To the national associations affiliated to FIFA

Circular no. 801

Zurich, 28 March 2002
GS/clu

Dear General Secretary,

Interpretation of the revised FIFA Regulations for the Status and Transfers of Players

The Players’ Status Committee has reviewed many of the points raised by the national associations regarding the revised Regulations for the Status and Transfer of Players (hereinafter: Regulations).

In particular, the Players’ Status Committee (hereinafter: Committee) was informed that throughout the explanatory seminars held for the national associations the same or similar concerns had been raised by the participating national associations. Although the participants to the seminars were advised that many of the responses to their queries could only be answered once the first decisions based on the revised Regulations have been taken and thus once a jurisprudence of the deciding bodies has been established, the Players’ Status Committee acknowledged that certain issues required immediate attention.

The Players’ Status Committee took the decisions listed below and agreed upon certain amendments to the Regulations, which, in the meantime, have been presented to and approved by the FIFA Executive Committee. We herewith would like to inform you of the amendments and interpretations given by the Players’ Status Committee, which are important for the understanding of the revised Regulations for the Status and Transfer of Players. Please find the amendments to the relevant articles in the attachment.

1. Preamble of the Regulations for the Status and Transfer of Players

The preamble to the Regulations has kept its previous wording and aims to lay down two different principles that are binding and need to be respected in full. Para. 2 of the preamble lists those provisions that must be incorporated without alterations in the regulations of each national association, many being formal requirements. Para. 3, on the other hand, sets out the obligation of all national associations to respect the principles contained in the Regulations, thus leaving some room for individual rulings by national associations. FIFA must determine to which extent the divergences from the Regulations can be tolerated.
2. Registration periods

Art. 5.2 of the revised Regulations for the Status and Transfer of Players states that the national associations must lay down two periods per year during which players may be registered, one fixed for the end of the season and another period for the middle of the season. Since many national associations have not yet implemented registration periods for their national association and in view of the fact that the revised Regulations only came into force on 1 September 2001, the associations are requiring some time to establish the dates for these two periods. Therefore, so as to avoid a direct interference with the ongoing national championships and in order to allow for adaptation time, the Players’ Status Committee agreed to grant the associations time to establish the registration periods. In consequence, all national associations that have not yet notified their registration periods to FIFA must do this by 15 July 2002, at the latest. By 1 September 2002, all national associations must have adopted two registration periods per season, as provided in art. 5.2 of the Regulations.

The Players’ Status Committee agreed that it would be desirable to have common registration periods for the different national associations, but that this would be a challenge to attain, given that there are so many divergences with regard to the seasons of the national associations and because the associations must ensure that the registration periods are aligned with their national competitions.

For the associations affiliated to UEFA, FIFA adopts the proposal of UEFA regarding harmonized dates, i.e.:

- Summer Period:
  From: end of domestic season (or 1 July countries playing a calendar year) to 31 August

- Winter Period:
  From: 1 January (or end of domestic season for countries playing a calendar year) to 31 January

The associations affiliated to UEFA are therefore encouraged to adopt the registration periods recommended by UEFA, so as to simplify the transfers within these associations.

For the avoidance of doubt, these transfer periods apply both to transfers of amateur and non-amateur players. The Committee agreed that the restrictions on amateur players provided by the revised Regulations are stringent but on the other hand, it also considered that a more lenient approach for non-professional players could open the doors to attempts of circumventing the stricter rules for professional players. Whenever an amateur player is transferred internationally, the transfer periods, and the restriction on one transfer per player per calendar year will therefore remain in force. The same is true, in principle, for domestic transfers by virtue of preamble 2 of the Regulations. However, in response to numerous requests, the Committee unanimously resolved pursuant to Art. 45 of the Regulations that it could relax the restriction of one transfer per player per year, within the meaning of Art. 5.2, with respect to domestic transfers of those amateur players who play in clubs which field only amateur players, and which are not in regular competition with clubs fielding non-amateur players. This resolution addresses the flexibility desired for purely amateur football, while preserving the sportive stability in other divisions of the game.

