

EC CONFERENCE ON SPORTS AGENTS

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1. Over the last 17 years FIFA has developed its regulation on Players' Agents from absolute prohibition of the involvement of Agents (prior to the introduction of the 1994 edition of the FIFA Statutes) to strict regulation of the activity of Agents (in accordance with the 2008 edition of the FIFA Players' Agents Regulations).

Two years ago, FIFA announced that the current Regulations had failed.

This is, self-evidently, a very strong statement.

Why have the current Regulations failed so shortly after having entered into force? - we ask. According to FIFA, because only 25-30% of the transfers involved a licensed agent.

Again, we are forced to ask: why?

Has this got something to do with the fact that certain national associations – to whom FIFA has delegated powers - have neglected their duties to effectively enforce such Regulations and failed to sanction all those who had breached them?

This is certainly not the case of the French FA, for example, who over the last two decades has lodged more than 20 criminal complaints against unlicensed agents, but is sadly not the case of many others, in Europe and beyond, as FIFA surely knows.

2. The position of the EPFL in this respect is very clear. And FIFA knows it well!

Over the years, our Leagues have sought to eradicate the activities of unscrupulous and unregulated Agents.

However, under FIFA's new draft Regulations there will be **no restriction regarding the identity of these individuals, their credentials or qualifications, financial security or their ability to provide agency services to clubs and players**. It is therefore feared that the actions of unqualified, unregulated and unscrupulous intermediaries may further compromise the integrity of the game.

One could argue that, under the draft Standard Representation Contract between Clubs/Players and Intermediaries, the intermediaries undertake certain obligations and are requested to confirm that they have not been convicted of any criminal offense or similar infringement that would prevent them from performing this activity under the contract. But, whether this suffices, or not, is open to debate.

What's more, the new draft regulations on Intermediaries completely remove any contractual or regulatory relationship between the intermediary and the NA and/or FIFA. As result of this **there will be no legal basis for the enforcement of the regulations against the intermediaries** and, thus, no incentive from them to comply with the principles contained in the Regulations.

Right from the start to this process, the EPFL has considered that there must be some form of contractual and/or regulatory relationship between clubs, players, intermediaries/agents and the governing bodies. That's is why we have proposed to FIFA (already two years ago) that, at least, intermediaries should be obliged to register with the national association (or league as the case may be) of the country of domicile, but also with the national association of any country where the intermediary carries out business, so as to bring, within the national association's jurisdiction, the activity of intermediaries who operate within it.

We believe that, in the interests of transparency, a **harmonised registration system of Intermediaries, operated by NAs and/or leagues, is absolutely essential.**

In order to incentivize the registration of Intermediaries, as well as to ensure the aimed financial transparency, we have further proposed to FIFA that **all payments (either by a club or a player) should only be permitted to intermediaries who have registered on this basis.**

Also for transparency purposes, **the publication of the “registered Intermediaries” by the competent “registration authorities” should be imposed,** as well as the clubs and/or players they represent. This would certainly avoid many conflicts regarding who represents who...

Again, to improve the level of transparency in football transactions, **certain information relating to the contractual arrangements between clubs, players and Intermediaries should also be made publicly available.** Only last season, 80 million Pounds was paid by clubs to players' agents in England and 70 million Euros in Germany. The public knowledge of such amount will help to fight spiraling costs in this field ...

Additionally, we advocate that **payments to intermediaries should be made exclusively via the competent “registration authorities”** (e.g. the NAs/Leagues for domestic transfers and FIFA for international transfers). This implies the establishment of **clearing houses, both at national and international level,** to reinforce financial transparency and supervision, so that we are able to know who pays what to whom. Or, at least, the **introduction of payment matching systems.**

All these proposals and many other more were conveyed to FIFA in due time. We are glad that FIFA has given due consideration to our concerns and indeed incorporated a large number of our proposals into the latest version of the draft regulations on working with Intermediaries.

3. The position and experience voiced by our member Leagues is that this issue cannot be dealt with in isolation, and that only a **robust framework for the regulation of agents can deliver benefits for modern professional football.**

Only robust regulation can offer proper protection for players, in particular young players, and clarity for clubs and agents.

Only robust regulation can breed public confidence in how an aspect of the professional game, which has been perceived to be “murky”, is governed.

Only a robust regulatory framework – and not de-regulation!... – is capable of responding to the mounting problems experienced in this precise context. Problems that include:

- the juridical fragmentation of players (with sporting/federative rights, image rights and other economic rights), which is related to the so-called third party ownership and the increasing proliferation of players’ investment funds;
- alleged payments of secret commissions in connection to transfers deals;
- money laundering and tax evasion practices;
- economic exploitation of young footballers, especially from non-EU countries;
- unregulated headhunting/ recruitment of young players among training clubs; and
- other reprehensible practices identified by the Study commissioned by the EC.

4. I am a fervent supporter of the principle of autonomy and self-regulation of sport: I have always felt that sports bodies must assume accountability for their own affairs without any unnecessary intervention from Courts, political bodies and economic regulators. And I haven't changed my mind.

I understand the reasoning behind the proposals unveiled by my friend Ivo Belet earlier this afternoon. But, what is indisputable is that global problems call for global solutions. This means that, in our view, FIFA is still the best positioned organisation to govern this matter.

Nevertheless, we cannot ignore the existence of problems which sport bodies alone are not well equipped to effectively tackle. I refer specifically to the use of tax havens and off shores for illicit purposes and other practices that drain money out of sport and damage public and industry trust and confidence in the agency profession. This is clearly an area where public policy is welcome and indeed necessary. An area which calls for a firmer and more active stance from the EU institutions and national Governments. That's why I welcome the views and intentions announced by Madame Vassiliou at the opening session of this Conference.

In conclusion: FIFA was right to identify that its agents regulations were ineffective in certain jurisdictions, and of course, that this situation could not be allowed to persist. However, the way forward is to build upon this review of how the agency business should be regulated, and provide a new and robust framework of rules, so that national associations, leagues, clubs and players, as well as agents themselves, are able to conduct business in a diligent, transparent and responsible manner.

The challenge is difficult and complex.

Illegal betting and match-fixing also constitute a serious threat to football's long term interests and reputation. But, the whole sports movement is committed to tackle it. So, why should we tackle the problems surrounding the activities of agents with less motivation and less determination?

But time calls for action. Not hesitation.