

PANORAMIC

SPORTS LAW

France



 LEXOLOGY

Sports Law

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REGULATORY

Governance structure

What is the regulatory governance structure in professional sport in your jurisdiction?

The regulatory governance structure in professional sports in France is divided between public law and private entities, influenced by the French state and government.

The main public law entities involved in the professional sports governance are the following:

- the state and government, with the Ministry of Sport, the Ministry of National Education and the Ministry of Higher Education, which all manage and support sport in their respective fields;
- the territorial authorities (regions, departments and municipalities), which fund and support sport at the local level; and
- the Sports National Agency, which oversees developing sports access for all and promote elite sports performance.

The main private law entities involved in the professional sports governance are the following:

- the French National Olympic and Sports Committee (CNOSF), which oversees representing the International Olympic Committee in France and the French sports movement (ie, sports associations and sports companies);
- the Federal Movement, which is composed of sports federations, which organise the practice of one or more sports disciplines, and may receive a certification from the state (and hence be in charge of a public service mission to organise the practice of a sports discipline) or a delegation from the state (which, in addition of the certification, enables the federation to organise sports competitions, such ability may be granted by delegating sports federations to professional leagues); and
- the Sports Associations, which are the sports clubs, organised as associations, that may be required to set up a separate sports company above a certain threshold of revenues or athletes' employment to manage their professional sports activities.

Law stated - 21 October 2024

Protection from liability

To what extent are participants protected from liability for their on-field actions under civil and criminal law?

Under civil law, participants can be liable for civil wrongs committed on the field. However, they are protected by the concept of risk acceptance. This means that when individuals knowingly expose themselves to certain risks, they implicitly waive their right to hold others accountable for ensuring their safety and, therefore, waive their civil liability.

For example, by joining a football team, a player accepts the risks of physical contact, which may be violent and punishable within the sport but not from a civil liability perspective.

Under criminal law, as a matter of principle, breaches of the rules of a sport cannot render the perpetrator criminally liable (eg, a foul committed on a football pitch).

However, participants may be held criminally liable if they commit intentional offences of particular seriousness. Courts conduct an *in concreto* analysis, considering the individuals' sport level, their awareness of risks or the presence of danger signs to adjust their judgment accordingly.

Law stated - 21 October 2024

Doping regulation

What is the regulatory framework for doping matters in your jurisdiction? Is there also potential secondary liability for doping offences under civil or criminal law?

The French anti-doping regulation substantially derives from the World Anti-Doping Code, to which French anti-doping regulation explicitly refers. As an example, France recognises and refers to the list of prohibited substances and methods of the World Anti-Doping Agency.

The French anti-doping regulation is set forth in article L230-1 and seq of the French Sport Code. The French Anti-Doping Agency (AFLD) is the independent public authority responsible for enforcing anti-doping rules. To this end, it works in close collaboration with the World Anti-Doping Agency and with anti-doping organisations that are signatories to the World Anti-Doping Code.

Violations of the French anti-doping regulation may entail administrative (for non-international elite athletes or during non-international sport events) and disciplinary sanctions (in other cases) by AFLD. The AFLD can impose a variety of sanctions, which may be public, such as a warning, a temporary or permanent suspension from various sport activities, or a fine of up to €45,000 for athletes and up to €150,000 for legal persons.

In addition, breaches of anti-doping regulations may result in criminal prosecution, following articles L.232-25 and seq. of the French Sports Code.

Breaches of doping regulations may also give rise to civil liability claims under article 1240 of the French Civil Code. However, the person bringing such an action would have to demonstrate that he or she had suffered prejudice because of the breach.

Law stated - 21 October 2024

Financial controls

What financial controls exist for participant organisations within professional sport?

Delegating sports federations set the financial rules that the sports associations and companies must follow to participate in the competitions that such federations organise. In the absence of a delegating federation in a given discipline, the aforementioned rules may be set forth by a specialised commission implemented by the CNOSF, as authorised by the Ministry of Sports.

To guarantee the long-term viability of sports associations and companies operating in the sport market, to promote fair play, and contribute to the economic regulation of competitions, when the delegating sports federations have created a professional league to organise competitions, the delegating sports federations must create within such league, an independent body. This body is notably responsible for the following missions:

- oversight of the administrative, legal and financial management of sports associations and companies;
- monitoring the financial activities of sports agents; and
- reviewing and evaluating projects involving the purchase, transfer and change of shareholders in sports companies.

For instance, the National Management Control Department (DNCG) is an independent commission and part of the Professional Football League (LFP), which is itself under the direction of the French Football Federation, and the DNCG is in charge of enforcing financial rules applicable to French football clubs, whose violation may lead to disciplinary sanctions (eg, club relegation, points withdrawal etc).

