

FinCEN World Cup Warning Raises Trafficking Risks For Cos.

By **Ashley Lynam, Christian Contardo and Alice Hrdy** (June 2, 2026)

The U.S. Department of the Treasury has urged heightened vigilance for human trafficking activity associated with the 2026 FIFA World Cup. A May 11 notice from the department's Financial Crimes Enforcement Network signals increased regulatory scrutiny for financial institutions and businesses operating in sectors likely to experience elevated tourism, hospitality demand, payment activity and transient populations surrounding the tournament.

Although the notice addresses both labor trafficking and sex trafficking risks, its practical and reputational implications may be especially significant in the context of commercial sexual exploitation associated with large-scale international sporting events.

FinCEN expressly warns that traffickers may exploit the influx of visitors, increased anonymity, temporary lodging demand and accelerated financial activity associated with the World Cup, which runs June 11 to July 19 across 16 cities in Canada, Mexico and the U.S.

The notice builds upon more than a decade of FinCEN guidance concerning trafficking-related financial activity, including the agency's 2014 advisory on human trafficking red flags and its expanded 2020 supplemental advisory addressing trafficking typologies and suspicious activity reporting obligations.

An Escalation of Existing FinCEN Guidance

In 2014, FinCEN issued its first comprehensive guidance on trafficking-related financial activity, on recognizing red flags that may be associated with human smuggling and human trafficking. Expanding those expectations significantly in 2020, FinCEN released a supplemental advisory on how to identify and report on human trafficking and related activity.

The 2026 notice expressly references both prior FinCEN advisories and the administration's current enforcement priorities, and incorporates many of the same typologies and indicators described in earlier FinCEN guidance, including:

- Structured cash activity;
- Unusual travel-related transactions;
- Peer-to-peer transfers with vague descriptors;
- Suspicious hotel and lodging activity;
- Transactions associated with online commercial sex advertisements;
- Use of prepaid cards and digital payment platforms; and
- Suspicious intermediary or third-party payment structures.



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Although the notice also addresses labor trafficking concerns associated with temporary workforce demand surrounding the tournament, the guidance emphasized commercial sexual exploitation risks tied to large-scale international sporting events and transient hospitality environments.

What distinguishes the current notice is its explicit linkage of these risks to a globally significant sporting event expected to generate the following:

- Substantial increases in tourism and hospitality activity;
- Elevated demand for short-term lodging and transportation;
- Accelerated digital and cross-border payment activity; and
- Heightened vulnerability to exploitation by organized trafficking networks.

The notice also aligns with broader federal enforcement initiatives focused on countering transnational criminal and terrorist organizations, particularly their involvement in cross-border trafficking and illicit financial networks. FinCEN specifically references Executive Order No. 14159, which prioritizes dismantling trafficking networks, the White House task force on the 2026 FIFA World Cup, and the Treasury Department's anti-money laundering and combating the financing of terrorism priorities.

Industries Most Likely To Face Heightened Scrutiny

Although the notice is directed principally at financial institutions, regulators increasingly expect companies across multiple sectors to maintain effective controls designed to identify and mitigate trafficking-related risks.

Industries likely to experience heightened scrutiny include the following:

- Banks and other financial institutions;
- Fintech and payment processors;
- Hospitality and lodging providers;
- Transportation and rideshare service companies;
- Online platforms and digital marketplaces;
- Entertainment and event operators;
- Security providers; and
- Businesses operating in or around host cities and tourism corridors.

For many companies, the principal risk may not arise from direct involvement in trafficking-related conduct, but rather from allegations that they ignored or failed to respond appropriately to indicators of commercial sexual exploitation occurring through their platforms, properties, payment systems or operational ecosystems.

Companies not subject to filing requirements under a suspicious activity report could draw attention from investigators based on reports filed by financial institutions, and risk criminal and civil liability for any legal violations, including U.S. sanctions and material support to terrorism if a trafficking case is connected to transnational criminal organizations designated

by the U.S. government as terrorist organizations.

Third-Party Liability and Civil Litigation Exposure

In addition to anti-money laundering and other enforcement expectations, companies should consider civil litigation risks involving alleged failures to identify, prevent, escalate or respond to trafficking-related activity associated with the World Cup and other major sporting events.

The Treasury Department, including financial crimes offices such as FinCEN and the Office of Foreign Assets Control, frequently issue notices or guidance to specific industries or regarding specific events or activities as a signal to the public of increased enforcement scrutiny in a particular area.

