

TAS / CAS TRIBUNAL ARBITRAL DU SPORT COURT OF ARBITRATION FOR SPORT TRIBUNAL ARBITRAL DEL DEPORTE

CAS 2022/A/8824 Al-Ahli Saudi Football Club v. Soccerpromaster – Gestão De Carreiras Desportivas, Lda

# ARBITRAL AWARD

delivered by the

# **COURT OF ARBITRATION FOR SPORT**

sitting in the following composition:

Sole Arbitrator: Mr. Espen Auberg, Attorney-at-Law, Oslo, Norway

## in the arbitration between

Al-Ahli Saudi Football Club, Saudi Arabia

Represented by Prince Mohammed bin Abdulaziz, Jeddah, Saudi Arabia

- Appellant -

and

Soccerpromaster – Gestão De Carreiras Desportivas, Lda, Portugal

Represented by Mr. Mário Santos Paiva, Lisbon, Portugal

- Respondent -

### I. PARTIES

- 1. Al-Ahli Saudi Football Club ("Al-Ahli", the "Club" or the "Appellant") is a professional football club from the Kingdom of Saudi Arabia. Al-Ahli is a member of the Saudi Arabian Football Federation ("SAFF"), which in turn is a member of the Asian Football Confederation ("AFC") and the Federation Internationale de Football Association ("FIFA").
- 2. Soccerpromaster Gestão De Carreiras Desportivas, Lda ("Soccerpromaster" or the "Respondent") is a company with headquarters in Maia, Portugal, registered as an intermediary at the Portuguese Football Federation ("PFF") which in turn is affiliated with the Union des Associations Européennes de Football ("UEFA") and FIFA.
- 3. The Appellant and the Respondent are hereinafter jointly referred to as the "Parties".

### II. FACTUAL BACKGROUND

4. Below is a summary of the main relevant facts, as established on the basis of the written submissions of the Parties, and the evidence examined in the course of the proceeding. This background information is given for the sole purpose of providing a summary of the dispute. Additional facts may be set out, where relevant, in connection with the legal analysis.

#### A. Background Facts

- 5. On 17 July 2018, the Parties entered into an agreement (the "Agreement") in which it was agreed, inter alia, that Soccerpromaster should assist Al-Ahli with the transfer of football player Mr. Jorge Djaniny Tavares Semedo (the "Player") and that Al-Ahli accepted to pay to Soccerpromaster a commission of net USD 1,500,000 within 48 hours of the date that Al-Ahli FC and the Player enter into an employment contract.
- 6. The next day, on 18 July 2018, Al-Ahli and the Player entered into an employment contract, and, as such, Al-Ahli's obligation to pay Soccerpromaster the commission stipulated in the Agreement was triggered.
- 7. On 29 July 2018, Soccerpromaster set a deadline for Al-Ahli to make the payment the Parties had agreed upon in the Agreement, by 5 August 2018. Al-Ahli subsequently made two partial payments to Soccerpromaster in the total amount of USD 1,000,000.
- 8. Following non-payments from Al-Ahli for the remaining amount, Soccerpromaster initiated proceedings before CAS on 8 July 2020, later registered with case reference CAS 2020/O/7263.
- 9. On 4 October 2021, the Award in the case CAS 2020/O/7263 was notified to the Parties, which ordered Al-Ahli, inter alia, to pay to Soccerpromaster the amount of EUR 650,000, consisting of unpaid commission of USD 500,000 and a penalty fee

stipulated in the Agreement of USD 150,000, plus interest. CAS further ordered Al-Ahli to pay the costs of the arbitration, and to pay Soccerpromaster an amount of CHF 10,000 as contribution towards the expenses incurred in connection with the arbitration proceedings.

