THE APPENDICES

**Appendix-1**

**QUESTIONNAIRE – BCCI & IPL**

1. ***Organization, Structure and Relationship***
   1. What are the compliances done and returns filed by the BCCI as per the Tamil Nadu Societies’ Registration Act?
   2. Is the BCCI for profit or not-for profit? If the latter, how is this reconciled with its commercial engagements?
   3. What are the various constituents of the BCCI (State/Corporate/Individual) and is there any classification among them?
   4. What is the relationship between the BCCI and its various constituents? Is there any specific incorporation structure for each of the State or Zonal bodies (company/Society)?
   5. What are the arrangements between each constituent and the BCCI? Are there contracts/MoUs the terms of which are regularly renegotiated?
   6. On what basis are additional constituents added to the BCCI? What are the parameters on which existing constituents are removed? How are competing claims from associations reconciled?
   7. How is IPL constituted? Is it autonomous of the BCCI or is it a BCCI organ?
   8. What was the basis of selecting IPL franchisees? Was there a public advertisement of were there personal invitations?
   9. What are your views on the BCCI being constituted as – (i) Society under the Societies’ Registration Act; (ii) Company under the Companies Act; (iii) Public Trust? Which is best suited and why?
   10. Whether there is a consultation process for amending the Constitution and Bye-Laws? Are reports submitted explaining the basis and providing justification for such measures?
   11. Is it mandatory to be explicitly in the agenda a minimum number of days in advance? Is there a provision for ex-post facto ratification of actions already done?
   12. How many Rules/Bye-Laws have been amended by the BCCI to ratify past actions? What have been the objectives of the same?
   13. What are the parameters on which annual allocations are made to the various constituent boards by the BCCI [of funds, of international matches, of domestic matches, of IPL fixtures, etc? Are these distributed equally across the domestic venues?
2. ***Source and Extent of Jurisdiction***

2.1 What is the source of the power for BCCI to govern cricket in India?

2.2 What facets of Indian cricket are governed by the BCCI? Is any aspect of the game not covered by it?

2.3 What legal relationship does BCCI have with the ICC? What are the terms thereof, and what sanctions may be imposed on the BCCI for transgressions?

2.4 On what basis does BCCI nominate Indian representatives on the ICC and its various committees? Is there an electoral college and what are the parameters of selection?

2.5 Is there any recognition of the IPL by the ICC? How does ICC ensure compliance of the IPL with its norms and regulations? Is this predicated on action by the BCCI?

1. ***Offices, Committees and Elections***
   1. How many office bearers exist of the BCCI, IPL and their constituents? Which posts are elected and which are nominated?
   2. Who are the eligible voters and what procedure exists for nomination and election? What structure exists hierarchically for elections?
   3. What is the eligibility criterion to be an office bearer in the BCCI, IPL and their constituents? Is any prior engagement with cricket necessary? Is there a hierarchy of posts?
   4. What are the disqualifications for holding posts within the BCCI, IPL and their constituents? Under what conditions can incumbents be removed, and what procedure is followed for the same? What are the terms of the office bearers and are any of these posts ex-officio or co-terminus across the BCCI/IPL/Constituents?
   5. What is the basis for zonal rotation of the President? Would it not be appropriate to have open elections for the posts? Can a candidate contest from a Zone/region to which he does not belong?
   6. On what basis are members selected for each of the various Committees of the BCCI?
   7. Is there representation of players / coaches / umpires on the BCCI/IPL/Constituent boards and Committees? How many representatives of women and the differently-abled are on the Board?
   8. Who conducts an oversight of the various elections? On what basis is the election committee selected and by whom?
   9. What are the norms governing the entire electoral process and have these been constituted as rules or regulations?
   10. What measures exist to avoid monopolies in the affairs of BCCI?
   11. Does BCCI have a two-tier system of those who govern the board (owners) and those who are involved in day-to-day management (professionals)? If so, on what basis are the professionals appointed, how many are there, what are their tenures and pay packages, and how can they be removed?
   12. How many are paid management posts at the BCCI / IPL and how many are honorary?
   13. Is there an ombudsman to resolve issues concerning elections and is a dispute resolution mechanism in place?
   14. What fees/honorarium/perquisites are granted to (i) Office Bearers and (ii) Committee Members for holding their posts, attending meetings, etc?
2. ***Commercial engagements, Contracts and Services***
   1. Are there tenders floated by BCCI/State organs/IPL for all contracts including those concerning advertising and media rights / construction and infrastructure / broadcast rights / refreshment and hospitality / transport and publicity / endorsements, etc.?
   2. Are there notices for empanelling service providers like canteen operators, guards and security, advocates, accountants, public relations individuals, doctors, physio, trainers, coaches, etc.? What parameters are applied for selection?
   3. On what basis are Tour Managers and Technical crew for the teams selected? Are there tests and interviews? Are these advertised? What is the remuneration for these and do these engagements have tenures or are they open-ended?
   4. Are all the above uploaded on respective websites along with details of tests, interviews and the results declared? What procedures are followed?
   5. What is the basis for free tickets / passes being given for games? What proportions of tickets are available to the general public and how is that transparently ensured? What is the policy for giving tickets / Passes to Governmental and statutory authorities?
   6. What standards are maintained by BCCI for stadia across the country? How does it ensure that the stadia meet all safety and security regulations and who gives such a clearance?
   7. In event of violations, what sanctions have been imposed by BCCI on the stadium/State body?
   8. What is the basis for determining the pricing each of the commodities / assets of the BCCI and IPL? Are there separate valuations performed for each of these?
3. ***Audit, Accounts and Finances***
   1. What are the assets of the BCCI and the IPL?
   2. Who does the audit of the BCCI and the IPL?
   3. On what basis are the auditors selected and are separate accounts maintained for BCCI and IPL?
   4. Is the audit only limited to financial issues or does it involve general issues as well?
   5. Who are the recipients of the audit report?
   6. What norms are followed for approval and disbursal of BCCI& IPL expenditure?
   7. What are the allocations made towards State and regional boards?
   8. What salaries are received by the office bearers of BCCI and its constituents? In addition, what allowances, emoluments and other privileges are received by them? What are the fees paid for meetings and on what basis?
   9. Do the members of the various BCCI Committees receive remunerations as well?
   10. What is the annual outgo of the BCCI and the IPL towards meetings and towards its various representatives’ expenses?
   11. What is the financial oversight exercised by the BCCI over the income and expenditure of constituent bodies?
   12. Does either the BCCI or the IPL have a whistleblower / immunity policy?
   13. What are the reporting norms for permissible and impermissible expenditure by the BCCI and its constituents?
   14. In your opinion, what steps can be taken to improve the financial structure of the BCCI?
4. ***Player Welfare and Dispute Resolution***
   1. To what extent are players represented on the Board and is there any channel for their grievances to be aired?
   2. Who negotiates contracts on behalf of the players? Are the players consulted by the Board before team sponsorship and endorsement deals are entered into?
   3. What are the norms, procedures and practices for release of Indian players to participate in domestic competitions in other countries?
   4. Are there regular classes / interactions to make players aware of the Corruption Code / Player Regulations / Anti-Doping / etc.? Are younger players sensitized and made aware of reporting requirement and how they may be approached by bookies and other unsavoury elements?
   5. Does the Board & IPL have counsellors / psychologists / mentors for players, especially when on tour?
   6. How does the Board take financial and other responsibility for injuries sustained by players – expenses, counselling, fitness training and rehabilitation, etc.?
   7. How many full-fledged cricket academies have been established by BCCI / States / IPL franchises? What do they contain and are they of the same standard as Australian and English facilities?
   8. What programmes exist to train youngsters, including academies which will cater to their education and nurturing?
   9. Is there any serious oversight or monitoring of the player selection process?
   10. Is there transparency and disclosure of players who have relatives / associates who are in cricket management? How is this monitored and what is the objective criteria applied to ensure nepotism is avoided?
   11. Whether any instances of nepotism and favouritism has been brought to the notice of the Board? What action has been taken in this regard?
   12. What are the norms / rules that exist to prevent interference with the selection process?
   13. What norms are in place for regulation/licensing of player agents and representatives in India?  If a licensing mechanism exists, what qualifications must a person have to become a player agent and what training must he/she undergo?
   14. What norms are in place for ensuring that endorsement payments made to players are properly accounted and *quid pro quo* endorsement services are received from the player in lieu thereof?
   15. What programmes does the BCCI run for development and participation of (a) women, (b) the differently-abled, (c) residents of semi-urban and rural areas and (d) the economically weaker sections, in recreational and competitive cricket?  What budgets do these programmes have, for how long have they been operated and with what success? How are these introduced and encouraged in schools and at the grassroots levels?
   16. In your view, should there be a players’ association?
5. ***Conflict of Interest***
   1. When a player/team official of an IPL team is the employee of the franchisee / owner of another team, does BCCI perceive a Conflict of Interest? What steps are taken prevent such situations?
   2. What steps have been taken by BCCI / IPL and the constituents to ensure that there is no conflict of interest between those who govern each of these entities and those are involved in their professional management? What sanctions have been laid down for suppressing information regarding the above?
   3. Have steps have been taken to ensure there are no conflict of interest issues and that Board/IPL representatives do not have relatives/associates selected for garnering these contracts?
6. ***Oversight and Transparency***
   1. What are the internal dispute resolution policies and procedures available to any BCCI or IPL stakeholder?
   2. Is there an independent ombudsman for general oversight over the functioning of the BCCI and IPL and what powers are available to it?
   3. What policies and procedures are in place to regulate management and stakeholder integrity?
   4. What standards and norms in place to regulate the integrity of those representing, acting on behalf of or on the basis of authority derived from BCCI (including franchises, broadcasters, sponsors, etc.)?
   5. What records and papers of the BCCI and IPL are available for inspection by its members/state associations as well as by the public?  What are the costs and procedures for such inspection?
   6. What records and papers of the state associations are available for inspection by BCCI and by the public?  What are the costs and procedures for such inspection?
   7. What material is not placed on the respective websites of BCCI / IPL / constituents and why?
   8. What are the instances of betting and match fixing that have been brought to the notice of BCCI & IPL in the past? What action has been taken in this regards? Specifically, as far as owners / franchisees / players / team officials / board members, has any action been taken?
   9. Do you have any suggestions to improve the accountability, elections, governance, transparency and general administration of the game, thereby improving overall integrity of cricket?

PLEASE FEEL FREE TO MAKE SUGGESTIONS CONCERNING ANY OF THE ABOVE HEADS.

**Appendix-2**

**LIST OF PERSONS INTERVIEWED**

|  |  |  |  |
| --- | --- | --- | --- |
| **No.** | **Name** | **Background** | **Sitting** |
| 1. | Abu Metha | Administrator | Kolkata |
| 2. | Aditya Verma | Administrator | Kolkata |
| 3. | Ajay Shirke | Businessman / Administrator | Mumbai |
| 4. | Amitabh Chaudhary | Administrator | Mumbai |
| 5. | Anil Kumble | Former Test Captain / Administrator | New Delhi |
| 6. | Anirudh Chaudhry | Administrator | Mumbai |
| 7. | Anurag Thakur | Former Selector / Administrator | New Delhi |
| 8. | Arshad Ayub | Former Player/Administrator | Hyderabad |
| 9. | Bharat Reddy | Former Player / Coach | Chennai |
| 10. | Bir Mangal Singh | Administrator | Kolkata |
| 11. | Bishen Singh Bedi | Former Test Captain / Coach | New Delhi |
| 12. | C.V.Anand | Ex-First Class Player/ Administrator | Hyderabad |
| 13. | Charu Sharma | Commentator | Bangalore |
| 14. | Damodaran | Administrator | Hyderabad |
| 15. | Diana Edulji | Former Test Captain | Mumbai |
| 16. | Faisal Shariff | Former Administrator & Journalist | Mumbai |
| 17. | Gautham Roy | Administrator | Kolkata |
| 18. | Hemant Angle | Ex-First Class Player/ Coach | Hyderabad |
| 19. | Jacob, Ram Mohan, Hari, Jose & Balaji | Administrators | Hyderabad |
| 20. | Jagmohan Dalmiya | Ex-First Class Player / BCCI President | Kolkata |
| 21. | Javagal Srinath | Former Player / Match Referee | Bangalore |
| 22. | K.P.Khajaria | Administrator | Kolkata |
| 23. | Kapil Dev | Former Test Captain | New Delhi |
| 24. | Kirti Azad & Sameer Bahadur | Former Player / Administrators | New Delhi |
| 25. | Kishore Bhimani | Commentator | Kolkata |
| 26. | L.Sivaramakrishnan | Former Player / Commentator | Bangalore |
| 27. | M.N.Nehru | Administrator | Mumbai |
| 28. | M.Sanjay | Ex-First Class Player / Coach | Chennai |
| 29. | Makarand Waingankar | Journalist / Talent scout | Mumbai |
| 30. | Mohinder Amarnath | Former Player / National Selector | New Delhi |
| 31. | Mukul Mudgal | Former Judge / Probe Committee | New Delhi |
| 32. | N.Murali | Former Administrator / Journalist | Chennai |
| 33. | N.Ram | Ex-First Class Player / Journalist | Chennai |
| 34. | Nabha Bhattacharjee | Administrator | Kolkata |
| 35. | Nandan Kamath | Talent scout / Sports Lawyer | Bangalore |
| 36. | Nirmal Shekhar | Journalist | Chennai |
| 37. | Noshir Mehta | Ex-First Class Player | Hyderabad |
| 38. | P.R.Mansingh | Former Manager / Administrator | Hyderabad |
| 39. | Pankaj Trivedi | Administrator | Hyderabad |
| 40. | Pradeep Magazine | Journalist | New Delhi |
| 41. | Prem Panicker | Journalist | Bangalore |
| 42. | R.K.Raghavan | Former CBI officer / Club owner | Chennai |
| 43. | R.Mohan | Journalist | Chennai |
| 44. | Rahul Dravid | Former Test Captain / IPL Mentor | New Delhi |
| 45. | Rajasekaran & Leela Kumar | Members, Madras Cricket Club | Chennai |
| 46. | Raja Venkatraman | Ex-First Class Player/ National Selector | Kolkata |
| 47. | Rajdeep Sardesai | Journalist | New Delhi |
| 48. | Rajesh Verma | Administrator | Kolkata |
| 49. | Rajeev Shukla | Administrator / Former IPL Chairman | New Delhi |
| 50. | Ramachandra Guha | Author | Bangalore |
| 51. | Ranjib Biswal | Ex-First Class Player/ IPL Administrator | Kolkata |
| 52. | Ratnakar Shetty | Administrator | Mumbai |
| 53. | Sachin Tendulkar | Former Test Captain | New Delhi |
| 54. | Sambit Bal | Journalist | Bangalore |
| 55. | Sanjay Desai | Ex-First Class Player / Administrator | Bangalore |
| 56. | Sanjay Jagdale | Ex-First Class Player / Administrator | Mumbai |
| 57. | Sharda Ugra | Journalist | Bangalore |
| 58. | Shashank Manohar | Administrator / BCCI President | New Delhi |
| 59. | Shivlal Yadav | Former Player/Administrator/Selector | Hyderabad |
| 60. | Snehashish Ganguly | Ex-First Class Player / Administrator | Kolkata |
| 61. | Sourav Dasgupta | Administrator | Kolkata |
| 62. | Sourav Ganguly | Former Test Captain / Administrator | Kolkata |
| 63. | Subir Ganguly | Administrator | Kolkata |
| 64. | Tika Subba | Administrator | Kolkata |
| 65. | V.V.Kumar | Former Player | Chennai |
| 66. | V.V.S.Laxman | Former Player/Coach/IPL Mentor | Hyderabad |
| 67. | Venkatesh Mysore | IPL Team Principal | Bangalore |
| 68. | Venkatesh Prasad | Former Player / Coach | Bangalore |

NOTE: In all 74 individuals were met in 6 cities over 18 days.

**Other Correspondents**

1. Atul Kumar, Author
2. Derek Abraham, Journalist
3. Dinesh Saini, Administrator
4. Manish Jain, Cricket Fan
5. Nagraj Gollapudi, Journalist
6. Naresh Makani, Administrator
7. Niraj Gunde, Journalist
8. Sambasiva Sarma, Club Administrator
9. Venkittu Sundaram, Former Player & Administrator

**Appendix-3**

**SUMMARY OF SUGGESTIONS RECEIVED IN RESPONSE TO QUESTIONNAIRE AND IN INTERACTIONS**

*(i) Constitution*

(1) BCCI being a National Cricket Body, all State Cricket Associations should be its voting members. But several States are not represented by Cricket Associations with full membership – Bihar, Chattisgarh, Uttarkhand, Sikkim, Manipur, Meghalaya, Mizoram, Nagaland and Arunachal Pradesh;

(2) While most of the States are represented by one single member, some States are represented by more than one full member – Maharashtra has three full members, Gujarat has three full members.

(3) Two clubs which have no teams and which are not representing any State are full members (Cricket Club of India and National Cricket Club).

(4) It is well recognised that companies registered under the Companies Act have more statutory provisions to provide transparency, accountability, provisions against oppression of majority and checks and balances, when compared to Societies registered under the Central or State Societies Registration Act. BCCI is a Society registered under the Tamil Nadu Registration Act and not a non-profit company registered under the Companies Act.

(5) Provision for Affiliate Membership should be removed by deleting Sl. No. (c) of Rule 3(A)(i). Consequently, Rule 4(3) and Rule 6(B) shall also be deleted.

*(ii) Elections*

(1) At present, Rules and Regulations of BCCI require that for the post of President, the candidate shall be nominated on the basis of zonal representation and the right of nomination of presidential candidate shall be with a specified zone for a period of five years, best person being at the helm of affairs. A candidate who can muster support of even two or three members from the eligible zone can therefore become President, even though he may not have support of the majority of the 31 members. Therefore, provision (Rule 15.3) providing for zonal representation requires to be deleted.

(2) There have been lot of complaints in regard to the manner of conduct of elections. There are murmurs about deals, negotiations, horse-trading, at the time of elections. To have transparency and fairness in elections, there is a need for an independent observer to oversee the elections, by amending Rules 23 and 15 appropriately.

(3) The present system gives as many as three votes to the President of BCCI - the first is as person representing a State Association which is a permanent Member of BCCI, the second as chairman of the meeting under Rule 5(i) and the third is a casting vote in the event of a tie, vide Rule 21. While his vote as representing a permanent member of BCCI and his vote in the event of a tie are fair and permissible, provision of additional vote as chairman of the meeting requires to be deleted.

