

Decision of the Dispute Resolution Chamber

passed on 4 April 2024

regarding an employment-related dispute concerning the player Emmanuel Kalyowa

COMPOSITION:

Lívia SILVA KÄGI (Brazil/Switzerland), Deputy Chairwoman Stella MARIS JUNCOS (Argentina), Member Jorge GUTIERREZ (Costa Rica), Member

CLAIMANT:

Emmanuel Kalyowa, Uganda

Represented by Islam Hisham

RESPONDENT:

Kiyovu Sports Association, Rwanda



I. Facts of the case

- On 7 July 2023, the player Emmanuel Kalyowa from Uganda (hereinafter: *Player* or *Claimant*) and the club Kiyovu Sports Association from Rwanda (hereinafter: *Club* or *Respondent*) concluded an employment contract (hereinafter: *contract*).
- 2. In accordance with the information available in the Transfer Matching System (TMS), the Player was born on 25 December 1995 and therefore he was 27 years old when the contract was signed.
- 3. Clause 2 of the contract reads as follows:

"The Club engages the Player as a professional footballer on the terms and conditions of this contract and subject to the Rules for three season (Sport season) from the day he will get his licence from FERWAFA for next season.

This contract shall remain in force until the date specified in clause 2 of Schedule 2 hereto subject to any earlier determination pursuant to the terms of this contract."

- 4. No evidence of schedule 2 however has been made available in these proceedings.
- 5. Clauses 5.1 and 5.2 of the contract read *inter alia* as follows:

"Throughout his engagement the Club shall pay to the Player the remuneration of thirty-one million Rwandan franc (31,000,000 rwf).

- Signing fee is thirteen million Rwandan Francs (13,000,000rwf) given five million (5,000,000 franc) at the date of signing the contract.
- mid season (Season 2003/04) four million Rwandan francs (4,000,000rwf).
- Second year (Season 2004/05) four million Rwandan francs (4,000,000rwt) at the start of the season.
- Winning bonus is thirty thousand Rwandan Francs (30,000rwt) if the player is on the match day squad.
- The player shall receive a monthly salary of six hundred thousand francs (600,000 franc) paid every end of the month.
- The club will be in charge of taking care of accommodation for the player during the time of this contract.
- Transport during working hours is provided by the club through the team's bus for every player.

This contract will enter into force after the player provide TPO, Release Letter and his criminal record, in case he doesn't bring those docs the player will refund the money he received.

5.2 The Club shall reimburse the Player all reasonable hotel and other expenses wholly and exclusively incurred by him in or about the performance of his duties under this contract when he is in trial out PROVIDED that the Player has obtained the prior authorisation of a director the



Manager or the secretary of the Club and the Player furnishes the Club with receipts or other evidence of such expenses when it is the club who negotiated the deal."

6. In accordance with the information available in the TMS, on 19 August 2023, the Player was registered with the Club, which recorded the following information in the relevant transfer instruction:

"Player's new employment contract with [the Club]

Start date 07/07/2023 End date 07/07/2026

Player's basic salary

Currency RWF (Rwanda Francs)

Monthly salary 600,00.00 payable from 07/07/2023 to 07/07/2026

Other guaranteed fixed payments to the player

Total fixed remuneration 21,619,354.83".

- 7. On 31 December 2023, the Player put the Club in default and requested the following amounts, granting the latter 15 days to cure its default:
 - RWF 8,000,000 as unpaid portion of the sign-on fee.
 - RWF 3,600,000 as unpaid salaries from July to December 2023.
 - RWF 150,000 as unpaid 5 match winning bonuses.
- 8. On 15 January 2024, the Player granted the Club with a final deadline until 17 January 2024 to cure its default.
- On 18 January 2024, the Player terminated the contract invoking articles 14 and 14bis of the FIFA Regulations on the Status and Transfer of Players (RSTP). Following said termination, he remained unemployed.
- 10. TMS records the following data regarding the football seasons in Rwanda:
 - Season 2022/2023: from 19 August 2022 to 4 June 2023.
 - Season 2023/2024: from 12 August 2023 to 30 June 2024.

