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# **UEFA and the European Union: From Confrontation to Co-operation?**

## **Borja García**

#### **Abstract**

This article investigates the relationship between UEFA, as European football's governing body, and the EU. It assesses the evolution of UEFA as a football governing body since the Bosman ruling (1995) until current initiatives such as the rules on locally-trained players (2005-2006). The paper traces the evolution of UEFA's reactions to the increasing involvement of EU institutions in football matters, with special focus on the regulation of the players' market. It is argued that UEFA's attitude towards the EU has changed in the last ten years. Whilst the EU was seen as a threat for UEFA in 1995, it is now considered a 'long term strategic partner'. Two main reasons can be identified for UEFA's evolution. First and foremost, UEFA has been forced to accept the primacy of European law and its application to the activities of football organisations. UEFA has had no option but to adapt to the impact of European law and policies on its activities. This has lead to a relationship of 'supervised' autonomy between UEFA and the EU institutions. Second, UEFA's strategic vision to preserve its own position within the governance structures of football. UEFA has tried to enhance its legitimacy within football's governing structures by engaging in policy co-operation with EU authorities. This paper draws almost entirely on empirical research conducted through elite interviews and the review of official documents.

IN DECEMBER 1995 THE PRESIDENT OF THE UNION OF EUROPEAN FOOTBALL ASSOCIATIONS (UEFA), Lennart Johansson, considered that the European Union (EU) was trying 'to kill club football in Europe' (quoted in Thomsen 1995). European Commissioner Karel van Miert replied that 'if they [UEFA] want war, it will be war' (quoted in Hopquin 1995). Twelve years later things have changed; UEFA and the European Commission joined forces to celebrate the 50<sup>th</sup> anniversary of the Treaty of Rome (European Commission 2007a), the European Parliament supports UEFA as the governing body to protect football's future (European Parliament 2007), and UEFA describes its relationship with the EU as 'crucial' for the organisation (UEFA 2007c: 2). It appears that in just over a decade, the EU-UEFA relationship has radically altered. But what has actually changed?

Football authorities have traditionally been hostile to any sort of external regulation, be that by governments or by the courts. This was also the case when the European Court of Justice (ECJ) and the Commission got involved in the regulation of professional football as a result of their duties to adjudicate in freedom of movement and competition policy issues. Football bodies such as the International Federation of Football Associations (FIFA) or the English Premier League remain rather sceptical of any involvement with the European Union other than settling court cases or Commission investigations. However, UEFA now seems happy to engage with the EU in dialogue and wider policy issues. This paper examines the evolution of the relationship between UEFA and the European institutions. It is structured as a longitudinal study of UEFA's engagement (reactive and proactive) with EU institutions,

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mainly the Commission and the European Parliament. Other accounts have extensively analysed almost every one of the EU's incursions in football matters (see for example, but not exclusively, Miettinen and Parrish 2007; Parrish 2003b; Holt 2006; Blanpain and Inston 1996; Gardiner and Welch 2000; Spink and Morris 2000; Weatherill 2005, 2003). This article does not intend to map each and every one of the *conflicts* originated between UEFA and the EU. Neither does it intend to enter into a legal analysis of the EU regulation of football. The objective is to evaluate the main decisions of European institutions with an impact in shaping UEFA's response towards the EU. As such, much stress is put on evolution and perception of the EU within UEFA. The article tries to condense the presentation of the empirical evidence where appropriate and especially when other academic accounts have already dealt in depth with particular decisions. The article has a focus on the regulation of the players market (transfer system, nationality quotas), although it touches in other areas where necessary to provide context and facilitate the analysis.

The paper is written from UEFA's organisational perspective. That is to say, the objective is to understand the organisation's adaptation to the politics of the EU, not to explain the evolution of the EU's policy on sport, football or UEFA. In doing so, the paper constitutes a first step in the process towards a wider analysis of the role of non-institutional actors in the EU policy-making process, as exemplified by the case of football. The article draws on empirical research carried out over a period of 22 months (from January 2006). It consists of a combination of archival research and 43 semi-structured interviews. The archival research covers three types of documents: newspaper reports, European institutions' official documents and UEFA publications and internal documents. Archival research was aimed at identifying the cases that could best represent the evolution of the relationship between the EU and UEFA. A review of the available academic literature was also used for this purpose. Interviews were only undertaken once the cases were identified.

The sample of interviewees was selected to represent the policy decisions singled out for exploration. The sample combined a targeted selection and snow-ball method. The small size of the EU-football policy community makes it possible to construct a representative sample for qualitative analysis with a targeted selection of officials. Individuals were first included in the sample following three criteria: (i) knowledge and expertise about each policy decision, (ii) the sample's overall level of representation (including the majority of actors involved), (iii) triangulation. After the initial selection, the snow-ball method was used to strengthen and complete the sample. Interviewees were asked to identify individuals inside and outside their own organisation/institution that could (i) provide further information and/or (ii) give a contrasting view of the facts.

The interviews cover representatives of EU national governments (3), present and past Commission officials (6), Members of the European Parliament (6), present and past UEFA officials (11), representatives from professional clubs and national leagues (4), officials of national FAs (4), representatives from footballer's trade unions (2), representatives from supporters' organisations (1) and other specialists (academics, lawyers) in the field (6). Whilst the coverage of the sample is fairly extensive, it is necessary to acknowledge some weaknesses. World football's governing body (FIFA) and G-14 are not represented because their officials rejected the interview requests. The case of FIFA is of less importance for this article, as the main focus is on UEFA. Yet, a combination of newspaper articles and FIFA's press releases has been used to map the organisation's positions. Unfortunately, this provides a less detailed level of information than interviews and as such it is acknowledged. The case of the G-14, which represents 18 of the richest professional football clubs in Europe, has been solved by contacting clubs individually and leagues. Whilst this does not substitute G-14's positions as an association, it is considered that the participation of top professional clubs is covered.

The majority of interviews were undertaken in two stages: the first group in Brussels during the spring and summer of 2006 and the second group in Switzerland during February 2007. Some other interviews were also done in Madrid and the UK in between these periods to accommodate for the interviewees' schedule. Interviews were semi-structured, face to face



conversations of around 60 minutes each. Interviewees were asked three sets of questions: One related to their general perception of the European Union's involvement in football and their strategy to deal with it (e.g. What does the EU mean for your organisation?); a second one related to the transformation of football governance and the division of labour between European authorities and football organisations; and a third set of questions requesting particular information about their role in individual cases, such as *Bosman* or the negotiations with the Commission on the selling of TV rights.

The article is divided in five sections. It starts with a brief description of UEFA, its status and duties. It then goes on to explain the confrontation between UEFA and European law as the first stage of their relationship. This revolves around the *Bosman* case of 1995 and its antecedents. Section three analyses the transition from the initial confrontation to a more pragmatic realisation of the importance of the EU for UEFA. Section four introduces recent initiatives such as UEFA's rules on locally-trained players (2005). Finally, the fifth section analyses the possible explanations to the evolution of UEFA's strategy towards the EU.

