UEFA and the Super League: who is calling who a cartel?

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Abstract

The football industry finds itself at a turning point. Through the recent rise and steep fall of the Super League, the concept of a super breakaway league in football is once again at the center of the discussions among football stakeholders. Whilst the key discussion points of such breakaway projects seem to be primarily of a commercial and political nature, EU competition law could also have a crucial impact on the success rate of these initiatives. Sports governing bodies often build in control mechanisms which require their consent prior to the establishment of new third-party competition, often complemented with a severe sanctioning mechanism for athletes participating in non-authorized events. In the ISU case, the European Commission and the General Court found such an ex-ante control mechanism to be contrary to EU competition law in certain circumstances. This Article will analyze UEFA’s ex-ante control system in light of the decision in the ISU case. If the football pyramid desires to uphold its control mechanism it should introduce objective, non-discriminatory, transparent, and proportionate criteria, as well as proportionate sanctions. This article will also analyze whether the Super League’s own set-up is compliant with EU competition law.

Keywords EU competition law · Football regulation · Breakaway · Super League · International Skating Union (ISU) · Union of European Football Associations (UEFA) · Ex-ante control mechanism

1 Introduction: rise and steep fall of the Super League

On Sunday 18 April 2021, six English football clubs, three Spanish teams, and three Italian teams announced that they would start a new football competition, called the ‘Super League’. This would consist of 20 clubs, with 15 of them permanently part of the competition and five additional clubs able to qualify annually. The purpose of the new competition was “improving the quality and intensity of existing European competitions throughout each season, and of creating a format for top clubs and players to compete on a regular basis.”

The Fédération Internationale de Football Association (FIFA) and the Union of European Football Associations (UEFA) were quick to dismiss the proposed breakaway competition and, in the days following the announcement, many other clubs, football fans, and politicians said they were opposed as well. One by one, the clubs behind the Super League withdrew their support, giving rise to Internet memes mocking the end of a football competition which never even started.

Today the concept of the Super League is still supported by three clubs: Real Madrid, Barcelona and, Juventus. The nine other founding clubs, with their tails between their legs, signed a rather far-reaching ‘Club Commitment Declaration’ with UEFA to have their status within the football pyramid restored.

1 Press release available at https://thesuperleague.com/press.html (Accessed 19 July 2021).
2 These ‘converted’ clubs agreed to donate EUR 15 million for the benefit of children, youth and grassroots football in local communities across Europe, to withhold 5% of the revenues they would have received from UEFA club competitions for one season, and to have fines imposed of EUR 100 million if they seek to play in an unau-
2 A history of football breakaway leagues … and competition law-related disputes

The Super League was not the first—and will likely not be the last—attempt of some of Europe’s major football clubs to create a breakaway league. Already in 1998, several European top clubs tried to set up a new competition under the project name “Gandalf.” And in 2006-2007, the so-called G-14 tried to set up the European Golden League, but this also failed. Rumors of the planned Super League already surfaced at the end of 2020, provoking FIFA and the six confederations, including UEFA, to announce on 21 January 2021 that “[a]ny club or player involved in such a competition would … not be allowed to participate in any competition organized by FIFA or their respective confederation.”

It is clear that several of the clubs that publicized their interest in joining a breakaway competition did so in order to put pressure on UEFA to come up with a competition format that meets the (financial) expectations of the larger clubs in Europe. This time around as well, the announcement of the Super League came just a day before UEFA announced a new format for its club competitions as of the 2024/25 season. The changes proposed by UEFA are fairly limited, however, and fall short of a rumored plan by FIFA to set up a European super league with 18 clubs mostly from the five major European football leagues, i.e. England, Spain, Germany, Italy, and France.

Apart from bargaining, FIFA/UEFA and the big clubs have also used legal instruments to challenge each other’s rules and plans. This was already the case 25 years ago when the backers of Project Gandalf notified their proposed competition to the European Commission (EC) under the European competition rules of the time and subsequently complained to the same EC about UEFA’s alleged attempt to prevent the breakaway competition (although no decision was adopted in the end).

This time around, the EC seemed to want to stay out of the dispute. In early 2021, one of the EC’s Vice Presidents, Margaritis Schinas, still explicitly spoke out against the Super League, saying: “There is no scope for the few to distort the universal and diverse nature of European football” and “[t]he European way of life is not compatible with European football being reserved for the rich and the powerful”.

He reiterated his statements after the public announcement on 19 April 2021, but a spokesperson for the EC subsequently pointed out that “Disputes related to the governance of sports can usually be best handled by relevant arbitration bodies and national courts.”

That invitation did not fall on deaf ears: the day after, a commercial court in Madrid already issued an injunction at the request of the Spanish company set up to organize the Super League. It prohibited FIFA and UEFA from taking any actions that might impede the creation of the Super League, including the imposition of any sanctions or disciplinary measures such as the ones announced earlier. The subsequent rapid demise of the Super League did not stop this legal battle: on 11 May 2021, the same court issued a request for a preliminary ruling to the European Court of Justice about its interpretation of the EU competition law.

Footnote 2 (continued)

Authorized competition and EUR 50 million if they breach any other commitment of the Club Commitment Declaration: UEFA, UEFA approves reintegration measures for nine clubs involved in the so-called ‘Super League’, 7 May 2021, https://www.uefa.com/insideuefa/news/0269-123871bd66ca-d9571aa78f72-1000--uefa-approves-reintegration-measures-for-nine-clubs-involved-in/ (Accessed 2 August 2021).

See the EC notification of a number of agreements concerning the European Football League, 13 March 1999, OJ C70/5. See on this attempt e.g. Cattaneo and Parrish (2020) p. 89.

I.e. an organization of powerful European football clubs that existed between 2000 and 2008. It was succeeded by the European Club Association (ECA). ECA represents football clubs in Europe by appointing members in multiple committees and working groups of among others FIFA and UEFA. ECA has 246 football club members from 55 national member associations in Europe.

