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DG Employment, Social Affairs and Inclusion

Employment and Social Legislation, Social Dialogue
Social dialogue, Industrial Relations

Brussels, 28 January 2015

Sectoral Social Dialogue Committee on Professional Football

DRAFT Minutes of the Plenary Meeting

20 November 2014

1. Adoption of the agenda

The meeting was chaired by Mr Bell (UEFA). The agenda for the meeting was adopted.

2. Report from the Steering Group

a. Working group on implementation of the Autonomous Agreement

Mr. Grafstrom (UEFA) reported on the ongoing work to encourage national organisations to implement the obligations set out in the autonomous agreement. He informed the parties that the UEFA Professional Strategy Council had agreed for a prolongation of the agreement of two years to July 2017. There are significant differences concerning speed and willingness to implement. Visits to the concerned countries and substantial discussions with the responsible representatives have in most cases helped to get things moving.

Summaries for the 12 priority countries and Montenegro which have been visited so far:

Bulgaria overall good progress (unionization, employment contracts, bargaining contract and Memorandum of understanding signed) main problem: overdue payables. License committee has agreed to sanction clubs with overdue payables. Therefore improvements also in this area are expected.

Croatia with slow progress only; not much dialogue between national stakeholders. According to FIFPro, football clubs do not consider the implementation of the agreement as an obligation, but as a recommendation, some clubs are in a financially problematic situation, not paying their players. Self-employment with overdue payables is a serious problem. FIFPro asks UEFA to be firm on respecting the agreement including the need for employment contracts. Mr. Grafstrom confirms UEFA's willingness to hold further discussions in Croatia.

Cyprus in the past with considerable problems related to overdue payables, but also concerning transfer of players. Work had started before the task force visited the country, the meeting was considered as constructive and useful. Negotiations on status of contracts and on a regulation on transfer of players ongoing; Cyprus has the potential to become a success story.

Social dialogue has no tradition in **Czech** football. Negotiations are difficult; however, an agreement on a standard contract has been reached. Mr. Grafstrom (UEFA) confirmed that the need of an action plan to move from self-employed contracts to employment contracts was the next step and planned to be discussed with the Czech members.

Hungary has formally implemented minimum requirements in the football regulations, but standard player's contracts are not yet mandatorily established. Unions consider employers as resisting to this and furthermore complain that there is neither a functioning NDRC (national dispute resolution chamber) nor participation in discussions. De facto employment contracts are used, however given the absence of an obligation to use a standard contract this is difficult to monitor.

In **Poland** players and employers recommenced discussions after a prolonged summer break. Negotiations concern mainly the content of the standard contract; progress has been reached concerning overdue payables. Outstanding payables now may lead to a loss of points. While employers are optimistic about being able to implement the agreement by April 2015, players express doubt about the progress achieved so far. Mr. Grafstrom (UEFA) confirms that further progress is needed and in particular Polish stakeholders should clarify the implications of the different types of contracts under discussion.

Following a constructive meeting with the task force, progress in **Romania** slowed down and the trade union representative was rather pessimistic about the implementation of a standard contract. The employer representative attributed the problems mainly to the legislative framework and to significant changes within the league. While there seemed to have been misunderstandings, both sides signaled willingness and intention to engage in further discussions.

In **Russia** the meeting of the task force with the national stakeholders led to an action plan and the proper set up of a national dispute resolution chamber. Altogether a good dialogue between players and employers started. After 4 months the president of the football association intervened, requiring himself rights for the NDRC. With support from ECA and FIFPro this was rejected.

In **Serbia** there is good progress with the minimum requirements, the national dispute resolution chamber has started to work. Dialogue with the employer's organization was found difficult by the players' representative. The representative of EPFL informed about his intention to contact the new president of the Serbian league.

Slovenia is expected to be able to meet the 2015 deadline for implementation of the autonomous agreement. National legislation has been changed, social partners are cooperating to find solutions.

In **Turkey** significant improvements – starting with the representativeness of players' and clubs' organisations – are required. Tony Higgins (FIFPro) highlighted, that during the visit of the Task Force, clubs active at international level signaled him to welcome the idea of minimum standards, as the poor reputation of the Turkish league is a problem for them when recruiting players from outside Turkey.