The request that national associations could have a registration period for domestic transfers that differs from its international registration period was rejected, since this could give rise to competitive distortions between clubs (those who depend on international transfers, as compared to those who depend on domestic transfers).
The Committee also considered the question whether clubs facing financial difficulties, i.e. club under administration should be allowed to transfer players without being restricted by the transfer windows. The Committee determined that this restriction on transfers would be maintained, given its importance for maintaining contractual stability. However, in very serious cases, the Committee could allow exceptions pursuant to Art. 45 of the Regulations for the Status and Transfer of Players, since this rule should not lead to the ruin of a club and an interruption in the player’s career. Yet each exception would only be granted upon application to the Committee, after an individual study of a case and only if the situation is very serious.

Furthermore, it was determined that, in a case where a club breaches an employment contract with a player without there being just cause, the player affected should be given the authorisation to be transferred outside the registration periods, if he cannot be held responsible for the particular situation. A player facing such circumstances may therefore ask the Committee to be registered elsewhere.

The Committee was presented with many questions regarding loans of players. For instance, in a number of national associations, the playing seasons run for six months (e.g., Jamaica and the United States). Until now, players were able to transfer on a loan elsewhere, so as to continue earning an income throughout the long season breaks.

In this context, the Committee considered that art. 10 of the Regulations states that a loan of a player by one club to another is dealt with ‘administratively’ like a transfer. An international registration transfer certificate must therefore be issued whenever a player leaves a national association to join a club of another national association to which he has been released on loan and whenever, on expiry of the period of loan, a player rejoins the national association of the club that released him. The Committee considered also art. 5.2 of the Regulations, which states that there can only be one transfer of registration per player in the same sports season in a period of 12 months. In this respect, the Committee concluded that the loan of a player is different from a definitive transfer, if the player remains engaged by his former club and if he will consequently return to this club at the end of the loan period. Therefore, the Committee considered it reasonable, in these precise circumstances, to evaluate such a loan as merely one single transfer rather than two transfers within the meaning of Art. 5.2, given that at the end of the loan, the player would be returning to his ongoing employer. The duration of a loan could thus be of six months rather than of a minimum of one year. Yet such loans, and their administration, will have to respect the relevant transfer periods, i.e., pertaining to the club to which a player transfers on loan, and subsequently to the club to which the player returns. Moreover, this interpretation does not concern a case in which the player, following a loan, transfers to a third club. In that case, the player could only transfer to the third club after a period of twelve months as from the start of the loan, while respecting the transfer period pertaining to the club to which he would transfer, and only with the consent of all parties concerned (assuming, as we are referring to a ‘loan’, that the player would still be under contract with his first club).
3. Ban on international transfers of players under the age of 18 years

With regard to the ban on international transfers of players under the age of 18 years, the Committee emphasised that it intended to ensure the strict implementation of this rule, in order to guarantee the well-being of all young football players. The intention is not to prevent young players from enjoying the game but rather, to avoid abuse and exploitation of young talents. Therefore, exceptions to this restriction will be possible, but only with the explicit consent of this body pursuant to Art. 45 of the Regulations. For the time being, there will be no general rule allowing exceptions as in the case of players under the age of 18 moving within the UK or within Australia and New Zealand or in the case of students studying abroad. The Committee will examine every case individually.

However, the Committee considered the situation of players living in communities close to borders, where cross-border traffic is a daily matter requires a special solution. The Committee resolved that with the consent of the national associations affected, young players may therefore train in clubs of the neighbouring national association if their homes lie within 50 km from the border and if the clubs in question are also no further than 50 km away from the border, providing that the players are living at home. The distance between the home of the players and the clubs may thus not exceed a diameter of 100 km. The national associations concerned will be asked to monitor these exceptions.

