



**Decision of the
Single Judge of the sub-committee of the Dispute
Resolution Chamber (DRC)**

passed on 3 October 2019,

by **Mr Stefano Sartori (Italy)**,
Single Judge of the sub-committee of the DRC,

on the claim presented by the club,

Club A, Country B

as Claimant

against the club,

Club C, Country D

as Respondent

regarding training compensation in connection with
the player Player E

I. Facts of the case

1. According to the player passports issued by the Football Federation of Country B (hereinafter: *the Football Federation of Country B*) and the information available on the Transfer Matching System (TMS), the player, Player E (hereinafter: *the player*), born on 12 October 1996, was registered with its several clubs, including Club A (hereinafter: *the Claimant*) on loan from the club of Country B, Club F (hereinafter: *the former club*), as follows:

Clubs	Registration dates	Status
Club G	From 01.07.2008 until 30.06.2009	Amateur
Club G	From 31.07.2009 until 30.06.2010	Amateur
Club H	From 18.09.2010 until 30.06.2011	Amateur
Club J	From 01.07.2011 until 30.06.2013	Amateur
Club J	From 01.07.2013 until 31.08.2014	"non-amateur"
Club F	From 01.09.2014 until 30.06.2016	Professional
The Claimant (loan)	From 01.08.2016 until 30.06.2017	Professional
Club F	From 01.07.2017 until 29.01.2018	Professional
Club K (loan)	From 06.02.2018 until 30.06.2018	Professional
Club F	On 01.07.2018 (mutual termination)	Professional

2. The football season in Country B during the relevant period of time ran as follows: from 1 July of the respective year until 30 June of the following year.
3. According to the information contained in the TMS, the player was registered with the club of Country D, Club C (hereinafter: *the Respondent*), on 5 August 2018, which engaged the player "*permanently (out of contract)*" directly from the former club. In this respect, the Respondent indicated on TMS that the player had mutually terminated his contract with the former club.
4. Equally, according to the information contained in the TMS, the Respondent belonged to the category II (indicative amount of USD 30,000 per year within CAF) at the moment that the player was registered with them.
5. On 4 July 2019, the Claimant lodged a claim in front of FIFA requesting training compensation on the ground that the player's subsequent transfer as a professional occurred before the end of the season of the player's 23rd birthday. In particular, the Claimant requested USD 27,500, plus 5% interest as from "*the due date*".
6. In its reply, the Respondent rejected the claim of the Claimant. In fact, the Respondent first indicated that the Claimant failed to offer a contract to the player after the expiry of the loan and that as such, the Claimant waived its right to

training compensation as per art. 6 par. 3 of Annexe 4 of the Regulations on the Status and Transfer of Players (hereinafter: *the Regulations*).

7. In addition, the Respondent stated that the player was already a “non-amateur” for two seasons prior to becoming a professional with the Respondent in or around his 18th birthday, on 1 September 2014. Therefore, the Respondent argued that the player had already terminated his training period by then, i.e. on 1 September 2014, before joining the Claimant on loan. Referring to art. 6 par. 2 of Annexe 4 of the Regulations according to which the final season of training of a player playing inside the EU/EEA may occur before the season of the player’s 21st birthday, the Respondent indicated that no training compensation shall be payable to the Claimant.

II. Considerations of the Single Judge of the sub-committee of the DRC

1. First of all, the Single Judge of the sub-committee of the DRC (hereinafter: *the Single Judge*) analysed whether he was competent to deal with the case at hand. In this respect, he took note that the present matter was submitted to FIFA on 4 July 2019. Consequently, the 2018 edition of the Rules Governing the Procedures of the Players’ Status Committee and the Dispute Resolution Chamber (hereinafter: *the Procedural Rules*) is applicable to the matter at hand (cf. art. 21 of the 2018 edition of the Procedural Rules).
2. Subsequently, the Single Judge referred to art. 3 par. 2 of the Procedural Rules, which states that he shall examine his jurisdiction in light of art. 24 par. 2 of the Regulations on the Status and Transfer of Players (edition June 2019). In accordance with art. 3 of Annexe 6 in conjunction with art. 24 and art. 22 lit. d) of the Regulations on the Status and Transfer of Players, the Single Judge is competent to decide on the present dispute relating to training compensation between clubs belonging to different associations.
3. Furthermore, the Single Judge analysed which edition of the Regulations on the Status and Transfer of Players should be applicable as to the substance of the matter. In this respect, he confirmed that in accordance with art. 26 par. 1 and 2 of said regulations (editions January 2018, June 2018 and June 2019) and considering that the player was registered with the Respondent on 5 August 2018, the June 2018 edition of the Regulations on the Status and Transfer of Players (hereinafter: *the Regulations*) is applicable to the matter at hand as to the substance.
4. The competence of the Single Judge and the applicable regulations having been established, and entering into the substance of the matter, the Single Judge started

