MONTHLY REPORT

April 2024











EUROPEAN ELECTIONS

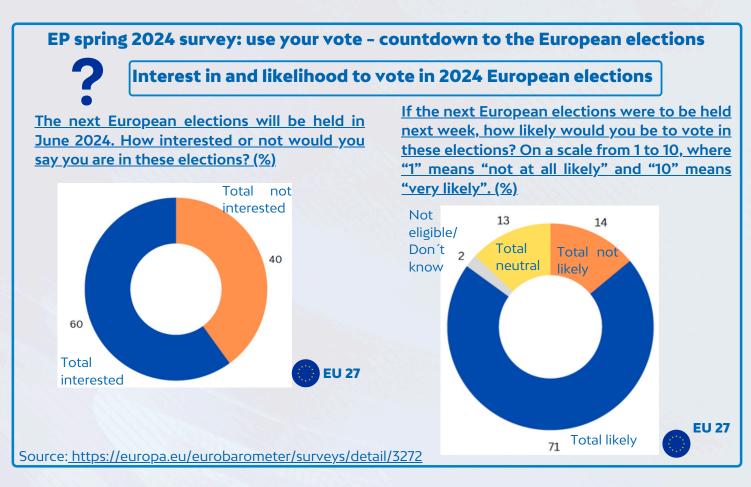


EU elections are around the corner!

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The European Parliament's role in protecting organized sport is instrumental and all of your votes are key to make sure that sport is granted the support it needs in the upcoming years.





EUROPEAN ELECTIONS 6-9 JUNE 2024

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EDITORIAL

Dear readers,

The elections to the European Parliament on 6-9 June will take place in politically and economically difficult times and will determine the extent to which the European Union remains capable of acting in the future. It is therefore in the interests of sport in Europe that the democratic forces in the new European Parliament (EP) retain a majority. However, the entire Parliament must also actually implement the internal reforms announced by EP President Roberta Metsola following the recent corruption scandal ("Qatargate").

In the upcoming mandate, organised sport wants the EP to take the social role of sport stronger into account, in particular when it comes to the future funding instruments of the European Union in the negotiations on the next Multiannual Financial Framework. In this regard, the share dedicated to sport in the Erasmus+ programme should be raised in order to match with the increase in the number of project proposals.

In any case, organised sport in the European Union should call on its members to vote!

During the last plenary session in April, the European Parliament approved a series of important legislative projects that are also important for sport. Worth to be mentioned are the regulation to combat money laundering, which includes parts of professional football, or the regulation on the import and export of firearms, which provides for facilitations for sporting weapons.

The number of sports-specific proceedings before the European Court of Justice also appears to be constantly increasing, which highlights the need for sports organisations to keep up to date with both the legal activities of the European Union and the proceedings before the European Court of Justice.

With the recently published agenda on artificial intelligence (AI) in sport, the IOC is focusing on the opportunities and risks of this new technology. Even though there are already some strategies and examples of specific applications in sport, the majority of NOCs, federations and clubs have neither a clear idea nor the expertise of how AI can be used for their activities. The only thing that is certain is that the potential area of application is almost limitless and affects all areas of activity in popular and elite sport. The EOC EU Office will follow developments at European level and regularly include the topic on the agenda at its future events.

With kind regards,

Job. Delevel

Folker Hellmund Director EOC EU Office



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EU SPORT POLICY AND FUNDING NEWS

Highlights and Insights from the EU Sport Forum 2024

On 16-17 April, the annual EU Sport Forum was organised by the European Commission in Liège, Belgium. It served as a platform for discussions on various aspects of sports policy, coinciding 100 days ahead of the opening of the Olympic Games Paris 2024. The EU Sport Forum 2024 covered a wide array of topics, including EU and Olympic values, athlete integrity, women in sport, sustainability, digital media, athletes' rights, European football, and lifelong sport.

While the forum addressed issues relevant to sports organisations, there was a shared impressions concerning limited opportunities for discussions substantive and interactions. Despite the quality of selected speakers, the sheer number of sessions and speakers left little room for in-depth engagement, resulting in interventions that remained superficial. Nevertheless. the event provided valuable networking opportunities, allowing for informal discussions with numerous partners of the EOC EU Office in attendance.