II. Proceedings before FIFA

- 11. On 5 February 2024, the Player filed the claim at hand before FIFA.
- 12. In his claim, the Player argued as follows regarding the duration of the contract:



"Pursuant to article 2 para 1 of the Employment Contract, the duration of the Employment Contract was agreed to last two seasons starting from the beginning of season 2024/2025, the article states as follows:

The Club engages the Player as a professional football on the terms and conditions of this contract and subject to rules for two seasons.' (...)"

- 13. In continuation, the Player argued that he terminated the contract with just cause on 18 January 2024 on the basis of art. 14bis of the RSTP, in that the club failed to pay him substantial amounts under the contract, exceeding 2 months' worth of remuneration, as well as not having cured its breach is spite of being placed in default on 31 December 2023.
- 14. As such, the Player claimed a total amount of RWF 34,600,000 as indicated below. It is to be noted that regarding the match bonuses, the evidence put forward by the Player shows match results yet does not indicate his participation in the relevant match.
 - a. Outstanding remuneration:
 - "1) Signing fee: an amount of RWF (8,000,000-/) "eight million RWF"
 - 2) For the salaries:
 - a. Salary of July 2023: RWF 600,000
 - b. Salary of August 2023: RWF 600,000
 - c. Salary of September 2023: RWF 600,000
 - d. Salary of October 2023: RWF 600,000
 - e. Salary of November 2023: RWF 600,000
 - f. Salary of December 2023: RWF 600,000
 - g. Salary of January 2024: RWF 600,000
 - 3) For the bonuses: an amount of RWF (150,000-/) "one hundred and fifty thousand Rwandan francs" for winning 5 matches.

TOTAL amount of the outstanding payments is equal an amount of = 12,350,000-/ RWF, "twelve million and three hundred fifty thousand RWF).

- b. Compensation for breach of contract:
- "(...) a residual value of the Employment Contract until is end of season 2024/2025 (i.e, 30 June 2025). Residual value of the contract is equal:

(18,650,000-/ RWF) "eighteen Million and six hundred fifty thousand RWF)

As per article 5.1 of the Employment contract the total value of the Contract is 31,000,000-/ RWF



The club failed to pay an amount of RWF 12,350,000-/ for the signing fee, salaries for the period between (July 2023 to January 2024), and the bonuses of 5 wining matches. "Outstanding remuneration".

(12,3500,000 – 31,000,000) = 18,650,000-/ RWF the compensation of the residual value of the Contract as a result of the breaches made by the Respondent."

c. Specificity of sport:

The Player seeks RWF 3,600,000 under the concept of specificity of sport, corresponding to six monthly salaries, since:

- i. The Club committed serious breaches against him.
- ii. These breaches are relevant when calculating compensation.
- iii. Aggravating circumstances include, in the Player's opinion:
 - 1. Terminating the contract during the season in violation of article 16 of the RSTP.
 - 2. Sporting effects: he lost his job, could not sign with other clubs, and suffered a negative impact on his technical abilities/career.
 - 3. Extraordinarily poor behaviour by the Club by preventing him from participating with the team, in particular: not attending pre-season, removing him from the team's WhatsApp group, falsely accusing him of misbehaviour without evidence.
- d. <u>Legal Interest:</u> "As per the above, the Respondent is obliged to pay the Claimant compensation in the plus five percent (5%) interest as from the due date of each payment until the effective payment, according to what we provided above.
- e. Other requests:

The Player further requested:

- a. Imposition of sporting sanctions on the Club per art. 17.4 of the RSTP.
- b. Imposition of sporting sanctions on the Club per art. 12bis of the RSTP.
- c. USD 5,000 as legal costs and fees.
- d. That the Respondent bears the costs of the proceedings.
- 15. On 7 February 2024, the FIFA general secretariat requested the Player to *inter alia* provide "the document referred to as "Schedule 2" in art. 2.2. of the employment contract".
- 16. On 8 February 2024, the Player stated that "In response to your inquiry about schedule 2 art 2.2, we emphasize that there is no additional schedule in the contract; we provided you with the full contract signed between the parties."