(4) At present, there are 30 full members who have voting rights. As many as nine members of these full members do not represent any State. They are -

|  |  |  |
| --- | --- | --- |
| **Sl. No.** | **Sl. No. in Rule 3(ii)** | **Name of Member** |
| 1 | 3 | Association of Indian Universities |
| 2 | 23 | Railways Sports Promotion Board |
| 3 | 26 | Services Sports Control Board |
| 4 | 6 | Cricket Club of India |
| 5 | 20 | National Cricket Club |
| 6 | 18 | Maharashtra Cricket Association |
| 7 | 7 | Vidarbha Cricket Association |
| 8 | 4 | Baroda Cricket Association |
| 9 | 25 | Saurashtra Cricket Association |

At the same time, giving full membership to each of these members who do not represent a State Association is unfair in a democratic set up. Other than cricket associations representing the States, there shall be only by associate members without any voting rights.

(5) The present set up enables a person who has become Office Bearer to continue as Office Bearer in different capacities for any number of years. A healthy practice would be to restrict the total tenure of Office Bearers to two terms, in any capacity, not exceeding six years, out of which, tenure of President shall not be for more than three years.

*(iv) Conflict of Interest*

(1) Several players run cricket academies. Several players are associated with players' agencies who represent other players also. This results in players holding interest directly or indirectly in the form of acting as players' agents and trying to ensure a place in the team for players who are clients of such players' agents, even though such players may not be in the best of form or even better players may be available.

(2) Several selectors have their children aspiring to represent the Nation or the State. The minimum requirement is that if son or daughter of a selector or Office Bearer or representative of full member, is a cricketer who is considered for selection, such selector, Office Bearer or representative of full member should resign.

(3) Several former players wear different hats. Former players are selectors, coaches, managers, members of the Governing Council, commentators, sports writers, employees of franchisees, running cricket academies. This results in conflict of interest in so far as the players are concerned. All such conflicts of interest situations should be avoided by prescribing that no former players shall hold more than one post or position.

*(vii) Relationship with State Cricket Associations*

(1) State Associations do not have uniform constitution or Rules and Regulations. Some are associations, some are companies, some are trusts, in some States all members are from a few families or a single family, thereby perpetuating the control over cricket in the hands of a few. Further, some of the constituencies do not encourage or permit transparency and accountability.

(2) BCCI gives huge grants to the full members every year, to the tune of Rs.20 to Rs.30 crores. While the purpose of these grants is development of the game and the infrastructure, there is no strict vigil or supervision/audit by BCCI in regard to the spending of funds. Under the present, it is sufficient if the member submits accounts or certifies the expenditure, which is not scrutinised or checked by any one from BCCI. This leads to large scale siphoning off funds for non-development or non-infrastructural activities. Further, granting the uniform amount irrespective of the size of the Association or the nature of activities, is also leading lot of irregularities. For example, huge states like Tamil Nadu and Karnataka are given the same grant as for a small state like Tripura or Goa. The existing system of making uniform grants should be changed and the grants should be based on need. Each Association shall have to prepare and submit budget to BCCI about its annual requirement and after assessing purpose of requirement, BCCI should make grants in proportion to the capacity of the Association to use such grants for development and infrastructure work.

(3) There are several eminent players who have represented the State or the Nation or even captained National Team who have no membership, while huge number of persons totally unconnected with cricket but are merely interested in club house facilities are given membership. This should be changed. All players from a State who have represented the Nation or the State (played in Ranji Trophy or other National/State level tournaments) shall be given automatic membership in the Cricket Associations of the respective States.

(4) The increase in non-cricket members and the facilities for them by way of club house also grows, has a negative effect on the growth of cricket as the Office Bearers are elected by persons who are more interested in club house facilities than cricket and consequently persons with little or no experience or interest in cricket, and get elected to State Associations on the basis of their capacity to provide good club house facilities to the members. Club house management and the management of cricket should therefore be clearly bifurcated and separated in all State Associations.

(5) While BCCI may not be able to insist that all members should change their constitution, it can persuade them to do so by suggesting a Model Rules and Regulations and Uniform Constitution. It can also persuade the State Associations to have a uniform constitution by providing that the annual grants will be available, after one or two years, only if the Association falls in line by having the suggested constitution in place.

*(viii) Players Association*

Though the purpose of BCCI is development of Cricket, Cricketers have no voice in its management. They also do not have an Association which takes up players' causes like welfare of cricketers, life of cricketers after their cricket career and technical development of the game. Organising a Players' Association to espouse the cause of cricket players and provide them voice in the cricket administration by giving representation in the governance of the game, is a commonly felt necessity across the spectrum of players.

*(vii) Better management of BCCI and IPL*

(1) There is need to distinguish between 'Governance' and 'Administration (management)'. Governance is exercise of legislative and policy making functions, which makes the Rules and Regulations, Guidelines and which fixed operating targets, performance indicators. Day-to-day management and implementation of the directions / policies of the Governing Body, that is performing executive functions, is Administration. The Board will be in-charge of Governance and a Chief Executive Officer appointed by the Boar4d will be in-charge of Administration.

(2) BCCI should not give uniform grants. Grant should be proportionate to size and need, after examining the budget proposals submitted by the respective members. It is not sufficient to require the State Associations to furnish usage certificate and accounts (Balance Sheet). BCCI should appoint an independent Auditor to audit the accounts of State Associations to ensure that the grants are spent only for Cricket-associated activities. The grant amounts should not be used to maintain/run Club House for members or subsidise the expenditure.

(3) BCCI should use non-alterable (or alterations made being shown with reasons for alterations) accounting practice procedures (Examples: Microsoft Dynamics, Quickbooks), instead of Account Maintenance Programmes which provide easy accessibility and enable corrections and substitutions at any time. BCCI should get customized software to suit their requirements, for accounts.

(4) There is a complaint that the minutes drawn are sketchy and not circulated immediately. Minutes should be drawn up in a professional manner without delay and circulated among the members.

(5) Working Committee is large and unwieldy [4 Office Bearers + 5 (Mumbai, WB, TN, UP & Delhi) permanent full members + 5 Zonal Representatives + Test playing centres]. It should have much fewer members.

(6) There is a no need for five Vice-Presidents from five Zones. Only if a Zone is not represented by any of the Office Bearers, it should be given a Vice-President.

(7) Present system of having headquarters at Mumbai and books of accounts and accounting at Chennai is not conducive to efficient and transparent functioning. There should be a uniform unified Headquarters (Rules 14 & 25).

(8) IPL should be given greater autonomy and its Governing Council shall directly report to the General Body of BCCI.

*(viii) Other miscellaneous matters*

(1) Need for Sports Regulation Law and a Central Sports Regulator Authority.

(2) Betting should be distinguished from match fixing/spot fixing. Betting should be legalised, but players, team officials, employees and members should be barred from betting. Prohibition/ban of betting drives it underground and makes it difficult to regulate/monitor. Match fixing/spot fixing in any game including cricket should be made a criminal offence.

(3) Anti-corruption wing of BCCI/ICC should work in co-ordination with police (for example, Sports Betting Intelligence Unit, UK).

(4) There is a widespread apprehension that domestic Cricket (Ranji Trophy, Irani Trophy, Duleep Trophy, Deodhar Trophy, Mushtaq Ali Tournaments, etc.) is suffering on account of undue attention to PIL. There is therefore a need to strictly restrict IPL to a two months' season.

(5) Favouritism/nepotism in allotment of international matches should be prevented. While main cities like Kolkata, Mumbai, Chennai, Delhi and Bengaluru may be automatic choices, there should be even/equitable allotment of matches to second tier cities – Ahmedabad, Rajkot, Hyderabad, Vizag, Dharmashala, Nagpur, Kanpur, Ranchi, Cuttack, Cochin, Pune, Indore, Bilaspur, Patna, Allahabad, Chandigarh, Jammu and Gauhati.

**Appendix-4**

**SELECT LIST OF MATERIAL**

**Books**

1. Beyond a boundary, C.L.R.JAMES
2. A corner of a foreign field, RAMACHANDRA GUHA
3. The Great Tamasha, JAMES ASTILL
4. Bookie Gambler Fixer Spy, ED HAWKINS
5. The Banjo Players, ANDRE OOSTHUIZEN & GAVIN TINKLER
6. Law & Sports in India, Development Issues and Challenges, MUKUL MUDGAL
7. Athletes Handbook 2013, GO SPORTS FOUNDATION

**Documentaries**

1. Death of a Gentleman by SAM COLLINS & JARROD KIMBER [2015]
2. Empire of Cricket by BBC [2009]

**Reports**

1. An independent governance review of the International Cricket Council, LORD WOOLF & PRICEWATERHOUSE COOPERS LLP [2012]
2. A Good Governance Structure for Australian Cricket, DAVID A CRAWFORD & COLIN B CARTER [2011]
3. A Report on the Allegations of Betting and Spot/Match Fixing in the Indian Premier League – Season 6, JUSTICE MUDGAL IPL PROBE COMMITTEE [2014]

**Appendix-5**



R. Seshank Shekar & Abhinav Shrivastava | The Sports Law & Policy Centre, Bengaluru, December 2015

Comparative Governance Practices In Sports

The Report

This report aims to provide a comparative snapshot analysis of the rules, policies, procedures, mechanisms and international best practices adopted by various sports governing bodies, professional sports leagues and relevant regulatory authorities across the world with respect to the governance of sport.

About the Centre

The Sports Law & Policy Centre, Bengaluru is an independent think-tank established with a vision to provide and disseminate high-quality interdisciplinary research, scholarship, education and institutional support for public and private enterprises in areas relating to sports law and policy. The Centre comprises a group of researchers with extensive knowledge of and experience working in the sports eco-system in India.

Author Profiles

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# Governance Structures of Sports Governing Bodies

1. Introduction and Executive Summary

Sports governing bodies are meant to govern and promote their respective sport at an international or national level, and typically utilise a pyramidal structure, with the international governing body (IBs) situated at the apex and national associations or governing bodies (NGBs) being subordinate to the IBs. The IBs are engaged in organising international tournaments and sports events whereas the NGBs are engaged in managing and promoting the sport within nations. The NGBs are meant to represent the nation in the sport at the international level, and are engaged in selecting and managing the national team and overseeing leagues and tournaments for participation by athletes and players. For the purpose of administering the sport in their nations, NGBs typically constitute regional bodies for the purpose of organising regional competitions and supporting athletes or players in such regions.

Sports bodies typically comprise of recognised subsidiary governing bodies, with their operations and policy formulations overseen collectively by such subsidiary governing bodies. The day-to-day operations and execution of policy formulations of the governing body is assigned to an official elected by the members comprising of the sports bodies.

In order to provide a brief overview of the governance structures and ownership limitations in professional sports bodies, this section compares the rules and regulations applied by the following six (6) sports governing bodies:

* **England and Wales Cricket Board (ECB) −** TheECB’sOfficial Website(Memorandum of Association and Articles of Association Unavailable)
* **Cricket Australia −** Cricket Australia’s Official Website (Memorandum of Association and Articles of Association Unavailable)
* **The Football Association (The FA) −** The FA’s Memorandum of Association and Articles of Association
* **Fédération Internationale de Football Association (FIFA)** – The FIFA Statutes
* **Fédération Internationale de Hockey sur Gazon (FIH)** – FIH Statutes and By-Laws
* **Fédération Internationale de l'Automobile (FIA)** - FIA Statutes

A summary of the key findings and trends witnessed across the six (6) sports governing bodies compared for the purpose of this section is provided below:

* Each sports governing body comprises of the regional and subsidiary sports boards/governing bodies from the region that it administers.
* The day-to-day administration and governance of the body is undertaken by an elected board. The board composition apportions representatives to the different member classes, to ensure adequate representation of interest. This is particularly the case with the ECB and the FA as these governing bodies are composed of organisations engaged in different aspects of the sport. For example, the FA administers the national football league system and county leagues, and accordingly apportions board representation to the governing bodies of these league systems and the women’s football conference.
* Except in the case of the ECB and Cricket Australia, the legislative powers of the governing body are exercised collectively by all members, through the Congress or General Assembly, and the executive powers are exercised by a President elected by the members.
* With respect to ECB and Cricket Australia, the operations and policy formulation functions are carried out by the Board, which comprises of representatives of member boards as well as independent directors.
* In governing bodies where legislative authority is vested with the members’ assembly, voting is typically equally weighed across members. However, the FIA applies a different voting scheme to ensure representation of the different industries that its members are engaged in. For example, as the FIA has members from the automobile mobility and tourism industry and from professional motor sports, in case of resolutions concerned with either industry, the relevant bodies and councils of such industry are provided additional voting rights.
* Judicial authority and dispute resolution mechanisms are usually vested in an independent authority that is appointed through the members’ assembly.
* The President of each governing body is appointed by popular vote, requiring between 50% and 67% of the votes of members, and the President is assisted by an executive council that comprises of elected officials from amongst the members and includes representatives of regional confederations/conferences and sports professional bodies.
* Additional independently constituted bodies are concerned with sector specific matters and the review and recommendation of changes to the format of the game/sport. However, such changes must typically be approved by the members’ general assembly.

The following sub-sections provide more detailed comparisons of the governance structure adopted by each of the IBs and or NGBs.

1. Composition

| **Governing Body** | **Territory** | **Constitution** | **Body Composition** | **Governing Statute Available** |
| --- | --- | --- | --- | --- |
| **Description: File:England and Wales Cricket Board.svg** | England and Wales | Private Company limited by Guarantee | * 41 members: * Chairmen of 18 First-Class County cricket boards; * Chairmen of 21 County boards in Non-First Class Counties; * Chairman of the Marylebone Cricket Club (MCC); and * Chairman of the Minor Counties Cricket Association. |  |
| **Description: Cricket Australia Logo.png** | Australia | Public Company, limited by Guarantee | * 6 member associations: * Cricket New South Wales; * Queensland Cricket; * South Australian Cricket Association; * Tasmanian Cricket Association; * Cricket Victoria; and * Western Australian Cricket Association |  |
| **Description: Association crest** | England and the Crown dependencies of Jersey, Guernsey and the Isle of Man | Private Limited company, limited by shares | * 2000 shares, held as follows: * 1 share each by the FA Premier League Limited and The Football League Limited; * 1 share by each member of the Council of the Association; * 1 share by each Full Member Club’ * 1 share by each County Association with less than 50 clubs; * 2 shares by each County Association with more than 50 but less than 100 clubs, and 1 share for every fifty clubs thereafter; and * 1 Special Share by the chairman of the National Game Board. * Unissued shares are held by the Secretary, without any voting rights. |  |
|  | Worldwide | Association (Non-commercial) registered under the Swiss Civil Code | * All recognised national football associations and 4 British associations. All other countries are entitled to have one national football association. |  |
|  | Worldwide | Association (Non-commercial) registered under the Swiss Civil Code | * All recognised national associations. Each country is entitled to have one national hockey association. |  |
| **Description: http://upload.wikimedia.org/wikipedia/en/thumb/9/96/FIA_logo.svg/180px-FIA_logo.svg.png** | Worldwide | International Association  (Non-profit) | * All National Automobile Clubs/Associations (Type 1) and clubs, associations of federations which cover mobility assistance, tourism and an advocacy role in the interest of users in the entire nation or a part thereof (Type 2). * Each country is entitled to have one national automobile club/association. * If Type 1 and Type 2 clubs from one country are already represented, another Type 2 member from such country may be included after consultations with these representative organisations. |  |