#### What is UEFA?

UEFA is the governing body for football in Europe. With a current membership of 53 national Football Associations (FAs), its remit is wider that the European Union; however, FAs located within the EU constitute a majority of the association's overall membership. EU-based football federations number 30 out of the total 53 UEFA members¹. UEFA was founded in 1954 by 28 European national FAs that felt their interests were not being served by FIFA structures (UEFA 2004c). UEFA is part of the so-called pyramid of governance of European football, together with FIFA and the national FAs (see figure 1).

Figure 1: The pyramid of European football's governance



The governance of European football resembles a pyramidal structure where each layer takes on different responsibilities with a different geographical scope. The international federation (FIFA) sits at the apex, followed by European football's governing body (UEFA) and national FAs. Clubs and players form the base of the pyramid. The remit of FIFA as world football's governing body is wider than UEFA's, but the former has still to be considered part

<sup>1</sup> For historical reasons England, Northern Ireland, Scotland and Wales are recognised as separate FAs. Thus there are four different football federations in the UK.

of the pyramid of European football for three reasons. Firstly, it has regulatory powers over football in Europe. Secondly, FIFA statutes contain provisions obliging UEFA (and all continental confederations) to comply with and enforce compliance with FIFA regulations and decisions (FIFA 2007: Article 20). Similar requirements apply to national FAs (Article 13), which are moreover obliged to ensure that clubs and leagues comply with the statutes, decisions and regulations of FIFA (Article 13.1 (d)). And thirdly, some of the rules adopted by FIFA have come under scrutiny by the ECJ and the European Commission.

The pyramid of European football is a hierarchical structure. There is a top-down channel of authority, where governing bodies have authority over the lower levels. Thus, a decision by FIFA will be passed down the line to UEFA and then to the national level. Thus, professional clubs and players, at the bottom of the pyramid, are subject to the regulations of governing bodies if they want to take part in their competitions. This is a major cause of conflict because those in the lower levels in the pyramid could question the legitimacy of the federations' regulations if they do not feel included in the decision-making process.

Although it is still valid, the concept of the pyramid of European football needs to be approached with some caution. Holt correctly points out (2007; 2006) that the tensions created by the commercialisation of European professional football in the last decade have facilitated the transformation of the pyramid. This contribution fully agrees (and indeed reinforces) Holt's point of view (see Figure 2 in the concluding section). Yet, that transformation should not be taken as the total dismissal of the pyramidal structure. The top-down vertical channel of authority has been weakened particularly since the 1995 Bosman ruling. However, the formal structures of the pyramid are still in place, even if it is only in the statutes of FIFA, UEFA and the national FAs. Thus, the pyramid of European football needs to be understood as a governance structure in constant evolution. However, it is an important concept because it helps to explain some of the dynamics in the UEFA-EU relationship that this article explores.

UEFA is a politically and religiously neutral society, 'entered in the register of companies under the terms of Art. 60 et seq. of the Swiss Civil Code', whose headquarters shall be in Switzerland (UEFA 2007a: Article 1.1). UEFA is a confederation of national Football Associations:

Membership of UEFA is open to national football associations situated in the continent of Europe, based in a country which is recognised by the United Nations as an independent state, and which are responsible for the organisation and implementation of football-related matters in the territory of their country.<sup>2</sup> (UEFA 2007a: Article 5.1)

National FAs are required to comply with and to enforce UEFA statutes and regulations in their jurisdiction (UEFA 2007a: Article 7bis); they are also required to observe minimum standards of internal democracy, having a freely elected executive body (UEFA 2007a: Article 7bis (2)). UEFA's organs are the congress, the executive committee, the president and the organs for the administration of justice (UEFA 2007a: Article 11). The congress is the supreme controlling organ of UEFA (UEFA 2007a: Article 12.1), where all national FAs are represented under the principle 'one member, one vote' (UEFA 2007a: Article 18.1).

In addition to the formal decision-making organs, UEFA has a network of consultative bodies with the aim of informing the adoption of decisions (UEFA 2007a: Articles 35-38). UEFA consultative bodies are the Professional Football Strategy Council (UEFA 2007a: Article 35)<sup>3</sup>;

 $<sup>^2</sup>$  UEFA statutes provide for a possible derogation of the geographical principle, which has been used to grant membership to the football federation of Israel.

<sup>&</sup>lt;sup>3</sup> The Professional Football Strategy Council is composed by 4 representatives each of UEFA, professional clubs, professional leagues and professional players (UEFA 2007a: Article 35). It has been recently created by UEFA (UEFA 2007b: 1) and it was only given statutory recognition in June 2007 (Chaplin and Harte 2007: 1). For a full list of UEFA Committees see Article 35bis of UEFA Statutes (UEFA 2007a). Articles 36 and 37 set up



the committees (UEFA 2007a: Articles 35bis-37); expert panels and working groups (UEFA 2007a: Articles 38).

UEFA uses the consultative bodies to build a network for dialogue and consultation with other stakeholders in the governance of professional football (i.e. clubs, leagues and players). UEFA considers itself to be the umbrella association that should be able to represent and govern football as a whole, through negotiation and dialogue (UEFA 2006). Thus, UEFA's objective is to improve consultation, hence minimising the challenges to the legitimacy of its decisions as governing body. UEFA has incorporated stakeholders to its consultative bodies following a process of co-optation (Holt 2006). UEFA has created bodies such as the European Club Forum and the Professional Football Strategy Council to incorporate representatives from footballers' trade unions, professional clubs or national leagues. The objective is that any platform for consultation always remains within UEFA's structure. Whether UEFA's policy of consultation is enough to consider UEFA a legitimate and democratic governing body is a discussion outside the scope of this article. Professional leagues and clubs, for example, would like to be represented in the formal decision making bodies, such as the executive committee, not in the consultative organs (Interview: English Premier League official, July 2006).

UEFA is the football organisation that has clashed most often with European law. Therefore, it is somehow striking that, despite all the problems it has encountered with European law, UEFA only decided to open a representative office in Brussels in April 2003. The Head of the office, Jonathan Hill, acknowledges that UEFA should probably have taken this decision earlier and lists, among the factors causing this delay, the inherent difficulties for change in a large organisation such as UEFA and the fact that there was little representation of sport in Brussels.

The foundation of UEFA, in 1954, precedes the signature of the Rome Treaties in 1957. Thus, UEFA is slightly older than the European Communities. For a relatively long period of time, both UEFA and the EU coexisted in parallel without much interaction. It was the regulation of professional footballers' employment conditions that brought UEFA and the EU together. The first reactions, from the governing body's point of view, where of hostility, hence creating the first period of tension towards European institutions.

