Decision of the
Dispute Resolution Chamber

passed in Zurich, Switzerland, on 30 July 2014,
in the following composition:

Thomas Grimm (Switzerland), Deputy Chairman
Johan van Gaalen (South Africa), member
Theodore Giannikos (Greece), member

on the claim presented by the club,

Club L, from country P

as Claimant

against the club,

Club T, from country S

as Respondent

regarding training compensation in connection
with the player M
I. Facts of the case

1. According to the player passport issued by the country P Football Association, the player M (hereinafter: the player), born in May 1992, was registered with the Club L, from country S (hereinafter: the Claimant), as from 30 October 2006 until 31 December 2010 as an amateur.

2. The sporting season in country P during the period of time for which the player was registered with the Claimant started on 1 January and ended on 31 December of the same year.

3. According to a player passport issued by the country S Football Association and dated 16 April 2014, the player was registered with its affiliated club, Club T (hereinafter: the Respondent), on 4 September 2009 as an amateur and on 15 July 2010 as a "Non-Amateur".

4. Furthermore, the country S Football Association confirmed that the Respondent belonged to the category 3 (UEFA indicative amount of EUR 30,000 per year) during the seasons for which the player was registered with it.

5. In this framework, on 6 January 2012, the Claimant contacted FIFA asking for its proportion of training compensation from the Respondent, on the ground that the player had signed his first professional contract with the latter. In particular, the Claimant requested the amount of EUR 125,000 as training compensation.

6. In its reply to the claim lodged against it, the Respondent claimed that, on 16 July 2009, it had concluded a labour contract with the player valid as from 15 July 2009 until 30 June 2012 and therefore, the Claimant’s claim was time-barred. However, the Claimant submitted an employment contract dated 15 July 2010.

7. In this respect, the Respondent informed FIFA that it had initiated the player's registration with a request to the country S Football Association dated 29 July 2009, but that the country P Football Association had not issued the relevant ITC. Thus, the player was registered with the Respondent as a professional player on a provisional basis on 4 September 2009 and his registration became permanent on 15 July 2010. To corroborate its position, the Respondent enclosed an "International Player Passport" of the player issued by the country S Football Association on 21 November 2013, according to which the player was registered with the Respondent on 4 September 2009 as "amat./profess." and that he had a "contract from 15 July 2010".

8. Having been specifically asked by FIFA about the status of the player while registered with the Respondent on a provisional basis from 4 September 2009 until 14 July 2010, the country S Football Association confirmed that the player was registered as an amateur during the aforementioned period of time.
9. Having been asked by FIFA to provide the International Transfer Certificate (ITC) of the player, the country P Football Association confirmed that it never issued to the country S Football Association the relevant ITC of the player since it was never requested. Equally, upon FIFA’s request, the country S Football Association sent a copy of the ITC request dated 31 July 2009, allegedly sent to the country P Football Association.

II. Considerations of the Dispute Resolution Chamber

1. First of all, the Dispute Resolution Chamber (hereinafter also referred to as DRC or Chamber) analysed whether it was competent to deal with the matter at hand. In this respect, it took note that the present matter was submitted to FIFA on 6 January 2012. Consequently, the 2008 edition of the Rules Governing the Procedures of the Players’ Status Committee and the Dispute Resolution Chamber (hereinafter: the Procedural Rules) is applicable to the matter at hand (cf. art. 21 par. 2 and 3 of the 2008 and 2012 editions of the Procedural Rules).

2. Subsequently, the members of the Chamber referred to art. 3 par. 1 of the Procedural Rules and confirmed that in accordance with art. 24 par. 1 and 2 in combination with art. 22 lit. (d) of the Regulations on the Status and Transfer of Players (edition 2012), the DRC is competent to adjudicate on the present matter, since it concerns a dispute relating to the payment of training compensation between a country P club and a country S club.

3. At this point, the Chamber stated that prior to deliberating on the substance of the matter, the DRC must verify whether it would be able to deal with the present affair or not due to formal reasons. In particular, the Chamber took note of the formal objection of the Respondent, according to which the Claimant’s claim would be time-barred, taking into account that it allegedly signed a professional contract with the player already on 15 July 2009, registered him on a provisional basis on 4 September 2009 and the Claimant’s claim was only lodged on 6 January 2012.

4. In this context, the Chamber referred to art. 25 par. 5 of the Regulations (edition 2012), in connection with the Procedural Rules, which stipulates that the decision-making bodies of FIFA shall not hear any dispute if more than two years have elapsed since the event giving rise to the dispute arose and that the application of this time limit shall be examined ex officio in each individual case.

