

Decision of the Dispute Resolution Chamber

passed on 4 August 2022

regarding training compensation in relation with the registration of the player
Weslen Junior FAUSTINO DE MELO

BY:

Philippe Diallo (France)

CLAIMANT:

FC Ararat (Armenia)

RESPONDENT:

Puskas FC (Hungary)

I. FACTS OF THE CASE

Player: Weslen Junior FAUSTINO DE MELO

Date of birth: 12 November 1999

Player passports: issued by the Confederação Brasileira de Futebol (**CBF**) on 9 August 2019, by the Football Federation of Armenia (**FFA**) on 28 June 2022, and by the Hungarian Football Federation (**MLSZ**) on an unknown date – combined relevant abstracts below:

Season	Birthday	Club(s)	Registration dates	Status
2016	17 th	Cad / SP (Brazil)	26/07/16 – 26/07/16	Amateur (Permanent)
2017	18 th	Cad / SP (Brazil)	29/03/17 – 31/12/17	Professional (Permanent)
2018	19 th	Cad / SP (Brazil)	01/01/18 – 20/03/18	Professional (Permanent)
2018	19 th	Bahia / BA (Brazil)	21/03/18 – 31/12/18	Professional (on loan from Cad / SP)
2019	20 th	Bahia / BA (Brazil)	01/01/2019 – 05/02/19	Professional (on loan from Cad / SP)
2019	20 th	Cad / SP (Brazil)	06/02/19 – 21/03/19	Professional (Permanent)
2019	20 th	San Bernardo / SP (Brazil)	22/03/19 – 24/06/19	Professional (on loan from Cad / SP)
2019	20 th	Cad / SP (Brazil)	25/06/19 – 17/07/19	Professional (Permanent)
2019	20 th	San Bernardo / SP (Brazil)	19/07/19 – 24/07/19	Professional (Permanent)
19/20	20 th	FC Ararat (Armenia)	01/08/19 – 30/06/20	Professional (on loan from San Bernardo / SP)
20/21	21 st	FC Ararat (Armenia)	01/07/20 – 21/07/20	Professional

				(on loan from San Bernardo / SP)
2020	21 st	San Bernardo / SP (Brazil)	22/07/20 – 09/08/20	Professional (Permanent)
20/21	21 st	Puskas Football Club (Hungary)	10/08/20 – onwards	Professional (Permanent)

Sporting seasons: July to June (Armenia & Hungary) ; January to December (Brazil)

Date of registration:

6 August 2020, from San Bernardo / SP (Brazil) to Puskas FC (Hungary) as a professional (engage against payment)

Financial conditions:

EUR 142,500 payable “before receipt of the player’s ITC”.

Art. 7 provided inter alia that “the former club represents and warrants that it accepts the above-mentioned amount as full and complete consideration for the training provided (...) and that it has no further claims against the new club under the legal title of training compensation. (...) and that all previous claims by any third club regarding the training compensation has already been settled so no third party has any claim in connection with the player under the legal title of training compensation”.

Claimant club: FC Ararat (Armenia)

Respondent club: Puskas FC (Hungary)
UEFA, category II (EUR 60,000 per year)

Claim and Response:

1. On 11 July 2022, the Claimant requested the amount of EUR 58,520 as training compensation on the basis of the subsequent registration as a professional of the player with the Respondent, plus 5% interest *p.a.* as from 9 September 2020 until the date of effective payment.
2. The Claimant is basing its claim on the jurisprudence developed by the Dispute Resolution Chamber (**DRC**) according to which a club which had the player on loan from

its parent club is in principle entitled to claim training compensation from the player's next club should the player be registered permanently as a professional.

