



Enclosure 1

Explanatory notes on the FIFA Football Agent Regulations

Football agent, football agent services, representation agreements, representation/remuneration limitations, enforcement and disputes

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1. Introduction

This document aims to provide additional and relevant guidance to FIFA member associations and their stakeholders in relation to the main concepts in the new FIFA Football Agent Regulations (hereinafter the “FFAR”). Please consult the FFAR for the definitions of the terms used in this document.

2. What is a football agent?

A football agent is defined as a natural person licensed by FIFA to perform football agent services on behalf of a client with the purpose of concluding a transaction. Such a person may represent players, coaches, clubs, single-entity leagues and member associations (hereinafter “Clients”).

A transaction is:

- i. the employment, registration or deregistration of a player with a club or a single-entity league;
- ii. the employment of a coach with a club, single-entity league or a member association;
- iii. the transfer of the registration of a player from one club to another; or
- iv. the creation, termination or variation of an individual’s terms of employment.

Only individuals licensed by FIFA as football agents are permitted to provide football agent services to Clients.

3. What are football agent services?

Football agent services are defined as football-related services performed for or on behalf of a Client, including any negotiation, communication relating or preparatory to the same, or other related activity with the purpose, objective and/or intention of concluding a transaction.

4. How may a football agent perform football agent services for a Client?

A football agent may only perform football agent services for a Client after entering into a written “**representation agreement**” with that Client.

A representation agreement is “a written agreement [between a football agent and their Client] for the purpose of establishing a legal relationship to provide football agent services” (cf. Definitions in the FFAR) and must comply with the minimum requirements established in article 12 of the FFAR.

A representation agreement will only be valid if it is concluded in writing and if it contains the following minimum requirements:

- i. The names of the parties
- ii. The duration (if applicable)
- iii. The amount of service fee due to the football agent
- iv. The nature of the football agent services to be provided
- v. The parties’ signatures

FIFA will provide interested parties with a template of a recommended standard representation agreement.

5. Do the FFAR restrict the length of the representation agreement?

The period of validity of a representation agreement concluded between a player or a coach, as a Client, on one side, and a football agent, on the other, may not exceed two years. This term may be extended by a new representation agreement only. Any automatic renewal clause, or any other provision that purports to extend any term of the representation agreement beyond the maximum period, will be null and void.

In addition, a football agent may only execute one representation agreement with the same player or coach at any one time. Before entering into a representation agreement with a player or a coach, or before amending an existing representation agreement, the football agent must:

- i. inform the player or coach in writing that they should consider taking independent legal advice in relation to the representation agreement; and
- ii. obtain the player’s or coach’s written confirmation that they have either obtained or decided not to take such legal advice.

There is no maximum duration for representation agreements concluded between a club, member association or single-entity league as a Client, on one side, and a football agent, on the other. A football agent may enter into multiple representation agreements with such Clients at any one time, subject to those agreements relating to different transactions.

6. Who pays for the football agent services?

The client-pays model is introduced by the FFAR. This means that, as a general rule, a football agent will be paid directly by their Client(s) for providing football agent services to them.

However, a club, member association or single-entity league may agree with a player or coach to pay the agreed service fee to a football agent in accordance with the representation agreement, provided that the player's or coach's negotiated annual remuneration (excluding any conditional payments) is less than USD 200,000 (or equivalent) and where certain other conditions are met.

A football agent may receive a service fee only if the fee corresponds to the services stipulated in advance in a representation agreement, and the representation agreement is in force at the time of the relevant football agent services being performed.

7. Are there any limitations on the football agent's service fee?

Since the main objective of the FFAR is to protect the integrity of football and the proper functioning of the transfer system, a maximum service fee (hereinafter the "**Service Fee Cap**") is being introduced.

