

Decision of the Single Judge of the sub-committee of the Dispute Resolution Chamber

passed on 18 June 2020,

regarding training compensation for the player Damir CETER VALENCIA

BY:

Daan de Jong (the Netherlands), Single Judge of the sub-committee of the Dispute Resolution Chamber

CLAIMANT:

Santa Fe, Colombia

RESPONDENT:

Cagliari Calcio, Italy

I. FACTS OF THE CASE

1. According to the player's passport issued by the Federación Colombiana de Fútbol (hereinafter: COLFUTBOL), the player, Damir Ceter Valencia, (hereinafter: *the player*), born on 2 November 1997, was registered with several of its affiliated clubs, including Sante Fe (hereinafter: *the Claimant*), as follows:

Clubs	Registration dates	Status	Type
Atletico Boca Juniors	08.05.2009 - 23.04.2014	Amateur	Permanent
Popayan	23.04.2014 - 05.01.2016	Non-Amateur	Permanent
Quindio	06.01.2016 - 02.01.2017	Non-Amateur	Permanent
Santa Fe	03.01.2017 - 31.12.2017	Non-Amateur	Loan

2. Pursuant to the information provided by the COLFUTBOL, the sporting seasons in Colombia follows the calendar year, *i.e.* the seasons start on 1 January and end on 31 December each year.
3. According to the information contained in the Transfer Matching System (hereinafter: *TMS*), the above-mentioned passport was uploaded to TMS when Cagliari Calcio (hereinafter: *the Respondent*) registered the player on 2 February 2018.
4. According to the information contained in the TMS, the Respondent belonged to the category I at the time the player was registered with the Respondent.
5. On 3 March 2020, the Claimant lodged a claim in front of FIFA claiming the payment of training compensation from the Respondent on the basis that the player, in January 2018, was transferred from the Colombian club, Quindio, to the Respondent. In particular, the Claimant is claiming the amount of EUR 89,506.85 from the Respondent, plus 5% interest as of the due date.
6. In this context, the Claimant argued that the player was registered with the Claimant on a loan basis during the season of his 20th birthday. In addition, the Claimant held that following the aforementioned transfer agreement and the subsequent registration with the Respondent on 2 February 2018, in accordance with its jurisprudence, the Dispute Resolution Chamber considers that "*a loan period and the time spent at the parent club (Former Club) have to be viewed as one entire timeframe*" and, therefore, despite the Claimant not being the player's former club *stricto sensu*, "*within the framework of loans, the period of time that the player was registered with A and the period of time that the player was registered with the Claimant on loan, should be considered as one entire timeframe.*"
7. For its part, the Respondent contested the Claimant's request as it first held that the claim was to be considered as barred by the statute of limitations in application of the *ratio legis* of the combined reading of art. 25 par. 5 of the Regulations on the Status and Transfer of Players

(hereinafter: *the Regulations*) and art. 3 par 2 Annex 4 of the Regulations, according to which the maximum extent of the "registration day" pursuant to the Regulations should be considered / limited to the last day of the registration of players in the second Italian Football Federation's (hereinafter: FIGC) registration period of the 2017/2018 season, i.e. 31 January 2018. As such, the International Transfer Certificate (hereinafter: ITC) having been delivered by the COLFUTBOL on 25 January 2018 and the FIGC having confirmed the receipt of the ITC on 2 February 2018, "*for reasons not depending on the Respondent, the claim was filed late*", i.e. on 3 March 2020.

