


Literature Study: Analysis of Legal Protection for Indonesian Investors in Ownership of Football Clubs in the European League

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Article Info	ABSTRACT
<p>Keywords: legal protection, foreign investment, football club ownership.</p>	<p>The increasing involvement of Indonesian investors in the ownership of European football clubs reflects a global transformation of football from a recreational sport into a highly lucrative industry. However, such investment activities operate within a dual regulatory landscape that combines national corporate law of the host country with transnational sports law (lex sportiva) governed by FIFA and UEFA. This study aims to analyze the legal protection afforded to Indonesian investors in European football club ownership and to identify the regulatory challenges arising from this intersection of legal systems. Using a normative juridical method supported by statutory, conceptual, and case approaches, this research examines international sports regulations, national legal frameworks, and investment agreements applicable to foreign ownership in European leagues. The findings indicate that various layers of legal protection exist, including UEFA financial sustainability rules, FIFA transfer regulations, bilateral investment treaties, and international arbitration mechanisms. Nonetheless, regulatory complexities, limitations on owner intervention, political-economic risk, and financial volatility of the football industry continue to create legal uncertainty. Therefore, comprehensive regulatory understanding and strong compliance strategies are essential to ensure the sustainability of investments while strengthening Indonesia's presence and credibility in the global football industry.</p>
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INTRODUCTION

Today's soccer has manifested into more than just a physical activity or a mere sporting phenomenon (Ayunda & Rusdianto, 2021). This sport has transformed into a global social and economic institution that reflects values, power dynamics, and massive capital circulation. As the most popular sport worldwide, soccer holds profound significance because its existence can transcend geographical and cultural boundaries (KNKG, 2022). This positions soccer as an effective instrument of global diplomacy or soft power to build international relations and strengthen international cooperation, while also serving as a strategic medium for political and social dialogue. Furthermore, from a socio-economic perspective, activities in

this sports industry are viewed as an inseparable part of the social, cultural, and institutional networks that shape the structure of modern society. Along with the times, the soccer industry has undergone a fundamental paradigm shift (Septiyeni, 2020). This sector is no longer seen merely as a recreational arena; it has evolved into a strategic economic sector with rapid growth. This phenomenon is marked by the emergence of the concepts of sportainment and sport business, indicating that sports are now managed with a professional entertainment industry approach (Illona & Anggraini, 2023). This transformation encompasses various aspects, from labor or player migration, brand marketing strategies, financial management, to comprehensive sports business. In this context, soccer has developed into a service industry and a creative economy that has a multidimensional impact, not only for industry players but also for the national economy at a macro level (A. Ardiansyah et al., 2024).

The flow of globalization acts as a primary catalyst driving structural changes in the soccer ecosystem. Globalization has opened the floodgates for massive commercialization and accelerated the circulation of capital and information worldwide. This process triggers commodification and mediatization, where sports values are converted into high-value economic products through broadcasting rights, support from multinational corporate sponsors, and global marketing (Faradila & Harahap, 2023). Research by Abidin shows that topics such as migration of labour, sponsorship, and finance have become central issues in academic discourse on professional soccer, indicating that the logic of capitalism and the free market have become deeply embedded in the governance of this sport.

These dynamics of globalization and commercialization ultimately create complex interactions among various actors, ranging from governments, the private sector, media, to civil society. This cross-sectoral involvement is crucial in supporting a sustainable soccer industry ecosystem, both in the context of organizing international tournaments and developing sports infrastructure. On the other hand, elite competitions in the Blue Continent like the Premier League, La Liga, and Serie A have now evolved beyond mere physical playing fields into centers of gravity for the world's soccer economy, promising the circulation of assets with fantastic value for industry players (Rohim et al., 2024). The appeal of this mature business ecosystem attracts the attention of global investors, particularly from the Arab region, to inject capital that significantly changes the face of the industry through a combination of modern management strategies and human resource quality development. As described by Putra, et al., this phenomenon of foreign investment is evident in the transformation of Manchester City, which not only experienced a surge in sporting and financial performance due to managerial restructuring but also succeeded in building a new identity and stronger emotional bonds with its fan base amidst the increasingly competitive globalization of sports.

