

FIFPRO

World Players' Union
Division Europe



Memorandum of Understanding

11 October 2007

**Memorandum of Understanding between the
Union des Associations Européennes de Football (“UEFA”)
and the
Fédération Internationale des Associations de Footballeurs
Professionnels (“FIFPro”) “FIFPRO Division Europe”**

(Together “the parties”)

In mutual recognition of the position of the Union des Associations Européennes de Football (“UEFA”) as the European governing body for association football at all levels, and the importance of the Fédération Internationale des Associations de Footballeurs Professionnels (“FIFPro Division Europe”) as the only umbrella organisation of trade unions for professional association football players in Europe,

Considering their common interest in football as well as its development in harmony with those involved in it and with respect for the values of the sport,

Motivated by the quest for solutions to the challenges currently facing the various parties in football, whether UEFA, the Associations, leagues, clubs or players,

Convinced of the need to find, within the football family, especially in Europe, these solutions as well as structures and mechanisms to allow crucial dialogue between all these parties,

Persuaded that only comprehensive solutions can offer a response to the challenges and threats that the growing universality of football brings to bear on the values of football,

UEFA and FIFPro Division Europe
Sign the following agreement:

1. Basis of the Cooperation

The basis for this agreement is as follows:

- 1.1 UEFA and FIFPro Division Europe, both institutions with a European profile, mutually recognise each other and resolve to reinforce their cooperation and dialogue on the major issues in football today.
- 1.2 The parties share similar concerns and values. It is in the context of these common concerns and values that this agreement and some annexes are made. These concerns and values include, for example:
 - the key values such as solidarity, equality and fraternity which have underpinned the development and growth of both the sporting movement and the trade union movement;
 - an equitable redistribution of wealth;
 - collective rather than individual exploitation of resources;
 - a commitment to democracy;
 - the need to treat all members equally, regardless of wealth or size (members for FIFPro being national player unions and their individual members; members for UEFA being national associations and their affiliated regional associations, leagues, clubs, players and other members);
 - the importance of the link that binds all levels of football;

- the need to preserve the values of sport in the face of growing corporate control, influence and commercialisation which can cause serious damage to the parties, their members and their values; and
- the protection and development of a large and healthy professional football sector in Europe.

1.3 More specifically, the parties recognise:

- the specificity of the career of a professional footballer;
- the specificity of sport, the autonomy of federations and the fact that football is best-served by the existing football family structures (although the balance of representativeness of key stakeholders within those structures can be developed further);
- that national team football provides net benefits to players, clubs, leagues and associations alike, and is an essential complement and balance to club football;
- that strong national championships and competitions are vital for a large professional football sector to exist;
- that the continuing participation of all players and clubs in the main national leagues and UEFA club competitions is essential to support the existence of a large and healthy professional football sector in Europe;
- the need for a correct balance between labour legislation and the specific characteristics of football as a sport (which might also be achieved through collective bargaining agreements); and
- that disputes should be resolved within football and the importance of balanced representation in dispute resolution.

1.4 Seek solutions to the major issues in football by all those involved (players, clubs, leagues, federations, confederations and FIFA) within legitimate structures, favouring consultation and resolving disputes within a football framework and making use of methods of social dialogue such as collective agreements.

1.5 The balance between national and international legislation, particularly with regard to the right to work, and taking into account the specific characteristics of football as well as the autonomy of the governing bodies of the sport.

1.6 The parties agree to conduct all relations in a spirit of good faith, trust, transparency, democracy, responsibility and professionalism.

2. Objectives of the Cooperation

In order to protect and promote the parties' mutual values and to address their mutual concerns as identified in part 1, above, the parties agree as follows:

- 2.1 To promote cooperation, friendly relations and unity between UEFA and FIFPro Division Europe.
- 2.2 To monitor professional football developments on a national level in Europe including relations between UEFA members and FIFPro Division Europe members in all professional player-related matters.
- 2.3 To foster the development of professional football in Europe.
- 2.4 To fight against doping and to defend the principle of "individual case management" in doping matters.

