A scandal that never dies:

Dialogue is required to fully restore credibility and fairness in world volleyball

Play the Game’s summary of the conflict between the Argentine Volleyball Federation (FAV)/Mario Goijman and the International Volleyball Federation (FIVB), 2002-2012.

At the FIVB Congress in Tokyo in 1998 the Argentine Volleyball Federation (FAV) was granted the right to host the Volleyball World Championships 2002.

As the FIVB declined to pay the advance costs of the organisation, the Argentine organising committee decided to take up loans from financing institutes, knowing that the revenues for sponsor and marketing contracts were already available at the FIVB bank accounts, and that future transfers to Argentina were secured in the contracts between the FAV and the FIVB.

In order to grant the loans, the financiers required the personal guarantee of Mario Goijman, who apart from being the FAV President since 1996 and FIVB Board of Administration Member since 1998 was a respected and relatively wealthy business man in Argentina.

At meetings in the lead-up to the FIVB Congress in September 2002 in Argentina, right before the World Championships, Mario Goijman raised serious questions about the reliability of the FIVB annual accounts 2000/2001.

In particular, Goijman pointed to the fact that a note from the auditors, PricewaterhouseCoopers, had been deleted from the accounts by somebody after a meeting of the Board of Administration in May 2002 and before the presentation of the accounts to the FIVB Congress in 2002.

In the deleted note, the auditor requested more transparency about the fact that 8.32 million CHF had been paid out as personal commissions for contracts signed on behalf of the FIVB. These payments were in accordance with a rule passed by the FIVB Congress in 2000 by which FIVB representatives could cash in 10 percent of contracts that they signed on behalf of the FIVB.

According to the FIVB statutes, all contracts had to be signed by the FIVB President, the Mexican Rubén Acosta, who consequently cashed in all personal commissions. However, this fact was well concealed.

At the aforementioned September 2002 meeting, Goijman also raised the issue of the FIVB acquisition of a mansion (the Epalinges villa) in Lausanne for 1.7 mio CHF. The FIVB Board of Administration had approved of this purchase in 2001, but was not informed that the house belonged to the father-in-law of Rubén Acosta. Moreover, the father-in-law had recently passed away. It is an open question who concluded the contract on behalf of the deceased owner, but there is little doubt that the Acosta family cashed in the purchase sum.
The FIVB President and the FIVB administration furiously rejected all Mario Goijman’s questions. These questions were later proven to be well justified, and much more were to be revealed.

Suspension of Goijman

In October 2002 the FAV hosted the World Championships which were recognised as an organisational success. Moreover, in a moment of absolute financial and political stress in the Argentine nation, the arrangement contributed to raising the international image of Argentina and strengthening the national self-confidence inside and outside sport.

Only two weeks after the World Championships, on 7 November 2002, the FIVB President Acosta answered to the criticism: He announced that Mario Goijman was suspended from all his functions at the FIVB and the FAV, while ordering the FAV to organise new elections for its presidency and denying the payments of the balance of the Common Fund to the Organising Committee.

The suspension was based on accusations that Goijman had made illicit sponsor contracts worth 1.1 million USD. These allegations were not and have never been substantiated by any documents. They were most likely launched with the purpose of dragging attention away from the accusations against Acosta himself, and as a revenge for Goijman’s public complaints about the lack of support from the FIVB.

All attempts to appeal Ruben Acosta’s decisions through the official channels of the FIVB were rejected. An International Volleyball Tribunal as provided for in the FIVB statutes was not set up. And in the reign of Ruben Acosta, the FIVB never accepted the jurisdiction of the Court of Arbitration for Sport.

The board of the FAV continued to support Goijman. Jointly they submitted a complaint to the legal authorities in Lausanne, Switzerland, hometown of the FIVB headquarters, 20 December 2002. Their complaint accused Mr. Acosta and the then General Manager of the FIVB, Jean-Pierre Seppey, for a number of cases of fraud as well as falsification of the 2000/2001 annual accounts. Moreover they asked the court to declare the accusations and sanctions against Goijman null and void.

