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Football governance: business and values

Rapporteur: Lord George FOULKES, UK, Socialists, Democrats and Greens Group

Reform of the transfer system (including rules on agency)

Information note

1. Introduction

1. The Regulations on the Status and Transfer of Players (RSTP) were established based on the 2001 exchange of letters between FIFA and the European Commission, following long negotiations. FIFPro highlights that these regulations operate in many ways as an extension to domestic and regional labour legislation; they organise the “employment market” in football and not a “trade market” of players as an economic input for a company. In 2015 FIFPRO filed an anti-trust legal action against the transfer system, which was withdrawn two years later based on a framework of agreements and commitments by FIFA.

2. Since March 2017, the FIFA Football Stakeholders Committee (FSC) has been dealing with the reform of the transfer system through a two-step process. The first phase tackled the so-called “narrow” issues, i.e. overdue payables, execution of monetary decision, abuse of players training alone and compensation for breach of contract by clubs. Once an agreement on those “narrow” issues was found, the FIFA Football Stakeholder Committee (FSC) established, in October 2017, the Task Force Transfer System (Task Force) including representatives of FIFPro, clubs, leagues, national associations, UEFA, the other confederations and FIFA, to address the so-called “broad” issues, and agree on how the transfer system could be improved.

3. The need for an in-depth review of the system was clearly perceived and its drawbacks well identified:

- a transfer market driven by speculation rather than solidarity;
- excessive transfer fees which are diverting money from football development;
- growing influence of football agents, with an increasing risk of conflicts of interests;
- greater contractual instability;
- massive inflation of transfer fees and player wages;
- increasing competitive imbalance.

4. Based on this analysis, FIFA’s decision to review the RSTP was – and is – strongly justified by the aim of correcting these drawbacks. It is worth noting that this decision is also in line with the expectations of the European Parliament,¹ advice given to the European Commission² and calls from our Parliamentary

¹ See, for example: European Parliament, Resolution TA(2017)0012 “An integrated approach to Sport Policy: good governance, accessibility and integrity”, which calls on governing bodies and national authorities at all levels to take measures that guarantee compensation to training clubs with a view to encouraging the recruitment and training of young players (§ 38). It also calls for the establishment of transparency registers for the payment of sports agents, underpinned by an efficient monitoring system such as a clearing house for payments and appropriate sanctions, in cooperation with relevant public authorities, in order to tackle agent malpractice; and for the licensing and registration of sports agents, as well as the introduction of a minimum level of qualifications (§ 42).

² See the report “An update on change drivers and economic and legal implications of transfers of players”, March 2018. The study was commissioned in October 2017 by the Directorate-General for Education, Youth, Sport and Culture (DG EAC) of the European Commission and undertaken by KEA, supported by Ecorys.

Assembly.³

5. To respond to the failures of the existing players' transfer system, the following areas have been considered: clearing house, intermediaries and agents, training rewards, loans, transfer fee process, transfer of young players, squad size and home-grown players, transfer windows (registration) and financial regulation for transfer fees and players' salaries.

2. Overview

6. So far, the outcome of the discussions has been the approval of two packages of reforms, intended to bring more transparency, protect the integrity of football and ensure that more money goes to the clubs where players have grown up,⁴ and an agreement on key principles relating to a third package.

2.1. The first reform package

7. The first reform package, which was endorsed by the FIFA Council in Kigali in October 2018, centred essentially on a "Clearing House" to process all transfers and the related financial flows at world level, and on an "Electronic Player Registration" and an "Electronic Transfer System" at national level.

8. The objective behind the establishment of a **Clearing House** would be to centralise, automatise and simplify the collection and distribution of "training rewards" – i.e. training compensation and solidarity contribution – to training clubs, with the idea of extending in the future the mechanism of the Clearing House to all types of payments deriving from the transfer system. This aims at increasing transparency, protecting the integrity of football and avoiding fraudulent conduct, by performing an *ex-ante* risk and compliance assessment of the parties involved in those payments. This entity should begin its operation two months following receipt of a licence from the competent regulatory authority within the European Union; it is anticipated that this licence will be granted within the first quarter of 2022.