- 2.5 To fight against racism in football.
- 2.6 In respect of the modernisation of football structures and the reinforcement of internal mechanisms within football for the resolution of conflict, FIFPro Division Europe supports the proposals of the Task Force "For the Good of the Game", advocating the implementation of arbitration procedures and dispute resolution chambers by associations, operating on the bases defined by FIFA in circular no. 1010, especially in Europe. UEFA is also supportive of the implementation of proper arbitration procedures to deal with disputes in football.
- 2.7 In respect of player contracts, UEFA and FIFPro Division Europe agree to follow the implementation of the minimum contract conditions, in particular for those associations that do not have collective agreements, on the basis of the document entitled "*European Professional Football Player Contract Minimum Requirements*" attached in Annex 1.
- 2.8 To discuss in particular the specific issues affecting professional footballers, in view of the special features of their profession.
- 2.9 To respect all applicable laws, in particular all applicable employment legislation and collective bargaining agreements (where applicable), both nationally and internationally, whilst respecting and taking account of the specific characteristics of sport, the existing international sports structures and the autonomy of federations such as UEFA and national associations.
- 2.10 With respect to the subject of player availability for national team matches and competitions, FIFPro Division Europe reaffirms that selection by a national team represents the peak of a player's career and that this "right" shall not and should not be jeopardised in any way whatsoever.
- 2.11 FIFPro Division Europe supports UEFA, like FIFA, in its efforts to study the issues around the insurance of players and other related questions.
- 2.12 To discuss and explore other areas of mutual interest and concern in European professional football.

If the partners to this agreement are confronted with matters concerning the above-mentioned areas of cooperation, they shall provide each other with mutual support within the framework of their possibilities.

3. Structure of the Cooperation

The structure of the cooperation shall be the following:

- 3.1 This Agreement is also composed of two Annexes. Annex 1 contains the *European Professional Football Player Contract Minimum Requirements* and Annex 2 the list of topics which both UEFA and FIFPro Division Europe agree as forming part of the "specificity of sport".
- 3.2 UEFA and FIFPro Division Europe shall hold working sessions on a regular basis following a detailed "operational plan" to be elaborated jointly by their respective Administrations within two months after signature of the present agreement. Once finalised, the "operational plan" will be an integral part of this agreement. In carrying out the work, due consideration shall be given to the coordination with the activities of the Professional Football Strategy Council.

- 3.3 Both sides will continually exchange information, documentation and views about all subjects treated.
- 3.4 Each organisation invites the other to its Congress as observer.
- 3.5 UEFA will invite FIFPro Division Europe to nominate four representatives to be members of the Professional Football Strategy Council, in accordance with the UEFA Statutes (Art. 35, I d) and Organisational Regulations (Art. 10 I d and II).
- 3.6 UEFA is currently reinforcing the process of dialogue between those involved in football, including by establishing any necessary new structures under its auspices.

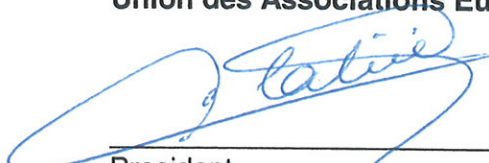
4. Implementation and Revision of this Agreement

The parties will implement this agreement and the different annexes as follows:

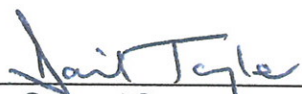
- 4.1 UEFA and FIFPro Division Europe will promote this agreement with their respective member organisations.
- 4.2 Communications by both organisations will take into account both the spirit and the letter of this agreement.
- 4.3 This agreement is of 3 years duration (2007-2010) but can be terminated at any time with three months notice in writing from either or both of the parties. Both organisations shall carry out a joint evaluation of the agreement two years after its signature.

This text has been drawn up in English, French and German. The English text is the binding version.

For the
Union des Associations Européennes de Football

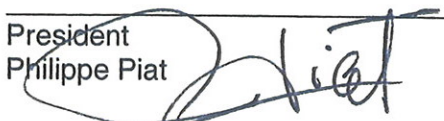


President
Michel Platini



General Secretary
David Taylor

For the
**Fédération Internationale des Associations de Footballeurs Professionnels
Division EUROPE**



President
Philippe Piat



Secretary General
Theo van Seggelen

Place and Date: _____

Brussels, 11 October 2007

Annex 1

European Professional Football Player Contract Minimum Requirements

Introduction

The UEFA, Leagues and FIFPro working group elaborated the following minimum requirements for a professional football players' contract content, which needs to be negotiated and finalised by both parties i.e. the Club and the Player.

Both parties have to take the following into account for the finalisation of each contract:

- (a) National legislation and in particular any mandatory provisions;
- (b) Collective Bargaining Agreements (CBA), if applicable;
- (c) The "Football Regulations" of FIFA, UEFA, the National Associations and Professional Leagues (if applicable), which are the Statutes, Regulations and Decisions of these bodies (including in particular the FIFA Regulations for the Status and Transfer of Players).

