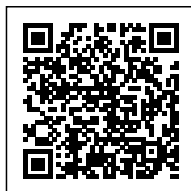


REFORMS IN THE FOOTBALL PLAYER TRANSFERS REGIME

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The FIFA Council, following the agreement of the Football Stakeholders Committee, approved important reforms in the player's transfer system. The first reform package was published by Circular no. 1654 of November 26, 2018 and consists

on the mandatory introduction by all the National Federations members of FIFA, of an "electronic transfer system in the national scope, in accordance with the principles of the model implemented for international transfers with the system of correlation of transfers (the ITMS), as well as a national system of electronic registration of footballers ".

The ITMS emerged with the objective of resolving the existing problems in the transfer market in terms of transparency, especially with regard to transfers made, monetary flows and international transfers of minors. To this end, FIFA launched this online platform to organize the international football transfer market, standardize and improve transparency based on the Regulations on the Statute and the Transfer of Players. Thus, a tool of obligatory use was set up by the National Federations affiliated to FIFA and the clubs involved in the international transfer of professional footballers.

In parallel, FIFA created the DTMS so that National Federations, Leagues and professional clubs could manage and supervise the player transfer market at a national level, generate statistics and reports, reduce the length of administrative processes and Store the required documents online safely.

The national version of the platform was configured as a tool of optional use that was offered to those National Federations that demanded its implementation. Under these parameters, only a small number of Federations joined the system. Among them, highlights the Netherlands Football Federation.

The reform operated by FIFA has the consequence that from the next months all national transfers will have to be made through the DTMS system. The effective date is not defined and will depend on the internal processes that National Federations and Leagues must carry out to implement the system at the national level.

In addition to the mandatory introduction of an electronic transfer and registration system at the national level, the Football Stakeholder Committee agreed to approve important principles that will be developed by FIFA in the foreseeable future.

The creation of a "clearing house" in order to ensure simplification of payments associated with transfers, such as those related to the solidarity mechanism (whose scope will be extended to national transfers with "international dimension", that is, to those national transfers of players that have been trained in another country) , training compensation, agent's commissions and, possibly, the amount of transfers. The idea is that the clearing house would act as an intermediary between the clubs in order to process payments.

Another important changes for the futures are the regulation of the player's agents activity and the limitation on the number of transfers per season, bridge transfers and subloans.

The amendments that FIFA pretends to introduce will substantially change the legal regime of football player's transfers, which will affect the terms on which clubs will negotiate and draft transfer contracts. In addition, the sports policy and business strategy of some clubs will be affected, as long as the temporary transfers of players could be limited. We refer both to the clubs that yield to many players and to those that feed on these players and prohibit bridge transfers and sub loans.

The novelties that FIFA will present in the following months are aimed at improving transparency in the market and reinforcing the solidarity and economic and competitive balance of the clubs and competitions. Laudable objectives by their nature and necessary for the improvement of the current framework of transfers, but will have to overcome the examination of the European competition law

and freedom of movement recognized in the Treaty on the Functioning of the Union European, as some stakeholders have put into question the legality of these possible future amendments.

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