



**Arbitration CAS 2018/A/5513 Sport Club Internacional v. Hellas Verona Football Club S.p.A., award of 25 February 2019**

Panel: Mr Marco Balmelli (Switzerland), President; Mr João Nogueira Da Rocha (Portugal); Mrs Svenja Geissmar (Germany)

*Football*

*Training compensation*

*Effects of loan transfers on the training compensation*

*Interpretation of the notion of “former club”*

*Debtor of the training compensation*

*Completion of training*

1. A loan period does not interrupt the period for which training compensation is due, a loan transfer *“does not breach the chain”*. The period of training compensation must be considered as one entire period during which the player was under contract with his club of origin. Therefore, the former club receives training compensation for the time before and the time after the loan. This “former main club” should however not receive compensation for a service it did not provide itself or at most indirectly through enabling the loan transfer. A club, to which a player is loaned while such player remains contractually bound to the loaning club and which thus effectively trains that player, is in principle entitled to training compensation from the club to which the player is transferred on a permanent basis corresponding to the period it provided training to the player, unless the loaning club can demonstrate that it bore the costs for the player’s training for the duration of the loan.
2. The notion of “former club” must not be interpreted *stricto sensu* to represent only the club to which a player was contractually bound during his/her time of training, but must include also the club(s) for which such player played on loan during this time. A strict literal interpretation of the principle of “former club” would lead to an inequitable position in which both loaning clubs and clubs taking players on loan would not receive training compensation in a manner which would fairly reflect their investment of time and expertise in developing players who are still training. Applying such a literal interpretation could therefore act as a dis-incentive both to clubs loaning out players and to clubs taking players on loan thus potentially inhibiting the development of many young players.
3. The new permanent club is the debtor of the training compensation. Another conclusion would lead to unreasonable results, forcing the club which takes the player on loan having to claim the training compensation from the club from which it obtained the player on a loan basis. Furthermore, loan transfers are often free of charge. In the end, a different approach would force the loaning club to not only receiving no

remuneration but to even have to pay for the loan.

4. **There are no specific criteria when exactly the training period can be considered terminated. It always has to be assessed on a case-by-case basis. Even though regular performance for a club's "A" team can trigger the end of a player's training, this does not necessarily constitute the only and decisive factor. There are further factors that are generally taken into consideration such as the player's value at a club, reflected in the salary a player is paid, in the loan fee that is achieved for his services or in the value of the player's transfer, the player's public notoriety at national and international level, his position at the club if established as a regular or even holding the captaincy, his regular inclusion in the national team and so forth. FIFA applies a strict approach as to the completion of training, so as not to jeopardise the right of training clubs to receive training compensation. The burden of proof to establish a completion of training lies with the party that claims it.**

## **I. PARTIES**

1. Sport Club Internacional (hereinafter referred to as the "Appellant") is a football club, with registered seat in Porto Alegre, Brazil. It is affiliated to the Brazilian Football Federation (CBF), which is a member of the Fédération Internationale de Football Association (FIFA).
2. Hellas Verona Football Club S.p.A. (hereinafter also referred to as "the Respondent") is a football club, with registered seat in Verona, Italy. It is affiliated to the Italian Football Federation (FIGC), which is a member of FIFA.

## **II. FACTUAL BACKGROUND**

### **A. Background Facts**

3. Below is a summary of the relevant facts and allegations based on the parties' written submissions. Additional facts and allegations found in the parties' written submissions and evidence may be set out, where relevant, in connection with the legal discussion that follows. While the Panel has considered all the facts, allegations, legal arguments and evidence submitted by the parties in the present proceedings, it refers in its Award only to the submissions and evidence it considers necessary to explain its reasoning.
4. In July 2016, the Player N. (hereinafter the "Player") joined the Appellant. This transfer happened before the end of the season of his 23<sup>rd</sup> birthday.
5. Before that, he was under contract with Udinese Calcio in Italy (hereinafter "Udinese"), which he joined in July 2013, having been transferred from AS Roma.
6. During his contract with Udinese, the Player played on loan for a few other clubs:

- Hellas Verona / the Respondent from 29 August 2014 to 30 June 2015
- Granada CF (Spain) from 10 August 2015 to 17 January 2016
- Nacional (Uruguay) from 26 January 2016 to 19 July 2016

7. The present dispute is about training compensation, a principle of the FIFA Regulations on the Status and Transfer of Players (“RSTP”). The Respondent claims to be entitled to training compensation as the Player was on loan with the Respondent during the contract with his last club before the relevant transfer to the Appellant. This view was also protected by FIFA, as will be shown below. The Appellant however claims that no training compensation is due as only one club can be entitled to such compensation and the Player in the case at hand was in addition already fully trained.