In the **Ukraine** football suffers from the overall difficult situation. Still: basically all clubs offer standard contracts which respect the minimum obligations. Difficulties persist with the dispute resolution chamber, which is not in a position to sanction non-compliance with decisions.

Mr Grafstrom and Mr Krsmanovic (FIFPro Montenegro) gave a very positive feedback from a recent visit to **Montenegro** (non-priority country). Only small issues need to be addressed and national stakeholders are in a good working relationship.

In summarizing the visits, M. Grafstrom recognized the need to follow-up and indicated UEFA's willingness to have more country visits and discussions.

Efforts to ensure the implementation of the autonomous agreement are not limited to the 12 priority countries; next to Montenegro also visits to FYROM, Lithuania, Estonia, Malta and Slovakia are planned. At the UEFA congress the UEFA president will give an update on social dialogue, also highlighting how important the implementation of the autonomous agreement is and spelling out the expectation that all members will do so.

A recent seminar in the NL, which dealt with NDRC and disciplinary sanctions, was found to be a very useful and constructive element of social dialogue by FIFPro, ECA and UEFA. It was general agreement that such discussions should be continued.

b. Report from the Working Group on respect of contracts

Respect of contracts is a complex issue which is dealt with in several UEFA and FIFA fora. To reduce overlap the social dialogue working group has focused its efforts on overdue payables to clubs and players, monitoring and transparency and dispute resolution. To a somewhat lesser extent issues related to young players and training clubs were discussed, in particular transparency of decisions and trials of young players.

Following positive experience at European level the working group recommended (for overdue payables towards clubs) to equip national competition organisers with the possibility to sanction non-compliance and to amend the relevant FIFA regulations. Similarly in case of overdue payables towards players, national rules and enforcement should be strengthened, followed by an amendment of the relevant FIFA regulations.

For monitoring and transparency, clearinghouses show positive effects. They also help with the financial transaction of fees, but they are costly and some legal issues are to be resolved. The Transfer Matching System (TMS) could also be a useful instrument to ensure transparency and allow monitoring of payments.

It is proposed to reform and improve the efficiency of the FIFA-dispute resolution mechanism and to introduce NDRCs; access to DRC should be ensured to players and clubs and NDRCs should be monitored by FIFA.

The situation concerning FIFA decisions on the transfer of minors was found to be quite intransparent and complex. For this and for trials with young athletes more clarity including the provision of a better regulatory framework were recommended.

These consensual recommendations have been formally approved by the professional football strategy council (PFSC), the UEFA Executive Committee and other relevant bodies and have been submitted to FIFA. FIFA has subsequently created a working group to further discuss.

Mr. van Seggelen reports that FIFPro has presented these proposals in the FIFA working group and that – hopefully positive – decisions, leading to the implementation of the recommendation, are expected for December and January. This should in particular lead to a shortening of dispute resolution procedures and more consistent sanctioning of clubs

not paying salaries. FIFA showed also willingness to listen to the recommendation from the social dialogue on modified players' passports to increase transparency.

The working group on respect of contract will continue to work, the exact workprogramme will depend on the decisions taken and the efforts made by FIFA in the near future.

UEFA together with EPFL undertook a mapping of national regulations to sanction overdue payables towards players and other clubs. The big majority of National Associations regulates overdue payables via the licensing system to all professional leagues. Application is in most – so not all countries – to national and international transfers (slides). The FIFPro survey demonstrates that having only one assessment per year coincides with a higher prevalence of overdue payables towards players. Thus indicating that more checks (enforced with possible and effective sanctions) improve compliance with contracts (see slides). Overdue payables have developed in a very heterogeneous way across Europe, however remaining a significant problem. In countries with strong player unions and collective agreements there are less overdue payables.

During its last general assembly EPFL has adopted a resolution on overdue payables, stating that all member leagues agreed to meet the recommendations set out by social dialogue.

The secretariat of FIFPro was asked to give access to the actual responses, so to facilitate a follow-up on the recognised problems. FIFPro agreed to send upon request an updated version, listing the countries which replied.

c. Report from the Working Group on Career Funds

M. Bär-Hofmann summarised the work of the working group whose mandate will end at the end of 2014. Overall he reported that the group will succeed in developing a toolkit, which identifies the main questions to be answered before setting up a career fund and gives examples of how this has been done in different countries.