FAV and Goijman punished financially for whistle-blowing

On the economic front, Rubén Acosta and the FIVB had strong instruments to put pressure on the FAV.

After the World Championships, the FIVB provided insufficient and manipulated figures to the “Common Fund” (the budget and accounts agreed between the FAV and the FIVB regarding the
2002 World Championships) and declined to transfer a number of contractual payments and payments which the FAV expected according to FIVB rules.

For instance, the FIVB only reimbursed 50 percent of the 601,000 US-dollars that was the FIVB share of hotel and accommodation expenses.

It was also proven by the Swiss investigators that the real value of a sponsor contract with Mikasa Balls for the World Championships was 900,000 USD and not 50,000 USD as Ruben Acosta had falsely reported, thereby substantially reducing the share of the amount that belonged to the FAV.

In total, well-founded evidence from the FAV shows that the FIVB only paid ca. 550,000 USD out of the over 1,500,000 USD due after the 2002 arrangements. Only six years later, in 2008, the FIVB accepted paying a further 172,000 USD to 3rd creditors via the Pursuit Office in Lausanne.

As of today the FIVB is still denying payments worth 820,000 USD, most of which derives from the 2002 World Championships and around 100,000 USD for the World League 2002. Of this sum, the FAV owes 70,000 to the Brazilian Volleyball Federation (CBV).

Simultaneously, the FAV was effectively hindered in compensating for the lost FIVB revenues after the World Championship 2002, since all Argentine players were put on free transfers by FIVB decision, and teams and players with relation to the FIVB were blocked from international competition. Therefore the FAV could not fulfil requirements related to existing sponsor and broadcasting contracts, let alone enter in future contract negotiations.

The failure of the FIVB to recognize its responsibilities, since 2002 have had serious repercussions for the FAV and for its former president Mario Goijman, who is held responsible for the non-payment of the loans that were taken to finance the World Championships 2002.

### Excluding the FAV and its leaders

In February 2003 the Swiss authorities raided the FIVB headquarters, seizing documents that supported the claims that the FIVB accounts had been manipulated. The authorities also found invoices from private companies owned by Acosta worth 15 million dollars. The investigations also showed that Acosta concealed the real size of IOC transfers to the FIVB.

Nevertheless, the case stood completely still in the Swiss legal system for another two years. Meanwhile the FIVB President had time to expand his private fortune with FIVB means and further hurt his critics.

In a new move against the FAV in May 2003, the whole Argentine federation as well as 12 of its leaders were suspended by Acosta, and Argentine teams and individual athletes who remained loyal to the FAV were excluded from all international competition.
Also volleyball leaders in other countries who supported Argentina were suspended, e.g. admiral Luis Moreno from Peru, who as a president for South American’s continental volleyball federation had refused to isolate Goijman and the Argentines.

On 12-13 May 2004, the FIVB Congress held in Porto confirmed the expulsion of Goijman, Moreno, the Argentine volleyball leaders and of the FAV. As a replacement of the FAV, the congress recognised the FEVA – a marionette organization set up by Acosta in alliance with some regional Argentine volleyball officials – as the only legitimate representative of Argentine volleyball. This decision has been maintained until today.

The 2004 FIVB Congress also ratified a Code of Conduct, one of the main purposes of which was to authorise the FIVB President to suspend any FIVB member criticising the sport of volleyball or its institutions to the media or institutions foreign to volleyball.

Exclusions were standard procedure for Acosta whenever he faced opposition. Back in 2002, he had excluded a distinguished, long-serving Swedish volleyball leader, Lasse Svensson, after Svensson disagreed over which candidate to support for the presidency of the CEV, the European Volleyball Confederation.