5. Subsequently, the members of the Chamber took note of the letter dated 16 April 2014 remitted to FIFA by the country S Football Association, in which the latter states that “the country S Football Association is able to confirm that the player Player M who was born in May, 1992 was registered in the period from September 4, 2009 to July 14, 2010 in [the Respondent] with the amateur status”.

6. At this point, the Chamber deemed it important to recall that, as a general rule, as established in art. 20 of the Regulations in connection with its Annexe 4, training compensation is payable, \textit{inter alia}, up to the end of the season of a player’s 23\textsuperscript{rd} birthday, for training incurred between the ages of 12 and 21, when a player is registered for the first time as a professional.

7. In this context and in respect of the Respondent’s allegation that it had, in fact, concluded an employment contract with the player already on 15 July 2009, the members of the Chamber wished to stress that, conversely to its allegations, the only contract enclosed to the Respondent’s reply was dated 15 July 2010. What is more and as pointed out above, the country S Football Association confirmed that the player was registered with the Respondent on 4 September 2009 as amateur and that it was only until 15 July 2010 when the player became professional.

8. Bearing in mind the previous considerations and the contents of art. 25 par. 5 of the Regulations, the DRC observed that the Claimant’s claim was lodged within two years as from the event giving rise to the present dispute, i.e. the non-payment of the training compensation following the player’s registration with the Respondent as a professional on 15 July 2010 and thus, it is admissible.

9. Having established that the Claimant’s claim is admissible, the Chamber went on to analyse which edition of the Regulations on the Status and Transfer of Players should be applicable as to the substance of the matter. In this respect, it confirmed that in accordance with art. 26 par. 1 and 2 of the Regulations on the Status and Transfer of Players (editions 2009, 2010 and 2012), and considering that the player was registered with the Respondent as professional on 15 July 2010, the 2009 edition of the Regulations on the Status and Transfer of Players (hereinafter: \textit{the Regulations}) is applicable to the matter at hand as to the substance.

10. The competence of the Chamber and the applicable regulations having been established, the Chamber entered into the substance of the matter and, in this respect, it started by acknowledging the argumentation and documentation presented by parties as to the substance. However, the Chamber emphasised that in the following considerations it will refer only to the facts, arguments and documentary evidence which it considered pertinent for the assessment of the matter at hand.

11. First of all, the Chamber recalled that the player, born in May 1992, was, according to the player passport provided by the country P Football Association, registered with the Claimant as from 30 October 2006 until 31 December 2010 as an amateur.
12. In continuation, the Chamber took note that the Claimant asserted that it was entitled to receive training compensation from the Respondent in the amount of EUR 125,000, since the player had signed his first professional contract with the Respondent before the end of the season of his 23\textsuperscript{rd} birthday.

13. Furthermore, the Chamber took note that the Respondent did not provide any arguments as to the substance in respect of whether it deemed that the Claimant was entitled to training compensation and it limited its defense to a formal aspect, which, as explained above, was rejected.

14. Bearing in mind the previous considerations, the DRC referred once again to the rules applicable to training compensation, and stated 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 par. 1 lit. i. 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 23\textsuperscript{rd} birthday.

15. On account of the above-mentioned, and since it was undisputed that the player was registered for the first time as a professional with the Respondent before the end of the season of his 23\textsuperscript{rd} birthday, the DRC decided that the Respondent is liable to pay training compensation to the Claimant in accordance with art. 20 and art. 2 par. 1 lit. i. in conjunction with art. 3 par. 1 of Annexe 4 of the Regulations.

16. Turning its attention to the calculation of the training compensation payable by the Respondent to the Claimant, the Chamber referred to art. 5 par. 1 and par. 2 of Annexe 4 of the Regulations, which stipulates 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. Furthermore, the Chamber referred to art. 5 par. 3 of Annexe 4 of the Regulations, which stipulates that to ensure that training compensation for very young players is not set at unreasonably high levels, the training costs for players for the seasons between their 12\textsuperscript{th} and 15\textsuperscript{th} birthday shall be based on the training and education costs for category 4 clubs. Equally, the Chamber referred to the second sentence of art. 5 par. 3 of Annexe 4 of the Regulations which states that the aforementioned exception shall not be applicable where the event giving rise to the right to training compensation occurs before the end of the season of the player’s 18\textsuperscript{th} birthday.

17. In this context, the Chamber wished to refer to FIFA Circular no. 1190 dated 20 May 2009 by means of which the members of FIFA were, inter alia, informed about the amended art. 5 par. 3 of Annexe 4, which came into force on 1 October 2009. Said FIFA Circular indicated that art. 5 par. 3 of Annexe 4 “now stipulates that where the event giving rise to the right to training compensation occurs
before the end of the season of the player's 18th birthday, the training costs for players for the seasons between their 12th and 15th birthdays (i.e. four seasons) shall no longer be based on the training and education costs of category 4 clubs, but on the category of the new club.”

