be paid by the IOC from the Olympic Games Tokyo 2020 revenue and beyond, will first have to be used to cover the existing debts. Thus, AIBA will not be able to use the money from sport for its original purpose, which is the development of sport and the support of the athletes;
- the IOC ultimately risks funding a financially unviable organisation that will remain at risk of failing;
- the ongoing legal, reputational and financial risks linked to the designation of Mr Gafur Rahimov by the US Treasury; and
- the lack of governance which will encourage AIBA to sell its assets for the long term and/or to be lenient on verifying the sources of potential funding, as shown recently, and thus increasing the potential governance risks.

3.5. Other element analysed

During the official meeting, AIBA raised a question about the role of Mr Ching-Kuo Wu.

The IOC Inquiry Committee notes the following:

- the IOC Inquiry Committee's mandate was not to look into the situation of individuals, but to assess AIBA's governance;
- the IOC Inquiry Committee took note that the report by the AIBA SIC, chaired by the current AIBA Executive Director, Mr Tom Virgets, does not contain any indication of the involvement of Mr Ching-Kuo Wu; and
- the IOC Inquiry Committee took note of the K2 Intelligence Ltd report, produced in 2018, did not provide any evidence of illegal behaviour committed by Mr Ching-Kuo Wu.

Despite the elements listed above, the IOC Inquiry Committee suggests that the IOC Chief Ethics and Compliance Officer, who was involved in the present inquiry, evaluates any information made available during this inquiry, related to Mr Ching-Kuo Wu.

4. Conclusions and Recommendations

Conclusions

The IOC Inquiry Committee, having taken into consideration all the information provided by AIBA, as well as its explanations provided during the official meeting held on 20 May 2019 in Lausanne, and the Deloitte final report, comes to the following conclusions:

- Serious governance issues remain, including breaches of the Olympic Charter and the IOC Code of Ethics regarding good governance and ethics, leading to serious reputational, legal and financial risks for the IOC, the Olympic Movement and its stakeholders;
- AIBA has been unable to demonstrate a sustainable and fair management of refereeing and judging processes and decisions, increasing the lack of confidence that athletes can have in fair competitions;
- The election as AIBA President of a person designated on the US Treasury list exposes the IOC, the Olympic Movement stakeholders and its partners, to unacceptable reputational, legal and financial risks; and
- The continuous very high level of indebtedness and the lack of liquidity, as highlighted by Deloitte, will oblige AIBA to primarily use any revenue, including from the Olympic Games Tokyo 2020 and beyond, to cover its existing debts. Thus, AIBA will not be able to use the money from sport for the development of sport and the support of the athletes and might remain financially at risk of insolvency.

Recommendations

Following the conclusions above, the IOC Inquiry Committee considers that such accumulation of risks would justify the withdrawal of the recognition of AIBA as an International Federation by the IOC.

However, taking into consideration the interests of both the sport of boxing and the athletes, the IOC Inquiry Committee wishes to make the following recommendations, which should allow a real change in the governance of the sport of boxing:

The IOC Executive Board to propose to the IOC Session:

1. to suspend the IOC recognition of AIBA until sustainable improvements have been made in the areas of governance, ethics, refereeing and judging as well as financial stability and going concern; and
2. to allow, on an exceptional basis and given the specific circumstances, the IOC Executive Board to develop a solution that allows the athletes of Olympic boxing to attend qualification events and the Olympic Games Tokyo 2020.

Lausanne, 21 May 2019

The IOC Inquiry Committee on AIBA situation:



Nenad Lalovic, Chair



Richard Carrion



Emma Terho

List of appendices

- I. IOC letter to AIBA, 12 December 2017
- II. IOC letter to AIBA, 8 February 2018
- III. IOC letter to AIBA, 3 May 2018
- IV. IOC letter to AIBA, 20 July 2018
- V. IOC letter to AIBA's National Federations, 3 October 2018 and IOC Statement
- VI. IOC letter to AIBA 3 December 2018
- VII. Mr Umar Kremlev's letter to the IOC, 28 March 2019



INTERNATIONAL
OLYMPIC
COMMITTEE

Office of the Director General

Ref. No. 2017/CDK/ckml/ccmc
By mail and e-mail

Mr Franco Falcinelli
Interim President
International Boxing Association
Maison du Sport International
Avenue de Rhodanie 54
1007 Lausanne, Switzerland

Lausanne, 12 December 2017

IOC Executive Board concerns regarding AIBA

Dear President Falcinelli,

As you know, at its meeting last week in Lausanne, the IOC Executive Board reviewed and discussed the recent and ongoing issues in the International Boxing Association (AIBA) and the sport of Boxing.