UEFA, Statement by FIFA and the Six Confederations, 21 January 2021, https://www.uefa.com/insideuefa/about-uefa/news/0265-1162b4daabdc-011165939444-1000--statement-by-fifa-and-the-six-confederations/ (Accessed 5 February 2021).

See, already at the time of Project Gandalf: Parrish and Miettinen (2008) pp. 212–213; Pijetlovic (2015) pp. 55–62.

See UEFA, New format for Champions League post-2024: everything you need to know, 25 May 2021, https://www.uefa.com/uefacampionsleague/news/0268-12157d69ce2d-9f011c7066fa-1000--new-format-for-champions-league-post2024-everything-you-need-to-know/ (Accessed 2 August 2021).

See M Kleinman, European Premier League: Liverpool and Manchester United in talks for FIFA-backed tournament, 21 October 2020, https://www.skysports.com/football/news/11095/12109174/european-premier-league-liverpool-and-manchester-united-in-talks-for-fifa-backed-tournament (Accessed 5 February 2021)).

A Walker, EU backs UEFA opposition to European football super league, 21 January 2021, https://www.politico.eu/article/eu-uefa-superleague-opposition-ceferin-von-der-leyen-meeting/ (Accessed 5 February 2021).

S Van Dorpe, EU holds off on using competition powers over proposed football Super League, 19 April 2021, https://www.politico.eu/article/eu-holds-off-competition-powers-over-proposed-football-super-league/ (Accessed 19 July 2021).

Juzgado de lo mercantil nº 17 de Madrid 20 April 2021, European Super League Company S.L. v FIFA and UEFA, Procedimiento 150/2021.
and free movement rules in the context of the breakaway league.  

3 To be (a cartel) or not to be (a cartel): that is the question

Why is this all a legal issue?

From the perspective of FIFA and UEFA a breakaway league, such as the Super League, constitutes a threat to the traditional pyramidal football model, which they operate.  

In the same vein, a breakaway league competes with UEFA’s own football competitions—and with the clubs who play in them. Therefore, it is entirely natural for FIFA and UEFA to want to curtail breakaway attempts.

The major clubs that intend to break away, on the other hand, have an incentive to do so because they expect to benefit (financially) from the breakaway league. They can expect their combined branding to attract even more fans and therefore more revenue.

Consumers of professional football are in theory not worse off with a breakaway league. On the contrary, they are offered an additional football-related product, on top of the available products, for them to enjoy should they so wish. The Super League saga, however, showed that this discussion is not as sterile as portrayed here, as fans across the globe protested heavily against the Super League. An open question remains whether these negative reactions related to the concept of the Super League itself or just to some of its features or even only to the poor communication surrounding it.

Hence, a breakaway league, at least in theory, has the potential to add value for consumers through an increased competition of football-related products, whereas curtailing breakaway attempts distort such competition and deprive football consumers of an additional, potentially interesting product.

This is why breakaway leagues are a legal issue. Free competition within the internal market is a cornerstone of the European Union and restrictions of said competition are subject to strict scrutiny. In casu the most relevant legal question therefore is: if FIFA and UEFA prohibit a breakaway league, are they then unlawfully restricting competition?

We assess this question in more depth in this Article. The focus of the analysis will be on the application of Article 101 TFEU. This provision prohibits all agreements between undertakings, decisions by associations of undertakings, and concerted practices that may affect trade between Member States and which have as their object or effect the prevention, restriction, or distortion of competition within the internal market. The most egregious form of conduct prohibited by this provision is cartelization. The focus on Article 101 TFEU is justified. While another key provision of European competition law, Article 102 TFEU (which prohibits the abuse of a dominant position) and the European free movement rules also impact on breakaway competitions, there has been recent case law on the application of Article 101 TFEU which provides insight in its application to the Super League. More in particular, in a judgment of 16 December 2020, the General Court of the European Union (General Court) came to a verdict in the notorious ISU case.

Our analysis uses the recent Super League breakaway attempt as a case study, but is, of course, also useful for the consideration of other, future breakaway attempts, and could inspire analyses outside of the context of football.

In the margins of the competition law assessment of FIFA’s and UEFA’s power to stop the creation of the Super League, we will also consider whether the Super League itself is compatible with competition law, especially given its closed character.  

4 The benchmark: the ISU case

As a benchmark for our analysis serves the aforementioned ISU case. The highlights of this case are as follows.

In 2017, the EC pronounced itself on a complaint brought by two Dutch professional speed skaters, Mark Tuitert and Niels Kerstholt, against the so-called Eligibility rules of the International Skating Union (ISU), the international sports federation globally administering figure skating and speed skating on ice. These Eligibility rules entailed a lifetime ban for athletes and officials taking part in competitions not authorized by the ISU and prevented the organization of the Dubai Icederby Grand Prix 2014.  

A request by Icederby to obtain authorization for this series of skating events had been rejected by the ISU, initially because Icederby intended to organize betting in connection with the skating event. But the ISU maintained its refusal even after Icederby informed ISU that it would not organize any betting

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12 Juzgado de lo mercantil n° 17 de Madrid 11 May 2021, European Super League Company S.L. v FIFA and UEFA, Procedimiento 150/2021 (ECLE:ES:JMM:2021:747A).

