



No. 90/2021

TO UEFA MEMBER ASSOCIATIONS

For the attention of
the President and the General Secretary

Your reference	Your correspondence of	Our reference	Date
		NDIV/zla/mgg	17 December 2021

2020/21 club competitions – solidarity scheme supporting clubs' youth development

Dear Sir or Madam,

We are pleased to inform you that the solidarity payments resulting from the 2020/21 UEFA club competitions are now available. These will be paid to UEFA member associations in the course of the 2021/22 season, for distribution to clubs in support of youth development.

National associations are responsible for distributing these solidarity payments to clubs in their country. Member associations are also responsible for deciding on the criteria governing that distribution (which should nevertheless be consistent with the guidelines set out in this circular letter) and should inform UEFA of the specific criteria applied.

The money earmarked for this solidarity scheme represents 4% of the total gross revenue of the 2020/21 UEFA Champions League and the 2020/21 UEFA Europa League.

In view of the ongoing challenges caused by the pandemic, and its negative impact on the overall gross revenue, UEFA has decided to help and cover the shortfall of €5.5m which would normally have applied to the solidarity scheme supporting clubs' youth development. We are therefore pleased to confirm that the amount for the 2020/21 season will not be affected.

The amount of **€130m** will be paid to national associations for distribution to their clubs as the basic 2020/21 solidarity scheme amount. Of that amount, 80% will be distributed to national associations with at least one club participating in the group stage of the 2020/21 UEFA Champions League, and 20% will go to national associations with no clubs participating in the group stage of that competition.

A total of 60% of the available amount will be distributed between all national associations in equal shares, with the remaining 40% being distributed according to the TV market value of each association in the UEFA Champions League.

Additionally, as stated in circular letter 07/2020, an extra **€10m** will be made available for each season of the 2018-2021 cycle, to strengthen the distribution of solidarity amounts to associations with no clubs participating in the group stage of the UEFA Champions League.

This will mitigate the negative effect of market volatility between two consecutive cycles, which – due to the 40% share distributed according to the value of each association's TV market – may significantly alter the amounts expected in some countries.

The additional amount will be distributed to associations without any clubs participating in UEFA Champions League group stage in 2020/21, in accordance with the following principles:

- 30% (**€3m**) exclusively to associations that would receive lower amounts for the 2020/21 season than in the last season of the previous cycle and will be distributed proportional to their loss in comparison with the benchmark season (2017/18);
- 70% (**€7m**) to all associations in shares proportional to the amounts they were initially entitled to receive.

Consequently, a total of **€140m** will be paid to national associations for distribution to their clubs for the 2020/21 solidarity scheme supporting clubs' youth development.

Only clubs that did not participate in the group stage of either the 2020/21 UEFA Champions League or the 2020/21 UEFA Europa League are entitled to these solidarity payments.

In concrete terms, the following amounts will be available for the 2020/21 season:

- a) Associations **with** participants in the group stage of the 2020/21 UEFA Champions League: **€104m** (see enclosure 1)
- b) Associations **without** participants in the group stage of the 2020/21 UEFA Champions League: **€26m** (see enclosure 2)
- c) Additional amount for associations **without** participants in the group stage of the 2020/21 UEFA Champions League: **€10m** (see enclosure 2)

Please note the following important information:

1. Distribution criteria:
 - a. In principle, the money given to national associations should be distributed in equal shares between all top-division clubs that were not involved in the group stage of the 2020/21 UEFA Champions League or the group stage of the 2020/21 UEFA Europa League.
 - b. If a national association wishes to apply a different distribution system, as many currently do, it should submit a reasoned request to the UEFA administration. The UEFA Club Competitions Committee will be responsible for approving such requests.
 - c. Requests will, in principle, be considered admissible if a national association proposes to extend its solidarity scheme to include lower-division clubs or if distribution is linked to established and publicly accessible criteria relating to the quality of clubs' youth academies.

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2. Destination of payments:
 - a. This money should only be used for clubs' youth development activities and local community programmes.
 - b. All clubs receiving funding must, as a minimum, have an approved youth development programme in accordance with the applicable national club licensing regulations based on the latest UEFA Club Licensing & Financial Fair Play Regulations (*Sporting Criteria, Article 17- Youth Development Programme*).
 3. Payment procedure:
 - a. Payments will be made by UEFA to the national associations, for distribution to the relevant clubs (as defined above).
 - b. Each national association must then immediately transfer the full amount to the relevant clubs, without retaining or earmarking any of that money for other purposes.
 4. Records:
 - a. National associations must keep a record of all clubs that receive funding. Records must include the amount that is distributed, and any other relevant information detailed in this circular letter.

The UEFA Club Competitions Committee is responsible for submitting recommendations for future amendments to the above criteria to the UEFA Executive Committee.

Application process

To receive the relevant payment, the following must be emailed to the attention of Marios Georgiou, senior national association services manager at NAServices@uefa.ch, until **28 February 2022**:

1. A copy of a decision by the national association's competent body in one of UEFA's three official languages (English, French or German), specifying the planned distribution method (equal shares or quality-related criteria, categories of club involved, etc.) and the period of validity of that decision, e.g. current season only or multiple seasons;
2. Confirmation that all the ultimate recipients will be clubs that, as a minimum, have an approved youth development programme in accordance with the applicable national club licensing regulations based on the latest UEFA CL&FFP Regulations;
3. A payment request from the national association indicating the relevant amount in euros, together with the name, position and signature of the competent person at the national association
4. Information on the precise distribution of solidarity payments, with as a minimum: names of recipient clubs, divisions that clubs play in, and amount per club; and as a courtesy: indication of total youth budget for each club.

In addition to details of the *planned* distribution of the 2020/21 solidarity payments (see enclosure 4), information regarding the *actual* distribution of the 2019/20 solidarity payments should also be provided (see enclosure 3) if it differs from the information provided in the equivalent form last year.

Please adhere to the above deadline so that the UEFA administration has sufficient time to approve all requests before the end of the 2021/22 season. If your submission is not approved by the UEFA administration by 30 May 2022, the funds in question may cease to be available.

Furthermore, when distributing this money to their clubs, national associations should properly acknowledge the source of that funding. It is suggested that the following wording be included in any letter or communication accompanying payments to individual clubs:

"This payment is made as part of a solidarity scheme linked to UEFA club competitions. Its purpose is to support youth development activities in professional football and supplements other UEFA initiatives such as club licensing and rules on locally trained ('home-grown') players."

National associations must be able, on request at any time, to provide the UEFA administration with evidence that this money has been transferred to the proper clubs and used appropriately.

Please note that we may wish to quote the success of this solidarity mechanism in public documents (e.g. by listing the clubs that have benefited from payments in UEFA publications) using information you have sent us.

Should you have any questions relating to this matter, please feel free to contact Marios Georgiou at the email address indicated above.

Thank you in advance for your assistance with this important initiative, through which revenue generated by UEFA club competitions supports youth development activities at your clubs.

Yours faithfully,

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Theodore Theodoridis
General Secretary

Enclosures

- Payments to associations with UEFA Champions League participants (enclosure 1)
- Payments to associations without UEFA Champions League participants (enclosure 2)
- Information on last year's and this year's payments (enclosures 3 and 4)

cc (with enclosures)

- UEFA Executive Committee
- UEFA Club Competitions Committee
- UEFA National Associations Committee
- UEFA Development and Technical Assistance Committee
- UEFA Club Licensing Committee
- European members of the FIFA Council
- FIFA, Zurich
- European Club Association
- European Leagues