#### **Round 1: Confrontation**

The first point of friction between European football's governing body and the European institutions related to the employment conditions of professional and semi-professional footballers. Footballers are employed by clubs to form part of their squads in different competitions. However, the control structures of football have traditionally positioned players rigidly at the bottom of clubs' hierarchy (Tomlinson 1983: 173). The contractual relationship between players and clubs presents few particularities due to the organisational structures of football. Clubs have to register their players with their respective national FA or national league, in order to allow the players to participate in the national championships. They also have to register their players with UEFA if they are to participate in European cups. These governing bodies shall issue the footballer with the corresponding license to play only provided he/she fulfils the criteria established in the competition regulations.

A problem emerges when these same governing bodies also have the power to regulate and decide which players can be registered and under what conditions. This gives governing bodies a certain amount of power over the players that any given club can hire. The regulation of the players' market used to rely on two sets of norms: the so-called transfer

system and nationality quotas. The transfer system regulates the circumstances under which a player can move from one club to another. The transfer system was said to protect the small clubs that dedicate their resources to training and educating young players, thus preventing the richest clubs from *stealing* the players once they had finished their grassroots education (Roderick 2006: 116). Transfer systems in the past were based, among others, on the principle that clubs were entitled to compensation for the transfer of a player even when the player's contract with the club had expired. This is a principle that clearly restricts any player's possibilities to move from one club to another. Nationality quotas, on the other hand, fix the maximum number of non-selectable players that a club can field in any given game<sup>4</sup>. Nationality quotas were said to be in place to ensure the quality of national teams and to maintain the identification of the supporters with their club.

A system combining transfer regulations and nationality quotas has the potential to heavily condition the number and type of players that any club could hire. In turn, that can of course affect the footballers' choice for work. Thus, if governing bodies have the power to modify these regulations, they can determine a good deal of the players' employment conditions. The disagreements among players, clubs and governing bodies about transfers and quotas provoked the first confrontations between UEFA and the EU. It is to this point that the article turns now.

#### The Road to Bosman

Transfer systems have been historically challenged by football players as illegal, particularly those provisions that restricted footballers from changing clubs even at the end of their contract unless a 'transfer fee' was paid. Indeed, there were challenges at national level well before Jean-Marc Bosman launched his legal action at the EU level. George Eastham, a football player for Newcastle United, successfully challenged, in court, the English transfer system in 1963 (McArdle 2000: 25-27; Greenfield and Osborn 2001: 79-82).

Paradoxically, it was the issue of nationality quotas that was first dealt with at the Community level. In 1976, the ECJ was required to deliver a preliminary ruling in the case of *Gaetano Donà v. Mario Mantero* (Case C-13/76, ECR [1976] 1333, hereinafter Donà). The Court was asked whether nationality quota rules, preventing nationals from another Member State playing in Italian club competitions, where legal under European Community (EC) law. The ECJ considered that such rules were discriminatory, thus not permitted under EC law. The ECJ's decision in *Donà* (1976) could have been a severe blow for nationality quotas in club football competitions. However, the reaction of other European institutions and football authorities was rather slow and nationality quotas remained in place for 20 more years.

It was not until 1991 that UEFA, after negotiations with the European Commission, started to lift nationality restrictions for club football. UEFA adopted the so-called 3+2 rule (Parrish 2003a: 92), allowing for three non-selectable players to be fielded at the same time in any given game, plus two 'assimilated players'<sup>5</sup>. This was branded as a 'gentlemen's agreement' between UEFA and the Commission. The governing body had the conviction that it was a stable and durable agreement:

<sup>4</sup> Before the Bosman ruling of 1995, non-selectable players were generally defined as those that could not play for the national team of the country in which their club was based. For example, Ivory Coast national Didier Drogba is a non-selectable player at Chelsea because he cannot play for England. Lanfranchi and Taylor point out (2001), however, that the definition of what constituted a non selectable player varied from one country to another in European football.

<sup>&</sup>lt;sup>5</sup> Assimilated players were defined as those who had played in the country in question for five years uninterruptedly, including three years in junior teams (Parrish 2003a: 92) Thus, under the 3+2 rule, clubs were allowed to have a maximum of 5 non nationals in their squad. Players with nationality from another EU Member State counted towards that quota. For example, at that time David Beckham would have been considered non national at Real Madrid, hence counting as one of the 3+2 players, despite his British nationality.



At the time of the 3+2 agreement, we concluded the agreement with the commissioner that was responsible for the area. It was [Commission vice-president and responsible for internal market] Martin Bangemann. Who else could we have talked to? We were convinced that we were right because we had an agreement with the person responsible for our dossier. For us it was a deal, it was there to last and we believed this because it was good for football. (Interview: UEFA official, February 2007)

It is disconcerting, to say the least, how the Commission acceded to such agreement in the light of the ECJ's ruling in *Donà*. It is even more surprising that UEFA believed the agreement could resist legal scrutiny under EC law. UEFA's belief on the durability of the 3+2 formula might have been based on a combination of three different motives. First, it could be interpreted as a clear lack of understanding about the structures of the EU and European law. Agreement with one institution does not mean the other institutions will accept it. More so when the EU's political system has a judiciary branch overseeing the correct interpretation of European law. Second, UEFA felt over-confident because up to that date it had never suffered the regulatory power of EU law:

I really not know whether the view of this agreement by UEFA was a mistake or just a misunderstanding. There was an opinion that this was a political agreement, and therefore UEFA was not active on any other parts of the European institutions than the Commission. (Interview: Former UEFA official, February 2007)

Third, UEFA probably relied too much on the political power of football. As a MEP puts it: 'Football is sexy for politicians; it gets votes and they want to be seen during the World Cup for example. People within the game, in federations, clubs... they are aware of that power' (Interview: MEP, March 2006). However, arguments that may work with politicians do not necessarily work with judges that do not need to seek votes for election.

By the time of the 3+2 agreement (1991), UEFA was starting to learn to deal with Brussels. This period cannot be considered entirely as confrontational. The rather mild approach of the Commission was counter balanced with the more assertive position of the Parliament, though. The Parliament repeatedly called on the Commission to ensure that football federations ended discrimination on the base of nationality (see European Parliament 1989b, but especially 1989a).

In any case, the future of the 3+2 rule and the relationship between UEFA and the EU was about to be transformed when, on 15 December 1995, the ECJ handed down its decision on the Bosman case.