1. Governance Structure

| **Governing Body** | **Governance Structure** | **Appointment of Governing Board** | **Operational Terms** |
| --- | --- | --- | --- |
| **Description: File:England and Wales Cricket Board.svg** | * President and Board of Directors with 14 members. * Assisted by executive committee engaged in delivering ECB’s strategic plan and engaged in day-to-day operations of the ECB. * Three committees concerned with cricket, commercial and financial affairs and an independent Discipline Standing Committee. | * Board positions of the Chairman, Deputy Chairman and Chairman of Cricket are elected by all 41 members. * Remaining directors: * 2 independent directors; * 3 directors appointed from the first-class counties; * 2 directors from the recreational game; * 2 ECB executives; * 1 representative of the women’s game; and * 1 MCC representative. * Appointment process unclear, but appears to be by nomination/election amongst the associations concerned with the class of cricket. * President is nominated by the Board on the recommendation of the ECB Nomination Committee. | * Deputy Chairman shall be from amongst Board members appointed by the Chairmen of the First Class County boards. * Term of office for Directors is 4 years. |
| **Description: Cricket Australia Logo.png** | * Board of Directors with 7 independent directors as members. | * 7 independent directors. Unclear on the election/appointment mechanism of directors. | * Each director has one vote and the chairman has a casting vote. |
| **Description: Association crest** | * General Meeting of shareholders oversees the business and undertaking of the Association and approves business proposals and plans of action. Each shareholder has one vote, and resolutions typically require 50% majority, unless otherwise specified. * Board of Directors engages in day-to-day management of the Association. Maximum board strength is 12. * The Council oversees the Football Regulatory Authority, the Judicial Panel, development of the sport, management of the National League System and criteria for membership of the Association. * The Council is the representative body of all domestic Football Competition Governing Bodies and Associations and comprises of the following members: * 8 by FA Premier League; * 8 by Football League; * 2 by Football Conference; * 1 each by other league competitions and associations; * 2 by Women’s Football Conference. | * Board of Directors comprises of: * Chairman nominated by Nominations Committee, endorsed by Board and appointed by the Council; * upto 5 National Game Representatives (county associations and football conference representatives) elected by the National Game Representatives; * upto 3 Professional Game Representatives appointed by the FA Premier League Limited; * upto 2 Professional Game Representatives appointed by the Football League Limited. | * Term of Chairman is 2 years and a person cannot be a chairman for more than 2 terms. * Term of National Game Representatives is 3 years, without limitations on re-election. * Term of Professional Game Representatives is 1 year, without limitations on re-election. * Chairman (at the time or appointment or during the term) cannot be a member of the Council, have any material business relationship with a football competition or its governing body, a county association, other football association, full or associate member club, FIFA/UEFA (or members, associations, confederations) or the Association. * Chairman can be removed by the Council through 66% of the votes of the Council members present and voting. |
|  | * Comprises of 3 principal governing bodies: * Congress - legislative body and oversees financial statements, approves budget and votes on amendments to the constitutive statute and regulations; * Executive Committee - executive body with 24 members engaged in compiling regulations and approving rules of internal governance; and * General Secretariat - administrative body engaged in day-to-day operations of FIFA. * International Football Association Board oversees the laws of the Game. Comprises of 4 representatives of the British Boards and 4 representatives nominated by FIFA. * President implements Congress and Executive Committee decisions and supervises the work of the General Secretariat and represents FIFA. * Separate Judicial Bodies comprising of the Disciplinary Committee, Appeal Committee and Ethics Committee with CAS acting as the final appellate authority. | * Congress comprises of delegates from all Member associations. * FIFA President is elected by the members from nominees proposed by the member associations. Election requires 67% in the first ballot, or 50% in the second or other requisite ballot. In case first ballot fails, all candidates except for the top 2 polled are excluded. * Executive Committee comprises of: * 1 President; * 8 Vice Presidents; and * 15 members appointed by the Confederations. * Membership is apportioned amongst the Confederations. British Associations are entitled to elect 1 Vice President, collectively. | * Each Member Association has 1 vote in Congress. * Expulsion of a member requires 75% of the votes of Member Associations present and voting, subject to a quorum of 50%. * Executive Committee members cannot be appointed as delegates of their Member Association during their term of office. * Amendments to the constitutive statute require 75% majority, while amendments to regulations require 50% majority. |
|  | * Congress acts as the ultimate authority in respect of the affairs of the Federation, and may amend the constitutive statute, establish or amend regulations concerned with the game of Hockey and eligibility of Athletes to represent a national association. * Executive Board is engaged in the implementation of rules and regulations, evaluation of applications, and overseeing the operations of the Federation. * Disciplinary Commissioner engages in investigation of allegations of misconduct, or breaches of regulations by athletes, members or any other concerned party, with appeals lying to the Judicial Commission and ultimately to CAS. | * Congress comprises of delegates from each national association, with each association entitled to send 3 delegates, of which only the designated head of the delegation would be entitled to vote * Executive Board comprises of: * President and 8 members elected by Congress by 50% majority; * 1 athlete representative appointed by the Executive Board; * Presidents of all Continental Federations; and * CEO appointed by the Executive Board. * The Executive Board may co-opt a member of the Olympic Movement into the Executive Board as a non-voting member. * Disciplinary Commissioner is appointed by the Executive Board and must be independent of the Executive Board. * Judicial Commission comprises of a President appointed by Congress and 9 or more members appointed by the Executive Board. | * Full members are recognised as the sole governing body for hockey in the country of operation and are entitled to vote in Congress. Provisional members are entitled to attend and speak at Congress, but not vote. The nature of membership provided to a national association is as decided by Congress. * Quorum for meetings of Congress is 33% of all national members. * Resolutions of Congress typically require 50% majority of members present and voting. However, amendments to the constitutive statute require 75% majority. * President and members of the Executive Board hold office for 4 year terms, and cannot hold office for more than 12 years. * Only the President or CEO has the authority to fine the Federation. * Decisions of the Executive Board require 50% majority. However amendments to regulations or suspension of a member require 75% majority. |
| **Description: http://upload.wikimedia.org/wikipedia/en/thumb/9/96/FIA_logo.svg/180px-FIA_logo.svg.png** | * General Assembly acts as the ultimate authority for motor sports, and is engaged in organising, directing and managing the sport, and accordingly approves the budget, proposals for amendment of regulations of the sport or the constitutive statute. * The General Assembly is headed by a President, and is assisted by the FIA World Council for Automobile Mobility and Tourism, the FIA World Motor Sport Council, Senate and sectorial committees, such as the Audit Committee, Ethics Committee, Nomination Committee and Manufacturers’ Commission. * The World Council for Automobile Mobility and Tourism is concerned with the establishment of Automobile Mobility and Tourisms regions and overseeing and managing automobile mobility and tourism domains and may recommend admissions and expulsions of FIA members. * The World Motor Sport Council is concerned with administering and operating the sport. * Dispute resolution is handled by the International Tribunal and the International Court of Appeal. | * The General Assembly comprises of the Presidents of all member clubs and associations and the President of the FIA Drivers’ Commission. * The President, the President of the Senate and certain other posts are elected by 50% majority of all members present. * Members of the World Council and the World Motor Sport Council are elected by the General Assembly, subject to region based apportionment. * Certain association presidents and representatives, such as the FIA Manufacturers’ Commission President and International Karting Commission President are automatic members of the World Motor Sport Council. * Members of each sectorial/specialised Committee are elected by the General Assembly, with the Presidents of each Committee elected by the World Council or the World Motor Sport Council (as applicable). | * Term of office for elected positions is 4 years. * Presidents, Deputy Presidents and Senate Presidents may be re-elected twice. Some posts, such as appointments to Sporting Commissions and International Tribunal are on a yearly basis. * The World Council and the World Motor Sport Council prepare proposals and recommendations for amendment of regulations or the constitutive statute in respect of their subject domains, for review and approval of the General Assembly. * Typically, a country is entitled to exercise 12 votes for any resolution of the General Assembly, with Type 2 clubs having sectorial competence being provided 12 votes each in case a question relevant to such sector arises. * For general resolutions, in case a country is represented by more than one association (Type 1 and Type 2 clubs), the vote entitlement is equally distributed amongst these associations. |

Primary Resources:

* England and Wales Cricket Board – The ECB’s Official Website
* Cricket Australia – Cricket Australia’s Official Website
* The FA’s Memorandum of Association and Articles of Association
* The FIFA Statutes
* FIH Statutes and Bye-Laws
* FIA Statutes

# Governance Structures and Ownership Limitations in Professional Sports Leagues

1. Executive Summary

The administrative structures of professional sports leagues has evolved over the course of the development of the sports, and are typically the products of consultative efforts between the professional sports clubs and tournament/league organisers usually in response to particular issues faced by their sports or as professional undertakings. The leagues tend to favour centralisation of authority with certain checks and balances and some form of oversight by participating professional clubs or franchises. With respect to the governance structure, an interesting area of departure between professional sports leagues in the United States of America (USA) and Europe is the involvement of the national sports governing body (NGB). In the case of the American system, the NGB has no role to play in the administration of the professional sports body or the prescription of rules of the game for the professional sport. This is at variance with the European system, where the NGB is rendered a participating member of the league and is granted a veto in some matters, particularly on the rules of the game.

In order to provide a brief overview of the governance structures and ownership limitations in professional sports leagues, this section compares the rules and regulations applied by the following four (4) premier professional leagues:

* **Major League Baseball (MLB) ­**– Major League Constitution and Rules
* **National Football League (NFL)** – Constitution and By-laws of the National Football League
* **National Basketball Association (NBA)** – National Basketball Association - League By-laws
* **English Premier League (EPL)** – The EPL’s Memorandum of Association and Articles of Association

A summary of the key findings and trends witnesses across the four (4) professional sports leagues compared for the purpose of this section is provided below:

* The professional leagues render one person, appointed as a Commissioner or Chief Executive Officer, as the nodal officer concerned with administering the league and the day-to-day affairs of the league.
* The professional league comprises of all professional clubs/franchises that form part of the league. However, in the case of MLB, participation is limited to ‘Major League’ clubs alone and not clubs that are part of the lower leagues, i.e., Minor League Baseball.
* The EPL operates the top-tier league in England, and thus, the governing body comprises of all professional clubs that participate in the EPL in a particular year, with the Football Association (the national football administrator for England) granted membership with certain veto rights. Clubs that are relegated in any year to a lower league are required to transfer their instrument of membership (share) to the clubs that have been promoted to the EPL in that particular year.
* With the exception of the EPL, the professional leagues are closed organisations where new entrants must receive the affirmative consent of 75% of the clubs present at a meeting to become a part of the league. Such consent is required for any transfer of any control in the club/franchise.
* With the exception of the EPL, the Commissioner/Chief Executive Officer is assisted by an executive council or similar body that is composed of representatives of each participating professional body, and which body is meant to secure the interest of the professional clubs/franchises in the administration of the league.
* The EPL is administered by a Board comprising of 2 elected officials, and any major decisions concerning the operation of the EPL are taken by representatives of the clubs in a general meeting.
* The appointment and approval of the remunerative terms of the executive officers for the professional leagues requires the affirmative vote of 67% to 75% of the member clubs at a general meeting. With respect to the EPL specifically, the appointments to the Board need the affirmative approval of the Football Association.
* The executive council or the other representative body of the professional clubs/franchises in the professional leagues comprises of representatives nominated by the clubs/franchises. However the members of the executive council for MLB must be ratified by a simple majority of the clubs/franchises.
* With the exception of the EPL, resolutions and decisions that require the clubs’ collective approval are passed by simple majority, while significant decisions that seek to alter the structure, entitlements and playing format of the professional game or league require 75% majority to pass at the general meeting of the clubs.
* In the EPL, all resolutions relating to the operation of the league, structure and entitlements of the professional clubs require 67% majority to pass at the general meeting of the clubs. In case of revisions to the playing format or composition of the governing board or organisational structure, the affirmative approval of the Football Association is also required.
* A member, shareholder, director, officer or employee of a professional club is barred from having any financial interest in or issuing any debt to any other professional club/franchise in the same sport (in the league’s operating territory), holding any shares in such club/franchise (or its controlling entity) or in directing the management of any other club/franchise. However, MLB and the NFL permit a member club/franchise and its shareholders to have a financial or ownership interest in a minor league club/franchise engaged in the same sport.
* MLB and the EPL permit minor (non-controlling) shareholders (holding less than 5% and 10%, respectively, of the share capital) of a club/franchise to hold a minor non-controlling stake (5% or 10% respectively) in another professional club/franchise engaged in the same sport.
* The professional leagues require and mandate the independence of the Commissioner or Board members and other officers, and accordingly bar the Commission/Board members and other officers from having any financial or ownership interest in or receiving any financial benefit or debt from any club/franchise or officer, director or person in control of the club/franchise.

The following sub-sections provide more detailed comparisons of the governance structure and limitations on ownership adopted by each of the professional leagues.

1. League Governance, Constitution and Structure

| **League** | **Governing Body** | **Constitution** | **Structure** |
| --- | --- | --- | --- |
|  | Office of the Commissioner of Baseball | Unincorporated association comprising of all Major League Baseball Teams | * Commissioner of Baseball assisted by the Executive Council. Commissioner serves as Chairman of the Executive Council. |
|  | Office of the Commissioner of the National Football League | Unincorporated association of member clubs/franchises | * Commissioner of the National Football League is assisted by the Executive Committee. Commissioner presides over all meetings of the Executive Committee. |
|  | Board of Governors of the National Basketball Association | Unincorporated association of professional basketball teams. | * Board of Governors comprises of one representative of each team. * The Board of Governors elects: * the Commissioner, who serves as the Chief Executive Officer of the league and presiding officer of the Board of Governors; * the Deputy Commissioner (if required); * Secretary (keeps custody of official records and papers); and * Treasurer (oversees financial affairs of the league). |
|  | The Football Association Premier League Limited | Private Limited company, limited by shares.  The Football Association holds a preference share and each Premier League club holds one share. | * Board comprising of 2 Directors (Chairman and Chief Executive), with the Football Association retaining affirmative vote rights in respect of certain matters such as appointment of Board members, variation of voting rights, adoption, amendment or waiver of league rules or ownership limitation rules. |

1. Appointment, Term and Functions of League Officers

| **League** | **Appointment** | **Term** | **Functions** |
| --- | --- | --- | --- |
|  | * **Commissioner**: Elected by 75% vote of the Major League Clubs at a meeting. Re-election requires 50% affirmative vote of the Major League Clubs at a meeting. * **Executive Council**: Commissioner and 8 club members (4 from American League + 4 from National League clubs) appointed by Commissioner and ratified by 50% of Major League Clubs. | * **Commissioner**: 3 years * **Executive Council**: 4 years, with 1 member from each league (American league or National league) retiring each year. | * **Commissioner**: Serves as the Chief Executive Officer of Major League Baseball, and is in-charge of operations of leagues (American league and National league), determining rules of practice, and investigating and penalising infringements. * **Executive Council**: Serves as the representative body of the Major League Clubs. Investigates and submits recommendations for changes to any regulations and agreements concerning Major League Clubs, such as standard player agreement and contests/games in which Major League Clubs participate. |
|  | * **Commissioner**: Elected by 67% or 18 votes of the member clubs/franchises at a meeting. * Commissioner is required to file and maintain a surety bond of USD 50,000 to warrant faithful performance of duties. Expenses of the bond are to be paid by the league. * **Executive Committee**: One representative from each member club/franchise, appointed by written notice to the Commissioner. Representatives must be owners or holders of an interest or officers of a member club/franchise. | * **Commissioner**: No term specified. Driven by the contract approved by member clubs/franchises. * **Executive Committee**: Until revoked by appointing member club/franchise. | * **Commissioner:** Authority for dispute resolution and maintenance of discipline in respect of the league, and engaged in operating the league and selling broadcast rights to the Conference Championship and Super Bowl games. * **Executive Committee**: * Impose fines on owners, directors, players and personnel of clubs/franchises; * Investigate on any matter referred to it by the Commissioner; * Elect a temporary Commissioner in case the Commissioner is rendered unfit/incompetent; * Borrow in the name of the league, and/or audit and review the financial records of the league. * Except for investigations, and appointment of temporary Commissioners, all resolutions of the Executive Committee require 75% of the votes. |
|  | * **Commissioner:** Elected by the affirmative votes of 75% of all Governors. * **Board of Governors:** One representative of each member club/franchise nominated by the member club/franchise. Representative must be an owner, director, officer or authorised employee. | * **Commissioner:** No term specified. Driven by the contract approved by Board of Governors. * **Board of Governors:** Until revoked by appointing member club/franchise or removed with 75% of the votes of all Governors at a meeting. | * **Commissioner:** Operates the league, oversees and directs the business and affairs of the league, and specifies minimum standards for operation of arenas and conditions under which NBA games and events are to be conducted. Commissioner serves as the dispute resolution authority for inter-member club/franchise disputes and disciplining authority. * **Board of Governors:** Representative body of the club/franchise owners, and engaged in evaluating, regulating and approving revisions to club/franchise ownership or location, or operational regulations and general supervision of the affairs of the NBA. * 75% of the votes of all Governors present is required for a termination of a member club/franchise, transfer of membership or more than 10% of the stock of any club/franchise or entity in effective control of a club/franchise, amendment of Constitution/By-laws, appointment of officials and other resolutions, unless otherwise specified. * 50% of the votes of all Governors present are required for approval of any relocation request. |
|  | * Board members appointed by a resolution of the member clubs at a General Meeting. | * Terms of appointment and remuneration to be determined and approved by a resolution at a General Meeting. * A Director may be removed by a resolution at a General Meeting. | * The Board manages the affairs of the company and the operation of the Premier League and implementation of the league rules. * The Board also determines the eligibility of an association football club to become a member, and engages in approving share transfers by existing members of the Company. |

1. Member Rights, Ownership Restrictions and Conflict of Interest Provisions

| **League** | **Member Rights** | **Ownership Restrictions and Conflict of Interest Provisions** |
| --- | --- | --- |
|  | * 50% of the votes of all Major League Clubs required for (amongst others): * Any action relating to the collective bargaining process with players or umpires association/representative; * Extension of Term of the Constitution; and * Action related to radio, television or internet rights. * 75% of the votes of all Major League Clubs required for: * Addition or removal of clubs; * Sale or transfer of controlling interest in a club; * Relocation of a club; * Change in the play format of the league; * Change in the revenue share arrangement; * Amendment of the Constitution; * Termination of rights of a club for cause. | * Officers, employees and umpires of a league (Major League/Minor League) are barred from having any financial interest in a club in such league, or loan money, become a surety or guarantor for any such club. * Cross ownership/financial interest by a club, or its shareholders, officers, directors or employees is barred, except in case of holding in both clubs is less than 5% and is non-controlling. |
|  | * Other than Conference Championship and Super Bowl games, telecast of home games in the home territory requires agreement of the participating clubs/franchises and the visiting club/franchise is provided the exclusive license to telecast the game in its home territory. * 75% of the votes of all member clubs/franchises required for: * Admission of new member clubs/franchises; * Transfer of membership; * Amendment of playing rules; and * Amendment of Constitution or By-laws. * All regular and pre-season television income (from any source) must be divided and shared equally amongst all member clubs/franchises. Unanimous agreement of member clubs/franchises is required for revision to television revenue share arrangement. | * The Commissioner is barred from having any financial interest (direct or indirect) in any professional sport. * No member or its stockholder, officer, director, partner or employee, or officer/employee of the league can own or have any financial interest (direct or indirect) in any other member club/franchises or minor league club/franchise or in a professional football club/franchise, team, league not a member of the National Football League, other than an Arena Football League playing in the club’s/franchise’s home territory. * Public criticism, issue of free tickets to visiting clubs/franchises and gifts/rewards to opposing team players/coaches or provision of game outcome bonus to players/coaches is strictly prohibited. |
|  | * A team operated by a member club/franchise requires the consent of a resident member club/franchise to play in such resident’s home territory. * No separate requirement of meeting of member clubs/franchise or requirement of approval on matters concerned with the operation of the league/association. * The Board of Governors acts as the representative body of all clubs/franchises and acts on their behalf in overseeing the affairs of the league and the NBA. | * An owner, director, officer, manager, coach, employee, agent or representative of a club/franchise is barred from exercising control or managerial authority over any other club or having any financial interest in any other club/franchise. * No club/franchise or entity in control of a club/franchise is permitted to lend money, or become a surety/guarantor for any other member club/franchise, referee, Commissioner or employee of the NBA. * The Commissioner, referees and employees of the NBA are barred from holding any stock or having any financial interest in any club/franchise or entity that exercises effective control of a club/franchise. * The Commissioner is barred from any having any financial interest in any professional sport. |
|  | * General Meeting: 67% votes of all member clubs present and voting at a General Meeting is required for the passage of any resolutions. Quorum: 67% of the member clubs. * Only a director or secretary of a member club is permitted to act as a representative of such club at a general meeting. * Member clubs are entitled to supervise and direct the policy of the Board through resolutions at General Meetings. * A resolution of the member clubs at a General Meeting is required for any borrowing by the Board and any dealings relating to television, broadcasting, sponsorship or other matters affecting the commercial interest of the member clubs. * Expulsion of a club from the Premier League requires 75% of the vote of the member clubs at a General Meeting. | * The Board is barred from appointing an official of a Club as a representative of the Board. * A Director must disclose and obtain the approval of the member clubs by a resolution at a General Meeting for any transaction in which he is interested or with a company/entity in which he is a director/officer. * No Member club is permitted to have any shareholding in another FA registered club, influence the management of such other club or lend/borrow money or guarantee debts of such club. * Director/officers or shareholders of 10% of a club are barred from being directly or indirectly involved in the management or administration of the affairs of another football club or owning more than 10% of the voting rights in another FA registered club. |

Primary Resources:

* Major League Constitution and Rules
* Constitution and By-laws of the National Football League
* National Basketball Association - League By-laws
* The EPL’s Memorandum of Association and Articles of Association

# Regulation and Oversight Models for National Sports Bodies

1. Executive Summary

The traditional view around the world when it comes to national sports federations or sports governing bodies (“**NGB**”s), has been to consider such entities as private enterprises to be governed by the principles of autonomy and independence. Such principles of autonomy, which are incorporated in the statutes and regulations of various international governing bodies (“**IB**”s)[[1]](#footnote-2), require that NGBs should be free from interference in the administration of their affairs by the state or by the wider public, in order for NGBs to be included in the sporting ecosystem created by these IBs. This in turn has meant that NGBs are traditionally controlled by their members, which usually consist of smaller, localised provincial or state federations that are responsible for administering the sport in their respective regions.