8. Moreover, the Respondent sustained that the claim was to be considered as unfounded as it held that training compensation is only due by the player's new club to the player's former club, within the meaning of art. 3 of Annex 4 of the Regulations, which is not the Claimant in the present case.
9. In addition, the Respondent referred to the principle of the lack of standing to be sued as, in its opinion and in accordance with the transfer agreement concluded between the Respondent and Quindio, the Respondent included 100% of the training compensation in the transfer compensation paid by the Respondent to said player's former club. Therefore, the Respondent held that should any training compensation be awarded, Quindio received an overpaid amount and should as such be included in the present proceedings and be held liable to pay such training compensation to the Claimant or reimburse the overpaid amount to the Respondent.
10. Finally, the Respondent deemed that it had already honoured - although in favour of Quindio – all of its obligations pursuant to art. 3 par. 1 Annex 4 of the Regulations. As such, the Respondent rejected any liability with regard to a payment of interest and requested as well that the Claimant be held responsible to bear all costs and expenses in relation to the proceedings.

II. CONSIDERATIONS OF THE SINGLE JUDGE OF THE SUB-COMMITTEE OF THE DISPUTE RESOLUTION CHAMBER

1. First of all, the Single Judge of the sub-committee of the Dispute Resolution Chamber (hereinafter: *the Single Judge*) analysed whether he was competent to deal with the case at hand. In this respect, he took note that the present matter was submitted to FIFA on 3 March 2020 and the decision passed on 18 June 2020. Taking into account the wording of art. 21 of the June 2020 edition of the Rules Governing the Procedures of the Players' Status Committee and the Dispute Resolution Chamber (hereinafter: *the Procedural Rules*), the 2019 edition of the Procedural Rules is applicable to the matter at hand (cf. article 21 of the Procedural Rules).
2. Subsequently, the Single Judge referred to art. 3 of the Procedural Rules, which states that the Dispute Resolution Chamber shall examine its jurisdiction in light of arts. 22 to 24 of the Regulations (June 2020 edition). In accordance with art. 3 of Annex 6 in conjunction with art. 24 par. 3 and art. 22 lit. d) of the Regulations, the Single Judge is competent to decide on the

present dispute relating to training compensation between clubs belonging to different associations handled through TMS.

3. The Single Judge then referred to the argument of the Respondent, according to whom the present matter is barred by the statute of limitations pursuant to the Regulations. In this regard, the members of the Chamber referred to art. 25 par. 5 of the Regulations, according to which, *inter alia*, the Single Judge shall not hear any case subject to the said Regulations if more than two years have elapsed since the event giving rise to the dispute. The present claim having been lodged in front of FIFA on 3 March 2020 and the event giving rise to the dispute, that is, the non-payment of training compensation in accordance with the registration of the player with the Respondent on 2 February 2018, the Single Judge had to reject the respective argument of the Respondent and confirmed that the present petition was lodged in front of FIFA within said two years' period of time as, according to art. 3 par. 2 Annexe 4 of the Regulations, the deadline for the payment of training compensation equals to 30 days following the registration of the player with the new association, *i.e.* 4 March 2018. The matter is, thus, not barred by the statute of limitations in accordance with art. 25 par. 5 of the Regulations.
4. Furthermore, and taking into consideration that the player was registered with the Respondent on 2 February 2018, the Single Judge analysed which regulations should be applicable as to the substance of the matter. In this respect, he confirmed that, in accordance with art. 26 par. 1 and 2 of the Regulations, the March 2020 edition of the Regulations is applicable to the matter at hand as to the substance.
5. The competence of the Single Judge and the applicable regulations having been established, the Single Judge entered into the substance of the matter. The Single Judge started by acknowledging the above-mentioned facts of the case as well as the documentation on file. However, the Single Judge emphasized that in the following considerations he will refer only to the facts, arguments and documentary evidence which he considered pertinent for the assessment of the matter at hand. In particular, the Single Judge recalled that, in accordance with art. 6 par. 3 of Annexe 3 of the Regulations, FIFA may use, within the scope of proceedings pertaining to the application of the Regulations, any documentation or evidence generated or contained in the TMS.
6. First of all, the Single Judge recalled that, in accordance with the player's passport issued by the COLFUTBOL, the player, born on 2 November 1997, was registered with the Claimant on a loan basis as from 3 January 2017 until 31 December 2017. Equally, the Single Judge observed that after the loan with the Claimant had expired, the player returned to his club of origin, Quindio, *i.e.* the club with which the player was still contractually bound. Thereafter, in January 2018, the player was internationally transferred from Quindio to the Respondent on a definitive basis, the registration having occurred on 2 February 2018.
7. In continuation, the Single Judge took note that the Claimant asserted that it was entitled to receive training compensation from the Respondent in the amount of EUR 89,506.85 in view of the aforementioned registration of the player with the Respondent.