17. The Club failed to reply to the claim despite being invited to do so.

III. Considerations of the Dispute Resolution Chamber

a. Competence and applicable legal framework

- 18. First of all, the Dispute Resolution Chamber (hereinafter also referred to as *Chamber* or *DRC*) analysed whether it was competent to deal with the case at hand. In this respect, it took note that the present matter was presented to FIFA on 5 February 2024 and submitted for decision on 4 April 2024. Taking into account the wording of art. 34 of the March 2023 edition of the Procedural Rules Governing the Football Tribunal (hereinafter: *the Procedural Rules*), the aforementioned edition of the Procedural Rules is applicable to the matter at hand.
- 19. Subsequently, the members of the Chamber referred to art. 2 par. 1 of the Procedural Rules and observed that in accordance with art. 23 par. 1 in combination with art. 22 par. 1 lit. b) of the RSTP (February 2024 edition), the Dispute Resolution Chamber is competent to deal with the matter at stake, which concerns an employment-related dispute with an international dimension between an Ugandan player and a Rwandan club.
- 20. Subsequently, the Chamber analysed which regulations should be applicable as to the substance of the matter. In this respect, it confirmed that, in accordance with art. 26 par. 1 and 2 of the RSTP (February 2024 edition) and considering that the present claim was lodged on 5 February 2024, the said edition of the RSTP (hereinafter: *the Regulations*) is applicable to the matter at hand as to the substance.

b. Burden of proof

21. The Chamber recalled the basic principle of burden of proof, as stipulated in art. 13 par. 5 of the Procedural Rules, according to which a party claiming a right on the basis of an alleged fact shall carry the respective burden of proof. Likewise, the Chamber stressed the wording of art. 13 par. 4 of the Procedural Rules, pursuant to which it may consider evidence not filed by the parties, including without limitation the evidence generated by or within TMS.

c. Merits of the dispute

22. Its competence and the applicable regulations having been established, the Chamber entered into the merits of the dispute. In this respect, the Chamber started by acknowledging all the above-mentioned facts as well as the arguments and the documentation on file. However, the Chamber emphasised that in the following considerations it will refer only to the facts, arguments, and documentary evidence, which it considered pertinent for the assessment of the matter at hand.



i. Main legal discussion and considerations

- 23. The foregoing having been established, the Chamber moved to the substance of the matter, and took note of the fact that this is a claim of a player against a club for breach of contract.
- 24. According to the Player, he terminated the contract with just cause due to outstanding remuneration. The Club for its part filed no reply, which entails that the Chamber shall decide on the basis of the argumentation and evidence put forward by the Player alone in line with articles 14 and 21 of the Procedural Rules.
- 25. Considering said constellation, the DRC noted that the Player claims not having received his remuneration corresponding to 6 salaries plus bonuses plus part of the sign-on fee. In this respect, the DRC initially remarked that the remainder of the sign-on fee has no due date in the contract. Accordingly, it decided in line with the well-established jurisprudence of the Football Tribunal, that this amount was due by the end of the corresponding month.
- 26. Furthermore, the DRC underlined that the Player has provided written evidence of having put the Club in default on 31 January 2023, i.e., at least 15 days before unilaterally terminating the contract on 18 January 2024.
- 27. Additionally, the DRC noted that in the case at hand the Club bore the burden of proving that it indeed complied with the financial terms of the contract concluded between the parties. Nevertheless, no reply has been filed.
- 28. Consequently, the DRC concluded that the Player had a just cause to unilaterally terminate the contract based on art. 14bis of the Regulations.

ii. Consequences

- 29. Having stated the above, the Chamber turned its attention to the question of the consequences of such unjustified breach of contract committed by the Club.
- 30. The Chamber observed that the outstanding remuneration at the time of termination, coupled with the specific requests for relief of the Player, is equivalent to RWF 16,200,000, broken down as indicated below. As a consequence, and in accordance with the general legal principle of pacta sunt servanda, the Chamber decided that the Club is liable to pay said amounts to the Player. In addition, taking into consideration the Player's request as well as the constant practice of the Chamber in this regard, the latter decided to award him interest at the rate of 5% p.a. on the outstanding amounts as from their respective due dates until the date of effective payment, as follows:
 - a. Unpaid portion of the sign-on fee: RWF 8,000,000 plus interest of 5% p.a. as from 1 August 2023.
 - b. Salary of July 2023: RWF 600,000 plus interest of 5% p.a. as from 1 August 2023.