1 The agreement and parties

- 1.1 The contract must be in writing, duly signed by both parties with the necessary legal binding power of signature. It also includes indications with regard to place and date of when the contract was duly signed. In the case of a minor the parent/guardian must also sign the contract.
- 1.2 Each signatory party must receive a copy of the contract and one copy has to be forwarded to the Professional League and/or National Association for registration according to the provisions of the competent football body.
- 1.3 The agreement states the name, surname, birth date, nationality(-ies) as well as the full address of the residency of the Player (only an individual person). In the case of a minor the parent/guardian must also be mentioned accordingly.
- 1.4 The agreement states the full legal name of the Club (incl. register number) and its full address as well as the name, surname and address of the person who is legally representing the Club. A professional football player contract can only be concluded by a football club and its legal entity. Such entity is defined according to the National Club Licensing Manual/Regulations as license applicant. It must be a direct or indirect member of the national football association and/or professional league and be duly registered. Any other legal entity may not conclude such a player contract without the prior written consent of the competent national football body.
- 1.5 The agreement defines a clear starting date (day/month/year) as well as the ending date (day/month/year). Furthermore it defines the equal rights of Club and Player to extend and/or to terminate the agreement earlier. Any early termination must be founded (just cause). In cases of prolonged periods of injury/illness or of permanent incapacity, the club may serve a reasonable notice to the player. Reference is made to the FIFA Regulations for the Status and Transfer of Players.

- 1.6 If applicable, it must also indicate further persons involved in the negotiations or conclusion of that contract (e.g. parent/guardian of a minor, name of a legal representative of the Player, a licensed Players' agent, Interpreter).

2 Definitions

- 2.1 The agreement consists of terms and definitions, which are duly explained.
- 2.2 Terms not expressly defined in this agreement have meanings consistent with the definition of such terms in FIFA's and UEFA's statutes and regulations, as amended from time to time.

3 Relationship

- 3.1 The agreement regulates an employment contract for a professional player. The national legislation of the country where the club is duly registered applies, if another legislation is not otherwise agreed. National labour law may provide mandatory provisions, which cannot be amended by the parties and have to be taken into account.
- 3.2 The employment contract must contain all rights and duties between the signatory parties (employer and employee). No further contract should cover the legal relationship between the two parties. If another agreement exists or is signed at a later stage then the parties are obliged to refer to this agreement or to any subsequent employment agreement. Any additional agreement related to the labour contract must be sent to the Professional League and/or the National Association as elaborated in §1.2.
- 3.2 The Club employs the Player as a professional football player on the terms set out in this agreement.

4 Club's obligations

- 4.1 The agreement defines the Club's obligations towards the Player as follows:
- 4.2 The agreement defines all the Club's financial obligations such as, for example:
- (a) Salary (regular; monthly, weekly, performance based);
 - (b) Other financial benefits (bonuses, experience reward, international appearances);
 - (c) Other benefits (Non-financial ones such as car, accommodation, etc.);
 - (d) Medical and health insurance for accident and illness (as mandatory by law) and payment of salary during incapacity (definition to be determined including its consequences with regard to salaries paid);
 - (e) Pension fund/social security costs (as mandatory by law or CBA);
 - (f) Reimbursements for expenses incurred by the Player.
- 4.3 The contract must define the currency, the amount, the due date for each amount (e.g. by the end of each month) and the manner of payment (cash, transfer on bank account etc.).

- 4.4 The contract also regulates the financial impact in case of major changes of revenue of the club (e.g. promotion/relegation).
- 4.5 For young players, the contract ensures that the Player has a right to continue his (non-football) education (mandatory school). This may also apply to prepare a second career after football (retirement).
- 4.6 The Club and the Player agree on the payment of taxes according to national legislation (cf. 5.4 below; who is paying what and when.)
- 4.7 The contract defines the paid leave (holidays). The minimum is four weeks in each 12-month period. Periods of paid leave must be agreed by the Club in advance and must be taken outside the regular football season. It has to be ensured that at least two weeks are taken consecutively.
- 4.8 The contract includes provisions for protection of human rights (e.g. right of free expression of the player) and the non-discrimination against the Player.
- 4.9 The contract explains the health and safety policy of the Club, which includes the mandatory insurance coverage for the Player for illness and accident and regular medical/dental examination as well as medical/dental treatment with qualified personnel during football duties. It also covers anti-doping prevention.
- 4.10 The contract also regulates the keeping of proper records on injury (incl. those incurred on national team duty) whilst respecting confidentiality. If law does not provide otherwise, as a principle the records on injury are kept by the responsible team doctor.
- 4.11 The Club respects the Statutes, Regulations and Decisions of FIFA, UEFA, the National Association and, where applicable, the Professional League.