10. It is undisputed that Al-Ahli failed to make the payments in accordance with the above-mentioned CAS award.

#### **B.** Proceedings before the FIFA Disciplinary Committee

- 11. On 22 January 2022, Soccerpromaster submitted a claim before the FIFA Disciplinary Committee (the "FIFA DC"), requesting the initiation of disciplinary proceedings and for sanctions to be imposed upon the Al-Ahli for failure to comply with the CAS Award in the case CAS 2020/O/7263.
- 12. On 1 February 2022, the Secretariat to the FIFA DC opened disciplinary proceedings against Al-Ahli (to which Soccerpromaster was not a party), and invited Al-Ahli to provide its position to the FIFA DC. Al-Ahli failed to provide the FIFA DC with its position within the given deadline.
- 13. On 24 February 2022, the FIFA DC issued an award, which was notified to Al-Ahli on 6 April 2022 (the "Appealed Decision"). The FIFA DC concluded that Al-Ahli had failed to make the payments stipulated in the case CAS 2020/O/7263, and its failure to make the payments constituted a breach of Article 15 of the FIFA Disciplinary Code (the "FDC"), which, inter alia, states that anyone who fails to make payments in accordance with a CAS decision shall be sanctioned.
- 14. Against this background, the FIFA DC determined as follows:

"1. Al-Ahli Saudi FC is found responsible for failing to comply in full with the award issued by the Court of Arbitration for Sport on 04 October 2021 (Ref. CAS 2020/0/7263).

2. Al-Ahli Saudi FC is ordered to pay to Soccerpromaster – Gestão De Carreiras Desportivas, Lda. as follows: -

- A total amount of USD 650,000.
- "Interest of 5% to Soccerpromaster Gestão De Carreiras Desportivas, Lda.
  (i) on the total sum of USD 1,650,000.00 for the period of 5 August 2018 through 18 October 2018; (ii) on the total sum of USD 900,000.00 for the period of 19 October 2018 through 31 July 2019; and, (iii) on the total sum of USD 650,000.00 starting from 1 August 2019, each until the date of effective payment."
- *CHF* 10,000 as a contribution towards the legal fees incurred in connection with the arbitration proceedings.

3. Al-Ahli Saudi FC is granted a final deadline of 30 days as from notification of the present decision in which to settle said amount. Upon expiry of the aforementioned final deadline and in the event of persistent default or failure to comply in full with the decision within the period stipulated, a transfer ban will be pronounced until the complete amount due is paid or the non-financial decision is complied with. The transfer ban will be implemented automatically at national and international level by the Saudi Arabian Football Federation and FIFA respectively, without a further formal decision having to be taken nor any order to be issued by the FIFA Disciplinary Committee or its secretariat. In addition, a deduction of points or relegation to a lower division may also be ordered in addition to a transfer ban in the event of persistent failure, repeated offences or serious infringements or if no full transfer could be imposed or served for any reason.

4. Al-Ahli Saudi FC is ordered to pay a fine to the amount of CHF 25,000.

5. The fine is to be paid within 30 days of notification of the present decision."

#### III. PROCEEDINGS BEFORE THE COURT OF ARBITRATION FOR SPORT

- 15. On 27 April 2022, Al-Ahli filed a Statement of Appeal with CAS, pursuant to Article R47 of the Code of Sports-related Arbitration (2021 edition) (the "Code"), against the Appealed Decision. In its Statement of Appeal, Al-Ahli requested that the dispute be referred to a sole arbitrator, with which Soccerpromaster subsequently agreed, and also requested an extension of the time limit to file the Appeal Brief, with which the Respondent did not agree.
- 16. On 9 May 2022, FIFA submitted a letter to the CAS Court Office where it stated that it, inter alia, renounced its right to request its possible intervention in the present arbitration proceeding, further to Article R41.3 of the Code.
- 17. On 10 May 2022, the CAS Court Office informed the Parties, inter alia, that the Deputy Division President had decided to partially grant the Al-Ahli's request for an extension to file the Appeal Brief until 8 June 2022.
- 5. On 8 June 2022, Al-Ahli submitted its Appeal Brief in accordance with Article R51 of the Code.
- 6. On 9 June 2022, the CAS Court Office informed the Parties pursuant to Article R55 of the Code that a deadline of 20 days was set for the Respondent to submit its Answer.
- 7. On 18 May 2022, after consulting the Parties on their position in this regard, the Parties were informed that the Deputy President of the CAS Appeals Arbitration Division had decided to refer this proceeding to the same Sole Arbitrator as in the related case CAS 2022/A/8823, further to Article R50 of the Code.