by acknowledging the above-mentioned facts as well as the documentation contained in the file. However, the Single Judge emphasised that in the following considerations he will refer only to the facts, arguments and documentary evidence which he considered pertinent for the assessment of the matter at hand.

5. First of all, the Single Judge recalled that, in accordance with the player passport issued by the Football Federation of Country B, the player, born on 12 October 1996, was registered with the Claimant as from 1 August 2016 until 30 June 2017 as a professional on loan from club F. Furthermore, the Single Judge recalled that according to the information contained in the TMS, the player subsequently moved directly from the former club to the Respondent on 5 August 2018, with which he was also registered as a professional on the same date.
6. In continuation, the Single Judge took note that the Claimant requested the payment of the training compensation from the Respondent on the ground of the subsequent registration of the player as a professional with the Respondent before the end of the season of his 23rd birthday. In particular, the Single Judge took note that the Claimant requested the amount of USD 27,500 plus interest as of “*the due date*”.
7. The Single Judge acknowledged that the Respondent argued, *inter alia*, that the claim of the Claimant should be rejected on the basis that the Claimant did not offer contract to the player after the expiry of the loan as per art. 6 par. 3 of Annexe 4 of the Regulations, and that in any case the player’s training period was already completed prior to his temporary registration with the Claimant as per art. 6 par. 2 of said Annexe.
8. Having established the above, the Single Judge referred to the rules applicable to training compensation and stated that, as established in art. 1 par. 1 of Annexe 4 in combination with art. 2 par. 1 lit. ii. of Annexe 4 of the Regulations, training compensation is payable, as a general rule, for training incurred between the ages of 12 and 21, when a professional is transferred between clubs of two different associations before the end of the season of the player’s 23rd birthday. In case of a subsequent transfer of a professional, art. 3 par. 1 of Annexe 4 of the Regulations sets forth that the club with which the player is registered is responsible for paying training compensation to the former club, for the time the player was effectively trained by the latter, within 30 days of registration.
9. Furthermore, according to art. 10 par. 1 of the Regulations, professionals may be loaned to another club on the basis of a written agreement between the professional and the clubs concerned. Moreover, the last sentence of said provision stipulates that any such loan is subject to the same rules as those which apply to

the transfer of players, including the provisions on training compensation and the solidarity mechanism.

10. Following the above, the Single Judge stressed that one of the aims of the last sentence of art. 10 par. 1 of the Regulations is to ensure that training clubs which register a player on a loan basis also benefit from the solidarity mechanism and training compensation, provided that the relevant prerequisites in the pertinent provisions of the Regulations are fulfilled. This approach is also in line with the DRC's well-established jurisprudence that all clubs which have contributed to the training and education of a player as from the age of 12 are, in principle, entitled to training compensation for the timeframe that the player was effectively trained by them.
11. In other words, the Single Judge emphasised that the nature of the player's registration with a club claiming training compensation, *i.e.* on a definite or on a temporary basis, is in fact irrelevant with respect to the question as to whether such club would be entitled to receive training compensation for the period of time that the player was effectively trained by that club.
12. In this respect, the Single Judge duly noted that the player was registered with the Claimant as from 1 August 2016 until 30 June 2017 on loan from the club of Country B, club F, that is to say prior to the end of the season of the player's 21st birthday.
13. In addition, the Single Judge observed that the player registered with the Respondent as a professional on 5 August 2018 as an out of contract player directly from the former club, that is to say prior to the end of the season of the player's 23rd birthday.
14. In view of the foregoing considerations, the Single Judge concluded that it can be established that the player was subsequently transferred as a professional between two clubs of two different associations before the end of the season of his 23rd birthday and, thus, concluded that the Respondent is, in principle, liable to pay training compensation to the Claimant for the training of the player in accordance with art. 20 as well as Annexe 4 of the Regulations.
15. Paying particular attention to the Respondent's arguments, the Single Judge first acknowledged that the Respondent declared that that the Claimant waived its entitlement to training compensation by failing to offer a contract to the player after the expiry of the loan in line with art. 6 par. 3 of Annexe 4 of the Regulations. In addition, the Single Judge observed that the Respondent argued that the player had terminated his training period prior to the end of the season of his 21st birthday as per art. 6 par. 2 of Annexe 4 of the Regulations.