13 See more elaborate infra ‘5.1 FIFA/UEFA’s prior approval requirement’.

14 Also see Vermeersch (2021), 8, who briefly touches upon this question.

15 EC, AT-40208, International Skating Union’s Eligibility rules under 101 TFEU, Decision 8 December 2017, par. 21–22; see among others Van Den Bogaert et al. (2018) p. 136; Pijetlovic (2018) pp. 345–350.
activities in relation to the event. Since no skaters wanted to risk a lifetime skating ban, Icederby was forced to cancel its Dubai Icederby Grand Prix 2014.16

The EC considered that the integrity of sport, the protection of health and safety, the organization and proper conduct of competitive sport, the solidarity between participants, and the protection of the volunteer model of a sport could all constitute legitimate objectives to justify some restrictions imposed by the ISU. However, it held that the Eligibility rules as adopted and enforced by the ISU were not inherent in the pursuit of these legitimate objectives, or at the very least not proportionate to them. It, therefore, found these rules to breach Article 101 TFEU and required the ISU to bring the infringement to an end within 90 days from the notification of the decision, subject to a periodic penalty payment of 5% of its average daily turnover. The EC decided not to impose a (lump sum) fine on the ISU for the infringement, including because this was the first infringement decision adopted by the EC concerning rules set by sports governing bodies.17

In a judgment of 16 December 2020, the General Court of the European Union largely confirmed the EC’s decision and ruled that the Eligibility rules of the ISU effectively infringed EU competition law.18 The General Court emphasized that the fact that a sport’s governing body performs a dual role of commercially exploiting competitions and performing a regulatory function “is capable of giving rise to a conflict of interest”. This is of particular concern in the context of sports governing bodies’ prior approval requirements for third party events, in that “[the sports governing body] must ensure when examining applications for authorization, that those parties are not unduly deprived of market access to the point that competition on that market is distorted”.19 The ISU has introduced an appeal against the judgment of the General Court, but in the meantime, this judgment stands as the law of the land.20

The parallels between the ISU case and the case of breakaway leagues in football are obvious.21 Both cases relate to a sports governing body, that regulates its sport and organizes own competitions, which prohibits a new competition organized by a third party. This justifies using the ISU case as benchmark for the analysis of football breakaway leagues.

Nevertheless, whilst there are sufficient similarities, we are mindful that all cases have their specificities and that comparative conclusion can be drawn only with utmost care.22 In this respect, it is worth mentioning that in the ISU case the ISU seems to have used its regulatory powers mainly to achieve commercial advantage for itself. In the Super League case, FIFA’s and UEFA’s stance will certainly be inspired by commercial motives too, yet elements such as solidarity within the football pyramid and the organization and proper conduct of competitions carry significant weight too, perhaps making the case for a ‘right of refusal’ stronger in the football breakaway league case than in the ISU case. On the other hand, we should be careful not to entirely exclude the protection of own commercial interests as a legitimate objective of sports governing bodies. Indeed, in the ISU case, the General Court made very explicit that a sports organization body has the right to defend its own commercial interests and that this is not in itself anti-competitive.23

One important factor in the assessment in the ISU case was the harshness of the sanctions for athletes. In the Super League case, FIFA and UEFA also took a severe position, by announcing a ban to compete in FIFA and UEFA competitions not only for clubs but also for the players involved. As indicated further below, the announcement of such severe sanctions brings FIFA/UEFA’s approach closer to the problematic attitude of the ISU.

### 5 The assessment: breakaway leagues and the prohibition of Article 101 TFEU

We will first consider whether Article 101 TFEU prohibits FIFA/UEFA’s approach to breakaway leagues (including the Super League). In the margins, and subsequently, we will assess whether the Super League itself is compatible with this provision.

We reiterate that Article 101 TFEU prohibits (i) agreements between undertakings, decisions by associations of undertakings, and concerted practices that (ii) may affect trade between Member States and (iii) which have as their object or effect the prevention, restriction, or distortion of competition within the internal market.

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16 EC, AT.40208, International Skating Union’s Eligibility rules under 101 TFEU, Decision 8 December 2017, par. 62–72.
17 Ibid. par. 348.
18 The General Court did not confirm the EC’s finding that the arbitral rules of ISU were problematic under European competition law, but this issue is outside of the scope of this article.
19 General Court 16 December 2020, T-93/18, International Skating Union vs. EC, ECLI:EU:T:2020:610, par. 75.
20 CJEU case C-124/21 P, International Skating Union v Commission. The appeal was introduced at the end of February 2021. Based on the average duration of appeal proceedings, a judgment of the Court of Justice can be expected in 2022.
21 Also see Vermeersch (2021) 3–9.
22 Also see Vermeersch (2021) 8.
23 General Court 16 December 2020, T-93/18, International Skating Union vs. EC, ECLI:EU:T:2020:610, par. 105 et seq.; also see infra ‘6. Wait a minute: legitimate objectives justifying restrictions of competition.’
5.1 FIFA/UEFA’s prior approval requirement

FIFA, UEFA, and national member associations, and football clubs constitute (associations of) undertakings within the meaning of Article 101 TFEU. Just like the ISU, besides regulatory activities, they also conduct commercial activities related to the organization and marketing of international sports events, e.g., activities related to licensing of broadcasting rights and sponsorship agreements. That means that the rules of these sports governing bodies which are binding on their members amount to a decision by an association of undertakings within the meaning of that provision. Taking into account that the rules can—and most likely will—have cross-border impact, there can also be no doubt about their effect on trade between Member States. The only remaining question is therefore whether their rules relating to breakaway competitions have as their object or effect the restriction of competition.

Especially relevant are Articles 49.1 and 49.3 of the UEFA Statutes. Article 49.1 states that UEFA has the sole jurisdiction to organize or abolish international competitions in Europe in which member associations and/or their clubs participate. FIFA competitions are not affected by this provision. Article 49.3 furthermore states: “International matches, competitions or tournaments which are not organized by UEFA but are played on UEFA's territory shall require the prior approval of FIFA and/or UEFA and/or the relevant Member Associations in accordance with the FIFA Regulations Governing International Matches and any additional implementing rules adopted by the UEFA Executive Committee.”

Quite clearly, this prior approval requirement has as effect—and indeed as its object—the restriction of competition: FIFA/UEFA can deny competing football competition organizers access to the market.

