

World Cup Trafficking Raises Alarm For More Than Just Banks

By **Chris Villani**

Law360 (May 22, 2026, 4:41 PM EDT) -- An unusual Trump administration notice exhorting financial institutions to be on guard for human trafficking activity during the 2026 FIFA World Cup could create compliance challenges not just for banks, but an array of other industries, experts told Law360.

The U.S. Department of the Treasury's Financial Crimes Enforcement Network, or FinCEN, issued a May 11 notice with 10 specific red flags that the government says banks should be on the lookout for as the major international soccer tournament gets underway in June in 11 U.S. cities along with Canada and Mexico.

James Kaplan, a banking attorney with Quarles & Brady LLP in Chicago, called it "extraordinary" to link a notice like this to a specific event.

"The World Cup will come and go," Kaplan said. "I think the concern is more broad, and what it speaks to is that FinCEN wants to redouble its efforts to target terrorist and what I could call political financing."

The seven-page notice calls human trafficking an "ever-present threat" in the U.S., but says "major events such as the 2026 FIFA World Cup can create a concentrated demand for licit and illicit services, including commercial sex acts and involuntary servitude, resulting in increased vulnerability for human trafficking."

"Individuals visiting or residing near World Cup host cities may be vulnerable to trafficking by perpetrators seeking to exploit increased economic activity surrounding such events," the notice states.

Ashley Lynam, a Philadelphia-based Morgan Lewis LLP partner who represents clients facing corporate negligence and institutional sexual abuse claims, said that while major events can inherently lead to unusual financial activity, banks should still be ready to flag anything they see that is out of the ordinary.

"The FIFA World Cup isn't an excuse to say, 'Oh, these red flags can otherwise be explained because we are aware of this sporting event,'" Lynam said.

Among the warning signs the government wants banks to be on the lookout for are customers in or near World Cup host cities who have unusually large travel expenses, especially during late night or early morning hours. Banks should also take note if a customer has a high number of transactions involving "essential needs," such as lodging, personal items or food, FinCEN said.

Matteson Ellis, the founder of the Latin America practice at Miller & Chevalier Chtd. in Washington, D.C., said the notice shows that President Donald Trump's administration "means it" when it says it is

prioritizing cartel activity, human trafficking and other organized crime-related topics.

But pinning the notice to an event that will bring a crush of people to host cities from all over the world creates compliance challenges since very little about what goes on during the tournament is going to be business as usual, he said.

"It is a bit curious, because some of these red flags highlighted are things that might not be red flags or improper conduct in the context of the World Cup," Ellis said, citing reliance on ATM transactions at odd hours of the day or using cash more often.

"I can see it both ways," he said. "On one hand, it's sort of capitalizing on the attention. On the other hand, is that the best context to promote these red flags?"

The prospect of human trafficking during the World Cup has drawn attention from state agencies as well. The Massachusetts Executive Office of Public Safety posted a notice in April outlining resources available for survivors of human trafficking.

Foxboro, Massachusetts, is set to host World Cup matches along with Atlanta, Dallas, Houston, Kansas City, Los Angeles, Miami, New York and New Jersey, Philadelphia, the San Francisco Bay Area and Seattle.

While the FinCEN notice is directed only at financial institutions, Lynam of Morgan Lewis said any of the other industries touched by the World Cup — such as hotels, air and ground transportation, or big retail stores — would be wise to look out for red flags of their own, because private litigants may cite the notice in crafting an argument that these other businesses were also on notice regarding trafficking risks.

"To have a regulatory authority speak so clearly about sex trafficking and its ties to sporting events this way will no doubt be used by someone, somewhere, to argue that increased risks surrounding sex trafficking during events like this are common knowledge," she said. "Someone will craft an argument that they should have known and been on alert as well."

Some industries, such as transportation network companies, might rely on contractors, Lynam noted, creating an additional training challenge.

Miller & Chevalier's Ellis said that many companies are reviewing alerts from the Treasury Department "for more general guidance on how to manage risks in very complex environments."

Quarles & Brady's Kaplan also saw the potential wide-ranging impact of the notice, calling it a "cautionary word" for all industries to be vigilant. Banks should be directing staff to effectively err on the side of filing a Suspicious Activity Report, or SAR, if there is any client activity that seems out of the ordinary, he said.

"It's like on the subway: 'If you see something, say something,'" Kaplan said. "That advice to staff will be heightened during the World Cup, to say this must not be ignored."

--Editing by Kelly Duncan.