The transformation of soccer from a mere sporting activity into a high-value economic industry has created extraordinary appeal for cross-country investors who view professional clubs as business entities with promising profit potential (Idham et al., 2020). However, this reality demands strict transparency and accountability in managing funds sourced from sponsors and global shareholders. These dynamics of a capital market that transcends

geographical boundaries place financial reports as a vital communication instrument where investors heavily rely on data validity to assess risk and project future cash flows, as the objective of financial reporting is to provide accurate information for fund providers in making economic decisions. The globalization trend in the soccer industry is increasingly evident with the dominance of foreign businessmen in the ownership structure of European clubs, a phenomenon indicating a shift in club business strategies from traditional models towards multinational corporate entities that demand professional governance and high accountability. One of the most relevant examples of this foreign capital intervention is the acquisition of Como 1907 by the Djarum Group through SENT Entertainment, where a fresh cash injection coupled with disciplined financial management restructuring successfully saved the club from bankruptcy until it was able to promote to the highest level (Serie A) (Ali & Farhana, 2023). Como's success under Indonesian ownership provides a contrasting yet important perspective on case studies of the financial performance of other Italian clubs like Juventus; this proves that the sustainability of clubs in the modern industrial era heavily depends on the new management's ability to balance sporting ambition with healthy financial ratios. Therefore, analysis of financial statements becomes increasingly crucial for foreign investors to ensure that acquisition strategies are not only based on prestige value but are supported by fundamental liquidity and profitability that can prevent prolonged operational losses.

The development of the modern soccer industry has changed the face of clubs, which were once representations of community identity, into strategic assets in the global economy. This transformation brings profound legal consequences because it places sports entities at the intersection of two legal regimes that often have different logics (Nugraha & Andraini, 2023). On one hand, clubs operate as corporate legal entities subject to national corporate rules with the primary goal of seeking financial profit. On the other hand, clubs are also bound by the transnational sports law jurisdiction or *Lex Sportiva*, which prioritizes competitive balance and sporting values. The tension between these two legal poles becomes increasingly apparent when foreign investment flows massively into the soccer ecosystem. Investors are often faced with a unique legal reality where majority share ownership does not automatically grant full freedom in managing assets. There are strict limitations through financial sustainability regulations that restrict owner capital injections to prevent unhealthy market inflation. This condition creates a legal anomaly for investors accustomed to conventional corporate freedom.

The need for legal certainty and protection becomes increasingly urgent because investors not only face the complex dynamics of the sports business but also legal risks that can affect the continuity of their capital (Maria et al., 2025). As illustrated in journals, even investments in strategic sectors like mining and energy show that regulatory uncertainty, sudden policy changes, and legal protection mechanisms that are not yet fully consistent can create investor reluctance to inject long-term capital. This is relevant for the modern soccer ecosystem, which has now also transformed into a global industry with significant economic value, so every investor demands guarantees of unchanging legal certainty, fair and non-discriminatory treatment, and firm asset protection so their investment is not eroded by the

dynamics of sports regulations that often change following market, political, and social pressures (Maulidiya & Kusumaningsih, 2024). Without a stable legal framework, investors potentially face situations similar to other sectors: risks of policy intervention, bureaucratic barriers, inconsistent law enforcement, and unclear asset safeguarding mechanisms. Therefore, the establishment of a predictable legal environment becomes an absolute prerequisite for creating a safe, sustainable soccer investment climate capable of attracting foreign capital healthily (Jasmisari & Herdiansah, 2022).

Based on the background explanation above, this research aims to provide a comprehensive understanding of the forms of legal protection needed by Indonesian investors in the ownership of soccer clubs in European Leagues through an analysis of the framework of national corporate regulations and transnational sports law provisions that interact in regulating such investment activities. This research also seeks to identify potential legal risks arising from the tension between corporate law jurisdiction and *Lex Sportiva* and assess the extent to which legal certainty can be realized in the practice of soccer club ownership, which is increasingly involving global capital.