While the intentions behind such autonomous principles were no doubt noble, i.e. to protect the integrity of sport, such a structure has enabled NGBs to function and conduct their affairs indiscriminately without being accountable towards most stakeholders, including the wider public. This has led to a situation where the officials and persons in charge of such NGBs are not subject to any meaningful consequences due to any acts of mismanagement or incompetence. Further, this system of non-interference has encouraged a thriving culture of institutional nepotism and corruption that remains unchecked in NGBs around the world, which has a negative impact on all aspects of the sports they represent including, governance, funding, maintenance and upgradation of infrastructure, organisation of sports events, training and player selection.

In order to combat this trend, several countries including India have attempted to introduce legislation and regulatory mechanisms that attempt to exert a certain level of control on the NGBs as well sport in general. However such legislations have often been denounced by the sporting fraternity[[2]](#footnote-3) for being in contravention of the non-interference principles stipulated by the IBs in their regulations. Indeed, organisations such as the IOC[[3]](#footnote-4) and FIFA[[4]](#footnote-5) have, in multiple cases, suspended or terminated the membership of NGBs as result of governments making attempts to regulate their functioning. Further, in certain instances, the IBs have managed to convince governments and the state to exclude the national association of the governing body’s sport from the purview of any sports regulations adopted in such countries, even in demonstrable cases of failure in private governance.[[5]](#footnote-6)

In spite of the challenges faced previously, efforts have to be made to ensure that sports bodies are subject to some level of regulation and oversight, if only to limit the negative impact arising out of granting total autonomy, and to protect the interests of the shareholder. This section attempts to discuss three (3) models of regulation adopted across different jurisdictions, including state backed models that attempt to regulate sport and provide differing levels of oversight on their NGBs as well as other sports, in order to ensure that such bodies are accountable to their members as well as athletes and the general public. These three (3) models of regulation are discussed in detail in the following sub-sections.

1. Model 1 – Oversight Based on Funding and Recognition

This model is followed by several countries in the commonwealth, including Australia, New Zealand and the United Kingdom. It involves the establishment of non-departmental, state backed public bodies[[6]](#footnote-7) (“**Sports Councils**”), usually established by federal legislations. With respect to Australia, the relevant Sports Council is the Australia Sports Commission[[7]](#footnote-8). For New Zealand and the United Kingdom, the relevant Sports Councils are Sport New Zealand[[8]](#footnote-9) and UK Sport[[9]](#footnote-10).

These bodies are responsible for, *inter alia*, developing sports at a grass root level, creating new sporting opportunities and for developing and cultivating a sporting culture among the wider public.[[10]](#footnote-11) These objectives are achieved by Sports Councils by partnering with NGBs as well as other sporting and non-sporting organisations. Significantly, these sports bodies also have the exclusive authority to recognise sporting organisations as NGBs[[11]](#footnote-12) and for distributing government funding to such recognised NGBs.[[12]](#footnote-13)

In granting such recognition, these Sports Councils require prospective NGB’s to meet a minimum set of criteria. For example UK Sport and the four sister Sports Councils in the United Kingdom (Sport England, Sport Wales, Sport Northern Ireland and Sport Scotland), assess applications for recognition based on the following criteria:

* The structure of the NGB;
* Governing body jurisdiction and Influence;
* Sporting activity, disciplines and rules;
* Competition structure;
* The uniqueness of the sport;
* Membership numbers;
* Sporting vision and development;
* Governing body vision and development;
* Affiliation to the relevant international federation;
* Governance structure; and
* Ethical and legal considerations.[[13]](#footnote-14)

Once a sporting organisation is granted recognition as an NGB, such NGB becomes the sole principle authority responsible for administering sport in that country and for disseminating the funding received from the Sports Council for the development of its sport at the grass roots as well as elite level. In some cases, recognition also enables such NGBs to use official national emblems and marks (such as the Commonwealth Coat of Arms for Australian NGBs) on the uniforms and playing apparel of their athletes.[[14]](#footnote-15) In the event that such NGBs do not possess such recognition or such recognition is withdrawn or suspended by their respective Sports Councils, these aforementioned benefits are usually unavailable to the NGBs.

The Sports Councils generally do not seek to regulate the elections of members to such NGBs, the day to day governance or finances of the NGBs or matters relating to national team/delegate selection etc. Most of the NGB’s duties and obligations towards the Sports Council relate to the allocation and use of funding provided by the Sports Councils. Further Sports Councils generally take limited cognizance of any complaints or grievances made against the NGBs by encouraging affected parties such as athletes, sporting organisations or the general public to approach the relevant NGB at the first instance. A few Sports Councils, such as Sport England provide an additional mechanism of resolution in the event such complaint has not been resolved by the relevant NGB,[[15]](#footnote-16) with the aggrieved party being permitted to submit such complaints to Sport England directly. However, the types of complaints that can be made by aggrieved persons are substantially restricted; whether such complaints are made with respect to NGBs or Sport England themselves.[[16]](#footnote-17) It is pertinent to note that aggrieved parties not only have the right to complain to Sport England itself but also escalate such complaints to the UK’s Parliamentary and Health Service Ombudsman[[17]](#footnote-18), which investigates complaints by members of the public. However, this mechanism is also not very effective as the Ombudsman is authorised to investigate complaints made by persons who have suffered injustice because of maladministration by public organisations[[18]](#footnote-19), including Sport England, but not necessarily NGBs, which are generally structured as private, non-state enterprises.

Based on the above, it would appear that a model based primarily on recognition and funding is non-intrusive and therefore exerts limited influence or oversight over the NGBs, which are granted with substantial autonomy.

1. Model 2 – Legislative Sanction

This model, which has been adopted in countries such as Spain and Mauritius, involves the enactment of a sports specific legislation or statute by the government with the aim of creating a nationwide regulatory framework for the governance of sport. Such legislations also provide for the establishment of administrative sports bodies under the relevant ministries, similar in a few aspects to the Sports Councils discussed in the previous sub-section but with powers and responsibilities that extend beyond just funding and recognition. Spain’s legislation, the Sports Act 10/1990[[19]](#footnote-20), (the “**Spain Sports Act**”) serves as an instructive example in this regard. The Spain Sports Act was enacted in the year 1990 with an aim of establishing a suitable regulatory framework for professional sport and the objective to ‘establish a model of legal and financial responsibility’.[[20]](#footnote-21) The framework established by the Spain Sports Act is complemented with subsequent regional sports legislation, as well as with reasoned decisions, ministerial orders or royal decrees.[[21]](#footnote-22) The Spain Sports Act requires that the statutes, composition of internal bodies and other governance structures of NGBs are to be in compliance with the provisions established in the Spain Sports Act and any future regulations.[[22]](#footnote-23) It describes NGBs as private entities that act by delegation of the state and allows only one NGB to be recognised per sport[[23]](#footnote-24). Further, it provides that it is the Spanish government’s prerogative to regulate the conditions and criteria upon which NGBs can be recognised.[[24]](#footnote-25) In addition, the Spain Sports Act provides very specific rules on the following aspects of NGBs:

* The roles and responsibilities of NGBs;
* The functioning and structures of NGBs;
* The functions and responsibilities attributed to NGBs; and
* The implementation of good governance principles in NGBs.

The Spain Sports Act also established Spain’s National Sports Agency (Consejo Superior de Deportes) (“**CSD**”) in the year 1990. The CSD is an autonomous administrative body, attached to the Ministry of Education and Science, through which the state administration operates in the field of sport.[[25]](#footnote-26) The CSD is vested with wide ranging powers, under the Spain Sports Act, including, *inter alia*, the power to:

* authorise or revoke the constitution and approve the statutes and regulations of Spanish NGBs;
* recognise the existence of sporting disciplines, classify official, professional, state competitions;
* establish, the objectives, sports programmes (especially in high-level sport), budgets and organic/functional structures of NGBs;
* grant economic subsidies due to NGBs and other sporting bodies and associations, carrying out inspections and verifying that they comply with the aims set out in the Spain Sports Act;
* control the grants that awarded to NGBs and to authorise the taxing and disposal of their assets when the NGBs have been fully or partially financed by public state funds;
* determine the allocation of NGBs’ assets, in case of their liquidation;
* authorise the inscription of the Spanish NGBs in the corresponding IBs;
* Oversee electoral processes to the NGB’s boards and other governing committees; and
* Employ any other faculty attributed by law or through the regulations that contributes to achieving the goals and objectives set out in the Spain Sports Act.

The Spain Sports Act was further supplemented with a Royal Decree in 1991[[26]](#footnote-27) which laid down certain rules regarding the registration of NGBs and with a Ministerial Order in 2007[[27]](#footnote-28) that required all NGBs to seek final approval of Spain’s Ministry for Sport when devising their electoral processes[[28]](#footnote-29). Significantly, the Ministerial Order provides very specific guidelines regarding the timing of elections to the presidency of NGBs.[[29]](#footnote-30) Such invasive involvement has invariably resulted in conflicts with NGBs as well as IBs, whose regulations require their member NGBs to function with full autonomy. The most famous example in this respect is the dispute between the Spanish Government and FIFA regarding the timing of presidential elections for the presidency of the Royal Spanish Football Federation (“**RSFF**”) in 2008.[[30]](#footnote-31) The dispute sparked off as a result of the RSFF scheduling its presidency elections for a time that was in contravention with the rules stipulated in the Ministerial Order of 2007.[[31]](#footnote-32) After protracted negotiations and discussions, the Spanish government backed down,[[32]](#footnote-33) to avoid the risk of the RSFF being suspended by FIFA. The conditions stipulated under the Ministerial Order of 2007 were relaxed and the RSFF was permitted to conduct its elections at the time favoured by its members.[[33]](#footnote-34)

Thus the Spanish Government and the CSD, exercise a substantial amount of control and oversight over the functioning of NGBs in Spain. Although the CSD is provided with several important powers, it is unclear whether the Spain Sports Act or any other legislations or regulations in Spain provide for the CSD or the Spanish Government to take cognizance of any complaints relating to sports administration that are filed by or on behalf of members of the general public. Further it is also unclear whether there is any body or institution above the CSD, such as an independent ombudsman which investigates complaints or grievances relating to NGBs or the CSD as well.

With respect to Mauritius, the Sports Act of 2013[[34]](#footnote-35) (“**Mauritius Sports Act**”) enacted by the Mauritius government is similar to the Spain Sports Act in several aspects. Like the Sports Act, the Mauritius Sports Act lays down certain guidelines relating to the statutes, composition of internal bodies and other governance structures that NGBs must adhere to.[[35]](#footnote-36) The Mauritius Sports Act permits NGBs to adopt their own rules and statutes in compliance with these guidelines[[36]](#footnote-37). For NGBs that do not have any such rules, the Mauritius Sports Act provides for model rules under Schedule IV, which may be adopted by such bodies.[[37]](#footnote-38) While the Mauritius Sports Act contemplates the establishment of a Sports Development Council[[38]](#footnote-39), the powers granted to it are very limited when compared to the CSD. A majority of the powers relating recognition and disciplinary measures have been reserved to the Ministry of Youth and Sports.[[39]](#footnote-40)

However, the most significant aspect in which the Mauritius Sports Act differs from the Spanish Sports Act is that it supplements this regulatory framework with the establishment of a Sports Arbitration Tribunal[[40]](#footnote-41) and an Ombudsperson for sport.[[41]](#footnote-42)

* The Sports Arbitration Tribunal has jurisdiction to adjudicate on any dispute relating to sports referred to it by any person who feels aggrieved by a decision of the Mauritius Olympic Committee, an NGB, a multisport organisation, a regional sports committee, a sports club, a licensee, any member, referee, coach or other official of a sports organisation.[[42]](#footnote-43)
* The Ombudsperson for Sports can hear appeals relating to any decision of the Mauritius Olympic Committee, an NGB, a multisport organisation, a regional sports committee, a sports club, a licensee, any member, referee, coach or other official of a sports organisation. The Ombudsperson for Sports may initiate an enquiry into the matter or invite disputing parties for an amicable settlement of the matter in dispute. In case no amicable settlement is reached, any of the aggrieved parties may have recourse to the Sports Arbitration Tribunal.[[43]](#footnote-44)

The Mauritius Sports Act lays down specific rules regarding the composition and functioning of the tribunal[[44]](#footnote-45) but leaves the appointment of the Ombudsperson to the discretion of the Minister for Youth and Sport, who may appoint such Ombudsperson in consultation with the Mauritius Olympic Committee.[[45]](#footnote-46) Further, in contrast with the Ombudsman in England, the Mauritius Sports Act does not seek to restrict the types of disputes or the persons that may bring disputes or complaints to the Sports Arbitration Tribunal or the Ombudsperson. Therefore the Sports Act 2013 appears to go one step further than the other regulation and oversight models adopted around the world, at least with respect to dispute resolution or complaint redressed forums relating to sport that are available to the stakeholders of sport.

1. Model 3 – Self Regulation by NGBs

This model involves the adoption of ‘best practices’ and internationally recognised standards relating to governance and administration by the NGBs, without the need for government or state mandated regulation, which ensures that such NGBs retain functional autonomy and independence in their workings. The adoption of such practices may be undertaken by the NGBs with the aim of bringing about transparency and accountability while simultaneously protecting the rights of the stakeholders of their sport, including member associations, players and the general public. A recent example of this model is the changes in administrative and governance structure adopted by Cricket Australia, the governing body for Cricket in Australia, pursuant to the recommendations made in the 2011 Crawford-Carter report[[46]](#footnote-47). By way of background, the Crawford-Carter report was drafted pursuant to an independent review into the governance structure of Australian cricket, conducted by a two (2) member committee consisting of David A. Crawford and Colin B. Carter.[[47]](#footnote-48) After conducting a thorough review of the Australian cricket system, the committee provided a wide range of recommendations relating to administration and governance of cricket in Australia and also specified transitional arrangements that may be put in place to facilitate the gradual implementation of the recommendations[[48]](#footnote-49), that would result in an "independent and well-skilled" board of directors (the “**Board**”) that would clearly be accountable to the owners of Cricket Australia and would not confuse its own role with that of management.[[49]](#footnote-50)

A few of the significant changes recommend for Cricket Australia by the two member committee in the Crawford-Carter report included:

* To acknowledge the state associations (SAs), which are the members of Cricket Australia, as shareholders, with responsibility as custodians for Cricket in their own State and throughout Australia[[50]](#footnote-51).
* That the SAs be responsible for the appointment of directors to the Cricket Australia Board, with such directors to be appointed following a unanimous recommendation of a Nominating Committee and a two-thirds vote among the SAs. The SAs to retain the right to dismiss any, or all, of the CA Directors based on a two-thirds vote among all SAs[[51]](#footnote-52).
* The Cricket Australia Board to refer to the SAs for approval only those matters that involve a fundamental change to the structure of cricket such as the addition of new teams and competition formats, with a two-thirds vote among all SAs being required to approve such changes.[[52]](#footnote-53)
* To reduce the size of the board to a maximum of nine (9) directors[[53]](#footnote-54) from the then existing structure of fourteen (14) directors and ensure that each SA is vested with an equal number of votes.[[54]](#footnote-55)
* To remove any conflict of interest by ensuring that a director of Cricket Australia is not permitted to hold office in any SA (or other related entity such as a Big Bash venture) for the duration that he is a director of Cricket Australia[[55]](#footnote-56).
* The directors should not be appointed or nominated by individual SAs but rather that candidates be voted on collectively by all SAs and only candidates who have the support of at least two-thirds of SAs be appointed to the Cricket Australia Board[[56]](#footnote-57).
* To adopt the practice of appointing a 'skills-based' Board[[57]](#footnote-58) and that a nomination process be established as follows:
* To form a ‘Nomination Committee’ each year that consists of four persons – including two SA Presidents plus the Chairman of Cricket Australia and one other Cricket Australia director nominated by the Board.
* The SAs would have to agree and choose the two Presidents to represent them in this process.
* The Nomination Committee would start with an assessment of needs of the Board and then canvass suggestions as to future Board members.
* The committee may commission a firm of specialists to ensure that the search looks beyond the usual pool of candidates.
* The Nomination Committee would then reach unanimous agreement about which candidate would be put to the SAs for approval.
* Any nomination to the Board would then have to receive support from at least two-thirds of the SAs.[[58]](#footnote-59)
* The Cricket Australia committee structures to be reviewed with the intention of closing down most of them as Board committees as a number of then existing committees were not appropriately committees of the Board and should have been the primary responsibility of the management team. The report stated that to continue to view such committees as Board committees would undermine the accountability of the management.[[59]](#footnote-60)
* To encourage Board members to participate in management committees where the director has expertise and where the CEO wishes them to participate as it is healthy and useful for Directors with special skills and experience to contribute to the organization.[[60]](#footnote-61)
* To ensure that Board and management work together, the Chief Executive Officer of Cricket Australia is to be appointed to the Cricket Australia Board as an executive Director.[[61]](#footnote-62)
* To regularly review the Board performance and periodically have 'whole of Board' performance reviews as well as robust performance feedback to individual Directors.
* To eliminate the system of equal funding for SAs and ensure that the Board should is free to allocate resources in accordance with the strategy approved by the Board by taking into account the viability of the SA operations and existing stadium commitments.[[62]](#footnote-63)
* There should be no pre-conditions regarding financing or other than ensuring that each SA should be provided with an agreed level of funding that will enable them to fulfil their role.[[63]](#footnote-64)

Pursuant to the Crawford-Carter report, Cricket Australia replaced its state based Board of fourteen (14) directors with a smaller, nine-person Board that consisted of three (3) independent directors and one (1) director each appointed by the six SAs.[[64]](#footnote-65) This has gradually morphed into a seven (7) member board consisting of only independent directors.[[65]](#footnote-66) Further, each director of the Board now has one vote except in the case of a deadlock in which case the Cricket Australia Chairman will have a casting vote.[[66]](#footnote-67) It is unclear whether the other recommendations included in the report with respect to funding, committees, performance reviews etc. have been implemented in whole or in part by Cricket Australia.

