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TO UEFA MEMBER ASSOCIATIONS

For the attention of
the President and the General Secretary

Your reference	Your correspondence of	Our reference	Date
		KNCLS/TRA/AZA	3 April 2020

UEFA Club Licensing for participation in season 2020/21 – Important decisions and additional information

Dear Sir or Madam,

Following the meeting of the UEFA Executive Committee that took place on 1 April 2020, we would like to inform licensors of the following decisions and additional information concerning the club licensing and financial fair play process for participation in the season 2020/21 UEFA club competitions in view of the ongoing impact of COVID-19. These decisions and information refer to both content (criteria) and process (deadlines) and specifically relate to the below points:

1. Suspension of the club licensing provisions related to the preparation and assessment of future financial information;
2. Deadline for the submission of licensing decisions in view of 2020/21 UEFA club competitions;
3. Deadline for the extraordinary application of the club licensing system.

1. Suspension of the club licensing provisions related to the preparation and assessment of future financial information

Article 52 "Future financial information" of the 2018 edition of the UEFA Club Licensing and Financial Fair Play Regulations (CL&FFP) establishes that the licence applicant must prepare and submit future financial information in order to demonstrate to the licensor its ability to continue as a going concern until the end of the licence season if it has breached at least one of the indicators defined in this same article.

Specifically, the "Going concern" indicator defined under Article 52(2) of the CL&FFP states that the auditor's report in respect of the annual or interim financial statements includes, regarding the going concern, either a key audit matter or a qualified opinion/conclusion.

If a licence applicant breaches the “Going concern” indicator, based on the financial information that the licensor has assessed, the licence must be refused if the licence applicant may not be able to continue as a going concern until at least the end of the licence season.

The impact of COVID-19 across Europe has already made it extremely difficult, or simply not possible at this time, for licence applicants to prepare future financial information, and in turn for licensors to properly assess it, especially due to the current lack of clarity with regards to the financial impact this will have.

Consequently, and following the unanimous proposal of the UEFA Emergency Working Group on Regulatory and Financial Matters, the UEFA Executive Committee decided **to suspend the club licensing provisions related to the preparation and assessment of future financial information** in order to facilitate the completion of the club licensing process.

This decision specifically concerns the following provisions of the CL&FFP that are suspended with immediate effect exclusively in view of the club licensing process for participation in season 2020/21 UEFA club competitions:

- Article 52 “Future financial information”;
- Annex IX(B)(2)(d) “Assessment of the auditor’s report on the annual and interim financial Statements”;
- Annex IX(D)(3) “Assessment of the written representation letter prior to the licensing decision”;
- and,
- Annex IX (E) “Assessment of the future financial information”.

Licensors should note that all other financial criteria not mentioned in this letter still apply as defined in the CL&FFP. Furthermore, the UEFA Emergency Working Group on legal, regulatory and financial matters will continue to work towards finding alternative measures to ensure ongoing financial viability of clubs participating in the UEFA club competitions, the integrity of the UEFA competitions and the achievement of the further objectives pursued by the Club Licensing and Financial Fair Play system. In this respect we will come back to you in the coming weeks as soon as new information is available.

2. Deadline for the submission of licensing decisions in view of 2020/21 UEFA club competitions

In June 2019, UEFA informed licensors that the deadline for 2020 licensing decisions for clubs participating in the season 2020/21 UEFA club competitions was set on Friday 29 May 2020.

Considering recent consultation with all relevant stakeholders, UEFA took note that both licensors and licensing applicants are affected by the impact of COVID-19, also in terms of club licensing processes for the next UEFA club competition season.

Furthermore, the UEFA Executive Committee decided during its meeting on 1 April 2020 to postpone until further notice the deadlines related to all 2020/21 UEFA club competitions, and in particular, reference is made to the deadlines linked to the admission process and the players' registration, where applicable, for the UEFA Champions League, the UEFA Europa League, the UEFA Super Cup, the UEFA Women's Champions League, among others. The UEFA administration has been also mandated to set new deadlines as soon as the current situation is solved and the possible impact on the calendar of the new season is known.

With regards to the UEFA club licensing system and to support licensors, licence applicants, as well as the integrity of the club licensing system, the UEFA administration, following the proposal and unanimous consensus reached by the Emergency Working Group on legal, regulatory and financial matters, in accordance with Art. 9 (2) of the CL&FFP, has decided **to extend the deadline for the submission of licensing decisions for participation in the 2020/21 UEFA club competitions to 30 June 2020**, subject to further extension depending on the final competition calendar and on when the new deadlines for the admission process to next season's UEFA club competitions will be known.

3. Deadline for the extraordinary application of the club licensing system

In accordance with Article 15 "Special permission" of the CL&FFP, if a club qualifies for a UEFA club competition on sporting merit, but has not undergone any licensing process at all or has undergone a licensing process which is lesser/not equivalent to the one applicable for top division clubs to enter the UEFA Club Competitions, because it belongs to a division other than the top division, the UEFA member association of the club concerned may – on behalf of such a club – request an extraordinary application of the club licensing system in accordance with Annex IV of the CL&FFP.

For the same reasons outlined above, the deadline for licensors to notify UEFA of the possibility of an extraordinary application of the club licensing system in view of the 2020/21 season, which was set on 15 April 2020, **is now extended to Friday 15 May 2020** instead.

Consequently, the previously set deadline of 1 May 2020 for each club concerned to provide the necessary documentary proof to the licensor that will assess the club(s) against the fixed minimum standards and forward it to the UEFA administration **has been extended to 15 June 2020**, subject to further extension depending on the final competition calendar and on when the new deadlines for the admission process to next season's UEFA club competitions will be known.

An updated version of the checklist for special permission to participate in the UEFA club competition season 2020/21 will therefore be provided to licensors in due course.

Finally, as mentioned in our previous correspondence, we invite all licensors to promptly redefine the core process by taking into account these new deadlines. It is indeed very important for all licensors to continue with their licensing process and it is each licensor's responsibility to adapt its deadlines and assessment procedures, where it deems it necessary.

In the meantime, the UEFA Financial Sustainability & Research Division remains at your disposal should the evolving sanitary situation continue to pose you operational problems with the implementation of the core process and if you have any questions regarding the above matters.

Thank you for your collaboration.

Yours faithfully,

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Theodore Theodoridis
General Secretary

cc

- UEFA Executive Committee
- UEFA Club Licensing Committee
- European members of the FIFA Council
- FIFA, Zurich
- European Club Association
- European Leagues