As a side note, it is noteworthy that the FIFA/UEFA prior approval requirement has not prevented the reform of competition formats within UEFA’s structure. An example is the Royal League: in 2004, the four best teams of Sweden, Denmark, and Norway successfully started said league for three seasons. As envisaged, the BeNeLiga between leading football clubs of the Netherlands and Belgium would probably also prove an example of a new competition within the traditional model.

This makes sense: these formats are, or will likely be, approved by football’s governing bodies, as the various interests are largely aligned. In essence, such new formats attempt to create a more attractive transnational, but still local, competition, to enhance the quality of the game within that region and to increase revenue streams for the participating clubs (larger audience, better media rights deals, etc.). Therefore, these formats do not constitute real breakaway leagues, as they remain within the traditional, pyramidal sports model, with the participation of clubs and/or athletes belonging to that traditional sports model. In the case of a real breakaway competition, on the other hand, the traditional, pyramidal model is to some extent abandoned. If the Super League were established, the share of the audience’s attention for football which UEFA can capture would be reduced, and this would have an impact on income that can be generated by UEFA and clubs participating in UEFA competitions through the sale of tickets, broadcasting rights and merchandising, and hence their profitability. This in turn would have a knock-on effect on the solidarity mechanisms within the traditional sports model, where some of the benefits generated by top clubs and players are meant to trickle down to small members and grassroots organizations.

5.2 The Super League set-up

Does the Super League set-up itself fall foul of Article 101 TFEU?

As a preliminary remark, we note that the format of the Super League was only a sketch at the end of April 2021 and, given the withdrawal of support for it, it is likely to remain that way. The precise rules for participation in the Super League may therefore never become known and our analysis of their compatibility with Article 101 TFEU will necessarily be incomplete. All we know at the moment is

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24 General Court 26 January 2005, T-193/02, Piau v. EC, ECLI:EU:T:2005:22, par. 72.
25 EC, AT-40208, International Skating Union’s Eligibility rules under 101 TFEU, Decision 8 December 2017, par. 146–147.
26 General Court 26 January 2005, T-193/02, Piau v. EC, ECLI:EU:T:2005:22, par. 75. Compare EC, AT-40208, International Skating Union’s Eligibility rules under 101 TFEU, Decision 8 December 2017, par. 152.
27 Article 11.1 of the FIFA Regulations Governing International Matches stipulates that for international matches between clubs from different federations within one confederation these matches and competitions are authorised in accordance with the regulations of that confederation. Once authorisation has been granted, the host confederation shall notify FIFA.
28 Also see Vermeersch (2021), 7; see in the ISU case: General Court 16 December 2020, T-93/18, International Skating Union vs. EC, ECLI:EU:T:2020:610, par. 32.
29 Pijetlovic (2015) p. 71.
30 See e.g. S Kunti, BeNeLiga talks progress as report suggests league could generate €400m in rights fees, 3 November 2020, http://www.insideworldfootball.com/2020/01/24/benebiga-talks-progress-report-suggests-league-generate-e400m-rights-fees/ (Accessed 5 February 2021).
31 On the traditional European model of sport, see e.g. Cattaneo and Parrish (2020) pp. 16 et seq.
that it was meant to be a competition with 20 clubs of which it appears that 15, as founding members, would be guaranteed a place in the competition, while 5 additional clubs would be able to participate through some form of qualification. In view of these limited facts, the following considerations are worth sharing.

We do not know how the qualification system for the 5 additional clubs would work, but it is clear that the backers of the Super League wanted to avoid a completely closed league. Closed leagues are nevertheless standard practice in the United States, where they have also withstood antitrust scrutiny. The leading case in this field is *Mid-South Grizzlies v National Football League*, which concerned the refusal of the NFL to grant the request of Mid-South Grizzlies, an American football team based in Memphis, to enter the league. The US Court of Appeals of the Third Circuit held that there was limited commercial competition between members of the NFL since the teams did not compete in ticket sales or sales of broadcasting rights (organized by the NFL). If the participating teams in the NFL did not compete with each other economically (despite their athletic competition), they were, in the view of the Court, also unable to collude with one another in breach of section 1 of the US Sherman Act (the equivalent of Article 101 TFEU). While this theory of sports leagues as single economic entities has been significantly qualified since American Needle, Inc. v. NFL, 560 U.S. 183 (2010), some decisions of such leagues will simply be able to participate through some form of qualification, while 5 additional clubs would work, but it is clear that the backers of the Super League wanted to avoid a completely closed league. The Super League is underpinned by legitimate objectives. Subsequently, we will briefly do the same regarding the set-up of the Super League.

The situation in Europe is different from that in the US since sporting leagues can be qualified as both undertakings and associations of undertakings, and decisions of the latter are explicitly covered by Article 101 TFEU. While they may be viewed as single economic entities for some purposes, the decisions of the sporting leagues are therefore nevertheless subject to antitrust scrutiny. Of course, that does not mean that they are necessarily contrary to Article 101 TFEU: many decisions of such leagues will simply not restrict competition or be inherent and proportionate to legitimate objectives (see further below), and therefore fall outside of the prohibition contained in that article. But, at the very least, such an assessment needs to be made.

### 6 Wait a minute: legitimate objectives justifying restrictions of competition

As hinted at just above, the fulfillment of the conditions of Article 101 TFEU does not necessarily lead to the conclusion that the legal construct under scrutiny is unlawful. Indeed, as reiterated by the General Court in the ISU case, the compatibility of a rule with EU competition law cannot be assessed in the abstract: “not every agreement between undertakings or every decision of an association of undertakings which restricts the freedom of action of the parties or of one of them is necessarily caught by the prohibition laid down in Article 101(1) TFEU”. In this respect, the EC and the European Courts have, over the years, developed some sympathy for the specific need to organize sports competitions. This was most emphatically stated in the Meca-Medina and Majcen judgment, where the Court of Justice held that restrictions contained in rules set by professional sports governing bodies may escape the prohibition of Article 101 (and 102) TFEU if these restrictions are inherent in the pursuit of legitimate objectives of general interest and are proportionate to them.

