

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

passed on 18 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 F*) on 25 July 2018, the player, Player E (hereinafter: *the player*), born on 30 September 1997, was registered as an amateur with its affiliated club, Club A (hereinafter: *the Claimant*), as from 16 January 2017 until 10 July 2017.
2. Pursuant to the information provided by Football Federation F, the football season in Country B starts in July and ends in June of the following year.
3. According to the information contained in the Transfer Matching System (TMS), the player moved as an “*out of contract (amateur player)*” from the Club of Country G, Club H (hereinafter also referred as: *the former club*) to the Club of Country D, Club C (hereinafter: *the Respondent*), on 11 July 2018 with which he registered as a professional on the same day.
4. In this respect, based on the information available on TMS, the player and the Respondent signed an “*employment contract*” (hereinafter: *the contract*) valid from 8 July 2018 until 31 May 2021. In particular, clause 1.3 of the contract foresees that “[the Respondent] *engages the Player as a professional footballer for, as a minimum, [the Respondent’s] A and/or B Team, unless the player shall agree to play for some other team of [the Respondent], on the terms and conditions of this Contract and subject to the Rules of the [Country D Football Association]*”.
5. In addition, clause 1.4 of the contract stipulates that the player would earn EUR 3,000 net per season.
6. Pursuant to the information in the TMS, the Claimant belonged to category IV (UEFA indicative amount of EUR 10,000 per year) whilst the Respondent belonged to the category III (UEFA indicative amount of EUR 30,000 per year) at the moment the player registered with the latter.
7. In this framework, on 22 November 2018, the Claimant contacted FIFA claiming its proportion of training compensation on the ground of the first registration of the player as a professional to a club of a different association, before the end of the season of his 23rd birthday. In particular, the Claimant requested the amount of EUR 10,000 plus 5% interest p.a. “*as of the due date*”.
8. In its reply to the claim, the Respondent rejected the claim of the Claimant. In fact, the Respondent argued that the player should not be considered as a professional, and that consequently his registration should not be considered as a first registration of a professional. Evoking art. 2 par. 2 of the Regulations on the

Transfer and Status of Players (hereinafter also referred as: *the Regulations*), the Respondent indicated that the player was only paid EUR 300 per month with no additional bonuses and/or benefits, and that as such it could not be considered that the player was earning more than the expenses the player effectively incurred. The Respondent provided a copy of the player's contract.

9. In addition, the Respondent pointed out that as the player moved between two countries members of the European Union (EU)/European Economic Area (EEA), the former club must offer a contract to the player before at least 60 days prior to the expiry of his registration in order to retain its rights to training compensation, in line with the provisions of art. 6 par. 3 of Annexe 4 of the Regulations. The Respondent alleged that the Claimant did not fulfil the conditions of said article and that therefore the Claimant waived its entitlement to training compensation in any case.
10. In its *replica*, the Claimant, with reference to clause 1.3 of the contract which stipulates that the Respondent engaged the player as a "*professional*". In addition the Claimant highlighted that the provisions of art. 6 par. 3 of Annexe 4 of the Regulations were not applicable as it was not the former club in the sense of the Regulations. To this end, the Claimant provided a copy of the player's passport issued by the Football Federation of Country G (hereinafter: *the Football Federation J*) indicating that the player, after having been registered with the Claimant, registered with several Clubs of Country G, always as an amateur, prior to his registration with the Respondent.
11. In its *duplica*, the Respondent reiterated all its argumentation previously submitted within its answer to the claim.

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 Dispute Resolution Chamber (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 22 November 2018. Consequently, the 2018 edition of the Rules Governing the Procedures of the Players' Status Committee and the Dispute Resolution Chamber (hereinafter: *Procedural Rules*) is applicable to the matter at hand (cf. art. 21 of the Procedural Rules).
2. Subsequently, the Single Judge referred to art. 3 of the Procedural Rules, which states that the Dispute Resolution Chamber shall examine its jurisdiction in light of arts. 22 to 24 of the Regulations on the Status and Transfer of Players (edition October 2019). In accordance with art. 3 of Annexe 6 in conjunction with art. 24

par. 3 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 handled through TMS.

3. Furthermore, and taking into consideration that the player was registered with the Respondent on 11 July 2018, the Single Judge analysed which regulations 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 the Regulations on the Status and Transfer of Players (editions January and June 2018 as well as edition June and October 2019), the June 2018 edition of 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, the Single Judge entered into the substance of the matter. The Single Judge started by acknowledging the above-mentioned facts of the case as well as the documentation on 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. In particular, the Single Judge recalled that, in accordance with art. 6 par. 3 of Annexe 3 of the Regulations, FIFA may use, within the scope of proceedings pertaining to the application of the Regulations, any documentation or evidence generated or contained in the TMS.
5. First of all, the Single Judge recalled that, in accordance with the player passport issued by the Football Federation F, the player, born on 30 September 1997, was registered with the Claimant as an amateur from 16 January 2017 until 10 July 2017.
6. Then, the Single Judge noted that the player transferred from the Club of Country G, Club H to the Respondent where he was registered as a professional on 11 July 2018.
7. 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 first registration of the player as a professional to 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 EUR 10,000.
8. Equally, the Single Judge noted that the Respondent argued that the player was not a professional in the sense of the Regulations in view of the fact that he was not earning more than the expenses he incurred, and that in any case the Claimant

did not offer the player a contract as per art. 6 par. 3 of Annexe 4 of the Regulations and therefore waived its entitlement to training compensation.