4. Training compensation

The Committee was informed that, although the revised Regulations have come into force on 1 September 2001, the actual parameters that are required to calculate training compensation have not yet been established. In consequence, many national associations are concerned that the new system could apply “retroactively” to contracts that were signed with players after 1 September 2001, but before the actual details of the new system have been established. Moreover, many national associations have not yet provided FIFA with the parameters that will allow the calculation of the training compensation.

With regard to this difficulty, the Committee maintained that it would not be acceptable that the interests of those clubs that are entitled to be compensated for the training of young players were overlooked because the applicable system is not yet in place. Besides, this would send out the wrong message to all those clubs that invest considerable effort into training young players. The Committee also sustained that the clubs currently signing young players are aware that they are entering into an unknown commitment, since they are not yet able to calculate the compensation amounts that they may have to pay. Furthermore, if the national associations will not provide the parameters that are applicable for these calculations, the competent deciding body of FIFA may have to specify the costs in their place. In view of this situation, a further circular letter has been sent to the national associations, laying out an additional deadline for the implementation of the applicable parameters.

A further question raised by a national association regarded the effects of a promotion/relegation of a club on the calculation of a training compensation. The reply hereto was that the applicable category would be that of the moment of formation of the player.
Equally, some associations wished to know whether it would be possible to have uniform costs per category throughout the same Confederation or even worldwide, so as to facilitate calculations. Again, the Committee considered this notion as desirable, but also as difficult to achieve at present, since the amounts in question may substantially differ among national association of the same confederation. The Committee will await the information to be transmitted by the national federations regarding training costs per category of club.

The Committee was asked to determine what triggers the end of a player’s training and/or education. It maintained that it is a question of proof, which is at the burden of the club that is claiming this fact. A player who regularly performs for the club’s “A” team could be considered as having accomplished his training period. This may certainly signal that the formation of a player has been completed but there may be other indications hereto. The decision on this will have to be taken on a case-by-case basis. This principle will also apply to apprentice professionals or players under a scholarship agreement.

5. Solidarity mechanism

If the payment of an additional compensation for the transfer of a player, to be paid to his former club, is made subject to certain conditions, e.g. the player being fielded by his club for a minimum amount of matches during a season, the 5% solidarity contribution will also be applied to any such amount. Any amount due as value added tax may, however, be deducted from the amount that is the basis for the calculation of the solidarity contribution.

6. Delivery of international transfer registration certificates

On an administrative basis, the Committee reviewed the procedure for the requests of international registration transfer certificates, particularly since many associations have been unable all the requests received from other associations. Numerous associations have therefore asked for the re-introduction of 60-day rule, as foreseen in the former transfer regulations under art. 7.4.

In response the Committee agreed that the 60-day rule should be reinstated, but reducing it to 30 days.

7. Coordinated International Match Calendar

The Coordinated International Match Calendar brings about some changes to the revised Regulations for the Status and Transfer of Players, namely to art. 36.2, since this provision has to be brought inline with the principles contained in the coordinated international calendar.

The coordinated match calendar enumerates all those occasions when a club is compelled to release its players for international duty. As indicated in this circular letter, there is a list of dates reserved for qualifying competitive and for friendly matches, for which players selected to represent their national team must be released by the clubs holding their registrations. National associations can organise friendly matches on single dates reserved for qualifying matches, e.g. if a national team is no longer entitled to participate in the qualifying round of the competition in question. The period of release will be of 48 hours. If a national team would like to organise a
friendly match on a date that is not reserved by the international calendar, the clubs will not be compelled to release the players. The players have to be released for the final round of certain tournaments, including the 14 days preparation period. The Committee agreed to the amendment of art. 36 of the Regulations, adapting it to the coordinated international match calendar.

Please rest assured that we will not fail to keep you informed as regards to the further developments on this subject and that we appreciate your kind attention to the above.

Yours faithfully,
FEDERATION INTERNATIONALE
DE FOOTBALL ASSOCIATION

Michel Zen-Ruffinen
General Secretary

Encl. as mentioned

cc:    - Executive Committee
       - Players’ Status Committee
       - Confederations