The French Anti-Corruption Agency (AFA) also plays a crucial role by monitoring the implementation of anti-corruption measures applicable to sports associations and companies. It conducts audits to verify the reality, quality and effectiveness of the anti-corruption compliance procedures. The AFA also develops recommendations and guidelines to help sports organisations prevent and detect corruption risks.

One recent development is the EU Anti-Money Laundering Regulation (2024/1624), which extends certain AML measures to football agents and professional clubs due to their vulnerability to money laundering.

These entities must comply with certain AML obligations as of 10 July 2029. The AML package, published on 19 June 2024, recognises the risks in football due to large investments and cash flows, cross-border transactions and non-transparent ownership structures. The EU regulation requires football agents and clubs to implement policies, conduct due diligence, monitor transactions, keep records and report suspicious activity to financial intelligence units.

Law stated - 21 October 2024

DISPUTE RESOLUTION

Jurisdiction

Who has jurisdiction over the resolution of professional sport disputes in your jurisdiction, and how is this determined?

In France, there is a two-stage sport dispute resolution system: (1) the first one within the sports federations themselves, and (2) the second in front of national courts or arbitral courts.

Once a dispute arises, the sports federations themselves are competent to handle it. Each federation has a disciplinary commission competent to address sports disputes. Generally, these disciplinary commissions include various types of first-instance commissions, such

as federal, regional or departmental ones. Most federations provide for a double level of jurisdiction and have internal appeal bodies.

Once the federation's decision has been handed down and internal remedies within the relevant sports federation have been exhausted, it is possible to challenge it before the national courts or – in some cases – before the Court of Arbitration for Sport (CAS). A preliminary conciliation phase before the French National Olympic and Sports Committee (CNOSF) must be completed.

Once this conciliation phase has been completed, the case can be brought before the French courts or the CAS. In France, when the federation's decision involves the exercise of public authority prerogatives by a private body entrusted with a public service mission, the recourse must be made before administrative courts. For other federation's decisions, which are qualified as private acts, civil and commercial courts are competent.

When the Federation status provides for an arbitral clause, the recourse must be submitted to the Court of Arbitration for Sport (CAS), located in Lausanne (Switzerland).

Law stated - 21 October 2024

Enforcement

How are decisions of domestic professional sports regulatory bodies enforced?

The decisions of French sports federations are enforceable by law if they relate to the exercise of their prerogative of public power. Otherwise, they are simply private acts that can only be enforced after having obtained a decision from a national court or the CAS.

Law stated - 21 October 2024

Court enforcement

Can the decisions of professional sports regulatory bodies be challenged or enforced in the national courts?

Decisions of professional sports regulatory bodies can be challenged or enforced before national courts or the CAS as provided for above. In the case of a dispute, it is possible to refer the matter to French Courts or the CAS (when forecasted by the federation status), which will hand down an enforceable decision.

Law stated - 21 October 2024

SPONSORSHIP AND IMAGE RIGHTS

Concept of image rights

Is the concept of an individual's image right legally recognised in your jurisdiction?

A person's exclusive right to his or her own image has its origins in French praetorian law, and is linked to the 'right to privacy' enshrined in article 9 of the French Civil Code. This image right protects the individual against any use of his or her image, as article 16 of the French Civil Code prohibits any violation of the dignity of private life.

According to constant case law, an athlete may contest the unauthorised use and reproduction of his or her image in his or her private life or during a competition, even one that constitutes a major media event, if the latter has not given his or her prior authorisation.

The Professional Rugby Collective Bargaining Agreement defines the notion of the individual image of sportsmen and women: 'the image of the player or trainer or physical trainer is constituted in particular by the use, imitation or reproduction thereof on any medium and in any form whatsoever, but also by any other element of the player's or trainer's or physical trainer's personality (name, voice, silhouette, etc.) when these elements can be attributed to him.'

In the sports world, image rights may give rise to contracts between the athlete and an advertising partner, except for tobacco or alcohol-related advertising. The athlete must personally and expressly authorise the use of his or her image.

Law stated - 21 October 2024

Commercialisation and protection

What are the key legal considerations for the commercialisation and protection of individuals' image rights?

The relationship between the athlete and the sports organisation to which he or she belongs is governed by an employment contract. The athlete's image is often linked to that of his or her sports organisation (and which he or she sometimes ends up personifying). The athlete's club or federation may use the athlete's image to promote itself or sports competitions. In both cases, the athlete's right to his or her image is assimilated to an 'associated individual image right', meaning that the athlete is deemed to have tacitly agreed to the use of his or her image, without his or her consent being required for each new use. On the other hand, if the sports organisation wishes to use the athlete's image for different events, the athlete's consent must be obtained again.

Conversely, athletes are not authorised to use the image of their sports organisation for advertising purposes without the latter's consent. Exceptions apply, such as in football where regulations specifically provide that athletes may be allowed to mention the name of their football club.

