

## PRESS RELEASE No 203/23

Luxembourg, 21 December 2023

Judgment of the Court in Case C-333/21 | European Superleague Company

## The FIFA and UEFA rules on prior approval of interclub football competitions, such as the Super League, are contrary to EU law

They are contrary to competition law and the freedom to provide services

The FIFA and UEFA rules making any new interclub football project subject to their prior approval, such as the Super League, and prohibiting clubs and players from playing in those competitions, are unlawful. There is no framework for the FIFA and UEFA rules ensuring that they are transparent, objective, non-discriminatory and proportionate.

Similarly, the rules giving FIFA and UEFA exclusive control over the commercial exploitation of the rights related to those competitions are such as to restrict competition, given their importance for the media, consumers and television viewers in the European Union.

The Fédération internationale de football association (**FIFA**) and the Union of European Football Associations (**UEFA**) are associations governed by private law having their headquarters in Switzerland. Their objective is to promote and set the framework for football at world and European levels. They adopted rules conferring on them the power to approve interclub football competitions in Europe and exploit the various media rights related to those competitions.

A group of 12 European football clubs <sup>1</sup>, acting through the Spanish company **European Superleague Company**, wished to set up a new football competition project: the **Super League**.

FIFA and UEFA objected to the project, threatening to impose sanctions on clubs and players who might decide to participate.

European Superleague Company brought an action against FIFA and UEFA before the Commercial Court, Madrid (Spain), arguing that their rules on approval of competitions and the exploitation of media rights are contrary to EU law. Having some doubts on the matter in relation to, inter alia, the fact that FIFA and UEFA hold a monopoly on that market, the Spanish court referred questions to the Court of Justice.

The Court observes that **the organisation of interclub football competitions and the exploitation of the media rights are,** quite evidently, **economic activities**. They **must therefore comply with the competition rules and respect the freedoms of movement**, even though the economic pursuit of sport has certain specific characteristics, such as the existence of associations having certain regulatory and control powers and the power to impose sanctions. The Court also observes that, in parallel with those powers, FIFA and UEFA themselves organise football competitions.

Next, the Court holds that, where an undertaking in a dominant position has the power to determine the

conditions in which potentially competing undertakings may access the market, that power must, given the risk of conflict of interest to which it gives rise, be subject to criteria which are suitable for ensuring that they are transparent, objective, non discriminatory and proportionate. However, the powers of FIFA and UEFA are not subject to any such criteria. FIFA and UEFA are, therefore, abusing a dominant position.

Moreover, given their arbitrary nature, their rules on approval, control and sanctions must be held to be unjustified restrictions on the freedom to provide services.

That does not mean that a competition such as **the Super League project** must necessarily be approved. **The Court**, having been asked generally about the FIFA and UEFA rules, **does not rule on that specific project in its judgment**.

In parallel, the Court observes that the FIFA and UEFA rules relating to the exploitation of media rights are such as to be harmful European football clubs, all companies operating in media markets and, ultimately, consumers and television viewers, by preventing them from enjoying new and potentially innovative or interesting competitions. It is, however, for the Commercial Court, Madrid, to ascertain whether those rules might nevertheless benefit different stakeholders in football, for example, by ensuring a solidarity-like redistribution of the profits generated by those rights.

**NOTE:** A reference for a preliminary ruling allows the courts and tribunals of the Member States, in disputes which have been brought before them, to refer questions to the Court of Justice about the interpretation of European Union law or the validity of a European Union act. The Court of Justice does not decide the dispute itself. It is for the national court or tribunal to dispose of the case in accordance with the Court's decision, which is similarly binding on other national courts or tribunals before which a similar issue is raised.

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The <u>full text and, as the case may be, the abstract</u> of the judgment is published on the CURIA website on the day of delivery.

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<sup>1</sup> They were initially the following clubs: in Spain, Club Atlético de Madrid, Fútbol Club Barcelona and Real Madrid Club de Fútbol; in Italy, Associazione Calcio Milan, Football Club Internazionale Milano and Juventus Football Club; and, in the United Kingdom, Arsenal Football Club, Chelsea Football Club, Liverpool Football Club, Manchester City Football Club, Manchester United Football Club and Tottenham Hotspur Football Club.

