

#### IMPLEMENTATION FIFA REGULATIONS ON WORKING WITH INTERMEDIARIES (FIR)

WG LABOUR MARKET REGULATIONS | BRUSSELS | 29 AUGUST 2016





EADING THE WAY FOR FOOTBALL CLUBS IN EUROPE

- FIFA Regulations on Working with Intermediaries (FIR) entered into force on 1 April 2015
- No direct effect → national federations to implement min. req. in national regs
- Research conducted by ECA to see if harmonisation/big differences exist following implementation (21 UEFA NAs examined)
- Examined topics:
  - Registration of intermediaries /jurisdiction national association over intermediaries
  - Notion of "impeccable reputation"
  - Maximum duration/exclusive nature of representation agreement & minors
  - Disclosure and publication provisions

- Recommended cap of 3% for the total amount of remuneration
- Conflict of interests
- Sanctioning catalogue and mechanism
- Dispute resolution



EADING THE WAY FOR FOOTBALL CLUBS IN EUROPE

#### Implementation FIR mainly differs in:

- I. Registration of intermediaries (art. 3 FIR)
- II. Maximum duration of representation agreements
- III. Recommendation of a 3% cap for the total amount of remuneration (art. 7 FIR)
- IV. Payments in relation to minors (art. 7.8 FIR)
- V. Sanctioning of intermediaries (art. 9 FIR)



EADING THE WAY FOR FOOTBALL CLUBS IN EUROPE

#### I. Registration of intermediaries

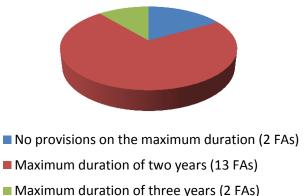
- Fixed/single time registrations
- Some NAs maintain strict requirements in order to be able to act as an intermediary in the relevant jurisdiction (at least three years working experience (Bulgaria), Intermediary exams (Switzerland, Czech Republic), successfully passing a personal interview (Spain)
- In some NAs intermediaries actively hindered to perform activities in the relevant country:
  - Switzerland: in principle only Swiss nationals/residents can act as an intermediary.
     Foreign intermediaries need to liaise with Swiss intermediaries in order to perform intermediary activities on the Swiss market
  - France: knowledge of the local language required (finds its basis in applicable French law)



EADING THE WAY FOR FOOTBALL CLUBS IN EUROPE

#### II. Maximum duration of representation agreements

- FIR does not provide guidelines on the maximum duration of agreements between players/clubs and intermediaries
- Nevertheless, most NAs maintain a maximum duration of representation contracts of 24 months





LEADING THE WAY FOR FOOTBALL CLUBS IN EUROPE

# III. Recommendation of a 3% cap for the total amount of remuneration (art. 7 FIR)



- NAs maintaining a hard cap/recommended cap: only few NAs distinguish salary/transfer fee cap
- Hard caps ranging from 3% (Serbia) to 10% (Croatia, France Ukraine)



EADING THE WAY FOR FOOTBALL CLUBS IN EUROPE

#### **IV. Payments in relation to minors**

- Art. 7.8 FIR: "Players and/or clubs that engage the services of an intermediary when negotiating an employment contract and/or a transfer agreement are prohibited from making any payments to such intermediary if the player concerned is a minor, as defined in point 11 of the Definitions section of the Regulations on the Status and Transfer of Players"
- FIFA RSTP "Minor: a player who has not yet reached the <u>age of 18</u>"
- In principle, all NAs appear to have included a provision according to which payments in relation to minors are in principle not allowed
  - However, some NAs allow payments in relation to minors as of a certain age: >15 years old (Slovakia) >16 years old (Czech Republic)



LEADING THE WAY FOR FOOTBALL CLUBS IN EUROPE

#### V. Sanctioning of intermediaries

- NAs have individual system of sanctioning intermediaries Sanctions are based on different regulatory frameworks
- Nonetheless, NAs obliged to inform FIFA of any sanction imposed on intermediary → FIFA Disciplinary Committee may decide to extend sanction to have worldwide effect



#### Conclusions

- Lack of harmonisation rules → considerable discrepancies (registrations hindering cross border activities, caps, minors, sanctions)
- Adapted rules on national level show lack of understanding of NAs of the business they aimed to regulate → many NAs failed to liaise/seek input from stakeholders with practical experience in conducting transfers (clubs)



# LEADING THE WAY FOR FOOTBALL CLUBS IN EUROPE