**IOC’s report on Acosta**

As a result of the legal investigations in Switzerland and through various letters from Mario Goijman, the International Olympic Committee became aware about Acosta’s illicit dealing with the money of volleyball, including his falsification of amounts received from the IOC as the FIVB’s share of revenues from the Olympic Games in 1996 and 2000. Apart from being the FIVB President, Ruben Acosta was also a member of the IOC and as such obliged to respect the Olympic Charter.

The discrepancies between the figures the IOC had recorded as payments to the FIVB and the figures the FIVB had recorded in its accounts, mounted to 4.8 million CHF, which the FIVB was unable to account for.

From 2003, the Ethics Committee of the International Olympic Committee (IOC) dealt with these and a number of other allegations against Rubén Acosta. The Ethics Committee recommended his exclusion raising other severe questions over FIVB’ mismanagement.

When these confidential recommendations reached the IOC Executive Committee, Acosta announced his withdrawal from the IOC on the 17 May 2004, citing primarily age and health reasons.
As a consequence of Acosta’s voluntary withdrawal the IOC decided to shelve the report from the Ethical Committee. The report was later leaked and made public, via a special website set up by Mario Goijman, www.volleygate.org.

Apparently, nobody at the FIVB took notice of the IOC’s damning report, and despite his withdrawal as an IOC member, Acosta’s position as FIVB President was not challenged. Not yet.

**Falsification of accounts confirmed by the court**

In November 2005, Mario Goijman was invited to give a keynote address at the 4th international Play the Game conference. Also the FIVB was invited on equal terms, but answered by threatening to take legal action against Play the Game, claiming untruthfully that the debate was illegal because of the ongoing court procedures in Switzerland.

With his presentation at Play the Game 2005 Mario Goijman strengthened the international awareness about the mismanagement of the FIVB and received the Play the Game Award for his efforts in blowing the whistle on corruption and substantiate his claims with solid documentation.

The pressure on Acosta increased when, after more than three years of legal proceedings, the Police Tribunal of Lausanne confirmed that an objective falsification of the FIVB accounts was indeed carried out by Ruben Acosta and former FIVB treasurer Franz Schmied. However, as the judge declared to be in doubt whether they had a criminal intent, the defendants were acquitted and only instructed to pay the costs of the tribunal.

As the court only recognised the FIVB as the damaged part, Mario Goijman was not allowed to appeal the verdict. It was hardly any surprise that the FIVB accepted the decision of the court.

**Blocking competition for the FIVB presidency**

One person was fully acquitted by the court in Lausanne. The former General Manager of the FIVB, Jean-Pierre Seppey, escaped verdict as he was not employed at the time of the falsification of the accounts.

Before the verdict, Seppey had left the position as Acosta’s right hand in August 2005 (after threatening Play the Game with lawsuits for staging the FIVB debate), in open disagreement with the Acosta couple.

Immediately after his acquittal Seppey declared that he would run for the FIVB Presidency at the upcoming Congress in October 2006 in Tokyo.
Facing this challenge Ruben Acosta made up 11 new so-called "Legal prerequisites for new candidates to the FIVB presidency". The demands effectively blocked any existing person from running for the FIVB Presidency, except one: The outgoing president Ruben Acosta who already in 2004 had declared he would seek re-election in 2006.

Jean-Pierre Seppey then succeeded in gathering an opposition group of people who had been directly or indirectly excluded from the FIVB. Citing inspiration from Play the Game, the group met in Copenhagen in November 2006 and founded the so-called The International Federation of Beach Volley and Volleyball Associations (FIABVB) – later renamed the World Volleyball and Beach Volleyball Federation (WVBF).

Though Seppey was elected as FIABVB’s first President by the assembly, many participants and observers present – including Play the Game – already then expressed reservations with regard to the credibility of the new man in charge. These reservations proved to be justified, and the WVBF never evolved into a serious and legitimate contender for the FIVB as the institutional representative of volleyball players globally.