#### **B. Proceedings before the FIFA Dispute Resolution Chamber**

8. On 12 December 2016, the Respondent lodged a claim against the Appellant in the amount of USD 41’917.00 plus 5% interest as from 20 August 2016 corresponding to its proportion of training compensation before FIFA’s Dispute Resolution Chamber (the “DRC”).
9. On 19 June 2017, the Single Judge of the sub-committee of the DRC (the “Single Judge”) issued his decision (the “Appealed Decision”). In his merits, the Single Judge considered that transfers of a player from the club of origin to the club that accepts the player on loan as well as the return to the same club do not constitute subsequent transfers. With regard to training compensation, loan transfers count towards the same training period and do not represent separate transfers, but must still be protected for the purposes of training compensation. Training compensation can however only be claimed at the moment when a player is definitively transferred to another club.
10. Furthermore, he deemed that the effective time on the pitch and the further arguments put forward by the Appellant were not conclusive enough to establish the alleged completion of the training period in the present case. The Single Judge obliged the Appellant to pay USD 41’666.00 plus an interest of 5% p.a. as of 20 August 2016.
11. On 8 December 2017, the grounds of the Appealed Decision were notified to the parties.

#### **III. PROCEEDINGS BEFORE THE COURT OF ARBITRATION FOR SPORT**

12. On 22 December 2017, the Appellant filed both its Statement of Appeal and its Appeal Brief, listing both the Respondent and FIFA as Respondents with respect to the Appealed Decision, pursuant to Articles R48 and R51 of the Code of Sports-related Arbitration (the “CAS Code”).
13. On 15 January 2018, FIFA requested to be excluded as a Respondent to this procedure, stating however to remain at CAS’ disposal for any clarification.

14. On 17 January 2018, the Appellant accepted to exclude FIFA as a Respondent.
15. On 8 March 2018, the Respondent filed its Answer, pursuant to Article R55 of the CAS Code.
16. On 13 March 2018, the Appellant requested CAS to set to the parties a deadline to present their questions to FIFA.
17. On 14 March 2018, the CAS Court Office informed the parties that the Panel appointed to decide this matter had been constituted as follows:  
  
President: Dr. Marco Balmelli, Attorney-at-Law in Basel, Switzerland  
  
Arbitrators: Mr João Nogueira Da Rocha, Attorney-at-law in Lisbon, Portugal (nominated by the Appellant)  
Ms Svenja Geissmar, General Counsel in London, United Kingdom (nominated by the Respondent)
18. On 22 March 2018, the Panel granted the parties a deadline of 10 days to submit questions they intended to submit to FIFA. The parties sent their respective questions on 2 April 2018 (Appellant) and 3 April 2018 (Respondent).
19. On 4 April 2018 and again on 2 May 2018, CAS invited FIFA to provide answers to the questions submitted by the Parties.
20. On 8 May 2018, FIFA answered the questions providing a written answer and attaching various awards of the DRC. Its content was duly considered by the Panel and will be taken up in the merits if and where necessary.
21. On 28 May 2018, the parties were informed that a hearing was going to be held on 20 September 2018 and were at the same time given a deadline of 14 days to comment on FIFA's answers.
22. On 11 June 2018, the Appellant and the Respondent submitted statements on FIFA's answers to the questions posed by the parties.
23. On 28 June 2018, the Appellant requested the Panel to hear two expert witnesses during the hearing. On 3 July 2018, the Respondent objected to such request. On 8 July 2018, following consideration of the request and the Respondent's response, this request was then rejected by the Panel.
24. On 19 July 2018, the CAS Court Office, on behalf of the Panel, issued an Order of Procedure (the "OP"), which was returned signed by the Appellant on 14 June 2018 and by the Respondent on 18 June 2018, confirming that their right to be heard had been respected.
25. On 20 September 2018, a hearing was held in Lausanne, Switzerland. In addition to the Panel and Mr Antonio de Quesada, Counsel to the CAS, the following persons attended the hearing:

For the Appellant: Mr Daniel Cravo Souza and Mr Diego Eidelvein do Canto, both Attorneys-at-Law in Porto Alegre, Brazil, and Mr. Felipe Dallegrave Baumann, Head of the Legal Department of the Appellant.

