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NEW AMENDMENTS TO FIFA RSTP REGULATIONS

Based on a cooperation agreement executed between FIFA and FIFPro (the World Players' Union), in autumn 2017, FIFA amended its Regulations on the Status and Transfer of Players, which has had a substantial impact on contractual relationships between clubs and (professional) football players.

Among the improvements agreed upon were several changes regarding dispute resolution between players and clubs, particularly for decisions in cases of overdue payables, as well as new provisions to avoid the abusive conduct of parties, such as players being forced to train alone.

As a consequence, the amended FIFA Regulations on the Status and Transfer of Players, effective as of 1 June 2018, include a provision that the abusive conduct of a party forcing the other to terminate a contract or amend its terms entitles the other party to terminate the contract with "just cause" (art. 14(2)). This article should tackle the practice of clubs marginalizing players, forcing them to train alone and using otherwise unsavoury methods to force players to accept contractual terminations or pay cuts, although a player might be guilty of abusive conduct as well.

Also, "just cause" now includes outstanding salaries (2+ months instead of 3+ months under established FIFA and CAS jurisprudence) (art. 14b). Grace periods (contractual clauses granting clubs extra time to pay players due amounts) are no longer recognized.

The famous article 17 was changed in a way to provide a greater certainty regarding how compensation should be calculated. Compensation owed to a player is now "mitigated" if the player has in the meantime signed a new contract with another club prior to the FIFA decision. On the other hand, "additional compensation" (3 to 6 monthly salaries) is owed by the club to the player if the breach is due to overdue payables. In any case, the total compensation can never exceed the residual value of the prematurely terminated contract.

Last but not least, the adjudicatory organs at FIFA (the DRC or the PSC) shall impose, as a consequence of the failure to pay the relevant amounts in due time, "temporary" sporting sanctions on players (a playing ban) or clubs (a registration ban) until the debt is paid (art. 24bis). These sanctions will be immediately applicable if the debtor fails to pay the creditor within 45 days of receiving the required bank details (unless an appeal is made to CAS). This streamlined process is a welcome change for all parties, as debtors are no longer able to delay payment and thus frustrate creditors for long periods of time.

Despite the fact that many of the amendments above are a reflection of existing CAS/FIFA case-law on the issues, it is clear that these changes are in favour of the players, who can now terminate with just cause if they are subject to abusive behaviour by clubs, and have greater certainty as to the potential financial consequences of the termination of a contract without just cause.

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