Mario Goijman took part in the Copenhagen assembly, but soon fell out with Seppey and pulled completely out of the WVBF in 2007.

New FIVB President starts reform work

A few months before the Beijing Olympics 2008, Rubén Acosta surprisingly announced that he would resign before his term expired. During the Olympics, the Presidency was taken over by long-term Vice-President Jizhong Wei.

Over the coming months, Wei introduced a set of reforms in the management style of the President, stressing involvement by the national and continental federations.

The minutes of a meeting in the FIVB Board of Administration in April 2009 are in Play the Game’s possession. They contain remarkable revelations:

- The Board is informed that he commissions taken by Acosta represent a value of 33 million USD. The Board of Administration admits these commissions to be wrong and stop future payments to Acosta with immediate effect.

- President Wei admits that as a chair of the FIVB’s legal commission, he had not always verified or questioned what Ruben Acosta had asked of him. He criticises himself for this and pledges to correct any serious mistakes or wrong actions he might have made. Other board members acknowledge having made the same kind of mistakes in the past.
• The board confirms that the acquisition of the Epalinges Villa was a mistake and carried out without getting the permissions required by Swiss law. President Wei informs the board that unlike Acosta, he will not use the villa as his home in Lausanne.

• A passage in the Financial Rules should, according to legal advice given to President Wei, not be changed because it may then appear as if Mario Goijman has been right!

• Board members say that they never knew about the IOC investigations and recommendations

Disagreements between Goijman and the FIVB partly settled

In June 2009, Mario Goijman is detained at the airport of Buenos Aires on his way to Play the Game 2009 in Coventry. On request of the creditors of the World Championship 2002, a court order states that he cannot leave the country.

In that way, Play the Game gets alerted and concerned about the financial consequences that the questions raised back in 2002 has had for Mario Goijman. In recognition of the new and positive signals coming out of the FIVB headquarters, Play the Game decides to approach the FIVB President discreetly, and a friendly and constructive exchange of viewpoints takes place by mail and through personal contact during the Olympic Congress in Copenhagen in October 2009.

In a settlement in December 2009, the FIVB and Mario Goijman put an end to the legal disputes raised by the civil courts by Mario Goijman as an individual. The FIVB accepts to pay an amount to cover a part of the legal expenses of Mario Goijman in Switzerland, while Mario Goijman accepts ending the legal proceedings against the FIVB. The exact content of the settlement remains confidential and is not known by Play the Game.

However, the economic disputes between the FAV and the FIVB unfortunately remain unsolved. The FIVB still refuses to renegotiate the 820,000 that is claimed by the FAV, thereby hindering that the FAV can pay back loans worth hundreds of thousands of dollars for which Mario Goijman as the former FAV President is personally liable.

Renewing the commitment to Mario Goijman

During a trip to Argentina in June 2011, the international director of Play the Game, Jens Sejer Andersen, meets Mario Goijman and realises that he is under extreme financial and psychological pressure and in a precarious situation.

Having missed the conferences in 2007 due to disease and detention, Mario Goijman finally succeeds at getting to Play the Game 2011 in Cologne in October. Here he presents a follow-up to
his intervention at the 2005 conference that was crucial for raising international awareness of Rubén Acosta’s dictatorial, unethical and corrupt management style.

Once again, Mario Goijman’s testimony covering the years 2006-2011 leaves a lasting impression among the international media professionals, academics and sports leaders present: A number of reports follow in the international media, in particular in Latin America.

As of today, January 2014, Mario Goijman is personally bankrupt as well as psychologically broken. In late November 2011, Goijman received a legal order to leave his house for compulsory sale, and in 2012 he was evicted from his house by force.

In October 2013, his last belongings were put on compulsory sale.