9. In addition, as from 1 July 2020, it is mandatory for associations to implement an **electronic player registration system** and an **electronic domestic transfer system**, and to integrate them with FIFA systems (FIFA Connect ID and FIFA TMS). This integration will help develop an "**electronic player passport**" (history of the player's complete career), which will in turn facilitate the operation of the Clearing House.

10. FIFA expects that the establishment of the Clearing House will increase the amount of money distributed to training clubs by up to five times of what they currently receive.⁵ In fact, under the new system, the exact amount of training rewards will be automatically calculated by FIFA based on the enhanced electronic player passport. This information will be sent to the Clearing House entity, which (once the parties involved successfully pass the compliance assessment) will process the payments. FIFA is also aiming at introducing stronger sanctions for clubs failing to pay solidarity contributions⁶ and at expanding them to clubs failing to pass the compliance assessment.

2.2. The second reform package

11. The second reform package, endorsed by the FIFA Council in Shanghai in October 2019, encompassed three distinct topics: training rewards, loans and agents.

12. The reform will deliver **new regulations on training compensation**, which should also play a key role to enhance solidarity. A fund financed by an additional 1% levy on transfer fees will be established to partly finance the payment of training compensation. While rewarding clubs for their investment in youth development, these new regulations will ensure a better financial redistribution and favour a more balanced

³ Resolution 2200/2018, "Good Football Governance", paragraph 14, urged discussions on "financial fair play, caps on player transfer fees and player wages, player ownership, the status of agents or intermediaries and other issues".

⁴ In July 2020, the Task Force also contributed to shape recommendations to national associations, leagues, clubs, players, and others, to help address practical problems that the COVID-19 pandemic may (and will) generate between national associations, leagues, clubs and players, in relation to various contractual and transfer related matters (in particular in these countries who have less comprehensive regulatory frameworks or lack the expertise on these subjects).

⁵ According to the results of a research conducted by FIFA, clubs receive only a relatively small percentage of the training compensation and solidarity mechanism amounts to which they are entitled. In addition to the fact that the current "claims" system is not fully known or used by a significant number of clubs, a reason for this is lack of consistency in the way players are registered at national level. The new "electronic player passport" should allow for tracking all clubs a player has signed for since the age of twelve and ensure that these clubs receive the training rewards they are entitled to.

⁶ For example, a prohibition to register new players during the following registration periods.

football ecosystem; i.e. the fund shall pay relatively more to clubs from lower categories and relatively less to clubs from higher categories.

13. In this respect, a new categorisation of clubs (based on objective criteria) will be established, with training compensation amounts being revised. A transition period of one year is foreseen so that the fund could receive a substantial amount before starting disbursements. Since 1st July 2020, training clubs have also benefitted from a solidarity contribution in the case of domestic transfers with an international dimension.

14. The reform also includes the establishment of a **more restrictive framework for players loans**, which should enable legitimate training and development objectives, while avoiding abusive practices. The new regulations are intended to ensure that loans have a valid sporting purpose for youth development, and to prevent clubs from stockpiling talents and loaning them out for “commercial exploitation”. In a similar vein, since 1 March 2020, bridge transfers have been prohibited and sub-loans will be prohibited through the new loan regulations.

15. There will be a transitional period⁷ to ensure a smooth implementation, starting by a limit of eight international loans in and out, and going down to six, with a maximum of three loans in and three loans out between the same clubs. Concerning domestic loans, Member Associations will keep the entitlement to adopt rules, in line with the principles recognised by FIFA. FIFA and the stakeholders have agreed on the implementation of the new rules as of 1st July 2022.

16. Last, but not least, a **new regulatory framework for agents** is being developed, which will be underpinned by a licensing and registration system through a new “*Agent Platform*”. Players and clubs will be required to engage licensed agents and any breach of the system will be sanctioned. This new framework – which is expected to be enacted in 2021 and enter into force in 2022 – is intended to raise professional and ethical standards for agents, to protect players who have short careers, and to protect contractual stability and solidarity. The obligation to engage only licensed agents should be applied from 2022.

17. The intention is also to ensure that a small number of football agents are not able to disproportionately control the transfer market (thereby undermining its integrity). All agent-related work in transfers will be disclosed and published to increase transparency, improve the credibility of the transfer system and support the implementation of new regulations. Rules will be enforced through the FIFA Disciplinary Committee and the independent Ethics Committee, also to protect the legitimate business interests of licensed football agents.