8. Equally, the Single Judge noted that the Respondent rejected the claim of the Claimant, arguing that the Claimant is not the player's former club in the sense of art. 3 par. 1 sent. 3 of Annexe 4 of the Regulations. In addition, the Respondent also stated that the part of training compensation due to the player's former clubs being part of the transfer compensation paid to Quindio, should any training compensation be awarded, Quindio should be included in the present proceedings and be held liable to pay such training compensation to the Claimant or reimburse the overpaid amount to the Respondent.
9. In this context, the Single Judge highlighted that the main issue in the present matter is whether or not a club that employed a professional player on loan is entitled to receive training compensation when, after the expiry of the loan, the professional returns to his club of origin, and, thereafter, is transferred from the club of origin to a club belonging to another association before the end of the season of the player's 23rd birthday.
10. In consideration of the above-mentioned issue, the Single Judge, and hereby referring to the rules applicable to training compensation, started by stating that, as established in art. 20 of the Regulations as well as in art. 1 par. 1 of Annexe 4 in combination with art. 2 of Annexe 4 of the Regulations, training compensation is payable, as a general rule, for training incurred between the ages of 12 and 21 when a player is registered for the first time as a professional before the end of the season of the player's 23rd birthday or when a professional is transferred between clubs of two different associations before the end of the season of the player's 23rd birthday. In case the latter occurs, art. 3 par. 1 sent. 3 of Annexe 4 of the Regulations sets forth that training compensation will only be owed to the player's former club for the time he was effectively trained by that club.
11. Furthermore, according to art. 10 par. 1 of the Regulations, a professional player may be loaned to another club on the basis of a written agreement between the professional and the club concerned. Moreover, the last sentence of said provision stipulates that any such loan is subject to the same rules which apply to the transfer of players, including the provisions on training compensation and the solidarity mechanism.
12. Following the above, the Single Judge stressed that one of the aims of the last sentence of art. 10 par. 1 of the Regulations is to ensure that training clubs which register a player on a loan basis also benefit from the solidarity mechanism and training compensation, provided that the relevant prerequisites in the pertinent provisions of the Regulations are fulfilled. This approach is also in line with the Dispute Resolution Chamber's well-established jurisprudence that all clubs which have actually contributed to the training and education of a player as from the age of 12 are, in principle, entitled to training compensation for the timeframe that the player was effectively trained by them.
13. In other words, the Single Judge emphasised that the nature of the player's registration with a club claiming training compensation, *i.e.* on a definitive or on a temporary basis, is in fact

irrelevant with respect to the question as to whether such club should be entitled to receive training compensation for the period of time that the player was effectively trained by that club.

