# Observatoire Social Européen (2010) *European Sectoral Social Dialogue Factsheets.* Project coordinated by Christophe Degryse

www.worker-participation.eu/EU-Social-Dialogue/Sectoral-ESD

# PROFESSIONAL FOOTBALL

Workers' representatives	International Organisation of Professional Football Players' Associations – Division Europe (FIFPro) (1968)		
	http://www.fifpro.org		
Employers' representatives	European Professional Football Leagues (EPFL) (2005) <a href="http://www.epfl-europeanleagues.com/">http://www.epfl-europeanleagues.com/</a>		
	European Club Association (ECA) (2008) (formerly Forum of European Clubs (2002)) established and managed by UEFA)		
	http://www.uefa.com/		

# **Sectoral Social Dialogue Committee (SSDC)**

Informal working group:

**SSDC:** 1 July 2008 (36<sup>th</sup> sector)

Rules of procedure: 1 July 2008 Work programme: 2008-2009

## **General overview of sector**

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#### **GENERAL OVERVIEW OF SECTOR**

Many aspects of sporting activity, and more specifically of football, are covered by Community law: competition rules, freedom of movement, subsidies, broadcasting of TV images, etc. In 1995 the Bosman affair marked a major turning-point in the relationship between "employers" (clubs) and "workers" (players) in this sector.

European Union policy developments have affected the world of sport indirectly for many years: free movement for persons (and hence sportsmen/women), recognition of the qualifications of trainers, coaches and technical staff, broadcasting of televised images of sports events, safety in football stadiums, etc. What is more, sport has become big business, many aspects of which are covered by Community law (competition rules, subsidies, etc.). In the past few decades this sector, and more specifically football, has enjoyed growing popularity both as a physical activity and as a spectator sport; it has become increasingly international with the proliferation of international competitions; and its economic dimension has seen unprecedented growth, especially owing to the phenomenal increase in television rights. According to the European Commission, the "European football market" was estimated to be worth €13.6 billion in 2007.

A study by the audit company Deloitte describes football as a growth-generating sport: the total turnover of the top 20 clubs in the world – all of them European – rose by 6% between 2007 and 2008 to €3.9 billion ("Football Money League 2009", Deloitte). Thus, during the 2007/2008 season, *Real Madrid* generated income of €365.8 million (+21%), *Manchester United* €324.8 million (+21%) and *FC Barcelona* €308.8 million (+6%). European football seems well placed to withstand the economic crisis. Fans are not staying away from stadiums, and television rights have been secured in the large countries (United Kingdom, Germany, France and Spain). On the "workers'" (players') side, FIFPro represents more than 28,000 players in the European Union. Footballers are some of the most mobile professionals in Europe.

15 December 1995 was a key date in Europe. That was when the European Court of Justice delivered its ruling in the <u>Bosman affair</u>, named after a Belgian former professional footballer who brought a case against the transfer rules and limitations on foreign players established by UEFA (the Union of European Football Associations) and FIFA (the International Federation of Football Associations). Bosman contended that these rules, whereby a club could demand a fee when a player transferred to another club, restricted his freedom to choose his place of work and were therefore incompatible with the rules on competition and free movement for workers. The Court held in its ruling that the rules on footballers' transfer fees and the limitation on the number of Community players in matches between clubs (the nationality clause) infringed the Treaty of Rome, in that they were an obstacle to freedom of movement for workers. This ruling does not apply to transfer fees in the case of a player transferring from one club to another within the Member State of which he is a national, nor in relations between European and non-European clubs.

Pursuant to this ruling, no transfer fee may be demanded for a professional athlete who wishes to move from one country to another within the Union after the expiry of his/her contract. Through its ruling, the Court of Justice obliges clubs to grant their players the status of employees: when their contract expires, they may join any European club they wish without their former employer being entitled to demand a fee from the new club. This new situation, which benefits players, is causing clubs to scale back their investment in youth training schemes and has widened the gap between wealthy clubs and those that are less well-off. On the tenth anniversary of the Bosman ruling, most observers deemed its effects to have been "disastrous" (Europe Daily Bulletin, Agence Europe No. 9105, 10 January 2006).