Law stated - 21 October 2024

Commercialisation and protection

How are image rights used commercially by professional organisations within sport?

The relationship between the athlete and the sports organisation to which he or she belongs is governed by an employment contract. The athlete's image is often linked to that of his or

her sports organisation (and which he or she sometimes ends up personifying). The athlete's club or federation may use the athlete's image to promote itself or sports competitions. In both cases, the athlete's right to his or her image is assimilated to an 'associated individual image right', meaning that the athlete is deemed to have tacitly agreed to the use of his or her image, without his or her consent being required for each new use. On the other hand, if the sports organisation wishes to use the athlete's image for different events, the athlete's consent must be obtained again.

Conversely, athletes are not authorised to use the image of their sports organisation for advertising purposes without the latter's consent. Exceptions apply, such as in football where regulations specifically provide that athletes may be allowed to mention the name of their football club.

Law stated - 21 October 2024

Morality clauses

How can morality clauses be drafted, and are they enforceable?

Morality clauses are designed to maintain a certain standard of ethical and moral behaviour of the athlete, sports company or association, often in conjunction with corporate social responsibility (CSR) initiatives.

They can be incorporated in various instances, for instance in athletes' (employee) contracts with the club, sponsorship agreements, or in competition rules and codes of conduct. The breach of morality clause can give rise to various contractual rights, including financial consequences (eg, payment refusal), suspension or even termination and dismissal.

The morality clauses protect the reputation of sports organisations and associated brands while holding athletes accountable for their actions, both on the field and in their private lives.

The French Sports Code and more generally French law, do not regulate the use of morality clauses, allowing the parties involved to exercise complete autonomy in their implementation, subject to compliance with the French Labour Code for athletes' employment contracts on employee freedom of expression and grounds for employee disciplinary action.

In this respect, to be enforceable, morality clauses in athletes' employment contracts must be related to the professional activity of the athlete, be justified and proportionate. It is, therefore, essential to exercise due care in the drafting and enforcement of these clauses in employment contracts to ensure optimal legal protection. On the other hand, drafting and enforcement of these clauses in sponsorship agreements are only subject to general contract law.

Law stated - 21 October 2024

Restrictions

Are there any restrictions on sponsorship, advertising or marketing in professional sport?

There is no specific sport regulation applicable to sponsorship, advertising or marketing in professional sports. These activities remain subject to general advertising regulations, in particular:

- strict regulation of advertising of certain products and services (eg, health products, weapons, investment and financial services);
- special rules regarding the advertisement of gambling and sports betting;
- no violation of rights of third parties, in particular IP rights;
- an obligation to use the French language.

Particular attention must be paid to sponsorship by alcohol and tobacco manufacturers. A strict regulatory framework applies to these sponsorship activities to protect public health. For tobacco, for instance, French law prohibits any direct or indirect advertising, subject to a fine of up to €100,000.

Finally, any advertising on outdoor support must comply with the rules set forth by the Environment Code.

Law stated - 21 October 2024

BRAND MANAGEMENT

Protecting brands

How can sports organisations protect their brand value?

The protection regime for sports trademarks in France is identical to that for other trademarks, and is governed by the French Intellectual Property Code.

Trademark rights are acquired through registration before a national (*Institut national de la propriété industrielle* (INPI)), regional (the European Union Intellectual Property Office (EUIPO)) or international (via the World Intellectual Property Organisation (WIPO)) industrial property office.

Protection under trademark law is potentially unlimited in time, with registration renewable indefinitely for periods of 10 years.

Although trademarks in the field of sports have their own specific characteristics, due to their intrinsically media-oriented and attractive nature, they are, nonetheless, subject to ordinary trademark law and are subject to the same conditions of validity (representation, distinctiveness, lawfulness and availability) and protection.

Furthermore, the trademark's scope is governed by two fundamental principles: the principle of specialty, which limits the monopoly on the registered sign to the goods and services expressly referred to in the trademark registration and to those that are similar to them; and the principle of territoriality, by virtue of which a trademark is only effective in the territory in which it is registered.

Some trademarks are so reputed that they enjoy protection that is partially or totally uncorrelated with the principle of specialty: it is, therefore, not necessary to establish the existence of a likelihood of confusion with the conflicting sign.

The French Sports Code reserves to sports delegating federations (or sports federations approved on 16 July 1992) the right to use the designations '*Fédération française de*' or '*Fédération nationale de*', as well as to award or have awarded the designations '*Équipe de France*' and '*Champion de France*'.

Law stated - 21 October 2024

Protecting brands

How can individuals protect their brands?

French law does not provide any specific provisions with regard to brand protection for sports individuals. Trademark ownership is acquired through registration, as provided for in the French Intellectual Property Code. It also means that the same substantive conditions for trademark registration, namely the principles of distinctiveness, availability and absence of descriptiveness, apply.