It must be stressed that a self-regulation mechanism is not always adopted with the interests of the wider public in mind. Indeed, some of the changes recommended by the Crawford-Carter report may only serve the interests of Cricket Australia or its SA members. However, any positive effects or impact felt as a result of implementation of such changes and other good governance practices may trickle down to other stakeholders of the Australian cricket system and benefit the public. This net result may eliminate the need for an extra layer regulation or oversight by the state or any other entity.

1. Conclusion

There is no definite answer when it comes to determining which of the three (3) models elucidated in this sub-section is the best approach for regulating and providing oversight of NGBs. The two non-intervention models (recognition and funding and self-regulation) may provide adequate supervision in mature sporting systems such as the UK and Australia, where good governance practices appear to be already ingrained intimately into sporting organisations. However, such models are clearly not sufficient in countries such as India and other developing sports systems which are afflicted with a whole host of challenges such as nepotism and corruption. As previous attempts to regulate the sports system in India have failed, the current situation calls for a two pronged approach wherein sports legislation is supplemented with an education and awareness campaign that encourages, motivates and perhaps provides NGBs and other sporting organisations with incentives to modify their governance and administrative practices to bring them in line with international standards, in order to bring about some much needed accountability and transparency. The legislation should specify broad binding obligations according to which such sports organisations should conduct their affairs with any breaches or violations being punishable by meaningful sanction. The legislation should also provide for the establishment of multi-level arbitration tribunals as well as independent ombudsmen which should be equipped with the power to deal with any disputes relating to sport at the national as well as state level. If implemented properly, such an approach could ensure that the interests of all stakeholders in sport, including those of athletes and the general public are safeguarded.

# Recognition and Oversight of Sub-Ordinate Bodies

1. Executive Summary

Throughout modern history, the administration of sports has traditionally been a private enterprise, with the mantle for organisation and growth of such sports being taken up by international governing bodies over the past few decades. The international governing bodies are the guardians and gate keepers of the sport they represent and are therefore responsible for promoting, growing, regulating and safeguarding such sport for the benefit of its fans, supporters and the wider public. These international governing bodies are often supplemented and assisted by federations and associations at the continental, national, provincial and even local level that are representative organisations for the athletes, clubs, teams and organisations playing such sports in their respective geographical regions. In order to achieve these aims, international governing bodies have established and adopted a broad framework for their sport within which their affiliated associations, federations, clubs, teams and athletes operate. This has resulted in the existence of a multi-tiered ecosystem for each sport, with rules, practices and guidelines being standardised across all levels and geographical regions. To preserve such standardisation and facilitate uniformity across the world, governing bodies have adopted the concept of recognition and membership, wherein associations or federations wishing to govern a particular sport in their respective region are required to adhere to a minimum set of criteria, in order to be recognised. Such recognition not only grants the association and federation an entry into the eco-system established by the governing bodies, but also ensures that the athletes, clubs and teams represented by such associations are granted access to and allowed to participate in events, competitions, leagues and matches related to their sport across the world. Most international sports bodies specify the criteria for recognition of prospective members in their principal statutes. In the event that such criteria is not met or adhered to by an association or federation, such organisations as well as any sub-ordinate organisations, athletes, teams or clubs they represent are locked out of the international framework and all the benefits that are afforded within such framework. Therefore, the recognition system has emerged as the primary tool by which international governing bodies exert a level of control and oversight over sub-ordinate bodies in their sport. In order to provide a brief overview of the recognition/membership systems adopted across the world and the oversight mechanisms incorporated therein, this section compares the rules and regulations adopted by the following five (5) premier international governing bodies:

* **International Olympic Committee (IOC)** – The Olympic Charter
* **Fédération Internationale de Football Association (FIFA)** – The FIFA Statutes
* **World Rugby** – World Rugby Bye-Laws
* **Fédération Internationale de Hockey sur Gazon (FIH)** – FIH Statutes and Bye-Laws
* **International Cricket Council** – Constitution of the ICC

A summary of the key findings and trends witnessed across the five (5) international governing bodies compared for the purpose of this section is provided below:

* With the exception of the IOC, all other international governing bodies grant recognised sub-ordinate bodies or associations with the status of ‘members’ of such governing bodies. The IOC does not consider recognised associations as members.
* The IOC is unique amongst all the international governing bodies compared, by granting recognition to different types of sub-ordinate bodies, i.e., International Federations (that are themselves international governing bodies for their respective sports) and National Olympic Committees, which are the national bodies responsible for implementing the Olympic Movement in their home countries. The other international governing bodies all grant recognition to national associations/governing bodies of their respective sports.
* World Rugby and the ICC both implement a multi-tiered system of membership and recognition, with different sets of criteria and rights specified for each class of membership. This is in contrast to the system adopted by FIFA and FIH where all members are on an equal footing (with respect to rights and obligations), once they are granted recognition.
* All the bodies grant members with rights of participation and voting in the legislative and executive organs of the bodies, with such rights being limited based on the class of membership or type of recognition.
* When compared to the other international bodies, the IOC has the most detailed and stringent rules and obligations relating to governance that must be adhered to by sub-ordinate bodies. The IOC exerts a greater level of control over the activities of the National Olympic Committees rather than the International Federations. International Federations are granted a greater level of autonomy with respect to their functioning and governance.
* The IOC and FIFA also require recognised members to adhere to their respective Code of Ethics and the rules therein which provide additional rules and obligations relating to the governance and administration of such members.
* The regulations adopted by World Rugby, FIH and the ICC provide very limited guidance with respect to governance of their members. The FIH defers to its Continental Federations in this regard, which are recognised associations formed by FIH members from a particular continent or geographic region.
* All the governing bodies require their respective members to comply with the governing bodies’ rules and regulations as one of the chief pre requisites for recognition and continued membership.
* The regulations and statutes of all governing bodies incorporate explicit provisions that require sub-ordinate bodies to be free from government or state interference.
* The primary and most common tool used by the governing bodies to discourage members from breaching their obligations or duties, is the withdrawal or suspension of recognition/membership on an interim or permanent basis, based on the circumstances. The regulations of IOC and World Rugby incorporate explicit measures for withdrawal or suspension of membership in the event of state or government interference in certain activities of their members, such as internal elections.
* FIFA and World Rugby’s regulations incorporate unique sanctions that are not present in the statutes adopted by the other governing bodies. In the case of FIFA, the chief executive body of a member may be replaced by a normalising committee appointed by FIFA in exceptional circumstances. In the case of World Rugby, membership of the breaching member may be reverted to a lower class.
* In exceptional circumstances, executive bodies of Members may be removed from office by the Executive Committee in consultation with the relevant Confederation and replaced by a normalisation committee for a specific period of time.
* The regulations of the FIH, World Rugby and the ICC contemplate an internal dispute resolution mechanism in the first instance, in case of any disputes between members or members and the governing body. The regulations of IOC and FIFA on the other hand, refer any such disputes to the Court of Arbitration for Sport (CAS) directly.

The following sub-sections provide more detailed comparisons of the regulations adopted by each of the governing bodies, based on certain key parameters and criteria that may be important in determining the level of oversight and supervision exercised by the governing bodies over their members or recognised organisations.

1. Recognition and Rules Regarding Recognition

| **Governing Body** | **Empowering Document** | **Recognition/Membership**  **System** | **General Rules Regarding**  **Recognition/Membership** |
| --- | --- | --- | --- |
|  | Olympic Charter | * The Olympic Charter contemplates two distinct types of sports associations/federations that are granted recognition by IOC, with such recognition permitting such sports associations/federations to participate in the Olympic Movement. These sports associations/federations include: * **International Federations (IFs)**: Which are the international or global governing bodies for their respective sports and disciplines; and * **National Olympic Committees (NOCs)**: Which are principal national level sports organisations vested with the exclusive authority for the representation of their respective countries at the Olympic Games as well as any regional, continental or world multi-sports competitions patronised by the IOC and for sending the country’s athletes to such competitions. | **IFs**   * The IFs are required to be international, non-governmental organisations administering one or several sports at the world level and encompassing organisations administering such sports at the national level. * The statutes, practice and activities of the IFs are required to be in conformity with the Olympic Charter, including the adoption and implementation of the World Anti-Doping Code.   **NOCs**   * National sports organisations applying for NOC recognition are required to file an application with the IOC demonstrating that the applicants fulfil all conditions prescribed by the Olympic Charter. * The application for recognition is to be accompanied by proof that the national sports federations, which are the members of each prospective NOC exercise a specific and real on-going sports activity in their country and internationally, in particular by organising and participating in competitions and implementing training programmes for athletes, in their respective sports and disciplines. * The approval of an applicant’s statutes by the IOC Executive Board is a condition for recognition. The same condition applies to any subsequent change or amendment to the statutes of an NOC. |
|  | FIFA Statutes | * FIFA’s single-tiered membership system currently consists of 209 members, which are the national associations responsible for governing the sport of ‘Association Football’ in their respective countries. * FIFA also recognises the ‘Confederations’ that are formed by Members that belong to the same continent/geographical regions in the world. The Confederations that are recognised by FIFA include: * Confederación Sudamericana de Fútbol (CONMEBOL); * Asian Football Confederation (AFC); * Union des Associations Européennes de Football (UEFA); * Confédération Africaine de Football (CAF); * Confederation of North, Central American and Caribbean Association Football (CONCACAF); and * Oceania Football Confederation (OFC). | * Only associations which are responsible for organising and supervising football in all of its forms in its country may become ‘Members’ of FIFA. Further, only one association in each country shall be recognised as a Member by FIFA. * Membership is only permitted if an association is also a member of a Confederation. * FIFA may, in exceptional circumstances, authorise a Confederation to grant membership to an association that belongs geographically to another continent and is not affiliated to the Confederation on that continent, provided that the opinion and consent of the Confederation geographically concerned is obtained. * An association in a region which has not yet gained independence may, with the authorisation of the association in the country on which it is dependent, also apply for admission to FIFA. * A Member is entitled to resign from FIFA with effect from the end of a calendar year provided that the notice of resignation is sent to the FIFA general secretariat no later than six months before the end of the calendar year by registered letter. * The resignation is not valid until the Member wishing to resign has fulfilled its financial obligations (if any) towards FIFA and its other Members. |
|  | World Rugby Bye-Laws | * World Rugby’s members are national rugby ‘Unions’ or ‘Associations’ that are responsible for governing and administering the sport of Rugby in their respective countries. * World Rugby has a two tiered membership system which consists of the following classes of Members: * **Full Members**: Which can participate in all events and tournaments organised or funded by World Rugby; and * **Associate Members**: Which can participate in all World Rugby funded tournaments except the Rugby World Cup. | * Membership to World Rugby may be granted to Unions or Associations based in countries where such entities are solely responsible for governing Rugby’s sporting, technical and general organisation and implementation of all Rugby related matters. * The Executive Committee of World Rugby is granted the power to consider applications for membership made by Unions or Associations. However the World Rugby Council has the ultimate authority to admit a Union and/or Association to membership of World Rugby and to determine whether such Union and/or Association shall be a Full Member or Associate Member. * Unions or Associations that wish to be considered for membership of World Rugby are required to demonstrate compliance with the criteria established by the World Rugby Council from time to time. Such criteria may change from time to time as and without notice to non-Members. |
|  | FIH Statutes | * FIH’s members consist of National Associations or Federations (NAs) that are responsible for the administration, organisation and playing of Hockey in that country. * FIH also recognises the Continental Federations that are formed by the NAs that belong to the same continent. The Continental Federations that are recognised by FIH include: * African Hockey Federation; * Asian Hockey Federation; * European Hockey Federation; * Oceania Hockey Federation; and * Pan American Hockey Federation. | * A NA of a country may remain affiliated to the FIH only if it governs Hockey for both men and women in that country. * The activities of such NA shall be solely and exclusively concerned with the Hockey in their own country but the FIH’s Executive Board may make special and temporary allowance in this regard in respect of new or smaller NAs. * In the case of a country where the creation of a NA is impractical the FIH may admit an organisation of that country as an ‘Adherent Member’. * Adherent Members have no voting rights but are regarded as Members in all other aspects. * Membership of the FIH is conditional upon the applicant for membership being accepted as a member of their respective Continental Federations. * Transfer of membership is forbidden. In the event a Member ceases to be qualified to remain a member or is dissolved, ceases to exist or suspends operations and another body or NA is created or comes into existence in place of that member which satisfies the aforementioned eligibility criteria, this other body may make an application to the FIH to become a Member. Such NA may be granted the status of a Member, in accordance with the rules specified in the FIH Statutes. |
|  | ICC Constitution | * The ICC has a three tiered membership system that consists of national cricket boards/authorities that are responsible for the administration, management and development of the sport of Cricket in their respective countries. These Members are divided into the following 3 classes: * **Full Members:** Which are national cricket boards of countries from which representative teams are qualified to play Test Matches officially recognised by the ICC; * **Associate Members:** Which are national cricket boards from countries that do not qualify as Full Members but are from countries where cricket is recognised by the ICC as being firmly established and organised; and * **Affiliate Members:** Which are national cricket boards from countries that do not qualify as Full Members or Associate Members, but are from countries where the ICC recognises that cricket is played in accordance with the Laws of Cricket. | * Any governing body for cricket of any cricket playing country which seeks election as a Member of the ICC is required to make a written application to the Chief Executive of the ICC for election of itself (if incorporated) or its representative (if it is an unincorporated body or association) to the appropriate class of membership prior to 31st December in any year for consideration at the ICC’s Conference in the immediately following year. * Any application to be a Full Member must be proposed and seconded in writing by two other Full Members. Any application to be an Associate Member must be proposed and seconded in writing by either two Full Members or a Full Member and an Associate Member. Any application to be an Affiliate Member must be proposed in writing by a Full Member or an Associate Member. * Any application or proposal for upgradation of class of membership is also required to follow the rules specified above. |