METHOD

This research uses a normative legal or juridical-normative method, an approach that focuses on examining positive legal norms, both national and international, that govern the transfer mechanisms of foreign football players to Indonesian clubs. This method was chosen because the research does not emphasize empirical data, but rather an analysis of the laws and regulations, legal principles, and doctrines that form the legal framework for protecting Indonesian investors in European club ownership. To achieve the research objectives, several primary legal approaches were employed. First, the Statute Approach was applied to examine domestic corporate regulations in the club's country of domicile as well as supranational sports regulations such as UEFA rules. Second, the Conceptual Approach was used to analyze fundamental legal doctrines, including the concept of *Lex Sportiva* and the theory of foreign investor protection (Ultavia et al., 2023). Third, the Case Approach was implemented through a review of real investment case studies to examine how the law is applied in practice to protect investor capital (Rofiah & Bungin, 2020). This research relies on library data sources that include primary legal materials (regulations) and secondary legal materials (journals and scientific literature).

RESULTS AND DISCUSSION

Regulatory Framework for Foreign Ownership of Football Clubs

In contemporary sports law literature, foreign ownership of football clubs is an increasingly prominent phenomenon, driven by economic globalization and club market values reaching billions of euros (Masrianto et al., 2024). For Indonesian investors, this opportunity is accompanied by a multi-level regulatory framework designed to maintain financial integrity, ownership ethics, and local club identity, while also considering human dimensions such as the role of supporters as key stakeholders. This framework includes instruments from UEFA, FIFA, and national federations, which collectively provide legal protection for foreign

investors, including those from developing countries like Indonesia, through mechanisms of transparency, pre-acquisition verification, and the right to appeal. This analysis explores the main regulations in the four major European leagues England, Italy, the Netherlands, and Germany focusing on the implications for Indonesian investors and the social impact on local communities, based on primary documents such as the UEFA Club Licensing and Financial Sustainability Regulations (2024, Articles 58 to 64) and recent national documents.

Regulation in the English Premier League

The Premier League implements the Owners' and Directors' Test as regulated in the Premier League Handbook (2024/25, Rule F), a comprehensive verification instrument for the criminal background, financial integrity, and source of funds of owners and directors. This process is independent and transparent, with explicitly defined criteria to avoid national discrimination, in line with the Treaty on the Functioning of the European Union (TFEU, Articles 49 and 63). Protection for Indonesian investors lies in the right to appeal to an Independent Commission and compatibility with the Companies Act 2006 (Section 744), which facilitates foreign holding structures without restrictions, while maintaining a balance between commercial interests and the human value of the club as a cultural asset. Furthermore, the Profitability and Sustainability Rules (Rule W) limit cumulative three-year losses to £105 million, with sanctions including point deductions (example: Everton FC, 2024). For Indonesian investors, fluctuations in the Rupiah's exchange rate against the Pound Sterling necessitate hedging strategies to comply with this limit, while also considering contributions to local youth development programs (Ibrahim et al., 2024).

Regulation in Italian Serie A

In Italy, the Federazione Italiana Giuoco Calcio (FIGC) applies Criteri di Idoneità through the Norme Organizzative Federali (2024, Articles 24 to 25), evaluated by the Commissione di Vigilanza sulle Società Calcistiche (Covisoc). This mechanism emphasizes financial stability prior to acquisition, including minimum capital and debt-to-asset ratios, protecting investors from acquiring clubs with hidden financial burdens while also ensuring the continuity of employment for the club community. The legal structure is supported by the Codice Civile (Articles 2328 to 2545) (Millechen & Rasji, 2024), allowing for Società per Azioni or Società a Responsabilità Limitata forms for foreign ownership. Implications for Indonesian investors include domestic tax obligations in accordance with Indonesian Income Tax Law, with the Italian withholding tax of 26 percent potentially mitigated through the Indonesia-Italy double taxation avoidance agreement.

Regulation in the Dutch Eredivisie

The KNVB Reglement Betaald Voetbal (2024/25, Article 4.1) introduces the stichting (foundation) model, where foreign investors control commercial aspects through a board of directors, while 50 percent plus one of the club's essential voting rights are held by local supporters. This aligns with UEFA Club Licensing Benchmarks (2024, Section 3.2) to avoid multi-club ownership conflicts of interest, and humanistically positions supporters as ethical partners in club management. The Burgerlijk Wetboek (Book 2, Articles 2:1 to 2:100) provides a flexible legal foundation, allowing for dividend repatriation to Indonesia under the Foreign Investment Law (Article 7) (Nugroho, 2023). This protection is effective for Indonesian

investors as it minimizes the risk of supporter litigation, as seen in the City Football Group structure, while promoting social inclusivity.