2.3. The third reform package

18. Discussion is ongoing on other issues, such as the so called “financial regulations”⁸, squad sizes⁹ and transfer windows¹⁰ (i.e. registration periods). On 14 May 2021, the FSC endorsed key principles for the third reform package.

19. A very sensitive issue is the reform on the **international transfer of minors**, which should be aimed, on the one hand, to enhance minors’ protection against exploitation and mistreatment and, on the other hand, to enable young players to take advantage of opportunities at their disposal. Discussion will focus on issues such as: the humanitarian exception; minimum safeguards for minors who transfer internationally; an analysis of the situation concerning private academies operating outside the scope of organised football; exploring a regulatory framework for trials.

20. Within the context of the broader reform, certain items did not formally fall within the three packages, but nonetheless required regulatory modernisation. In this respect, new **regulatory frameworks for female players and for football coaches** were introduced on 1st January 2021.¹¹

⁷ The start of the transitional period has been put on hold due to the coronavirus (p. 11 of guidelines): <https://img.fifa.com/image/upload/zyqtt4bxgupp6pshcrtg.pdf>.

⁸ The terms “financial regulations” refer to various measures related to the financial flows in the players’ employment and transfer market. These measures pursue a range of objectives, from the protection of contractual stability to the protection of players’ welfare. Discussions on this topic will focus on the promotion of competitive balance at a global level, financial sustainability of football clubs and transparency in the market. The new regulations would be intended, for example, to address problems such as dubious transaction and the concentration of talent.

⁹ The idea would be to establish a harmonised framework, to safeguard the integrity of different competitions but also to help promoting youth football and competitive balance between clubs.

¹⁰ Stakeholders are looking, in particular, at possible measures to achieve some sort of global alignment, and to ensure that transfer windows close before the relevant competitions start.

¹¹ See [here](#).

3. Analysis of some elements of the reform

21. A reform of this extent and complexity cannot be achieved but progressively. It is also important to seek a wide consensus, when possible, and this of course requires proper time for “negotiations”. Taking account of the existence of huge financial interests and sometimes quite diverging perspectives and expectations, it is not astonishing that even for the key reform elements, results achieved are somewhat interim ones. The present section provides more details on some results and points to further suitable developments.

22. I wish to mention here that FIFA has asked the Council of Europe GRECO to analyse and give an opinion on the new transfer system. It is not my intention to reproduce the excellent and quite detailed GRECO analysis, or the numerous recommendations therein. I will just highlight a few (but key) elements of concern.

23. I also wish to clarify that, while FIFA has the responsibility to adopt and enact regulation on transfers, its role in mediating between the above-mentioned diverging interests and expectations is quite hard. Our proposals are intended to back FIFA (but also other partners’) efforts – and not to express criticisms – with the hope to help removing strong resistance to a reform which is touching upon very significant vested interests.

3.1. The Clearing House

24. The FIFA Clearing House is a separate entity from FIFA, to be established within the European Union, which will act as a licensed payment service provider. Its objectives are the following:

- processing payments related to the transfer of football players between clubs;
- protecting the integrity of the football transfer system;
- enhancing and promoting financial transparency in the football transfer system, and
- preventing fraudulent conduct in the football transfer system.

25. In addition, the Clearing House will ensure – through a compliance assessment process – that all the parties involved in financial transactions operated via the Clearing House comply with the national and international legal obligations concerning international payment sanctions, anti-money laundering and counter-terrorism financing. In this respect, the Clearing House will operate in collaboration with third-party providers to provide due diligence, compliance and accounting services, and a commercial bank to receive and distribute payments.

26. Under the new regulations, an electronic player passport will be generated in three cases: international transfer, domestic transfer with international dimension, and first-time registration as a professional. If a transfer fee must be paid, the new club and the former club must declare either in the TMS or in the domestic system:

- when a transfer agreement exists between the clubs:
- the amount of any fixed transfer fee, including any instalment plan;
- the amount and conditions of any conditional transfer fee, including any instalment plan;
- when there is no transfer agreement between the clubs, the amount and conditions of any release (buy-out) fee.

