



TAS / CAS

TRIBUNAL ARBITRAL DU SPORT
COURT OF ARBITRATION FOR SPORT
TRIBUNAL ARBITRAL DEL DEPORTE

CAS 2024/A/10347 Shaanxi Chang'an Union Football Club v. Raoul Loé & FIFA

ARBITRAL AWARD

delivered by the

COURT OF ARBITRATION FOR SPORT

sitting in the following composition:

Sole Arbitrator: Mr Rui Botica Santos, Attorney-at-Law, Lisbon, Portugal

in the arbitration between

Shaanxi Chang'an Union Football Club, Shaanxi, People's Republic of China

Represented by Mr Luca Tettamanti and Mr Tomás Pereda, Attorneys-at-Law with Elite Law SA, Lugano, Switzerland

Appellant

and

Raoul Loé, Valenton, France

Represented by Mr Johann Weiss, Attorney-at-Law, Denges, Switzerland

First Respondent

Fédération Internationale de Football Association, Zurich, Switzerland

Represented by Mr Miguel Liétard Fernández-Palacios, Director of Litigation at FIFA and Mr Roberto Nájera Reyes, Senior Legal Counsel at FIFA, Zurich, Switzerland.

Second Respondent

I. PARTIES

1. Shaanxi Chang'an Union Football Club (the "Appellant", the "New Shaanxi FC" or the "New Club") is a Chinese club affiliated with the Chinese Football Association (the "CFA"), which, in turn, is affiliated with the Fédération Internationale de Football Association. The Appellant was founded on October 2013 under the name "Xi'an Huilong FC".
2. Mr Raoul Loé (the "First Respondent" or the Player") is a French professional football player.
3. The Fédération Internationale de Football Association (the "Second Respondent" or "FIFA") is the international governing body for football. FIFA exercises regulatory, supervisory and disciplinary functions over national associations, clubs, officials, and players belonging to its affiliates. FIFA is an association under Articles 60 *et seq.* of the Swiss Civil Code with headquarters in Zurich, Switzerland; Shaanxi FC, the Player and FIFA are collectively referred to as the Parties; the Player and FIFA are collectively referred to as the "Respondents".

II. FACTUAL BACKGROUND

4. Below is a summary of the main relevant facts and allegations based on the Parties' written submissions and pleadings at the hearing. Additional facts and allegations may be set out, where relevant, in connection with the legal discussion that follows. This factual background information is given for the sole purpose of providing a synopsis of the matter in dispute. Although the Sole Arbitrator has considered all the facts, allegations, legal arguments and evidence submitted by the Parties in the present proceedings, he refers in this award (the "Award") only to the submissions and evidence he considers necessary to explain its reasoning.
- (A) The Old Club's downfall and the New Club's history
5. The club Shaanxi Chang'an Athletic FC (the "Old Shaanxi FC" or the "Old Club") was a Chinese professional football club based in Xi'an Shaanxi province and was founded in 2016 under the legal form of a limited liability company. The Old Shaanxi FC's name reflected both the ancient capital, Chang'an, and its home city, Xi'an.
 6. The New Shaanxi FC was originally founded in 2013, more than 10 years ago, under the name "Xi'an Huilong FC", having completed its registration before the CFA in July 2018.

7. On 30 March 2020, the New Shaanxi FC managed to complete its registration in the Market Supervision and Management Bureau of Binzhou City under the name of “*Binzhou Huilong Football Club Co., Ltd*”, therefore becoming a limited liability company. At the same time, the New Shaanxi FC was registered with the Shaanxi Provincial Football Association (the “SFA”).
8. The New Shaanxi FC competed in the regional-level championships until the end of the 2022 season, after which it was promoted to the Chinese Football Association Member Association Champions League (the “CMCL”), where it participated in the 2023 season. This is the equivalent to the fourth division for Chinese football.
9. The Old Shaanxi FC competed in the equivalent to the second division for Chinese football in the seasons 2020, 2021 and 2022.
10. In 2023, the Old Shaanxi FC encountered significant financial difficulties ultimately leading it to dissolution. On 29 March 2023, the Old Shaanxi FC failed to secure the required license to participate in official CFA competitions for the 2023/2024 season, resulting in its exclusion from the second division for that period.
11. On 6 April 2023, the Old Shaanxi FC was officially de-registered from the CFA, formally ending all affiliations with the association.
12. On 24 April 2023, Mr. Zhang Wei acquired 100% of the shares of the New Shaanxi FC, becoming its majority shareholder and having been appointed Chairman. Mr. Zhang Wei had been involved with the Old Shaanxi FC in the capacity of director, according to public sources such as Chinese newspapers and televisions. Subsequently, the New Shaanxi FC made improvements and restructured to be able to compete at the level required by national competitions. This included the recruitment of 11 players and 2 coaches from the Old Shaanxi FC.
13. On 10 May 2023, the New Shaanxi FC changed its name to “*Shaanxi Chang'an Union Football Club*”, its current name, allegedly as an attempt to build a fanbase and choose a name with a stronger cultural and historical connection with the people of Shaanxi.
14. The New Shaanxi FC established social media accounts on platforms such as Weibo, Douyin (TikTok), Instagram and X (formerly Twitter) to engage with football fans in Shaanxi and across China. Subsequently, the New Shaanxi FC acquired the Old Shaanxi

FC's social media accounts on Weibo, WeChat, and Douyin through an agreement and for a fee. Currently, the New Shaanxi FC utilizes the Old Shaanxi FC's WeChat account but does not actively use the other acquired accounts.

15. In July 2023, the New Shaanxi FC adopted a new logo, selected through a fan-driven design contest. Supporters submitted their designs, and the final logo was chosen based on the votes cast by the fans.
16. On 14 August 2023, the New Shaanxi FC obtained approval from the Weinan Sports Bureau to use the Weinan Stadium, which previously served as the home ground for the former Shaanxi FC during its professional football competitions. The New Shaanxi FC began utilizing the Weinan Stadium on 17 September 2023.
17. On 26 September 2023, the New Shaanxi FC changed its shareholding structure since a local entity called Shaanxi Qin Ying Culture Sports Co. Ltd acquired 65% of the new club's shares.
18. As of this date, and based on the evidence presented in these proceedings, the Old Shaanxi FC has neither been declared bankrupt nor subjected to any insolvency proceedings.

(B) The Dispute Between the Player and the Old Club

19. On 12 April 2023, the FIFA Dispute Resolution Chamber of the FIFA Football Tribunal (the "FIFA DRC") issued a decision (the "FIFA DRC Decision"), by means of which it ordered the Old Shaanxi FC to pay the Player the following amounts:
 - a) CNY 32,443.75 net as outstanding remuneration plus 5% interest p.a. as from 16 March 2022 until the date of effective payment;
 - b) CNY 135,000 net as outstanding remuneration plus 5% interest p.a. as from 16 April 2022 until the date of effective payment;
 - c) CNY 135,000 net as outstanding remuneration plus 5% interest p.a. as from 16 May 2022 until the date of effective payment;
 - d) CNY 813,000 net as outstanding remuneration plus 5% interest p.a. as from 30 May 2022 until the date of effective payment;
 - e) CNY 24,897.50 net as outstanding remuneration plus 5% interest p.a. as from 30 May 2022 until the date of effective payment;