Moving forward, expanded opportunities for interaction during upcoming editions of the EU Sport Forum, real discussions, meaningful dialogue and engagement among all participants would be appreciated.

Main takeaways concerning EU sport policy and the Erasmus+ Programme

The upcoming EU Work Plan for Sport 2024-2027 will be subject during the Education, Youth, Culture and Sport Meeting on 14 May 2024, during which it will also be adopted. The <u>SHARE 2.0 initiative</u> was promoted with its four Communities of Practice (EU funding, green sport, innovation, health) to which all interested parties can still sign up. The EOC EU Office takes part in all CoPs and will duly represent and inform its partners.

The Erasmus+ programme saw another recordnumber of 1780 applications in March 2024 which reflects the growing interest and was proudly presented on its 10-year anniversary.



On this occasion, the European Education and Culture Education Agency (EACEA), responsible for Erasmus+, released a video celebrating the support to sport organisations over the past 10 years. The EOC EU Office contributed to this video, which you can watch <u>here.</u>

The Olympic Movement at the EU Sport Forum 2024

Within the variety of representatives from the Olympic and Paralympic Movement, Jean Michel Saive, President of the Belgian Olympic and Interfederal Committee set the tone for the first day that focused on common values of sport and Manuel Araujo, Executive EU. José the Committee Member and Chair of the EU and International Relations Commission of the European Olympic Committees and Secretary General of the Portuguese Olympic Committee, highlighted the importance of solidarity, unity, and integrity in event organisation and the Olympic Movement, exemplified the by European Games 2023 in Poland, and underscored the need for athlete involvement and a strategic agenda for sustainable events. Similarly, Raymon Blondel, President of the European Paralympic Committee, emphasised the promotion of equality and inclusion through the Paralympic Games and the importance to focus on abilities rather than disabilities.

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Celebrating inclusion to break barriers, promote equality and peace, the #Belnclusive EU Sport Awards were awarded with the Danish Olympic Committee and Sports Confederation winning the category BeEqual with their get2sport initiative.

"Green Within the parallel session and sustainable sports", OCEAN the project EOC EU Office was coordinated by the presented as promising initiative reflecting the Olympic Movement's commitment to be more environmentally sustainable.

Despite the low amount of opportunities for discussions during the panels, the EOC EU Office was very happy to meet with many of its partners in Liège.



European Parliament wraps up last plenary session before elections

As the elections to choose the next representatives of European citizens get closer (6-9 June), current Members of the European Parliament gathered for the last time of this mandate in Strasbourg from 22 to 25 April.

Aiming at closing a maximum number of legislative and non-legislative files, the European Parliament was set to adopt close to a hundred dossiers. A significantly higher number of votes, compared to the previous mandate, due to the number of crises and consequent political blockades that occurred during this term.

A major stumbling block for the end of this mandate has been the European Green Deal, the EU's ambitiously wide package to revamp and update climate and environment legislations. While being a top priority and fairly consensual objective, the EU Green Deal has suffered political groups oppositions and interest groups' strong lobbying to debunk the package. As a result, a number of legislative files have not passed negotiations round or were adopted with decreased ambition.

Members of the European Parliament discussed the future of the European Green Deal, before entering debates and votes during this last plenary. The below summary provides an overview of texts adopted during the session which directly target or closely relate to sport organisations.

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Texts adopted

Corporate due diligence

The Corporate Sustainability Due Diligence Directice (CSDDD) was finally approved by the European Parliament, after three years of negotiations. This Directive, requesting companies to monitor and address the social and environmental impacts of their activities, will apply to companies with an annual turnover of more than €450 million and 1.000 employees.

In this regard, only a very small number of sportrelated organisations (e.g. Organising Committees, top clubs), will be bound to the new requirements. However, suppliers of sport organisations such as apparel companies, will fall into the scope. Reacting to the approval of the text in a statement, the Federation of the European Sporting Goods Industry, representing sporting goods manufacturers, applauded this "critical milestone", while calling for "clear guidelines, developed in consultation with all stakeholders".

Anti-Money Laundering

The European Parliament approved new measures to combat money laundering, terrorist financing, and sanctions evasion. The package includes rules which explicitly target top-tier professional football clubs and agents.