While noting the recent agreement reached between Mr Ching-Kuo Wu and the interim leadership of AIBA, and appreciating the steps that have been achieved under your interim presidency, the IOC Executive Board expressed significant concerns regarding the reported issues of governance and financial stability within AIBA and the need to protect the sport and the athletes as the necessary steps are taken to address the current issues.

The next steps in addressing these issues over the coming months are crucial, and we want to support AIBA in taking the right steps in this period. The IOC Executive Board has therefore identified a number of specific actions AIBA should take in order for these steps to be taken in a way which protects the integrity of the sport and the federation. The expected steps are noted in annex to this letter.

The IOC will support AIBA in taking these required steps. However, should the appropriate requirements and actions not be fully implemented to the satisfaction of the IOC Executive Board, the Executive Board may be required to raise this issue further with the IOC Session in PyeongChang in regard to both the inclusion of boxing in the programme of the Olympic Games and status of AIBA with the IOC.

Understanding the urgency of the matters, we request a full report on the required actions by 31 January 2018 to allow an update to be given to the IOC Executive Board meeting on 3-4 February in PyeongChang (KOR), and to the IOC Session in PyeongChang as required.

We look forward to maintaining a close liaison and support for you on these important steps for the benefit of boxing and your athletes.

Yours sincerely,


Christophe De Kepper
IOC Director General

cc:
Francesco Ricci Bitti, ASOIF President

Governance

1. AIBA should request that ASOIF, through its Governance Taskforce (GTF) and appointed experts, lead an independent review of AIBA governance and prioritised actions, and monitor implementation to ensure AIBA fulfils all identified areas of governance improvement. This review should include:
 - a. All key areas of financial management, risk management and payment approvals and procedures
 - b. Clarification of the appeals process to CAS within AIBA regulations

Management

2. Confirmation that to allow a fully fresh start, no former staff which have previously held executive level positions in previous AIBA structures are planned to be involved either directly or indirectly in the Federation moving forward.
3. Clarification on AIBA plans for its headquarters location.

Financial

4. A full and independent financial audit must be undertaken immediately by an internationally-recognised accounting firm to clarify the current financial position and identify required actions, including making the results of the audit public once completed.

Sporting integrity

Judging and refereeing

5. AIBA must continue to monitor the implementation of the previously identified post-Rio 2016 changes to the Refereeing and Judging systems throughout 2018 and respond appropriately to any concerns raised by athletes or teams.

Anti-doping

6. AIBA to fully support WADA in conducting any reviews of the AIBA anti-doping programmes and identify any required actions to ensure to guarantee proper financial and human resources for its long-term fight against doping, including the plans to join the ITA and provide full related support.



INTERNATIONAL
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COMMITTEE

Office of the Director General

Ref. No. 2017/CDK/kml
By mail and e-mail

Mr Franco Falcinelli
Executive Vice President
International Boxing Association
(AIBA)
Maison du Sport International
Avenue de Rhodanie 54
1007 Lausanne, Switzerland

PyeongChang, 8 February 2018

IOC Executive Board concerns regarding AIBA

Dear Mr. Falcinelli,

Thank you very much for the letters from yourself and the AIBA Interim President dated 31 January 2018, along with the "AIBA Progress Report to the IOC Executive Board" of the same date. Even though many key deliverables are not addressed, we appreciated receiving this response in accordance with the request of our letter of 12 December 2017. Equally we appreciate your nomination as the AIBA Executive Vice-President responsible for communication with the IOC.

Your report was presented to and discussed at yesterday's IOC Executive Board meeting in PyeongChang. The IOC Executive Board noted the report from AIBA but also highlighted its significant concerns with key elements of the report and developments within AIBA and the sport of boxing, particularly in relation to the potential impacts on athletes and the integrity of competition.

At its meeting the Executive Board decided the following:

1. The IOC Executive Board (EB) is not satisfied with the report prepared by AIBA on its governance, finance, refereeing and anti-doping issues. Therefore, the EB maintains its decision of 6 December 2017.
2. The IOC EB confirms the opening of an investigation into the governance of AIBA by the IOC Chief Ethics and Compliance Officer.
3. The IOC EB suspends any financial payments to AIBA, including directly boxing-related payments scheduled by Olympic Solidarity.
4. The IOC EB is freezing all contacts with AIBA, except the ones on the working level which are necessary to implement the respective IOC decisions.
5. The IOC EB requires a further report by AIBA by 25 April 2018.
6. The IOC EB reiterates that the IOC decisions regarding the event and athlete quota for the Olympic Games Tokyo 2020 are final.
7. The IOC reserves the right to review the inclusion of boxing on the programme of the Youth Olympic Games Buenos Aires 2018 and the Olympic Games Tokyo 2020.