#### Bosman Shakes It All

Jean-Marc Bosman was a virtually unknown Belgian footballer of rather modest talent. When his contract with Belgian club, RC Liège, expired in June 1990 the player agreed terms with French club, Dunkerque. However, the transfer collapsed because the Belgian FA, at the request of RC Liège, did not issue the mandatory transfer certificate necessary to complete the move. As a result, Bosman was not allowed to undertake work at Dunkerque even when his contract with RC Liège had expired. Bosman decided to take legal actions against RC Liège and the Belgian FA. He also included UEFA and FIFA in his lawsuit because the rules regulating the international transfer system had been adopted by FIFA. Moreover, he also challenged UEFA's nationality quotas. The case was finally taken to the ECJ for a preliminary ruling on the legality of FIFA's international transfer system and nationality quotas.

In Jean-Marc Bosman v. Union Royale Belge des Sociétés de Football Association (Case C-415/93, ECR [1995] I-4921, hereinafter Bosman) the ECJ ruled that FIFA regulations on players'

transfers were in breach of article 39 EC.<sup>6</sup> Moreover, the ECJ observed that the same article also precludes 'the application of rules laid down by sporting associations under which, in matches in competitions which they organise, football clubs may field only a limited number of professional players who are nationals of other Member States' (*Bosman*: Operative part of the judgement, paragraph 2).

It was in the aftermath of the Bosman ruling that the real confrontation between UEFA and the EU started. For the governing bodies, especially UEFA, the ruling was an attack on football. It was considered 'nothing short of a disaster' (Johansson 1995), a decision taken 'by people that do not know anything about football' (Gerhard Aigner, then UEFA General Secretary, quoted in El País 1996). UEFA president, Lennart Johansson, was adamant to accuse the European Union of 'trying to destroy club football' (Thomsen 1995).

Football authorities appeared to be shocked by the far reaching consequences of the ruling. The attitude of UEFA and other football organisations is difficult to understand. There were enough precedents to assume the ECJ could rule in Bosman's favour. There was a clear misinterpretation by UEFA of the court's case-law in *Donà* (1976) and, perhaps, there was also an inability to understand new trends in European football in the 1990s:

Admittedly, and with the benefit of hindsight, I must admit that at UEFA we did not help when saying that sport has no economical consequences. This did not help us in putting our message across, because it was clear that more and more money was coming into the game and football was having an impact in other sectors (Interview: UEFA official, February 2007).

After the ECJ's ruling, the Commission, as guardian of the treaties, took a proactive approach to the liberalisation of the players market. DG Competition Policy and its commissioner, Karel van Miert, took the leading role in the pursuit of football authorities. Van Miert warned that UEFA had to evolve 'whether they like it or not' (quoted in Hopquin 1995).

The abolition of nationality quotas in club competitions was the first direct consequence of Bosman. UEFA Executive Committee meeting in London on 19 February 1996 decided to scrap the 3+2 rule with immediate effect and lift all nationality quotas for European club competitions (Goodbody 1996). The FIFA transfer system, as challenged by Bosman, however, remained in place for some time. A second consequence of Bosman was to facilitate the rise of sport (and football in particular) as an important issue in the European institutions' agenda: Bosman enhanced the visibility of football as a sector that could be in conflict with European law (García 2007). The European Commission was particularly invigorated by the ECJ ruling. The Commission wanted to make sure that football governing bodies respected the court's ruling in Bosman (European Commission 1996). Moreover, the Commission also explored the application of Competition Policy to the sport sector (European Commission 1999), which had an impact on its relations with UEFA. The Commission's activism, paradoxically, resulted in what could be termed a 'normalisation' of the institution's relations with UEFA. For example, in the negotiations between the Commission and FIFA to reform the international transfer system, it was UEFA that emerged as the broker of the agreement. The next section takes a look at the second stage in the relations between UEFA and EU institutions. This is a period that started with the Commission investigation on FIFA's transfer system and finished with UEFA successfully adjusting to the regulatory power of European law.

#### Round 2: Dialogue, Adjustment and Transition

Following the ECJ's ruling in *Bosman*, the Commission notified FIFA and UEFA that unless they proposed reforms to their transfer regulations it would have no other option but to start formal infringement proceedings (European Commission 1996; Parrish 2003a: 140).

<sup>&</sup>lt;sup>6</sup> For a full legal analysis of the case see for example Blanpain and Inston 1996; McArdle 2000: 38-50.



Frustrated with the lack of action by the governing bodies, the Commission sent a formal statement of objections on 14 December 1998 (Reding 2000: 2; European Commission 2002c: 1).

Initially, FIFA decided that it should conduct its own negotiations with the Commission. However, the progress in the reform of the transfer system was slow. The disagreements among football stakeholders, including clubs, leagues and players, made it very difficult to present a 'consensus' proposal to the Commission:

Most of the problems we [UEFA] had in the dossier of the transfer system were not with the Commission, but with FIFA. FIFA tried to strike its own deal with the players directly, whereas we tried to negotiate with the leagues, which represent the clubs (...) Of course, we also wanted to talk to the players, but we learnt one day that FIFA and the players had been secretly negotiating on their own, so the players were not willing to talk to UEFA (...) This indicates how difficult was to talk to the European Commission when in the football side we were playing tricks. So you can imagine what impression we made to the European Commission (Interview: Former UEFA official, February 2007).

Given the lack of proposals to reform FIFA's international transfer system, the Commission gave FIFA and UEFA a firm deadline of 31 October 2000, threatening them with a formal decision to enforce changes and, if the case might be, impose fines (Parrish 2003a: 141).

The renewed pressure from the Commission prompted UEFA to take a leading role, both in the internal discussions within the *football family* and in the dialogue with the European Commission:

We believe that a constructive and positive dialogue with the EC is both possible and necessary. We accept that change is inevitable but the form and pace of that change must be subject to a much wider dialogue than that conducted so far by FIFA with the world of professional football (UEFA 2000a: 1).

This comment, from a UEFA press release, represents a noticeable change in UEFA's tone towards the European Commission. The confrontation that ensued the aftermath of Bosman appeared now to have transformed into a 'constructive and positive dialogue'. UEFA officials recognise that, of course, they were forced to react by the Commission's powers under EU law:

It is not that our dealings with the Commission changed overnight; it is that we had to be pragmatic. If it is the law, we have to adapt to it, we have to go and talk to them. We had no other option. (Interview: Former UEFA official, February 2007)

However, they also acknowledge that dialogue with the Commission facilitated understanding on both sides, which contributed to a more positive approach towards the EU from within UEFA:

I think that with time, with the dialogue, with negotiations, we have come to a mutual understanding. It has been a long process, bit by bit, but also smoothly. It has been a natural evolution towards an understanding of each other's positions and towards constructive solutions (...) Do not take me wrong, it was not easy, some meetings were frustrating, for us [UEFA] and I can imagine that for them [Commission] as well. But there was mutual understanding. I would say that even if we could not advance our positions to bring them closer, that meeting was beneficial because we could know each other better. (Interview: UEFA official, February 2007)

The negotiations to find a settlement in the FIFA transfer system finally ended in March 2001. The agreement was formalised in an exchange of letters between Mario Monti and Joseph

Blatter, President of FIFA (European Commission 2001b). FIFA agreed to amend its existing regulations on international transfers (1997) on the basis of the following points<sup>7</sup>:

- Training compensation fees will be allowed in the case of transfers of players under 23 years. The training compensation fee replaced the transfer fees.
- Creation of solidarity mechanisms that would redistribute income to clubs involved in training and education of football players.
- The creation of one transfer period per season and a further limited mid-season window.
- Minimum and maximum contract duration for players would be 1 and 5 years, except where national legislation provides otherwise.

