

## TO THE MEMBER ASSOCIATIONS OF FIFA

Circular no. 1873

Zurich, 30 December 2023

## FIFA Football Agent Regulations: update on implementation

Dear Sir or Madam,

On 16 December 2022 the FIFA Council approved the FIFA Football Agent Regulations (hereinafter the "FFAR"), which provide with a balanced and reasonable legal instrument to protect the integrity of football and the proper functioning of the football transfer system.

Subsequently, FIFA was subject to a coordinated litigation strategy, which involved agents and agents' associations filing lawsuits against FIFA across Europe to challenge the legality of the FFAR and to delay their entry into force.

FIFA has so far prevailed in the vast majority of those disputes. Specifically, the Court of Arbitration for Sport (CAS), the court of supreme instance for sports-related disputes recognised under the FIFA Statutes, has confirmed the legality and proportionality of the FFAR. Courts and/or competition authorities in various countries have rejected several requests from agents to annul the FFAR, declare them invalid, or to delay their entry into force. Moreover, a procedure concerning the validity of the FFAR, in which different institutions have supported the FFAR, is pending before the European Court of Justice.

## <u>District Court of Dortmund (Landgericht Dortmund) case 8 O 1/23</u>

On 24 May 2023, a preliminary injunction (the "Injunction") against certain aspects of the FFAR rules was by the District Court of Dortmund in Germany in the procedure LG Dortmund, 8 O 1/23 (Kart).

The Injunction requests FIFA to suspend the application and enforcement of the certain provisions of the FFAR:

- The service fee cap (article 15 paragraphs 1-4)
- The rules concerning service fee payments (article 14 paragraphs 6, 8 and 11)
- The client pays rule (article 14 paragraphs 2 and 10)
- The rules regarding the timing of service fee payments (article 14 paragraphs 7 and 12)
- The prohibition of double representation (article 12 paragraphs 8-10)
- The reporting obligations (article 16 paragraphs 2 h), j), k) and 4)
- The rules regarding disclosure and publication (article 19)



- The submission rule (article 4 paragraph 2; article 16 paragraph 2 b); article 3 paragraphs 2 c) and d); article 20; and article 21)
- The rule that service fee payments must be made via the FIFA Clearing House (article 14 paragraph 13)

This Injunction is inconsistent with previous judicial decisions in other European countries, the CAS award as well as previous decisions in Germany, including from appeals courts. FIFA has therefore initiated appeal proceedings against the Injunction and an appeal decision is expected in the first semester of 2024.

In order to comply with the Injunction, FIFA will suspend the implementation of the FFAR for any transfer which has a link to the European Union. Implementing the Injunction only for transfers linked to the European Union would create a situation of unequal legal standards within the international transfer system, in particular between Europe and the rest of the world. As the world governing body of football and a prudent and responsible regulator, FIFA has a duty to prevent such uncertainty and inequality and protect competitive balance at a worldwide level.

In light of the foregoing, on 30 December 2023 the Bureau of the Council approved the worldwide temporary suspension of the FFAR rules affected by the above-mentioned German court decision, until the European Court of Justice renders a final decision in the pending procedures concerning the FFAR,

In this light, we recommend all the member associations to temporarily suspend the equivalent provisions from their national football agent regulations, unless they conflict with mandatory provisions of the law applicable in their territory.

FIFA remains convinced that the FFAR are a necessary, proportionate and fully legal regulatory step to address systemic failures within the international transfer system. Not only all football stakeholders, but also all European political authorities have confirmed the importance of such a regulatory framework.

We thank you for your attention and for ensuring that your affiliated clubs and relevant stakeholders are informed accordingly.

Yours faithfully,

FÉDÉRATION INTERNATIONALE DE FOOTBALL ASSOCIATION

Mattias Grafström

Secretary General ad interim



cc: - FIFA Council

- Confederations
- Football Agent Working Group