According to the new Regulation, the football clubs and agents are exposed to "risks of money laundering and its predicate offences due to several factors inherent to the sector" and should therefore be part of a list of "obliged entities", who will need to comply with new anti-money laundering standards. Obligations will include verification of their investors and monitoring transactions, sponsors, and reporting suspicious transactions to relevant authorities. Nonetheless, football stakeholders have been granted a longer transition of 5 years after which they will need to comply (start 2029), and Member States will have the flexibility to exempt "certain football clubs", with a turnover of less than €5 000 000 for the previous 2 years from the requirements of the Regulation, on the basis of a "proven low risk of money laundering".

• European Disability and Parking Cards

The establishment of an EU Parking Card and EU Disability Card valid in the whole European Union has been agreed upon. This will grant cardholders and their accompanying persons or assistance animal traveling in another country the same preferential conditions as national card holders. The Cards will only be valid for short-term stay (e.g. for sports events, or training camps). Awareness-raising campaigns and an informative European website will be launched.

Import and export of firearms

Updated regulations on import, export and transit measures of firearms were approved for harmonisation, but also tighter supervision of firearms traceability. The text mainly targets illicit arms possession and trafficking, and grants sport shooting simplified procedures for the authorization of temporary firearms exports.

Rules to combat violence against women

For the first time, the European Parliament adopted measures regarding gender-based violence. This includes more stringent regulation against e.g. sexual violence or cyberviolence, better assistance for victims, and stronger prosecution of perpetrators. In sport, the Directive could constitute a useful tool for victims of safeguarding breaches and dealing with perpetrators.

Revised law on air pollution

Tackling the biggest threat to ecosystems and human health (causing directly or indirectly 300.000 premature deaths per year), including sports practitioners, the European Parliament approved a new regulation with limits for several air pollutants by 2030 and access to compensation and justice for citizens.

Next steps

Before entering into force in EU countries, these texts will need to be adopted by Council and published in the EU Official Journal.

The European elections will take place all over the continent from 6 to 9 June 2024.

The EOC EU Office is currently preparing a wrap up of the 2019-2024 political mandate, which will be shared in the Monthly Report in May.

FURTHER INFORMATION

Press release: Air pollution

Press release: European Disability Card and European Parking Card

Press release: combatting violence against women

Press release: corporate sustainability due diligence

Press release: money-laundering Press release: firearms



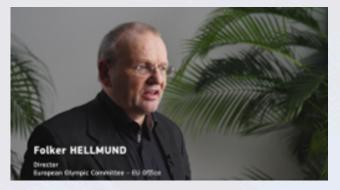
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10 years of Erasmus+ Sport to support sport organisations

2024 is not only an Olympic year, it also marks 10 years since the introduction of sport in the Erasmus+ programme. First introduced as a separate action in the Programme in 2014, sport has now become an integral part of all three Key Actions.

To celebrate the occasion, the European Education and Culture Executive Agency (EACEA) produced a <u>video</u> reflecting on the achievements and impact of Erasmus+ on sport and including a contribution from EOC EU Office Director, Folker Hellmund.



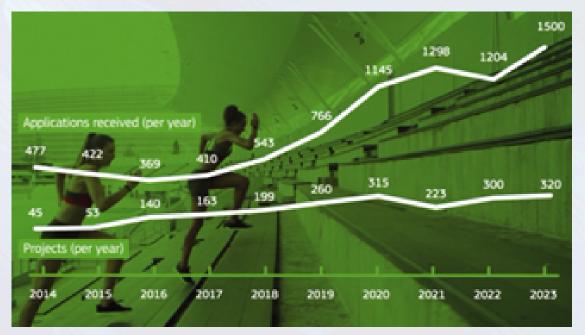
In 10 years, the budget available and number of applications increased exponentially, going from 477 applications and 45 selected projects in 2014, to 1500 applications and 318 projects in 2023. In 2024, the number of applications marked another record, with 1780. The EOC EU Office has been working with Erasmus+ funding since the very beginning and has coordinated 8 projects, on topics ranging from dual careers to good governance, to gender equality and climate action. European NOCs and partners of the EOC EU Office are also increasingly active in the Erasmus+ Programme, taking part in over 150 projects in the past 10 years.