The agreement is certainly short of a total liberalisation of the transfer market. It has been interpreted as a compromise between the initial positions of FIFA and the Commission, although it has been considered as beneficial for the governing bodies (Parrish 2003a: 147).

For UEFA the settlement over the international transfer system represents a turning point in its relations with the European institutions. First, the agreement with the Commission was satisfactory for the governing body:

It was a very good agreement, we are very happy with the outcome, but also with the way in which the negotiations ended, because I think we built some trust in both sides and this is important for the future. (Interview: UEFA official, February 2007)

Second, meetings with Commission officials facilitated a change of attitudes towards the EU from within UEFA:

I would say that after Bosman there was a clear hostility towards the EU. Even for some years after Bosman. The EU was seen as a problem, as something external. I would say that now we have much better dialogue and even collaboration. We see now the EU as a useful partner (...) It has been a process of dialogue, building trust on both sides, especially with the Commission (...) When we managed to get agreements such as the transfer system or the Champions League [see below], people in UEFA realised that one can talk to the Commission. They realised that they are human beings one can discuss and reach agreements with. (Interview: UEFA official, February 2007)

UEFA's move towards engaging in a more positive relationship with European institutions was further cemented when the Commission adopted a favourable decision in the investigation on the sale of media rights for UEFA's Champions League (European Commission 2003b, 2003a). It is important to note that the FIFA-UEFA negotiations with the Commission on the transfer system ran in parallel with the Commission investigation on the collective selling of media rights for the Champions League.

UEFA notified the Commission of the selling arrangements for the Champions League's broadcasting rights in February 1999, requesting clearance under EU competition rules (European Commission 2003b: paragraph 18). The 1999 arrangement consisted of UEFA selling on behalf of the participating clubs a bundle of *all* the free-to-air and pay-TV rights on an exclusive basis<sup>8</sup> to a *single* broadcaster per territory for a period of up to four years (European Commission 2001a; Parrish 2003a: 123) [author's emphasis].

Representatives from UEFA and the Commission's DG Competition engaged in protracted negotiations that included a statement of objections, issued by the Commission in July 2001

<sup>&</sup>lt;sup>7</sup> For more details on the agreement between FIFA and the Commission on the structure of the new transfer system see European Commission 2002b, Parrish 2003a: 147-149. For an extensive analysis of the implementation of the new transfer system, see Drolet 2006.

<sup>&</sup>lt;sup>8</sup> The rights were normally sold to a free-to-air operator that was allowed to sub-license some of the rights to pay-per-view operators.



(European Commission 2003b: paragraph 18).<sup>9</sup> The interest of the television rights case in the context of this article is twofold. Firstly, as mentioned earlier, the negotiations on television rights ran in parallel with the negotiations over the transfer system. Thus, UEFA was involved in discussions with the Commission on a regular basis. Certainly, UEFA did not choose to negotiate with the Commission. It was forced by the regulatory powers of the European executive under competition law. Secondly, the resolution of this Commission investigation added to UEFA's positive feeling towards the EU after the outcome of the transfer system dossier.

UEFA and the Commission reached an agreement on the sale of Champions League TV rights in 2002 (European Commission 2002a), less than a year after closing the transfer system dossier. After some further amendments and fine tuning to the UEFA proposals, the Commission was happy to close the case with a formal decision in July 2003 (European Commission 2003b).

UEFA was extremely satisfied with the agreement. The then Director of UEFA's legal services, Markus Studer, was even enthusiastic when he reported to the organisation's congress in 2004:

UEFA is very satisfied with the outcome of this case, which marks the first occasion where the European Commission has approved central marketing arrangements for a major sporting event. The decision gives legal security for UEFA to sell the commercial rights of the competition until at least 2009. At the same time, the decision provides a modern and balanced solution, opening up further possibilities for technological innovation and maximising variety and choice for football fans to follow Europe's flagship competition. (UEFA 2004b: 53)

But UEFA was satisfied beyond the settlement itself. After sorting out the issue of the international transfer system, it was the Champions League case that confirmed the importance of the EU for UEFA:

[The turning point in our relations with the EU] was the agreement on the central marketing of the Champions League rights. That was a huge success, but a huge success for both sides. It was a mutual agreement; it was a compromise where both sides were happy. We had lots of meetings; many of them were very long and normally well spirited. We met every day, literally every day and always with lots of dialogue. Yes, we had different positions, but it was not dogmatic, we rather tried to find solutions. I think they saw that we were willing to move, so they accepted they could move as well to find a good solution for every one. (Interview: UEFA official February 207)

On the other side of the table, the change of attitude is also recognised:

I would tend to agree with the vision that the image of football federations has improved overtime since the 1990s. Personally I was not here after the Bosman ruling, but I can see, from the documents I have seen that certainly at the time it was a shock even for someone like UEFA or FIFA. So it was an adaptation period for them and now they got used to us, they now our powers, so they have an interest to keep us informed of their intentions and I tend to agree with you, I think there has been an improvement. (Interview: European Commission official, May 2006)

This version from the Commission's side highlights once again the fact that UEFA had really no other option than to get used to the institution's powers, especially under competition law.<sup>10</sup> Although the dialogue was more civilised than in the aftermath of *Bosman*, UEFA had no option but to engage and try to defend its position as best it could, particularly as the

 $<sup>^{\</sup>rm 9}$  For a detailed description of the Champions League case see European Commission 2003b.

<sup>&</sup>lt;sup>10</sup> See An Vermeersch's article in this special issue for extended details on the application of EU competition law to sport.

Commission has the institutional and legal setting to its favour in competition policy investigations.

The second stage in the evolution of the UEFA-EU relations was characterised by the Commission's regulatory impetus in the application of competition law. The investigations on FIFA's international transfer system and UEFA's sale of television rights for the Champions League forced UEFA to hold lengthy negotiations with Commission officials. This period extended from 1996 to the settlement of the Champions League dossier in 2003. Once arrived at this point, UEFA recognised that it was possible to find compromises with the Commission (Interviews: UEFA officials, May 2006, February 2007). As a result, UEFA could opt for a pragmatic relationship with European institutions, whereby it restricted itself to manage negotiations and do undertake damage limitation in the application of European law to the organisation's activities. On the other hand, UEFA could opt for further engagement with European institutions to establish links beyond the mere reaction to EU institutions' requirements. The next section follows on from the above cases with an analysis of UEFA's choice when presented with this dichotomy.