3. In addition, the Claimant held that, in line with the relevant DRC jurisprudence, the player has not terminated his training period before the age of 21 given that he hasn't been 1) regular player of the first (senior) team of the Claimant; 2) invited to his national team; and 3) transferred in return for significant transfer compensation as professional.
4. In continuation, for the purpose of its calculations, the Claimant took into consideration the Respondent's training category II within UEFA, *i.e.* EUR 60,000 per year, which it multiplied *pro rata* by the 356 days the player was registered with it.
5. On 14 July 2022, the FIFA administration submitted a proposal to the parties suggesting that the Respondent should pay to the Claimant the sum of EUR 58,520.54 as training compensation, plus 5% interest *p.a.* as from 6 September 2020 until the date of effective payment.
6. The Claimant accepted the proposal.
7. On 26 July 2022, the Respondent rejected the claim of the Claimant entirely.
8. The Respondent first referred to the transfer agreement concluded with the former club and pointed out that according to art. 7 of the said document, it had agreed with the latter that the transfer fee was inclusive of the training compensation and therefore, all claims from previous clubs related to training compensation had already been settled and could only be the responsibility of the former club.
9. Furthermore, the Respondent held that, to the contrary of the Claimant's allegations, the player had terminated its training by the time he joined the latter. In particular the Respondent referred to the CBF player passport according to which the player became professional in 2017 and to an extract of the website www.transfermarkt.com according to which the player played 24 championship matches with the Claimant in its national championship, which he could only do as a member of the first team.
10. Moreover, the Respondent argued that because the Claimant was not the player's former club, it was not entitled to training compensation on the basis of the subsequent professional registration in line with the applicable Regulations.
11. In continuation, the Respondent further argued that the Claimant and the Respondent being both Category 4 clubs, the amount claimed by the Claimant cannot exceed EUR 9,753.42, calculated on the basis of training costs set for category 4 clubs within UEFA (*i.e.* EUR 10,000). In particular, the Respondent considered said amount as an excessive amount that should be reduced in accordance with DRC practice.

12. In addition, the Respondent also indicated that, should it be held liable to pay training compensation to the Claimant despite its previous arguments, the amount due should be calculated on the basis of the average training costs of its (EUR 60,000) and the Claimant's (EUR 10,000) training costs, *i.e.* EUR 35,000, making it a total of EUR 34,136.98, in line with art. 6 of Annexe 4 of the Regulations on the Status and Transfer of Players (**RSTP**). In particular, the Respondent considered said amount as an excessive amount that should be reduced in accordance with DRC practice.
13. Bearing the above in mind, on a further subsidiary basis, the Respondent requested that should all the aforementioned arguments be rejected, the amount of EUR 58,520 is also considered as an excessive amount that should be reduced in accordance with DRC practice.
14. Finally, the Respondent held that the Claimant lodged its claim shortly before the expiration period in order to increase any potential due late payment interests. As such, the Respondent requested that any possible interests should be payable as of the date of the claim.

II. LEGAL CONSIDERATIONS

Applicable law: Regulations on the Status and Transfer of Players (**RSTP**): June 2020 edition

Procedural Rules Governing the Football Tribunal (**Procedural Rules**): June 2022 edition

Jurisdiction: Yes, uncontested

Admissibility: Yes, uncontested

Decision:

1. The claim of the Claimant is based on the player's subsequent registration as a professional with the Respondent.
2. The Respondent rejected the claim arguing that, in its opinion: 1) the amount payable as training compensation was included in the transfer fee paid to the former club and as such, any entitlement to it was of the responsibility of the former club; 2) the player had terminated its training by the time he joined the Claimant; 3) the Claimant was not the player's former club.
3. On a subsidiary basis, the Respondent held that the training compensation calculations on file were incorrect, in any case excessive and should therefore be reduced, and that the interests, if any, should only be calculated as from the date of claim.

4. It is established through the CBF and FFA player passports that the player was registered with the Claimant as a professional, on loan from the former club (San Bernardo / SP), as from 1 August 2019 until 21 July 2020, *i.e.* during a total of 356 days, respectively during 335 days of the season of his 20th birthday and during 21 days of the season of his 21st birthday.
5. It is undisputed that the player registered on 6 August 2020 with the Respondent, as a professional and coming directly from the former club, during the course of the season of his 21st birthday.
6. According to art. 1 par. 1 of Annexe 4 of the RSTP, a player's training and education takes place between the ages of 12 and 23. Training compensation shall be payable, as a general rule, up to the age of 23 for training incurred up to the age of 21, unless it is evident that a player has already terminated his training period before the age of 21.
7. According to the jurisprudence of the Dispute Resolution Chamber (**DRC**), the use of the term "*evident*" in the Regulations indicates that the player can only be considered to have completed his training if there is absolutely no room for doubt. In particular, the DRC has listed several indicators in order to establish that a young player has completed his training such as:
 - having signed a first professional contract;
 - having played regularly in official matches for their training club's first team;
 - having been called up for the "A" representative team of their member association or, at the very least, the Under-21 representative team;
 - having been loaned (in return for transfer compensation) to a club at the same level as their training club or above;
 - having reached a certain age threshold; or
 - having previously been transferred as a professional player in return for significant transfer compensation.
8. In particular, the DRC has established in the past that it will not generally agree that a player is fully trained unless a combination of relevant circumstances applies simultaneously, *i.e.* meeting just one of the criteria is not usually considered sufficient evidence.
9. Art. 13 par. 5 of the Procedural Rules indicates that a party that asserts a fact has the burden of proving it.
10. *In casu*, the Respondent relied on the player's first professional registration in 2017 in Brazil and to his 24 championship matches played with the Claimant in its national championship, allegedly in the latter's first team.