- f) CNY 135,000 net as outstanding remuneration plus 5% interest p.a. as from 16 June 2022 until the date of effective payment;
 - g) CNY 135,000 net as outstanding remuneration plus 5% interest p.a. as from 16 July 2022 until the date of effective payment;
 - h) CNY 135,000 net as outstanding remuneration plus 5% interest p.a. as from 16 August 2022 until the date of effective payment;
 - i) CNY 135,000 net as outstanding remuneration plus 5% interest p.a. as from 16 September 2022 until the date of effective payment;
 - j) CNY 135,000 net as outstanding remuneration plus 5% interest p.a. as from 16 October 2022 until the date of effective payment;
 - k) CNY 135,000 net as outstanding remuneration plus 5% interest p.a. as from 16 November 2022 until the date of effective payment;
 - l) CNY 135,000 net as outstanding remuneration plus 5% interest p.a. as from 16 December 2022 until the date of effective payment;
 - m) CNY 135,000 net as outstanding remuneration plus 5% interest p.a. as from 22 December 2022 until the date of effective payment;
 - n) CNY 270,000 net as compensation for breach of contract without just cause plus 5% interest p.a. as from 22 December 2022 until the date of effective payment.
20. The Old Shaanxi FC failed to comply with the FIFA DRC Decision.
21. On 23 August 2023, in accordance with the FIFA DRC Decision and upon the Player's request, a ban from registering new players, either nationally or internationally, up until the due amounts were paid to the Player and for the maximum duration of three entire and consecutive registration periods was implemented on the Old Club.
22. On 28 October 2023, the CFA informed the FIFA that the Old Club was not affiliated to it any longer and not actively participating in any competition organized by the CFA, since it had been "(...) *disqualified from registering with the Chinese Football Association.*"
23. On 30 October 2023, FIFA informed the Old Shaanxi FC and the Player that the proceedings under ref. no. FDD 15740, related to the FIFA DRC Decision, and based on its disaffiliation, were closed.
- (C) The Proceedings before the FIFA involving the New Club

24. On 2 November 2023, the Player requested FIFA to enforce the FIFA DRC Decision against the New Club which it considered to be the sporting successor of the Old Shaanxi FC.
25. On 17 November 2023, the CFA provided FIFA with information and documentation related to the Old Shaanxi FC and the New Shaanxi FC.
26. On 5 January 2024, the New Shaanxi FC provided its comments to the FIFA, in which it argued, in essence, the following:
 - a) The New Club was established well before the disaffiliation of the Old Club.
 - b) The New Club entered into an agreement with the Old Club to acquire its WeChat account, which explains its current use. Some posts created by the Old Club are yet to be removed.
 - c) Following the disaffiliation of the Old Club, the New Club became the only local professional football team, leading fans of the old club to associate themselves with the New Club.
 - d) The New Club's logo is significantly different from that of the Old Club.
 - e) The legal form of the New Club is irrelevant in assessing sporting succession, as this structure is mandated under Chinese law. Additionally, the legal company names of the two clubs are entirely distinct.
 - f) The New Club has maintained consistent headquarters, unlike the Old Club. Furthermore, the New Club was only approved to play at Weinan Stadium after the Old Club's disqualification.
 - g) The New Club and the Old Club do not share the same shareholders or senior officers.
 - h) While some players from the Old Club joined the New Club as free agents, this does not imply sporting succession. It is logical, as the New Club became the only professional team in the Shaanxi region.
 - i) The New Club's head coach was previously employed by the Old Club in 2021 but subsequently worked for GX PG Haliao FC and Nanjing City before joining the New Club.
 - j) Similarly, some staff members from the Old Club joined the New Club due to limited alternatives at the time, but this does not establish sporting succession.
 - k) The Old Club and the New Club do not share sponsors, except for Li-Ning Sport, one of China's largest sports sponsors.
 - l) The player retains the right to claim their credit from the Old Club, as it still exists and has not entered bankruptcy proceedings.

27. On 5 February 2024, the FIFA Head of Judicial Bodies (Adjudicatory) Mr Julian Deux, issued a communication addressed to the New Shaanxi FC, with copy to the Player and CFA, sent via the FIFA Legal Portal, stating the following:

“ (...) We refer to (...) the investigation conducted by FIFA in view of the communication dated 2 November 2023 from the creditor, Mr Raoul Cedric Loe (...).

In this context, we kindly remind you that, in accordance with art. 25 par. 1 of the Regulations on the Status and Transfer of Players, “[t]he sporting successor of a debtor shall be considered the debtor and be subject to any decision or confirmation letter issued by the Football Tribunal”. More specifically, “[t]he criteria to assess whether an entity is the sporting successor of another entity are, among others, its headquarters, name, legal form, team colours, players, shareholders or stakeholders or ownership and the category of competition”.

Consistently with the above, and on the basis of the investigations conducted by FIFA, it appears that Shaanxi Chang'an Union FC is to be considered the sporting successor of Shaanxi Chang'an Athletic FC. Said club shall therefore be subject to the decision/confirmation letter issued by the Dispute Resolution Chamber on 12 April 2023 (...).

By way of consequence, please be informed that the ban from registering new players will now be implemented on Shaanxi Chang'an Union FC. As such, we kindly ask the Chinese Football Association (in copy) to immediately implement such ban on Shannxi Chang'an union FC at national level. (...).

(the “Appealed Decision”)

28. Attached to the Appealed Decision is a detailed report issued by the FIFA administration (the “FIFA Investigatory Report”) assessing the facts leading to the conclusion that *“(…) the New Club shall be considered as the sporting successor of the [Old] Club (...)*”.
29. The Appealed Decision bases its conclusions on Article 25.1 of the Regulations on the Status and Transfer of Players (the “RSTP”), Articles 21.4 and 7 of the FIFA Disciplinary Code (the “FDC”) and CAS jurisprudence. It emphasizes that an open list of criteria is established to determine whether an entity qualifies as the sporting successor of another. The guiding principle is the new club’s intention to present itself to the public as the continuation of the original club that ceased activities. This intention forms the basis for holding the new club liable for the unpaid debts of the old club. In

the present case, as outlined in the FIFA Investigatory Report, the New Club and the Old Club share the following elements:

i. Important elements:

- According to the CFA, ten players and sixteen staff that were previously registered with the Old Club are now registered with the New Club.

ii. Relevant elements:

- Similar name (“Shaanxi Chang’an FC”).
- Similar nickname (“Northwest wolf”).
- Similar legal form (limited liability companies).
- Same team colours (red and blue).
- The New Club used a redesigned logo which includes a “wolf”, just like the Old Club’s logo. Before the redesign, the New Club had a dragon in its former logo.
- New Club bought the Old Club’s WeChat and TikTok accounts.

iii. Elements of minor importance:

- Same stadium.
- Shared sponsors (“Lining Sport” and “Star Sport”).

30. Based on the above, FIFA holds the view that the public perceives the New Club as a continuation of the Old Club, and the New Club appears to intentionally present itself as such. Consequently, the available elements indicate sporting succession, leading the FIFA administration to conclude that the New Club should be regarded as the sporting successor of the Old Club.

III. THE PROCEEDINGS BEFORE THE COURT OF ARBITRATION FOR SPORT

31. On 15 February 2024, the Appellant filed its statement of appeal (the “Statement of Appeal”) with the CAS, pursuant to Article R47 *et seq* of the Code of Sports-related Arbitration (2023 edition) (the “CAS Code”), against the Appealed Decision. Furthermore, the Appellant requested to submit this matter to a Sole Arbitrator and the Respondents objected to such request. Finally, in its Statement of Appeal, the Appellant also requested the stay of the Appealed Decision. On 21 and 22 February 2024, the Respondents replied to such an application for a stay.
32. On 26 February 2024, the Deputy President of the Appeals Arbitration Division stayed the Appealed Decision.