5 Player's obligations

- 5.1 The agreement defines the Player's obligations towards the Club as follows:
- 5.2 The agreement defines all the Player's obligations to fulfil vis-à-vis the Club:
 - (a) To play matches to the best of his best ability, when selected;
 - (b) To participate in training and match preparation according to the instructions of his superior (e.g. Head coach);
 - (c) To maintain a healthy lifestyle and high standard of fitness;
 - (d) To comply with and act in accordance with Club officials' instructions (reasonable; e.g. to reside where suitable for the club);
 - (e) To attend events of the Club (sporting but also commercial ones);
 - (f) To obey Club rules (including, where applicable, Club Disciplinary Regulations, duly notified to him before signing the contract);
 - (g) To behave in a sporting manner towards people involved in matches, training sessions, to learn and observe the laws of the game and to accept decisions by match officials;
 - (h) To abstain from participating in other football activities, other activities or potentially dangerous activities not prior approved by the Club and which are not covered by Clubs' insurance;
 - (i) To take care of the property of the club and to return it after termination of the contract;
 - (j) To immediately notify the Club in case of illness or accident and to not undergo any medical treatment without prior information to the club's

- doctor (except in emergencies) and to provide a medical certificate of incapacity;
- (k) To undergo regularly medical examination and medical treatment upon request of the Clubs' doctor;
 - (l) To comply with the terms of any association, league, player's union and/or club anti-discrimination policy;
 - (m) Not to bring the Club or football into disrepute (e.g. media statements);
 - (n) Not to gamble or undertake other related activities within football.
- 5.3 The Player adheres to the Statutes, Regulations and Decisions of FIFA, UEFA, the National Association and, where applicable, the Professional League.
- 5.4 The Player and Club agree on the payment of taxes according to national legislation (cf. 4.6 above).
- 5.5 The Player has a right of a second opinion by an independent medical specialist if he contests the opinion of the club's specialist. If there are still differing opinions, the parties agree on accepting an independent third opinion, which will be binding.

6 Image rights

- 6.1 The Club and the Player have to agree how the players' image rights are exploited.
- 6.2 As a recommendation and principle the individual player may exploit his rights by himself (if not conflicting with clubs' sponsors/partners) whilst the Club may exploit the Players' image rights as part of the whole squad.

7 Loan

- 7.1 The Club and the Player must both agree with regard to a loan to another Club, which must comply with the relevant applicable football regulations.

8 Player discipline and grievance

- 8.1 The Club establishes in writing appropriate internal disciplinary rules with sanctions/penalties and the necessary procedures, which the Player abides by. The club has to explain such rules to the Player.
- 8.2 The club fixes these rules and procedures as well as the sanctions including fines according to local agreement and standards.
- 8.3 If the player violates any of the obligations to which he is subject under the agreement, the club may impose a range of penalties, depending on the severity of the offence, according to these disciplinary regulations.
- 8.4 The player has a right to appeal and the right to be accompanied/represented by the club captain or a union representative.

9 Anti-doping

- 9.1 The Player and the Club comply with all relevant Anti-Doping Regulations of the football bodies.

- 9.2 Doping is the use of substances on the list of prohibited substances and the use of banned methods with the relevant doping list.
- 9.3 Doping is forbidden. Anyone who administers illegal substances or encourages doping in any way will be referred to the Disciplinary bodies of the National Association or the international governing bodies as appropriate.
- 9.4 The Club retains the right to also take any other measures against the Player found guilty of doping practices, whilst taking into account of the principle of individual case management.

10 Dispute resolution

- 10.1 The agreement fixes the process for disputes between the parties on issues not covered by the contract.
- 10.2 Subject to national legislation any dispute between the Club and the Player regarding this employment contract shall be submitted to independent and impartial arbitration composed of equal representatives of each party (employer and employee) under the National Association's statutes and regulations, or to CAS. Such decisions are final. Under the conditions mentioned in the FIFA Regulations for the Status and Transfer of Players, disputes may be settled by the Dispute Resolution Chamber, with an appeal possibility to CAS.

[**Important remark:** labour issues are covered by national law and in certain countries arbitration on labour disputes is not allowed.]

11 Football Regulations

- 11.1 The Football Regulations are the Statutes, Regulations and Decisions of FIFA, UEFA, the National Association and, where applicable, the Professional League.
- 11.2 The Club and the Player must comply with the Statutes, Regulations and Decisions of FIFA, UEFA, the National Association as well as the Professional League (if applicable) which form an integral part of this agreement – the parties acknowledge this through their signature.
- 11.3 The Club and the Player acknowledge that the above-mentioned Football Regulations may change from time to time.

12 Collective Bargaining Agreement

- 12.1 The Club and the Player must comply with the Collective Bargaining Agreement if duly agreed by the employers and employees and acknowledge that through their signature.
- 12.2 The Club has, for example, to respect minimum wages for the Player if agreed in the CBA.