As we noted in December, the appropriate steps in addressing these issues over the coming months are crucial, and we want to support AIBA in taking the right steps in this period. The identified additional steps build on the report you have provided and must be taken in a way which protects the integrity of the sport and the federation.

As noted above, the next report is required to be delivered to the IOC Executive Board by Wednesday 25 April to allow further consideration by the IOC Executive Board at its meeting on 2-4 May in Lausanne. We also recommend that you work closely with the IOC Chief Ethics and Compliance Office for the governance investigation.

The IOC will support AIBA in taking these required steps. However, should the appropriate requirements and actions not be fully implemented to the satisfaction of the IOC Executive Board, the Executive Board may be required to raise this issue further in regard to the inclusion of boxing in the programme of the Youth Olympic Games Buenos Aires 2018 and Olympic Games Tokyo 2020.

We thank you in advance for taking the necessary steps for the benefit of boxing and your athletes.

Yours sincerely,



Christophe De Kepper
IOC Director General

cc:
Francesco Ricci Bitti, ASOIF President
Kit McConnell, Sports Director

Annex 1 – Response to the “AIBA Progress Report to the IOC Executive Board” and expected AIBA steps prior to 25 April 2018

Governance

The Board noted the updated AIBA questionnaire submitted to ASOIF on 26 January 2018, the planned meeting on 5 February and ASOIF’s liaison with you prior to the ASOIF General Assembly in April.

It specifically appreciated the incorporation and clarification of the appeal process to CAS in AIBA Statutes approved at the AIBA Extraordinary Congress in Dubai, and the appointment of Burston-Marsteller to conduct a full organisational review.

The IOC Executive Board highlighted the need for close monitoring in the next steps in this process and also noted its concern regarding reports of resignations within the AIBA Ethics Commissions. It therefore required the following actions:

1. Confirmation from AIBA that ASOIF can share all information related to the individual review directly to the IOC
2. A report from ASOIF reflecting the work of its “Governance Monitoring Unit” on the governance of AIBA, including identification of key issues and agreed actions in the areas of:
 - i. Financial management
 - ii. Risk management
 - iii. Payment approvals and procedures
3. Clarification on the status of the members of the AIBA Ethics Commission, with an explanation of changes in membership over the past six months

Management

The Board appreciated the confirmation that the office will remain in Lausanne. It also noted the response that no former Executive Directors will be “returning back to work at AIBA’s headquarters.”

The Board therefore requested the following (reflecting the request from 12 December 2017):

4. Confirmation that to allow a fully fresh start, no former staff which have previously held executive level positions in previous AIBA structures are planned to be involved either directly or indirectly in the Federation moving forward

Finance

The Board questioned AIBA’s references to the delay or outstanding payment of the final Rio 2016 distribution instalment, as the third and final instalment was completed in April 2017.

The Board also noted the appointment of K2 Intelligence and its reported scope of work, along with updates on the various loans and agreements. While noting the value of the piece of work of K2, the Board reiterated its request from 12 December 2017:

5. A full and independent financial audit must be undertaken immediately by an internationally-recognised accounting firm to clarify the current financial position and identify required actions, including making the results of the audit public once completed.
6. Provision of the full completed report from K2

Sporting Integrity

Thank you for the update on the consultation that will be conducted with all AIBA Member Federations and the work to be done with Burson-Marsteller and looks forward to receiving the report when received in July 2018.

Judging and refereeing

The Board requested the implementation of an independent analysis of the refereeing and judging processes and systems in place for the Youth Olympic Games Buenos Aires 2018:

7. The IOC and ASOIF to agree an independent structure to be in place to review the refereeing and judging processes and systems in place for the Youth Olympic Games Buenos Aires 2018

Anti-doping

The Board appreciated the confirmation that AIBA had entered into an agreement with the Doping-Free Sport Unit (DFSU) for the full services. It is important that AIBA continues to follow all required actions identified by the DFSU and in this regard requested confirmation of:

8. A commitment to join the ITA and therewith make use of all their available services to provide full related support to AIBA in their combat against doping.