33. On 4 March 2024, the CAS Court Office informed the Parties that the Division President had decided to submit the present Appeal to a Sole Arbitrator, in accordance with Article R50 of the CAS Code.
34. On 25 March 2024, the Appellant filed its Appeal Brief within the extended deadline and in accordance with Article R51 of the CAS Code.
35. On 2 April 2024, 2024, the CAS Court Office informed the Parties that the panel was constituted as follows:

Sole Arbitrator: Mr Rui Botica Santos, Attorney-at-Law in Lisbon, Portugal

36. On 24 May 2024, the First Respondent filed its Answer within the extended deadline and in accordance with Article R55 of the CAS Code.
37. On 27 May 2024, the Second Respondent filed its Answer within the extended deadline and in accordance with Article R55 of the CAS Code.
38. On 28 May 2024, the CAS Court Office sent a communication to the Parties that “[u]nless the Parties agree or the Sole Arbitrator orders otherwise on the basis of exceptional circumstances, Article R56 (...) the Parties shall not be authorized to supplement or amend their requests or their arguments, nor to produce new exhibits, nor to specify further evidence on which they intend to rely (...). On this same communication the Parties were asked to inform whether they prefer a gearing to be held in this matter and whether they request a case management conference with the Sole Arbitrator in order to discuss procedural issues, the preparation of the hearing and any issues related to the taking of evidence. (...)”.
39. On 6 June 2024, the Appellant informed the CAS Court Office that it preferred that a hearing via videoconference on the present matter be held, as well as a case management conference to discuss procedural issues.
40. On 7 June 2024, the Second Respondent informed the CAS Court Office that it did not consider it necessary to hold a hearing, however, if the Sole Arbitrator decided to hold a hearing, it agreed that it be held via videoconference and concurred that a case management conference was necessary to determine the scope of the hearing and any other procedural issues.

41. On 10 June 2024, the First Respondent informed the CAS Court Office that it did not consider it necessary to hold a hearing.
42. On 20 June 2024, the CAS Court Office informed the Parties, on behalf of the Sole Arbitrator, that a case management conference would be held by videoconference on 2 July 2024, at 10h00 (Swiss time).
43. On 2 July 2024, the Parties attended a case management conference via videoconference, where they discussed the scope of the hearing, witness management, examination topics, and the hearing schedule. The Sole Arbitrator requested the Appellant to submit the expert report of Mr. Roy Chu, designated as an “expert witness,” and the witness statement of Mr Huang Shenghua, to the CAS Court Office. Subsequently, the CAS Court Office confirmed that a hearing would be held via videoconference on 7 October 2024.
44. On 11 July 2024, the CAS Court Office requested the Parties to sign and return the Order of Procedure. All Parties returned duly signed copies of the Order of Procedure to the CAS Court Office.
45. On 14 August 2024, the Appellant submitted the witness statement and expert report, clarifying that only excerpts of Chinese court decisions cited in the expert report were included, not new evidence, and asserting that this jurisprudence is permitted under Article R56 of the CAS Code. On the same date, the Sole Arbitrator invited the Respondents to comment on the witness statements and expert report submitted by the Appellant.
46. On 21 August 2024, the Second Respondent submitted comments on the witness statements and expert report, objecting to their admissibility. FIFA expressed surprise at the length and content of the expert report, noting that the Appellant had merely indicated in the Appeal Brief that its two witnesses would testify, without providing any report, document, or exhibits. Mr. Roy Chu was expected to testify solely “*on the explanation of relevant documents issued by the Chinese authorities, as well as relevant state and sports law and regulations, tighter with procedural and practical aspects of legal proceedings in China*”.
47. FIFA also raised the issue that Mr Roy Chu participated “*as legal consultant in the FC proceedings*” and FIFA was convinced that he was going to testify as a witness regarding facts related to the legal situation of the Appellant, rather than as an

“independent” expert witness. The expert report, exceeding the Sole Arbitrator’s instructions to clarify witness testimony, was submitted late, violating Article R56 of the CAS Code and the CAS notification dated 28 May 2028. FIFA argued that the Appellant improperly used the report to respond to FIFA’s Answer

48. On 26 August 2024, the Appellant responded to FIFA’s comments on the witness statements and expert report. The Appellant emphasized that during the Case Management Conference, it was clarified and accepted by all Parties, including FIFA, that Mr. Roy Chu was an expert witness. The scope of Mr. Chu’s testimony in the Appeal Brief aligns with the expert report, as it addresses *“relevant documents issued by the Chinese authorities, as well as other relevant state and sports laws and regulations, together with procedural and practical aspects of legal proceedings in China”*. The Appellant reiterated that the expert report contains no new evidence or exhibits, only jurisprudence.
49. On 3 September 2024, the CAS Court Office, on behalf of the Sole Arbitrator, informed the Parties that the Expert Report would be admitted into the case file and invited the Respondents to submit their comments on it.
50. On 26 September 2024, the Second Respondent submitted comments on the expert report, as requested by the Sole Arbitrator, questioning the impartiality of the expert and disputing the Player’s ability to pursue claims in Chinese courts. FIFA noted that Mr. Roy Chu previously acted as legal counsel for the Appellant in first-instance proceedings, undermining the Expert Report’s objectivity and credibility. The Expert Report argued that the Player must file a claim against the Old Club in Chinese courts and that the FIFA DRC Decision would not constitute *res judicata*. However, FIFA pointed out that the employment contract between the Player and the Old Club, submitted alongside its comments, waived the right to domestic court disputes in favor of FIFA’s competent bodies. FIFA concluded that the Expert Report on legal remedies available in China is irrelevant, as these remedies were contractually waived. Consequently, the Appellant’s argument about the Player’s alleged negligence in not filing a claim in China must be rejected. FIFA emphasized that the Player’s only available recourse remains FIFA regulations, including pursuing credits recognized in the FIFA DRC Decision against the sporting successor of a debtor under Article 21.4 FDC.
51. In addition to the Sole Arbitrator and Mr. Antonio de Quesada, CAS Managing Counsel, the following persons attended the hearing on 7 October 2024:

a) For the Appellants:

- 1) Mr Luca Tettamanti – Legal Counsel
- 2) Mr Tomás Pereda – Legal Counsel
- 3) Mr Roy Chu – Expert witness
- 4) Mr Huang Shenghua – Chairman and General Manager & Witness
- 5) An Interpreter

b) For the First Respondent:

- 1) Mr Johann Weiss - Legal Counsel

c) For the Second Respondent:

- 1) Mr Miguel Liétard Fernández-Palacios - Director of Litigation
- 2) Mr Roberto Nájera Reyes – Senior Legal Counsel

52. As a preliminary remark, the Parties were requested to confirm not having any objection to the appointment of the Sole Arbitrator, and they confirmed.

53. The Parties had ample opportunity to present their cases, submit their arguments and answer the questions posed by the Sole Arbitrator. They also had the opportunity to examine Mr Roy Chu and Mr Huang Shenghua. The Sole Arbitrator carefully considered all the evidence and arguments, even if not explicitly summarized in the Award. Following the Parties' closing statements, the Sole Arbitrator closed the hearing and reserved the final award.

54. At the conclusion of the hearing, the Parties expressly confirmed having no objections to the conduct of the proceedings, particularly regarding the principles of the right to be heard and the equal treatment of the parties.

IV. THE PARTIES' SUBMISSIONS

55. The following summary of the Parties' positions is illustrative and does not necessarily comprise each contention put forward by the Parties. The Sole Arbitrator, however, has carefully considered all the submissions made by the Parties, even if no explicit reference is made in what immediately follows.

(A) The Appellant's Submissions

56. In their Appeal Brief the Appellants submit the following prayers and requests the CAS:

“(…) i. The appeal filed by Shaanxi Union Football Club is admissible.

ii. The appeal filed by Shaanxi Union Football Club is upheld.

iii. The FIFA DC Decision is annulled and/or set aside.

As a consequence:

iv. Shaanxi Union Football Club is not the “sporting successor” of Shaanxi Chang'an Athletic FC, thus it shall not have to pay any amount to Mr Raoul Loe;

v. The transfer ban imposed on Shaanxi Union Football Club shall be immediately and definitely annulled and thus not applied.

vi. Mr Raoul Loé and/or FIFA shall bear all the procedural costs of this arbitration procedure.

vii. Mr Raoul Loé and/or FIFA shall compensate Shaanxi Union Football Club for all the legal fees and other costs incurred in connection with this arbitration in an amount in an amount to be determined at the discretion of the Sole Arbitrator, but which shall not be lower than CHF 20,000.”