For the Respondent: Mr Paolo Lombardi, Attorney-at-Law in Edinburgh, United Kingdom.

Furthermore, Mr Abdulwahhab Al Hinai, Ms Olga Braeuer and Mr Rozle Prezelj attended the hearing as observers.

26. No witnesses or experts were heard. The parties were afforded ample opportunity to present their case, submit their arguments and answer the questions posed by the Panel.
27. Before the hearing was concluded, both parties expressly stated that they did not have any objection to the procedure adopted by the Panel and that their right to be heard had been respected.
28. The Panel confirms that it carefully heard and took into account in the subsequent deliberations all of the submissions, evidence and arguments presented by the parties, even if they have not been specifically summarized or referred to in the present award.

#### **IV. SUBMISSIONS OF THE PARTIES**

29. The following outline of the parties' positions is illustrative only and does not necessarily comprise each and every contention put forward by the parties. The Panel, however, has carefully considered all the submissions made by the parties, even if no explicit reference has been made in what immediately follows. The parties' written submissions and the content of the Appealed Decision were all taken into consideration.

##### **A. Appellant**

30. The Appellant's position in these arbitration proceedings can be summarised as follows:
  - a) FIFA RSTP and its annex speak about "the former club" to which training compensation is due. It is obvious that this can only be one club and the Respondent in the present case was not the last club of the Player.
  - b) The interpretation of the Single Judge is *contra legem*. If this system was changed and training compensation had to be paid to several clubs, this would change the whole football transfer market.
  - c) Even if the Panel deemed that compensation was in principle due to the Respondent, it would not be entitled to it in the present matter as the Player had already completed his training at the time of the transfer to the Appellant.

31. The Appeal brief contained the following prayers for relief:

*"(...), the Appellant requests to the CAS:*

- (a) *To receive the present Appeal Brief, considering its timeliness, and to proceed with the present arbitration by granting to the First and the Second Respondents a time limit to answer to the appeal, in accordance with article R55 of the CAS Code;*
- (b) *In the remote event that the Panel understands that FIFA should not participate in the present arbitration as a party, to ask FIFA to file a normal clarification on the items “a”, “b” and “c” of the para 5. of this Appeal Brief and other relevant aspects related to the subject matter at hand, giving the Appellant and the First Respondent the possibility to propose the relevant questioning, occasionally, in case a hearing takes place, requesting the presence and testimony of a competent FIFA official;*
- (c) *to order the First Respondent to present, within this arbitration proceeding, the Player’s loan transfer agreement that it signed with Udinese Calcio, in view of its relevance to the demonstration of the end of the Player’s training period, as explained in para. 67 of this Appeal Brief and the amounts involved in his transfer and remuneration;*
- (d) *to issue a new decision which replaces the decision challenged, dismissing the claim filed by the First Respondent before the FIFA Dispute Resolution Chamber;*
- (e) *to condemn the First Respondent to solely bear with the costs established in the Appealed Decision;*
- (f) *to condemn the Respondents to solely bear with the costs of the present arbitration;*
- (g) *to order the Respondents to pay the Appellant a contribution towards the legal fees and other expenses incurred in connection with the present proceedings”.*

## **B. Respondent**

32. The Respondent’s main submissions on the other hand can be summarised as follows:

- a) According to long-standing jurisprudence, a loan period does not interrupt a player’s training period, for the sake of the calculation of training compensation.
- b) The Player was loaned to the Respondent while he was still under contract with Udinese as the former club. For the number of days he spent with the Respondent while still being under contract with Udinese, this part of the training compensation needs to be paid to the Respondent.