INTERNATIONAL
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COMMITTEE

Office of the Director General

Ref. No. 2018/CDK/ckml
By e-mail only

Mr. Tom Virgets
International Boxing Association
(AIBA)
Maison du Sport International
Avenue du Rhodanie 54
1007 Lausanne
Switzerland

Lausanne, 3 May 2018

IOC Executive Board concerns regarding AIBA

Dear Mr. Virgets,

Thank you very much for the report submitted by yourself on 25 April in response to the IOC Executive Board's (EB) request from 8 February. Even though many key deliverables are ongoing, we appreciate receiving the response in accordance with our request. Equally, we appreciate your open dialogue throughout this process with the IOC.

Your report was presented to and discussed at today's IOC EB meeting in Lausanne.

After review of the documents provided by AIBA and ASOIF, the IOC Executive Board took the following actions:

- i. The IOC EB note the report provided by AIBA and the steps being taken to clarify the financial position, address the governance issue and strengthen the refereeing and judging structures and processes;
- ii. The IOC EB note that there are a number of key areas requiring further information and confirmation (including acting on the ASOIF Governance Task Force recommendations, completion of the "New Foundation Plan" (strategic plan), appointment of the AIBA Ethics Commission, finalisation of the EY financial audit report and K2 financial investigation report, completion of the transition to the International Testing Agency and clarification on the full AIBA anti-doping programme) as outlined in the attached required actions contained in annex to this letter;
- iii. The IOC EB maintains its position from December 2017 and February 2018 and expresses its significant ongoing concern that until such actions are fully implemented there remain major risks to the governance, ethical and financial management of AIBA, and resulting impacts on the governance of the sport and protection of its athletes;
- iv. The IOC EB requires the further identified actions to be completed by 6 July 2018 ahead of the 18-20 July 2018 IOC Executive Board meeting;
- v. In order to protect the young athletes, the IOC EB confirmed the place of boxing on the programme of the Youth Olympic Games Buenos Aires 2018, subject to the appointment of an internationally-recognised organisation to implement an independent structure to review the refereeing and judging processes and systems in place for the boxing competitions; and

- vi. The IOC reserves the right to review the inclusion of boxing on the programme of the Olympic Games Tokyo 2020.

In addition to these decisions, the Executive Board also confirmed a further 17 revised actions, which can be found in annex to this letter.

As we noted in December 2018 and February 2018, the appropriate steps in addressing these issues over the next months are crucial and we want to support AIBA in taking the right steps in this period. The identified additional steps build on the report you have provided and must be taken in a way which protects the integrity of the sport and the federation.

The next report is required to be delivered to the IOC Executive Board by 6 July 2018 to allow further consideration by the IOC Executive Board at its meeting on 18-20 July in Lausanne. We also recommend that you continue to work closely with the IOC Chief Ethics and Compliance Office for the governance investigation.

The IOC will support AIBA in taking these required steps. However, should the appropriate requirements and actions not be fully implemented to the satisfaction of the IOC Executive Board, then as mentioned above, the IOC reserves the right to review the inclusion of boxing on the programme of the Olympic Games Tokyo 2020.

We thank you in advance for taking the necessary steps for the benefit of boxing and your athletes.

Yours sincerely,



Christophe de Kepper
IOC Director General

cc:
Francesco Ricci Bitti, ASOIF President
Kit McConnell, Sports Director



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Annex 1 – Required AIBA actions by 6 July

Recommendations

Governance

1. *On the basis of the ASOIF Governance Task Force 2018 report, to effectively implement the contents of this report with a priority on transparency, integrity, democracy, check and balances, amongst other items:*
 - *Publication of the General Assembly agenda and relevant documents, including the list of candidates for elections, annual activity report etc.*
 - *More transparency in the election process of the President and the Executive Board*
 - *Set-up an integrity and awareness programme, including on the prevention of the manipulation of competitions*
 - *Improvement of gender balance in the governing bodies*
 - *More transparency in the process of allocation of resources by strengthening the financial controls*
2. *Completion of the “New Foundation Plan” and submission to ASOIF and the IOC for review*

Ethics

3. *Appointment of an independent Chair of the AIBA Ethics Commission*
4. *Appointment of independent members of the Ethics Commission*
5. *Ensure that the Ethics Commission will analyse the specific situation of the interim president vs US Treasury Department decision and possible legal appeals of this person*

Management

6. *Clarify the roles of the AIBA management including those appointed by previous IOC Executive Directors*
7. *Continue the February 2018 Executive Board decision to freeze all contacts with AIBA, except the ones on the working level which are necessary to implement the respective IOC decisions.*