13 Final provisions

13.1 The Club and Player have to finalize the content of following final provisions:

- (a) *The applicable law;*
- (b) *The jurisdiction;*
- (c) *The authoritative version if the contract is translated (if more than one language);*
- (d) *The confidentiality of the duly signed contract (unless divulgation is required by national law or football regulations);*
- (e) *The invalidity of a single clause does not affect the remaining part of the contract;*
- (f) *Interpretation of contractual clauses has to be fixed (e.g. who is responsible?);*
- (g) *The number of copies of this agreement produced and to whom they are distributed;*
- (h) *Definition of the annexes, which are an integral part of this agreement and distributed to the Player;*
- (i) *Any amendments, additions or deletions of this agreement are only valid if agreed in writing.*

13.2 The parties agree on all relevant Annexes (applicable and duly signed by both parties):

Annexes:

- Club rules (including, where applicable, Club Disciplinary Regulations)
- Football Regulations

ANNEX 2

AGREEMENT BETWEEN FIFPRO DIVISION EUROPE AND UEFA ON THE DEFINITION OF THE SPECIFICITY OF SPORT (FOOTBALL)

FIFPro Division Europe and UEFA agree that the definition of the specificity of sport (football) is covering the following points:

- 1) Regularity and proper functioning of competitions
 - a. Field-of-play rules, structure of championships and calendars
 - b. Rules concerning the composition of national teams
 - c. Rules relating to the national organisation of sport in Europe (e.g. "home and away" rule)
 - d. Rules concerning organisation of sporting competitions in the European sports pyramid structure
 - e. Rules relating to transfer "deadlines"
 - f. Rules concerning the transfer of players in general
 - g. Rules to encourage the attendance of spectators at sporting events and to encourage the practice of amateur sport
 - h. Rules concerning the release of players for national teams
 - i. Rules concerning doping, provided "individual case management" is respected
 - j. Rules aimed at controlling betting and its influence on matches and competitions
 - k. Regulations to govern the activities of certain football professionals and reinforce transparency in football
- 2) Integrity
 - a. Rules relating to good governance of clubs (for example the club licensing system)
 - b. Rules related to the ownership/control/influence of clubs (for example rules against the multiple ownership of clubs)
 - c. Rules concerning players' agents
- 3) Competitive balance
 - a. Rules concerning home-grown players and other rules for the protection of youth players
 - b. Rules concerning the central marketing of commercial rights
 - c. Rules concerning cost controls (which is different from salary caps)

After giving due consideration to the views of both parties, further points may be added to this list.

ATTACHMENT to ANNEX 2

FIFPro-UEFA definition of the legal specificity of sport

This document sets out a practical outline for the different aspects of the specificity of sport. It expands on the different points already agreed by FIFPro and UEFA, providing a short description under each heading.

The different aspects are grouped under three broad headings, as follows:

1. **Regularity and proper functioning of competitions**
2. **Integrity**
3. **Competitive balance**

Particular aspects can be placed together in sub-groups, under each of the three broad headings as follows:

1)	Regularity and proper functioning of competitions
a)	Field-of-play rules, structure of championships and calendars
b)	Rules concerning the composition of national teams
c)	Rules relating to the national organisation of sport in Europe (e.g. "home and away" rule)
d)	Rules concerning organisation of sporting competitions in the European sports pyramid structure
e)	Rules relating to transfer "deadlines"
f)	Rules concerning the transfer of players in general
g)	Rules to encourage the attendance of spectators at sporting events and to encourage the practice of amateur sport
h)	Rules concerning the release of players for national teams
i)	Rules concerning doping
2)	Integrity
a)	Rules relating to good governance of clubs – the club licensing system
b)	Rules related to the ownership/control/influence of clubs
c)	Rules concerning players' agents.
3)	Competitive balance
a)	Rules concerning home-grown players
b)	Rules concerning the central marketing of commercial rights.
c)	Rules concerning cost controls

However, the following matter requires additional clarification, as follows:

Doping

FIFPro and UEFA agree that, in principle, the rules concerning doping should be regarded as a pure sports related matter. This is, however, subject to the important principle of individual case management and the review of appropriate levels of sanction.

1. **Regularity and proper functioning of competitions**

a. Field-of-play rules, structure of championships and calendars

Sports governing bodies, in consultation with clubs and players, are the most appropriate bodies to organise (or oversee the organisation of) and regulate the sports and competitions for which they are responsible. Some common examples would include: the rules (or laws) of the game, competition formats, promotion/relegation and qualification systems, and the calendar schedule.

b. Rules concerning the composition of national teams

These are rules regarding the eligibility and selection criteria to participate in events involving national teams.

It is the task of the relevant sports body to set out rules deciding who may be selected for a national team or who can be selected to represent a country in international events.