(A.1) The burden and standard of proof

57. In light of Article 13.5 FDC and the jurisprudence of the CAS (e.g. CAS 2007/A/1380, CAS 2020/A/7175, CAS 2021/A/8079), each party must fulfil its burden of proof to the required standard to convince the judge that the facts which it pleads are established.

58. Since no standard is established by the applicable FIFA regulations, the standard of comfortable satisfaction shall be the one applicable (CAS 2021/A/8079).

59. The Appealed Decision could be a death sentence for the New Club and, as such, considering the serious allegations against it, the Player and FIFA should be obliged to establish the facts they plead with solid evidence. As CAS ruled in various precedents, *“(…) the more serious the allegation, the more cogent the supporting evidence must be in order for the allegation to be found proven”* (“CAS 2021/A/7840).

(A.2) The principle of “sporting successor”

60. The concept of sporting successor is established by Article 21.4 FDC, and its main goal is to avoid abuses by clubs setting up new entities to avoid financial responsibilities or to engage in fraudulent behavior (see, among others, CAS 2020/A/7092; CAS 2020/A/7183; CAS 2020/A/6873). This much has been confirmed by FIFA in its Circular no. 1681 of 11 July 2019, as well as recent CAS jurisprudence.
61. This scenario is not present in this case at hand, since the New Club has no link to the Old Club, there being an absence of evidence to demonstrate that the Appellant had breached any rule or harmed any protected interests by its actions. The New Club already existed at the time when the Old Club had been competing, which is a relevant detail that differentiates this case from other sporting succession cases.
62. As a result, the lack of any abuse or will to fraud any third parties by the New Club does not allow FIFA and the Player to consider it as the sporting successor of the Old Club.

(A.3) The Player's negligence and lack of proactivity

63. The diligence to recover credits from the original debtor before initiating proceedings against the alleged sporting successor is a necessary requirement for the FIFA Football Tribunal to accept a claim (see, among others, CAS 2011/A/2646; CAS 2019/A/6461; CAS 2020/A/6878; CAS 2020/A/7505; and CAS 2020/A/6884). In fact, some CAS Panels have even refrained from entering into the merits of sporting succession cases when the precondition of the creditor's diligence was not met (CAS 2020/A/6878).
64. In the present case, the Player failed to show a minimum degree of diligence before deciding to open disciplinary proceedings against the Appellant. In fact, the Player does not even dispute this, since he confirmed that he did not try to collect his debt before the Old Club previously to opening disciplinary proceedings since "*it is notorious that access to justice in China is not an "easy task" for a Foreigner, who does not know the domestic language and customs*".
65. This argument is of no relevance, since the Player did not need to know the language or customs of China, instead he would only need to contact a local lawyer to handle his case. However, he deliberately avoided doing so, even though the Old Club still exists and is active, not having declared bankruptcy or having been involved in any insolvency proceedings.
66. As a result, the Player's negligence shall cause the present Appeal to be upheld.

(A.4) The New Club is not the sporting successor of the Old Club

67. Addressing the merits of the case, determining whether a club qualifies as the sporting successor of another requires an evaluation of both objective and subjective elements (CAS 2020/A/7092; CAS 2020/A/7183; and CAS 2020/A/6873). In summary, the objective elements pertain to the “new club’s” intention to continue the activity of the “old club”, while the subjective elements intent to defraud creditors or manipulate competition.
68. A decision on sporting succession cannot rely solely on appearances, such as similarities between the “new club” and the “old club”, as this approach could lead to unfair and implausible outcomes. Indeed, FIFA itself has recognized in certain cases that subjective elements, such as (i) playing in a lower sporting category, (ii) operating as a distinct different legal entity with a different structure, (iii) having different shareholders, (iv) purchasing assets from the old club, (v) relying on the credits of the old club, or (vi) transferring federative rights, may carry greater weight in determining sporting succession and take precedence over objective elements (CAS 2020/A/7092).
69. CAS jurisprudence has consistently emphasized the need for caution in applying the concept of “sporting succession”, advocating for its use in a highly restrictive manner due to the potentially significant consequences of such a determination.
70. FIFA’s approach to determining sporting succession is notably narrow and superficial, as it relies predominantly on objective criteria outlined in Articles 21.4 of the FDC and 25 of the RSTP, often merely analyzing the non-exhaustive list of factors provided. This approach disregards the subjective considerations required under CAS jurisprudence.
71. As a result, the Appellant assessed the several important objective and subjective criteria generally analyzed by FIFA and CAS in similar cases, bearing in mind that these are indicative and non-exhaustive and that some elements may have more relevance over others when determining sports succession.
72. The Appellant’s assessment is as follows:

(1) As important elements:

a) Shareholders/Stakeholders/Ownership:

The Appellant and the Old Club have always had entirely separate owners and shareholders, a fact confirmed by the CFA and supported by the findings of the Appealed Decision. The claim that Mr. Zhang Wei served as the former CEO of the Old Club is both false and unsubstantiated, as alleged by the Player. Furthermore,

official documentation, including reports issued by the State Administration for Market Regulation (SAMR) of China, corroborates this allegation.

b) Management:

The Appellant and the Old Club have always had distinct management, as confirmed by the CFA, the findings of the Appealed Decision, and official reports issued by the State Administration for Market Regulation (SAMR) of China.

c) Category of competition concerned:

The New Club did not replace the Old Club in any competition, nor did it acquire any federative license or comparable right that could have conferred any sporting advantage. These facts are publicly documented and reflected in the CFA's statements and the findings of the Appealed Decision. The Appellant has never benefited from the sporting achievements of the Old Club to secure automatic promotion by two division levels.

d) Reliance on the credits of the Old Club:

The Appellant has neither requested nor received any credit from a third party that belonged to the Old Club, including but not limited to solidarity contributions or training compensation. It is evident that, had this been the case, the CFA would have reached a different conclusion regarding the existence of sporting succession. Furthermore, the Respondents did not dispute this point, rendering it undisputed.

e) Reliance on the Old Club's history:

There is no connection between the New Club and the Old Club. The clubs have different foundation dates, and the Appellant has neither acquired nor relied upon any trophies or sporting merits of the Old Club. Additionally, the Appellant does not associate itself with any historical elements, players, or coaches of the Old Club. Following the Old Club's disaffiliation, the Appellant became the sole representative football club of Shaanxi province. Consequently, references to "Shaanxi fans" or "Shaanxi team" are natural and should not be construed as indicators of sporting succession with the Old Club. The same applies to the Appellant's statements on social media and the use of the "northwestern wolf" symbol, which represents an iconic animal of the region.

f) Players:

The New Club was compelled to significantly strengthen its squad after achieving promotion to the fourth division of Chinese football. Consequently, it signed a total of 32 players in 2023, of whom only 11 were formerly affiliated with the Old Club. All players transferred from the Old Club were registered as free agents, with most being secondary players, and five have since left the New Club. The decision to sign these players was driven purely by convenience, as the New Club needed to assemble a “new team” of 28 players within one week to prepare for the competition. Given that an average of only three former players from the Old Club were included in the New Club’s starting eleven, it is improbable that the public could perceive the Appellant as the sporting successor of the Old Club.

g) Coaching Team:

Among the coaching staff hired by the New Club, only Mr. Song Zhenyu and Mr. Wang Xiaolong were previously employed by the Old Club. Notably, Mr. Wang Xiaolong served as a coach for the youth academy, not for the first team or reserve team. The Player's allegations regarding this matter are false and lack supporting evidence.

h) CFA’s conclusions regarding the succession:

When asked to provide its comments during the FIFA proceedings, the CFA concluded that “[b]ased on the information/documentation available there’s no successor relationship between the [New Club] and [Old Club]”. Accordingly, the CFA has never regarded the Appellant as the successor of the Old Club. This position is a critical factor against establishing succession, as recognized in CAS jurisprudence (CAS 2020/A/6873, para. 99).