In the ISU case, the EC clarified that the following objectives might constitute legitimate objectives that could justify a restriction of competition by a sports governing body: the integrity of sport, the protection of health and safety, the organization and proper conduct of competitive sport (including the protection of the proper functioning of the ISU calendar and the protection of uniform rules of sport), solidarity between participants and the protection of the volunteer model of a sport.

We will now assess whether FIFA/UEFA’s approach to breakaway leagues and in particular to the Super League, is underpinned by legitimate objectives. Subsequently, we will briefly do the same regarding the set-up of the Super League itself.

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32 Mid-South Grizzlies v. NFL, 720 F.2d 772 (3rd Cir. 1983).
33 15 U.S.C. 1.
34 American Needle, Inc. v. NFL, 560 U.S. 183 (2010).
35 General Court 26 January 2005, T-193/02, Piau v. EC, ECLI:EU:T:2005:22, par. 72.
36 General Court 16 December 2020, T-93/18, International Skating Union vs. EC, ECLI:EU:T:2020:610, par. 77.
37 Meca-Medina and Majcen case (CJEU 18 July 2006, C-519/04 P. Meca-Medina and Majcen v. EC, ECLI:EU:C:2006:492). This case follows from a similar position taken in respect of governing bodies of liberal professions (lawyers) in CJEU 19 February 2002, C-309/99, Wouters, Savelbergh and Price Waterhouse Belastingadviseurs BV v. Algemene Raad van de Nederlandse Orde van Advocaten, ECLI:EU:C:2002:98. See also Parrish, Miettinen (2008) pp. 122–123; Whish and Bailey (2018) p. 139. This analysis was repeated in General Court 16 December 2020, T-93/18, International Skating Union vs. EC, ECLI:EU:T:2020:610, par. 60 and 77.
38 EC, AT-40208, International Skating Union’s Eligibility rules under 101 TFEU, Decision 8 December 2017, par. 219.
39 Ibid. par. 222–223.
6.1 FIFA/UEFA’s prior approval requirement

Particularly relevant when assessing FIFA/UEFA’s *ex-ante* control system appears to be the following two objectives: (i) developing football through a solidarity model, and (ii) the organization and proper conduct of competitions.

Solidarity is built into all levels of the football pyramid, e.g., solidarity payments with regard to player transfers, distribution schemes for media rights revenue, funding of grassroots football projects, distribution of funds to clubs of which players participate in international tournaments between national member associations, and so on.40

The revenue streams generated under a new third-party competition may not be redistributed in the same way as is done in the current football pyramid, because the new redistribution scheme will likely only apply to participating football clubs of the third-party competition.41 If (all) major football clubs choose to leave the current football pyramid, the current solidarity model could collapse. This risk may justify bringing the organization of third party competitions under some form of control by FIFA and/or UEFA.

In this respect, the solidarity aspect in football can be regarded as part of the specific nature of football and contributes to the social function thereof.42 As discussed in the ISU case, the specific nature of sport must be taken into account to analyze whether it is acceptable for a sport’s governing body to have a pre-authorization system in place.43

As to the second possible legitimate objective, the organization and proper conduct of competitions, this covers at least two key aspects: (i) protecting the good functioning of the match calendar and (ii) preserving uniform rules of sport.

The latter aspect is probably less relevant here. There is little doubt that uniform and centrally drafted rules can contribute to the consistency of sporting regulations44 and rules of the game45 and to the organization of sporting competitions in a proper way while promoting good governance in sport.46 However, contrary to the situation in the ISU case,47 there is no evidence that the Super League would somehow have wanted to change the rules of football.48

The match calendar is a more serious issue though. Athletes have to divide their energy between different games throughout the season and also need time to rest. To achieve that, it is key that a sport’s governing body can impose rules with regard to the match calendar.49 This applies to the football sector as well: central coordination is particularly useful to avoid any conflict with and between matches organized by FIFA, UEFA, the domestic leagues, and national member associations.50 A difference with other (individual) sports, is that football competitions, in general, are organized over a longer period of time, e.g., one month for a standard international tournament between national member associations, ten months for a standard domestic club league, and ten months for a pan-European club competition. This structure does not leave much room for additional third-party competitions. To avoid that the current organization of the competitions is obstructed, for example, by certain clubs being unable to complete all matches due to timing or logistical problems, it could be justifiable to have a pre-authorization system in place.

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Footnote 45 (continued)

posts: EC (2007), White Paper on Sport, COM (2007) 391 final, p. 39.

46 Pijetlovic (2015) p. 296; EC (2011), Developing the European Dimension in Sport, 2011/2087(INI), p. 14.

47 In that case, speed skating in Icerderby’s planned event in Dubai was based on a different track and format. But even then, the EC found that the ISU had not shown that this would in any way endanger the organization and proper conduct of speed skating. See EC, AT.40208, International Skating Union’s Eligibility rules under 101 TFEU, Decision 8 December 2017, par. 245.

48 Furthermore, to the extent that FIFA and UEFA would argue that the organisation of the Super League risked undermining principles of good governance in football, it should be pointed out that FIFA and UEFA’s own approach to governance leaves much to be desired: see, e.g., European Parliament’s resolution on recent revelations on high-level corruption cases in FIFA, 11 June 2015.