Relevant cases: Delière case

c. Rules relating to the national organisation of sport in Europe (e.g. "home and away" rule)

For example, the "home and away" rule which operates in the UEFA Club Competitions. This rule has the objective of guaranteeing fair chances for both teams and is part of the national geographical organisation of football in Europe.

Relevant cases: Mouscron case

d. Rules concerning organisation of sporting competitions in the European sports pyramid structure

These rules are linked to the principle that clubs may be promoted and relegated and move from the lowest up to the highest level on a national level and may also qualify for European competitions according to their own sporting merit.

This model entails duties for UEFA, national associations, players, clubs and leagues. In particular, nobody can just "opt in" to (or "opt out" of) one part of the system (e.g. the profit-making part in the case of a "breakaway European Super-league"). The integrity of the system as a whole depends on the loyalty and commitment of all stakeholders.

e. Rules relating to transfer “deadlines”

These rules are an instrument to safeguard the integrity and proper functioning of competition. The implementation of transfer windows can be considered as a justified limit on freedom of movement (and as a limit on the freedom of clubs to try to transfer players whenever they want) as it is needed for valid sports reasons.

Relevant case: Lehtonen case

f. Rules concerning the transfer of players in general

Reference is made to the player transfer system established on the basis of the settlement of 2001 with the European Commission, agreed by all parties, including some basic objectives (for example: protection of minors, fair compensation of youth development, contractual stability, financial solidarity, transfer windows and a dispute resolution system). These principles were designed to meet European legal requirements and the situation of football in Europe.

The situation has developed further still as a consequence of more recent European Court rulings. For example, the European Court of Justice has effectively widened the definition of “EU-players” to players from countries that have signed bilateral association agreements with the EU, at least once these players are lawfully present inside the territory of the EU.

Relevant cases: Kolpak case, Simutenkov case

g. Rules to encourage the attendance of spectators at sporting events and to encourage the practice of amateur sport

National associations may prohibit the broadcasting of football games on TV during certain “blocked” hours at the weekend. The rules are intended to avoid that TV coverage of football might lead to a decrease in stadium attendance and/or the practice of amateur sport. The European Commission cleared the relevant UEFA rules in 2001.

h. Rules concerning the release of players for national teams

The “player release” rule ensures that players are allowed to take part in training and matches of the national team. The *ratio legis* of this rule is to safeguard the existence of national teams, the possibility for every player to compete for the national team as well as the possibility for every national association to compete with their strongest national team possible.

i. Rules concerning doping

Sports governing bodies set rules to combat doping. The main objective of such rules is to protect the health of athletes and to stop cheating. These rules should fall squarely within the competence of sports bodies, not least as they have the relevant expertise to decide on such matters.

UEFA and FIFPro agree that the principle of individual case management is fundamental to the operation of anti-doping controls.

2. Integrity

a. Rules relating to good governance of clubs – the club licensing system

These rules are designed to improve standards across a variety of areas (finance, stadia, youth development, etc.). As regards the financial situation, such rules aim to protect the smooth running of competitions and reduce the risk of financial instability of clubs during the sporting season. The UEFA club licensing system (and similar systems on a national level) help to increase the overall quality of competition as it obliges clubs to meet certain standards.

Such rules raise standards and improve corporate governance, financial transparency and stability within football.

b. Rules related to the ownership/control/influence of clubs

These are rules designed to safeguard the integrity of competition. UEFA created certain rules to ensure that two clubs playing in the same event could not be controlled by one and the same person (company or individual). These rules have been accepted by CAS and the European Commission. However, these rules may not be sufficient, or strict enough, to address the constantly changing environment within which football operates. Similar rules exist on a national level in many countries (and in many other sports).

c. Rules concerning players' agents

Rules regulating the activities of players' agents were introduced by FIFA in order to deal with various problems arising from the activities of agents (for example, too many non-licensed agents not complying with appropriate professional standards and disproportionate and excessive fees meaning large amounts of money leaving football).

These regulations are aimed at improving the integrity, financial transparency and the image of football. Arguably, further regulation is needed in order to address other financial problems in football, such as money laundering.

Relevant case: Piau case

3. Competitive balance

a. Rules concerning home-grown players

The home-grown players' rule obliges clubs that participate in the UEFA competitions to include in their squad a minimum number of players that were trained by the club itself or by another club from the same national association. Nationality and age of the players are irrelevant.

The purpose of this rule is to address various problems which have become clear in European football over recent years, notably a reduction in the incentive to invest in youth development and also a reduction in competitive balance. The rule is also designed to address other problems such as player "hoarding" (rich clubs buying up top players and then not playing them), loss of local identity and a decline in performance of national teams.