Regulation in the German Bundesliga

The DFL Satzung (2024, Articles 15 to 16) and Lizenzordnung für die Bundesliga (2024/25, Article 9) implement the 50+1 rule, limiting foreign ownership to 49 percent of voting rights within a Kommanditgesellschaft auf Aktien structure, regulated by the Handelsgesetzbuch (Articles 343 to 356). Limited exceptions (e.g., Red Bull GmbH at RB Leipzig) show partial flexibility, with emphasis on the principle of supporter democracy as a core human element of German football (Mas'adi, 2025). Legal protection for Indonesian investors stems from the TFEU (Article 63), which allows for discrimination lawsuits at the European Court of Justice, as well as the EU-Indonesia Comprehensive Economic Partnership Agreement (under negotiation in 2025).

Regulatory Framework for Indonesian Investors in Football Club Ownership

The primary level of legal protection for Indonesian investors begins at the bilateral and multilateral levels. Indonesia, as a country active in international economic relations, has signed various Bilateral Investment Treaties (BITs) with European countries, including the Netherlands, Germany, and several others. These agreements serve as legal umbrellas providing minimum protection guarantees for the assets and investments of Indonesian citizens in the other contracting state. A key characteristic of BITs is the presence of clauses guaranteeing fair and equitable treatment, prohibition of discrimination, and the right to transfer funds and repatriate investment profits to the home country. (Soeharjono et al., 2024), if a dispute arises between the investor and the host state, international dispute resolution mechanisms such as the International Centre for Settlement of Investment Disputes (ICSID) can be activated, allowing the investor to file an international arbitration claim. This protection is crucial given the risks that may arise from government policy changes, discrimination against foreign investors, or even uncompensated expropriatory actions.

Indonesia is also bound by various multilateral agreements such as the ASEAN Framework Agreement on Services (AFAS) and other treaties that indirectly provide protection through the liberalization of trade and investment in the region. This protection structure creates a consistent and predictable legal ecosystem, thereby giving investors confidence that their interests will be protected in accordance with agreed international standards. Although international agreements provide general protection, the concrete legal framework governing investments is also determined by the regulations of the country where the investment is located (Fikri et al., 2023). When Indonesian investors invest in European football clubs, they must comply with the national laws of that country, which include civil law, corporate law, financial law, and specific sports regulations. In England, for example, investors face Companies House Regulations governing the registration and transparency of share ownership, as well as the Takeover Panel Code ensuring the club acquisition process is conducted fairly and transparently. These regulations provide protection not only for the investors themselves but also for other stakeholders like creditors and players, thereby creating a more stable and trustworthy system.

Spain which is home to giant clubs like Real Madrid and Barcelona, sports law is codified

in the Ley del Deporte (Sports Law of 1990) (Jovanka et al., 2023), which together with the Código Civil Español regulates the rights and obligations of club owners. This Spanish legal system emphasizes financial transparency and responsible management, with the Liga de Fútbol Profesional having the authority to oversee clubs' compliance with established standards. Meanwhile, in Germany, regulations for the football industry are stricter with the "50+1" rule, limiting the percentage of foreign investor ownership in a club. Although at first glance this rule appears restrictive, it actually provides legal certainty that the established ownership structure will be stable and will not change dramatically. By understanding these local regulatory nuances, Indonesian investors can design investment strategies that are not only financially profitable but also compliant with local laws, thereby reducing the risk of litigation or penalties from local authorities. In international investment practice, contracts become the most significant protection instrument for investors. When Indonesian investors invest in European football clubs, they will enter into various contracts, including Shareholder Agreements, Investment Agreements, and Management Agreements (Rivando & Samputra, 2024). These contracts provide investors the opportunity to regulate in detail their rights and obligations, including exit strategy mechanisms, dividend policies, and decision-making procedures. Notably, international investment contracts generally include a "choice of law" clause allowing the parties to determine which country's law will govern the interpretation and execution of the contract. Indonesian investors can choose to apply English Law or Swiss Law, which are popular choices because these legal systems are mature and have many precedents providing certainty (Kurniawan et al., 2024).