- c. Salary of August 2023: RWF 600,000 plus interest of 5% p.a. as from 1 September 2023.
- d. Salary of September 2023: RWF 600,000 plus interest of 5% p.a. as from 1 October 2023.
- e. Salary of October 2023: RWF 600,000 plus interest of 5% p.a. as from 1 November 2023.
- f. Salary of November 2023: RWF 600,000 plus interest of 5% p.a. as from 1 December 2023.
- g. Salary of December 2023: RWF 600,000 plus interest of 5% p.a. as from 1 January 2024.
- h. Salary of January 2024: RWF 600,000 plus interest of 5% p.a. as from 18 January 2024.
- i. Mid-season payment: RWF 4,000,000 plus interest of 5% p.a. as from 18 January 2024.
- 31. In continuation, the DRC remarked that the request of the Player regarding the match bonuses should be rejected, since the evidence provided is incomplete: the Player did prove the match results, but failed to demonstrate he took part in those matches. He accordingly failed to meet his burden of proof.
- 32. Having stated the above, the Chamber turned to the calculation of the amount of compensation payable to the Player by the Club in the case at stake. In doing so, the Chamber firstly recapitulated that, in accordance with art. 17 par. 1 of the Regulations, the amount of compensation shall be calculated, in particular and unless otherwise provided for in the contract at the basis of the dispute, with due consideration for the law of the country concerned, the specificity of sport and further objective criteria, including in particular, the remuneration and other benefits due to the player under the existing contract and/or the new contract, the time remaining on the existing contract up to a maximum of five years, and depending on whether the contractual breach falls within the protected period.
- 33. In application of the relevant provision, the Chamber held that it first of all had to clarify as to whether the pertinent employment contract contained a provision by means of which the parties had beforehand agreed upon an amount of compensation payable by the contractual parties in the event of breach of contract. In this regard, the Chamber established that no such compensation clause was included in the employment contract at the basis of the matter at stake.
- 34. As a consequence, the Chamber determined that the amount of compensation payable by the Club to the Player had to be assessed in application of the other parameters set out in art. 17 par. 1 of the Regulations. The Chamber recalled that said provision provides for a non-exhaustive enumeration of criteria to be taken into consideration when calculating the amount of compensation payable.
- 35. Bearing in mind the foregoing as well as the claim of the Player, the Chamber proceeded with the calculation of the monies payable to the Player under the terms of the contract from the date of its unilateral termination until its end date. In this respect, the Chamber remarked that the contract would originally run for 3 seasons (in spite of what the Player stated in his claim),



per the contents of the contract and TMS. What is more, the DRC underlined that the contract contains a typo for the payments of the seasonal fees, i.e., "2003/04" and "2004/05" instead of "2023/24" and "2024/25". Given this, the Chamber concluded that the contract would run until 30 June 2026.

36. Consequently, the Chamber concluded that the amount of RWF 21,400,000 (i.e., the residual value of the contract from February 2024 to June 2026) serves as the basis for the determination of the amount of compensation for breach of contract, as follows:

Description of payments	Amount (RWF)
Salaries February to June 24 (5 salaries)	3,000,000
Seasonal payment 2nd season	4,000,000
Season 24/25 (12 salaries)	7,200,000
Season 25/26 (12 salaries)	7,200,000
Total	21,400,000