49 Clausen and Bayle (2017) p. 40; Agafonova (2019) p. 91.

50 And even then conflicts are possible, as is demonstrated by an incident in December 2019 when Liverpool FC had to play against Aston Villa for the quarter final of the League Cup on 17 December in England and against Monterrey for the semi-final of the FIFA Club World Cup on 18 December in Qatar. Liverpool’s coach, Jürgen Klopp, decided to send his B team to represent Liverpool FC in the quarter final of the League Cup (M Odgen, Liverpool’s Club World Cup final progress justifies Carabao Cup exit, fans’ globetrotting, 18 December 2019, https://www.espn.com.sg/soccer/fifa-club-world-cup/story/4015601/liverpools-club-world-cup-final-progress-justifies-carabao-cup-exitfans-globetrotting (Accessed 5 February 2021)).
However, the backers of the Super League, who only want to replace UEFA club competition games with Super League games and continue to participate in domestic league games, had to some extent anticipated a possible objection to their breakaway league on this ground since they envisaged that “[Super League] Games will be played mid-week” so that “all clubs will remain in their domestic leagues”. Whether that was practically feasible is another matter, and there could be a legitimate fear that Super League teams would field their A teams in the lucrative (and more challenging) Super League games and a B team in the less lucrative (and presumably less challenging) domestic leagues.

In any event, at least theoretically, the need to control the organization and proper conduct of football competitions could, just like the solidarity model of football, serve as a legitimate aim to justify FIFA/UEFA’s ex-ante control system for breakaway leagues.

6.2 The Super League set-up

We now return to the Super League and its envisaged organizational model, with 15 permanent clubs, that cannot relegate, and only 5 other slots available. Are there legitimate objectives that could underpin such a model?

First of all, rules that limit admission (as in the case of the Super League: to 20 teams) arguably pursue legitimate objectives such as ensuring that there is a limited number of teams that participate in the competition in order to draw up a match calendar. That does not say anything yet, however, about which teams are selected or how they are selected.

Secondly, it could be argued that the creation of the league requires certain financial commitments from some clubs, which they would not be willing to take on if they could not expect a certain return on their investment, and that this return is ensured through their continued participation in the league. Since rules that ensure financial viability are necessary for the very creation of the league, they are therefore akin to so-called ancillary restraints.

Hence, also regarding the Super League, at least in theory, there seem to be legitimate aims that justify its set-up.

7 The stumbling block: inherency and proportionality

As mentioned before, it is not merely required that the rules pursue legitimate objectives of general interest. They also need to be inherent in the pursuit of these objectives and proportionate to them. This is the most difficult hurdle to take, and will effectively appear to be the stumbling block, both for FIFA/UEFA’s prior approval requirement and for the Super League set-up, as will be set out below, in that order.

7.1 FIFA/UEFA’s prior approval requirement

7.1.1 Inherency

We will first consider to what extent the prior approval requirement could be viewed as inherent to the legitimate objectives of (i) the organization and proper conduct of competitions and (ii) developing football through a solidarity model.

In the ISU case, the EC considered that the Eligibility rules were not inherent in the pursuit of the legitimate aims alleged by ISU. Of particular relevance here is that the EC held that the ISU did not demonstrate that the Dubai IceRink Grand Prix 2014, which was organized during the official skating off-season, would prevent the good functioning of the ISU events calendar.

As indicated above, the fact that the Super League proposed to organize their games mid-week is clearly also aimed at avoiding a conflict with the calendar of domestic leagues. It will therefore not be obvious for FIFA/UEFA to argue that the creation of the Super League will create conflicts with the FIFA/UEFA match calendar.

The EC also did not accept ISU’s arguments as to the preservation of the solidarity and volunteer model in skating. In particular, the EC considered that the ISU’s ex-ante control system based on the pyramid structure of sport is not the norm for regulating sport but rather one model alongside other, alternative governance models.

This will also make it difficult for FIFA/UEFA to argue that the prior approval requirement is inherent to the objective of developing football through a solidarity model. Indeed, one could easily imagine ways in which solidarity is ensured between members of the Super League on the one hand and smaller professional and amateur clubs on the other. The Super League itself announced that it expected solidarity payments “in excess of €10 billion during the course of the initial commitment period of the [founding] Clubs” and that it would set up “a new model with full transparency and regular public reporting” to distribute these.

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51 See https://thesuperleague.com/#who_we_are (Accessed 19 July 2021).
52 Compare the theory of ancillary restraints as first set out by CJEU 30 June 1966, 56/65, Société Technique Minière/Maschinenbau Ulm, ECLI:EU:C:1966:38.
53 EC, AT.40208, International Skating Union’s Eligibility rules under 101 TFEU, Decision 8 December 2017, par. 242–245.
54 See press release and explanations available at https://thesuperleague.com/press.html (Accessed 19 July 2021).
7.1.2 Proportionality (margin of discretion)

In addition to the question of whether the rules are inherent in the pursuit of legitimate objectives, it is also necessary to assess whether they are proportionate to achieving these objectives. In the ISU case, the EC considered that the ex-ante control system for the organization of third party events was in any event clearly disproportionate to achieve the legitimate objectives in that case because of the extent of the disclosures requested from third party organizers and the broad margin of discretion for the ISU to decide whether to accept or reject an application for the organization of an event without any clear deadlines.55

The General Court similarly took issue with “the absence of objective, transparent, non-discriminatory and verifiable authorization criteria”, in combination with “the applicant’s broad discretion to authorize or reject such events”. As a consequence, “the eligibility rules did not provide the exercise of the applicant’s regulatory function with the necessary safeguards to ensure that third parties had effective access to the relevant market”.56

The margin of discretion is also likely going to be the main concern in the case of UEFA. As indicated above, Article 49.3 of the UEFA Statutes requires the prior approval of FIFA and/or UEFA and/or the relevant member associations for the organization of international matches, competitions, or tournaments which are not organized by UEFA but are played on UEFA’s territory. However, the UEFA Statutes do not include any objective criteria relating to the organization of third-party competition, nor any clear procedural rules setting out the timing of the application procedure.