The EOC EU Office continuously supports partner organisations by providing information and organising ad-hoc webinar on the EU funding opportunities under the Erasmus+ Programme (and beyond) as well as providing hands-on assistance with the development, drafting and submission of project ideas.

Over the years, Erasmus+ has become an essential funding programme for European sport. As the negotiations for the next Multiannual Financial Framework approach, the EOC EU Office will continue to advocate for the Erasmus+ Sport programme to be more accessible to the sport movement.

FURTHER INFORMATION

Celebrating ten years of Erasmus+ Sport





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FIFA Transfer Regulations subject at European Court of Justice

On 20 April, General Advocate Szpunar of the European Court of Justice (CJEU) issued a nonbinding opinion in the case <u>C-650/22</u> FIFA v BZ.

General Advocate Szpunar is not an unknown figure since he previously issued the opinion in the Royal Antwerp case concerning UEFA's Homegrown Player rule. This case is still awaiting a final decision in Belgium after receiving guidance from the European Court of Justice in its ruling on 21 December 2023.

The case

In 2013, Lassana Diarra, then international football player, made a move to Lokomotiv Moscow in Russia, but his 3 years contract was abruptly terminated within a year due to an alleged breach. Subsequently, Lokomotiv sought compensation from FIFA's Dispute Resolution Chamber, while Diarra filed a counter-claim for unpaid wages.

In response, Diarra took legal action against FIFA and the Royal Belgian Football Association in a Belgian court, seeking damages and €6 million for loss of earnings. He contended that a potential transfer to Charleroi, a Belgian club, fell through because they feared potential compensation liabilities to Lokomotiv under FIFA regulations. Consequently, the Belgian court requested guidance from the CJEU.

The opinion of the General Advocate

The non-binding <u>opinion</u> of the General Advocate suggests to the Court that FIFA's regulations governing player and club contracts "Regulations on the Status and Transfer of Players" (RSTP) might clash with European regulations regarding competition and the free movement of individuals. These FIFA rules inherently deter clubs from hiring players due to financial risks. The penalties clubs face for signing such players can effectively block a player from pursuing their profession with a club in another EU Member State. This restriction on player transfers limits both players' and clubs' freedom to change clubs in cases where a player terminates their contract without just cause.

Consequently, the General Advocate argues, these FIFA regulations impede competition among clubs in the professional player acquisition market.

Moreover, the General Advocate asserts that FIFA's Transfer System constitutes a restrictive measure by its very nature, and it fails to meet the conditions for potential exemption under Art. 101(3) TFEU. Thus, substantial adjustments to the Transfer System would be necessary if the Court follows this opinion. Even if the Court does not deem the Transfer System inherently restrictive, it may still find fault with its lack of proportionality under the Meca Medina doctrine.

Regarding the joint liability of new clubs, the General Advocate suggests that automatically holding them liable exceeds what's necessary, especially when the new club was not involved in terminating the player's previous contract.

Next steps

The Court will need to schedule a session to render the ruling. The EOC EU Office will duly follow the process.

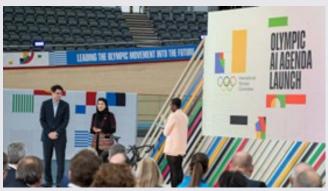
FURTHER INFORMATION

Press Release



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Navigating Innovation and Regulation: Olympic AI Agenda and EU AI Act



Picture IOC

Artificial Intelligence (AI) is revolutionising various industries, and sports is no exception. From enhancing athlete performance to refining fan engagement, AI technologies are reshaping the landscape of sports globally. Al's capacity to offer valuable insights via data analysis, enhance operational efficiency, and even forecast outcomes is often emphasized. Yet, the discussion is equally underscored by concerns surrounding data privacy, potential biases in the ethical ramifications algorithms. and associated with Al-driven decision-making, prompting a call for careful scrutiny and regulation across various sectors.