- 37. In continuation, the Chamber verified as to whether the Player had signed an employment contract with another club during the relevant period of time, by means of which he would have been enabled to reduce his loss of income. According to the constant practice of the DRC as well as art. 17 par. 1 lit. ii) of the Regulations, such remuneration under a new employment contract shall be taken into account in the calculation of the amount of compensation for breach of contract in connection with the player's general obligation to mitigate his damages.
- 38. The Chamber confirmed that the Player did not find new employment.
- 39. Subsequently, the Chamber referred to art. 17 par. 1 lit. ii) of the Regulations, according to which a player is entitled to an amount corresponding to three monthly salaries as additional compensation should the termination of the employment contract at stake be due to overdue payables. In the case at hand, the Chamber confirmed that the contract termination took place due to said reason i.e. overdue payables by the Club, but since there is not mitigation to be factored into the calculation, the Chamber therefore decided that the Player shall not receive additional compensation.
- 40. Consequently, on account of all the above-mentioned considerations and the specificities of the case at hand, the Chamber decided that the Club would in principle have to pay the amount of RWF 21,400,000 to the Player as compensation for breach of contract in the present matter. Nonetheless, the Chamber did not fail to notice that the overall amount sought by the Player in these proceedings amounts to RWF 34,600,000 which does not consider the request for legal fees, a groundless claim that shall not succeed in any circumstance as indicated in the relevant section below.
- 41. Given that the Player is entitled to receive RWF 16,200,000 as outstanding remuneration, in due consideration of the principle *ne ultra petita* the Chamber is prevented to award to the Player more than what he has sought. Accordingly, the Chamber decided that the amount of compensation for breach of contract awarded is limited to RWF 18,400,000 which corresponds



to the balance of the amount requested by the Player (RWF 34,600,000) minus the amounts already awarded as outstanding remuneration (RWF 16,200,000). This suffices for the Chamber to establish that any other requests of the Player cannot be awarded and thus are rejected.

42. Lastly, taking into consideration the Player's request as well as the constant practice of the Chamber in this regard, the latter decided to award him interest on said compensation at the rate of 5% p.a. as of the date of termination of the contract until the date of effective payment.

iii. Sporting Sanctions

- 43. In continuation, the Chamber recalled that under art. 17 par. 4 of the Regulations, in addition to the obligation to pay compensation, sporting sanctions shall be imposed on any club found to be in breach of contract or found to be inducing a breach of contract during the protected period.
- 44. As to the protected period, this is defined in the Regulations as "a period of three entire seasons or three years, whichever comes first, following the entry into force of a contract, where such contract is concluded prior to the 28th birthday of the professional, or two entire seasons or two years, whichever comes first, following the entry into force of a contract, where such contract is concluded after the 28th birthday of the professional".
- 45. In the present case, the Player was 27 years old when he signed the contract, which took place on 7 July 2023. As such, the Chamber confirmed that since the termination of the contract occurred on 18 January 2024, it took place within the protected period. At the same time, the DRC recalled that the Player terminated the contract with just cause.
- 46. Furthermore, the Chamber wished to recall the Commentary on the RSTP (2023 edition):
 - "[...] the DRC has established jurisprudence according to which sporting sanctions are regularly applied against clubs found, at least four times in the two years preceding the DRC decision, to have terminated a contract without just cause or to have seriously breached contractual obligations such that a player has just cause to terminate their contract. It must be noted, however, that while the DRC applies this approach with relative consistency, there were cases in which the circumstances merited sanctions to be imposed on clubs right away even if the threshold of four repeated offences was not met.

In other words, should the circumstances of a case justify it, nothing prevents the DRC from immediately imposing sporting sanctions, even in a first case of breach of contract of a club. Likewise, it is clear that the Regulations allow the DRC to impose sporting sanctions without any "mathematical" threshold, again depending on the circumstances of each case. [...]" (pp. 211 and 212).