A decisive choice for the new FIVB

There is little doubt that FIVB President Jizhong Wei has managed to realise a very important political and ethical turn-around of international volleyball. The absolute monarchy of the Acosta couple has been replaced by accountable leadership, proper involvement of statutory FIVB bodies, dialogue with national federations and other essential features of modern and democratic management.

It is encouraging that the FIVB admits, at least partially and internally, that Ruben Acosta – for all his merits as a sports business developer – was a greedy, unethical and dictatorial president. This realisation is even more important as almost all people involved in the board of the new FIVB were also board members in the past.

Play the Game fully recognises and commends this important progress.

However, not all important errors of the past have been corrected as President Wei has promised. The conflict between the FAV/Mario Goijman and the FIVB has never been solved. This conflict is not only over a breach of abstract principles. It has caused real and serious harm for real individuals. As long as the FIVB declines to help healing these wounds, a shadow of mismanagement and injustice will hang over the FIVB.

Play the Game believes that the FIVB has all chances to become a role model for other international federations in the need of a turn-around if it would only accept taking a last step to complete the make-over of volleyball.

It would be easy and cost-free to lift the exclusions of Luis Moreno, Lasse Svensson, all FAV members and all other persons who were isolated from a sport they had served for years, by an authoritarian ruler in a flagrant violation of all civic rights and principles of fairness.
There is no reason to fear that any of these persons will return to international volleyball and seek revenge. They would, however, be relieved to see that the restrictions to their civic rights imposed on them without any fair reasons, be lifted so they can again enjoy life in their local volleyball environment.

**Take up dialogue with the FAV and Mario Goijman**

The present FIVB leadership should also recognize that all the financial, political and sportive troubles suffered by the FAV and its president Mario Goijman, can be explained by one single motive:

The desire of the former FIVB President to crush any opposition that could endanger his huge illicit revenues and his undisputed power base by raising relevant questions about the governance standards of the FIVB.

Had Mario Goijman and his allies not had the courage to raise the difficult questions in 2002 and had they not pursued their quest for transparency and fair administration practices, Argentine volleyball would have enjoyed a safe and peaceful first decade of the millennium. And Acosta’s theft of volleyball’s money might have continued undisturbed until today and who knows how far into the future.

We understand that the present FIVB leadership may have uneasy personal relations with Mario Goijman and other excluded volleyball personalities. We encourage them to look beyond these emotional conflicts and act in the best interest of the societal, cultural and moral values of sport.

We ask the FIVB to consider that no national federation and no single individual deserves as harsh a punishment for raising fully legitimate questions as the FAV and Mario Goijman has received during a decade.

We also ask the FIVB board members to accept that the 24 years of rule by Ruben Acosta was no trivial detail in world sport. For an objective viewpoint based on well-documented facts, it represents one of the worst cases of financial and political abuse of sport for personal gains by any federation president in the history of sport.

Therefore we kindly request the FIVB to fully restore its credibility by entering into serious negotiations, directly or indirectly with the FAV, Mario Goijman or their representatives.

An ideal and objective framework for dialogue and mediation could be the Court of Arbitration for Sport which has finally been recognised by the FIVB.

Other ways of mediation or arbitration can also be found, involving organisations that enjoy the respect of all parties. The most important is to draw a road map leading to sustainable solutions
that can once and for all put an end to the disagreements rooted in the 2002 World Championships, and give satisfaction to those excluded volleyball leaders who set their loyalty to sport over their loyalty to Ruben Acosta.

By showing generosity and willingness to open a dialogue with the FAV and Goijman the FIVB will send an important welcoming signal to those future leaders inside and outside volleyball who wish to preserve the integrity of sport and its institutions. And it will be able to convince the world that it has fully liberated volleyball from the chains of the past.

Play the Game puts our know-how, communications tools, international network and other resources at the free disposal of any serious attempt to bring about a just and fair solution to this long-lasting and painful conflict.

Jens Sejer Andersen

International director, Play the Game

*Summary written March 2012 and last updated January 2014*