International Accordingly, the Olympic Committee (IOC) has unveiled its Olympic AI Agenda at a launch event in London on 19 April. The framework which was developed jointly with an AI Working Group outlines the strategic utilisation of AI technologies across various facets of the Olympic movement, encompassing athlete training, event organisation, fan experience, and beyond. The launch event featured interviews and panel discussions with former Olympians and AI experts, highlighting the agenda's focus areas as well as the opportunities and challenges/risks of AI in sports.

Five principles guide the IOC's vision for Al implementation in sports

- fostering integrity,
- ensuring fairness and accessibility,
- amplifying impactful moments,
- honouring traditions, and
- promoting collaboration.

These principles steer the creation, implementation, and assessment of AI initiatives, aligning them with the values and goals of the IOC for the advancement of sports and ensuring the responsible use of AI.

EU AI Act – Framework for Europe

The adoption of the EU AI Act by the European Parliament on 13 March marks a significant milestone in regulating artificial intelligence within the European Union. Being the first-ever legal framework on AI globally, the law is supposed to ensure safety and compliance with fundamental rights while enhancing innovation. The EU AI Act adopts a risk-based approach, categorising AI applications into four distinct risk levels: unacceptable risk, high risk, limited risk, and minimal risk. Al applications threatening citizen's rights, such as biometric identification systems or social scoring systems are either banned completely or strictly limited to predefined law-enforcement use cases. This approach enables tailored regulatory measures, ensuring that stringent requirements are applied to high-risk AI systems while promoting innovation in lower-risk categories.

In January 2024, the European Commission established the European AI Office. This dedicated body is tasked with monitoring compliance, providing guidance, and enforcing regulatory measures to uphold the standards outlined in the EU AI Act across Member States.

The way ahead

The publication of the IOC's Olympic Al Agenda and the adoption of the EU AI Act mark important milestones in the convergence of AI and sports governance. As sports organisations worldwide embrace AI technologies to optimise performance, streamline operations, and enhance fan experiences, adherence to ethical guidelines and regulatory standards becomes paramount. With the unveiling of the two frameworks, stakeholders in the sports industry are poised to navigate this transformative journey responsibly, ensuring that AI technologies contribute to the advancement of sports while upholding the values of integrity, fairness, and ethical conduct.



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As Al continues to permeate every aspect of the sporting landscape, collaborative efforts between sports organisations, policymakers, and technologists will be instrumental in realising the full potential of Al-driven innovation in sport.

FURTHER INFORMATION

Olympic Al Agenda

<u>Olympic Al Agenda Launch 19 April 2024 Press</u> release

Al Act

Artificial Intelligence Act: MEPs adopt landmark law 13 March 2024

20 Years celebration of the European Union "Big Bang" Enlargement

On 1 May 2004, the European Union welcomed 10 new Member States: Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia, and Slovenia, increasing the number of EU Member States from 15 to 25. The "Big Bang" Enlargement, as it is popularly known, integrated 75 million European citizens, providing them stronger rights, freedoms and more opportunities. Following this enlargement, the Union has become one of the biggest single market in the world, the Member States experiencing unprecedented prosperity and economic growth despite the global economic crisis that they experienced in the last 20 years.

For example, according to EU data, the economies of Poland and Malta experienced more than a twofold increase, while Slovakia saw growth of 80%. Since the 2004 enlargement, approximately 26 million jobs have been generated within the EU, with six million of them originating in the 10 new EU countries.

For the new Member States, accession to the EU also implied access to a wide array of EU funding opportunities, ranging from Structural and Investment Funds and Cohesion Funds, which are instrumental considering the ever-present disparities among EU Member States, to funding for education, research and for sport, since the introduction of the sport actions in the Erasmus+ Programme in 2014.

As the EU is discussing future enlargement possibilities and opening accession negotiations with Albania, Bosnia and Herzegovina, Georgia, Moldova, Montenegro, North Macedonia, Serbia, Türkiye, and Ukraine, it is key to underline that having full access to EU funding, particularly Erasmus+ Sport and the Pilot Projects and Preparatory Actions, can have impact on the development of sport in new Member States.



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UPCOMING EVENTS

15 May 2024

EOC Sustainability Commission (Brussels)

16 May 2024

EOC EU Office Annual Partners' Meeting (Brussels)

05 - 07 June 2024 EOC General Assembly (Bucharest)



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