- 8. On 29 June 2022, Soccerpromaster submitted its Answer, in accordance with Article R55 of the Code. In its Answer Soccerpromaster claimed, inter alia, that the Appeal Brief had been filed after the time limit set by the CAS Court Office and that consequently the Appeal Brief should be deemed inadmissible.
- 9. By letter 30 June 2022, the Parties were requested to inform the CAS Court Office whether they preferred that a hearing be held or if the matter should be decided on the written submissions. Subsequently Al-Ahli informed the CAS Court Office that it preferred a hearing be held, whilst Soccerpromaster requested that the Sole Arbitrator issue an arbitral award solely based on the Parties' written submissions, without holding a hearing.
- 10. On 8 July 2022, the CAS Court Office informed the Parties that pursuant to Article R54 of the Code and on behalf of the Deputy President of the CAS Appeals Arbitration Division, the Arbitral Tribunal appointed to decide the present case was constituted as follows:

Sole Arbitrator: Mr Espen Auberg, Attorney-at-Law in Oslo, Norway

- 11. On 18 July 2022, the CAS Court Office informed the Parties, inter alia, that the Appeal Brief was timely filed on 8 June 2022 on the CAS E-filing Platform.
- 12. On 3 August 2022, the CAS Court Office informed the Parties that, pursuant to Articles R44.2 and R57 of the Code, after having taken into consideration the Parties' respective positions in this regard as well as the circumstances of this proceeding, the Sole Arbitrator had decided not to hold a hearing in the proceeding and to issue the Award solely on the basis of the Parties' written submissions. In the same letter, the Parties were invited to file a second round of written submissions in the present case. Al-Ahli was invited to file its Reply by 23 August 2022.
- 13. On 23 August 2022, Al-Ahli filed its Reply in accordance with the letter from the CAS Court Office sent 3 August 2022.
- 14. On 25 August 2022, the CAS Court Office invited Soccerpromaster to file its Rejoinder by 14 September 2022.
- 15. On 15 September 2022, Soccerpromaster filed its Rejoinder and requested that the Rejoinder should be deemed admissible due to technical difficulties that prevented the submission of the Rejoinder.
- 16. On 16 September 2022, Al-Ahli was invited to inform the CAS Court Office if Al-Ahli agreed to admit Soccerpromaster's Rejoinder to the case file and the Parties were informed that Al-Ahli's silence in this regard would be considered acceptance.
- 17. On 23 September 2022, the CAS Court Office informed the Parties that, as it had not received an objection from Al-Ahli with regards its invitation to inform whether it agreed to admit Soccerpromaster's Rejoinder to the case file, Al-Ahli's silence was

understood to mean agreement, and consequently Soccerpromaster's Rejoinder was admitted to the case file.

18. On 26 September 2022, the CAS Court Office issued an Order of Procedure, and requested the Parties to sign and return a copy of the Order of Procedure to the CAS Court Office. The Order of Procedure was subsequently duly signed and returned by Soccerpromaster on 11 October 2022 and by Al-Ahli on 19 October 2022. By signing the Order of Procedure, the Parties confirmed that their right to be heard had been respected.

#### IV. SUBMISSIONS OF THE PARTIES AND REQUESTS FOR RELIEF

19. This section of the Award does not contain an exhaustive list of the Parties' contentions. Its aim is to provide a summary of the substance of the Parties' main arguments. In considering and deciding upon the Parties' claims in this Award, the Sole Arbitrator has accounted for and carefully considered all of the submissions made and evidence adduced by the Parties, including allegations and arguments not mentioned in this section of the Award or in the discussion of the claims below.

#### A. Al-Ahli's Submissions

- 20. Al-Ahli's submissions, in essence, may be summarized as follows:
  - Al-Ahli is in a very critical financial situation characterized by a total absence of revenues due to the effects of the COVID-19 pandemic, hereunder a decrease of revenues from sponsors and ticketing.
  - This situation represents a sole and unique cause of the delay of payment and the Club apologizes for that and hopes that the Respondent will take in consideration the very bad financial and sportive situation of the Club.
  - The COVID-19 pandemic has been qualified in Saudi Arabia as a case of force majeure and at least has the same effects as force majeure.
  - The pandemic led to the total suspension of sports activities in Saudi Arabia including the prohibition of individual and group training which prevented the execution of the employment contract as the players no longer carried out their professional activities.
  - The suspension of sports activities had a catastrophic effect on professional football, which today represents a real industry in Saudi Arabia.
  - The survival of professional clubs depends on the financial resources which come mainly from public subsidies from the Ministry of Sport and municipal authorities, subsidies paid by the professional football league which largely contain the clubs'

share of television broadcasting rights, club and league sponsors, tickets sales and sale of club jerseys and gadgets.