27. Based on the information contained in the electronic player passport, FIFA (via TMS) automatically calculates the amount of training compensation due to the respective training clubs, which will be communicated to the Clearing House entity for further processing.

28. In short, the Clearing House should achieve securing proper registration of all players, full traceability of their transfers and correct calculation and payment of the training rewards.

29. At the beginning, only training rewards will be paid via the Clearing House and only in a later phase would the agents’ service and transfer fees be paid through the system.

30. It might be understandable that the new system is implemented progressively. However, bearing in mind the importance of ensuring transparency of all the financial flows related to transfers, it is of the utmost importance that all agents’ service and transfer fees are processed via the system of the Clearing House as soon as possible; this should also imply submitting the agents and their activity to the compliance assessment procedures.

31. In addition, FIFA regulations should establish enforceable obligations to provide accurate data (and corresponding powers to enquiry and punish any violations). The FIFA Clearing House system will apply to

international transfers but transparency must be ensured also in the case of domestic ones; this might be pursued through the establishment of domestic clearing houses, which should all operate according to the same standards (so as to ensure a uniform data collection and analysis).

3.2. Regulations on football agents and their status

32. The regulation of the agency/intermediary services is a sensitive and complex issue. The FIFA Players' Agents Regulations of 2008 provided for a regulated access to the profession, requiring a license obtained through an exam; it also prohibited dual representation. The FIFA Regulations on Working with Intermediaries, issued in 2015, introduced a much softer system, with only a few minimum standard requirements: a licence was no longer required, intermediaries were allowed to represent multiple parties in the same transaction (subject to proper disclosure) and FIFA renounced its competence on intermediaries disputes and licencing. The implementation of these Regulations has been delegated to national associations, and this has generated differences and even inconsistencies between countries.

33. The widely shared perception is that these Regulations have been a mistake (and FIFA recognises this). Consultation for a reform process has been ongoing since April 2018 and, as indicated above, this question was included in the second reform package, endorsed by the FIFA Council in Shanghai in October 2019.

34. The new regulations, which should enter into force in 2022, are intended, on the one hand, to enhance agents professional and ethical standards and, on the other hand, to reinforce the protection of players and their contractual stability. They should include, among other things:

- the reintroduction of a mandatory licensing system, with compulsory (minimum) education requirements to raise professional standards; no agent will be exempt from licensing or continuing professional development requirements;
- the prohibition of multiple representation to avoid conflicts of interest;
- caps on commissions to avoid excessive and abusive practices, preventing their inflation;
- establishment of an exclusive, simple and fast dispute resolution system within FIFA to deal with agent-related disputes of an international dimension.

35. For the purposes of the present report, two issues deserve specific consideration.¹² First, under the present rules, agents can act on behalf of all parties to a transaction (i.e. the two clubs and the players), which of course generates conflicts of interest. Second, the amount of money paid by clubs and players to agents has increased beyond any reasonable proportion with their services.

36. Starting by the issue of **multiple representation**: the rule which is foreseen consists of a general prohibition of representing two or more parties to the same transaction; however the same agent would be allowed to represent the player and the engaging club in the same given transaction, subject to a prior explicit written consent given by both clients.

37. This appears to be a kind of compromise. It might happen that the player and the engaging club have diverging interests; therefore, a risk of conflict of interest is there, and it will be essential to counter it. Looking at the question from the perspective of players, however, many players could be unable to pay (alone) proper agency services if this option were not available. Also, an engaging club and a player may have a joint interest in negotiating a lower transfer fee, for the club to save money and for the player to be potentially paid a higher salary.

38. Concerning **commissions**, a figure in the Appendix gives the total amounts of commissions paid to intermediaries in relation to international transfers since 2014, based on data in the FIFA Transfer Matching System. According to these data, the amount for 2019 was around USD 655 million; and even in 2020 (notwithstanding the perceivable impact of the Covid-19 pandemic) the amount was around USD 496 million. Commissions paid to agents are substantially higher in reality, as the FIFA Transfer Matching System only captures: international transfers (and not domestic ones), commissions paid by clubs (and not those paid by the players) and data that is (properly) declared by users. Most of the agents' fees are paid by clubs in the UEFA countries.

