



No. 32/2023

TO UEFA MEMBER ASSOCIATIONS

For the attention of  
the President and the General Secretary

Your reference

Your correspondence of

Our reference

Date

NCLS/aza/rae

3 July 2023

## **UEFA Club Licensing and Financial Sustainability Regulations – Edition 2023**

Dear Sir or Madam,

The UEFA Executive Committee approved the 2023 UEFA Club Licensing and Financial Sustainability Regulations in Nyon on 28 June 2023.

The latest version amended Annexes G and E by strengthening the accounting treatment of players' transactions and ensuring consistent implementation of the stability and cost control requirements. The proposed amendments include:

### **1. Limitation of the amortisation of players' registration to five years [Annexes G.3.4.c];**

The proposed change aims at improving financial sustainability and ensuring equal treatment of all clubs. This is paramount, considering that the new squad cost rule will be implemented and assessed for the first time during the 2023/24 season.

It is important to underline that the proposed changes will not restrict the way in which clubs operate. For instance, long-term player contracts (e.g., exceeding five years) will not be forbidden by the Regulations. Clubs that are allowed by their national governing bodies to conclude player contracts for a period exceeding five years will continue to do so; only the spreading of the amortization costs over a longer period, for the purpose of the Regulations, will be regulated.

The Regulations have been designed in a way to include most of the amortisation costs in the football earnings or squad cost calculation. Allowing the amortization costs to be spread over more than five years would result in the exclusion in the short term of a bigger portion of these costs from the relevant calculations.

Furthermore, most of the national governing bodies follow FIFA's recommendations and limit the duration of players' contract to five years. We therefore propose to limit the amortization period of player registrations to a maximum of five years to ensure equal treatment among all clubs. In case of contract extension, the amortization can be spread over the extended contract period but up to a maximum of five years from the date of the extension. This amendment will not apply retroactively to transfer operations that have already taken place.

### **2. Clarification of the circumstances that trigger a review for impairment of the capitalised player's value if the registration is temporarily transferred [Annex G.3.4.d];**

The proposed change aims at clarifying the wording and the circumstances when the club management must review the net book value of the player's registration for impairment. These

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circumstances include: player's injury, permanent transfer of a player's registration after the annual financial statements closing date, temporary transfer of a player's registration.

**3. Clarification of the accounting treatment to be followed in case of player exchange transactions [G.3.5]**

The proposed change aims at clarifying the accounting treatment to be applied in case of player exchange transactions (so called "*swaps*"). It is based on the recent jurisprudence and indications adopted by the stock exchange authorities in various territories and refers to the international accounting requirements.

It requests licence applicants to assess whether a transfer operation should be qualified as a player exchange transaction under the terms of these regulations. It aims at dissuading that transfer operations take place with the sole intent to artificially inflate transfer profits rather than for sporting purposes.

**4. Confirmation from the clubs' auditors that the accounting requirements described in Annex G are adequately applied in the clubs annual and interim financial statements [Annexes E.2.1 and E.2.2]**

The proposed change aims at obtaining a confirmation from the clubs' auditor that the licence applicant has complied with the accounting requirements described in Annex G, as well as a brief description of the discrepancies should this not be the case.

**5. Updated date of approval and entry into force [Articles 102, 103 and 104].**

These amendments were supervised and approved by the UEFA Club Licensing Committee and will come into force on 1 July 2023.

If applicable, the changes must be incorporated into your national club licensing regulations, approved by the competent national bodies and communicated to your licence applicants.

The details of the amendments are enclosed along with the full revised regulations in PDF format.

Should you have any queries or require any additional information, please contact UEFA's head of club licensing, Aleš Zavrl ([clublicensing@uefa.ch](mailto:clublicensing@uefa.ch)), or the head of financial sustainability, Philippe Rasmussen ([fs.support@uefa.ch](mailto:fs.support@uefa.ch)).

Yours faithfully,

**U E F A**



Theodore Theodoridis  
General Secretary

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Enclosures

- [UEFA Club Licensing and Financial Sustainability Regulations – Edition 2023](#)
- Amendments to the 2022 Regulations

cc (with enclosures)

- UEFA Executive Committee
- UEFA Club Licensing Committee
- UEFA Club Financial Control Body
- European members of the FIFA Council
- FIFA, Zurich