Athletes can register their name or patronymic, as well as their diminutive or nickname, as trademarks, all the more when the athlete is famous. Here are a few examples: 'Messi' (EU trademark No. 014 799 928) and 'CR7' (EU trademark No. 016 809 477 registered in 2017) in the football sector, the EU trademark 'Leon Marchand' registered by the Olympic champion swimmer (No. 018 987 322) just before the Olympic Games in 2024 or the basketball player LeBron James who has registered an international trademark registration protecting his name in 2022 designating notably China, the USA and the EU (No. 1677462) but also a EU trademark 'KING JAMES' registered in 2004.

The reputation of an athlete does not prevent him or her from complying with trademark requirements, such as distinctiveness of availability as long as the prior trademark has not been registered in bad faith. In France, the Olympic champion Usain Bolt has been unable to register his family name 'BOLT' as a trademark as the sign was already registered for similar products by a third party.

A sports individual's emblematic gesture can also be protected in the form of a logo constituting a figurative trademark. The main obstacle lies in the risk of it being considered descriptive for the services covered, particularly when the trademark is associated with sporting activities. Examples include French football player Kylian Mbappé's 'celebration' pose (EU trademark No. 017 157 355), Michael Jordan's 'jump' as an EU trademark (No. 000 277 913) or French judoka Teddy Riner's registration of his celebration as a figurative trademark before the French IPO (application currently pending (No. 24 5 085 148)).

Athletes may also consider registering a picture of their face as a trademark. However, the French and European offices can be reluctant to grant trademark protection for photographic images, considering that it is challenging to consider the face of a physical person as sufficiently distinctive to distinguish products and services from other products. The case law on this is fluid.

Once their trademarks are registered, athletes can invoke the same against any use of their name, gesture, nickname or image by a third party before the courts. Trademarks must be exploited for each product and service designated. If a trademark is not used after five years of registration, any third party can request the revocation of the same for lack of use. Hence,

athletes must pay attention and define carefully the products and services that will be used under their trademarks.

Athletes also make commercial use of their brands, notably through merchandising operations and cobranding operations or sponsoring events. Such exploitation may be limited by their clubs or sports federations: clubs and federations may negotiate sponsoring and partnership agreements with third parties and grant them some exclusivity in specific fields, notably to use the 'associated image' of the sports individuals of the team, club and federation (ie, images of various members of the club, team and federation). In such cases, athletes may not be authorised to use their own brands when competing for their team, club or federation.

Law stated - 21 October 2024

Cybersquatting

How can sports brands and individuals prevent cybersquatting?

In France, the *Association Française pour le Nommage Internet en Coopération* (AFNIC) is responsible for managing the domain name registry. There are two main non-contentious procedures for settling domain name disputes, lasting around two months: the SYRELI procedure and the PARL Expert procedure.

To prevent cybersquatting, it is advisable to set up a monitoring system to be alerted of the use of trademarks and other distinctive signs as keywords by competing advertisers, with a view to diverting customers. Protective measures may be requested to put an end to the disturbance.

It is also advisable to take precautions right from the registration stage, in particular by registering both .com and the extensions of all the countries in which one wishes to establish the brand's presence, especially extensions that are regularly cybersquatted or frequently registered. It is also highly recommended to register simultaneously domain names with the most obvious or common typing or spelling errors, to avoid 'typosquatting'.

Law stated - 21 October 2024

Media coverage

How can individuals and organisations protect against adverse media coverage?

It is possible to lodge a complaint for defamation, or to take other amicable measures, such as requesting a letter of apology to restore the individual's honour.

In the event of negative media coverage, it is advisable to acknowledge the situation by providing the facts.

It can also be useful to establish a 'filtering' watch on the content of certain media, particularly competitors, concerning an organisation, and to anticipate such situations by preparing a crisis plan (for example, by appointing a spokesperson for media communications).

Law stated - 21 October 2024

BROADCASTING

Regulations

Which broadcasting regulations are particularly relevant to professional sports?

The French Sports Code stipulates that journalists and audiovisual news staff have unrestricted access to sports venues, but communication services that are not licensees may only capture images that are distinct from those of the sporting event or competition itself, unless they have received express authorisation to do so from the organiser.

The transfer of the right to exploit a sporting event or competition to an electronic public communication service does not prevent other electronic public communication services from informing the public. In particular, it does not prevent them from commenting on the event orally, nor from broadcasting brief extracts of the transferee's images, which must, however, be accompanied by sufficient identification of the transferee service.

The French Sports Code also stipulates that sports federations, sports companies and event organisers may not, in their capacity as holders of the exploitation rights, impose any obligations on athletes that infringe their freedom of expression.