47. In view of the foregoing, the Chamber noted that as per the specific circumstances of the case, the Club has been constantly breaching the contract by not paying a significant portion of the Player's salary on time. In addition to the above, the Chamber wished to remark that the Club has already been found guilty of breach of contract by the Football Tribunal on other occasions



in the past two years, which denotes a repetitive behaviour of the club in contravention of the principle of contractual stability:

- FPSD-8504, Decision of 29 March 2023.
- FPSD-12027, Decision of 15 November 2023.
- FPSD-13356, Decision of 27 February 2024.
- 48. Based on the foregoing, the Chamber decided that, by virtue of art. 17 par. 4 of the Regulations, the Club shall be sanctioned with a ban from registering any new players, either nationally or internationally, for two entire and consecutive registration periods.
- 49. For the sake of completeness, the Chamber recalled that in accordance with article 24 par. 3 lit. a) of the Regulations, the consequences for failure to pay relevant amounts in due time may be excluded where the Football Tribunal has imposed a sporting sanction based on article 17 in the same case. Consequently, the Chamber confirmed that the consequences for failure to pay relevant amounts in due time envisaged by art. 24 of the Regulations were excluded in the present matter, and that should the Respondent fail to timely comply with this decision, it would be for the FIFA Disciplinary Committee to adopt the necessary measures in accordance with the FIFA Disciplinary Code.

d. Costs

- 50. The Chamber referred to art. 25 par. 1 of the Procedural Rules, according to which "Procedures are free of charge where at least one of the parties is a player, coach, football agent, or match agent". Accordingly, the Chamber decided that no procedural costs were to be imposed on the parties.
- 51. Likewise, and for the sake of completeness, the Chamber recalled the contents of art. 25 par. 8 of the Procedural Rules and decided that no procedural compensation shall be awarded in these proceedings.
- 52. Lastly, the DRC concluded its deliberations by rejecting any other requests for relief made by any of the parties.



IV. Decision of the Dispute Resolution Chamber

- 1. The claim of the Claimant, Emmanuel Kalyowa, is partially accepted.
- The Respondent, Kiyovu Sports Association, must pay to the Claimant the following amount(s):
 - **a. RWF 8,600,000 as outstanding remuneration** plus 5% interest p.a. as from 1 August 2023 until the date of effective payment;
 - **b. RWF 600,000 as outstanding remuneration** plus 5% interest *p.a.* as from 1 September 2023 until the date of effective payment;
 - **c. RWF 600,000 as outstanding remuneration** plus 5% interest p.a. as from 1 October 2023 until the date of effective payment;
 - **d. RWF 600,000 as outstanding remuneration** plus 5% interest p.a. as from 1 November 2023 until the date of effective payment;
 - **e. RWF 600,000 as outstanding remuneration** plus 5% interest p.a. as from 1 December 2023 until the date of effective payment;
 - **f. RWF 600,000 as outstanding remuneration** plus 5% interest p.a. as from 1 January 2024 until the date of effective payment;
 - **g. RWF 4,600,000** as outstanding remuneration plus 5% interest *p.a.* as from 18 January 2024 until the date of effective payment;
 - **h. RWF 18,400,000** as compensation for breach of contract without just cause plus 5% interest *p.a.* as from 18 January 2024 until the date of effective payment.
- 3. Any further claims of the Claimant are rejected.
- 4. Full payment (including all applicable interest) shall be made to the bank account indicated in the **enclosed** Bank Account Registration Form.
- The Respondent shall be banned from registering any new players, either nationally or internationally, for the two next entire and consecutive registration periods following the notification of the present decision.
- 6. If full payment is not made within **30 days** of notification of this decision, the present matter shall be submitted, upon request of the Claimant, to the FIFA Disciplinary Committee.
- 7. This decision is rendered without costs.

For the Football Tribunal:

Emilio García Silvero

Chief Legal & Compliance Officer



NOTE RELATED TO THE APPEAL PROCEDURE:

According to article 57 par. 1 of the FIFA Statutes, this decision may be appealed against before the Court of Arbitration for Sport (CAS) within 21 days of receipt of the notification of this decision.

NOTE RELATED TO THE PUBLICATION:

FIFA may publish this decision. For reasons of confidentiality, FIFA may decide, at the request of a party within five days of the notification of the motivated decision, to publish an anonymised or a redacted version (cf. article 17 of the Procedural Rules Governing the Football Tribunal).

CONTACT INFORMATION

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