

# **Football Australia Circular**

Circular No. 22-08

10 November 2022

TO THE MEMBERS OF FOOTBALL AUSTRALIA

#### DOMESTIC TRANSFER MATCHING SYSTEM AND FIFA CLEARING HOUSE

The purpose of this Circular is to provide an update regarding the approval of the FIFA Clearing House (*FCH*) Regulations and Football Australia's implementation of the FIFA Domestic Transfer Matching System (*DTMS*).

Approval of the FIFA Clearing House Regulations

#### Background

On 22 October 2022, the FIFA Council approved the FIFA Clearing House Regulations. These regulations will enter into force on 16 November 2022 and will govern the centralisation, process and automation of payments between clubs, initially related to training rewards (international training compensation and solidarity contributions). The FCH, which is a fully regulated payment institution based in Paris, France, will also promote financial transparency and integrity for international transfers.

### Implementation

From 16 November 2022, the FCH will collect and distribute payments from and to clubs for international training compensation and solidarity mechanism, while also performing all required compliance checks on the relevant parties. Clubs will no longer be required to lodge a training rewards claim in TMS, as this process will be automatically conducted through the FCH. This will result in a significant increase the training rewards that are paid to training clubs when compared with the current claims system, under which training rewards actually paid are much less than training rewards due.

There are three (3) steps in the FCH Process:

- (1) Training Rewards Triggers: An international transfer, domestic transfer or the first registration of a player as a professional are declared by an MA and processed by FIFA for identification of potential entitlement;
- (2) Electronic Player Passport (EPP): Once a training rewards trigger is identified, an EPP is created with registration information from the relevant MAs, and a review process will ensure the EPP is complete



(3) **Distribution of Training Rewards**: The FCH entity will conduct a compliance assessment on all parties and once accepted, it will process the payment from the new club to the training club(s).

FIFA's <u>website</u> contains additional information regarding the FCH, and the FIFA FCH team have also provided each Member Association with detailed presentations regarding the introduction of the FCH. **These presentations are available on the FA website:** FIFA Clearing House Presentations

Implementation of the FIFA Domestic Transfer Matching System

### **Background and Benefits**

As part of Football Australia's modernisation and transformation of the Domestic Transfer System (*DTS*), which strives to prioritise player development and strengthen the football economy, Football Australia will be activating and launching the DTMS.

DTMS is an online platform designed to facilitate domestic transfers for clubs within the same Member Association. It is modelled on the FIFA International Transfer Matching System (*ITMS*). The system is fully integrated with ITMS with a single sign-on, allowing for clubs to manage domestic and international transfers on the same platform and via a very similar process.

Football Australia's activation of DTMS will ensure compliance with the FIFA Regulations on the Status and Transfer of Players (*RSTP*) provision which mandates the use of an electronic domestic transfer system for national transfers of male and female players.

The introduction of this system will yield benefits for clubs as it relates to the FCH and the distribution of international training rewards. DTMS is integrated with the FIFA Connect ID, which FA implemented previously and is currently integrated with the national online registration system. The DTMS / FIFA Connect ID integration will allow for FIFA to create EPPs for players registered with Australian clubs. The system will also serve as a valuable tool for clubs to verify, review and store information related to domestic transfers.

Football Australia will also utilise the system's features to collect insights on these domestic transfers, allowing for a stronger data-driven approach to DTS policy, initiatives and support.

## Implementation and Operations

As of 11 January 2023, the opening date of the next men's transfer window, the use of DTMS will become mandatory for the transfer of any professional player's registration between Australian clubs.

Article 2.2 of the RSTP defines a professional player as being "a player who has a written contract with a club and is paid more for his/her football activity than the expenses he/she effectively incurs".

The Football Australia National Registration, Status and Transfer Regulations (*NRSTRs*) articles 4.1(b) and 4.1(c) reiterates the definitions of a player's status prescribed in the RSTP, whilst providing further clarification on the application of these definitions in the Australian context. The NRSTRs can be found on the <u>FA website</u>.



## A DTMS Overview document is now available on the FA website: DTMS Overview

Football Australia is in the process of developing additional educational resources and tools for all stakeholders, which will complement the suite of information that FIFA has available in the ITMS/DTMS Help Centre.

The Football Australia and FIFA materials will be distributed in the coming weeks, with on-going support provided by FA staff through the initial launch of the system in January 2023 and beyond.

If you have any queries in relation to this Circular, please contact <a href="legal@footballaustralia.com.au">legal@footballaustralia.com.au</a>.

Yours sincerely

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