#### Round 3: Co-operation or Instrumentalisation?

Following the positive resolution of the Champions League case, UEFA officials recognised the necessity to re-orientate their strategy towards the EU:

I think that we recognised a necessity to change our communication with the EU. We abandoned our reactive stance. We became much more proactive and engaged in dialogue with different institutions. We talk now about ideas, strategies... Not only about facts. We want to inform the Commission and the Parliament well before we plan to take any decision in the executive committee. A good example of this is the adoption of the rules on locally-trained players [see below] (...) We see the EU now as an ally that can help us achieve our policy objectives to maintain football in good health. (Interview: UEFA Official, February 2007)

Thus, in recent years UEFA has increased its dialogue with European institutions. The opening of a representative office in Brussels in 2003 might be seen, perhaps, as the final turning point in UEFA's search for a more positive relationship with European institutions. The work of the Brussels office has been instrumental in building bridges between both sides:

My feeling is that the work of the UEFA representative office in Brussels is extremely good and efficient because it seems that people working here in Brussels are also being able to change attitudes within the organisation back in Switzerland. I think the office in Brussels is managing to improve the understanding of the EU inside UEFA and, vice versa, our own understanding of football and the activities of UEFA. I really think that there has been a positive evolution in their discourse and their attitudes. This is why we have been able to reconciliate our positions through the years, and the work of their office here has been very important. (Interview: Commission official, May 2006)

This section focuses on contemporary developments in EU-UEFA relations. In particular it focuses on UEFA's rules on locally-trained players (2005). This initiative features a great deal of dialogue between UEFA and EU institutions. Yet, it also shows some tensions where, curiously, the issue of quotas and the players' market surfaces again.

#### UEFA's rules on locally-trained players

UEFA senior officials started to consider around late 2003/early 2004 the possibility of making a political case for a rule that would encourage football clubs to actively train new young talents (Interview: UEFA official, May 2006). This was the origin of the rules on locally-



trained players, adopted by UEFA in 2005 (UEFA 2005a). Basically, these rules establish that clubs participating in European competitions are required to register a maximum of 25 players in their A List, their top squad. From the beginning of the 2006/2007 season, four of those 25 players should be 'locally trained', a number that would rise to six from the beginning of the 2007/2008 season and eight from the beginning of the 2008/2009 season (UEFA 2005b).

Table 1: Rules on locally trained players for UEFA club competitions

Season	Players in the A squad		
	TOTAL	FREE	LOCAL TRAINED (of which a maximum of half can be ASSOCIATION TRAINED)
2006/2007	25	21	4
2007/2008	25	19	6
2008/2009	25	17	8

Source: (UEFA 2005b)

These locally-trained players may be either 'club-trained' or 'association trained'. The former are defined as those players that have been registered for 3 seasons/years with the club between the age of 15 and 21. Francesc Fabregas, for example, qualifies as club-trained for Arsenal. The latter are defined as players that have been registered for 3 seasons/years with the club or with other clubs affiliated to the same national FA between the age of 15 and 21 (author's emphasis).<sup>11</sup> In both cases, the nationality of the player is not relevant. These rules only apply to clubs playing in UEFA club competitions. Although UEFA has encouraged national FAs to adopt similar regulations at national level, it has not obliged them to do so (Interview: English FA official, April 2006).<sup>12</sup>

UEFA devised a dialogue/lobbying strategy to introduce the new ideas on locally-trained players to European institutions that was comprised of contacts at all levels, from the high politics of the national leaders, Commissioners and MEPs to the more technical representatives, such as officials in DG Competition, DG Employment and Social Affairs and DG Education and Culture (Interview: UEFA official, May 2006). Over the summer 2004 UEFA made public its first set of ideas on the subject of locally-trained players (UEFA 2004d), which were presented to the Commission and the European Parliament later in the autumn of that year (Chaplin 2005).

UEFA cleverly framed the rules on locally-trained players not as a regulation of the footballers' market, but as an attempt to contribute to the training and education of young people<sup>13</sup> through football (UEFA 2004a, 2004d). The main idea behind UEFA's message is that if professional clubs are obliged to field more locally-trained players, then they will invest more money in football academies, which in turn will benefit local communities. This, of course, can be conceptualised as an *irresistible message* on the part of UEFA. An idea dressed with social and cultural values which is certainly easier to accept than to reject, even if one may have doubts about its legality.

<sup>&</sup>lt;sup>11</sup> For example, Frank Lampard qualifies as 'association trained' player at Chelsea because he was registered with West Ham United (another club affiliated to the English FA) between the ages of 16 and 23. He then moved to Chelsea in 2001.

<sup>&</sup>lt;sup>12</sup> The English FA does not apply these rules to the domestic club competitions.

<sup>&</sup>lt;sup>13</sup> An objective recognised as legitimate by the ECJ in Bosman (paragraph 102).

The strategy of UEFA, therefore, was threefold. Firstly, it needed to frame the rules on locally-trained players as an *irresistible message* combining elements of public policy and competitive balance in football. UEFA has been very careful to avoid any reference to players' nationality throughout. Secondly, it had to follow an internal process of consultation that included the main affected stakeholders within football. As result of this internal consultation, UEFA decided not to impose the rules on national FAs. Finally, it had to intensify its political efforts as a means to explain and generate backing for the proposals, both at high and low political levels in Brussels. The result has been rather interesting.

The rules on locally-trained players have been in place since the beginning of the 2006-2007 season and there has been little dissent. UEFA has apparently succeeded in framing and wining the political debate on locally-trained players. The clearest message in support of the rules has come from the European Parliament:

[The European Parliament] Expresses its clear support for the UEFA measures to encourage the education of young players by requiring a minimum number of home-grown players in a professional club's squad and by placing a limit on the size of the squads; believes that such incentive measures are proportionate and calls on professional clubs to strictly implement this rule. (European Parliament 2007: paragraph 34)

The European Commission has not formally endorsed the rules on locally-trained players, although it has expressed a sympathetic view. Of course, it is very important to stress that this falls short of ensuring the legality of the rules, as UEFA should be aware by now after the experience of the 3+2 rule. The European Commission, as such, has not said that the rules on locally-trained players are legal under EU law. However, the recently adopted White Paper on Sport explained in which conditions such rules could be accepted:

Rules requiring that teams include a certain quota of locally trained players could be accepted as being compatible with the Treaty provisions on free movement of persons if they do not lead to any direct discrimination based on nationality and if possible indirect discrimination effects resulting from them can be justified as being proportionate to a legitimate objective pursued, such as to enhance and protect the training and development of talented young players (European Commission 2007b: 6).

