

TO THE MEMBERS OF FIFA

Circular no. 1249

Zurich, 6 December 2010
SG/oon**Regulations on the Status and Transfer of Players – training compensation and the categorisation of clubs**

Dear Sir or Madam,

Referring to the above-mentioned subject, we are pleased to inform you that on the occasion of its meeting held at the Home of FIFA on 28-29 October 2010, the FIFA Executive Committee agreed to remind all member associations of certain principles and guidelines to be taken into account when they proceed to categorise their affiliated clubs for the purpose of training compensation.

Annexe 4, art. 4 par. 1 of the Regulations on the Status and Transfer of Players reads as follows:

“In order to calculate the compensation due for training and education costs, associations are instructed to divide their clubs into a maximum of four categories in accordance with the clubs’ financial investment in training players.”

After consultation with all stakeholders, i.e. associations, clubs and leagues as well as players’ associations, FIFA proceeded to assign the available categories to the various member associations. All associations are notified of the relevant collocation on a yearly basis by way of circular letter. The most recent communication of this kind was issued on 29 April 2010, by means of circular no. 1223.

The basis for assigning the various clubs to the different training categories was first established in the Regulations Governing the Application of the 2001 edition of the Regulations for the Status and Transfer of Players, and was once again brought to the attention of the member associations by means of circular no. 799 of 19 March 2002.

Despite no longer being explicitly included in the Regulations on the Status and Transfer of Players, the relevant principles still apply and have remained unchanged during recent years. Accordingly, when assigning their clubs to the various training categories available, the associations should proceed in full respect of the following criteria:

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Category 1 (top level, e.g. high-quality training centre):

- all first-division clubs of member associations investing on average a similar amount in training players.

Category 2 (still professional, but at a lower level):

- all second-division clubs of member associations in category 1 and all first-division clubs in all other countries with professional football.

Category 3:

- all third-division clubs of member associations in category 1 and all second-division clubs in all other countries with professional football.

Category 4:

- all fourth and lower-division clubs of the member associations in category 1, all third and lower-division clubs in all other countries with professional football and all clubs in countries with only amateur football.

There is some degree of flexibility in these guidelines. For example, a club in a lower division may be placed in a category with clubs of a higher division if it makes a similar investment to those clubs in training young players.

Furthermore, the FIFA Executive Committee acknowledged that in recent times, the Dispute Resolution Chamber (DRC) has been facing an increasing number of cases in which there has been a manifest discrepancy between the above-mentioned guidelines and the actual assignment of a specific respondent club (e.g. first-division clubs of associations without high-quality training centres but with established professional football being assigned to category 3 or even 4 instead of category 2). This tendency has to be seen in connection with the amendment to the Regulations on the Status and Transfer of Players, according to which, 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 (cf. Annexe 4, art. 5 par. 1 of the relevant Regulations). Furthermore, Annexe 4, art. 2 par. 2 ii. of the said Regulations establishes that no training compensation is due if the player is transferred to a category 4 club.

In such cases of manifest discrepancy, the DRC normally applies the training category in accordance with the guidelines, despite the fact that the member association concerned has indicated a different categorisation.

In view of the above, and while emphasising that proper categorisation of the various clubs is indispensable for a fair and well-functioning implementation of the entire training compensation system, the FIFA Executive Committee has deemed it appropriate to issue a directive authorising the DRC to refer the matter to the FIFA Disciplinary Committee for further investigation if the DRC deems that systematic, manifest abuse of the system might have taken place.

We thank you for your kind attention to the above.

Yours faithfully,
FEDERATION INTERNATIONALE
DE FOOTBALL ASSOCIATION



Markus Kattner
Deputy Secretary General

cc: - FIFA Executive Committee
- Confederations
- Players' Status Committee
- Dispute Resolution Chamber
- FIFPro

Legal team