- The majority of these revenues ceased during the entire period of the cessation of football activity in Saudi Arabia from 15 March 2020 until the end of June 2020 and has continued until now.
- Evidence confirms the cessation of all financial income from the Club.
- The correspondence notified by the professional football league to clubs in order to inform them that after an analysis of the financial situation following the cessation of sporting activities, it appears that the pandemic has considerably affected financial resources which will necessarily generate a significant reduction in the contribution allocated to the clubs and which will last throughout the 2020/2021 sports season.
- An internal evaluation of the financial situation was made by the accounting department of the Club upon request from the Club's CEO which revealed, inter alia, a significant decrease in the revenue for the six months ending on 30 June 2020 compared to the six months ending on 31 December 2019.
- The doctrine of Theory of Unpredictability is generally accepted by international doctrine. In particular, this theory is also accepted by the Swiss legislation applicable in the case and it is also accepted by the UNIDROIT principles, known as the hardship clause.
- The obligations of Al-Ahli must be considered in light of the terms of the UNIDROIT principles defined in Articles 6.2.2 and 6.2.3, due to unforeseen facts and circumstances that have altered the balance of the Agreement.
- The difficulties do not belong to Al-Ahli alone, but are part of the general crisis, and above all, in accordance with the UNIDROIT principle cited in the definition of hardship events that are beyond the control of the disadvantaged party.
- Al-Ahli has had no control on these national and worldwide events.
- Al-Ahli requests to revoke the Appealed Decision, since it provides the payment of the instalment indicated with usual interest without any further consideration of the facts and legal arguments raised by Al-Ahli. It is also requested that Al-Ahli is granted to renegotiate the economic terms of the Agreement between the parties including their payment schedule within the framework and provisions set by Article. 6.2.3 of the UNIDROIT.
- 21. On these grounds, Al-Ahli made the following requests for relief:

"It is requested by the Appellant to the Panel to grant the renegotiation of the economic terms of the Agreement between the parties including their payment schedule within the framework and provisions set by art. 6.2.3. UNIDROIT."

#### **B.** Soccerpromaster's Submissions

- 22. Soccerpromaster's submissions, in essence, may be summarized as follows:
  - Al-Ahli appeals a decision issued by FIFA DC. Soccerpromaster was not a party to the disciplinary proceedings before the FIFA DC. Therefore, Soccerpromaster lacks standing to be sued.
  - Under Swiss Law and according to CAS jurisprudence, the issue of standing to sue or be sued must be addressed ex officio, considering that it is a question related to the merits of the case.
  - Standing to be sued refers to the party against whom an appellant must direct its claim in order to be successful. A party has standing to be sued only if it is personally obliged by the claim brought by an appellant. The question of who has standing to be sued is a question of the merits, implying that if Soccerpromaster's standing to be sued is denied, then the appeal must be dismissed.
  - Standing is an objective notion. Either it exists or it does not exist. The concept of standing to sue is applicable in any kind of proceedings, although the terminology may vary. Standing to sue or be sued has a procedural aspect and a substantive aspect. The lack of the procedural aspect of standing leads to the inadmissibility of the requested relief, while the lack of the substantive aspect leads to the dismissal of the claim on the merits.
  - It is undeniable, with all due respect, that a challenge against an association decision must, in principle, always be filed against the association that issued the decision, in the case at hand, FIFA.
  - Furthermore, Al-Ahli allegedly seeks a modification of the decision passed by CAS dated 4 October 2021, under the Case No CAS 2020/O/7263, that became final and binding on 4 November 2021.
  - In the present proceedings Al-Ahli does not hold any right to obtain the relief it is seeking from Soccerpromaster, and therefore, lacks both the procedural and the substantive aspect required to have standing.
  - In this sense, the proceedings at hand should be dismissed and the appeal shall be deemed inadmissible.
  - Alternatively, and only in the event the above is rejected, it shall be emphasized that all of the arguments presented by Al-Ahli are completely false.