Law stated - 21 October 2024

Restriction of illegal broadcasting

What means are available to restrict illegal broadcasting of professional sports events?

The *Autorité de régulation de la communication audiovisuelle et numérique* (ARCOM) offers model agreements that rights holders (organisers, professional sports leagues or audiovisual communication companies) can sign to specify the measures they undertake to take to put an end to any infringements of the exclusive audiovisual exploitation rights of the sporting event or competition.

ARCOM must also be contacted in the event of illicit retransmission. Its agents note the broadcast of the event on the unauthorised communication service and record the identification data of this service. The French Sports Code stipulates that, in the event of serious and repeated infringement of their audiovisual exploitation rights, rights holders may refer the matter to a court to obtain all proportionate measures to prevent or halt such infringement. This may include blocking the services illegally broadcasting the sporting event for the duration of the competition's official schedule.

Law stated - 21 October 2024

EVENT ORGANISATION

Regulation

What are the key regulatory issues for venue hire and event organisation?

Delegating sports federations are in charge of organising sports events and setting rules for sports events organisations. The organisation of a sports event open to licensees of a delegated discipline, and which involves the awarding of prizes over €3,000, must obtain prior authorisation from the delegating sports federation concerned.

The French Sports Code sets out a range of general and specific obligations for event organisers, depending on the event's location, and the sport discipline in question, which mainly relate to the security of the event. In this respect, the event organiser and the delegating sports federations oversee and must ensure the security of spectators.

The main obligations are the following:

- compliance of the establishments open to the public with the applicable planning rules, in particular with respect to their construction and maintenance;
- state approval for any sports venue with a capacity of over 3,000 for open-air establishments and 500 for indoor establishments;
- compliance with the rules applicable to sport events set forth by the relevant delegating sport federations;
- declaration to the authorities of events gathering more than 1,500 people at least one month prior to the date of the event;
- subscription of insurance policy by the event organisers to cover their civil liability and the civil liability of their employees, volunteers and athletes; and
- implementation of any necessary measures to protect the security of spectators (eg, security checks, crowd management etc).

Law stated - 21 October 2024

Ambush marketing

What protections exist against ambush marketing for events?

Sports event organisers can invoke the provisions of common civil law liability to fight ambush marketing. To qualify as ambush marketing, it is necessary to demonstrate fault, prejudice and a causal link between the two.

In practice, deliberate borrowing from the event's visual universe (imitation of the logo or mascot, etc) may constitute a fault. Authors referring to the event may be held liable if this reference is not essential to the commercial message being broadcast.

French contract law, which third parties to a contract must also comply with, can provide effective additional protection in the fight against ambush marketing practices, for example, through the general terms and conditions of ticket sales, which prohibit all advertising in favour of the sporting event's unofficial partners.

Law stated - 21 October 2024

Ticket sale and resale

Can restrictions be imposed on ticket sale and resale?

Sale of tickets to a sports event, authorising a third party to sell all or part of the tickets or organising such resale, are reserved for an entity called the 'event organiser'.

Exclusive rights granted to providers of third-party ticket sale services are particularly subject to scrutiny under competition law.

Only a sports association, sports company or its intermediary, can sell annual season tickets.

The sale of tickets to spectators must comply with French consumer law, in particular with respect to transparency and information requirements in a business-to-consumer context (eg, pre-contractual information, specific disclaimers on the absence right of withdrawal for sports events, prohibition of unfair commercial practices).

Spectators do not automatically have the right to resell their tickets as such resale possibility must be expressly authorised by the event organiser or its intermediary, pursuant to the terms and conditions of sale.

In this respect, the resale of tickets is often authorised when tickets are issued on a non-nominative basis. However, with the Paris 2024 Olympics, France adopted a ticket sale framework requiring that for events above a certain threshold of spectators (eg, 20,000 spectators or more for a sports event taking place in an outdoor arena), tickets issued must be nominative, dematerialised and tamper-proof. This may limit the resale of tickets in the future to resale marketplaces authorised by the event organiser, if any.

Resale of tickets as a going concern without the authorisation of the organiser is a criminal offence.

Law stated - 21 October 2024

IMMIGRATION

Work permits and visas

What is the process for clubs to obtain work permits or visas for foreign professional athletes, and coaching and administrative staff?

European citizens (as well as those of the European Economic Area and Switzerland) have the right to reside and work in France without a specific permit.

For professional athletes, coaches or staff from third countries, France has introduced a special visa, called the 'talent passport', which is a multi-year residence and work permit. This visa allows the foreign athlete to:

- pursue his or her sports activity in France; and
- benefit from a simplified procedure for family reunification.

To obtain this special visa, various conditions must be fulfilled by the athlete, coach or staff:

- provide proof of the sporting reputation on a national and/or international level;
- to be registered on the French ministerial lists as a 'high-level sports-person'; and
- prove that the sporting activity provides them with sufficient income to live.