9. Hereby referring to the rules applicable to training compensation, the Single Judge stated that, as established in art. 20 of the Regulations in combination with art. 1 par. 1 and art. 2 par 1. 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 player is registered for the first time as a professional before the end of the season of the player's 23rd birthday or when a professional is transferred between clubs of two different associations before the end of the season of the player's 23rd birthday.
10. In continuation, the Single Judge observed that, based on the documents at disposal, it can be established that the player was registered with the Claimant before the end of the season of his 21st birthday, i.e. from 16 January 2017 until 10 July 2017.
11. Furthermore, the Single Judge duly noted that the player then transferred from the Claimant to a club affiliated to the Football Federation J, and that he subsequently registered with several Clubs of Country G, always as an amateur.
12. Then, the Single Judge acknowledged that the player moved from the Club of Country G, Club H to the Respondent where he was registered as a professional on 11 July 2018, i.e. before the end of the season of his 23rd birthday.
13. In particular, the Single Judge duly noted that the player and the Respondent signed an employment contract in which it is unequivocally stipulated that the player is engaged as a professional player, and that the player received a remuneration EUR 3,000 net per season.
14. The Single Judge recalled the provisions set out in art. 2 par. 2 of the Regulations, a professional is a player who has a written contract with a club and is paid more for his footballing activity than the expenses he effectively incurs.
15. With reference to the argumentation of the Respondent in respect of the status of the player, the Single Judge acknowledged that a player's remuneration as per the criteria set out in the aforementioned article constitutes the decisive factor in the determination of the status of the player and that in this respect, the long-standing jurisprudence of the Dispute Resolution Chamber has established that the remuneration of a player may well fall short of a living wage, but as long as it exceeds the expenses effectively incurred by the player, the criterion of article 2 of the Regulations is met.

16. In this respect, the Single Judge observed that the Respondent did not bring any evidence that would have led to the conclusion that the player was not earning more than the expenses he incurred. What is more, the Single Judge strongly emphasised that the Respondent itself entered the registration of the player in TMS, in which it indicated that the player was registered as a professional player.
17. In light of the above, the Single Judge confirmed that in accordance with art. 2 par. 2 of the Regulations as well as in line with the long-standing jurisprudence of the Dispute Resolution Chamber, the player must be considered a professional player when he registered with the Respondent.
18. In view of the foregoing, the Single Judge 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.
19. Then, the Single Judge referred to art. 6 of Annexe 4 of the Regulations, which contains special provisions regarding players moving from one association to another association inside the territory of the EU/EEA. In this regard, the Single Judge indicated that, since the player moved from one association to another association inside the territory of the EU, said article is applicable. Hence, the Single Judge concluded that art. 6 par. 3 of Annexe 4 of the Regulations applies in the case at hand as *lex specialis*.
20. However, in this regard, the Single Judge pointed out that, *in casu*, a possible obligation to offer the player a contract in compliance with art. 6 par. 3 of Annexe 4 of the Regulations would in principle lie with the former club of the player, i.e. Club H, and not with the Claimant. As stated in art. 6 par. 3 of Annexe 4 of the Regulations, said provision is without prejudice to the right of training compensation of the player's previous club(s).
21. On account of the above considerations, the Single Judge concluded that the Respondent is liable to pay training compensation to the Claimant.
22. Turning his attention to the calculation of the training compensation, the Single Judge referred to art. 3 par. 1 sent. 2 of Annexe 4 of the Regulations, which stipulates that the amount payable is calculated on a pro rata basis according to the period of training that the player spent with each club. In addition, 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. What is more, the Single Judge referred to art. 6 of Annexe 4 of the Regulations which contains special provisions in case a player moves from

a lower to a higher category club or from a higher to a lower category club within the territory of the EU/EEA.

23. In this respect, the Single Judge recalled that the player was born on 30 September 1997 and was registered with the Claimant from 16 January 2017 until 10 July 2017. As such, the Single Judge concluded that the effective period of time to be considered in the matter at stake corresponds to the 6 months of the season of the player's 19th birthday.
24. Furthermore, the Single Judge recalled that, at the date of player's registration with the Respondent (i.e. 11 July 2018), the Claimant belonged to category IV (UEFA indicative amount of EUR 10,000 per year) whilst the Respondent belonged to the category III (UEFA indicative amount of EUR 30,000 per year).
25. Consequently, taking into consideration all the above, the Single Judge decided that the Respondent is liable to pay the amount of EUR 10,000 to the Claimant for the training and education of the player, as per art. 6 par. 1 lit. a) of Annexe 4 of the Regulations.
26. 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 interest at 5% *p.a.* over the amount payable as training compensation as of 11 August 2018 until the date of effective payment.
27. Lastly, the Single Judge referred to art. 25 par. 2 of the Regulations in conjunction with art. 18 par. 1 of the Procedural Rules, according to which, in proceedings before the Dispute Resolution Chamber relating to disputes regarding training compensation and the solidarity mechanism, costs in the maximum amount of CHF 25,000 are levied. The relevant provision further states 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.
28. In respect of the above, the Single Judge held that the amount to be taken into consideration in the present proceedings is EUR 10,000 related to the claim of the Claimant. Consequently, the Single Judge concluded that the maximum amount of costs of the present proceedings corresponds to CHF 5,000.
29. As a result, the Single Judge determined the costs of the current proceedings to the amount of CHF 5,000 which should be borne by the Respondent considering the outcome of the present dispute.

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 EUR 10,000 plus 5% interest *p.a.* as from 11 August 2018 until the date of effective payment.
3. Any further claim lodged by the Claimant is rejected.
4. The Claimant is directed to inform the Respondent, immediately and directly, of the relevant bank account to which the Respondent must pay the amount mentioned under point 2. above.
5. 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).
6. 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).
7. The ban mentioned in point 6. above will be lifted immediately and prior to its complete serving, once the due amount are paid.
8. In the event that the aforementioned sum plus interest is 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.
9. 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:

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

10. 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. 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
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For the Single Judge of the
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