According to Pijetlovic,57 at a meeting in October 2005, the UEFA management together with the UEFA Member Association General Secretaries set out the following 13 principles to be taken into consideration to allow a cross-border football competition:

1. Pre-authorization by the respective UEFA member associations;
2. The cross-border competition must be organized by the respective UEFA member associations;
3. All clubs participating must be affiliated to a UEFA member association;
4. The geographical aspect should be taken into account;
5. All participating clubs must recognize, as a condition precedent, that the ownership of the competition and its core commercial rights belong centrally to the competition organizer;
6. Minimum standards should be set regarding solidarity distributions from the commercial rights revenues;
7. Competition regulations must be in compliance with the UEFA Statutes and need to be approved by UEFA;
8. Participating clubs must be licensed in accordance with the UEFA club licensing system;
9. Competition regulations must include, among others, provisions concerning refereeing, disciplinary matters, integrity of competition, anti-doping;
10. The cross-border competition cannot conflict with the international match calendar;
11. Matches cannot conflict with UEFA club competitions;
12. Cross-border competition must not replace the national championships and must be arranged around the calendar of the national championship; and
13. Approval by FIFA.

Whether these criteria are still relevant today is not clear, but they in any event leave much wanting from the perspective of what the EC and the General Court required in the ISU case. For one, the first two and the last criteria are themselves new authorization requirements, for which no criteria are formulated. Furthermore, there is no timetable to obtain the approval(s) so that it is difficult for potential organizers of an alternative competition to know when to expect a decision. More generally, the criteria do not seem to have been formally adopted or publicized by UEFA so that it is unclear whether any reliance can be placed on them.

7.1.3 Proportionality (sanctions)

Another important manner in which the EC considered that the ISU Eligibility rules failed to be justified by the legitimate objectives concerned the sanctions imposed on athletes in case of a breach. The EC considered that a possible lifetime ban was manifestly disproportionate58 and also the General Court stressed this aspect in its ruling. It pointed out that “the average length of a skater’s career is eight years” and that therefore “the 2016 eligibility rules, even those with a fixed time limit of 5–10 years continue to be disproportionate” and that, furthermore, “the system of penalties is unpredictable and thus presents a risk of arbitrary

55 Ibid. par. 255–259.
56 General Court 16 December 2020, T-93/18, International Skating Union vs. EC, ECLI:EU:T:2020:610, par. 118–119.
57 Pijetlovic (2015) pp. 73–74.
58 EC, AT-40208, International Skating Union’s Eligibility rules under 101 TFEU, Decision 8 December 2017, par. 298. The EC also found the arbitration rules of ISU to be contrary to Article 101 TFEU: we refrain from discussing this part of the decision here, as the General Court considered the EC’s conclusions in this respect unfounded.
application which leads to those penalties having an excessive deterrent effect".\textsuperscript{59}

As indicated earlier, FIFA and UEFA announced on 21 January 2021 that clubs and players involved in the Super League would not be allowed to participate in competitions organized by FIFA and its confederations. The exact scope of the sanctions that will be imposed is still unclear. Will a player be banned from the football pyramid for one season, three to five years, for a lifetime? Will FIFA and UEFA effectively apply sanctions, knowing that excluding world-class players from participation in the FIFA World Cup and/or the UEFA EURO Cup might have an impact on the commercial success of these tournaments? Nevertheless, even the exclusion from one international tournament could be a severe sanction. In the ISU case, the General Court was clear on the disproportionality of the ISU sanctions in view of the average length of a skater’s career.\textsuperscript{60} The average length of a professional footballer’s career is similar to the career length of a professional skater. Moreover, a FIFA World Cup and UEFA EURO Cup are organized every four years, with an interval of two years between these tournaments. Banning players who participated in unauthorized third-party competitions from participating in, for instance, the FIFA World Cup and/or UEFA EURO Cup even once is therefore likely to be disproportionate.

A counter-argument could be that, unlike professional skaters, who remain dependent on the income generated by the major skating events organized by the ISU even if they would participate in a non-authorized skating event,\textsuperscript{61} football players involved in a breakaway league are not financially dependent on FIFA and/or UEFA tournaments. Nevertheless, performing at a World Cup or regional championship often has a significant impact on a player’s value on the (transfer) market, and a ban to do so could therefore have a significant impact on the player as well (quite apart from the personal, ethical reasons why a player may want to perform for his or her national team).

The analysis of sanctions imposed on clubs may be different, however. From a practical perspective, clubs might just not be impressed by a ban on participating in UEFA competitions, because a breakaway league would replace the latter. Indeed, clubs might be persuaded to join the breakaway league despite FIFA’s and UEFA’s sanctions if they are offered a guaranteed starting fee (far) exceeding their current future revenue projection. Furthermore, from an EU (competition) law perspective, nothing appears to prevent clubs from withdrawing from the current football pyramid and form a breakaway league,\textsuperscript{62} assuming the latter is itself compatible with EU law principles.\textsuperscript{63}

Much will therefore depend on the position of the (star) football players. Many players still consider it a great honor to represent their national team. The choice between a lucrative salary at a breakaway club and the chance of representing the player’s national team might be the crux of this discussion.

7.2 The Super League set-up

Assuming the Super League set-up pursues legitimate objectives of general interest, it still needs to be assessed if that set-up is inherent and proportionate to achieving that objective.

The mere fact that the number of participants in the league is limited does not pose many issues: this clearly facilitates the organization of the league. The way in which the participants in the league are selected, raises more issues, however. While financial viability may be a legitimate objective, one can easily conceive of alternative ways to ensure a return on investment for founding members of the Super League which are less restrictive of competition than a predominantly closed model. At the very least, the guaranteed participation of certain clubs in the Super League could be limited in time, to say, 3 or maybe 5 seasons, to offer the clubs a certain but not unlimited return on their investment. Another possibility would be to allow the clubs that initially invest in the competition to withdraw part of their initial investment if they get relegated (at least in the first few years) and to require clubs that want to qualify for the competition to commit to compensate the financial shortfall from such a withdrawal. A similar mechanism of so-called ‘parachute payments’ is used in the English Premier League: if a club relegated from the Premier League it continues to receive a percentage of the broadcasting revenue from the Premier League broadcasting fund for three years.