Once these conditions are met, the athlete can be issued this special visa and can legally practice his or her sport.

Law stated - 21 October 2024

Work permits and visas

What is the position regarding work permits or visas for foreign professional athletes, and coaching and administrative staff, temporarily competing in your jurisdiction?

If the intended competition lasts less than 90 days, only a short-stay visa is required to attend the event, for citizens of third countries (when such visa is needed). Specific circumstances, nationalities, residence and the nature of the activities, the official nature of the competitions can impact the visa requirements. For instance, for the Paris Olympic Games 2024, certain French consulates and embassies in various jurisdictions established fast-tracked visa procedures for Olympic athletes and their coaching and administrative staff.

Law stated - 21 October 2024

Residency requirements

What residency requirements must foreign professional athletes, and coaching and administrative staff, satisfy to remain in your jurisdiction long term or permanently?

Any athlete, coach or staff from a third country who intends to stay in France on a long-term basis can apply to obtain a resident card. Generally, athletes, coaching and administrative staff must demonstrate a valid employment agreement (or another stable income status) to establish residence in France. The issuance of residence and work permit may be tied to the affiliation of the athlete with a particular sports club or organisation.

The athletes, coaches and staff members, after having fulfilled a stable residence in France for a long period (eg, more than five years), may have the opportunity to seek a permanent residence permit, which is not contingent upon a specific purpose or a contractual obligation.

Law stated - 21 October 2024

Residency requirements

Do the family members of foreign professional athletes, and coaching and administrative staff, legally resident in your jurisdiction have the same residency rights?

French law (including the provisions transposing EU directives on freedom of circulation of persons) generally allow for family reunification, subject to certain conditions, enabling family members (eg, spouses, children) of foreign athletes, coach and staff, to join them

in France. Simplified procedures have been established to enable such persons to obtain residence permits in France.

Law stated - 21 October 2024

SPORTS UNIONS

Incorporation and regulation

How are professional sporting unions incorporated and regulated?

Trade unions are organisations that represent and defend the interests of workers or employers in a particular sector. In sport, they may represent athletes, coaches, administrators or clubs. They negotiate collective agreements with employers to improve working conditions, wages and benefits.

To establish a trade union, the first step is to file the articles of association with the town hall. However, stricter conditions must be met for the union to be representative within the company and thus able to take part in negotiating collective agreements.

Law stated - 21 October 2024

Membership

Can professional sports bodies and clubs restrict union membership?

The right to form unions and be a member of such an association is guaranteed by the French Constitution. Consequently, any restriction in this regard would be deemed unconstitutional. Freedom of membership also implies freedom not to join a union. In France, there are no 'union security' clauses (closed shop, union shop, etc) requiring employees to join a union to be hired.

Law stated - 21 October 2024

Strike action

Are there any restrictions on professional sports unions taking strike action?

Freedom of strike is guaranteed by the Constitution. Athletes and professional sports unions therefore have the right to strike to defend their interests. To be legally permitted, a strike must relate to professional demands and must be conducted through a collective and concerted action.

Given the high stakes involved in sporting events and competitions, it is common practice to avoid a strike action through conducting anticipated negotiations. For instance, a prominent illustration of this was a threat of a national strike by the *Union Nationale des Footballeurs Professionnels* (UNFP) (in 2011) to protest the introduction of a tax on high incomes, which particularly affected football players. The strike was averted further by negotiations with the government and sporting bodies.

EMPLOYMENT

Transfers

What is the legal framework for individual transfers? What restrictions can be placed on individuals moving between clubs?

The relationship between athletes and their clubs is typically established through an employment contract, often in the form of fixed-term agreements that must last at least 12 months (the length of a sports season). The terms and conditions of termination of this contract must comply with the provisions of the French Labor Code and the French Sport Code. When an athlete is transferred from one club to another, their existing employment contract with the former club must be terminated.

Employment contracts may include specific clauses relating to transfers, such as release clauses (amount to be paid to release the player from his/her contract) and termination conditions. The French Sport Code provides that unilateral termination clauses in fixed-term employment contracts of professional athletes and trainers are null and void.

Transfers are subject to specific periods (transfer windows). There are designated time periods during which clubs can buy, sell or loan players. Outside these windows, transfers are generally not permitted, except in certain exceptional circumstances.

Transfers are also governed by the regulations of sports federations, which may include additional restrictions on athlete transfers, such as the *Fédération Française de Football* (FFF) for football or the *Ligue Nationale de Rugby* (LNR) for rugby. For football, FIFA's Regulations on the Status and Transfer of Players (RSTJ) are applicable as recognised by the FFF, and include provisions on transfer windows, training compensation and the protection of minors. As an example, for football transfers, transfers must comply with the Transfer Management System (TMS) set by FIFA, which delivers an International Transfer Certificate (ITC), which must be obtained to proceed with the transfer.