¹² However, the FIFA document on "The need to reform the regulatory framework governing football agents in the football transfer system" (December 2020) includes, under chapter 4.2. "Abusive and excessive conduct of football agents", a worrying list of misbehaviours and unethical practices, which the reform is also aimed to counter. In chapter 4.4. "Disproportionate market power", FIFA states that certain "football agents have accumulated such power in their relationships that they become the ultimate decision maker as to whether a transfer is finalised".

39. The money reinvested via training reward mechanisms is much less.¹³ For example, in 2018, the total amount of solidarity contributions and training compensations was just above USD 90 million, i.e. six times less than commissions for international transfers.

40. In short, the market speculation is driving resources away from football development. Moreover, it is also creating an incentive to engineer players' mobility, thereby threatening contractual stability; and it is likely to have a negative effect on players' salaries.

41. For these reasons, FIFA is considering introducing **caps on the commissions**. The rules envisaged would be the following:

- for the agent acting on behalf of the player, the maximum commission would be 3% of the remuneration effectively paid to the player under the new employment contract;
- for the agent acting on behalf of the engaging club, the maximum commission would be 3% of the remuneration effectively paid to the player under the new employment contract;
- for the agent acting on behalf of the releasing club, the cap on the total commissions paid for the entire transaction would be 10% of the gross transfer compensation.

42. The proposed measures for agents are in the right direction as they are realigning the agent regulation with the objectives of the football transfer system. In this respect, I wish to note that:

- the commission on the gross transfer compensation will be, in general, (much) more lucrative than the commission on the player's remuneration; because of this lack of balance, agents will have more interest in fostering frequent transfers, thus incentivising contractual instability;
- the caps concern only the commissions paid to agents, and not other service fee forms, which could lead to side (hidden) arrangements aimed at displacing agents' revenues from commissions to (inflated) fixed fees, giving a leeway to circumvent the proposed caps;
- even with caps, the amounts paid to the agents will remain much higher than the amount distributed as training and solidarity payments.

43. It is not easy to find a solution which can meet at the same time the need of : paying a fair and reasonable remuneration to the agents for their work, avoiding conflicts of interest, protecting the players, avoiding pressure towards contractual instability and preventing abusive, excessive and speculative practices.

44. I trust that the problems can be reduced by transparency and having an extended cap to any service fee form; therefore, I believe we must insist in asking that all commissions and fees paid to agents are capped, registered, disclosed and monitored.

45. Moreover, I think it could be useful to consider establishing a ceiling (in addition to the maximum percentage of 10% of the gross transfer amount) to the total amounts which can be paid for a transaction to the agent of the releasing clubs (e.g. 10 million USD);

3.3. Solidarity contribution and training compensation

46. **Solidarity contribution** has been payable (since 2001) to any club that has trained a player between the ages of 12 and 23, when an international transfer¹⁴ or (since 1st July 2020) a domestic transfer with an international dimension¹⁵ takes place. The contribution is calculated as 5% of the fees or any other compensation agreed within the scope of a transfer and distributed proportionally to all training clubs.

47. Before 1st July 2020, only international transfers were concerned; this was against the interests of the training clubs, and could provoke distortions in the transfer market, since releasing clubs could tend to prefer a domestic transfer to an international one, to avoid a 5% reduction over the agreed transfer/loan fees.

48. The **training compensation** is payable when a player is registered for the first time as a professional with a club affiliated to a different association than the training club, and then upon each subsequent international transfer (whether during or at the end of his contract) until the end of the calendar year of the

¹³ See the figure in appendix for the period 2011 - 2018. In 2019, payments to training clubs amounted, according to FIFA, at USD 75.5 million.

¹⁴ i.e. a transfer of a professional player, either on a definitive or loan basis, between clubs affiliated to two different national associations.

¹⁵ i.e. a transfer of a professional player, either on a definitive or on a loan basis, between clubs affiliated to the same national association, provided that the training club is affiliated to a different national association.

player's 23rd birthday. The compensation is paid to clubs that have trained the player between the calendar years from his 12th to 21st birthdays. It is calculated by reference to training costs, established on a confederation basis, with a precise determination made by individual national associations, which divide their clubs into a maximum of four categories.