33. In its prayers for relief, the Respondent requests that CAS issues an award on the merits:

- a) *“REJECTING the Appellant’s requests in their entirety;*
- b) *CONFIRMING the FIFA Decision;*
- c) *ORDERING the Appellant to bear all procedural costs related to these proceedings;*
- d) *ORDERING the Appellant to cover the Respondent’s legal costs related to these proceedings, in an amount that will be deemed appropriate”.*

## V. JURISDICTION

34. Article R47 of the CAS Code states:

*“An appeal against the decision of a federation, association or sports-related body may be filed with CAS if the statutes or regulations of the said body so provide or if the parties have concluded a specific arbitration agreement and if the Appellant has exhausted the legal remedies available to it prior to the appeal, in accordance with the statutes or regulations of that body ...”.*

35. The jurisdiction of CAS, which is not disputed, derives from Article 58 para. 1 of the FIFA Statutes (the “FIFA Statutes”) as it determines that “[a]ppeals against final decisions passed by FIFA’s legal bodies and against decisions passed by Confederations, Members or Leagues shall be lodged with CAS within 21 days of notification of the decision in question”.

36. The jurisdiction of CAS is further confirmed by the Order of Procedure duly signed by the parties.

37. It follows that CAS has jurisdiction to decide on the present dispute.

## VI. ADMISSIBILITY

38. Article R49 of the CAS Code provides as follows:

*“In the absence of a time limit set in the statutes or regulations of the federation, association or sports-related body concerned, or of a previous agreement, the time limit for appeal shall be twenty-one days from the receipt of the decision appealed against. After having consulted the parties, the Division President may refuse to entertain an appeal if it is manifestly late”.*

39. The grounds of the Appealed Decision were notified to the parties on 8 December 2017. The Appellant filed its Statement of Appeal serving as Appeal Brief on 22 December 2017 and therefore within the 21-day-period set out in the FIFA Statutes. The Appeal filed by the Appellant is accordingly admissible.

40. According to Article R51 of the CAS Code, the Appellant needs to specify the name(s) of any witnesses or experts, it intends to call, in its written submissions. After the submissions, this is only possible if the other party agrees or the Panel orders so on the basis of exceptional circumstances.

41. By letter dated 28 June 2018, the Appellant presented two experts more than half a year after the Appeal Brief was submitted. One might consider its request as a reaction to FIFA’s answer to the question of the parties. In the case at hand however, the Appellant reacted to these answers with a written statement already on 11 June 2018, only to produce another statement a few days later, including said request.

42. The Appellant presented no reason why this request could not have been made at an earlier stage in the proceedings and it must therefore be inadmissible. The Panel furthermore does

not see how the proposed experts could have added substantive and sufficiently independent evidence to this case, which is why exceptional circumstances could not be substantiated. The request by the Appellant was consequently rejected.

## VII. APPLICABLE LAW

43. Article R58 of the CAS Code provides as follows:

*“Law Applicable to the merits*

*The Panel shall decide the dispute according to the applicable regulations and, subsidiarily, to the rules of law chosen by the parties or, in the absence of such a choice, according to the law of the country in which the federation, association or sports-related body which has issued the challenged decision is domiciled or according to the rules of law that the Panel deems appropriate. In the latter case, the Panel shall give reasons for its decision”.*

44. The Panel notes that Article 57 par. 2 of the FIFA Statutes stipulates the following:

*“The provisions of the CAS Code of Sports-related Arbitration shall apply to the proceedings. CAS shall primarily apply the various regulations of FIFA and, additionally, Swiss law”.*

45. The Panel considers that the parties agreed that any dispute shall be resolved in accordance with the FIFA Statutes and the Regulations on the Status and Transfer of Players (edition 2016) (the “RSTP”). As the Player was registered with the Appellant on a definitive basis on 20 July 2016, the 2016 edition of the Regulations on the Status and Transfer of Players is applicable to the matter at hand. Consequently, the Panel will decide the present dispute primarily in accordance with the RSTP and, subsidiarily, apply Swiss law in case of any gap in the RSTP.