Law stated - 21 October 2024

Ending contractual obligations

Can individuals buy their way out of their contractual obligations to professional sports clubs?

Under French law, contracts must be performed in good faith. The parties are bound by the obligations they have accepted. However, depending on several factors, including the terms of the employment contract and the rules established by the governing bodies of each sports discipline, individuals may be able to buy themselves out of their contractual obligations to professional sports clubs.

In particular, an athlete may decide to terminate the employment contract with his or her club by resigning but a non-competition clause can be included in his or her contract, preventing him from becoming an employee of a rival club.

Welfare obligations

What are the key athlete welfare obligations for employers?

It is the responsibility of all employers to ensure the safety and physical health of their athlete employees. Employers may be held liable if they fail to meet their health and safety obligations.

To this end, the employer must prevent injuries and risks associated with the practice of sport and ensure that all sports facilities, equipment and training conditions meet the required safety standards.

The employer must also ensure regular medical follow-up of athletes, with medical examinations and appropriate care in the event of injury.

It is also the responsibility of all employees to comply with provisions on working hours and rest periods. Training and competition schedules must not result in excessive working hours for athletes, and they must be provided with sufficient rest periods.

The employer is responsible for the prevention of psycho-social risks, including the provision of psychological support services and the management of risks associated with stress, excessive pressure and moral or sexual harassment within the club.

Law stated - 21 October 2024

Young athletes

Are there restrictions on the employment and transfer of young athletes?

The employment of minors is strictly regulated. Minors under the age of 16 are not permitted to work except in certain circumstances, such as in entertainment, film and television industries, or companies or associations involved in video game competitions (e-sport), or during school vacations, with the authorisation of the labour inspection service.

In the case of a young athlete under the age of 14, it will not be possible to conclude an employment contract. Instead, a training agreement can be established between the club and the minor. This agreement contains the duration, the level and term of the training.

Upon completion of the training, the minor may be required to sign an employment contract with the club for a period not exceeding three years.

Minors aged 16 and over may begin employment. Training agreements with training centres approved by the Minister of Sports are frequently entered into with underage players rather than standard employment contracts.

Additionally, particular sports federations have their own provisions, such as the FIFA Regulations on the Status and Transfer of Players, which generally prohibits the international transfer of minors. In accordance with the FIFA regulations governing international player transfers, the following three exceptions apply for a minor's transfer:

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if the transfer takes place within the European Union (EU) for players aged between 16 and 18, the new club must comply with the following obligations:

- provide the player with adequate football training;
- provide an academic education to the athlete that will enable him or her to exercise another profession if he or she ceases to play football professionally;
- provide the player with the best possible support, including optimal accommodation;
- the athlete's parents relocate to the country of the new club for reasons unrelated to football; and
- the maximum distance between the player's residence and his/her new club does not exceed 100km.

Law stated - 21 October 2024

Young athletes

What are the key child protection rules and safeguarding considerations?

To protect the health and safety of minors, working hours for minors are limited, and mandatory rest periods must be respected. Minors under 18 may not work more than eight hours per day and 35 hours per week, and minors under 17 may not work more than seven hours per day. An employee under the age of 18 must have a daily rest period of 12 consecutive hours (compared to 11 hours for adults) and a weekly rest period of two consecutive days.

Employers, subject to health and safety obligations, must guarantee working conditions appropriate to the age of young athletes.

In addition, a recent law of 8 March 2024 strengthened the system for checking sports instructors, in order to better protect minors from sexual violence in sports.

Some organisations, such as UEFA in football, go further and adopt specific texts on child protection. In this respect, UEFA proposed specific measures, including:

- the nomination of a safeguarding reference person in the organisation;
- the implementation of procedures and policies to prevent and punish violations of children's fundamental rights; and
- particular cooperation with various sectors, such as education, health and justice.

Law stated - 21 October 2024

Club and country representation

What employment relationship issues arise when athletes represent both club and country?

When athletes represent both club and country, difficulties may arise in terms of sports calendar and workload but also regarding the burden of risk coverage and image rights.

To resolve these issues, in the context of sporting competitions, clubs that employ the athletes under employment contracts make those athletes available to the national teams.

Rules requiring clubs to make their athletes available or not to the national teams are set forth by the governing bodies of each sports discipline at the international and national level.

For example, in football, FIFA regulations provide that a club must make a player available to the association of the country for which the player is qualified, based on his or her nationality, if he or she is called up by the association in question. Some competitions may not be included in the mandatory dates to release the player (eg, Olympic Games for football).

During these periods, the athlete retains his or her status as an employee of the club, as well as the rights attached to this status. Additionally, he or she receives compensation as a national team player.