This is a timid message, for the Commission does not clarify whether the rules, as drafted by UEFA, meet these requirements or not. On the other hand, this is certainly not a plain negative. Moreover, Commission officials have heralded UEFA's proactive engagement in the development of the rules:

In the Commission people have welcome the new approach from UEFA. They provided us with a lot of information and they have kept us up to date of their plans on home-grown players (...) A lot of contacts and constructive dialogue went on. I think this has been very well received in the Commission, definitely. (Interview: Former Commission official, June 2006)

It is important to note the positive perception of Commission officials towards UEFA. Those that have been in contact with UEFA in recent years think that the organisation has, at least, learnt from the past:

They have learnt and it is easier to talk to them now. They changed their approach, they are more proactive and constructive. Our working relationship has improved a lot. We have also good personal contacts. I think you can see an evolution in their way of thinking. I hope this will last. (Interview: Commission official, May 2006)

Therefore, it can be argued that Commission officials perceive a new approach towards the EU from within UEFA. This is reflected in their consideration of the rules on locally-trained players. The Commission is very prudent in this respect, but it is safe to say that, at least, the



Commission's approach is less belligerent than Karel van Miert's position back in 1996. It is also plausible to assume that UEFA's co-operating attitude has won at least some hearts and minds within the Commission and the European Parliament.

For the sceptical viewer, however, there is always room to question whether these rules are a return to quotas through the back-door or not. It is not totally clear if the rules on locally-trained players, as currently implemented by UEFA, meet the criteria to be considered lawful under EU law. Miettinen and Parrish consider that, although not a direct discrimination in the base of nationality, the rules might be not proportionate to the objective pursued, hence creating an indirect discrimination that cannot be justified (Miettinen and Parrish 2007; see also Wathelet 2007: 13-14). Furthermore, FIFA president, Joseph Blatter, has created additional concern for the EU by making a recent call to European politicians to allow for the reinstatement of nationality quotas in club football:

When you have 11 foreigners in a team, this is not good for the development of football. Football has never had the courage to go against this practice but it must now. The EU say that this [nationality quotas] is not possible based on free circulation of workers but in football principles are different (...) You cannot consider a footballer like any normal worker because you need 11 to play a match - and they are more artists than workers. (quoted in Spongenberg 2007; see also BBC Sport 2007)

UEFA President, Michel Platini, recently stated that he agrees with FIFA's attempt to limit the number of foreign players in clubs, but he also added that a return to quotas is unrealistic and 'impossible' because of EU law (Blitz 2007). Platini, instead, would like to strengthen football academies through rules such as the ones discussed above (Blitz 2007). It will be interesting to see UEFA's reaction if FIFA intends to press forward with its campaign for nationality quotas. UEFA might be caught in the middle of a new fight between FIFA and the European Union: 'The EU is just a regional organisation, which does not even represent all the countries in the European continent' (FIFA President Joseph Blatter, quoted in Maroto 2007). UEFA's reaction to a possible conflict between FIFA decisions and European law in the issue of quotas will measure European football's governing body commitment to cooperation with the EU. In theory, UEFA is bound to enforce FIFA regulations, as explained earlier in this article. However, UEFA is aware that the reintroduction of nationality quotas will be vigorously opposed by the European Commission. Even the European Parliament, which has supported UEFA's rules on locally-trained players (European Parliament 2007: paragraph 34), is very clear about nationality quotas: 'This is impossible, we support the plans on homegrown players because they are not discriminatory, but we are also very clear that nationality quotas are unacceptable' (Interview: MEP, June 2006).

So far, UEFA has not expressed support for Blatter's idea, but the combination of these recent noises around quotas, coupled with the rules on locally-trained players might be enough for those with a sceptical view of UEFA's policies. It is certainly legitimate to ask whether UEFA is just instrumentalising the dialogue with European institutions for its own benefit. One could also wonder whether UEFA is simply trying to un-do *Bosman*. Yet, in the light of the results of this research, this seems to be a slightly harsh judgement on UEFA. Certainly, it is necessary to follow the development of this issue in the near future, for it can reveal a great deal about UEFA's policy towards the EU. But, at this point, it is safe to argue that, for now, UEFA is happy to collaborate with European institutions:

I think that today UEFA sees the EU increasingly as a partner, a long term strategic partner for the organisation, and this is for several reasons. First, because over time, the relationship between sport and the EU has become closer and closer. Moreover, I see UEFA being able to support the policies and the policy objectives of the EU. I think we can do this through football, because people talk all the time about the power of football to integrate different groups in society, to teach important values such as the rule of law, team work, effort... We can also contribute a great deal in the current debate on the necessity of a healthy lifestyle and healthy habits, which is now featuring in the EU initiative to combat obesity. Then there is of course the issue of racism. It is both a problem for us, because we want to kick it out of football, and an

opportunity, because we can help to combat racism in many ways. (Interview: UEFA official, May 2006)

Probably, the main difference nowadays is not the readiness of UEFA to engage with EU institutions, but rather the positive perception of the EU held by UEFA. This is a major contrast with the past:

Actually, I think we [UEFA and the EU] are organisations that could be said to have very similar objectives. I do not think we are that different. The aim of the EU is the same of UEFA, albeit in different fields, but there are similarities. Here at UEFA our main objective is to preserve competition in football. If the competition is not perceived as fair, then we lose our stakeholders and we lose our legitimacy. This is our most important duty when we are here. If we understand that, then you realise that we are not so different to the European Union. The EU also aims to provide equal opportunities and fair competition, in that case economic competition for companies and consumers, but they also try to achieve a level playing field (Interview: UEFA official, February 2007).

This even refers to the effects of EU decisions on football:

My personal opinion is that it is not fair to blame the EU for all the changes that football is undergoing. It is the reality of our world, it is the increasingly more difficult and global legal and economic framework in which we live... I do not think it is the EU's fault the many problems football is facing right now, neither I blame on the EU the changes in the relations of power and structures [in football] (Interview: UEFA official, February 2007).

This is a change that is perceived on the other side of the table, as it has been explained above. Commission officials, MEPs and representatives from national governments praise UEFA's new strategy. Of course, UEFA is now at a juncture in which it has to prove it is willing to maintain this policy of co-operation and engagement. It has also to show that it is happy to go beyond words and observe European law. There are tensions and challenges ahead that will measure the strength of UEFA's commitment. It is undeniable, though, that UEFA has grown and matured as a governing body. In a way, it is probably not untrue to say that the conflicts with EU institutions have helped UEFA to evolve.

#### **Conclusion**

The relationship between European institutions and European football's governing body has fundamentally changed in the last decade. Before the ECJ's ruling in the Bosman case (1995), UEFA mainly ignored the EU. Following the ruling, UEFA felt that it had come under attack from European institutions, particularly the ECJ and the Commission. In reality, the institutions were just fulfilling their roles under freedom of movement and competition policy provisions within the EU's legal framework (its Treaties). With time, UEFA's confrontational attitude towards the EU has been substituted with a more positive approach. The governing body has slowly accepted the role of the EU in terms of the regulation of European football. This change in UEFA's strategy towards the EU can be explained in the three ways noted below.