11. Form the evidence on file it appears that the player participated in 24 matches of the "*Bardzragujn khumb*", i.e. the Armenian first tier. In addition, it appears from the CBF player passport that the player signed his first professional contract in Brazil on 29 March 2017.
12. However the Respondent did not provide any further evidence in support of its allegations in meeting the aforementioned described indicators.
13. As such it is established that the Respondent did not sufficiently demonstrate that the player has completed his training upon joining the Claimant and as such its argument shall be rejected.
14. According to art. 2 par. 1 lit. ii) of Annexe 4 of the RSTP, training compensation is due when a professional is transferred between clubs of two different associations before the end of the season of the player's 23rd birthday.
15. As such training compensation is in principle due.
16. Art. 3 par. 1 of Annexe 4 of the RSTP stipulates that in the case of subsequent transfers of the professional, training compensation will only be owed to his former club for the time he was effectively trained by that club.
17. As established by the jurisprudence of the Dispute Resolution Chamber, when a player registers with a club affiliated to a different member association (i.e. the new club, *in casu* the Respondent) from the one where he was previously registered (i.e. the former club, *in casu* San Bernardo / SP), any club(s) that may have had the player on loan from the player's former club should be entitled to claim training compensation from the new club (*in casu* the Claimant).
18. In particular, it is considered that any loan(s) that took place during a player's registration with the former club did not interrupt the chain of entitlement of training compensation. In other words, the period starting from the player's original registration with the former club up until his registration with the new club constitutes one timeframe, irrelevant of any loan(s) that may have taken place during this period.
19. As a result, despite the Claimant not being the former club *stricto sensu*, the aforementioned jurisprudence applies and the argument of the Respondent in this sense shall be rejected.
20. What is more, the responsibility to pay training compensation is incumbent on the registering club, *in casu* the Respondent, and such responsibility cannot be transferred to a third party.
21. Therefore, the Respondent shall be held liable to pay any due training compensation generated by the registration of the player as professional on 6 August 2020 and its

- argument according to which such responsibility was shifted on the former club shall be dismissed.
22. Bearing the above in mind, the Respondent may lodge a claim for reimbursement in front of the Players' Status Chamber of the Football Tribunal should it wishes to do so, in line with the RSTP.
 23. As such, the Single judge determined that the registration of the player with the Respondent constituted a subsequent registration as a professional in the sense of the RSTP and the applicable jurisprudence, which occurred before the end of the season of his 23rd birthday.
 24. As established in point II./4. above, the player was registered with the Claimant, on loan from the former club during 356 days of the season of his 20th and 21st birthday.
 25. In accordance with art. 5 par. 2 of Annexe 4 of the RSTP, in the case of subsequent transfers, training compensation is in principle calculated based on the training costs of the new club multiplied by the number of years of training with the former club, or, *in casu*, the Claimant which had the player directly on loan from the former club.
 26. Art. 6 of Annexe 4 of the RSTP foresees special provisions regarding training compensation for clubs that are located within the territory of the European Union (**EU**) and/or the European Economic Area (**EEA**).
 27. *In casu*, the Claimant is based in Armenia and the Respondent in Hungary. The Claimant being not member of the EU and/or EEA, the provisions of art. 6 of Annexe 4 of the RTSP are not applicable to the matter at hand as *lex specialis* and the argument of the Respondent in this sense shall be rejected.
 28. Upon registering the player, the Respondent was classified as a UEFA category II club. Bearing in mind the above, the Claimant's UEFA category IV club categorization is irrelevant for the present purposes of calculating the training compensation and the Respondent's argument in this sense shall be also dismissed.
 29. Therefore, the amount to be taken into account *in casu* as training cost is EUR 60,000 per year, *i.e.* the training costs set for UEFA category II clubs, in line with art. 5 par. 2 of Annexe 4 of the RSTP.
 30. Consequently, the Claimant is in principle entitled to training compensation of EUR 58,520.54 for the period of 356 days of training of the player during the seasons of his 20th and 21st birthday, *i.e.* EUR 55,068.49 for the 335 days of the season of his 20th birthday and EUR 3,452.05 for the 21 days of the season of his 21st birthday.
 31. Furthermore, the Claimant requested to be awarded 5% interest *p.a.* as from 9 September 2020 until the date of effective payment.