Even more important is the inclusion of an "arbitration clause" in contracts, stipulating that any dispute will be resolved through international arbitration rather than national courts. Renowned arbitration institutions like the International Chamber of Commerce (ICC), London Court of International Arbitration (LCIA), or the German Institution of Arbitration (Deutsche Institution für Schiedsgerichtsbarkeit - DIS) offer neutral, fast, and internationally enforceable mechanisms (Siampa Mario et al., 2020). The advantage of arbitration is that an arbitral award can be enforced in various countries under the New York Convention 1958, thus providing a strong guarantee that the arbitral decision will be upheld even if the opposing party tries to evade it. Thus, contract and international arbitration mechanisms create a system of self-enforcement that reduces investors' dependence on national court systems which may be slow or biased. Legal protection for Indonesian investors can also be enhanced through proper investment structuring (Zahro, 2024). One common approach is establishing a Special Purpose Vehicle (SPV), a new legal entity formed specifically for investment purposes. This SPV can be established in a strategically chosen jurisdiction, such as the Netherlands or Luxembourg, which have favorable legal frameworks for holding investments and offer beneficial tax treaties. Through this structure, investors can separate operational risks from asset ownership, so if the club incurs losses or litigation, the risk is not directly borne by the main investor but is contained within the SPV. Furthermore, investors can secure their assets through security interest mechanisms like mortgages or pledges over club assets, so in case of loan default, the investor has the right to sell those assets to cover the loss.

Asset protection also includes insurance aspects, which in the context of football club

investment are very important given the inherent risks in the sports business, such as player injuries, loss of sponsorship contracts, or changes in club performance. International insurance companies like Lloyd's of London provide specialized insurance products designed to offer coverage against various sports risks. By having comprehensive insurance policies, investors can strengthen their financial position and reduce investment return volatility (Faradiba & Musmulyadi, 2020). Before investing, Indonesian investors must conduct a thorough due diligence process, which is a proactive form of protection against potential hidden risks. International due diligence includes financial due diligence, involving in-depth audits of club financial reports and identification of potential hidden liabilities; legal due diligence, investigating all legal aspects of the club including player contracts, sponsors, and creditors; and compliance checks ensuring the club is not involved in illegal activities like money laundering or match-fixing. This process is typically carried out by reputable international professional firms like the Big Four accounting firms (PwC, Deloitte, KPMG, EY) or international law firms experienced in sports transactions (Tewu et al., 2024).

Compliance with international regulations is also crucial, including adherence to Anti-Money Laundering (AML) regulations, Know Your Customer (KYC) requirements, and various anti-corruption regulations. Many international jurisdictions have strict procedures for verifying the origin of investment funds, and failure to comply can result in registration rejection or license revocation. By conducting good due diligence and compliance from the outset, investors not only protect themselves but also build a reputation as trustworthy investors, which in turn facilitates future business transactions. A unique dimension of protection in football club investment is the existence of international sports regulations issued by bodies like the Fédération Internationale de Football Association (FIFA) and the Union of European Football Associations (UEFA) (Hidayat et al., 2021). These include the UEFA Club Licensing Regulations, which set minimum standards regarding club governance, financial health, and facility infrastructure. By ensuring the invested club meets UEFA licensing standards, investors gain assurance that the club is managed according to international best practices and has good compliance. Furthermore, Financial Fair Play (FFP) regulations, now superseded by newer UEFA Financial Regulations, stipulate that clubs must operate on a financially sustainable basis and cannot accumulate uncontrolled debt. These regulations create a more level playing field and reduce the risk of sudden financial collapse for a club (Khoiriah & Meylina, 2020).