- On 17 July 2018, the Parties entered into a written agreement where Al-Ahli contracted the services of Soccerpromaster in order to help it hire the Player.
- However, Al-Ahli did not pay the total amount agreed between the contracting parties.
- Soccerpromaster is entitled to receive from Al-Ahli the amount of USD 650,000 plus interest as set out in the CAS decision in Case No CAS 2020/O/7263, plus the costs of the arbitration that were borne by the Respondent and CHF 10,000 as a contribution towards the legal fees incurred in connection with such arbitration proceeding.
- In accordance with Article R46 of the Code , the Award in CAS 2020/O/7263 shall be final and binding within 30 days from the notification of the award.
- Al-Ahli did not appeal such CAS decision, and therefore, the decision of CAS dated 4 October 2021 became final and binding on 4 November 2021.
- By failing to comply with the CAS decision, Al-Ahli violated Article 15 of the FDC and was sanctioned accordingly by FIFA in the Appealed Decision.
- In the case at hand, CAS cannot re-examine through the appeal filed by Al-Ahli the decision issued on 4 October 2021, CAS 2020/O/7263, once such decision is final and binding.
- Therefore, the request for relief of Al-Ahli is inadmissible.
- Although CAS has jurisdiction to decide the present appeal, the truth is that Al-Ahli, instead of challenging the decision rendered by FIFA DC, tries to construct a new claim, changing its versions of the facts that were presented before CAS and the FIFA DC, which, in any case, should not be admissible.
- "Evidence" submitted with the appeal were not presented in the proceedings that led to an award in the case CAS 2020/O/7263 nor in the proceedings before the FIFA DC that led to the Appealed Decision, and these new documents are not admissible.
- In any case, such documents are not relevant and do not interfere in any way with the decisions passed on by CAS and by FIFA. Article 15 of the FDC provides FIFA with a clear legal basis to sanction a club that failed to comply with a CAS decision. It therefore enables the club to foresee the potential consequences of failing to comply with a CAS decision. It is clear that under Article 15 of the FDC, a club that is obliged to comply with a CAS decision may be subject to a number of measures, such as fines, transfer bans, etc., in the event it disregards a decision ordering it to pay an amount of money.

- There is an established line of CAS jurisprudence which states that a difficult financial situation is not a valid justification for a club to fail to pay its debts.
- UNIDROIT Articles 6.22 and 6.2.3 are not applicable in the case at hand. In fact, Al-Ahli does not anticipate the relevance of the articles nor alleges any argument to support such request.
- The Appealed Decision issued by the FIFA DC should be confirmed and Al-Ahli should be found responsible for failing to comply in full with the award issued by CAS on 4 October 2021 (CAS 2020/O/7263). Further, Al-Ahli shall be ordered to pay all of the amounts due to Soccerpromaster plus interest, as well as being imposed with sanctions as provided in the Appealed Decision.
- 23. On this basis, Soccerpromaster made the following requests for relief:

"i. To be determined that the Respondent has no standing to sued and, therefore, order that the proceedings be dismissed and the Respondent to be acquit[ted] from all charges.

*ii. In any event, to order the Appellant to cover all costs of the proceedings and to bear all the legal fees and any other costs to be paid to the CAS;* 

*iii. In any event, to order the Appellant to cover all costs incurred with attorney's fee on an amount not lower than 15.000.- CHF to be paid to the Respondent by the Appellant;* 

Alternatively, and only in the event the above is rejected:

*iv.* The appeal filed by Al-Ahli Club against the decision rendered by the FIFA disciplinary body is dismissed;

v. All prayers for relief of Al-Ahli Club are denied;

vi. The Appellant is condemned in the exact terms of the FIFA appealed decision plus interests meanwhile due;

vii. In any event, to order the Appellant to cover all costs of the proceedings and to bear all the legal fees and any other costs to be paid to the CAS;

viii. In any event, to order the Appellant to cover all costs incurred with attorney's fee on an amount not lower than 15.000.- CHF to be paid to the Respondent by the Appellant."

#### V. JURISDICTION

- 24. The case concerns an appeal of a decision issued by FIFA.
- 25. The jurisdiction of CAS derives from Article R47 of the Code, which reads:

"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."