16. In this context, the Single Judge highlighted that the main issue that needed to be assessed in this respect was of the applicability of art. 6 of Annexe 4 of the Regulations as *lex specialis*.
17. What is more, the Single Judge strongly emphasised that the provisions of art. 6 of Annexe 4 of the Regulations are limited to a well-defined geographic scope. Since the Respondent is a member of the Football Federation of Country D, and Country D is neither a member of the European Union (EU), nor of the European Economic Area (EEA), the Chamber found it evident that art. 6 of Annexe 4 of the Regulations shall not apply to the present matter.
18. Consequently, the Single Judge concluded that no further analysis regarding the prerequisites for the application of art. 6 of Annexe 4 of the Regulations as a *lex specialis* was required.
19. What is more, the Single Judge recalled that art. 1 par. 1 of Annexe 4 of the Regulations also foresees the potential early termination of the training period of a player prior to the end of the season of the player's 21st birthday, this time applicable to clubs based in countries outside of the EU/EEA.
20. Having considered the Respondent's position about the player's completion of his training period before his 21st birthday, the Single Judge concluded that the Respondent did not provide evidence within the meaning of art. 12 para. 3 of the Procedural Rules, according to which any party claiming a right on the basis of an alleged fact shall carry the burden of proof. The Single Judge remarked that the Respondent only relied upon the fact that the player signed his first professional contract with the Claimant on 1 September 1994 in order to arrive to the conclusion that his training period had been completed by then.
21. In that regard, the Single Judge pointed out that in the absence of any supporting evidence, he was not in a position to determine whether or not the player had indeed already ended his training period when turning professional with the Claimant. As such, the Single Judge concluded that the player's training period had not been completed prior to the end of the season of his 21st birthday.
22. Consequently, the Single Judge determined that the Respondent is liable to pay training compensation to the Claimant for the training of the player in accordance with art. 20 as well as Annexe 4 of the Regulations.
23. Subsequently, the Single Judge considered that he had to determine which should be the relevant amount of training compensation to be paid by the Respondent to

the Claimant. In this regard, the Single Judge went on to establish the proper calculation of the relevant training compensation due to the Claimant.

24. To that end, the Single Judge referred to art. 5 par. 1 and par. 2 of Annexe 4 of the Regulations, which stipulate, that as a general rule, to calculate the training compensation, it is necessary to take the costs that would have been incurred by the new club if it had trained the player itself.
25. In continuation, the Single Judge recalled that the player was born on 12 October 1996 and was registered with the Claimant on loan from 1 August 2016 until 30 June 2017. Furthermore, the Single Judge noted that the player was subsequently transferred from the former club to the Respondent.
26. On account of the above, the Single Judge considered that the Claimant is, thus, entitled to receive training compensation for the period as from 1 August 2016 until 30 June 2017, *i.e.* 11 months of the season of the player's 20th birthday.
27. Furthermore, the Single Judge recalled that, according to the information contained in the TMS, the player was registered with the Respondent on 5 August 2018.
28. Equally, the Single Judge recalled that, according to the information contained in the TMS, the Respondent belonged to the category II at the moment of the player's registration with it (CAF indicative amount of USD 30,000 per year).
29. Consequently, in light of the above-mentioned considerations as well as the amount claimed by the Claimant, the Chamber decided to accept the Claimant's claim and decided that the Respondent is liable to pay training compensation to the Claimant in the amount of USD 27,500.
30. Moreover, taking into consideration the Claimant's claim as well as art. 3 par. 2 of Annexe 4 of the Regulations, the Single Judge decided that the Respondent has to pay, in conformity with the longstanding practice of the DRC, interest of 5% *p.a.* over the amount payable as training compensation as of 5 September 2018 until the date of effective payment.
31. Lastly, the Single Judge referred to art. 25 par. 2 of the Regulations in combination with art. 18 par. 1 of the Procedural Rules, according to which, in proceedings before the DRC relating to disputes regarding training compensation, costs in the maximum amount of CHF 25'000 are levied. It is further stipulated that the costs are to be borne in consideration of the parties' degree of success in the proceedings