(2) As relevant elements:

i) Headquarters:

The Appellant and the Old Club do not share the same headquarters. The Appellant is based in Gao Village, Longo Gao Town, Binzhou City, Xianyang City, Shaanxi Province, while the Old Club was based in Shaanxi Sports Training Center, No. 303, East Zhang Ba Road, Yanta District, Xi’an City, Shaanxi Province. Additionally, the clubs do not use the same training facilities, as confirmed by the CFA during the proceedings before FIFA.

j) Name:

While the names of the clubs share some similarities, they are distinct. The Appellant's name references its province (Shaanxi), local community (Chang'an), and the broader Chinese community (Union). The rebranding, driven by the CFA's Naming Policy rules, was necessary to establish the Appellant as Shaanxi's main football club after the Old Club's disaffiliation in March 2023 and aimed to build a long-term fanbase and attract sponsors. The names "Shaanxi" and "Chang'an" do not belong to the Old Club and are commonly used by other clubs. Furthermore, the Appellant operated as "Binzhou Huilong FC" in 2023, adopting "Shaanxi Union FC" only in January 2024. The CFA and other authorities, including the companies' registry, raised no objections to the Appellant's name registration.

k) Legal Form:

The legal form of both clubs as limited liability companies (Co., Ltd.) is irrelevant, as nearly all Chinese clubs are required to operate under this structure, except for football academies. This similarity must therefore be disregarded.

l) Team Colours:

The Appellant's use of red in its uniforms stems from its cultural significance in China, symbolizing good luck and fortune. Unlike the Old Club, whose away uniforms were yellow, the Appellant's away uniforms are white. The Appellant's logo and merchandise predominantly feature black with red details, while the Old Club primarily used red with blue accents. On social media, the Appellant uses black, grey, and red, in contrast to the Old Club's red, blue, and white. These differences extend to fan appearances at stadiums, demonstrating no real similarity between the clubs' colours.

m) Logo/Team crest:

The Appellant's logo significantly differs from the Old Club's in color composition, design, and style. The Appellant's logo is predominantly white with black and red accents, while the Old Club's logo featured mostly blue with white and red elements. The logo was designed by a third party through a public contest. The only shared feature between the logos is the depiction of a wolf, a natural choice given the cultural significance of the "northwestern wolf" in the region. Even this element is portrayed differently in the two logos.

n) Acquisition of sporting assets:

The Appellant did not acquire any trophies, federative licenses, or sporting assets from the Old Club that could have been used to benefit from its competitive position or legacy.

o) Social Media:

The Appellant manages its own social media accounts on platforms like Weibo, Douyin, Instagram, and X. While it acquired the Old Club's accounts on Weibo, Douyin, and WeChat, only the WeChat account is used, primarily for news and events. The Appellant has a significantly larger fanbase than the Old Club, with 775,000 Weibo followers compared to the Old Club's peak of 39,000, and 16,063 registered members versus fewer than 10,000. This growth reflects the Appellant's successful marketing strategies aimed at attracting a broader audience, rather than relying on the Old Club's fans. Some former fans naturally transitioned to supporting the Appellant, now the only football club representing Shaanxi province in national competitions, aligning with the tendency of Chinese fans to support their provincial team.

(3) As minor elements:

p) Stadium/Training Center:

The Appellant shares the same stadium as the Old Club, however, this is solely because the Weinan Stadium, owned by the municipality, is one of the region's main venues and had been left unused following the Old Club's disaffiliation. Additionally, the Appellant uses different training facilities from those used by the Old Club.

q) Sponsors:

Among the 12 sponsors supporting the New Club in 2023 and 2024, only two were previously sponsors of the Old Club. These two sponsors are major Chinese sports equipment suppliers, which commonly sponsor multiple teams within the same league or country. This practice is typical in football and does not present any unusual or unique circumstance that could be used against the Appellant.

r) Administrative staff and medical team:

The Appellant did hire some administrative staff from the Old Club, along with two members of its medical team. However, these hires were made out of necessity due to (i) the league's imminent start, (ii) a limited pool of qualified professionals in the

market, and (iii) the fact that the Old Club's employees resided in Shaanxi province, had relevant football experience, and had unexpectedly lost their jobs. FIFA's approach of grouping technical staff and administrative employees "in the same package" is flawed, as these roles do not hold the same significance. Consequently, this element should not be used to establish any connection between the New Club and the Old Club.

73. In light of all the above, it should be considered that:

- a) There is no evidence of abuse or fraud in the Appellant's conduct.
- b) The Player was negligent in failing to pursue his credit in China, either during his time in China or afterward, as the Old Club still exists.
- c) There are unmistakable differences between the New Club and the Old Club. Even if some minor elements between them are common, a more in-depth analysis demonstrates that the majority of the important, relevant and minor elements point against the existence of sporting succession.
- d) The available objective and subjective elements support the Appellant's position, demonstrating that there is no close connection between the two clubs, nor any specific intention to continue the exact activities of the Old Club or to assume or accept legal responsibility for the Old Club's past actions.

(B) The Player's Submissions

74. In its Answer, the Player seeks the following prayers and requests from the CAS:

“(..) A. AS TO THE FORM

1. *To enforce its jurisdiction and to accept the present submission.*

B. AS TO THE MERITS

a. Principally

2. *To reject the Appellant's Appeal in its entirety as groundless and uphold FIFA Disciplinary Committee passed on 5 February 2024;*
3. *To consider Shaanxi Union FC as the new sporting successor of Shaanxi Chang'na Athletic FC;*
4. *To consider Shaanxi Union FC liable to pay the Player in accordance with FIFA Dispute Resolution Chamber decision dated 12 April 2023;*

5. *To formally extend the sanctions currently imposed on Shaanxi Chang'an Athletic FC to Shaanxi Union FC.*
6. *To reserve for the Player the right to make further reliefs, leadings, amplify his claim for damages during the whole duration of the proceedings, to supplement and modify the claim set forth herein, and to submit further briefs, documents, exhibits and any other evidence at their own discretion in the course of the proceedings herein;*
7. *To debar the Appellant from making any other or contrary pleadings.*

b. *In any cases*

8. *Award any and all costs, expenses and fees arising in connection with the present arbitration proceedings, including but not limited to the attorney's fees of the Player against the Appellant.*
9. *Such other relies as the CAS shall deem appropriate. (...)”*

(B.1) The concept of sporting succession

75. Sporting succession does not have an absolute definition, instead it is considered on a case-by-case basis. However, two objective conditions are essential – public perception and succession in competitions. The guiding principle in sporting succession cases is that “*the new club intends to be seen by the public as an old club that has ceased to operate*”.
76. The public perception criteria are met when a club adopts elements of a former club's identity, including its name, colours, logo, founding date, history, sporting achievements, or social media channels. The succession in competition occurs when the new club replaces the old club in the same league previously competed in before its dissolution.

(B.2) The elements of sporting succession

77. On 29 March 2023, the Old Club announced its dissolution, and on 9 April 2023, it posted a letter to the fans stating that it could no longer compete in professional Chinese competitions. The Player was never informed and only became aware when this information was made public.
78. Mr Zhang Wei, the former CEO of the Old Club, acquired the New Club, resulting in the creation of “Shaanxi Chang'an Union Football Club”. The Old Club's website and

social media channels were rebranded for the New Club, retaining earlier posts but now representing the New Club.