26. Further, Article 57 (1) of the FIFA Statutes (2021-edition) reads as follows:

"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."

- 27. The jurisdiction of CAS is confirmed by the Order of Procedure duly signed by the Parties.
- 28. It follows that CAS has jurisdiction to adjudicate and decide on the present dispute.

#### VI. ADMISSIBILITY

- 29. The time limit for submitting a Statement of Appeal is 21 days from the receipt of the decision appealed against pursuant to Article R49 of the Code and Article 57 (1) of the FIFA Statutes (2021-edition). The Statement of Appeal was filed by the Appellant on 27 April 2022, i.e. 21 days after the FIFA communicated the Appealed Decision to the Parties on 6 April 2022, hence within the deadline of 21 days.
- 30. The appeal complied with all other requirements of Article R48 of the Code.
- 31. Therefore, the appeal is admissible.

#### VII. APPLICABLE LAW

32. Article R58 of the Code provides as follows:

"Law Applicable to the merits. The Panel shall decide the dispute according to the applicable regulations and, subsidiarily, to the rules of law chosen by the parties or, in the absence of such a 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."

- 33. The Sole Arbitrator reiterates that the case concerns an appeal of a decision issued by the FIFA DC, where Al-Ahli was sanctioned in accordance with provisions in the FDC.
- 34. Article 56.2 of the FIFA Statutes (2021-edition) so provides:

"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".

35. Applying these principles to the present matter, the case must be decided in accordance with the applicable FIFA rules and regulations, in particular the FDC. In case of lacuna in the FIFA rules and regulations, the Sole Arbitrator shall apply Swiss law.

#### VIII. MERITS

#### A. Soccerpromaster's standing to be sued

- 36. The Sole Arbitrator notes that Soccerpromaster is the only Respondent in this case, and that Soccerpromaster claims that it does not have standing to be sued. In this respect, it shall be noted that standing to be sued refers to the party against whom an appellant must direct its claim in order to be successful. According to CAS doctrine "a party has standing to be sued only if it has some stake in the dispute because something is sought against it, and is personally obliged by the dispute at stake" (MAVROMATI/REEB, The Code of the Court of Arbitration for Sport: Commentary, Cases and Materials, 2015, p. 411, nr. 65).
- 37. This approach is confirmed by CAS jurisprudence, for example CAS 2020/A/7144 paragraph 85, where the sole arbitrator stated:

"a party has standing to be sued only if it is personally obliged by the claim brought by an appellant."

- 38. The question of who has standing to be sued is a question of the merits. If the respondent does not have standing to be sued, then the appeal must be dismissed (CAS 2020/A/7144 paragraph 87 et seq. with further reference to SFT 128 III 50 of 16 October 2001, at 55; SFT 4A\_424/2008 of 22 January 2009, para. 3.3.; CAS 2008/A/1639, para. 3).
- 39. In the Appealed Decision, the FIFA DC concluded that Al-Ahli had failed to make the payments it was ordered to pay in the case CAS 2020/O/7263, and that its failure to make the payments constituted a breach of Article 15 of the FDC, which, inter alia, states that anyone who fails to make payments in accordance with a CAS decision shall be sanctioned.
- 40. The Sole Arbitrator notes that the Appealed Decision was issued by the FIFA DC, and that Soccerpromaster's only role in the proceedings that led to the Appealed Decision was that it submitted a claim before the FIFA DC, requesting that FIFA initiate disciplinary proceedings and for sanctions to be imposed upon Al-Ahli for failure to comply with the CAS Award in the case CAS 2020/O/7263. Although Soccerpromaster indeed was a party in the proceedings that led to the CAS award, it was not a party to the proceedings that led to the Appealed Decision.
- 41. The Sole Arbitrator further notes that CAS case law has, in issues concerning standing to be sued, differentiated between decisions containing a vertical element, which

typically arise in a disciplinary, eligibility or registration context ("vertical disputes") and decisions containing a horizontal element, that typically originate in a legal relationship amongst individual members, e.g. clubs or players ("horizontal disputes") (CAS 2020/A/7144, paras. 84 et seq.).