As this rule does not involve any nationality quota and explicitly promotes legitimate objectives such as education, training and competitive balance, the rule is considered to be compatible with European Community law.

Relevant case: Bosman case

b. Rules concerning the central marketing of commercial rights

These are rules that set the procedure for the central selling of rights of a certain competition by its organiser. The organiser of the competition (e.g. FIFA/UEFA, association, league) sells the rights of the competition as a whole instead of each individual club selling the rights just for their games.

The reasons why central marketing rules can be considered to be compatible with EU law are detailed in the decision of the European Commission but include that they ensure solidarity and provide benefits to fans.

c. Rules concerning cost controls

These are rules that aim to enhance balance among clubs in the same competition. Sport, unlike other industries, depends on the existence of competitors of roughly equivalent strength. For this reason, rules may be needed to ensure that certain clubs are not able to dominate competition by virtue of their spending power alone. Other clubs – and the players with them – should also enjoy fairly equal conditions of competition.

These rules could be implemented as regulations that stabilise the overall spending of clubs on salaries (e.g. salary cap or luxury tax in the USA or the

salary cost management protocol in the English Football League). They could also be elaborated as a part of the licensing rules.

* * *

ANNEX 3

OPERATIONAL PLAN BETWEEN FIFPRO DIVISION EUROPE / UEFA

UEFA and FIFPRO DIVISION EUROPE, according to point 3.2. of the Memorandum detailed above, decide to elaborate this operational plan in order to coordinate the activities of FIFPRO Division Europe (hereafter "FIFPRO") and UEFA for the interest of professional football in Europe.

The role of this part is to develop the Agreement between UEFA and FIFPRO on the strategy / way of working agreed by the parties, to cooperate closely and improve the dialogue between each other, intensify the relations and define together the agenda of consultation, research and presentation for the meetings listed below and to discuss the agenda items of the Professional Football Strategy Council.

This annex will be also implemented for the same time period as the Memorandum of Understanding itself, namely up to 2010.

The consultation levels will introduce 3 levels of working:

Level 1:	Working Committee (UEFA/FIFPRO staff administration)
Level 2:	UEFA/FIFPRO (Expert meetings)
Level 3:	UEFA Professional Football Strategy Council ("Strategy Council")

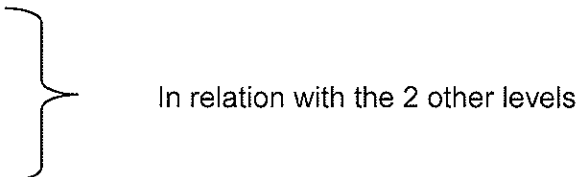
In agreement with UEFA and FIFPRO, the parties schedule every year:

<u>LEVEL OF WORKING AND MANAGEMENT</u>	<u>NUMBER AND TYPE OF MEETINGS</u>
Level 1	6/7 Working Committees
Level 2	3 UEFA / FIFPRO expert meetings
Level 3	3/4 meetings of the Strategy Council

☒ LEVEL 1: A LEVEL OF ANALYSIS AND CONSULTATION (the UEFA/FIFPRO Working committee)

a) Role:

This first level of works and management is thought, defined and managed by the working committee in order to program the different:

- meetings
 - Expert meetings
 - Strategy Council
- 
- In relation with the 2 other levels

But also, to discuss and prepare the application of the present agreement and Annexes and the interest of them for a formal aspect of the program (define and coordinate the research, reviews, presentation agreed in the agreement and approved by the parties).

Based also on written exchange of views (report, mails, questionnaire for player's union and National Association...).

b) Composition:

- 2 or 3 persons of the FIFPRO administration
- 2 or 3 persons of the UEFA administration

To pursue the interest of such research (see below), the working committee also coordinates the 2 others levels of dialogue and working.

c) Agenda of the working committee:

Varies by meeting.

**☒ LEVEL 2 : A LEVEL OF EXPERT MEETINGS
Organized and managed by the working committee**

a) Role:

The parties will create Expert Meetings following to the most important subjects defined in the Annex 1 and 2 for:

- 1) Home grown players rule
- 2) Discrimination (violence, racism...)
- 3) Social Committee (unemployed player's tournament, career fund, aid fund...)
- 4) Racism, Doping/disciplinary matters
- 5) Clubs commission (licence, ownership...)
- 6) Player training and development

According to the strategy and the work put in place, the working committee will have the competence to make proposals, research and reviews to develop the discussion. Solutions/issues made by the working committee (after expert meetings) will be submitted for the UEFA Strategy Council.

b) Composition:

⇒ UEFA and FIFPRO will nominate/arrange one or two members for each subject or item according to the action plan and the meetings planned.