Clubs may also receive a lump-sum payment for the time they make the athlete available to the national team.

Law stated - 21 October 2024

Selection and eligibility

How are selection and eligibility disputes dealt with by national bodies?

The nature of sport and its organisation implies a shared competence for dispute resolution at different levels.

- the legal committee of the professional leagues, which depends on the national federations and whose role is to resolve conflicts among its members;
- the Sports Arbitration Chamber (CAS), which reports to the French Olympic committee, whose competence is to make binding decisions at the request of the parties and those that do not fall within a court jurisdiction and power; and
- the French administrative court, which can impose sanctions on an association, club or athlete in a dispute.

The management of selection and eligibility disputes in France is based on a combination of internal federation procedures, arbitration and legal recourse to ensure a fair resolution in accordance with the principles of sports law.

In France, when there are disputes about selection and eligibility in sports, federations have specific procedures to deal with these issues. In football, for example, the DNCG (*Direction Nationale du Contrôle de Gestion*) and other relevant sports authorities have established protocols for handling such disputes. Typically, these conflicts in French football are resolved through internal reviews, mediation efforts, arbitration, disciplinary actions and potential appeals within the sports governance framework. The goal is to ensure fairness, maintain the integrity of the sport and provide transparent and impartial dispute-resolution processes.

Law stated - 21 October 2024

TAXATION

Key issues

What are the key taxation issues for foreign athletes competing in your jurisdiction to be aware of?

If a non-resident athlete participates in a competition in France and receives remuneration for participation or a prize for the win, such payment shall be considered as income from a French source and subject to a withholding tax of 15 per cent (as per section 182BI-1-D of the French Tax Code) unless the tax treaty between France and the state of residence of the athlete provides otherwise.

In this respect, as a general rule, tax treaties signed by France allocate to France the taxing right with respect to the income of sportsmen.

The withholding tax does not discharge the athlete from his or her French tax liability (see below regarding filing the French tax return).

If the paying organisation pays the withholding tax on top of the income paid to the athlete, the amount needs to be grossed up – the assumption by the paying organisation of the withholding tax is considered as payment to the athlete as well.

The paying organisation must file a special return indicating the amounts withheld.

The athlete needs to file the annual return with all income from French sources under section 197A of the French Tax Code. The withholding tax of 15 per cent shall be applied against the income tax liability calculated on the total income tax with a minimum of 20 per cent unless the athlete can demonstrate that his/her worldwide tax liability is below 20 per cent. If the total French tax liability is below 15 per cent, the balance will be refunded to the athlete. If the liability is above 15 per cent, the athlete will have to pay the difference.

If an athlete is hired by a French club, he or she will be considered an employee and will probably become a French tax resident subject to all social security charges and full French taxes. Impatriation status may be available to reduce French tax liability. Impatriation refers to the regime where the portion of the salary on top of what a French employee would have been paid is considered an impatriation bonus and exempt from taxation. The impatriation bonus is generally equal to 30 per cent of the total salary.

Law stated - 21 October 2024

UPDATE AND TRENDS

Key developments of the past year

Are there any emerging trends or hot topics in your jurisdiction?

The hot topic of 2024 is the Olympic and Paralympic Games in France. The Olympics have become a national priority for France this year, symbolising a moment of pride and national unity. This prestigious event highlights France's commitment to sporting excellence, and the country's ability to host internationally renowned sporting events. Hosting the Olympic Games is also an opportunity for France to show the world that it is a sporting nation, and that sport is of interest to a very large proportion of its population. To achieve this objective, considerable resources have been allocated to modernise the sportive infrastructures and

methods of the country, which, at the end of the Olympics, will be reused to promote sport at a national level.

Another event hit the headlines in France early 2024: the takeover of Olympique Lyonnais (OL)'s women's section by businesswoman Michele Kang. The objective of this takeover was to reinforce OL's women's team's standing on the global stage, attract investment in women's football and inspire a new generation of players and fans. This operation, consisting of carving out a women's football section, while maintaining such a team in the same club, was a world first. While this kind of operation may be repeated in the future, as clubs may need additional cash and investors may want to focus on and develop women's football, the French Football Federation decided to prohibit any similar transaction in France, in a general meeting dated 8 June 2024.

Finally, another hot topic of the last few years in France has been to make e-sport a recognised sporting discipline and to make France a leader in the sector. This government strategy is based on four main axes to structure and develop the eSport ecosystem in France:

- democratising e-sports, by encouraging the emergence of a structured, responsible and inclusive ecosystem;
- mentoring and training future elite players and industry professionals;
- promoting growth, investment, innovation and the export of French know-how in the matter of e-sport; and
- enhancing the attractiveness of the French ecosystem in the face of growing international competition.

Law stated - 21 October 2024