## VIII. MERITS

### A. Legal framework

46. Before entering into the merits, it is worth recalling the pertinent legal articles for the case at hand:

a) Art. 10 para. 1 RSTP: Loan of professionals

*“A professional may be loaned to another club on the basis of a written agreement between him and the clubs concerned. Any such loan is subject to the same rules as apply to the transfer of players, including the provisions on training compensation and the solidarity mechanism”.*

b) Art. 20 RSTP: Training compensation



*“Training compensation shall be paid to a player’s training club(s): (1) when a player signs his first contract as a professional, and (2) each time a professional is transferred until the end of the season of his 23rd birthday. The obligation to pay training compensation arises whether the transfer takes place during or at the end of the player’s contract. The provisions concerning training compensation are set out in Annexe 4 of these regulations. (...)”*

c) Art. 1 para. 1 of Annexe 4 of the RSTP:

*A player’s training and education takes place between the ages of 12 and 23. Training compensation shall be payable, as a general rule, up to the age of 23 for training incurred up to the age of 21, unless it is evident that a player has already terminated his training period before the age of 21. In the latter case, training compensation shall be payable until the end of the season in which the player reaches the age of 23, but the calculation of the amount payable shall be based on the years between the age of 12 and the age when it is established that the player actually completed his training.*

d) Art. 2 of Annexe 4 of the RSTP:

*“1. Training compensation is due when:*

- i) a player is registered for the first time as a professional; or*
- ii) a professional is transferred between clubs of two different associations (whether during or at the end of his contract) before the end of the season of his 23rd birthday.*

*2. Training compensation is not due if:*

- i) the former club terminates the player’s contract without just cause (without prejudice to the rights of the previous clubs); or*
- ii. the player is transferred to a category 4 club; or*
- iii. a professional reacquires amateur status on being transferred”.*

e) Art. 3 para. 1 of Annexe 4 of the RSTP:

*“On registering as a professional for the first time, the club with which the player is registered is responsible for paying training compensation within 30 days of registration to every club with which the player has previously been registered (in accordance with the players’ career history as provided in the player passport) and that has contributed to his training starting from the season of his 12th birthday. The amount payable is calculated on a pro rata basis according to the period of training that the player spent with each club. In the case of subsequent transfers of the professional, training compensation will only be owed to his former club for the time he was effectively trained by that club”.*

## B. The system of training compensation

47. The rules for training compensation are set out in the articles mentioned above. The rationale for FIFA's training compensation system is to ensure that training clubs are adequately rewarded for the efforts and costs they have invested in training young players.
48. In the case at hand, the Panel has to deal with the effects of loan transfers on training compensation. It is undisputed that a loan period does not interrupt the period for which training compensation is due, a loan transfer "*does not breach the chain*" (cf. *inter alia* CAS 2013/A/3119; CAS 2014/A/3710).
49. It was also confirmed by CAS and FIFA that the former club receives training compensation for the time before and the time after the loan (cf. CAS 2014/A/3620). In the present case, Udinese therefore received training compensation for the time before and after the player was on loan at different clubs. This of course counts only for loan transfers – it would be judged differently if the Player was transferred to another club on a permanent basis and then returned again to his former club.
50. The main question in this case relates to the club to which the Player is loaned and is as follows: What happens with the club to which the player was loaned while such player remains contractually bound to the loaning club as well? Is this club to which the Player was loaned entitled to training compensation for the time the Player was under a loan contract with it and if yes, from which club should said club receive the training compensation?
51. In CAS 2015/A/4335, the case turned exactly on these questions. As this case has in fact the identical constellation between the parties as the present matter, the Panel deems it useful to quote an important part of the award:
- "57. It is now well established that the loan of a player to another club does not interrupt the continuing training period of the player. Assume for example that, as per the terminology adopted above, Club 1 loans out a player to Club 2. It then sells the player to Club 3. In this case, Club 1 should be compensated only for the time that it provided training to the player itself, and not for the time that the player was being effectively trained by Club 2. **For that time, that is time of training with Club 2, it is Club 2 that has the right to be compensated in terms of being paid a training compensation by Club 3.** As a consequence, the club, which transferred the player on a loan basis to another club, is entitled to training compensation for the period of time during which it effectively trained the player, however excluding the period of time of the loans to the other club (CAS 2014/A/3710 and reference; CAS 2013/A/3119)"* (emphasis added).
52. Applying this to the case at hand, the Respondent would be Club 2 while the Appellant would be Club 3. The CAS 2015/A/4335 award makes a very clear award and contains the same situation as in the present case. It follows from this jurisprudence that the club to which the Player was loaned, i.e. the Respondent, has a right to claim training compensation from the club to which the Player is transferred on a permanent basis, i.e. the Appellant. Furthermore, this approach reflects the actual and long-standing FIFA jurisprudence.