☒ LEVEL 3: A POLITICAL LEVEL: “UEFA STRATEGY COUNCIL”

The “STRATEGY COUNCIL” is composed of representatives of UEFA/associations, leagues, clubs and players (FIFPRO).

The role of this most important committee will be to analyse and take definitive positions on key issues in European professional football including any drafts/proposals made by the working committee and the Expert Meetings.

The big and new interest of this program is based on the creation of a pyramid philosophy of work and dialogue for a better understanding and success.

⊗ **AGENDA FOR 2008**

Target dates	Topics	Dialogue format (3 levels)
JANUARY 2008	1) agreement of the operational plan 2) discussion for reports on : <ul style="list-style-type: none"> - career fund - home grown players - Strategy Council agenda for March 	LEVEL 1
MARCH / APRIL 2008	Exchange of information on : <ul style="list-style-type: none"> - unemployed players for Tournament (database of the players end of contract 30 June 2008 through Europe) - Ethics and behaviour for EURO 2008 - Anti-Racism campaign - Training and education (home grown players, minors) Strategy Council meeting (10th March)	LEVEL 1 LEVEL 2 LEVEL 3
MAY 2008	Unemployed players Tournament (organisation, place, teams involved...) discussion and submission to the Strategy Council + agenda SC Strategy Council meeting (14 th May)	LEVELS 2 and 3 LEVEL 3
AUGUST 2008	Strategy Council meeting (28 th or 29 th August)	LEVELS 1 and 3
OCTOBER 2008	New WADA Code and the question of doping in football : individual case management and definition of common criteria Conclusion of the Unemployed players Tournament (results, contacts, signature in new clubs, impact...)	LEVEL 1 LEVEL 2
NOVEMBER 2008	Strategy Council meeting (21 st November)	LEVEL 3
DECEMBER 2008	Reports and proposals on : <ul style="list-style-type: none"> - Home grown players (in Europe) - Career Fund 	LEVEL 1 AND 3

⊗ **AGENDA FOR 2009**

Target dates	Topics	Dialogue format (3 levels)
FEBRUARY 2009	Evaluation plan of the year and discussion about subjects submitted for this year: training centres/system, young players and development in Europe... Creation of commission for LEVEL 2	LEVEL 1
MARCH / APRIL 2009	<ul style="list-style-type: none"> - unemployed players for Tournament (database of the players end of contract 30 June 2008 through Europe) - Reports and proposals for: <ul style="list-style-type: none"> • Evaluation of the training systems in Europe • National obligation reports for young professional players 	LEVEL 1
AUGUST 2009	Evaluation of the training system and young professional players = proposal for the Strategy Council	LEVEL 1 LEVEL 3
OCTOBER 2009	Common project for Career Fund Evaluation about doping Evaluation about Unemployed players tournament	LEVEL 1
NOVEMBER 2009	Submission on Strategy Council : Career fund project General training system proposal	LEVEL 1 AND 3

⊗ **AGENDA FOR 2010**

Target dates	Topics	Dialogue format (3 levels)
FEBRUARY 2010	Conclusion plan = general terms for a European charter with 2008 and 2009 approved agenda topics	LEVEL 1
MARCH / APRIL 2010	Submission to the Strategy Council Global document for Charter + annexes on minimum wages – home grown players – standard players contract – career fund	LEVEL 1 LEVEL 3

ATTACHMENT to ANNEX 3

FIFPro-UEFA agreement on (EU) social dialogue

With reference to Article 1.4 of the Memorandum of Understanding, UEFA and FIFPro Division Europe make the following agreement regarding social dialogue, which forms an integral part of the abovementioned Memorandum of Understanding and is herewith attached to the Operational Plan.

1. UEFA and FIFPro Division Europe accept the social dialogue as a valid instrument for the implementation of agreements on labour matters reached within the Professional Football Strategy Council.
2. FIFPro recognises UEFA's involvement in any formal EU Social Dialogue even though UEFA's primary role is not that of a social partner.
3. UEFA recognises that FIFPro is the representative of the players in any formal EU Social Dialogue.
4. The Player Contract Minimum Requirements (as already agreed and included in Annex 1 to this Memorandum of Understanding) shall be the item to be discussed within the European social dialogue in football and will also be presented to the clubs in the newly created European Club Association (ECA) and thereafter to the Professional Football Strategy Council.
5. FIFPro Division Europe and UEFA agree on the following procedure for additional items for discussion within (EU) social dialogue:
 - a) the item is submitted to the European football dialogue within the Professional Football Strategy Council;
 - b) once agreed by the Professional Football Strategy Council the item may proceed to any formal (EU) social dialogue.
6. Finally, both FIFPro Division Europe and UEFA encourage the development of collective bargaining agreements on a national level.