Finance

8. *Provide the finalized EY audit report (along with the supporting documents: financial statements and cash flow forecast, financial year ended 30 June 2017 and June 2018 or as minimum 8 months ended 28 February 2018, which forms integral part of the audit reports)*
9. *Provide the finalized K2 investigation report*
10. *Implementation of the new control mechanisms (organisational policies and process)*



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11. *Engage in a full and independent audit after implementation of the new control mechanisms in order to demonstrate the result of the implementation*
12. *Continue the February 2018 IOC Executive Board decision to suspend any financial payments to AIBA, including directly boxing-related payments scheduled by Olympic Solidarity.*

Sporting Integrity – Refereeing & Judging

13. *Appoint an internationally-recognised organisation to monitor and review the refereeing and judging processes and systems in place for the Youth Olympic Games Buenos Aires 2018, in consultation with ASOIF.*

Sporting Integrity – Anti-doping and Manipulation of Competition

14. *AIBA to complete the full transition to the ITA in June 2018*
15. *Confirm the details of the planned AIBA anti-doping programme including WADA analysis of:*
 - *Details of the confirmed AIBA anti-doping budget*
 - *Details of the full anti-doping programme, including in-competition and out of competition testing, full test distribution plan, results management, case prosecution, TUEs and education programmes*
16. *Confirm WADA compliance related to the allocation of the World Championship to Russia*
17. *Nominate a point of contact for the IBIS programme, fully engage with the IBIS programme and implement an integrity of competition education programme in liaison with the IOC Ethics and Compliance Office.*



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Office of the Director General

Ref. No. 2018/CDK/ckml
By e-mail only

Mr. Tom Virgets
International Boxing Association
(AIBA)
Maison du Sport International
Avenue du Rhodanie 54
1007 Lausanne
Switzerland

Lausanne, 20 July 2018

IOC Executive Board concerns regarding AIBA

Dear Mr. Virgets,

Thank you very much for your report submitted on 6 July in response to the IOC Executive Board's request of 3 May. Even though many key deliverables are ongoing, we appreciate receiving the response in accordance with our request. Equally, we appreciate your open dialogue throughout this process with the IOC which has been highly appreciated and important in understanding the important steps being taken by AIBA.

Your report was presented to and discussed at yesterday's IOC Executive Board meeting in Lausanne.

The Board acknowledged AIBA's progress in several areas, including the work with the ASOIF Governance Task Force, the completion of the Foundation Plan, the finalisation of the Tokyo 2020 weight categories, the support for the engagement of PWC for the independent monitoring of the boxing competitions at the Youth Olympic Games Buenos Aires 2018 and the transition to the International Testing Agency (ITA) and its commitments for further information on financial matters.

However the Board also expressed its significant ongoing concern with a number of key areas, including governance, ethical and financial management, that require further information and confirmation.

After review of the documents provided by AIBA and ASOIF, the IOC Executive Board took the following actions:

- i. Notes the report provided by AIBA and the steps being taken to clarify the financial position, complete the transition to the International Testing Agency and strengthen the refereeing and judging structures and processes;
- ii. Notes that there are a number of key areas requiring further information and confirmation (including further acting on the ASOIF Governance Task Force recommendations, evidence of AIBA's ability to continue as a going financial concern, ongoing implementation of the new control mechanisms (organisational policies and process), and appointment of the AIBA Ethics Commission as outlined in the attached recommendations);
- iii. Requires the further identified actions (specified in Annex 1) to be completed by 12 November 2018 ahead of the 30 November – 1 December 2018 IOC Executive Board meeting;

- iv. Review the outcomes of the AIBA Congress in Moscow, 2-3 November 2018, to continue the commitment of the Boxing family towards implementing wide-ranging reforms to ensure transparency and integrity across AIBA;
- v. Maintains its position from May 2018 and express its significant ongoing concern that until such actions are fully implemented there remain major risks to the governance, ethical and financial management of AIBA, and resulting impacts on the governance of the sport and protection of its athletes;
- vi. Reserves the right to review the inclusion of boxing on the programme of the Olympic Games Tokyo 2020.

As we noted in the previous Executive Board meetings of February 2018 and May 2018, the appropriate steps in addressing these issues over the next months are crucial and we want to support AIBA in taking the right steps in this period. The outcomes of the AIBA Congress in Moscow, 2-3 November 2018, will also be taken into consideration as a further proof of the AIBA's commitment to implement the wide-ranging reforms necessary to ensure transparency and integrity across AIBA. We also recommend that you continue to work closely with the IOC Chief Ethics and Compliance Office for the governance investigation.