79. The New Club immediately attracted the Old Club's fanbase, with thousands of fans wearing Old Club jerseys attending training sessions at Fengdong Football Park, demonstrating the New Club's significant popularity.
80. The New Club adopted a logo closely resembling the Old Club's, along with similar venues, colours, kits, name, and legal structure.
81. Over 14 players from the Old Club joined the New Club, a key criterion in CAS jurisprudence for establishing sporting succession. Additionally, technical staff and some management members from the Old Club also transitioned to the New Club.
82. The public widely perceives the New Club as connected to the Old Club, with numerous sources referring to their succession relationship. The New Club appears to have intentionally fostered this perception to create continuity with the Old Club.
83. By adopting the identity of the Old Club, the New Club significantly benefited from its fanbase, legacy, and reputation, resulting in a sharp rise in revenue. Accordingly, the New Club should bear responsibility for the Old Club's debts to ensure fairness.
84. After being promoted to the Chinese third division, the New Club announced its return to professional football after 214 days.

(B.3) Conclusion

85. The New Club shall be considered as the sporting successor of the Old Club and, as a consequence, it shall be liable to pay the Player in accordance with the FIFA DRC Decision and the sanctions applied then on the Old Club shall be extended to the New Club.

(C) The FIFA's Submissions

86. In its Answer, FIFA submitted the following prayers and requests to the CAS:

" (...) FIFA respectfully requests the Sole Arbitrator to issue an award on the merits:

- (a) Rejecting the requests for relief sought by the Appellant*
- (b) Confirming the Appealed Decision;*
- (c) Ordering the Appellant to bear the full costs of these arbitration proceedings; and*
- (d) Ordering the Appellant to make a contribution to FIFA's legal costs. (...)”*

(C.1) Sporting succession in general

- 87. The key factor in determining sporting succession is the new club's intention to be perceived by the public as the same entity as the original club that ceased operations. This intention creates the obligation for the new club to assume liability for the unpaid debts of the old club.
- 88. Establishing sporting succession does not require proof of fraudulent or abusive conduct, nor does FIFA need to demonstrate malicious intent by the new club. While such factors may be considered, they are not essential (see, e.g., CAS 2020/A/6884; CAS 2020/A/7543; CAS 2020/A/7290). What matters is that the new club takes over the former club's assets in the broadest sense, including its sporting identity.
- 89. Sporting succession is evaluated on a case-by-case basis, as there is no exhaustive list of criteria. The weight of each element varies depending on the context (CAS 2020/A/7543), and not all elements—or even a majority—must be present for sporting succession to be established.

(B.2) The Appellant is the sporting successor of the Old Club

- 90. Examining the chronological evolution of both clubs reveals a clear and well-documented narrative. This underscores the “public perception” and the fundamental nature of sporting succession, which extends beyond the Appellant's focus on the elements outlined in Article 25 RSTP.
- 91. FIFA outlines the New Club's succession timeline as follows:
 - a. Founded on March 30, 2016, the Old Club quickly rose through the ranks, winning the 2016 Shaanxi Provincial Super League and earning promotion to the Chinese third division in 2017. It was further promoted to the second division in 2018, where it finished third.

- b. The New Club was established in October 2013 as “Xi’an Huilong Football Club.” Initially competing in amateur leagues, it relocated to Binzhou in March 2020, adopting the name “Binzhou Huilong.” Its modest ambitions contrasted with those of a professional football club.
 - c. By 2022, the Old Club faced financial difficulties. Mr. Zhang Wei attempted to rescue it through investment and a membership system that raised over 10 million Yuan. Despite these efforts, the club was disaffiliated by the CFA in April 2023, reportedly due to wage arrears.
 - d. In May 2023, shortly after the Old Club’s disaffiliation, Mr. Zhang Wei acquired the New Club, “Binzhou Huilong Football Club.” Reports suggested this move aimed to preserve the Old Club’s legacy. The New Club was rebranded as “Shaanxi Chang’an Union FC,” with a new logo resembling the Old Club’s and the acquisition of the Old Club’s social media accounts.
 - e. These changes transformed the previously modest New Club into a professional outfit, inheriting the Old Club’s fanbase. By September 2023, the New Club had broken attendance records and gained thousands of members. This succession allowed the Old Club’s legacy to continue while its financial liabilities were eliminated.
 - f. Following these developments, Mr. Zhang Wei sold a 65% stake in the New Club to “Qingyin Sports” while retaining 35%. Public perception now views the New Club as a continuation or new version of the Old Club.
92. The timeline above clearly demonstrates that, under the direction of Mr. Zhang Wei, who was an owner or co-owner of the Old Club, the New Club aligned itself with the Old Club. This allowed it to immediately benefit from the Old Club’s established fanbase and commercial value—advantages the New Club could not have achieved independently.

(C.3) The elements that reveal sporting succession

93. For the sake of completeness, and based on long-established CAS jurisprudence, FIFA assesses the elements of sporting succession in the following manner:

a) Name:

The New Club's name, "Shaanxi Chang'an United FC," is strikingly similar to the Old Club's name, "Shaanxi Chang'an Athletic FC," creating an undeniable impression of continuity. The timing of the name changes coincided with the Old Club's disaffiliation from the CFA, deliberately fostering a public perception of succession. The Appellant has even acknowledged that the name change was aimed at quickly expanding its fanbase and sponsorship. The CFA's naming policy is irrelevant here, as the Appellant voluntarily pursued this change with the stated goal of *"building a solid and long-term fanbase and attracting sponsors for short- to medium-term growth"*. Consistently, CAS jurisprudence (e.g., CAS 2020/A/6831; CAS 2020/A/7290) has recognized that a club's name is a key factor in market perception and a critical element of continuity between a predecessor and its sporting successor

b) Team colours, logo, mascot and nickname:

The Old Club's colours were red, blue, and white, with a wolf as its mascot. In contrast, the New Club initially used red, yellow, black, and white, with a dragon as its mascot. However, the New Club has since adopted the Old Club's colours, replaced the dragon mascot with a wolf, and introduced a new logo resembling that of the Old Club. This logo was the result of a campaign launched after the migration of the fanbase was complete

c) Social Media:

It is undisputed that the New Club is using the Old Club's "WeChat" account. This is significant because WeChat is not merely a messaging app but a comprehensive "super app" integral to daily life in China, encompassing messaging, social media, and various services. By acquiring the Old Club's social media accounts, the New Club benefits from:

- (i) leveraging an established fanbase, (ii) inheriting followers, community interactions, and memories built over time, (iii) maintaining brand continuity and preserving the Old Club's identity, and (iv) utilizing proven engagement strategies to promote matches, merchandise, and events.

d) Membership migration:

The Old Club generated substantial funding through its membership program, with 8,000 members at the time of its disaffiliation. The New Club adopted a similar membership scheme, gaining over 5,200 members within 24 hours of its launch and surpassing 10,000 members in just a few months, generating approximately 10

million yuan in revenue. These figures clearly demonstrate that the New Club leveraged the Old Club's identity, legacy, and active fanbase to achieve such rapid growth.

e) Shareholders:

Publicly available information indicates that Mr. Zhang Wei was either the CEO or closely involved in the management of the Old Club. In summary, it is evident that the shareholder (and CEO) of the New Club is the same individual who held a similar role in the Old Club.

f) Players, Officials and Staff:

According to the CFA, 10 players previously registered with the Old Club and 16 officials or staff from the Old Club are now associated with the New Club. This retention of human resources enabled a seamless operational transition for the New Club, fostering a connection for the fanbase through familiar figures. This continuity played a key role in positioning the New Club as the legitimate successor to the Old Club.

g) Sponsors:

The New Club and the Old Club share two major sponsors, Li-Ning Sport and Star Sport. When the New Club rebranded as "Shaanxi Union," these sponsors "coincidentally" decided to support it, despite the New Club previously lacking the profile to attract such sponsors. This suggests the New Club relied on the heritage and fanbase of the Old Club. The sponsors' recognition of the New Club as the Old Club's successor, coupled with the seamless transition in sponsorship, strongly indicates that the New Club is a continuation of the Old Club.

h) Stadium:

