

Future of professional football in Europe

European Parliament resolution of 29 March 2007 on the future of professional football in Europe (2006/2130(INI))

The European Parliament,

- having regard to the Helsinki Report of 10 December 1999¹ and to the Nice Declaration of 8 December 2000² on the specific characteristics of sport and its social function in Europe,
 - having regard to Articles 17 and III-282 of the Treaty establishing a Constitution for Europe (the Constitutional Treaty),
 - having regard to the UK Presidency initiative on European football, which resulted in the "Independent European Sport Review 2006",
 - having regard to the case-law of the Court of Justice of the European Communities (the Court of Justice), the Court of First Instance and the Commission's decisions in sports-related matters,
 - having regard to Rule 45 of its Rules of Procedure,
 - having regard to the report of the Committee on Culture and Education and the opinions of the Committee on Economic and Monetary Affairs, the Committee on Employment and Social Affairs, the Committee on the Internal Market and Consumer Protection and the Committee on Legal Affairs (A6-0036/2007),
- A. whereas the Commission has underlined in the Helsinki Report the need for a partnership between football's governing bodies and public authorities for the good governance of the game, which fully respects the self-regulatory nature of professional sport,
- B. whereas European sport, and football in particular, is an inalienable part of European identity, European culture and citizenship, and the European Football Model, characterised by open sports competitions within a pyramid structure in which several hundred thousand amateur clubs and millions of volunteers and players form the base for the top professional clubs, is the result of longstanding democratic tradition and grass-roots support in the community as a whole;
- C. whereas football plays an important social and educational role, and is an effective instrument for social inclusion and multicultural dialogue, and needs to play an active part in counteracting discrimination, intolerance, racism and violence, as many of such incidents are still taking place in and around stadiums, and whereas professional football clubs and leagues also play a vital social and cultural role in their local and national communities;

¹ COM(1999)0644.

² Presidency Conclusions, Nice European Council Meeting 7-9 December 2000, Annex IV.

- D. whereas professional football has both an economic and a non-economic dimension,
- E. whereas the economic aspects of professional football are subject to Community law, and the case-law recognises the specificity of sport and the social and educational role played by football in Europe,
- F. whereas it is thus the responsibility of the national and European political and sports authorities to ensure that, when Community law is applied to professional football, it does not compromise its social and cultural purposes, by developing an appropriate legal framework, which fully respects the fundamental principles of specificity of professional football, autonomy of its bodies and subsidiarity,
- G. whereas it was decided, in view of the growing importance of sport in the European Union's various policies (freedom of movement, recognition of qualifications, competition, health and audiovisual policies), to include sport in the Constitutional Treaty as an area of EU competence (under Articles 17 and III-282); and whereas the Constitutional Treaty has not been ratified by all of the Member States, and the Nice Declaration on sport in the EU alone is not sufficient to deal with the current problems, which go beyond national dimensions and accordingly call for European solutions,
- H. whereas the greater professionalisation and commercialisation of sport in general and football in particular has made EC law much more relevant in this area, a fact reflected in the growing number of cases pending before the Court of Justice and the Commission,
- this has greatly exacerbated the problem of legal uncertainty and the sectors concerned increasingly see an approach based solely on treating cases individually as inadequate, a view also documented in the study commissioned by a number of sports ministers in the EU Member States and recently published under the title 'Independent European Sport Review 2006',
 - it is not clear, for example, whether the Union of European Football Associations (UEFA) rule stipulating that teams must contain a minimum number of home-grown players, a provision which is extremely important for youth development, would, if it were reviewed by the Court of Justice, prove to be consistent with Article 12 of the EC Treaty,
- I. whereas as a result of this legal uncertainty, it is not clear either how much autonomy self-regulating bodies, such as UEFA, national associations and national leagues, enjoy and to what extent they are bound, when exercising their right to self-regulation and performing their regulatory function, by certain principles of Community law such as free movement, non-discrimination and competition rules,
- J. whereas this legal uncertainty is not only problematic in economic terms, but in particular in terms of the social, cultural and educational functions of football, and at the same time reduces the interest of fans and efforts to improve support, and undermines the principle of fair play,
- K. whereas a decision has been taken to include sport in the Constitutional Treaty as a matter of EU competence (Articles 17 and III-282) in order to give the EU powers to develop its European dimension,