14. In this respect and for the sake of good order, the Single Judge deemed it essential to emphasise that, as to the liability to pay training compensation, the analogy established in art. 10 par. 1 of the Regulations could not be extended to the case in which a player was loaned to another club and thus is not being definitively transferred to a new club. In other words, the transfer of a player from the club of origin to the club that accepts the player on loan as well as the return of the player from the club that accepted him on loan to the club of origin do not constitute a subsequent transfer in the sense of art. 3 par. 1 sent. 3 of Annexe 4 of the Regulations. The Single Judge was eager to point out that it could not have been the intention of the legislator of the relevant regulatory provision (art. 10 par. 1 of the Regulations) to trigger the consequences of art. 3 par. 1 of Annexe 4 of the Regulations on the occasion of a transfer on a loan basis and, thus, potentially depriving the loan of its essential flexibility and function of providing young players the opportunity to gain practical experience in another club in order to develop in a positive way, personally and, eventually, also for the benefit of the player's new club.
15. Following the above, the Single Judge pointed out that the obligation to pay training compensation thus arises in case a player is definitively transferred from one club to another club belonging to a different association, but not when he is temporarily transferred to another club while still being contractually bound to his club of origin (yet, with the effects of the relevant contract being temporarily suspended), such as a loan. Hence, the relevant entitlement can only be claimed towards a new club that acquires the services of a player on a definitive and permanent basis subject to the fulfilment of the prerequisites established in art. 20 and Annexe 4 of the Regulations.
16. As to the argument of the Respondent that the Claimant is not the former club in the sense of art. 3 par. 1 sent. 3 of Annexe 4 of the Regulations, the Single Judge wished to recall that art. 3 par. 1 sent. 3 of Annexe 4 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*". In this context, the Single Judge acknowledged that the Claimant was not the player's former club *stricto sensu*, however, the Single Judge pointed out that, within the framework of loans, the period of time that the player was registered with Quindio and the period of time that the player was registered with the Claimant on loan, should be considered as one entire timeframe. Any other interpretation would lead to the situation in which clubs accepting a player on loan would never be entitled to receive training compensation, even if they contributed to the training and education of players.
17. Bearing in mind the foregoing, the Single Judge deemed that the Respondent's interpretation of art. 3 par. 1 sent. 3 of Annexe 4 of the Regulations would clearly contravene the intention of the legislator of the Regulations according to which all training clubs shall, in principle, be rewarded for their efforts invested in training young players, including those clubs that have accepted players on a temporary basis.

18. Consequently, taking into account the above-mentioned considerations, the Single Judge concurred that it had to reject the Respondent's arguments and decided that the Respondent is liable to pay training compensation to the Claimant for the training of the player in accordance with art. 20 of the Regulations and art. 2 par. 1 lit. ii. and art. 3 par. 1 of Annexe 4 of the Regulations.
19. As a result, and considering art. 3 par. 1 sent. 2 of Annexe 4 of the Regulations, which stipulates that the amount payable is calculated on a *pro rata* basis according to the period of training that the player spent with each club, the Single Judge concluded that the effective period of time to be considered in the matter at stake corresponds to 363 days of the 2017 season, *i.e.* as from 3 January 2017 until 31 December 2017.
20. Furthermore, the Single Judge referred to the FIFA circular no. 1673 dated 28 May 2019 which provides details for the calculation of training compensation as well as to art. 5 par. 1 and par. 2 of Annexe 4 of the Regulations, which stipulate that as a general rule, to calculate the training compensation due to a player's former club, it is necessary to take the costs that would have been incurred by the new club if it had trained the player itself. In this respect, the Single Judge took into account that according to the documentation on file, the Respondent belonged to the club category I.
21. Consequently, the Single Judge decided that the Respondent is liable to pay training compensation to the Claimant in the amount of EUR 89,506.85.
22. Moreover, taking into consideration the Claimant's claim as well as art. 3 par. 2 of Annexe 4 of the Regulations, the Single Judge decided that the Respondent has to pay, in conformity with its longstanding practice, interest of 5% *p.a.* over the amount payable as training compensation as of the 31st day of the registration of the player with the Respondent on a definitive basis, *i.e.* as of 5 March 2018, until the date of effective payment.
23. At this point, the Single Judge recalled the Respondent's argument requesting, in case training compensation should be awarded to the Claimant, that the player's former club, Quindio, be included in the present proceedings and ordered either to pay such training compensation to the Claimant or to reimburse the overpaid amount to the Respondent. In consideration of said request, the Single Judge deemed it appropriate to reiterate his previous considerations contained in point II./9 to II./22 and, as such, the Single Judge drew the Respondent's attention to the possibility to lodge a claim in front of the Player Status Committee should it deem to be entitled to any payment.
24. In continuation, the Single Judge referred to art. 25 par. 2 of the Regulations in combination with art. 18 par. 1 of the Procedural Rules, according to which in the proceedings before the Dispute Resolution Chamber relating to disputes regarding training compensation, costs in the maximum amount of CHF 25,000 are levied. The costs are to be borne in consideration of the parties' degree of success in the proceedings.