In that regard, the following Service Fee Cap applies based on the nature of the Client (cf. art. 15 of the FFAR):

Client	Service Fee Cap	
	<i>Individual's annual remuneration less than or equal to USD 200,000 (or equivalent)</i>	<i>Individual's annual remuneration above USD 200,000 (or equivalent)</i>
Individual	5% of the individual's remuneration	3% of the individual's remuneration
Engaging entity	5% of the individual's remuneration	3% of the individual's remuneration
Engaging entity and individual (permitted dual representation)	10% of the individual's remuneration	6% of the individual's remuneration
Releasing entity (transfer compensation)	10% of the transfer compensation	

8. How many Clients can a football agent represent in a single transaction?

One of the main objectives of the FFAR includes “limiting conflicts of interest to protect Clients from unethical conduct” (cf. art. 1 par. 2 c) of the FFAR). It is legitimate – and in fact necessary – for FIFA to limit conflicts of interest that give rise to integrity concerns, and indeed to prohibit unjustifiable conflicts of interest.

In that sense, the general principle is that a football agent may only perform football agent services on behalf of one party in a transaction, subject to the sole exception under which a football agent may perform football agent services and other services for an individual and an engaging entity in the same transaction, i.e. dual representation (cf. art. 12 par. 8 of the FFAR).

If a football agent wishes to provide football agent services through dual representation to both an engaging entity and an individual in the same transaction, they may only do so if both of their Clients have explicitly agreed to it in advance and in writing. In this case, the engaging entity may pay up to 50% of the total service fee due to the football agent.

This means that a football agent may not perform football agent services or other services in the same transaction for:

- i. a releasing entity and individual; or
- ii. a releasing entity and engaging entity; or
- iii. all parties of such transaction.

Other services are defined as “any services performed by a Football Agent for or on behalf of a Client other than Football Agent Services, including but not limited to, providing legal advice, financial planning, scouting, consultancy, management of image rights and negotiating commercial contracts” (cf. Definitions of the FFAR).

By way of illustration, if a football agent is performing football agent services or other services in a transaction for a releasing entity, they may not perform any of those services for any of the other parties to that transaction (engaging entity or individual).

9. Who has jurisdiction to resolve disputes between football agents and Clients?

As an important step in ensuring that any disputes concerning the football agent services are resolved fairly and equally for all participants in the transfer system, FIFA dispute resolution systems are being reintroduced under the FFAR for disputes arising out of, or in connection with, a representation agreement with an international dimension. In other words, FIFA will have jurisdiction to resolve disputes between football agents and Clients in relation to representation agreements with an international dimension.

A representation agreement will have an international dimension whenever:

- i. it governs football agent services related to a specified transaction in connection with an international transfer (or a move of a coach to a club affiliated to a different member association than their previous employer or the move of a coach to another member association than their previous employer); or
- ii. it governs football agent services related to more than one specified transaction, one of which is connected to an international transfer (or a move of a coach to a club affiliated to a different member association than their previous employer or the move of a coach to another member association than their previous employer).

The procedural costs for such disputes involving football agents and Clients will be free of charge before the Agents Chamber of the Football Tribunal.

Furthermore, please note that the Agents Chamber of the Football Tribunal will deal with any disputes as from 1 October 2023 and regarding representation agreements entered into by a football agent and Clients on or after the said date.

The decision-making body identified in the national football agent regulations of the relevant member association has jurisdiction to determine disputes arising out of, or in connection with, a representation agreement with no international dimension.

10. Who has competence to enforce further provisions of the FFAR?

In addition to the jurisdiction to resolve contractual disputes, FIFA will also have competence to enforce further provisions of the FFAR, regardless of the existence of a contractual dispute. This competence will notably concern the possible imposition of sanctions for behaviour in violation of the FFAR.

The competence to enforce such further provisions of the FFAR depends on the circumstances of each specific case and, in particular, on the nature of the conduct of the football agent and client. FIFA will generally have jurisdiction regarding:

- i. any conduct connected to a representation agreement with an international dimension (cf. art. 2 par. 2); and
- ii. any conduct connected to an international transfer or international transaction.

In other words, whereas the jurisdiction for contractual disputes generally depends on the existence of a representation agreement with an international dimension, the competence to enforce further provisions of the FFAR, notably to impose sanctions, is defined more broadly. It is triggered as soon as a specific case is connected to an international transfer or an international transaction.

On the other hand, the relevant member associations are responsible for enforcing their respective national football agent regulations and, as the case may be, imposing sanctions on any football agent or Client that violates such national football agent regulations.