8 The last straw: Article 101(3) TFEU justifications

Even if there are no legitimate objectives of public interest that might exempt Article 49 of the UEFA Statutes or the Super League set-up from Article 101 TFEU, these legal constructs could in principle still be justified on the basis of efficiency considerations. Article 101(3) TFEU in fact provides that restrictions of competition are not prohibited if they (i) contribute to improving the production or

\textsuperscript{59} General Court 16 December 2020, T-93/18, International Skating Union vs. EC, ECLI:EU:T:2020:610, par. 93–94.

\textsuperscript{60} General Court 16 December 2020, T-93/18, International Skating Union vs. EC, ECLI:EU:T:2020:610, par. 93.

\textsuperscript{61} Ibid. par. 74.

\textsuperscript{62} Pijetlovic (2015) pp. 260–261; see also Cattaneo and Parrish (2020) p. 91.

\textsuperscript{63} Pijetlovic (2018) p. 339.
distribution of goods or to promote technical or economic progress, (ii) allow consumers a fair share of the resulting benefit, (iii) be indispensable to the attainment of these objectives, and (iv) not afford undertakings the possibility of eliminating competition in respect of a substantial part of the products or services in question.

In the ISU case, the EC rejected any possible justification of the Eligibility rules on the basis of the third paragraph of Article 101 TFEU. The EC did not see any efficiency in the rules and in any event considered that consumers did not benefit from the rules but were rather faced with a more limited choice, since they were deprived of a wider choice of competing (and possibly more innovative) events, offered by competitors. Also, the third and fourth conditions of Article 101(3) TFEU, that the restrictions are necessary to achieve efficiency, and that competition is not eliminated, were not considered fulfilled.

Following the same reasoning, we think it will be difficult to demonstrate any efficiencies that UEFA’s pre-authorization rules might provide, let alone any efficiencies that benefit consumers.

As to the Super League, by offering a new football-related product consumers could enjoy on top of the existing products, it is likely to meet the first two criteria of the Article 101(3) TFEU test.

Meeting the third criterion of indispensability, at least as far as the semi-closed nature of the league is concerned, will be more difficult. Indeed, if the Super League’s semi-closed model is not necessary for its financial viability, as elaborated supra, it can also not be indispensable to the creation of the new product which consumer would enjoy.

Therefore, both UEFA’s prior authorization requirement and the set-up of the Super League will probably not allow a justification on the basis of Article 101(3) TFEU.

9 Concluding remarks

The above leads us to the conclusion that the current Article 49 of the UEFA Statutes does not stand up to antitrust scrutiny, nor does the current set-up of the Super League, based on the limited details known.

In particular, the principle expressed in Article 49.1 of the UEFA Statutes that UEFA has the sole jurisdiction to organize or abolish international competitions in Europe in which member associations and/or their clubs participate, is hard to reconcile with the case-law of the Court of Justice of the European Union. As a categorical statement which does not contain any proportionality requirement, it is likely to be too broad to be compatible with Article 101 TFEU.

Article 49.3 of the UEFA Statutes is also problematic. While it provides an opening for the organization of international matches, competitions, or tournaments which are not under the aegis of UEFA, it does not contain any “objective, transparent, non-discriminatory and verifiable authorization criteria” in the sense of the ISU judgment. While restrictions on the organization of alternative competitions may be permissible, for example, to protect the match calendar of UEFA and domestic leagues, rules should be drawn up to make such a concern explicit and to describe what criteria will be used to determine whether such a concern may prevent the organization of alternative competitions, such as the Super League.

The Super League itself also fails the antitrust test. Although its predominantly closed set-up seems to pursue legitimate objectives of general interest, it is most likely not inherent in the pursuit of these objectives nor proportionate to them. Indeed, one can easily conceive of alternative ways to ensure a return on investment for the participating clubs which are less restrictive of competition than a predominantly closed model such as the Super League. At the very least, the guaranteed participation of certain clubs in the Super League could be limited in time or a ‘parachute payments’ system, such as in the Premier League, could be introduced.

Hence, who is calling who a cartel, UEFA and Super League? It seems that it takes one to know one.

All of this is of course without prejudice to the reform of the format of UEFA competitions itself, whether or not fueled by a threat of a breakaway league by the malcontent. It has, for example, been suggested that UEFA could organize a full-season pan-European league structure instead of the current dual structure of national member association leagues and UEFA club competitions. As a purely theoretical exercise, it would e.g. be conceivable to organize a first European division consisting of approximately 20 top clubs from different countries from the whole of Europe. A second European division A could consist of approximately 20 European top clubs from Western Europe and a second European division B could consist of approximately 20 European top clubs from Eastern Europe. For the third European division, other regions covering a smaller area could be defined between neighboring countries also consisting of around 20 clubs each. The clubs of each league could play a full season with home and away matches. The starting position of each club in the different levels of the pan-European league system could be determined based on their current coefficient in combination with transparent licensing.

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64 EC, AT.40208, International Skating Union’s Eligibility rules under 101 TFEU, Decision 8 December 2017, par. 266.
65 Also see Vermeersch (2021) 8.
66 See supra "7. The stumbling block: heredity and proportionality"
67 See also Pjetlović (2015) pp. 154–156.
68 See Cattaneo and Parrish (2020) pp. 88–89.
conditions that focus strongly on good governance, (financial) viability and sustainability. The concept of national cup competitions could be maintained to preserve the possibility to play at least once a year local derby matches between clubs playing in different levels of the pan-European league but located in the same country. Such a system would maintain promotion and relegation based upon sportive merits in combination with sustainable and transparent licensing criteria. It would allow for optimal redistribution of the funds down the football pyramid because it would enable central collection of the media rights revenue streams for the whole of Europe.

Will most certainly be continued.

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