FIFA Transfer Regulations protect investor investments in players by regulating the transfer process transparently and ensuring player contracts have fair clauses. These regulations also include a dispute resolution mechanism specifically designed for the football industry, expediting the resolution of disputes related to transfers or player status. With this regulatory framework, investors can be more confident that their assets in the form of the player squad will be protected and will not suddenly disappear or be transferred without clear procedures. When disputes arise, Indonesian investors have several options for dispute resolution, each with advantages and disadvantages (Khoiriah & Meylina, 2018). First, international arbitration through institutions like the ICC, LCIA, or DIS offers the primary advantages of neutrality, arbitrator expertise in investment and sports, and the ability to

enforce awards internationally. Second, the Court of Arbitration for Sport (CAS), located in Lausanne, Switzerland, is an arbitration body specifically focused on sports disputes and has deep expertise in FIFA and UEFA regulations. CAS has built a rich jurisprudence regarding disputes in the football industry, which can provide valuable precedents for investors. Third, for purely commercial disputes not involving aspects of sports regulation, investors can use litigation mechanisms through national courts, although this option is generally slower and more expensive (Mariska et al., 2025).

Access to these diverse dispute resolution mechanisms provides investors with the flexibility to choose the forum most appropriate to the nature of the dispute and their objectives. Wise investors will include clear clauses in their investment contracts regarding the chosen dispute resolution forum, thus avoiding uncertainty if a dispute occurs (Ardiansyah et al., 2023). Another important aspect of legal protection is protection against excessive tax burdens and the ability to repatriate investment funds to Indonesia. Indonesia has signed various tax treaties with European countries, each regulating the tax rates that can be withheld on dividends, royalties, and other forms of income. These tax treaties generally have anti-double taxation clauses, ensuring that investors are not taxed twice on the same income. For example, the treaty between Indonesia and Germany stipulates that dividends paid by a German company to an Indonesian shareholder will be subject to withholding tax at a negotiated rate, and the investor can then use a tax credit to reduce the tax burden in Indonesia.

A deep understanding of tax planning structures, including the choice of jurisdiction for establishing a holding company and the proper use of transfer pricing, can significantly improve the after-tax return on investment. For this, investors are highly advised to consult with experienced international tax firms to ensure their tax planning strategies are compliant with the laws of both Indonesia and the host country of the investment. Given the complexity of legal protection in international investment, Indonesian investors are highly recommended to cooperate with international law firms with expertise in investment, sports, and international law. Leading firms such as Clifford Chance, Linklaters, Freshfields Bruckhaus Deringer, or local firms partnered with international firms can provide comprehensive advice on optimal investment structures, contract negotiation, and compliance with local and international regulations. Investors are also advised to form an advisory team that includes not only lawyers but also accountants, tax specialists, and business consultants, so all aspects of the investment are handled holistically (Jenar et al., 2024).

Best practices recommended for Indonesian investors include: first, choosing a neutral and well-developed "choice of law," such as English Law or Swiss Law, over local laws which may be less familiar; second, including arbitration clauses in all significant contracts to avoid litigation in national courts which may be slow or biased; third, conducting comprehensive due diligence before investment to identify and address risks beforehand; fourth, ensuring the investment structure is well-designed to optimize tax efficiency and minimize operational risks; and fifth, maintaining strict compliance with all local and international regulations to avoid potential future legal problems. Legal protection for Indonesian investors in the context of international investment is a complex, multi-layered ecosystem that combines instruments

from various legal sources (Suryadarma et al., 2025). Protection stems from bilateral and multilateral agreements between Indonesia and host countries, national legal regulations of the local state, carefully drafted international contracts, optimal investment structures, compliance with international sports regulations, and diverse dispute resolution mechanisms. Each component of this protection plays an important and mutually supportive role in creating a safe environment for investors to conduct their business operations. With a deep understanding of these protection mechanisms and with the help of experienced legal professionals, Indonesian investors can minimize legal risks and maximize the success opportunities of their international investments. Investments made with good legal preparation will not only provide more stable financial returns but also strengthen Indonesia's position as a country with professional and trustworthy investors on the international stage.

Legal Risks and Challenges Faced by Indonesian Investors in Ownership of European Football Clubs

The phenomenon of Indonesian businesspeople investing in European football clubs has become increasingly prominent in recent years. Erick Thohir and Anindya Bakrie have officially become the majority owners of the English League One football club Oxford United. At the end of 2022, Anindya Bakrie and Erick Thohir became the majority shareholders of Oxford United Football Club. They control 51% of the shares in that League One English club. This trend reflects the transformation of football from a sport into a business industry attracting the attention of global conglomerates, yet harboring legal complexities that cannot be ignored (Kriswibowo, 2023).