The New Club now plays in the Old Club's former home, Weinan Stadium, a significant factor in assessing sports succession. Previously, the New Club lacked a dedicated stadium and operated two hours away from Weinan Stadium. Using the same venue allows fans to maintain their emotional connection to a place filled with shared memories and experiences. It also honours the Old Club's legacy, ensuring continuity in its historical narrative. From a commercial perspective, this move enhances the New Club's appeal to sponsors and partners, who recognize its ability to attract the same level of support as the Old Club. Additionally, logistical

advantages for players, staff, and fans eliminate the need for infrastructure investment, further solidifying the New Club's operational continuity with the Old Club.

i) Legal form:

The New Club and the Old Club share the same legal form, which is also an indicator of sporting succession.

j) Public perception:

Based on the evidence presented, it is clear that the New Club is widely perceived by the public as the continuation or successor of the Old Club. Public news articles frequently link the two entities, referring to the New Club as a "phoenix club" and stating it aims to "continue the fire of Shaanxi Football." The importance of public perception in determining sports succession has been emphasized in CAS jurisprudence, including CAS 2021/A/8446, CAS 2020/A/7543, CAS 2020/A/7290, CAS 2020/A/6884, and CAS 2020/A/6831. The Old Club, Shaanxi Chang'an Athletic FC, has been consistently and uninterruptedly identified as such by its fans and the public, now under the name "Shaanxi Chang'an Union FC."

(C.4) The Player's alleged negligence:

94. The Appellant overlooks that the creditor's degree of negligence is relevant only when the creditor has a recognized claim that can be registered in the insolvency or bankruptcy proceedings of the original debtor.
95. In this case, it is undisputed that the Old Club remains operational and is not subject to any insolvency or bankruptcy proceedings. The Appellant has failed to explain how the Player could have claimed his credit from the Old Club in China based on the FIFA DRC Decision that recognized his credit.
96. Consequently, the Appellant's arguments regarding the Player's alleged lack of diligence are irrelevant and must be fully dismissed

(C.5) Conclusions and consequences:

97. The elements outlined above demonstrate that the Appellant cannot be distinguished from the Old Club. Numerous CAS Panels in similar cases have determined that when

any objective observer can easily identify a new club as a continuation of the old one, the new club must be regarded as the sporting successor of the original.

98. In the present Appeal, this principle applies, leading to the conclusion that the Appellant is the sporting successor of the Old Club. Consequently, the Appellant must be held liable for the Old Club's pre-existing and unpaid debt to the Player.

V. JURISDICTION OF THE CAS

99. Article R47 of the CAS Code stipulates:

“An appeal against the decision of a federation, association or sports-related body may be filed with CAS if the statutes or regulations of the said body so provide or if the parties have concluded a specific arbitration agreement and if the Appellant has exhausted the legal remedies available to it prior to the appeal, in accordance with the statutes or regulations of that body.”

100. In addition, Article 56 (1) of the FIFA Statutes Ed. May 2022 reads as follows:

“FIFA recognizes the independent Court of Arbitration for Sport (CAS) with headquarters in Lausanne (Switzerland) to resolve disputes between FIFA, Members, Confederations, Leagues, Clubs, Players, Officials and licensed match agents and Players' agents.”

101. Furthermore, Article 57 (1) of the FIFA Statutes (Ed. 2022) establishes:

“Appeals against final decisions passed by FIFA's legal bodies and against decisions passed by confederations, member associations or leagues shall be lodged with CAS within 21 days of receipt of the decision in question.”

102. The jurisdiction of the CAS, which is not disputed by the Parties, derives from Article R47 of the CAS Code and Articles 56 (1) and 57 (1) of the FIFA Statutes. Furthermore, the jurisdiction of the CAS is further confirmed by the Order of Procedure duly signed by all Parties.

103. It follows that CAS has jurisdiction to hear this matter.

104. According to Article R57 of the CAS Code, the Sole Arbitrator has full power to review the facts and the law of the case and can decide the dispute *de novo*. The Sole Arbitrator

may issue a new decision which replaces the decision challenged, may annul the decision, or refer the case back to the previous instance.

VI. ADMISSIBILITY

105. Article R49 of the CAS Code provides as follows:

“In the absence of a time limit set in the statutes or regulations of the federation, association or sports-related body concerned, or of a previous agreement, the time limit for appeal shall be twenty-one days from the receipt of the decision appealed against. After having consulted the parties, the Division President may refuse to entertain an appeal if it is manifestly late.”

106. The Sole Arbitrator notes that the admissibility of the Appeal is not contested by the Parties. The FIFA Decision was notified to the Appellant on 5 February 2024 and the Statement of Appeal was filed on 15 February 2024, *i.e.* within the 21-day deadline fixed under Article 57 (1) of the FIFA Statutes.

107. It follows that this appeal is admissible.

VII. APPLICABLE LAW

108. Article R58 of the CAS Code provides the following:

“The Panel shall decide the dispute according to the applicable regulations and, subsidiarily, to the rules of law chosen by the parties or, in absence of such choice, according to the law of the country in which the federation, association or sports-related body which has issued the challenged decision is domiciled or according to the rules of law that the Panel deems appropriate. In the latter case, the Panel shall give reasons for its decision”.

109. Article 56 (2) of the FIFA Statutes sets forth as follows:

“The provisions of the CAS Code of Sports-related Arbitration shall apply to the proceedings. CAS shall primarily apply the various regulations of FIFA and, additionally, Swiss law.”

110. The Sole Arbitrator notes that the Parties agree on the application of the FIFA regulations and no issues in this matter were raised by the same.

111. Consequently, the Sole Arbitrator will apply primarily the rules and regulations of FIFA and Swiss law on a subsidiary basis, should the need arise to fill a possible gap or lacuna in the various regulations of FIFA.

VIII. MERITS

(A) The Scope of the Appeal

112. The present Appeal has been filed against the Appealed Decision, in which the FIFA, through its Head of Judicial Bodies (Adjudicatory), Mr Julian Deux, determined that the Appellant was the sporting successor of the Old Club. Consequently, the Appellant was held liable for compliance with the FIFA DRC Decision, which had ordered the Old Club to pay the Player an amount corresponding to outstanding remuneration (see para. 20). As a result, a ban on registering new players, originally imposed on the Old Club, was immediately enforced against the New Club.
113. During the hearing, the Sole Arbitrator raised an issue *ex officio* regarding the nature of the Appealed Decision. Specifically, the decision took the form of a simple letter confirming that the New Club was deemed the sporting successor of the Old Club, along with the immediate imposition of a player registration ban (see para. 28). The letter, signed by FIFA's Head of Judicial Bodies (Adjudicatory), lacked several key elements: (i) a clear explanation of the decision-making process, (ii) specific details about the applicable sanction and its duration (although it was indirectly presumed to relate to the FIFA DRC Decision), and (iii) the provision of an opportunity for the Appellant, as is customary and logical in such cases, to voluntarily settle the Old Club's debt within a reasonable timeframe.
114. The Appellant argued that FIFA lacked the authority to impose a disciplinary sanction on the New Club automatically and that it should have been given an opportunity to present its case before the relevant chamber of the Football Tribunal. Conversely, FIFA contended that the applicable framework allowed it to immediately determine and implement the necessary disciplinary sanctions, pursuant to Article 25.1 of the RSTP, which states: "[t]he sporting successor of a debtor shall be considered the debtor and be subject to any decision or confirmation letter issued by the Football Tribunal". FIFA further clarified that the decision referenced in the Appealed Decision was the FIFA DRC Decision. The Player supported FIFA's position.
115. Before addressing the merits of the case, the Sole Arbitrator must resolve the following preliminary issue:

Was the FIFA Head of Judicial Bodies (Adjudicatory) authorized to immediately determine the New Club as the sporting successor of the Old Club and impose a disciplinary sanction based on the Appealed Decision issued by Mr Julien Deux, as Head of Judicial Bodies (Adjudicatory)?