32. Taking into consideration the Claimant's claim as well as the well-established jurisprudence of the DRC with regard to interest, the Claimant is in principle entitled to receive interest of 5% *p.a.* over the amount payable as training compensation as of 31 days after the registration of the player with it, *i.e.* as from 6 September 2020 until the date of effective payment.
33. However, in line with the principle of *non-ultra petita*, the Claimant limited its claim to EUR 58,520, plus 5% interest *p.a.* as from 9 September 2020.
34. At this point, the Single judge recalled that according to art. 5 par. 4 of the RSTP, it may review disputes concerning the amount of training compensation payable and shall have discretion to adjust this amount if it is clearly disproportionate to the case under review.
35. *In casu*, the Single judge held that the relevant amount of training compensation payable is not clearly disproportionate to the case under review.
36. As such, the argument of the Respondent in this sense shall be dismissed.
37. In view of all the above, the claim of the Claimant is accepted and the Claimant is entitled to receive **EUR 58,520** as training compensation, plus 5% interest *p.a.* on that amount, as from 9 September 2020 until the date of effective payment.
38. Art. 25 par. 2 of the Procedural Rules stipulates that costs in the maximum amount of USD 25,000 are levied in connection with proceedings before the DRC of the Football Tribunal relating to disputes regarding training compensation and the solidarity mechanism. Costs are to be borne in consideration of the parties' degree of success in the proceedings (art. 25 par. 5 of the Procedural Rules).
39. The succeeding party is the Claimant and the amount claimed in the present dispute corresponded to the amount awarded, *i.e.* EUR 58,520. Therefore, procedural costs levied in this respect shall not exceed USD 10,000 (cf. art. 2 of Annexe 1 of the Procedural Rules).
40. Taking into account that the Claimant's claim is accepted, procedural costs in the amount of USD 6,000 are to be paid by the Respondent.
41. The relevant provisions of art. 24bis of the RSTP are applicable to the present matter.

III. DECISION OF THE DISPUTE RESOLUTION CHAMBER

1. The claim of the Claimant, FC Ararat, is accepted.
2. The Respondent, Puskas FC, has to pay to the Claimant EUR 58,520 as training compensation plus 5% interest *p.a.* as from 9 September 2020 until the date of effective payment.
3. Full payment (including all applicable interest) shall be made to the bank account indicated in the enclosed Bank Account Registration Form.
4. Pursuant to article 24bis of the Regulations on the Status and Transfer of Players if full payment (including all applicable interest) is not paid **within 45 days** of notification of this decision, the following **consequences** shall apply:
 1. The Respondent shall be banned from registering any new players, either nationally or internationally, up until the due amount is paid. The maximum duration the ban shall be of three entire and consecutive registration periods.
 2. The present matter shall be submitted, upon request, to the FIFA Disciplinary Committee in the event that full payment (including all applicable interest) is still not paid by the end of the of the three entire and consecutive registration periods.
5. The consequences **shall only be enforced at the request of the Claimant** in accordance with article 24bis of the Regulations on the Status and Transfer of Players.
6. The final costs of the proceedings in the amount of USD 6,000 are to be paid by the Respondent to FIFA with the TMS reference number 10741 (cf. note relating to the payment of the procedural costs below).

For the Dispute Resolution Chamber:



Emilio García Silvero

Chief Legal & Compliance Officer

NOTE RELATED TO THE APPEAL PROCEDURE:

Pursuant to article 57 paragraph 1 of the FIFA Statutes, this decision may be appealed before the Court of Arbitration for Sport within 21 days of notification.

NOTE RELATED TO PUBLICATION:

FIFA may [publish](#) this decision. For reasons of confidentiality, FIFA may decide, at the request of a party within five days of the notification of the motivated decision, to publish an anonymised or a redacted version (cf. article 17 par. 2 of the Procedural Rules).

CONTACT INFORMATION:

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