The main challenge faced by Indonesian investors lies in the Financial Fair Play (FFP) regulations implemented by UEFA. Since first introduced by UEFA in 2009, and implemented in 2011, financial fair play has become a regulation for many major football leagues worldwide. Essentially, financial fair play is a set of rules aimed at ensuring that football clubs meet healthy and sustainable financial criteria. This regulation has evolved into the Financial Sustainability and Competitiveness Licensing Regulations (FSCLR) which require UEFA clubs to maintain financial balance over a three-year period by ensuring that relevant expenditure does not exceed football income by more than an acceptable deviation of €60 million, increased from the previous €30 million (Malau et al., 2025). International legal aspects become complex when Indonesian investors must face different jurisdictional systems. In the context of Private International Law, the financial deficit limit for a club is 30 million euros over three years. The latest Financial Fair Play rules issued in 2022 regulate that a club's deficit should not exceed 60 million euros over three years. Violations of this regulation can result in severe sanctions, including monetary fines, exclusion from UEFA competitions, and license revocation, including warnings, fines, prize money deductions, transfer bans, point deductions, bans on registering new players, and restrictions on the number of players that can be registered for UEFA competitions (Tarigan & Siregar, 2021).

Significant financial risks are also identified in club operational management. The commercial revenue of a football club in Indonesia might only be half of its operational costs. In research by Mohamad D. Revindo, the annual turnover in Indonesian clubs reaches IDR 3 trillion, but revenue is often only half of that. This condition shows how challenging the

football industry is from a profitability perspective, even for established clubs. The experience of Indonesian investors who have previously ventured provides an overview of the risk volatility in this industry (Athalarik & Rusadi, 2023). The Bakrie Group was forced to sell all its shares to an investor from England due to financial problems faced on May 13, 2014. Conversely, there are also success stories like the Hartono brothers whose Como club successfully climbed to reach Serie A, the top tier of the Italian League, even though when they arrived, Como's finances were in a chaotic and messy state. From a regulatory and supervisory perspective, UEFA established a body called the Club Financial Control Body (CFCB) tasked with overseeing the Club Licensing System and Financial Fair Play Regulations. Leagues also have the right to oversee the implementation of FFP for each club under their auspices. This creates layers of oversight requiring investors to understand not only UEFA regulations but also domestic league regulations in the country where the club operates (Fajrizal et al., 2020).

Reputation and sustainability risks are also important considerations. Batavia Sport Group acquired Polillas Ceuta in September 2020, amidst the club's financial pressure due to the impact of the COVID-19 pandemic. In an effort to manage the club and revive its performance, BSG collaborated with the ASIOP football academy, demonstrating the need for adaptive strategies in facing unpredictable external crises (Doewes, 2020). Despite facing various legal and financial challenges, this acquisition action proves that football competitions have become an industry attractive to all parties, including tycoons in Indonesia. The Hartono brothers, Michael and Robert Budi, might not have expected that the club purchased five years ago would climb to reach Serie A. This success proves that with proper management and a deep understanding of the European legal landscape, investment in football clubs can yield positive results (Ayunda & Rusdianto, 2021).

CONCLUSION

This research confirms that the dynamics of football club ownership by Indonesian investors in the European League are at the intersection of two interrelated yet often tense legal regimes: the host country's national corporate law and *lex sportiva*, a transnational sports law. Legal protection is available through international treaty instruments, football federation regulations, and strengthened contracts and dispute resolution mechanisms. However, regulatory complexity, rapid policy changes, and the existence of financial regulations such as Financial Fair Play still create room for uncertainty. Therefore, investment success is determined not only by capital strength but also by investors' readiness to navigate the legal landscape and comply with all applicable provisions. A comprehensive understanding and a well-thought-out compliance strategy are key to ensuring that investments not only provide economic benefits but also support club sustainability and the humanitarian value of football as a public social identity.

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