49. To make the training rewards system more predictable, effective and consistent, FIFA envisages to establish an additional levy of 1% of the agreed transfer fee, paid by the buying club to a "centralised fund", which will be used for the payment of future training compensations. Distribution criteria will also be reviewed so that lower categories of clubs would receive relatively more from the fund than higher categories.

50. This proposed change points in the right direction¹⁶. However, I believe that the system should seek to ensure a more balanced proportion between the commissions paid to agents and training rewards. Therefore, I propose that, when the releasing club pays a commission higher than 6% to the agent, the training compensation must equate to the total amount paid to the agent;¹⁷ this additional amount of the training compensation should be paid to the centralised fund by the releasing club.

3.4. *International transfers of minors*

51. The protection of minors must remain one of the main concerns of football regulators. It is understandable that clubs look for the best talents, but "business" has pushed clubs and agents to lower the age at which players are recruited, while "values" have been somewhat disregarded. There is, of course, a consensus on the need to ensure adequate protection to minors, including through limitations to their international transfers. What this protection should be, however, is at present being debated among the stakeholders.

52. In this sense, the FSC decided to split the topic of the international transfer of minors into four sub-topics and confirmed the following principles to guide the discussions moving forward:

- i. **Humanitarian exception:** to examine the humanitarian exception in article 19 of the Regulations on the Status and Transfer of Players (RSTP) and whether it could be applied more flexibly or modernised to reflect "real-life" cases that are rejected;
- ii. **Trials:** to explore a regulatory framework for trials in order to provide legal certainty and protect minors (and all footballers) from exploitation;
- iii. **Private academies:** to explore the possibility of reviewing and modernising the regulation of private academies (currently covered by article 19bis of the RSTP) operating outside the scope of organised football;
- iv. **Safeguarding:** to explore the possibility and feasibility of minimum protection standards for minors who transfer internationally.

53. FIFA regulations adopt a restrictive approach, as they prohibit international transfers of minors, with some reasonable exceptions.¹⁸

54. In particular, Article 19 of FIFA's Regulations on the Status and Transfer of Players (RSTP) states that, in principle, "[i]nternational transfers of players are only permitted if the player is over the age of 18". It does, however, provide for exceptions in the following six cases:

- The minor's parents move to the country in which the new club is located for reasons not linked to football.
- Minors involved in transfrontier arrangements: the new club is a member of a neighbouring association located no more than 50km from the border and the player's domicile is no further than 50km from the national border and 100km from the new club. The associations concerned must give their explicit consent.

¹⁶ In August 2021, FIFA published a report on ten years of international transfers (2011-2020): it appears that

- USD 48.5 billion were spent on transfer fees over the past decade;
- a total of USD 3.5 billion was paid for agents' commissions in international transfers;
- there has been a sharp decline in solidarity contributions, with the 2020 amount (USD 38.5 million) mirroring that of 2011 (USD 38.0 million). This trend reinforces the need for the FIFA Clearing House, which FIFA expects to help enforce training compensation and solidarity payments up to an amount of approximately USD 300 million per year.

¹⁷ For example, if the commission applied is 10% of the gross transfer compensation, the additional amount will be 10% - 6% = 4% of the gross transfer compensation.

¹⁸ The exceptions are largely exploited, however: between 2010 and 2017, 15,982 applications for international transfer of minors were submitted, of which 13,595 were approved (including 233 applications from the top 15 clubs in UEFA).

- Transfers within the European Union or the European Economic Area (EEA) – or between football associations of the same country¹⁹ – of players aged between 16 and 18. In this case, the new club must fulfil a number of obligations that, in essence, relate to a plan to provide sports training, education (school, academic) and/or vocational training and the supervision of the minor.²⁰
- The player, without his parents, flees his country of origin for humanitarian reasons, specifically related to his life or freedom being threatened on account of race, religion, nationality, belonging to a particular social group, or political opinion. In this case, the player is at least temporarily permitted to reside in the country of arrival.
- The player is a student and moves without his parents to another country temporarily for academic reasons in order to undertake an exchange programme. Here the duration of registration with the new club is until he turns 18 or until the end of the academic or school programme and cannot exceed one year. The player's new club may only be a purely amateur club without a professional team or without a legal, financial or de facto link to a professional club.
- The player has lived continuously for at least five years in the country in which the first registration is applied for and before the application is made (the so called "5-year rule").