18. Against this background, in particular since the aforementioned amendment of the pertinent article of Annexe 4 of the Regulations only came into force on 1 October 2009, the Chamber found that it cannot apply said amendment to the years of training and education of the player prior to the coming into force of the amended art. 5 par. 3 of Annexe 4, i.e. prior to 1 October 2009. In other words, the Chamber concurred that the said provision could not be applied retroactively and, consequently, decided that the second sentence of art. 5 par. 3 of Annexe 4 of the Regulations does not apply to the seasons during which the player was registered with the Claimant.

19. Having said this, the members of the Chamber acknowledged that the player passport issued by the country P Football Association provided that the player was registered with the Claimant as from 30 October 2006 until 31 December 2010. Nevertheless, the DRC noted that the country S Football Association confirmed that the player was already registered with the Respondent on a provisional basis and as an amateur as from 4 September 2009. Therefore, the Chamber decided that the period of time to take into account for the calculation of the training compensation is from 30 October 2006 until 3 September 2009.

20. In continuation, the Chamber took into account that the Respondent belonged to the category III within UEFA, which corresponds to the amount of EUR 30,000 per year, and that, as stated above, the player, born in May 1992, was registered with the Claimant as from 30 October 2006 until 3 September 2009, i.e. during 2 months of the season of the player’s 14th birthday, during the complete seasons of the player’s 15th and 16th birthday as well as during 8 months of the season of the player’s 17th birthday. In view of the foregoing, and considering art. 5 par. 3 of Annexe 4 of the Regulations, the Chamber decided that the Respondent has to pay the amount of EUR 61,666 to the Claimant as training compensation.

21. Lastly, the Chamber referred to art. 25 par. 2 of the Regulations in combination with art. 18 par. 1 of the Procedural Rules, according to which, in proceedings before the DRC relating to disputes regarding training compensation, costs in the maximum amount of currency of country H 25’000 are levied. It is further stipulated that the costs are to be borne in consideration of the parties’ degree of success in the proceedings and that, in accordance with Annex A of the Procedural Rules, the costs of the proceedings are to be levied on the basis of the amount in dispute.

22. In respect of the above, the Chamber held that the amount to be taken into consideration in the present proceedings is EUR 125,000 related to the claim of
the Claimant. Consequently, the Chamber concluded that the maximum amount of costs of the proceedings corresponds to currency of country H 15,000 (cf. table in Annex A).

23. As a result and considering the parties’ degree of success, the Chamber determined the costs of the current proceedings to the amount of currency of country H 15,000, of which the amount of currency of country H 5,000 shall be borne by the Claimant and the amount of currency of country H 10,000 by the Respondent.

III. Decision of the Dispute Resolution Chamber

1. The claim of the Claimant, Club L, is admissible.

2. The claim of the Claimant is partially accepted.

3. The Respondent, Club T, has to pay to the Claimant the amount of EUR 61,666 within 30 days as from the date of notification of this decision.

4. In the event that the aforementioned sum is not paid within the stated time limit, interest of 5% p.a. will fall due as of expiry of the stipulated time limit and the present matter shall be submitted, upon request, to FIFA’s Disciplinary Committee for consideration and a formal decision.

5. The final costs of the proceedings in the amount of currency of country H 15,000 are to be paid, within 30 days as from the date of notification of the present decision as follows:

5.1 The amount of currency of country H 5,000 by the Claimant. Given that the Claimant has already paid the amount of currency of country H 4,000 as advance of costs at the start of the present proceedings, the Claimant has to pay the additional amount of currency of country H 1,000.

5.2 The amount of currency of country H 10,000 by the Respondent.

5.3 The above-mentioned amounts have to be paid to FIFA to the following bank account with reference to case no.:

6. The Claimant is directed to inform the Respondent immediately and directly of the account number to which the remittance is to be made and to notify the Dispute Resolution Chamber of every payment received.
7. Any further claim lodged by the Claimant is rejected.

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Note relating to the motivated decision (legal remedy):

According to art. 67 par. 1 of the FIFA Statutes, this decision may be appealed against before the Court of Arbitration for Sport (CAS). The statement of appeal must be sent to the CAS directly within 21 days of receipt of notification of this decision and shall contain all the elements in accordance with point 2 of the directives issued by the CAS, a copy of which we enclose hereto. Within another 10 days following the expiry of the time limit for filing the statement of appeal, the appellant shall file a brief stating the facts and legal arguments giving rise to the appeal with the CAS (cf. point 4 of the directives).

The full address and contact numbers of the CAS are the following:

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For the Dispute Resolution Chamber:

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Jérôme Valcke
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Encl. CAS directives