25. However, in this respect, the Single Judge referred to art. 18 par. 1. ii. of the Procedural Rules according to which, for any claim lodged prior to 10 June 2020 which has yet to be decided, the maximum amount of the procedural costs shall be equivalent to any advance of costs paid. Thus, considering that no advance of costs was paid in this matter, no procedural costs can be awarded.
26. Thereafter, taking into account the consideration under number II./4. above, the Single Judge referred to par. 1 and 2 of art. 24bis of the Regulations, which stipulate that, with its decision, the pertinent FIFA deciding body shall also rule on the consequences deriving from the failure of the concerned party to pay the relevant amounts of outstanding remuneration and/or compensation in due time.
27. In this regard, the Single Judge pointed out that, against clubs, the consequence of the failure to pay the relevant amounts in due time shall consist of a ban from registering any new players, either nationally or internationally, up until the due amounts are paid and for the maximum duration of three entire and consecutive registration periods.
28. Therefore, bearing in mind the above, the Single Judge decided that, in the event that the Respondent does not pay the amount due to the Claimant within 45 days as from the moment in which the Claimant, following the notification of the present decision, communicates the relevant bank details to the Respondent, a ban from registering any new players, either nationally or internationally, for the maximum duration of three entire and consecutive registration periods shall become effective on the Respondent in accordance with art. 24bis par. 2 and 4 of the Regulations.
29. Finally, the Single Judge recalled that the above-mentioned sanction will be lifted immediately and prior to its complete serving upon payment of the due amounts, in accordance with art. 24bis par. 3 of the Regulations.

III. DECISION OF THE SINGLE JUDGE OF THE SUB-COMMITTEE OF THE DISPUTE RESOLUTION CHAMBER

1. The claim of the Claimant, Santa Fe, is accepted.
2. The Respondent, Cagliari Calcio, has to pay to the Claimant, EUR 89,506.85 as training compensation plus 5% interest *p.a.* as from 5 March 2018 until the date of effective payment.
3. The Claimant is directed to immediately and directly inform the Respondent of the relevant bank account to which the Respondent must pay the due amount.

4. The Respondent shall provide evidence of payment of the due amount in accordance with this decision to psdfifa@fifa.org, duly translated, if applicable, into one of the official FIFA languages (English, French, German, Spanish).
5. In the event that the amount due, plus interest as established above is not paid by the Respondent **within 45 days**, as from the notification by the Claimant of the relevant bank details to the Respondent, the following consequences shall arise:
 1. The Respondent shall be banned from registering any new players, either nationally or internationally, up until the due amount is paid and for the maximum duration of three entire and consecutive registration periods. The aforementioned ban mentioned will be lifted immediately and prior to its complete serving, once the due amount is paid. (cf. art. 24bis of the [Regulations on the Status and Transfer of Players](#)).
 2. In the event that the payable amount as per in this decision is still not paid by the end of the ban of three entire and consecutive registration periods, the present matter shall be submitted, upon request, to the FIFA Disciplinary Committee.

For the Single Judge of the sub-committee of the Dispute Resolution Chamber:



Emilio García Silvero

Chief Legal & Compliance Officer

NOTE RELATED TO THE APPEAL PROCEDURE:

According to article 58 par. 1 of the [FIFA Statutes](#), this decision may be appealed against before the [Court of Arbitration for Sport](#) (CAS) within 21 days of the notification of this decision.

NOTE RELATED TO THE 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 20 of the Procedural Rules).

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