The next report is required to be delivered to the IOC Executive Board by 12 November 2018 to allow further consideration by the IOC Executive Board at its meeting on 30 November - 2 December in Tokyo.

The IOC will support AIBA in taking these required steps. However, should the appropriate requirements and actions not be fully implemented to the satisfaction of the IOC Executive Board, then as mentioned above, the IOC reserves the right to review the inclusion of boxing on the programme of the Olympic Games Tokyo 2020.

We thank you in advance for taking the necessary steps for the benefit of boxing and your athletes.

Yours sincerely,



Christophe de Kepper
IOC Director General

cc:
Francesco Ricci Bitti, ASOIF President
Kit McConnell, Sports Director

ANNEX 1

Required actions to be implemented by 12 November 2018

Governance

- 1. On the basis of the ASOIF GTF 2018 report, to continue effectively implement the contents of this report with a priority on transparency, integrity, democracy, check and balances.**
- 2. The "New Foundation Plan" to be reviewed by the ASOIF Governance Task Force and the IOC.**

Ethics

- 3. Appointment of an AIBA Ethics Commission, ensuring that the Chair and the members of the Ethics Commission will be able to work in full independence.**
- 4. Ensure that the Ethics Commission will analyse the specific situation of the interim president vs US Treasury Department decision and possible legal appeals of this person.**

Management

- 5. Maintain the May 2018 IOC Executive Board decision to freeze all contacts with AIBA, except the ones on the working level which are necessary to implement the respective IOC decisions**

Finance

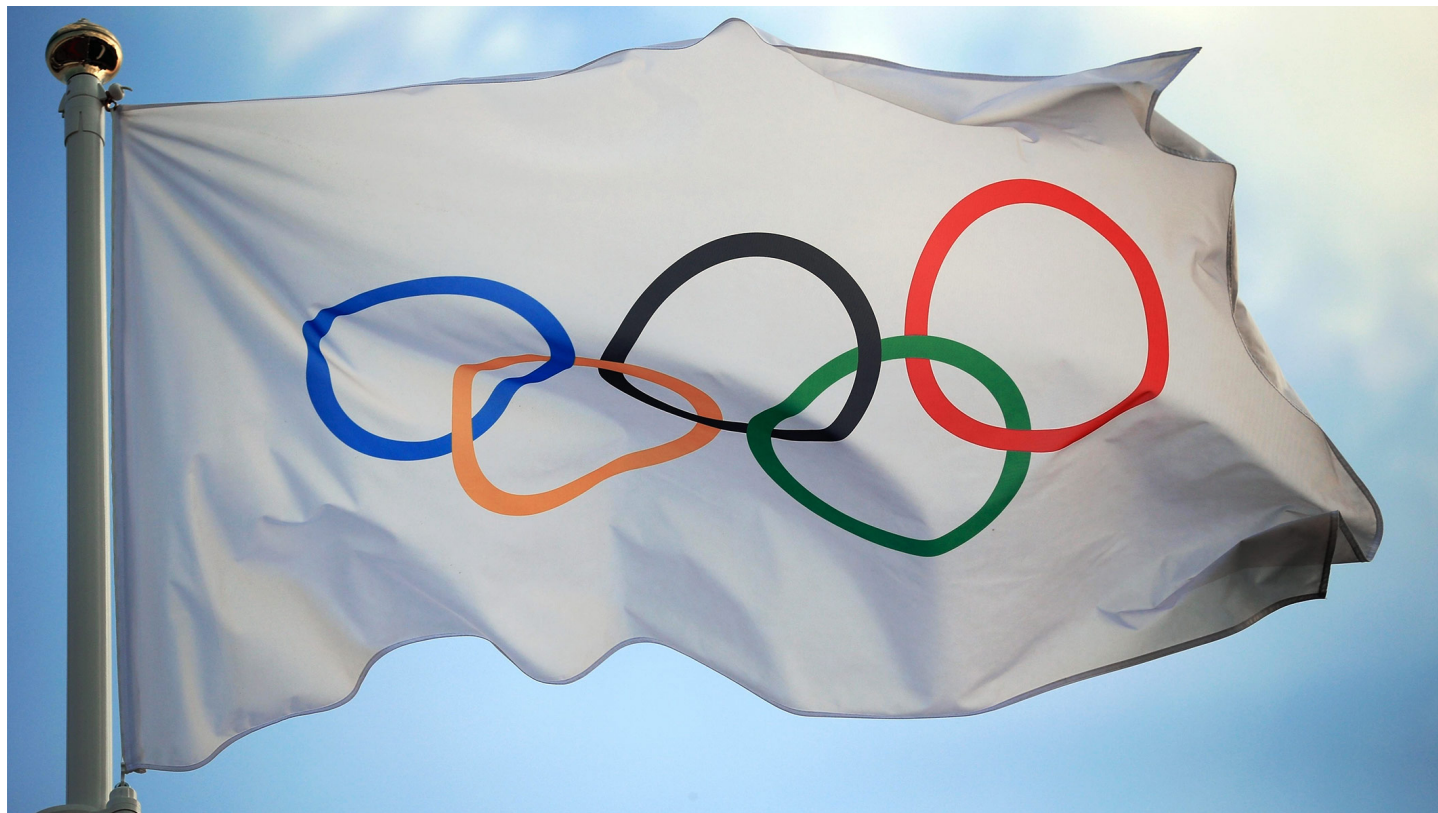
- 6. Continue the May 2018 IOC Executive Board decision to suspend any financial payments to AIBA until:**
 - a. the IOC Executive Board reviews and confirms being satisfied with further proof of AIBA's ability to continue as a going concern (along with the supporting documents which form part of the financial statements audits: cash flow projections)**
 - b. AIBA has engaged in a full and independent audit after implementation of the new control mechanisms (organisational policies and process) in order to demonstrate the result of the implementation.**