55. The provisions of Article 19 also apply to the first registration of a minor who does not possess the nationality of the country in which the application for registration is made. Each international transfer and each first registration of a minor is subject to the approval of the Players' Status Chamber of the Football Tribunal (Article 19.4 RSTP). The Procedural Rules Governing the Football Tribunal now detail (in Article 30) the procedure governing the international transfer or first registration of a minor.

56. Article 19*bis* of the same Regulations has introduced provisions to guarantee that all academies or training centres – with or without links to the club – inform the national association concerned about all minors who participate in their activities. Each national association must keep a register comprising the names and dates of birth of the minors who have been reported to it by the clubs or academies. Paragraph 6 of this article provides that "Article 19 shall also apply to the reporting of all minor players who are not nationals of the country in which they wish to be reported".

57. FIFPro argues that strict enforcement of rules prohibiting international transfers can be counterproductive to certain young players by limiting their football development opportunities.

58. Among the exceptions, the most relevant one, i.e. the possibility of international transfers between the ages of 16 and 18 within the EU/EEA, is only available to clubs of national associations in EU/EEA countries. According to the CAS jurisprudence, this exception also applies to transfers of players with an EU passport from clubs based in non-EU/EEA countries to clubs based in EU/EEA countries. This, means, for example, that South-American and African citizens holding double citizenships (one being of an EU country) can benefit from the exception. Given the relatively high number of players in this situation, the system creates more opportunities for minors in Europe and minors with EU/EEA nationality, compared to other regions.

59. Therefore, the extension of the current EU/EEA exception (redrafted on the basis of the CAS case law) at a global level, while adding supplementary mandatory criteria for the international transfer of players between the ages of 16 and 18 has been considered.

60. The idea of establishing a uniform legal framework applicable to all international transfers might have a certain appeal; however, when removing the general prohibition of Article 19 RSTP, the risks of exploitation cannot but increase. There would also be a risk of a high concentration of the youngest talents in the wealthier and most attractive clubs (many of them being in Europe) and therefore an additional element of imbalances.

61. In any case, the transfer of a minor must be subject to compliance by the national associations and clubs with strict compulsory conditions, to be verified before granting the authorisation to the transfer.

62. In particular (building also on the proposals of the task force) national associations and clubs must ensure at least:

- effective protection of all young players against any form of exploitation and abuse;
- the effective provision, by the clubs to the minor players they register, of a stable environment not only for professional (football) development, but also for education and/or vocational training, and adequate health and social insurance benefits;

¹⁹ E.g.: from England to Scotland, from Macau to Hong Kong or from Guam to the USA.

²⁰ The club must provide its association with proof that it is in a position to comply with these obligations.

- the stability of the contractual relation with the minor player at least until the end of the season of the player's 18th birthday;
- general working conditions not less favourable than those of the other players of the club and not below the international (ILO) standards;
- the assistance the minor player may need to find his or her place within the hosting local community.

63. Consideration should also be given to the importance for the minor of keeping contacts with his/her family, when it is not possible to maintain the family unit.

64. Moreover, FIFA should elaborate, in collaboration with its Member Associations, FIFPro and other relevant stakeholders, as well as with other partners and experts as required:

- model provisions to be included in regulations of the confederations and/or of the national associations on monitoring mechanisms, effective remedies and severe sanctions to uphold the protection of minor players;
- a guide on the transfers of minor players and their protection, including all relevant information for the young players and their family, e.g. on risks of trafficking by fake agents²¹ and their phishing and scam practices on the internet (as well as on ways to detect and avoid them), official procedures for international transfers, standard rights and obligations of minor players and clubs, contact points at FIFA and confederation/national levels, etc.; this guide should be published in FIFA and confederations websites, in the most common languages, and national associations should translate and publish it in their respective languages.

65. Last, but not least, when considering regulations on agents and intermediaries, specific qualifications must be required from whoever wishes to represent a minor, in addition to those needed to get the professional license.

²¹ See [here](#) the online article by Fred Lord on “*Human trafficking: International fake player agents and scouts, and their selling of dreams*” (2 November 2020).

Appendix

Figure 8: Spending on club intermediary commissions (USD)