3. Information from the Commission on sports related initiative

Olivier Fontaine (DG EAC) updated the Committee on the 2014 adopted EU work plan for sport and related issues (see ppt-slides). The three priorities are: integrity of sport, economic dimension of sport and sport and society. Next to other forms of cooperation between the sports movement and the EU, Mr. Fontaine highlighted the recently signed cooperation agreement between Commission and UEFA.

To implement the work plan, five expert groups have been established: match fixing, good governance, health enhancing physical activities, economic dimension in sport and human resources development. The experts and the chairs to these expert groups are nominated by the MS. Their purpose is defined in the work plan. Stakeholder organisations, including social partners can ask for an observer status to these groups.

With the new ERASMUS+ Sport, 265.9 mio Euro have been made available for 2014-2020 to support sport related activities. The support will be granted by launching calls for proposals for different types of activities (e. g. collaborative partnerships, not-for profit sports events, strengthening the evidence base for policy making, dialogue with stakeholders). The funding priorities are aligned with the work plan and focus on grassroots sport events.

In terms of events Mr. Fontaine mentioned the newly set up European week of sport, which shall take place annually in the 2nd week of September to motivate citizens to engage in physical activity. Erasmus+ will provide support. He also mentioned the annual Sport Forum, December 2014 in Milan, where the new policy framework was presented to a wider public.

Linked the issue of ongoing studies and questions asked by consultants to them, social partners wondered whether there is enough knowledge of the economic value of sport in general and football in particular at EU level. Mr. Paterson indicated that in 2012 there was a study commissioned by the Commission on the economic impact of sport which suggested that a bit more than 2% of EU-GDP and 2% of EU employment are linked to sport. Thereby he did not exclude that building on this study further work (e.g. update) could be useful.

4. Study on sports organisers' rights in the EU

Mr. Paterson (DG EAC) draw the attention of the Committee to the recently published study on sports organisers' rights in the EU (http://ec.europa.eu/sport/news/2014/study-on-sport-organisers-rights_en.htm). The study investigates three main themes: a) the applicable legal framework, b) sports organisers' rights in the area of media and c) sports organisers' rights and obligations in the area of betting and gambling. It concluded that there is no need for immediate action at EU level.

5. Work programme 2015

Work in 2015 shall focus on two issues:

- The implementation of the minimum standards as described in the agreement. Particular attention will be paid to the issue of the type of contract used and to the functioning of the NDRC and club disciplinary procedures.
- The working group on respect of contracts will focus its work on the implementation of the recommendations. The implementation work will include sharing of best practices, assistance to national associations, but also assessment of progress and will be an issue for the country visits.

FIFPro members highlighted that they consider the speed with which the autonomous agreement is implemented as insufficient and disappointing, questioned the prolongation of the deadline for implementation and suggested that next to the soft instruments of assistance and discussion also sanctions, such as the exclusion from EU-wide competitions etc. should be considered if national affiliates do not comply. FIFPro also stressed that only employment contracts fulfil the requirements set out in the autonomous agreement. Civil law contracts regularly do not foresee the intended minimum protection of players.

Mr. Bell (UEFA) replied that the frustration was understandable given the slow progress but that sanctions seemed premature. He stated that the nature of the contract and NDRC are priority themes for 2015, demonstrating consistency with the identified needs. He furthermore indicated that he counts on significant progress before the end of 2015.

EPFL agreed to the need to speed up the process, but considered it not fair to say that employers are delaying the process. FIFPro clarified that nobody accuses EPFL to delay implementation. The request was – however – that EPFL uses all the means at its

disposal to encourage its affiliates to progress with the implementation of the agreement in general and in particular to ensure that players actually get an employment contract.

6. Calender of meetings for 2015

Working group meetings: 3 February 2015 and 1 September 2015; Brussels.

Plenary meeting: 19 November 2015; Brussels.

Steering group meetings will be held on 26 May in Warsaw and on 8 October in Hoofddorp.

7. Any other business

No points were raised.

Participants 20/11/2014

Employers (13 ♂, 1 ♀) <u>ECA</u> <u>EPFL</u>	Workers (26 ♂, 5 ♀) <u>FIFPro</u>
European Commission (2 ♂, 1 ♀)	UEFA (2 ♂, ♀)