Sporting Integrity – Refereeing and Judging

- 7. The AIBA's Refereeing and Judging Process report, developed by PwC after the Youth Olympic Games Buenos Aires 2018, to be reviewed by IOC and discussed with AIBA in regard to key areas for improvement**

Sporting Integrity – Anti-Doping and Manipulation of Competitions

- 8. Confirm WADA compliance related to the allocation of the World Championship to Russia**
- 9. AIBA's point of contact to ensure the effective implementation of the Olympic Movement Unit for the Prevention of Manipulation of Competitions action plan.**



 IOC

DATE 03 OCT 2018 TAGS OLYMPIC NEWS, IOC NEWS

STATEMENT OF THE IOC EXECUTIVE BOARD

THE EXECUTIVE BOARD OF THE INTERNATIONAL OLYMPIC COMMITTEE (IOC) TODAY EXPRESSED ITS ONGOING EXTREME CONCERN WITH THE GRAVE SITUATION WITHIN THE INTERNATIONAL BOXING ASSOCIATION (AIBA) AND ITS CURRENT GOVERNANCE. THESE INCLUDE THE CIRCUMSTANCES OF THE ESTABLISHMENT OF THE ELECTION LIST AND THE MISLEADING COMMUNICATION WITHIN THE AIBA MEMBERSHIP REGARDING THE IOC'S POSITION.

Such behaviour is affecting not just the reputation of AIBA and boxing but of sport in general.

Therefore, the IOC reiterates its clear position that if the governance issues are not properly addressed to the satisfaction of the IOC at the forthcoming AIBA Congress, the existence of boxing on the Olympic programme and even the recognition of AIBA as an International Federation recognised by the IOC are under threat.

At the same time, we would like to reassure the athletes that the IOC will - as it has always done in such situations and is currently doing at the Youth Olympic Games Buenos Aires 2018 - do its utmost to ensure that the athletes do not have to suffer under these circumstances and that we will protect their Olympic dream.

[Spanish version](#)

TAGS [OLYMPIC NEWS](#) , [IOC NEWS](#)



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INTERNATIONAL
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COMMITTEE

Office of the Director General

Mr Tom Virgets
International Boxing Association
(AIBA)
Maison du Sport International
Avenue du Rhodanie 54
1007 Lausanne
Switzerland

Tokyo, 3 December 2018
Ref. No. CDK/cnci
By e-mail only

IOC Executive Board concerns regarding AIBA

Dear Mr Virgets,

Thank you very much for your progress report submitted on 12 November in response to the IOC Executive Board's request of 19 July. We appreciate your collaboration and dialogue with the IOC throughout this process, which has been important in monitoring the ongoing developments within AIBA over the last few months.

AIBA's Progress Report was presented to and discussed at the IOC Executive Board meeting in Tokyo. While acknowledging AIBA's progress and its commitments highlighted in this report, several points of significant concern remain in the areas of governance, ethics, financial management and refereeing and judging.