- L. whereas professional football does not function like a typical sector of the economy and whereas professional football clubs cannot operate under the same market conditions as other economic sectors, because of the interdependence between sports opponents and the competitive balance needed to preserve the uncertainty of results, and whereas its various actors, including supporters, players, clubs, leagues and associations, do not operate as normal consumers or enterprises,
- M. whereas the future of professional football in Europe is threatened by the growing concentration of economic wealth and sports power,
- N. whereas the growing importance of revenues from the sale of broadcasting rights may undermine the competitive balance between clubs from different countries, as such revenues are largely determined by the size of national broadcasting markets,
- O. whereas for many decades professional football has increasingly been characterised by an international dimension and has equally been affected by different international regulatory and legislative regimes,
- P. whereas diverging national legislation and licensing criteria in Europe cause an uneven playing field, economically and legally, and this situation seriously hampers fair sports competition between teams in European leagues, and hence also between national teams,
- Q. whereas the participation of women in sport in general is still far below the level of men, whereas women are still under-represented in the sports decision-making bodies and whereas there are still cases of gender-discrimination in the remuneration of sports professionals,
- R. whereas, despite the fact that the *Bosman* ruling in 1995 had a positive effect on players' contracts and players' mobility - though a lot of employment-related and social problems remain to be solved - it also had several negative consequences for the sport, including an increased ability on the part of the richest clubs to sign up the best players, a stronger link between financial power and sporting success, an inflationary spiral in players' salaries, reduced opportunities for locally-trained players to express their talent at the highest level and reduced solidarity between professional and amateur sport,
- S. whereas many criminal activities (match fixing, corruption, etc.) are the result of the spiral of spending, salary inflation and the subsequent financial crises faced by many clubs,
- T. whereas the Commission has confirmed in formal decisions the compatibility of the collective selling of media rights with EC competition law,

General context

1. Stresses its attachment to the European Football Model, with its symbiotic relationship between amateur and professional football;
2. Points out the importance of the inter-linked national pyramid structures of European football, which nurture grassroots talent and competition because national leagues and competitions are also the route to European competitions, and a proper balance needs to

be struck between the national foundation of the game and the European level to enable football leagues and associations to co-operate efficiently;

3. Recognises the need for a joint effort by football governing bodies and political authorities at several levels to counter certain negative developments, such as excessive commercialisation and unfair competition, in order to ensure a positive future for professional football with exciting competitions, a high degree of identification of supporters with their clubs and wide public access to competitions by means of, among others, special ticket prices for young people and families, especially for major international matches;
4. Welcomes the work of the above-mentioned Independent European Sport Review 2006 and of the study commissioned by the European Parliament on "Professional Sport in the Internal Market", and calls on the Member States, European and national football governing bodies and the Commission in its forthcoming White Paper on Sport to continue the efforts initiated by the UK Presidency to assess the need for policy measures with due respect for the principle of subsidiarity by considering the principles and main recommendations of that Review;
5. Expresses its desire to avoid the future of professional football in Europe being solely determined on a case-by-case basis and to enhance legal certainty;
6. Agrees with the basic principle that the economic aspects of professional sport do fall within the scope of the EC Treaty, taking into account the specificity of sport as set out in the Nice Declaration; and considers that in this respect the consequential restrictive effects of a sporting rule are compatible with EU law, provided that the rule pursues a legitimate objective related to the nature and purpose of sport and that its restrictive effects are inherent in the pursuit of that objective and proportionate to it;
7. Calls on the Commission to develop guidance on how to apply this principle, and to start a consultation process with the European and national football authorities with the aim of setting up a formal framework agreement between the EU and the European and national football governing bodies;
8. Asks the Commission, in partnership with Parliament, the Member States and the European and national football governing bodies and other stakeholders, to include the principles and recommendations contained in this resolution in its forthcoming White Paper, and to establish an action plan for European sport in general and football in particular which sets out the issues for the Commission to deal with and the instruments to be used in order to enhance legal certainty and a level playing-field;
9. Asks the Commission to continue a structured dialogue with the football governing bodies, including national associations and leagues, and other stakeholders in order to overcome the problem of legal uncertainty;
10. Welcomes the success of and great interest in women's football in Europe and draws attention to its growing social significance;