1. Roles, Obligations and Rules on Governance

| **Governing Body** | **Roles, Obligations and Rules on Governance** |
| --- | --- |
|  | ***General Roles and Obligations***  **IFs**  The roles of recognised IFs as specified under the Olympic Charter are as follows:   * To establish and enforce, in accordance with the Olympic spirit, the rules concerning the practice of their respective sports and to ensure their application. * To ensure the development of their respective sports throughout the world and to contribute to the achievement of the goals set out in the Olympic Charter. * To express their opinions on the candidatures for organising the Olympic Games and in particular as far as the technical aspects of venues for their respective sports are concerned. * To establish criteria of eligibility for the competitions of the Olympic Games in conformity with the Olympic Charter, and to submit these to the IOC for approval. * To assume the responsibility for the technical control and direction of their respective sports at the Olympic Games and, if they agree, at the Games held under the patronage of the IOC. * To provide technical assistance in the practical implementation of the Olympic Solidarity programmes. * To encourage and support measures relating to the medical care and health of athletes.   **NOCs**  The roles of recognised NOCs as specified under the Olympic Charter are as follows:   * To decide upon the entry of athletes proposed by their respective national federations with such selections being based not only on sporting performances but also on the athletes’ ability to serve as an example to the country’s youth. * To ensure that the entries proposed by the national federations comply with the provisions of the Olympic Charter. * To provide for the equipment, transport and accommodation of their delegations and for obtaining the appropriate insurance for their athletes. * To prescribe and determine the clothing and uniforms to be worn, and the equipment to be used, by the members of their delegations on the occasion of the Olympic Games and in sports competitions and ceremonies related thereto. * To assist the IOC with respect to the protection of Olympic intellectual properties in their respective territories. * To promote the fundamental principles and values of Olympism in their countries in the fields of sport and education at all levels and the creation of institutions dedicated to Olympic education. * To ensure the observance of the Olympic Charter in their countries. * To encourage the development of high performance sport as well as sport for all. * To help in the training of sports administrators by organising courses that contribute to the propagation of the Fundamental Principles of Olympism. * To take action against any form of discrimination and violence in sport. * To adopt and implement the World Anti-Doping Code. * To encourage and support measures relating to the medical care and health of athletes.   ***Rules on Governance***  **IFs**  The Olympic Charter grants IFs with a large degree of autonomy and independence in the running of their organisations and administration of their respective sports, provided that the statutes, practices and activities of the IFs within the Olympic Movement are in conformity with the Olympic Charter, including the adoption and implementation of the World Anti-Doping Code.  **NOCs**  NOCs are required to comply with the following obligations and guidelines relating to their governance and administration or risk facing disciplinary measures or losing recognition:  General   * The statutes of the NOC should comply with the Olympic Charter at all times and if there is a contradiction or significant difference between such statutes and the Olympic Charter, the Olympic Charter takes precedence. * An NOC is forbidden from recognising more than one national federation for each sport governed by an IF. Such national federations or the representatives chosen by them must constitute the voting majority of the NOC and of its executive organ. * At least five national federations included in an NOC must be affiliated to the IFs governing sports included in the programme of the Olympic Games. * The area of jurisdiction of an NOC must coincide with the limits of the country in which it is established and has its headquarters. * Each NOC is required to hold a General Assembly or equivalent of its members at least once a year, in accordance with the NOC’s statutes. The agenda of these yearly assemblies shall include the presentation of annual reports and audited financial statements and, as the case may be, the election of officers and members of the executive body of the NOC.   Composition and Membership   * Whatever their composition, NOCs must include: * All elected IOC members in their country, if any. Such members have the right to vote in the general assemblies of the NOC and are considered to be ex-officio members of the NOC executive body, where they have right to vote. * All national federations affiliated to the IFs governing sports included in the programme of the Olympic Games or their representatives; * Elected representatives of athletes and such representatives must have taken part in the Olympic Games. * These athlete representatives must retire from their posts at the latest by the end of the third Olympiad after the last Olympic Games in which they took part. However, the requirement of taking part in the Olympic Games may be relaxed by the IOC on the NOC’s request. * The NOCs may include as members: * National federations affiliated to IFs recognised by the IOC, the sports of which are not included in the programme of the Olympic Games. * Multi sports groups and other sports-oriented organisations or their representatives, as well as nationals of the country who have rendered distinguished services to the cause of sport and Olympism. * Governments or other public authorities are forbidden from designating any members of an NOC. However, an NOC may decide, at its discretion, to elect as members, representatives of such authorities.   Voting and Elections   * The voting majority of an NOC and of its executive body shall consist of the votes cast by the national federations or their representatives. * When dealing with matters related to Olympic Games, only the votes cast by such federations and by the members of the executive body of the NOC are to be taken into consideration. * Subject to the approval of the IOC Executive Board, an NOC may also consider the votes casted by ex-officio members or athlete representatives. * The officers and members of the executive body of an NOC shall be elected in accordance with the NOC’s statutes, for a term of office not exceeding four years. However such officers may be eligible for re-election. * The members of an NOC, except for professional sports administrators, shall not accept any compensation or bonus of any kind in consideration for their services or for the performance of their duties.   Code of Ethics  All recognised NOCs are also required to comply with the provisions of the IOC Code of Ethics and rules therein. |
|  | ***General Roles and Obligations***  The general roles and obligations of recognised Members under the FIFA Statutes are as follows:   * To play/administer Association Football in compliance with the Laws of the Game issued by the International Football Association Board (IFAB), as only the IFAB may lay down and alter the Laws of the Game. * To take part in competitions organised by FIFA. * To pay their membership subscriptions. * To create a referees committee that is directly subordinate to the Member. * To ensure respect for the Laws of the Game.   ***Rules on Governance***  Members of FIFA and their officials are required to comply with the following obligations and guidelines relating to their governance and administration or risk facing disciplinary measures or losing recognition.  General   * To observe and comply with the FIFA Statutes, regulations, decisions and the FIFA Code of Ethics in all their activities. * To comply fully with the Statutes, regulations, directives and decisions of FIFA bodies at any time as well as the decisions of the Court of Arbitration for Sport (CAS). * To convene their supreme and legislative body at regular intervals and at least once every two years. * To enact and ratify statutes that are in accordance with the requirements of the FIFA Statutes. * To manage their affairs independently and ensure that their own affairs are not influenced by any third parties. * To comply fully with all other duties arising from the FIFA Statutes and other regulations.   Independence   * To manage their respective affairs independently and with no influence from third parties. * To ensure that all governing/administration bodies of the Members are either elected or appointed and that the Members provide for a procedure that guarantees the complete independence of the election or appointment. Any Member’s bodies that have not been elected or appointed in compliance with the FIFA Statutes and the decisions passed by such bodies will not be recognised by FIFA.   Member Leagues and Clubs   * Leagues or any other groups affiliated to a Member have to be subordinate to, and recognised by, that Member. * The Member’s statutes have to define the scope of authority and the rights and duties of these groups. Further, the statutes and regulations of these groups shall be approved by the Member. * Every Member is required to ensure that its affiliated clubs, regardless of such club’s corporate structure, can take all decisions on any matters regarding membership independently of any external body. * Each Member is required to ensure that neither a natural nor a legal person (including holding companies and subsidiaries) exercises control over more than one club in instances where the integrity of any match or competition could be jeopardised. |
|  | The World Rugby By-Laws provide limited guidance on the roles and obligations of Members and governance related rules and procedures to be followed by their Members and their officials. The only rules specified explicitly in the By-Laws are as follows:   * To abide by the Bye-Laws, Regulations and Laws of the Game and to accept and enforce all the decisions of World Rugby Council and the Executive Committee in respect of the playing and/or administration of the sport of Rugby throughout the country or countries within the jurisdiction of such member Union or Association. * To ensure that elections to their governing body(ies) take place pursuant to a free and independent democratic process which conforms with applicable national legislation and the requirements of the Common Association Constitution. The Common Association Constitution is the Constitution approved by World Rugby Council pursuant to which Associations/Unions are required to administer and govern their affairs, management and governance. However the scope of the obligations contained in the Common Association Constitution is unclear as the document is not available in the public domain. |
|  | Similar to the World Rugby By-Laws, the FIH Statutes provide limited guidance on the roles and obligations of Members and governance related rules and procedures to be followed by their Members and their officials. The only rules specified explicitly in the FIH Statutes are as follows:   * To pay such subscriptions as are decided by the Congress. * To abide by the Statutes, Bye-laws, Rules, Regulations and decisions of the FIH, the Executive Board and any duly appointed Committees of the FIH, which are binding upon all Members.   In this regard, it should be noted that the FIH defers to the members’ Continental Federations (such as the Asian Hockey Federation), each of which specify their own provisions regarding governance and other aspects of the administration of the sport of Hockey in the Members’ home countries. |
|  | The Constitution of the ICC provides very limited information on the roles and obligations of its Members or any governance related rules and procedures to be followed by their Members and officials. However, the Constitution does place the following obligations on the ICC Members:   * Members to provide for (a) free elections and/or (b) appointments from amongst their members for their executive body or nominees from outside their members appointed by their executive body. This obligation shall be included in their statutes. * Members are also required to avoid any government interference in the administration of cricket by a Member, including but not limited to interference in operational matters, the selection and management of teams, the appointment of coaches or support personnel or the activities of a Member. |

1. Rights, Disciplinary Measures and Dispute Resolution.

| **Governing Body** | **Benefits/Rights of Recognition/Membership** | **Disciplinary Measures** | **Dispute Resolution** |
| --- | --- | --- | --- |
|  | **IFs**  IFs are afforded the following benefits under the Olympic Charter consequent to them being recognised by the IOC:   * Formulate proposals addressed to the IOC concerning the Olympic Charter and the Olympic Movement; * Collaborate in the preparation of Olympic Congresses; * Participate, on request from the IOC, in the activities of the IOC commissions.   **NOCs**  NOCs are afforded the following benefits under the Olympic Charter consequent to them being recognised by the IOC:   * The right to designate, identify or refer to themselves as “National Olympic Committees”; * Send competitors, team officials and other team personnel to the Olympic Games in compliance with the Olympic Charter; * Benefit from the assistance of other Olympic Parties; * Use certain Olympic intellectual properties as authorised by the IOC and in compliance with the Olympic Charter; * Take part in competitions/activities led or patronised by the IOC, including regional games; * Belong to associations of NOCs recognised by the IOC; * Formulate proposals to the IOC concerning the Olympic Charter and the Olympic Movement, including the organisation of the Olympic Games; * Provide their opinions concerning the candidatures for the organisation of the Olympic Games; * Participate, on request from the IOC, in the activities of the IOC Commissions; * Collaborate in the preparation of Olympic Congresses; * Exercise other rights as granted to them by the Olympic Charter or by the IOC, including sending delegates to Olympic Congresses. | In case of any violation of the Olympic Charter, the World Anti-Doping Code, or any other regulations that are applicable to the IFs or NOCs, the Olympic Charter specifies the following sanctions that may be taken by a IOC Session, the IOC Executive Board or the IOC Disciplinary Commission (as applicable):  **IFs**   * Withdrawal from the programme of the Olympic Games of: * a sport (Session); or * a discipline (IOC Executive Board); or * an event (IOC Executive Board). * Withdrawal of provisional recognition; * Withdrawal of full recognition.   **NOCs**   * Suspension of the NOC. In such event, the IOC Executive Board determines in each case the consequences for the NOC concerned and its athletes; * Withdrawal of provisional recognition; * Withdrawal of full recognition, In such a case, the NOC forfeits all rights conferred upon it in accordance with the Olympic Charter; * Withdrawal of the right to organise a Session or an Olympic Congress. * Significantly, the IOC Executive Board may also enforce the above sanctions if the constitution, law or other regulations in force or any act by any governmental or other body in the in the country of an NOC causes the activity of the NOC or the making or expression of its will to be hampered. This essentially means that the IOC can enforce sanctions if there is any government or state interference in the governance of the NOCs. * However, the IOC Executive Board shall offer such NOC an opportunity to be heard before any such decision is taken. | * The IOC does not attempt to mediate or resolve disputes between its member associations, including NOCs or IFs. * Any dispute arising on the occasion of, or in connection with, the Olympic Games, including disputes between IFs or NOCs are to be submitted exclusively to the Court of Arbitration for Sport (CAS), in accordance with the Code of Sports-Related Arbitration. |
|  | Members are afforded the following benefits under the FIFA Statutes consequent to them being recognised and granted membership by FIFA:   * To send delegates, take part and vote in the proceedings of the FIFA Congress; * To draw up proposals for inclusion in the agenda of the FIFA Congress; * To nominate candidates for the FIFA presidency; * To take part in competitions organised by FIFA; * To take part in FIFA’s assistance and development programmes; and * To exercise all other rights arising from the FIFA Statutes and other FIFA regulations. | * In the event of any breaches of the FIFA Statutes or any violations of the obligations contained therein by a Member, the following sanctions may be ordered by the FIFA Congress or the Executive Committee on such Member: * Suspension of the Member, to be confirmed at the next FIFA Congress by a three-quarter majority of the Members present and eligible to vote. * In exceptional circumstances, executive bodies of Members may be removed from office by the Executive Committee in consultation with the relevant Confederation and replaced by a normalisation committee for a specific period of time. * The FIFA Congress may also choose to expel a Member: * If it fails to fulfil its financial obligations towards FIFA; or * If it seriously violates the Statutes, regulations or decisions of FIFA; or * If it loses the status of a nationally recognised association representing Association Football in its Country. * The presence of an absolute majority (more than 50%) of the Members eligible to vote at the Congress is necessary for an expulsion to be valid, and the motion for expulsion must be adopted by a three-quarter majority of the valid votes cast. | * FIFA does not have an internal dispute resolution mechanism to arbitrate disputes between Members. Instead, FIFA recognises the independent CAS to resolve disputes between and among FIFA and Members, Confederations, Leagues, Clubs, Players, Officials, intermediaries and licensed match agents. |
|  | Members are afforded the following benefits under the Rugby By-Laws consequent to them being recognised and granted membership by World Rugby:   * For Full Members, the right to participate in all World Rugby funded or organized tournaments, including the Rugby World Cup. * For Associate Members, the right to participate in tournaments funded by World Rugby, except the Rugby World Cup. * Each Member also has the right to send its representatives to attend and take part in the proceedings of the World Rugby Council. | * Any breach of the World Rugby agreement or any conduct which may be prejudicial to the interests of World Rugby or of the sport of Rugby renders such Union or Association liable to disciplinary action in accordance with the World Rugby’s rules and regulations. Such disciplinary measures include: * Suspension (but not expulsion) from World Rugby membership; * Reversion to associate membership status permanently or as an interim measure pending the next meeting and decision of the World Rugby Council for any reason that the Executive Committee determines is appropriate. * Such measures require the affirmation of a majority of at least three quarters of the Representatives present at the Council meeting. * In addition, Unions or Associations that do not meet membership criteria and/or other conditions governing their membership of World Rugby may have their membership provisionally suspended by the Executive Committee pending a meeting of the Council. * Further, a Union may be suspended or expelled from World Rugby membership pursuant to World Rugby By-Laws and/or Regulations if state authorities interfere in its affairs in such a manner that: * it may no longer be considered as fully responsible for the organisation of rugby related matters in its territory; or * in the opinion of Council or the Executive Committee it is no longer in a position to perform its constitutional and regulatory tasks in an appropriate manner. | * In the event of a dispute between Unions and/or Associations, the Unions and/or Associations concerned may request the CEO of World Rugby to appoint a mediator to assist in settling the differences between the parties. |
|  | * Each Member has the right to send its representatives to attend and take part in the proceedings of the FIH Congress. Other than this right, the FIH Statutes and By-Laws do not specify any substantive benefits or rights that are conferred on its members. As is the case with members’ duties and obligations, the FIH defers to the members’ Continental Federations in this aspect as well. | The FIH Statutes contemplates the following sanctions for Members breaching its Statutes, By-Laws, Rules and Regulations depending on the circumstances and nature of violation:   * Upon the proposal of the Executive Board, the Congress may suspend or expel any Member owing more than two annual subscriptions. Any Member which has been expelled and which is readmitted to membership must pay all arrears up to the date of expulsion. * Unless it settles its outstanding debts at least three (3) months beforehand, no team representing that Member may participate in any Event without the approval of the Executive Board. * The Executive Board can also suspend a Member for conduct which is inconsistent with its responsibilities as a Member subject to such suspension being ratified by a special majority of the Members voting at the next FIIH Congress, which may also decide to expel the Member. The Member shall be given the opportunity to be heard by the FIH Congress. * Further, when a NOC is suspended by the IOC, the FIH undertakes on a request by the IOC to suspend its corresponding NA as a Member and to forbid all other NAs from having any contact with the suspended NA. * If the running or the composition of a NA is arbitrarily modified by the decision of a body from outside the Olympic Movement, such NA may be suspended from the FIH which in turn may request the IOC to suspend the corresponding NOC. * The suspension from the FIH referred to above shall be decided by the Executive Board subject to ratification by the next Congress. * Expulsion, withdrawal or suspension of any Member from the FIH will mean simultaneous expulsion, withdrawal or suspension from the corresponding Continental Federation and vice versa. | * Except when the Statutes, By-Law, Rules and Regulations vest jurisdiction in another body or person, the Judicial Commission (JC) of the FIH is the body vested with the full power and authority to hear and determine all complaints, protests, claims and disputes between Members. * The JC also has jurisdiction in respect of appeals against decisions of other bodies or persons that are authorized under the Statutes, By-Laws, Rules and Regulations to exercise jurisdiction, unless such appeal is thereby excluded. * Any Member which is subject to a decision of the JC may appeal to the CAS, to the exclusion of any other jurisdiction, whether ordinary or arbitrational, in accordance with the Code of Sports-Related Arbitration, within fourteen (14) days of the notification of the decision by the JC. * Pending the decision of the CAS, any sanction imposed by the JC on a member shall be suspended. |
|  | Members are afforded the following benefits under the ICC Constitution consequent to them being recognised and granted membership by the ICC:   * Each Full Member is entitled to appoint an individual as a member of the ICC Executive Board and any individual so appointed shall be a Director and designated as a “Full Member Director”. * Each Full Member Director has one vote at meetings of the Executive Board. * The Associate Members and Affiliate Members’ shall be entitled to appoint, between them, three individuals each of whom is required to be a representative of a different Associate Member or Affiliate Member (as the case may be) as members of the Executive Board and any individual so appointed shall be a Director and shall be designated “Associate Member Director”. Each Full Member Director has one vote at meetings of the Executive Board. | * The Executive Board shall be entitled, by notice in writing to such Member, to suspend that Member with immediate effect from membership of the ICC for such fixed or indefinite period as the Executive Board may decide, in the following circumstances: * The Member fails to comply with any provision of the ICC Constitution; * The Member fails to fulfil any of its financial obligations from time to time to the ICC; * The Member fails to comply with any of its membership obligations or loses its status as the governing body responsible for the administration, management and development of cricket in it country. * The Member acts in such a way as shall be deemed by the Executive Board to bring the game of cricket or the ICC into disrepute or otherwise in contrary to the best interests of cricket or the ICC. * In case the above instances are brought to the Member’s notice and the Member fails to take steps to remedy such failure within the timeframe notified by and to the satisfaction of the Executive Board. * For so long as a Member is suspended, it is deprived of all of its rights as a Member. | * In the event of any dispute arising between the Members or between any Member and the ICC or any director or officer thereof, the parties are required submit to such dispute resolution process as may be provided in the Committee Manual drafted by the ICC or such dispute resolution process as the Members may from time to time agree and set down in a Members’ Agreement. |

Primary Resources:

* The Olympic Charter
* The FIFA Statutes
* World Rugby By-Laws
* FIH Statutes and By-Laws
* Constitution of the ICC

# Ethics Codes Across Sports Bodies

1. Executive Summary

Over the last decade there has been a demonstrable increase in attention and scrutiny aimed towards the functioning and organisation of sports governing bodies around the world. This is partly due to the numerous scandals, controversies and allegations relating to illegal, immoral or unethical methods and practices that have engulfed some of the world’s premier governing bodies, across sports. As the guardians of their respective sports and disciplines, these governing bodies have a responsibility to safeguard the interests, image, integrity and reputation of not only the sports/disciplines they represent but also the bodies themselves. A governing body with an untarnished reputation has a strong image in the public’s eye and helps to build trust and a greater following for the sport. In order to counter accusations and inferences regarding their functioning and practices, several of these sports bodies have begun to introduce codes and regulations relating to ethics which provide the core beliefs and values according to which such organisations and their members as well as all related parties conduct their activities and govern their respective sport. These codes also provide ethical frameworks to combat the pressures and externalities affecting these sports bodies in the 21st century that, directly or indirectly, undermine the traditional beliefs and core foundations of sport, such as fair play and sportsmanship. In order to provide a greater understanding of such ethics codes adopted across the sporting spectrum, this section attempts to compare and provide an overview of the codes adopted by five (5) premier international governing bodies, which govern a wide range of sporting disciplines. The five (5) governing bodies and their respective ethics codes that have been reviewed and compared for the purposes of this section are listed below:

* **Fédération Internationale de Football Association (FIFA)** – FIFA Code of Ethics;
* **International Olympic Committee (IOC)** – IOC Code of Ethics;
* **Fédération Internationale de Hockey sur Gazon (FIH)** – FIH Code of Ethics & FIH Conflict of Interest/Confidentiality Policy and Guidelines;
* **International Cricket Council (ICC)** – Code of Ethics for the ICC;
* **Asian Football Confederation (AFC)** – AFC Code of Ethics.