53. An older CAS award held it differently than in the CAS 2015/A/4335 award, estimating that the payment of training compensation should be made in respect to the former club only for the period of the last cycle of registration with that club, i.e. the time at that club after his return from the loan (CAS 2012/A/2908).
54. To put it with even greater clarity, the situation in the case at hand will be explained in further detail: For the sake of training compensation and in accordance with the RSTP, the contract of the Player with Udinese lasted about three years. During this time, the Player was always contractually bound to Udinese. These three years represent the time period for which training compensation is in principle due as this is the “former club” of the Player.
55. If, however, the Player played on loan for other clubs during this time, it does not change the overall amount of training compensation as this period has to be viewed as one entire period, since the Player remained contractually bound to one club, Udinese, during this entire period. The notion of a “former club” must not be interpreted *stricto sensu* but rather according to the principles set out above. To further strengthen this analysis, it needs to be emphasized that no permanent transfer of the Player to any other third party club occurred during this entire period.
56. A strict literal interpretation of the principle of “former club” would lead to an inequitable position in which both loaning clubs and clubs taking players on loan would not receive training compensation in a manner which would fairly reflect their investment of time and expertise in developing players who are still training. Applying such a literal interpretation could therefore act as a dis-incentive both to clubs loaning out players and to clubs taking players on loan thus potentially inhibiting the development of many young players.
57. Contrary to what the Appellant suggests, a loan transfer almost always contains an educational element, especially with young players, and cannot be considered in the same way as a regular, permanent transfer. The original club also usually carefully picks the club where such a player is placed in order to safeguard the best possible development for the player’s further career. The system of training compensation and loan transfers in fact often rest upon the same underlying goal, the education and training of young players. Ensuring that the training clubs which register players on a loan basis benefit from the training compensation mechanism was also one of the main goals of the legislator while drafting Art. 10 para. 1 RSTP.
58. In the end, this is a question of distribution only. It was pointed out above that the period of training compensation must be considered as one entire period during which the player was under contract with his club of origin. This “former main club” should however not receive compensation for a service it did not provide itself or at most indirectly through enabling the loan transfer. A club, to which a player is transferred on loan and which thus effectively trains that player, is in principle entitled to training compensation corresponding to the period it provided training to the player, unless the loaning club can demonstrate that it bore the costs for the player’s training for the duration of the loan (CAS 2008/A/1705).
59. In this regard, the CAS 2015/A/4335 award further holds very clearly that the new permanent club is the debtor of the training compensation (cf. para. 50 above). Another conclusion would

lead to unreasonable results, forcing the club which takes the player on loan having to claim the training compensation from the club from which it obtained the player on a loan basis.

60. Furthermore, loan transfers are often free of charge. In the end, a different approach would force the loaning club to not only receiving no remuneration but to even have to pay for the loan. The CAS 2015/A/4335 award is in this regard more pertinent, as it reflects the fundamental idea of youth development and training compensation. As a consequence, the majority of the Panel sees no reason to depart from this jurisprudence. The Respondent is therefore entitled to claim training compensation from the Appellant.
61. As the conclusion followed by the Panel is also in accordance with a long-standing jurisprudence of FIFA, the argument of the Appellant, that such an approach could materially change the dynamics of the loan and transfer market, is unsubstantiated. Clubs are aware of how the current transfer system operates in accordance with the applicable regulations, even if the ones regarding training compensation could be drafted in a clearer way, and longstanding jurisprudence and therefore calculate the relevant fees and expenses accordingly when entering into a transfer agreement. If the Appellant omitted to do so in the case at hand, it cannot be imposed on the training club, i.e. the Respondent, to bear the consequences. It is rather the other way round: the approach suggested by the Appellant would be the one to totally change how the transfer market currently operates.
62. Contrary to the Appellant's view, the jurisprudence of FIFA is in fact consistent and always was since the implementation of the relevant applicable rules. To have a consistent jurisprudence does not necessarily mean that there are a lot of awards – a low number of cases might as well speak for a wide acceptance of a rule.
63. The Panel therefore arrives at the conclusion that the Respondent has a right to training compensation for the period of development/education provided under the applicable FIFA rules, provided that there was no principle of exception applicable, as will be examined below. Such training compensation must be claimed from the club to which the player is transferred on a permanent basis, i.e. the Appellant.