This means that the relevant member association will have jurisdiction over:

- i. any conduct connected to a representation agreement without an international dimension (cf. art. 2 par. 3); or
- ii. any conduct connected to a national transfer or national transaction.

By way of illustration, if an agent acts in a purely national context, e.g. advises a player about signing their first employment contract with a club (not connected with an international transfer), this will fall within the remit of the respective national football agent regulations. Therefore, any breach of such regulations will fall within the competence of the concerned member association.

On the other hand, as soon as there is an international element (notably where a representation agreement has an international dimension and/or the conduct relates to an international transfer or international transaction), the FFAR will apply, and FIFA will have the competence to enforce the FFAR.

A table explaining which body has the competence to enforce the FFAR:

Conduct connected with	Competence
<p>Representation agreement with an international dimension</p> <p>International transfers or an international move of a coach</p> <p>Ongoing licensing requirements (Eligibility requirements, FIFA’s continuing professional development requirements, annual fee payment)</p>	<p>FIFA</p>
<p>Representation agreement without an international dimension</p> <p>National transfers</p> <p>First professional contract (not connected with an international transfer)</p> <p>Renegotiation of an employment contract in a purely domestic context</p>	<p>Member association</p>

11. When will the FFAR enter into force?

The FFAR will enter into force as follows:

- i. On 9 January 2023: articles 1 to 10 and articles 22 to 27, which generally relate to the processes for obtaining a licence
- ii. On 1 October 2023: the remaining articles, which generally relate to acting as a football agent and the obligations of football agents and Clients.

This means that the provisions that regulate how to become a football agent, i.e. the licensing procedure, will enter into force on 9 January 2023, while the provisions regarding the activity of football agents will enter into force only on 1 October 2023. This is to allow sufficient time for interested individuals to become fully licensed as football agents in accordance with the FFAR.

As from 1 October 2023, any individual who provides football agent services to a Client must hold a licence issued by FIFA in accordance with the FFAR. This means that intermediaries in the context of the FIFA Regulations on Working with Intermediaries will not be able to perform football agent services for Clients as from 1 October 2023.

12. How will member associations introduce their own national football agent regulations?

Each member association must implement and enforce national football agent regulations by 30 September 2023 with the aim of regulating the activity of football agents at national level. These national football agent regulations will apply to all representation agreements that have no international dimension (cf. arts 2 and 3 of the FFAR).

FIFA will make the relevant templates for the national football agent regulations available on www.fifa.com/legal. These can be used by member associations and will provide assistance in resolving any outstanding questions. Most of the member associations have already assigned a contact person to the FIFA Agents Department to deal with the licensing and regulatory matters concerning the FFAR.

Following the approval of the national football agent legal framework by 30 September 2023, the member associations are instructed to provide a copy of their domestic regulations to FIFA in one of the official FIFA languages. Any amendment or change to the national football agent regulations must be reported to FIFA in the same manner within 30 days of their approval. Upon request, member associations must provide FIFA with a copy of their national football agent regulations for review.

13. What about existing representation agreements?

A representation agreement that is in force at the time the FFAR are approved will remain valid until its natural expiry and may not be extended.

Any new representation agreements or renewals of existing representation agreements concluded after the FFAR are approved must comply with the FFAR as from 1 October 2023. In other words, where necessary, contractual terms will have to be amended to be in compliance with the FFAR as per 1 October 2023, to avoid possible sanctions. For the avoidance of doubt, FIFA will not enforce any commission claim in excess of the applicable service fee cap (or any decision granting such a claim), if such claim has been triggered after 1 October 2023, even if it is based on a contract concluded between the approval of the FFAR and 30 September 2023 (inclusive).

In any event, any person who has entered into any such existing representation agreement must obtain a licence pursuant to the FFAR to continue providing football agent services as from 1 October 2023 (cf. art. 22 par. 3 of the FFAR). Otherwise, they may not provide football agent services after that date.

14. What is the Football Agent Working Group?

FIFA will establish a Football Agent Working Group composed of representatives of professional football stakeholders and agent organisations, which will act as a permanent consultative body in relation to any football agent-related matters.