Governance

11. Calls on all football governing bodies to better define and coordinate their competences, responsibilities, functions and decision-making procedures in order to increase their democracy, transparency and legitimacy, for the benefit of the entire football sector; invites the Commission to provide guidance on which legitimate and adequate self-regulation is supported, with due regard to national legislation and financial support for federations and associations which aims at developing and cultivating young footballers and the national team;
12. Calls on UEFA to involve representation organisations representing players, clubs and leagues in the decision-making process;
13. Believes that improved governance leading to more concerted self-regulation at national and European level will reduce the tendency to have recourse to the Commission and the Court of Justice;
14. Recognises the expertise and legitimacy of sporting tribunals insofar as they address citizens' right to a fair hearing, as laid down in Article 47(2) of the Charter of Fundamental Rights of the European Union;
15. Takes the view that applying to the civil courts, even when not justified in sports terms, cannot be penalised by disciplinary regulations; and condemns the arbitrary decisions by the Federation of International Football Association (FIFA) in this respect;
16. Asks UEFA and FIFA to accept in their statutes the right of recourse to ordinary courts, but recognises however that the principle of self-regulation implies and justifies the structures of the European sports model and the fundamental principles governing the organisation of sporting competitions, including anti-doping regulations and disciplinary sanctions;
17. Insists that the principle of proportionality is essential to all football governing bodies when exercising their self-regulatory power; and asks the Commission to ensure that this principle is applied in legal cases concerning sport;
18. Calls on FIFA to increase its internal democracy and the transparency of its structures;
19. Believes that the *Charleroi* case currently before the Court of Justice could seriously undermine the ability of small and medium-sized national football associations to take part in international competitions and threaten the vital investment in grassroots football made by national associations; in this respect, believes that clubs should release their players for national team duty without entitlement to compensation; encourages UEFA and FIFA, together with the European clubs and leagues, to reach an agreement on the conditions applicable to players who are injured while representing their countries and on a system of collective insurance being put into place;
20. Supports the UEFA club licensing system, which aims at ensuring a level playing-field between clubs and contributing to their financial stability, and calls on UEFA to further develop this licensing system in compliance with Community law in order to guarantee financial transparency and proper management;

21. Recommends a vigorous campaign by the national and European political and sports authorities to establish greater transparency and good governance in European professional football;
22. Supports efforts to protect the integrity of the game by ruling out conflicts of interests of major stakeholders in clubs or governing bodies;
23. Calls on the Commission to reflect, in consultation with football governing bodies, leagues and clubs, on the introduction of a European legal status for sports companies to take account of the economic activities of major football clubs whilst preserving their specific sports-related characteristics; such a status would make it possible to establish rules for monitoring the economic and financial activities of such companies; and for the involvement of supporters and community participation;
24. Asks Member States and football governing bodies to actively promote the social and democratic role of football fans who support the principles of fair play, by supporting the creation and development of Supporters' Trusts (in recognition of their responsibility) which could then be involved in the ownership and management of clubs, or through the appointment of a football ombudsman and specifically through extending the model of Supporters Direct at European level;
25. Asks UEFA to examine how supporters' organisations could be involved as important stakeholders when they are organised at European level and to examine the feasibility of a European Supporters Direct body;
26. Considers that professional footballers, their trade-union representatives and the clubs and leagues should be more closely involved in the governance of football through a better social dialogue;

Fight against criminal activities

27. Supports the efforts of the European and national football governing bodies to introduce greater transparency in the ownership structures of clubs and asks the Council to develop and adopt measures for the fight against the criminal activities that haunt professional football, including money laundering, illegal betting, doping and match fixing, and enforced prostitution on the sidelines of major football events;
28. Emphasises the need to ensure full compliance with transparency and money-laundering legislation by entities involved in the football sector;
29. Calls on Member States to introduce mechanisms fostering cooperation between clubs, the police and supporters' organisations, with a view to combating violence and hooliganism and other forms of delinquent behaviour before, during and after football matches and to exchange best practices;
30. Asks the Council to strengthen the coordination of preventive measures and sanctions concerning hooligans, also in relation to national games; calls in this respect on the Council to implement its Decision 2002/348/JHA concerning security in connection with football matches with an international dimension and if necessary to approve additional measures following recent violent incidents in and outside football stadiums;

31. Calls on Member States, Europe's footballing authorities and associations and leagues to conduct a major European-wide campaign to raise awareness among supporters, with a view to curbing violence inside and outside football grounds;