First, and foremost, UEFA had to accept the regulatory powers of the ECJ and the Commission. There is no denial that UEFA had no other option but to bring its regulations into line with European law. Foster (2000) argues that there are three possible models for the regulation of sport by the EU: (1) Regulation through the enforcement of private rights by the ECJ (Foster 2000: 46-52), (2) self-regulation by sporting bodies under the so-called sporting exception<sup>14</sup> (Foster 2000: 60-61) or (3) supervised autonomy (Foster 2000: 53-59). The latter recognises the role of governing bodies in formulating policies to regulate sport.

<sup>&</sup>lt;sup>14</sup> See Alfonso Rincón's contribution in this special issue for a detailed explanation of the sporting exception.



However, 'self-regulation should only be permitted subject to a proper rule of law system of governance' (Foster 2000: 64). Foster's conception of supervised autonomy recognises that sport authorities are best positioned to regulate their area of activity and ensure that sport as a business 'is still run partly for the love of the game' (Foster 2000: 64). However, public authorities (the Commission in this case) have to ensure that law is respected, so there is 'legally based protection of the widest constituencies' (Foster 2000: 64).

Thus, the EU offers to FIFA and UEFA a degree of supervised autonomy in exchange for a clear commitment to transparency, democracy and protection of the values of sport. The primacy of EU law remains uncontested, but there is room for dialogue between the two sides. If UEFA wants to maximise this supervised autonomy, it needs to engage with European institutions and demonstrate that it can be trusted. This idea has been perfectly summarised by Richard Corbett MEP:

The law of the land applies to all, including football. Make no mistake about that. It is futile to seek complete exemption from European law for sport. But sport has some especial features that require a particular application of the law. Therefore there is a space we can work with. The exact delimitation of that space is to be debated. However, to get this more space that sport requires, it needs –and I am thinking of UEFA and other football governing bodies in particular- to show that it can be serious. That they will govern football in a fair and democratic way (Author's notes: Intervention of Richard Corbett MEP in the Conference 'Play Fair with Sport', organised by UEFA and the Council of Europe, Strasbourg 29 September 2006).

This article does not affirm that UEFA has unconditionally embraced the EU or the European ideals. Quite to the contrary, it is acknowledged that European law obliged UEFA to change its strategy towards the EU. This is very clearly admitted by UEFA officials: 'We had no other option'. Yet, there is a difference between accepting the regulation of European law and engaging in further co-operation. Perhaps, UEFA could have just resorted to a mere exercise of damage limitation in the application of European law. It is suggested in this article that UEFA has gone further in terms of actively engaging with the European integration process; even going so far as to organise a football match to celebrate the 50<sup>th</sup> anniversary of the Treaty of Rome (European Commission 2007a). Furthermore, UEFA is currently working in collaboration with the Council and the Commission to look at ways to improve safety and security at sporting events (UEFA 2007d). While these are just small initiatives, they do show a willingness on the part of UEFA to engage with European institutions in different areas.

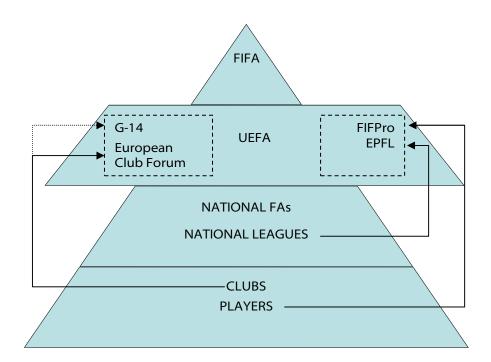
Second, there is also a degree of *socialisation* in the evolution of UEFA's policy towards the European Union. The numerous meetings between UEFA and Commission officials, dealt with in the sections above, contributed towards a mutual understanding between both parties. The dialogue with the members of the European Parliament also reinforced a change in the organisation's perception of the legitimacy of public authorities to intervene in football maters:

We have to admit that there is a legitimate right for the politicians to ask what is going on, to know where the money goes, to request transparency and to see that money is properly used. If you accept this principle and you accept that there has to be some control of the [football] industry, then there is room for agreement. Unfortunately, many football people have been working against this for several reasons, but always using the autonomy of football as their motive, which is in my view immature and it is not realistic either. (Interview: Former UEFA official, February 2007)

Of course, the positive outcomes of the negotiations with the Commission and the European Parliament in the dossiers analysed through this article helped UEFA to be more positive towards the EU. If these decisions had been negative for UEFA, the governing body would surely have a different opinion.

Finally, there is a third motive that can also explain UEFA's willingness to engage with European institutions. This relates to the organisation's position in the pyramid of European football. In recent years, UEFA's legitimacy to govern European football has been challenged by other stakeholders, including clubs, leagues and players (Holt 2006). The intervention of the EU has contributed to the changes within football's pyramid of governance. The vertical channels of authority from FIFA to the national FAs have been weakened. The governance of football in Europe is now populated with new stakeholders (see figure 2 below) in an structure more similar to a horizontal axis of distributive networks (Holt 2006).

Figure 2: The transformed pyramid of European football



UEFA has had to adapt to keep pace with the modernisation of football and to maintain its central role as governing body. First, UEFA overhauled its internal structures to deal with the realities of the commercialisation of modern professional football (UEFA 2000b). Second, UEFA had to modify its top club competition, the Champions League, to avoid breakaway threats by the richest football clubs in Europe (Holt 2006: 24-37, 2007; King 2003: 97-166; Morrow 2003). By engaging with public authorities, such as the EU, UEFA might find a way to regain the legitimacy contested by other stakeholders. If UEFA manages to gain support from governments, the Commission or the European Parliament to act as European football's governing body, it would be in a much better position to preserve its central role in the governing structures of the game.

However, the engagement with the EU represents a necessary trade-off for UEFA. UEFA will never win the EU's approval if it is not seen to respect European law. Thus, the supervised autonomy offered by the EU imposes a certain limit on UEFA's powers to formulate policies in the regulation of football. If UEFA is genuinely looking to form a partnership with European institutions, it will have to find a compromise. UEFA needs to find a balance, which may end up with a reduction of the organisation's independence. In return, UEFA would be able to retain its central position as umbrella organisation in European football. Curiously,



the intervention of the EU was initially felt as a threat to UEFA's independence. However, the interest of European institutions in developing a policy on sport (see for example European Commission 2007b) could benefit UEFA in the long-term, but taking this opportunity does include a trade-off. UEFA's response to these new challenges will measure the real position of the governing body in this juncture and define its relationship with the EU for the years to come.

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