A summary of the key takeaways and trends observed across these five (5) ethics related codes adopted by these governing bodies is discussed below:

* In terms of scope and breadth of application, the IOC Code of Ethics appears to be the most comprehensive code, when compared to the other ethics codes. The ethics codes adopted by FIFA and the AFC (which are substantively similar) are next in line with respect to the scope of obligations covered, followed by the codes adopted by the ICC and FIH. In this context, it should be noted that the FIH Code of Ethics, is supplemented with a separate document (FIH Conflict of Interest/Confidentiality Policy and Guidelines) that specifically deals with obligations relating to conflict of interest.
* The IOC Code of Ethics has the unique distinction of providing detailed policies and guidelines relating to the governance of sub-ordinate bodies under its ‘Basic Universal Principles of Good Governance of the Olympic and Sports Movement’, which are incorporated under the Implementing Provisions of the IOC Code. None of the other ethics codes reviewed appear to have incorporated similar policies with respect to their sub-ordinate bodies or members.
* The ethics codes adopted by the IOC, FIFA, FIH and the AFC are applicable not only on persons that are associated with the governing bodies themselves, but also on persons involved with sub-ordinate bodies, such as National Olympic Committees, International Federations, Member Associations etc. In contrast, the ethics code adopted by the ICC is very limited and is applicable only to persons who ‘direct and support’ the ICC, which includes, Member Directors, members or any ICC Committees, ICC executives and ICC staff.
* Only the ethics codes of FIFA and AFC specify explicit ethical obligations on the part of players, match officials and agents, whereas the ethics codes adopted by the IOC, FIH and the ICC are largely limited to non-playing personnel, members and staff.
* The IOC appears to have the most detailed and strict provisions regarding conflict of interest, which are specified under the “Rules Concerning Conflicts of Interest Affecting the Behaviour of Olympic Parties” that are incorporated under the Implementing Provisions of the IOC Code of Ethics. Further, the FIH’s Conflict Of Interest/Confidentiality Policy and Guidelines have attempted to capture the IOC’s rules and guidelines relating to conflict of interest.
* The Code of Ethics for the ICC appears to have the most detailed provisions regarding activities relating to betting, gaming, gambling, impropriety, match fixing and game integrity, which is understandable, considering the slew of match fixing claims and allegations that have been raised in the sport of Cricket in recent years.
* All of the codes reviewed, with varying levels of strictness, forbid persons bound by such codes from accepting gifts, commissions and from engaging in corrupt conduct when undertaking their responsibilities or conducting their activities.
* The ethics codes of the IOC, FIFA and AFC provide for the establishment of formal ethics bodies that have the powers to investigate any breaches of the codes and recommend sanctions/disciplinary action. On the other hand, the ICC’s code contemplates the appointment of a single ‘Ethics Officer’ (assisted by the ICC’s in-house legal team) who also has the power to investigate alleged breaches/violations and recommend disciplinary measures in case of confirmation. With respect to the FIH, any breaches are to be reported to and investigated by the IOC’s Ethics Commission.

The following sub-sections provide more detailed comparisons of each of the ethics codes, based on certain key parameters and criteria that are important in determining the scope, coverage and intended effectiveness of the regulations. A more detailed discussion on the ethical obligations included in each of the codes examined in this section is provided under sub-section 4.

1. Applicability and Scope

| **Association/League** | **Relevant Regulations** | **Applicability** | **Scope of Code** |
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|  | FIFA Code of Ethics | * All officials and players as well as match and players’ agents who are bound by the FIFA Code of Ethics on the day on which the infringement is committed. | The FIFA Code of Ethics specifies ethical obligations for persons bound by the code under the following broad topics:   * General rules of conduct; * Political neutrality; * Confidentiality; * Forgery and falsification; * Duty of disclosure, cooperation and reporting; * Conflict of interest; * Offering and accepting gifts and other benefits: * Bribery and Corruption; * Commissions; * Non-discrimination; * Protection of physical and mental integrity; and * Integrity of matches and competitions. |
|  | IOC Code of Ethics | All ‘Olympic Parties’ which include the following:   * The International Olympic Committee (IOC); * Each IOC Member; * International Federations; * The National Olympic Committees; * Each Host City hosting/organising or wishing to host/organise the Olympic Games; * The Organising Committees of the Olympic Games; * The Olympic Games participants; and * Recognised Organisations. | The IOC Code of Ethics specifies ethical obligations for ‘Olympic Parties’ under the following broad headings:   * Fundamental Principles * Integrity of Conduct; * Integrity of Competitions; * Relations with states; * Good Governance and resources; * Candidatures; and * Confidentiality.   Further, the Code provides extremely detailed supplementary rules and guidelines on good governance (Basic Universal Principles of Good Governance of the Olympic and Sports Movement) and conflicts of interests (Rules Concerning Conflicts of Interests Affecting the Behaviour of Olympic Parties) as well as the following specific situations:   * Directions Concerning the Election of the IOC President; * Rules of Conduct for the Candidature Process (Olympic Games 2024); * Rules of Conduct for the Candidature Process (Youth Olympic Games); and * Rules of Conduct for the International Federations Seeking Inclusion in the Olympic Programme. |
|  | FIH Code of Ethics  &  FIH Conflict Of Interest/Confidentiality  Policy And Guidelines | * Members of the FIH; * The FIH Executive Board; * Members of any other committee or body appointed by the FIH; and * Staff employed by the FIH. | The FIH Code of Ethics Specifies ethical obligations for all persons bound by the Code, under the following broad topics:   * Dignity; * Integrity; * Relations with states; * Confidentiality; and * Good Governance and resources.   The above obligations are broadly in line with those specified in the IOC Code of Ethics. However, obligations relating to Conflict of Interest are incorporated under a separate document which complements the FIH Code, i.e., the FIH Conflict of Interest/Confidentiality Policy and Guidelines. |
|  | Code of Ethics for the ICC | Persons directing and supporting the ICC, including, without limitation:   * Members of all ICC Committees, Full Member Directors and Associate Member Directors; * the President, the Chairman and the Chief Executives; * All alternate directors; and * All ICC staff (whether employees or consultants). | The Code of Ethics for the ICC specifies ethical obligations under the following broad topics:   * General conduct; * Fiduciary duties; * Conflicts of interest; * Confidentiality; * Integrity (bribery, gifts and hospitality); * Relationships with Betting Organisations and Match Related Integrity. |
|  | AFC Code of Ethics | * All officials and players as well as match and players’ agents. | The AFC Code of Ethics is substantively similar to the FIFA Code of Ethics and specifies ethical obligations under the following broad topics:   * General rules of conduct; * Political neutrality; * Confidentiality; * Forgery and falsification; * Duty of disclosure, cooperation and reporting; * Conflicts of interest: * Offering and accepting gifts and other benefits; * Bribery and corruption; * Commissions; * Non-discrimination; * Protection of physical and mental integrity; and * Integrity of matches and competitions. |

1. Formal Ethics Body/Officer and Enforcement Measures

| **Association/League** | **Formal**  **Ethics Body/Officer** | **Powers of Ethics Body** | **Procedural Rules Specified** | **Disciplinary Measures /Sanctions** | **Provision for Appeals** |
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|  |   (Ethics Committee) | The powers of the Ethics Committee for any breaches of the FIFA Code of Ethics include:   * Initiate investigative proceedings for any breaches; * Initiate adjudicatory proceedings based on the report provided after investigation; * Specify sanctions and disciplinary measures; * Consider appeals; and * Review closed cases. |  | Breaches of the FIFA Code of Ethics are punishable by one or more of the following sanctions depending on whether the person breaching the code is an individual or an entity:   * Warnings; * Reprimands; * Fines; * Return of awards; * Match suspensions; * Bans from dressing rooms and/or substitutes’ bench; * Bans on entering a stadium; * Bans on taking part in any football-related activity; or * Social development work. |  |
|  |   (Ethics Commission) | The powers of the Ethics Commission include:   * To define and update a framework of ethical principles, including a Code of Ethics, based upon the values and principles enshrined in the Olympic Charter, of which the Code forms an integral part. * To initiate investigative proceedings and an inquiry (as appropriate) in case of any breach of the IOC Code of Ethics; * Conduct hearings and request written submissions from affected parties and witnesses if necessary; and * Propose appropriate sanctions or disciplinary measures. |  | Breaches of the IOC Code of Ethics are punishable by one or more of the sanctions specified under Rule 59 of the Olympic Charter, which specifies different sanctions for individuals, Member Associations, International Federations, National Olympic Committees, Host Cities etc.  The sanctions for individuals include:   * Reprimands; or * Suspensions.   The sanctions for associations, Internal Federations and National Olympic Committees include:   * Withdrawal of a sport, discipline or event from the Olympic programme; * Withdrawal of provisional or full recognition by the IOC; * Withdrawal of rights to host a Session or an Olympic Congress; or * Suspension of representatives from the IOC Executive Board.   The sanctions for Host Cities or prospective Host Cities include:   * Withdrawal of the right to host the Olympic Games; or * Withdrawal of the right to be an applicant or a candidate city to host the Olympic Games. |  |
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|  |   (Ethics Officer) | The powers of the Ethics Officer for any breaches of the Code of Ethics for the ICC include the power to:   * Review an alleged violation; * Conduct an investigation; * Hold a formal hearing; and * Recommend sanctions or disciplinary measures. |  | * Sanctions/disciplinary measures are to be recommended by the Ethics Officer, which are then referred to the ICC Board for ultimate determination. |  |
|  |   (Ethics Committee) | The powers of the Ethics Committee for any breaches of the AFC Code of Ethics are substantively in line with the powers granted to FIFA’s Ethics Committee. These powers include:   * Initiate investigative proceedings for any breaches; * Initiate adjudicatory proceedings based on the report provided after investigation; * Specify sanctions and disciplinary measures; * Consider appeals; and * Review closed cases. |  | Breaches of the AFC Code of Ethics are punishable by one or more of the following sanctions depending on whether the person breaching the code is an individual or an entity:   * Warnings; * Reprimands; * Fines; * Return of awards; * Match suspensions; * Bans from dressing rooms and/or substitutes’ bench; * Bans on entering a stadium; * Bans on taking part in any football-related activity; or * Social development work |  |

1. Scope of Ethical Obligations Under Each Code of Ethics

| **FIFA CODE OF ETHICS** |
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| The FIFA Code of Ethics (the “**FIFA Code**”) places the following ethical obligations on all persons that are bound by the FIFA Code:   * **General rules of conduct**: To respect all applicable laws and regulations and FIFA’s regulatory framework, show a commitment to an ethical attitude, not abuse or take advantage of their position, behave in a dignified manner and act with credibility and integrity. * **Political neutrality:** To remain neutral in their dealings with governments and institutions, national and international organisations, associations and groupings. * **Fiduciary Loyalty:** To have a fiduciary duty towards FIFA and their respective Confederations, associations, leagues and clubs. * **Confidentiality:** To treat information of a confidential nature as confidential or secret if such information is consistent with FIFA principles. * **Forgery and falsification**: To not engage in the forging of a document, falsifying of an authentic document or using forged or falsified documents. * **Duty of disclosure, cooperation and reporting**: To report any potential breaches of the FIFA Code to the Ethics Committee or clarify the facts of any cases or possible breaches, and, in particular, declare details of their income and provide relevant evidence for inspection. * **Conflict of interests:** * To disclose any personal interests that could be linked with their prospective activities; * To avoid any situation that could lead to conflict of interest; * To not perform their duties in case of an existing or potential conflict of interest; * To immediately disclose any conflict and notify the organisation for which the person performs his/its duties; * If an objection is made concerning an existing or potential conflict of interest with respect to a person bound by the FIFA Code, to immediately report such objection to the organisation for which the person performs his duties for appropriate action. * **Offering and accepting gifts and other benefits:** To only offer or accept gifts or other benefits to and from persons within or outside FIFA, or in conjunction with intermediaries or related parties which: * Have symbolic or trivial value; and * Exclude any influence for the execution or omission of any official act; and * Are not contrary to their duties; and * Do not create any undue pecuniary or other advantage; and * Do not create a conflict of interest. * Any gifts or other benefits that do not meet all of the above criteria, especially cash, in any amount or form, are forbidden under the FIFA Code. * **Bribery and Corruption:** * To not offer, promise, give or accept any personal or undue pecuniary or other advantage in order to obtain or retain business or any other improper advantage to or from anyone within or outside FIFA. All such acts are prohibited under the FIFA Code, whether carried out directly or indirectly with the help of other persons; * To not offer, promise, give or accept any undue pecuniary or other advantage for the execution or omission of an act that is related to their official activities or contrary to their duties or falls within their discretion. * To report any such offer to the Ethics Committee. Any failure to do so is sanctionable in accordance with the FIFA Code. * Persons bound by the FIFA Code are prohibited from misappropriating FIFA assets, regardless of whether carried out directly or indirectly through, or in conjunction with, intermediaries or related parties, as defined in the FIFA Code. * **Commissions:** Persons bound by the FIFA Code are forbidden from accepting commission or promises of such commission for negotiating deals or performing their duties unless the applicable entity, i.e., a FIFA Member Association has expressly permitted them to do so. * **Non-discrimination:** To not offend the dignity or integrity of a country, private person or group of people through contemptuous, discriminatory or denigratory words or actions on account of race, skin colour, ethnic, national or social origin, gender, language, religion, political opinion or any other opinion, wealth, birth or any other status, sexual orientation or any other reason. * **Protection of physical and mental integrity:** To respect the integrity of others involved and ensure that the personal rights of every individual whom they contact and who is affected by their actions are protected, respected and safeguarded. The FIFA Code also forbids any form of harassment, including sexual harassment. * **Integrity of matches and competitions:** Persons bound by the FIFA Code are forbidden from taking part in, either directly or indirectly, or otherwise being associated with, betting, gambling, lotteries and similar events or transactions connected with football matches and forbidden from having stakes, either actively or passively, in companies, concerns, organisations, etc. that promote, broker, arrange or conduct such events or transactions. |