Social, cultural and educational role of football

32. Highlights the importance of education through sport and the potential of football to help get socially vulnerable youngsters back on track and asks Member States, national associations, leagues and clubs to exchange best practices in this regard;
33. Calls on the Commission and Member States also to support social inclusion projects by football clubs;
34. Expresses its clear support for the UEFA measures to encourage the education of young players by requiring a minimum number of home-grown players in a professional club's squad and by placing a limit on the size of the squads; believes that such incentive measures are proportionate and calls on professional clubs to strictly implement this rule;
35. Is convinced that additional arrangements are necessary to ensure that the home-grown players initiative does not lead to child trafficking, with some clubs giving contracts to very young children (below 16 years of age);
36. Points out that young players must be given the opportunity for a general education and vocational training, in parallel with their club and training activities and that the clubs should ensure that young players from third countries return safely home if their career does not take off in Europe;
37. Insists that immigration law must always be respected in relation to the recruitment of young foreign talent and calls on the Commission to tackle the problem of child trafficking in the context of Council Framework Decision 2002/629/JHA of 19 July 2002 on combating trafficking in human beings¹ and / or in the context of the implementation of Council Directive 94/33/EC of 22 June 1994 on the protection of young people at work²; points out that young players must be given the opportunity for a general education and vocational training in parallel with their club and training activity, so that they do not depend entirely on the clubs; calls for action to prevent the social exclusion of young people who are ultimately not selected;
38. Calls on the football governing bodies and the clubs to engage in the fight against human trafficking by
- subscribing to a European charter for solidarity in football, that commits subscribers to respect good practices concerning the discovery, recruitment and reception of young foreign football players;
 - the creation of a Solidarity Fund that would finance prevention programmes in countries most affected by human trafficking;

¹ OJ L 203, 1.8.2002, p. 1.

² OJ L 216, 20.8.1994, p. 12.

- reviewing Article 19 of the FIFA Regulations for the Status and Transfer of Players in relation to the protection of minors;
39. Underlines the important social and educational role of training centres and the vital role which they play in both the well-being of clubs and the future development of football talent, supports financial incentives for clubs with a training centre, provided such incentives are compatible with the Treaty rules on State aid, and asks the Commission to recognise this crucial role when developing guidelines on State aid;
 40. Stresses the need for an environment to be created in which young players can develop and be brought up in a spirit of honesty and fair play;
 41. Urges the Member States to introduce a gender perspective in all aspects of sports policies, with the aim of further reducing the continuing difference between men and women both in representation on sports bodies and in remuneration, as well as in actual participation in sport, thus equalising the personal and social benefits flowing from sport;

Employment and social issues

42. Regrets the differences in social and fiscal legislation between Member States, which cause imbalances between clubs, and the lack of willingness of Member States to solve this at European level;
43. Emphasises the importance of the mutual recognition of professional qualifications gained in another Member State in allowing the free movement of workers;
44. Believes that the current economic reality surrounding players' agents requires that football governing bodies at all levels, in consultation with the Commission, improve the rules governing players' agents; in this respect calls on the Commission to support UEFA's efforts to regulate players' agents, if necessary by presenting a proposal for a directive concerning players' agents which would include: strict standards and examination criteria before anyone could operate as a football players' agent; transparency in agents' transactions; minimum harmonised standards for agents' contracts; an efficient monitoring and disciplinary system by the European governing bodies; the introduction of an "agents' licensing system" and agents' register; and ending "dual representation" and payment of agents by the player;
45. Calls on UEFA and the Commission to intensify their efforts to strengthen the social dialogue at European level on issues such as the duration of contracts, the definition of the transfer window, possibilities for terminating a contract early and compensation for trainer clubs, as it can prevent and overcome tensions between players and employers;
46. Welcomes the move by FIFPro, UEFA and the European Professional Football Leagues (EPFL) to further players' rights by ensuring that players always are given written contracts with certain minimum requirements;
47. Acknowledges the need to implement employment legislation more effectively in all Member States to ensure that professional players are granted the rights they are entitled to and fulfil the obligations they comply with as employees;

48. Asks the Commission actively to support initiatives and campaigns to fight child labour in football-related industries and examine all political and legal possibilities to ensure that the rights of all workers, including children, are respected;

