EUROPEAN BASKETBALL
ADVISORY GROUP

An Open Letter to Mr. Andreas Zagklis, Secretary General of FIBA and Mr. Jesus "Chus" Bueno, CEO of EuroLeague Basketball

Dear Mr. Zagklis,
Dear Mr. Bueno,

European basketball appears to be approaching a defining moment.

Since its emergence, the **NBA Europe** concept has been closely associated with attracting new investors and substantial new capital into European basketball alongside discussions around franchise structures and significant entry valuations.

EuroLeague Basketball now appears to be moving in a similar direction. Its recently announced **EuroLeague Basketball+** concept places greater emphasis on a franchise based model, new investment, league and club valuations and the broader commercial potential of the competition.

Despite their different starting points, we believe that both emerging visions for the future of top tier European basketball increasingly seem to revolve around the same themes: **new capital, new investors, franchises and rising valuations.** Whether EuroLeague, FIBA and the NBA ultimately find a common framework or whether separate competitions coexist in the future, we believe the fundamental questions around investment, ownership and governance will remain the same.

At the **European Basketball Advisory Group (EBAG)**, we welcome serious investment in European basketball. In our opinion, the sport has significant untapped commercial potential.

But we also believe that **capital alone is not a strategy**.

Before discussing valuations, franchises and potentially billions in new investments, we think European basketball should answer a more fundamental question: **What kind of basketball ecosystem are we trying to build and who should have the power to shape it?**

Recent developments in football make this question particularly timely in our view. The debate surrounding FIFA President Gianni Infantino's plans and the strong reaction from UEFA once again demonstrate how the commercial future of a sport can become closely connected with questions of ownership, governance and stewardship.

European football has already attracted enormous amounts of US, Middle Eastern and institutional capital. Yet competition structures, sporting merit, solidarity and the wider football pyramid continue to be treated as fundamental governance matters rather than simply investment decisions.

We believe this approach is visible in the response to the European Super League and in the agreements between UEFA and the European Club Association which establish frameworks around club participation in decision making, revenue sharing, solidarity and support for the wider football ecosystem.

European basketball is different from football. **But in our view, the governance questions are remarkably similar.** Against this background, we believe the European basketball community deserves clear answers to some fundamental questions:

What is the vision? What should European club basketball look like in ten years beyond higher revenues and valuations?

Who are the investors? What makes an investor suitable for European basketball beyond the size of their cheque?

What exactly are investors buying? Club equity, commercial rights, competition rights, governance influence or a combination of these?

What does "franchise" actually mean in Europe? Does it mean permanent participation or transferable rights? Could a franchise ultimately be sold or relocated to another city or country?

What happens when an investor exits? Who decides who can buy next and under what conditions?

What protects the wider European basketball ecosystem? What happens to sporting merit, domestic leagues and ambitious clubs outside the initial structure?

Who benefits from the investment and how? How will new capital translate into tangible benefits for youth development, grassroots basketball, players, fans and local basketball communities? Is there a defined model to ensure that value created at the top is shared with and reinvested into the wider ecosystem?

Who ultimately governs? Clubs, investors, EuroLeague, FIBA or NBA? What independent safeguards will exist?

Who has been part of the conversation? Which stakeholders, if any, have been (or will be) involved in shaping these concepts and the decision-making process? Have domestic leagues, national federations, clubs outside the current elite, players and other relevant stakeholders had a meaningful voice?

And perhaps most fundamentally: **What is not for sale?**

We understand that commercial negotiations require confidentiality. However, we also believe that **confidentiality about negotiations should not mean silence or ambiguity about principles**.

If European basketball is contemplating a structural transformation involving major external capital, we think the basketball community deserves to understand the underlying rules and principles before those decisions become irreversible.

EBAG has worked on the economics, governance and sustainable development of European basketball for more than a decade, bringing together perspectives from basketball, finance, investment, corporate management and governance. We are not against investment, institutional capital or franchise-based structures. But in our view, the sequence matters.

First define the European basketball model. Then define its governance. Then identify the investors who fit it. Not the other way around.

We also believe this process requires **more transparent and effective communication with the basketball community**. At present, much of the debate appears to be shaped by interviews, media reports, individual statements and fragments of information. In our opinion, that is not sufficient for decisions of this magnitude. Clubs, leagues, federations, players, fans and the wider public should be informed more clearly about the strategic direction being considered, the principles behind it and the safeguards that will protect the European basketball ecosystem.

Transparency does not require disclosing confidential negotiations. However, in our view, it does require **explaining the vision, the rules and the direction of travel**.

European basketball may indeed be under-valued and new capital may unlock significant potential. But we believe European basketball is more than an investment opportunity.

Before deciding **how much its future is worth**, we believe European basketball should decide **who gets to shape that future and which parts of it should never be for sale.**

And in our opinion, the basketball community should be part of that conversation.

Respectfully,

European Basketball Advisory Group (EBAG)