The IOC Executive Board took also note of the outcomes of the AIBA Congress in Moscow on 2-3 November 2018 and the election of the current AIBA President Gafur Rakhimov, who has been designated in 2012 and 2017 by the US Treasury Department pursuant to Executive Order (E.O.) 13581, which targets significant transnational criminal organizations and their supporters. In this regard, the IOC Executive Board expressed its concern on how this designation potentially affects AIBA and its President from fulfilling their responsibilities.

In view of the above points of major concern and pursuant to Bye-law 1 to Rule 59 (BLR 59.1) and Bye-law 2 to Rule 59 (BLR 59.2) of the Olympic Charter, the IOC Executive Board decided to:

- i. Initiate an inquiry regarding AIBA and, to that effect, delegate its authority – including to organise a hearing of AIBA - to an ad-hoc Inquiry Committee with the remit to:
 - a. analyse the AIBA Progress Report and the measures presented in it to address IOC's major concerns regarding governance, ethics, financial management and refereeing and judging;
 - b. investigate and assess the areas of major concerns within AIBA, including governance, ethical, financial management and refereeing and judging;
 - c. form a recommendation for the IOC Executive Board on potential measures and sanctions in accordance with the Olympic Charter.
- ii. Maintain the previous decisions by the IOC Executive Board to:
 - a. "freeze all contacts with AIBA, except the ones on the working level which are necessary to implement the respective IOC decisions";

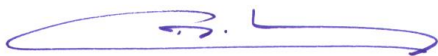
- b. suspend any financial payments to AIBA, including directly boxing-related payments scheduled by Olympic Solidarity, until:
 - i. *“the IOC Executive Board has reviewed and confirmed being satisfied with further proof of AIBA’s ability to continue as a going concern (along with the supporting documents which form part of the financial statements audits: cash flow projections);*
 - ii. *AIBA has engaged in a full and independent audit after implementation of the new control mechanisms (organisational policies and process) in order to demonstrate the result of the implementation”*
- iii. Adopt with immediate effect the following additional measures:
 - a. freeze the planning for the Olympic Boxing tournament in Tokyo 2020, including ticket sales, approval and implementation of a qualification system, test event confirmation and planning and finalisation of the competition schedule;
 - b. prohibit the use by AIBA of Olympic Properties, including the Olympic rings and Tokyo 2020 logo for any communications/ advertising and/or promotional materials;
 - c. lift the freezing of Olympic Solidarity funding of athletes, on the condition that no funding can be applied for or paid through a national boxing federation.

The composition of the Inquiry Committee was confirmed and announced as Mr Nenad Lalovic (Chair), Mr Richard Carrion and Ms Emma Terho.

The IOC Executive Board confirmed its determination to protect the athletes and make all efforts to ensure that a boxing tournament takes place at the Olympic Games Tokyo 2020 regardless of these measures.

I trust in your understanding of the IOC position and thank you in advance for cooperating with the Inquiry Committee over the coming months.

Yours sincerely,



Christophe de Kepper
Director General

cc:
Nenad Lalovic, Inquiry Committee Chair
Francesco Ricci Bitti, ASOIF President
Kit McConnell, IOC Sports Director



ФЕДЕРАЦИЯ БОКСА РОССИИ RUSSIAN BOXING FEDERATION

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**To: IOC President Mr. Thomas Bach;
IOC Members;
Chair of Inquiry Committee Mr. Nenad Lalovic;
Inquiry Committee Members.**

Date: 28th of March 2019

Number 543

Dear Mr Bach, Mr Lalovich, IOC members and Inquiry Committee members,

I would like to express my extreme concern about the situation in the International Boxing Association (AIBA) and around boxing in general. Our main goal is to continue the successful development of boxing to save its rightful place in the Olympic movement. Because boxing is a one of the oldest Olympic sports.

And for the sake of the future of boxing, I am ready to close all the debts of AIBA in full, so long as our favorite sport remains in the Olympic program.

We come to leadership positions in order to help develop the sport, our main values are athletes and coaches. We must create all the conditions for them first of all.

I decided to close the AIBA debts in full, and also allocate money for the development of the organization. I would like to do this for boxing to remain in the Olympic movement and that financial problems are no longer one of the reasons why the future of boxing would be under threat.

With this letter I ask you I ask you to support boxing and save AIBA in the Olympic movement. I am ready to begin negotiations as soon as possible.

Best regards,

Umar Kremlev
AIBA EC Member
EUBC First Vice-President