Fight against violence, racism, other forms of discrimination

49. Asks the Commission, the Member States and all those involved in professional football to accept, since the legal entitlement to a workplace free of racism and other forms of discrimination also applies to footballers, their responsibility for continuing and intensifying the fight against racism and xenophobia by condemning all forms of discrimination inside and outside the stadium; asks for stricter sanctions against any kind of discriminatory acts in football; asks UEFA and the national associations and leagues to apply disciplinary rules in a coherent, firm and coordinated manner, without neglecting the financial situation of clubs;
50. Also calls in this connection on the Commission, UEFA and other interested parties to take action on Parliament's Declaration of 14 March 2006 on tackling racism in football¹; compliments UEFA and FIFA on the tougher sanctions being incorporated in their statutes and for the measures being taken, and looks forward to further action by all the parties concerned in the football sector;
51. Calls on the Commission, UEFA and other interested parties not to allow other forms of discrimination, such as discrimination on grounds of sex, origin, sexual orientation or otherwise, to go unpunished inside and outside the football stadium;
52. Condemns all forms of violent behaviour in football stadiums, encourages Member States to apply the strictest measures at their disposal in order to reduce and eliminate all forms of violence on the sports field and expresses its support for the UEFA measures seeking to eradicate it;

Competition law and the internal market

53. Strongly believes that the introduction of a modulated cost-control system could be a way of enhancing financial stability and the competitive balance between teams, for instance when integrated into an updated club licensing system;
54. Considers that football must ensure the interdependence of competitors and the need to guarantee the uncertainty of results of competitions, which could serve as a justification for sports organisations to implement a specific framework on the market for the production and the sale of sport events; however, considers that such specific features do not warrant an automatic exemption from the Community competition rules for any economic activities generated by professional football, owing to the increasing economic weight of such activities;
55. Asks the Commission to draw up clear guidelines on the application of the State aid rules, indicating what kind of public support is acceptable and legitimate in order to fulfil the social, cultural and educational role played by football, such as financial or other support

¹ OJ C 291 E, 30.11.2006, p. 143.

granted by public authorities for the provision or updating of football stadiums or facilities;

56. Asks the Commission and the Member States to work closely with the international, European and national football governing bodies to reflect on the consequences of a possible liberalisation of the betting market and on mechanisms to secure the financing of sport in general and football in particular, and to look into measures which would protect the integrity of national and European football competitions;
57. Recognises the importance of trade marks in the sports industry except where they are used to impede the free movement of goods;
58. Notes that there is often a mismatch between the supply of, and demand for, tickets for major football events, which is beneficial to sponsors but detrimental to consumers; stresses that the interests of consumers should be fully taken into account when it comes to the distribution of tickets and that non-discriminatory and fair ticket sales should be guaranteed at all levels; acknowledges however that the distribution of tickets may, where appropriate, be restricted to members of supporters clubs, travel clubs or similar schemes, membership of which is available on a non-discriminatory basis;

Selling of television rights and competition law

59. Maintains that collective selling in all competitions is fundamental to protecting the financial solidarity model of European football; welcomes a public debate on and further investigation by the Commission into whether this model should be adopted across Europe for both pan-European and domestic competitions, as suggested by the Independent Sport Review 2006; in this respect, calls on the Commission to provide a detailed evaluation of the economic and sports impact of its relevant media rights decisions and the extent to which they have or have not worked;
60. Stresses that the sale of media rights vested in the European national football leagues should always comply with EC competition law, taking into account the specificity of sport, and be negotiated and completed in a transparent manner; but with that proviso believes that football broadcasts should be accessible to the widest possible range of people including through free-to-air channels;
61. Stresses that the merit of Article 3a of the current “Television without Frontiers Directive” 97/36/EC¹ can hardly be overestimated;
62. Points out that it is vital for professional football that the revenues from television rights be distributed in a fair way that ensures solidarity between the professional and amateur games, and between competing clubs in all competitions; notes that the current distribution of television revenues in the UEFA Champions League to a significant degree reflects the size of the clubs' national television markets; notes that this favours big countries, thereby diminishing the power of clubs from smaller countries;

¹ OJ L 202, 30.7.1997, p. 60.

63. Therefore invites UEFA together with the Commission to continue to examine mechanisms to create a more competitive balance in this field by increased redistribution;
64. Points out that the televised broadcasting of sports competitions is increasingly taking place on encrypted and pay TV channels, and that such competitions are thus becoming inaccessible to a number of consumers;

Doping

65. Recommends that the prevention of and fight against doping should constitute an important concern for the Member States; calls for a policy aimed at preventing and combating doping and stresses the need to fight irregularities through checks, research, testing, long-term monitoring by independent doctors and through education and, at the same time, prevention and training; calls on professional clubs to adopt a pledge to combat doping and to monitor compliance through internal checks;

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66. Instructs its President to forward this resolution to the Council, the Commission, the governments and the parliaments of the Member States, UEFA, FIFA, EPFL, European Club Forum and FIFPro.