### **C. Completion of training**

64. The Appellant further stresses that the Player in any case had already completed his training period at the time of the transfer to the Respondent. According to Art. 1 para. 1 of the Annexe 4 of the RSTP, training compensation is not due if *“it is evident that a player has already terminated his training period before the age of 21”*.
65. There are no specific criteria when exactly the training period can be considered terminated. It always has to be assessed on a case-by-case basis. In the award CAS 2008/A/1705, key factors to be looked at were listed (cf. para. 43):

*“However, even though regular performance for a club's “A” team can trigger the end of a player's training, this does not necessarily constitute the only and decisive factor for the completion of a player's training. There are further factors that are generally taken into consideration such as the player's value at a club, reflected in*

*the salary a player is paid, in the loan fee that is achieved for his services or in the value of the player's transfer, the player's public notoriety at national and international level, his position at the club if established as a regular or even holding the captaincy, his regular inclusion in the national team and so forth".*

66. This approach was confirmed by CAS in further awards (e.g. CAS 2014/A/3553).
67. The burden of proof to establish a completion of training lies with the party that claims it (FIFA circular no. 801; CAS 2014/A/3553 as cited below):
- "The burden of proof for any earlier completion of a player's training period lies with the party that is arguing the earlier completion. The FIFA Dispute Resolution Chamber and the CAS have adopted a strict approach when establishing the early completion of the player's training before the age of 21".*
68. The demanded case-by-case analysis requires a recapitulation of the player's career up to that point. In the present matter, the Appellant presents the following arguments as to why the training period should be deemed completed:
- With Roma and Udinese, the Player played for two big clubs in one of the biggest leagues. His market value rose from EUR 500'000 (January 2012) to EUR 3'500'000 (July 2014). The Respondent also had the possibility to buy the Player at a sum of EUR 18'000'000. The Player did not appear in many matches for these two clubs, but this is only due to the fact that he was the direct replacement for the respective club legends Francesco Totti and Antonio Di Natale.
  - At international level the Player was also top scorer of the South American U20-Championship and led Uruguay to the final of the U-20 World Cup in 2013 where he was also elected second best player of the entire tournament. The only reason why he was not summoned to the 2014 World Cup in Brazil is that Uruguay has other world class strikers.
69. The Respondent on the other hand presented the following points:
- The Player played 57 minutes in the 2012/2013 season for AS Roma, was then transferred to a lower club in the same league (Udinese) where he only played 771 minutes in the 2013/2014 season. These numbers show that his training was far from being completed.
  - He has not played a single match for the national first team up to date, all the mentioned appearances happened for the under-20 team.
70. Bearing this in mind, the Panel notices that FIFA applies a strict approach as to the completion of training, so as not to jeopardise the right of training clubs to receive training compensation. Even if a player played many matches for the first team in a first division, it was still not considered enough in certain cases.

71. In the present case, the Player played only a fraction of the minutes possible for the mentioned teams, i.e. Roma and Udinese. He has never played for the first national team. All further factors do not show at all that the Player was already fully trained.
72. Transfer sums for an optional permanent transfer inserted into loan agreements mostly reflect a potential future value that a player might have at a later stage. They might in some cases also be fixed at a deliberately high level in order to make sure that a player returns to the club of origin, i.e. the loaning club. Anyway, such sums cannot be used to establish the completion of training. Considering all these facts, the Panel finds that it is far from evident, as the RSTP provides, that the training period was complete.

**D. Conclusion**

73. To summarise, the majority of the Panel concludes that the Respondent is in principle entitled to training compensation and that none of the exceptions is given in the present matter, such as a possible early completion of the training period. It therefore decides to dismiss the Appellant's appeal in its entirety.

## **ON THESE GROUNDS**

**The Court of Arbitration for Sport rules that:**

1. The appeal filed on 22 December 2017 by Sport Club Internacional against the decision rendered on 19 June 2017 by the Single Judge of the sub-committee of the Dispute Resolution Chamber of FIFA is dismissed.
2. The decision rendered on 19 June 2017 by the Single Judge of the sub-committee of the Dispute Resolution Chamber of FIFA is confirmed.
3. (...).
4. (...).
5. All other or further motions or prayers for relief are rejected.