116. The Sole Arbitrator notes that none of the Parties dispute that the Appealed Decision qualifies as a “decision” within the meaning of Article R47 of the CAS Code, and the Sole Arbitrator concurs with this qualification. The preliminary issue to be addressed concerns the assessment of the authority and powers of the FIFA Head of Judicial Bodies (Adjudicatory).
117. The Sole Arbitrator is of the opinion that it has the authority to address this preliminary issue independently of the Parties’ arguments and submissions. This authority is granted by the broad discretion afforded under Article R57 of the CAS Code, particularly when these issues concern the legality of the proceedings conducted before FIFA.
118. After resolving the preliminary issue, and assuming no procedural irregularities are identified that cannot be remedied at this stage of the proceedings, the Sole Arbitrator will proceed to address the following key substantive questions:
- (i) Can the Appellant be deemed the sporting successor of the Old Club?
 - (ii) If so, what are the legal implications, particularly concerning the applicable disciplinary sanctions?
- (B) Could the FIFA Head of Judicial Bodies (Adjudicatory) immediately consider the New Club as the sporting successor of the Old Club and impose a disciplinary sanction on it?**
119. Having determined that the Appealed Decision qualifies as an “appealable decision”, the Sole Arbitrator now addresses the fact that this decision was (i) issued and signed by the FIFA’s Head of Judicial Bodies and (ii) imposed obligations and disciplinary sanctions on the New Club automatically, without the conduct of any formal proceedings before a chamber of the Football Tribunal.
120. These circumstances raise several questions that could suggest the Appealed Decision was improperly issued, particularly:

1. Did the FIFA Head of Judicial Bodies have the authority to immediately determine the New Club as the sporting successor of the Old Club and impose a disciplinary sanction on it?
2. If not, what would be the appropriate procedure?

(B.1) Other than the FIFA DRC and FIFA DC, does any other FIFA body or individual have the authority to issue a decision on sporting succession that includes the power to impose disciplinary sanctions?

121. In the case at hand, the Player requested the FIFA DC to enforce the FIFA DRC Decision against the New Club, as it considered this club to be the sporting successor of the Old Club. No elements in the case file allow the Sole Arbitrator to conclude that the FIFA DC considered itself incompetent to rule on the matter; on the contrary, it seems that an investigation was launched in order for the FIFA to “enforce” this decision on the basis of Article 21.7 of the FDC.
122. The CFA and the New Club were given the opportunity to participate in the proceedings under the Ref. FDD-16517 (the “FDD” reference is usually used for cases pending before the FIFA DC). The CFA and the New Club submitted their comments. After this, the “FIFA Administration” concluded the report on the sporting succession as follows:

“The FIFA administration deems that the New Club shall be considered as the sporting successor of the [Old Club] for the aforementioned reasons.”
123. Following the closing of the investigatory phase, the FIFA Head of Judicial Bodies (Adjudicatory) issued a letter, attaching the FIFA Investigatory Report, where it immediately:
 - a) Considered the New Club to be the sporting successor of the Old Club.
 - b) Subjected the New Club to comply with the FIFA DRC Decision.
 - c) Consequently, imposed on the New Club, effective immediately, a “*ban from registering new players*” without any grace period to pay the debt.
124. While the FIFA argued that it did not matter which internal body took the decision, only that the decision is taken by the association itself, the Sole Arbitrator cannot agree with this reasoning.
125. If this were the case, the Judicial Bodies created by FIFA, and their established architecture of competences, would be irrelevant. This is contrary to Articles 51 and 54

of the FIFA Statutes, which establish that that the Football Tribunal shall pass decisions relating to football-related disputes and regulatory applications, while the FIFA DC shall decide on infractions to the FDC and impose the sanctions therein contained.

126. On the other hand, it is not even clear where the “Head of Judicial Bodies” stands in the internal FIFA organization. It appears this position is of administrative nature and does not have powers, under the legal framework of FIFA, to conclude whether a club is or not the sporting successor of the other. Even if this position was a part of the FIFA’s secretariat, then it seems that, according to Article 35 of the FDC, its competences consist merely in supporting the FIFA judicial bodies in their work and it does not have the power to decide on sporting succession cases and impose sporting sanctions, as no provision to the contrary exists.
127. Aside from the issues already mentioned, the Sole Arbitrator must also note that the Appealed Decision (i) does not mention the extent of the ban being imposed on the New Club, nor (ii) provides the New Club with a grace period to make the payment which it was ordered to do. The Appealed Decision is also silent on the possibility of being appealed to the CAS. All of these details lead the Sole Arbitrator to conclude that the decision communicated to the Appellant did not follow the correct and applicable procedure.
128. Based on the above, the Sole Arbitrator is of the opinion that, by issuing the Appealed Decision in this incomplete and unclear manner, and the same having been merely signed by the “Head of Judicial Bodies”, the FIFA “circumvented” the competence of its internal deciding bodies (which, in this case, appears to be the FIFA DC, as it seemed to have already accepted jurisdiction over the matter on the basis of Article 21.7 FDC).

(B.2) What is the proper procedure to follow in cases of this nature?

129. Having determined that the decision could not have been made by the FIFA Head of Judicial Bodies (Adjudicatory), the Sole Arbitrator is of the opinion that the correct procedure should have been as follows: (i) the initiation of a disciplinary procedure before the FIFA DC, and, upon the conclusion of all legal stages of that procedure, (ii) the issuance of a decision by the FIFA DC that decides whether the Appellant is the sporting successor of the Old Club.
130. Based on all the above, the Sole Arbitrator concludes as follows:
- a) The Appealed Decision does not constitute a decision issued by the FIFA Football Tribunal Chambers or any of the FIFA’s Judicial Bodies.

- b) Rather, it was issued and signed by the FIFA Head of Judicial Bodies (Adjudicatory), an individual who, under FIFA's legal framework, lacks the authority to decide on sporting succession cases or to impose disciplinary sanctions.
- c) FIFA cannot automatically extend the effects of a decision against the Old Club to the New Club without a proper assessment of sporting succession conducted by the competent internal body and within the framework of the applicable legal procedure.

(C) The available remedies according to the CAS Code

150. Based on the foregoing analysis, the Sole Arbitrator now turns to the available remedies under the rules governing appeal arbitration procedures in the CAS Code, specifically Article R57, which states:

“The Panel has full power to review the facts and the law. It may issue a new decision which replaces the decision challenged or annul the decision and refer the case back to the previous instance.”

151. Pursuant to this provision, the Sole Arbitrator has full discretion to decide the matter *de novo* and is not compelled either to refer the matter back to the first instance or to render a final decision independently. However, there are specific circumstances where referring the case back to FIFA may be deemed more appropriate — particularly when the Sole Arbitrator finds that the Appellant's fair treatment and legitimate right to a proper defense could be compromised.
152. The Sole Arbitrator is firmly convinced that this is one of the cases where refraining from exercising the *de novo* power is necessary to safeguard the Appellant's legitimate rights.
153. Accordingly, the Sole Arbitrator decides to refer the case back to FIFA for a decision on the matter by the competent authority of FIFA.

IX. COSTS

(...)

ON THESE GROUNDS

The Court of Arbitration for Sport rules that:

1. The appeals filed by the Shaanxi Chang'an Union Football Club against the decision issued by the FIFA Head of Judicial Bodies (Adjudicatory) on 5 February 2024 is upheld.
2. The decision rendered by the FIFA Head of Judicial Bodies (Adjudicatory) on 5 February 2024 is annulled and the case is referred back to the competent FIFA body for decision.
3. (...).
4. (...).
5. All other and further motions or prayers for relief are dismissed.

Seat of arbitration: Lausanne, Switzerland

Date: 20 May 2025

THE COURT OF ARBITRATION FOR SPORT

Rui Botica Santos
Sole Arbitrator