and that, in accordance with Annexe A of the Procedural Rules, the costs of the proceedings are to be levied on the basis of the amount in dispute.

32. In respect of the above, the Single Judge held that the amount to be taken into consideration in the present proceedings is USD 27,500 related to the claim of the Claimant. Consequently, the Single Judge concluded that the maximum amount of costs of the proceedings corresponds to CHF 5,000 (cf. table in Annexe A of the Procedural Rules).
33. As a result, the Single Judge determined the final costs of the current proceedings in the amount of CHF 5,000 that shall be borne by the Respondent.

III. Decision of the Single Judge of the sub-committee of the DRC

1. The claim of the Claimant, Club A, is accepted.
2. The Respondent, Club C, has to pay to the Claimant the amount of USD 27,500 + 5% interest p.a. as from 5 September 2018 until the date of effective payment.
3. The Claimant is directed to inform the Respondent, immediately and directly, of the relevant bank account to which the Respondent must pay the amount plus interest mentioned under point 2. above.
4. The Respondent shall provide evidence of payment of the due amount plus interest in accordance with point 2. above to FIFA to the e-mail address psdfifa@fifa.org, duly translated, if need be, into one of the official FIFA languages (English, French, German, Spanish).
5. In the event that the amount due plus interest in accordance with point 2. above are not paid by the Respondent **within 45 days** as from the notification by the Claimant of the relevant bank details to the Respondent, the Respondent shall be banned from registering any new players, either nationally or internationally, up until the due amount is paid and for the maximum duration of three entire and consecutive registration periods (cf. art. 24bis of the Regulations on the Status and Transfer of Players).
6. The ban mentioned in point 5. above will be lifted immediately and prior to its complete serving, once the due amount are paid.
7. In the event that the aforementioned sum plus interest are still not paid by the end of the ban of three entire and consecutive registration periods, the present matter shall be submitted, upon request, to FIFA's Disciplinary Committee for consideration and a formal decision.
8. The final costs of the proceedings in the amount of CHF 5,000 are to be paid by the Respondent, **within 45 days** of notification of the present decision, to FIFA to the following bank account with reference to case no. XXX XXXX/XXX:

UBS Zurich
Account number 366.677.01U (FIFA Players' Status)
Clearing number 230
IBAN: CH 27 0023 0230 3666 7701U
SWIFT: UBSWCHZH80A

9. In the event that the aforementioned amount of costs is not paid within the stated time limit, the present matter shall be submitted to FIFA's Disciplinary Committee for consideration and a formal decision.

Note relating to the motivated decision (legal remedy):

According to art. 58 par. 1 of the FIFA Statutes, this decision may be appealed against before the Court of Arbitration for Sport (CAS). The statement of appeal must be sent to the CAS directly within 21 days of receipt of notification of this decision and shall contain all the elements in accordance with point 2 of the directives issued by the CAS, a copy of which we enclose hereto. Within another 10 days following the expiry of the time limit for filing the statement of appeal, the appellant shall file a brief stating the facts and legal arguments giving rise to the appeal with the CAS (cf. point 4 of the directives).

The full address and contact numbers of the CAS are the following:

Court of Arbitration for Sport
Avenue de Beaumont 2
1012 Lausanne
Switzerland
Tel: +41 21 613 50 00
Fax: +41 21 613 50 01
e-mail: info@tas-cas.org
www.tas-cas.org

For the Single Judge of the
sub-committee of the DRC

Emilio García Silvero
Chief Legal & Compliance Officer

Encl.: CAS directives