



No. 66/2023

TO UEFA MEMBER ASSOCIATIONS

For the attention of
the President and the General Secretary

Your reference	Your correspondence of	Our reference NDIV/zla/mgg	Date 19 December 2023
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2022/23 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 2022/23 UEFA club competitions are now available. These will be paid to UEFA member associations in the course of the 2023/24 season, for distribution to clubs in support of youth development.

National associations are responsible for distributing these solidarity payments to clubs in their country. National 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 2022/23 UEFA Champions League (UCL), UEFA Europa League (UEL) and UEFA Europa Conference League (UECL). As anticipated in circular letter 47/2022, the amount available to clubs that did not participate in the 2022/23 UEFA club competitions season is €134.5m on the projected global revenue of €3.5bn.

In addition, as decided by the UEFA Executive Committee for the 2021-24 cycle, 30% of the net surplus (i.e. revenue available to participating clubs after netting of qualifying rounds, non-participating clubs and UEFA shares) available in any season of the 2021/24 cycle is allocated to solidarity for non-participating clubs, up to a maximum of **€35m**.

The UEFA Executive Committee had approved the following additional principles regarding the distribution mechanism for solidarity payments to non-participating clubs:

- €25m of the initial 4% is shared equally among the top five associations (England, Spain, Italy, Germany and France). These associations may receive a higher share of the amount made available through the surplus.
- Of the amounts reserved for associations outside the top five, those with clubs participating in the UCL group stage receive 45% and those without receive 55%. In both cases, 90% of the available amounts are distributed based on the associations' positions in the UEFA Access List and the remaining 10% based on their TV market share.

In compliance with the above and based on a final overall gross revenue of **€3.693bn** (which includes a surplus of €193m), a total of **€177.2m** will be available for **solidarity to non-participating clubs**. These amounts will be distributed for the season 2022/23 to the associations as follows:

- a) The top five associations (England, Spain Italy, Germany and France) will each receive €5m plus 50% of the additional amount from the net surplus. Therefore, each of the top five associations will receive **€8.5m**.
- b) A total amount of **€134.7m** will be distributed among associations outside the top five as follows: **€60.6m** (45%) to **associations with participants** in the 2022/23 season UCL group stage and **€74.1m** (55%) to **associations without participants** in the 2022/23 season UCL group stage.

As mentioned above, a total of 10% of the available amount will be distributed according to the TV market value of each association in the UCL ('market pool share'), while the remaining 90% will be distributed according to the position of each association in the access list for the 2022/23 season ('access list share').

- I. For associations with participants in the group stage of the UCL, the access list share is based on an arithmetically equal increase for each rank in the access list, starting from a minimum share of €4.7m for the association with the lowest rank in the access list of all associations with participants in the UCL group stage.
- II. Associations without participants in the UCL group stage are clustered in blocks of five according to their rank in the access list. A minimum share of €1m is allocated to associations in the lowest block of the access list, and the share increases progressively for each block of five associations. Due to its specific situation (no domestic league and no teams in the UCL), Liechtenstein is included in the lowest block of the access list.

Details of the exact amounts allocated to each national association can be found in the enclosures.

Only clubs that did not participate in the group stage of the 2022/23 UEFA Champions League, UEFA Europa League and/or the UEFA Europa Conference League are entitled to these solidarity payments.

Please note the following important information

- a) Distribution criteria
 - I. In principle, the money given to a national association should be distributed equally between all top-division clubs that were not involved in the group stage of the 2022/23 UCL, UEL and/or UECL.
 - II. 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 is responsible for approving such requests.
 - III. 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.
 - IV. Any approved distribution system is valid at most until the end of the current UEFA club competitions cycle, i.e. the end of the 2023/24 season.

b) Destination of payments:

- I. This money should be used only for clubs' youth development activities and local community programmes.
- II. 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 relevant article of the latest UEFA Club Licensing and Financial Sustainability Regulations (currently Article 19: Youth Development Programme).

c) Payment procedure:

- I. Payments will be made by UEFA to the national associations for distribution to the relevant clubs (as defined above) **from January 2024 onwards**.
- II. 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.

d) Records:

- I. 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.
- II. UEFA may publish information relating to the solidarity payment programme, including details of the amount received by each club.

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

Application process

To receive the solidarity payment, each national association must send the following to Marios Georgiou, senior national association services manager, at NAServices@uefa.ch, by **29 March 2024**:

- a) 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 (i.e. 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.
- b) 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 Club Licensing and Financial Sustainability Regulations.
- c) 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
- d) Accurate Information on the distribution of solidarity payments, including, as a minimum, the names of recipient clubs, the divisions in which they play, the amount per club and an indication of each club's total youth budget.

In addition to details of the *planned* distribution of the 2022/23 solidarity payments (see enclosure 4), information regarding the *actual* distribution of the 2021/22 solidarity payments should also be provided (see enclosure 3) if it differs from the information provided in the equivalent form last year.

Furthermore, national associations are requested to confirm to UEFA that all payments for the 2022/23 season have been distributed according to the application submitted, along with the dates of the payments, once distribution is complete.

Please adhere to the deadline mentioned above so that the UEFA administration has sufficient time to approve all requests before the end of the 2023/24 season. If your submission has not been approved by the UEFA administration by 31 May 2024, the funds in question may cease to be available.

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 solidarity payments, 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