- 42. In this regard, the Sole Arbitrator notes that the Appealed Decision mainly concerns disciplinary elements. It should, however, be noted that in addition to the disciplinary sanctions imposed on Al-Ahli, paragraph 2 of the operative part of the Appealed Decision also orders Al-Ahli to pay an amount to Soccerpromaster that corresponds to the amount Al-Ahli was ordered to pay in the Award issued by CAS in the case CAS 2020/O/7263. The Sole Arbitrator notes that this part of the decision seems unnecessary, as Al-Ahli's obligation to pay these amounts had already been decided by CAS in case CAS 2020/O/7263, a decision that became final and binding 30 days after the Award was issued, pursuant to Article R46 of the Code. Notwithstanding the above, the Sole Arbitrator considers that the Appealed Decision clearly must be categorized as "vertical".
- 43. To which extent a party that has no rights or obligations related to disciplinary proceedings has standing to be sued, has been considered by CAS on numerous occasions. In the case CAS 2015/A/3910, which is also referred to in the case CAS 2017/A/5359, the panel stated as follows:

"The criteria for awarding legal standing to be sued should not differ in vertical or horizontal disputes. In vertical disputes the association has (sole) standing to be sued because it is the party primarily concerned and the best representative of the interests of all other stakeholders affected by the dispute. The other stakeholders – in principle – only have a general and abstract interest that the associations 'rules and regulations be applied to their respective co-member in an equal, consistent and correct way. This general interest – in principle – will be represented and taken care of by the association. Thus, there is no need – in vertical disputes – to direct the appeal against any other party than the association."

44. In other words, in a vertical dispute, where sanctions have been imposed on a party by a sporting organisation, an appeal must be directed against the sporting organisation that imposed the sanction. A similar approach was taken in the case CAS 2019/A/6646, where the panel stated (paragraphs 59 and 60):

"The Panel wishes to recall that, pursuant to the CAS jurisprudence, a party has standing to be sued in CAS proceedings only if it has some stake in the dispute because something is sought against it in front of the CAS (see, inter alia, CAS 2015/A/4310, CAS 2014/A/3831 and CAS 2014/A/3850). Therefore, the only body that would have the authority to withdraw the sanction on the Club in the present case, would be FIFA.

As a consequence, in an appeal against a FIFA decision, by means of which disciplinary sanctions have been imposed on a party for failing to comply with a previous FIFA decision, it is required the intervention of FIFA as a party in the appeal

proceedings. Therefore, an appeal against a sporting sanction inflicted by a FIFA decision-making body must include FIFA, as the body that has the power to impose disciplinary sanctions."

- 45. In the case at hand, it is FIFA that, through the Appealed Decision, has imposed sanctions on Al-Ahli, and an appeal must be directed against FIFA as the party with standing to be sued.
- 46. The Sole Arbitrator therefore finds that with regards to Al-Ahli's appeal against the decision in which it was sanctioned by FIFA, the party that has standing to be sued is FIFA and not Soccerpromaster.
- 47. As stated above, the consequence of appealing a decision against a party that does not have standing to be sued is that the appeal must be dismissed.

### **B.** Conclusion

- 48. In the case at hand, the appeal is raised against a decision where FIFA imposed disciplinary sanctions on Al-Ahli. The appeal must be dismissed due to the fact that FIFA was not named as respondent. Furthermore, Soccerpromaster lacks standing to be sued and Al-Ahli has to bear the consequences of its failure to name FIFA as the correct respondent in the present appeal proceedings.
- 49. The above conclusion, finally, makes it unnecessary for the Sole Arbitrator to consider the Parties' other requests. Accordingly, all other prayers for relief are rejected.
- 50. Therefore, the appeal must be dismissed and the Appealed Decision confirmed.

#### IX. Costs

(...).

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# **ON THESE GROUNDS**

#### The Court of Arbitration for Sport rules that:

- 1. The appeal filed on 27 April 2022 by Al-Ahli Saudi Football Club against the decision issued on 24 February 2022 by the FIFA Disciplinary Committee is dismissed.
- 2. The decision issued on 24 February 2022 by the FIFA Disciplinary Committee is confirmed.
- 3. (...).
- 4. (...).
- 5. All other and further motions or requests for relief are dismissed.

Seat of arbitration: Lausanne, Switzerland Date: 4 July 2023

# THE COURT OF ARBITRATION FOR SPORT

Espen Auberg Sole Arbitrator