Litigants will likely argue that FinCEN's notice effectively memorializes the federal government's position that large-scale international sporting events create foreseeable conditions that traffickers may exploit for commercial sexual exploitation. Plaintiff firms are likely to cite the notice aggressively in future litigation as purported evidence that businesses connected to the event ecosystem were on notice of heightened trafficking risks well in advance of the tournament.

That risk is particularly relevant for the following:

- Hospitality and lodging providers;
- Venue operators;
- Airlines, ride-sharing services and transportation companies;
- Online platforms and payment processors;
- Sponsors and event-affiliated businesses;
- Staffing and security providers; and
- Companies utilizing temporary or subcontracted labor.

Indeed, the notice may provide plaintiffs with a more concrete basis to argue that trafficking-related harms associated with mega sporting events are not merely generalized societal risks, but specifically identified and foreseeable risks recognized by federal regulators.

In recent years, plaintiffs have pursued trafficking-related claims beyond the Trafficking Victims Protection Act and its progeny under negligence, premises liability, negligent supervision, joint venture, aiding-and-abetting, unjust enrichment, consumer protection, and statutory trafficking theories against businesses alleged to have ignored indicators of commercial sexual exploitation occurring on or through their platforms, properties and supply chains.

Plaintiffs may also attempt to use the notice to establish or expand the alleged standard of care applicable to companies operating in sectors identified as carrying elevated risk. Although FinCEN guidance does not itself create private causes of action or independent civil liability standards, litigants may attempt to use regulatory guidance documents as evidence of what sophisticated companies purportedly should have known or implemented.

As a result, organizations connected to the World Cup should consider:

- Conducting targeted trafficking and safeguarding risk assessments;
- Reviewing vendor and third-party diligence procedures, escalation and incident-reporting protocols, customer and payment-monitoring procedures, and contractual protections with vendors and business partners;
- Enhancing workforce and frontline employee training, including ensuring coordination among compliance, legal, human resources, operations, security — as well as environmental, social and governance functions; and
- Engaging trauma-informed subject matter experts for guidance.

FinCEN's Key Red Flags

The notice identifies multiple indicators potentially associated with sex trafficking activity during the World Cup:

- Unusual travel patterns and short-term hotel activity;
- Structured cash deposits and ATM withdrawals;
- Peer-to-peer transfers with coded descriptors;
- Bulk prepaid card purchases;
- Transactions linked to online commercial sex advertisements;
- Rapid movement of funds across multiple accounts;
- Unusual digital payment activity; and
- Suspicious intermediary or third-party payment arrangements.

The guidance also references labor trafficking indicators tied to temporary workforce demand surrounding the event, including suspicious payroll activity and irregular subcontracting arrangements.

FinCEN further emphasizes that customer-facing personnel may be among the few individuals with direct contact with trafficking victims and encourages enhanced training and escalation protocols. Companies will mitigate their own risk by establishing and implementing reasonable compliance programs to address these risks. These actions will enable them to identify suspicious patterns and make appropriate reports to law enforcement.

The agency additionally requests that suspicious activity reports associated with the World Cup reference the term "FIN-2026-HTWORLD CUP" and that financial institutions file them "as soon as possible regardless of threshold." Additionally, FinCEN encourages companies to notify law enforcement of suspected trafficking-related activity via the National Human Trafficking Hotline.

Looking Ahead

Organizations connected to global sporting events increasingly face converging legal, operational, reputational and safeguarding risks extending well beyond traditional anti-money laundering compliance concerns.[1] Plaintiffs, regulators, advocacy groups and the media are focusing not only on direct misconduct, but also alleged failures involving vendor oversight, training, escalation procedures, safeguarding governance and third-party controls.

FinCEN's latest notice substantially reinforces that trajectory. The agency has now linked the 2026 FIFA World Cup to heightened trafficking risk and signaled an expectation that institutions and businesses implement proactive, cross-functional controls well in advance of the tournament.

Organizations with exposure to the World Cup — related operations, hospitality activity, payment ecosystems, transportation responsibilities, customer-facing services or third-party vendor networks — therefore should use the coming months to evaluate whether existing compliance and safeguarding frameworks are appropriately calibrated for the heightened scrutiny likely to accompany an event of this scale.

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[1] See "Beyond the Games: The Overlooked Sexual Abuse and Trafficking Risks of Mega Sporting Events": <https://www.morganlewis.com/pubs/2026/03/beyond-the-games-the-overlooked-sexual-abuse-and-trafficking-risks-of-mega-sporting-events>.