Following on from the Court's ruling, the Commission forwarded to the European Council a report on "safeguarding current sports structures and maintaining the social function of sport within the Community framework" (COM(99) 0644 final, 10 December 1999). The report highlights several negative developments: the overloading of sporting calendars under the pressure of sponsors (which may be one of the causes of the expansion of doping); the increase in the number of lucrative sporting events, to the detriment of sporting principles and the social function of sport; the hazardous future facing young people who are being led into top-level competitive sport at an increasingly early age, often with no other vocational training, with the resulting risks for their physical and mental health and their subsequent switch to other employment; and, finally, the increase in the number of conflicts and court proceedings, a sign of growing tension: certain clubs contest the collective sale of television rights, there are differences in fiscal legislation, and hence in the taxation of professional sportsmen and women or of sporting clubs, complaints also concern the monopoly of federations on the organisation of sporting competitions, the ownership of several clubs by one person, etc.

In July 2007 the Commission adopted a White Paper on sport (<u>COM2007 391 final of 11 July 2007</u>), the first ever major Community policy initiative on sport, which calls *inter alia* for the inauguration of social dialogue in this whole sector. Football was the first sport to respond favourably.

## **PARTICIPANTS AND CHALLENGES**

Although it is still too soon to be able to assess the social dialogue in this sector, the minimum requirements applicable to professional players' contracts have already become an important subject of debate. The social partners' long-term aim is to reach agreement on minimum standards in areas such as health and safety, sickness insurance, education for young players, image rights, etc.

This sectoral social dialogue is of very recent date. Not until December 2007 did the International Organisation of Professional Football Players' Associations – Division Europe (FIFPro) and the European Professional Football Leagues (EPFL) jointly ask the Commission to establish a Sectoral Social Dialogue Committee in the sector. They received a favourable response on 13 March 2008, and the SSDC was inaugurated on 1 July 2008.

The SSDC comprises the associations which represent the players (FIFPro, representing more than 28,000 players in 20 Member States), the leagues (EPFL, representing a total of over 600 European clubs) and the football clubs (ECA, representing 103 of the top clubs, 67 of them currently based in EU Member States). The social partners invited UEFA to chair the SSDC.

Under the rules of procedure adopted on 1 July 2008, the aims of the social dialogue are to lobby the Commission, through joint opinions on European social and employment policies and any other policy affecting the sector, and also to draw up reciprocal commitments, via framework agreements referring explicitly to Articles 138 and 139 of the Treaty. The SSDC strives in addition to promote social dialogue within the sector. According to the Commission, the social partners in 11 Member States have already negotiated national collective agreements in this sector.

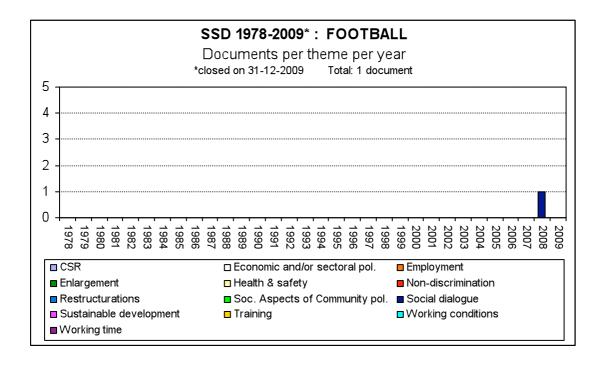
Annexed to the rules of procedure is the first work programme, for 2008-2009. The number-one topic of discussion is the minimum requirements for professional football players' contracts. The two sides undertake to exchange views and attempt to agree on minimum standards in areas such as health and safety at work, sickness insurance, education for young players, players' rights and obligations, dispute settlement and image rights.

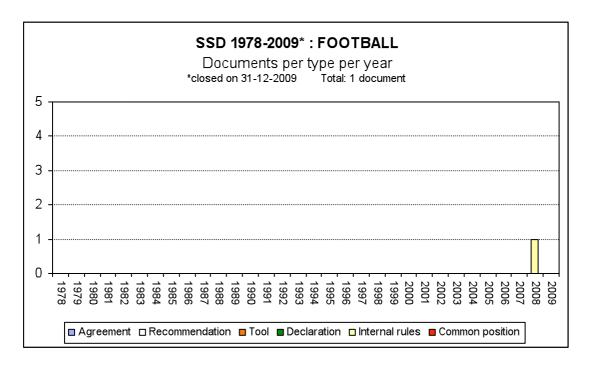
## **O**UTCOMES

The launch of the SSDC in the football sector is still too recent for a valid assessment to be made of it. The rules of procedure constitute the only text adopted so far.

## **JOINT TEXTS**

The "professional football" sectoral social dialogue has resulted, since 2008, in the adoption of 1 joint text.





Date	Title	Theme	Type	Addressee
01/07/2008	Rules of procedure for the European sectoral social dialogue committee in the professional football sector	Social dialogue	Rules of procedure	European social partners