| **IOC CODE OF ETHICS** |
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| The IOC Code of Ethics (the “**IOC Code**”) places several ethical obligations on all Olympic Parties, some of which are universal in nature and some of which are to be adhered to depending on the circumstances and nature of the Olympic Parties. These universal ethical obligations, which are to be followed by all Olympic Parties, are discussed in brief, below:  **Fundamental Principles**   * Respect for the Olympic spirit, which requires mutual understanding with a spirit of friendship, solidarity and fair play; * Respect for the principles of the universality and political neutrality of the Olympic Movement; * Maintaining harmonious relations with state authorities, while respecting the principle of autonomy as set out in the Olympic Charter; * Respect for international conventions on protecting human rights insofar as they apply to the Olympic Games’ activities and which ensure in particular: * respect for human dignity; * rejection of discrimination of any kind on whatever grounds, (whether race, colour, sex, sexual orientation, language, religion, political or other opinion, national or social origin, property, birth or other status); * rejection of all forms of harassment (whether physical, professional or sexual), and any physical or mental injuries; * Ensuring the participants’ conditions of safety, well-being and medical care favourable to their physical and mental equilibrium.   **Integrity of Conduct**   * To act with due care and diligence in fulfilling their mission. * To act with the highest degree of integrity, and particularly when taking decisions, and to act with impartiality, objectivity, independence and professionalism. * To refrain from any act involving fraud or corruption and to act in a manner likely to tarnish the reputation of the Olympic Movement. * To not, directly or indirectly, through their representatives or otherwise, solicit, accept or offer any form of remuneration or commission nor any concealed benefit or service of any nature, connected with the organisation of the Olympic Games. * To provide or receive only such tokens of consideration or friendship of nominal value, provided that such tokens do not result in the impartiality and integrity of the Olympic Parties being called into question. Any other gift is required to be passed on to the organisation of which the beneficiary is a member. * To show hospitality with a sense of measure for Olympic Parties as well as those accompanying them. * To refrain from placing themselves in any conflict of interests and respect the ‘Rules Concerning Conflicts of Interests Affecting the Behaviour of Olympic Parties’.   **Integrity of Competitions**   * To combat all forms of cheating and continue to undertake all the necessary measures to ensure the integrity of sports competitions. * To respect the provisions of the World Anti-Doping Code. * All forms of participation in, or support for, or promotion of, betting related to the Olympic Games, are prohibited. * To not, in any manner whatsoever, manipulate the course or result of a competition, or any part thereof, in a manner contrary to sporting ethics, infringe the principle of fair play or show unsporting conduct. * To not involve themselves or their agents with firms or persons whose activity or reputation is inconsistent with the principles set out in the Olympic Charter and the IOC Code. * To neither give nor accept instructions to vote or intervene in a given manner within the organs of the IOC.   **Candidatures**   * To respect the integrity of any candidature procedure initiated by the IOC, in order to allow equal access to the promotion of each candidature and to refuse of any risk of conflict of interests. * To not make any public declaration appearing to give a favourable opinion of one of the candidatures. * To respect the various manuals and procedures published by the IOC linked to the selection of Host Cities of the Olympic Games, in particular the ‘Rules of Conduct Applicable to All Cities Wishing to Organise the Olympic Games.’   **Confidentiality**   * The IOC Ethics Commission and any person concerned by the activities of the IOC Ethics Commission should strictly respect the principle of confidentiality in all their activities.   **Good Governance and Resources**   * To respect the basic universal principles of good governance, in particular transparency, responsibility and accountability. * To use Olympic resources only for Olympic purposes. * To record all income and expenditure appropriately in their respective accounts, which accounts must be maintained in accordance with generally accepted accounting principles and should be checked by any independent auditor. * In cases where the IOC gives financial support: * the use of these resources for Olympic purposes must be clearly demonstrated in the accounts of Olympic Parties; * the accounts of the Olympic Parties may be subjected to auditing by an expert designated by the IOC Executive Board. * To ensure that broadcasters, sponsors, partners and other supporters of sports events do not interfere in the running of sporting institutions and the organisation of sports competitions and should refrain from supporting or promoting a candidature within any of the candidature procedures.   The IOC provides more detailed guidance on good governance practices in the ‘Basic Universal Principles of Good Governance of the Olympic and Sports Movement’, which are incorporated under the Implementing Provisions of the IOC Code. The principles included therein, which are to be followed by certain Olympic Parties, are discussed in brief below:  **Vision, mission and strategy**   * Clearly defining the vision and overall goals of the organisations. * Defining a mission that includes: * development and promotion of sport through non-profit organisations; * promotion of the values of sport; * organisation of competitions; * ensuring a fair sporting contest at all times; * protection of the members and particularly the athletes; * solidarity; * respect for the environment. * Aligning strategy with the vision and adapting it to the current environment. Such strategy should also be elaborated at the highest level of the organisation.   **Structures, regulations and democratic process**   * All sports organisations should be based on the concept of membership within entities established in accordance with applicable law with such sport organisations being permitted to include legal or physical persons as members. * The stakeholders of the organisation should encompass all members as well as all external entities that are involved and have a link, relation with or interest in the organisation. * All regulations of each organisation, including but not limited to, statutes and other procedural regulations, should be clear, transparent, disclosed, publicised and made readily available in order to facilitate understanding, predictability and good governance. The procedure to modify or amend such regulations should also be clear and transparent. * Democratic processes, such as elections, should be governed by clear, transparent and fair rules. * The size of the governing bodies should be adequate and consistent with the size of the sports organisations. * The tasks and responsibilities of the governing bodies should be clearly defined in the applicable regulations and should be adapted and reviewed as necessary. * Governing bodies should be entitled to create standing or ad hoc committees with specific responsibilities, in order to help them in their tasks. * The organisation should set out and adopt reliable and appropriate criteria for the election or appointment of members in governing bodies so as to ensure a high level of competence, quality and good governance. * Members of the organisation should be represented within the governing bodies, particularly women and athletes, with special care to be taken for protection and representation of minority groups. * A clear allocation of responsibilities between the different bodies such as general assembly, executive body, committees or disciplinary bodies, should be determined. * There should be a balance of power between the bodies responsible for the management, supervision and control of the sports organisations by following the principle of checks and balances. * All members of the governing body should have the right to express their opinion through appropriate channels as well as the right to vote and exercise such vote in appropriate form as defined in the regulations of the organisation. * Decision-making bodies should be fully aware of all relevant information before taking a decision and should meet on a regular basis taking into consideration their specific duties and obligations. * Members of any decision-making body should be independent in their decisions. No-one with a personal or business interest in the issue under discussion should be involved in the decision. Adequate procedures should be established in order to avoid any conflicts of interests. * The duration of the terms of office should be pre-determined in order to allow election / renewal of office-bearers on a regular basis. However access for new candidates should be encouraged. * Any member affected by a decision of a disciplinary nature taken by any sports organisation should be offered the possibility to submit an appeal to an independent body within the sport’s jurisdictions. When taking decisions, special attention should be paid to the appropriate balance between transparency and protection of privacy.   **Highest level of competence, integrity and ethical standards**   * Members of the executive body should be chosen on the basis of their ability, competence, quality, leadership capacity, integrity and experience and the use of outside experts in specific fields should be considered when necessary. * As a general rule, individual signature should be avoided for binding obligations of an organisation. Further, in order to avoid any abuse of powers of representation (in particular signing), adequate rules should be set up, approved and monitored at the highest level and precise, clear and transparent regulations should be established and applied, which should be complemented with effective controlling systems and checks and balances. * Good information flow should be facilitated in order to ensure good understanding of activities undertaken and allow managers/executives to make timely and informed decisions. * A clear and adequate risk-management process should be put in place, which shall include: * identification of potential risks for the sports organisations; * evaluation of risks; * control of risks; * monitoring of risks; * disclosure / transparency. * The majority of the members of management should be professional with candidates having professional competency and an impeccable professional history. * The selection process should be based on objective criteria and should be set out clearly. * Sports organisations should develop, adapt and implement ethical principles and rules. Ethical rules should refer to and be inspired by the IOC Code. The organisation should ensure monitoring and the implementation of ethical principles and rules.   **Accountability, transparency and control**   * All bodies, whether elected or appointed, should be accountable to the members of the organisation and, in certain cases, to their stakeholders. In particular, the executive body should be accountable to the principle decision making body of the organisation, with management being accountable to the executive body and employees being accountable to management. * Adequate standards and processes for accountability should be in place and available to all organisations and consistently applied and monitored. Clear and measurable objectives and targets should be specified for the organisation, its boards, management and staff, including also appropriate tools for assessment. * Financial information should be disclosed gradually and in appropriate form to members, stakeholders and the public. * Disclosure of financial information should be done on an annual basis with financial statements being presented in a consistent manner in order to be easily understood. * Accounting and recording standards should be established in accordance with the applicable laws and “true and fair view” principle. * The application of internationally recognised standards should be strongly encouraged and/or mandated, as appropriate. * Annual financial statements should be audited by independent and qualified auditors, with information about remuneration and financial arrangements of the governing bodies’ members included in the annual accounts. * Financial revenues should be distributed in a fair and efficient manner which would contribute to having balanced and attractive competitions. A clear and transparent policy for the allocation of the financial revenues is essential. * Resources should be distributed equitably. * Further, the right to participate in competitions should be encouraged and secured for those at an appropriate level. * The opportunity to organise large sports events should be open with the criteria for choosing venues for events being be fair and transparent. * The development of partnership relations between different sports organisations and the expansion of sports facilities in developing countries should be encouraged and promoted.   **Athletes’ involvement, participation and care**   * The right of athletes to participate in sports competitions at an appropriate level should be protected and efforts should be taken to ensure that the voices of the athletes are heard in sporting organisations. * Measures should be taken to prohibit exploitation of young athletes and to protect them from unscrupulous recruiters and agents. Further, cooperation with the government of the countries concerned should be developed and uniform codes of conduct should be signed by all sport organisations. * Sports organisations should adopt rules for the protection of the athletes and to limit the risk of endangering the athletes’ health * Sports organisations should fight doping and uphold anti-doping policy. Further, zero tolerance in the fight against doping should be encouraged in all sports organisations at all levels. * Sports organisations should protect the athletes from doping in particular through prevention and education. * Insurance in case of death or serious injury is to be recommended for all athletes and should be mandatory for junior athletes. * Efforts should be made to provide athletes with social security coverage and facilitate the availability of insurance policies. The organisers of sports events should obtain adequate insurance coverage for their events. * Sports organisations should promote fair play and promote the values of sport and friendship. * Sports organisations should encourage educational programmes and career management programmes for athletes and promote training for new professional opportunities after the athletes finish their careers.   **Harmonious relations with governments while preserving autonomy**   * Sporting organisations should coordinate their actions with governments, as it is an essential element in the framework of sporting activities. * Governments, constituents of the Olympic Movement, other sports organisations and stakeholders have a complementary mission and should work together towards the same goals. However, the right balance between governments, the Olympic Movement and sporting organisations should be ensured.   **Conflict of Interest**  The IOC Code also specifies certain obligations pertaining to conflict of interest which is applicable not only to the Olympic Parties, but also all members or staff with actual decision-making power within them. Each such legal person is also permitted to define other categories of persons for whom such rules can be applicable, while informing the IOC Ethics Commission. These obligations are specified under the “Rules Concerning Conflicts of Interest Affecting the Behaviour of Olympic Parties” (“**Rules**”) that are incorporated under the Implementing Provisions of the IOC Code. A summary of these Rules is provided below:  **Definition and Scope of Conflict of Interest**   * The Rules draw a distinction between “potential conflict of interests” and actual “conflict of interests”. The Rules prohibit any form of actual conflict of interests but not potential conflict of interests. * The Rules specify that a potential conflict of interests arises when the opinion or decision of a person, acting alone or within an organisation, in the framework of the activities of the Olympic Parties and legal persons covered under the Rules, may be reasonably considered as liable to be influenced by relations that the aforementioned person has had or is on the point of having with another person or organisation that would be affected by the person’s opinion or decision. * Further, the Rules specify that an actual case of conflict of interests arise when any person who, having abstained from declaring a situation of a potential conflict of interests, expresses an opinion or takes a decision in the circumstances described above. * In assessing whether a situation is an actual or potential conflict of interest, the Rules require that direct as well as indirect interests must be taken into account. These include the interests of a third person (such as parents, spouses, relatives or dependents). * The Rules also provide an indicative, non-exhaustive list of situations which could constitute conflict of interest. These include: * personal and / or material involvement (salary, shareholding, various benefits) with suppliers of the Olympic Party concerned; * personal and / or material involvement with sponsors, broadcasters, various contracting parties; * personal and / or material involvement with an organisation liable to benefit from the assistance of the Olympic Party concerned (including subsidy, approval clause or election).   **Resolution of Conflict of Interests**   * The Rules place a personal responsibility on each party bound by the Rules to avoid any case of conflict of interests. * If a party bound by the Rules is faced with a situation of a potential conflict of interest, the person concerned is required to refrain from expressing an opinion, from making or participating in making a decision or accepting any form of benefit whatsoever. * In the event such party wishes to continue to act or is uncertain as to the steps to be undertaken, he/she must inform the IOC Ethics Commission of the situation, which shall be dealt with the IOC Ethics Commission in accordance with the Rules.   **Role of IOC Ethics Commission and IOC Executive Board**   * The IOC Ethics Commission is responsible for advising persons, at their request, in a situation of a potential conflict of interests. * The Commission may, in addition to any complementary measures, propose a solution to the person concerned from the following options: * registering the declaration without any particular measure; * removal of the person involved from part or all of the action or from the decision of the Olympic party at the root of the conflict; * relinquishment of the management of the external interest causing the conflict. * The person concerned is then permitted to take steps that he / she considers appropriate. * In the event that a person neglects to declare a situation of a potential conflict of interests, the IOC President or one of the IOC Vice-Presidents may refer the case to the IOC Ethics Commission in accordance with the conditions set out in its Rules of Procedure. * Consequently, the IOC Ethics Commission is required to recommend a course of action to the IOC Executive Board a decision that may include the options specified above. * Any case of conflict of interest is dealt with in accordance with the provisions of the Olympic Charter and the ‘Rules of Procedure’ of the IOC Ethics Commission. However, the IOC Executive Board is responsible, in the final instance, for taking decisions concerning conflicts of interests.   In addition to the general ethical obligations and specific rules relating to conflict of interest elucidated above, the Code of Ethics also specifies certain rules and guidelines on conduct which are to be observed by Olympic Parties based on their circumstances and nature. These situation specific rules and guidelines include:   * Directions Concerning the Election of the IOC President; * Rules of Conduct for the Candidature Process (Olympic Games 2024); * Rules of Conduct for the Candidature Process (Youth Olympic Games); and * Rules of Conduct for the International Federations Seeking Inclusion in the Olympic Programme. |

| **AFC CODE OF ETHICS** |
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| The AFC Code of Ethics (the “**AFC Code**”) is substantively similar in scope and subject matter to the FIFA Code. Therefore, many of the ethical obligations recorded in the FIFA Code are also included in the AFC Code. These obligations on persons bound by the AFC Code include:   * **General rules of conduct**: To respect all applicable laws and regulations and AFC’s as well as FIFA’s regulatory framework, to show a commitment to an ethical attitude, to not abuse or take advantage of their position and to behave in a dignified manner and act with credibility and integrity. * **Political neutrality:** To remain neutral in their dealings with governments and institutions, national and international organisations, associations and groupings. * **Fiduciary Loyalty:** To have a fiduciary duty towards the AFC, FIFA and their respective associations, leagues and clubs. * **Confidentiality:** To treat information of a confidential nature as confidential or secret if such information is consistent with AFC or FIFA principles. * **Forgery and falsification**: To not engage in the forging of a document, falsifying of an authentic document or using forged or falsified documents. * **Duty of disclosure, cooperation and reporting**: To report any potential breaches of the AFC Code to the Ethics Committee or clarify the facts of any cases or possible breaches, and, in particular, declare details of their income and provide relevant evidence for inspection. * **Conflict of interests:** * To disclose any personal interests that could be linked with their prospective activities; * To avoid any situation that could lead to conflicts of interest; * To not perform their duties in case of an existing or potential conflict of interest; * To immediately disclose any conflict and notify the organisation for which the person performs his/its duties; * If an objection is made concerning an existing or potential conflict of interest with respect to a person bound by the AFC Code, to immediately report such objection to the organisation for which the person performs his duties for appropriate action. * **Offering and accepting gifts and other benefits:** To only offer or accept gifts or other benefits to and from persons within or outside the AFC, or in conjunction with intermediaries or related parties which: * Have symbolic or trivial value; and * Exclude any influence for the execution or omission of any official act; and * Are not contrary to their duties; and * Do not create any undue pecuniary or other advantage; and * Do not create a conflict of interest. * Any gifts or other benefits that do not meet all of the above criteria, especially cash, in any amount or form, are forbidden under the AFC Code. * **Bribery and Corruption:** * To not offer, promise, give or accept any personal or undue pecuniary or other advantage in order to obtain or retain business or any other improper advantage to or from anyone within or outside the AFC or FIFA. All such acts are prohibited under the AFC Code, whether carried out directly or indirectly with the help of other persons; * To not offer, promise, give or accept any undue pecuniary or other advantage for the execution or omission of an act that is related to their official activities or contrary to their duties or falls within their discretion. * To report any such officer to the Ethics Committee. Any failure to do so is sanctionable in accordance with the AFC Code. * Persons bound by the Code are prohibited from misappropriating AFC assets, regardless of whether carried out directly or indirectly through, or in conjunction with, intermediaries or related parties, as defined in the AFC Code. * **Commissions:** Persons bound by the AFC Code are forbidden from accepting commission or promises of such commission for negotiating deals or performing their duties unless the applicable entity, i.e., an AFC Member Association has expressly permitted them to do so. * **Non-discrimination:** To not offend the dignity or integrity of a country, private person or group of people through contemptuous, discriminatory or denigratory words or actions on account of race, skin colour, ethnic, national or social origin, gender, language, religion, political opinion or any other opinion, wealth, birth or any other status, sexual orientation or any other reason. * **Protection of physical and mental integrity:** To respect the integrity of others involved and ensure that the personal rights of every individual whom they contact and who is affected by their actions is protected, respected and safeguarded. The AFC Code also forbids any form of harassment or sexual harassment. * **Integrity of matches and competitions:** Persons bound by the AFC Code are forbidden from taking part in, either directly or indirectly, or otherwise being associated with, betting, gambling, lotteries and similar events or transactions connected with football matches and forbidden from having stakes, either actively or passively, in companies, concerns, organisations, etc. that promote, broker, arrange or conduct such events or transactions. |
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| **FIH CODE OF ETHICS**  **AND**  **FIH CONFLICT OF INTEREST/CONFIDENTIALITY**  **POLICY AND GUIDELINES** |
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| **FIH CODE OF ETHICS**  The FIH Code of Ethics (“**FIH Code**”) borrows heavily from the IOC Code of Ethics with respect to general ethical obligations relating to dignity, integrity, relations with states, confidentiality, good governance and candidatures. However, unlike the IOC Code of Ethics, there are no detailed rules or regulations regarding good governance and conflict of interest. Instead, rules relating to conflict of interest are included in the FIH Conflict of Interest/Confidentiality Policy and Guidelines (“**Policy**”). Furthermore, the FIH Code is applicable only to the FIH and its officials/members whereas the IOC Code is applicable to all Olympic Parties, such as national federations, which includes the FIH. The general ethical obligations included in the FIH Code, which are applicable to the FIH and its members/officials, volunteers and staff are discussed in brief, below:  **Dignity**   * To safeguard the dignity of each individual and ensure that there is no discrimination on the basis of race, gender, ethnic origin, religion, philosophical or political opinion, marital status or other grounds. * Prohibition of doping practices at all levels and the World Anti-Doping Code to be scrupulously observed. * Prohibition of all forms of harassment of participants be it physical, professional or sexual, and any physical or mental injuries. * Prohibition of all forms of participation in, or support for betting related to the Olympic Games or FIH sanctioned events, and all forms of promotion of betting related to the Olympic Games or FIH sanctioned events. * To not infringe the principle of fair play, show non-sporting conduct, or attempt to influence the course or result of a competition, or any part thereof, in a manner contrary to sporting ethics. * To guarantee the safety and wellbeing of athletes and provide medical care favourable to the participant’s physical and mental equilibrium.   **Integrity**   * To not, directly or indirectly, through their representatives or otherwise, solicit, accept or offer any form of remuneration or commission nor any concealed benefit or service of any nature, connected with the organisation of the Olympic Games or of FIH sanctioned events. * To only accept or give gifts of nominal value, in accordance with local customs and as a mark of respect or friendship. Any other gift to be passed on to the FIH. * Hospitality shown to the members and staff of the FIH and persons accompanying them to not exceed the standards prevailing in the host country. * To respect the conflict of interest rules incorporated in the Policy. * To not involve themselves or their agents/ not be involved with firms or persons whose activity or reputation is inconsistent with the principles set out in the Olympic Charter and the FIH Code.   **Good Governance and Resources**   * To respect the basic universal principles of good governance, in particular, transparency, responsibility and accountability. * To record all income and expenditure appropriately in the FIH’s accounts. These accounts must be maintained in accordance with generally accepted accounting principles and verified by any independent auditor. * To ensure that broadcasters, sponsors, partners and other supporters of sports events do not interfere in the running of sporting institutions and organising competitions.   **Relations with states**   * To maintain harmonious relations with state authorities, in accordance with the principle of universality and political neutrality. * To not engage in any activity or follow any ideology inconsistent with the principles and rules defined in the Olympic Charter and as set out in the FIH Code. * To endeavour to protect the environment on the occasion of any events they organise and undertake to uphold generally accepted standards for environmental protection.   **Confidentiality**   * To not disclose information entrusted to them in confidence. * Disclosure of other information to not be for personal gain or benefit, nor be undertaken maliciously to damage the reputation of any person or organisation.   **FIH CONFLICT OF INTEREST/CONFIDENTIALITY POLICY AND GUIDELINES**  The FIH has very strict rules relating to conflict of interest that are ingrained in the Policy. The Policy, which is applicable to FIH’s Executive Board and to members of any other committee or body appointed by FIH and to staff employed by the FIH, is discussed in brief below:  **Prohibition of Conflict of Interest**   * Any person covered by the Policy may not participate in any discussion on any subject brought before the Board or a committee, panel, group or other body for consideration and decision if that member has or may have, directly or indirectly, an interest in the outcome of the consideration and decision of that subject without first declaring the conflict of interest and may not vote on any such subject. * Members of staff employed by the FIH are to avoid actual or potential, present or future conflicts between personal interests and official duty or work related activities.   **Definition and Scope of Conflict of Interest**   * The Policy provides that a conflict of interest is considered to exist in the following instances: * In any situation where the personal or business interests of a person covered by the policy may influence his/her ability to put the interest and welfare of the FIH before personal or business interests or where someone is likely to perceive that such person could be influenced. * Whenever an individual can benefit directly/indirectly from information received by, or a decision of the FIH Executive Board, committee or body or where someone might reasonably perceive there to be such a benefit. * When an individual has two separate and competing interests and it may be unclear as to which interest he/she is acting for. * The Policy also provides the following real world examples as situations where a conflict of interest may arise: * Where a person has personal interests in business transactions or contracts that the FIH may enter into. * Where a person has an interest in other organizations that have dealings or relationships with the FIH and when matters involving the interest of both the FIH and the other organization are being considered. * Where a person has interests in any joint ventures with external parties which the FIH may enter into. * In recruiting staff with close relationships (i.e. those who are more than acquaintances) with those persons covered by this policy. * Any employment or income received from work undertaken within sport. * Any income received from sport as a partner, director or employee within a firm or company. * Any sponsorship personally received. * Any contracts with a sport for the provision of services or goods for profit.   **Declaration of Conflict of Interest**   * Immediately following their election, appointment or commencement of employment, as the case may be, every person covered by the policy is required to declare in writing: all business, sport or other personal interests of theirs which might result in a conflict of interest, actual or potential, in the discharge of their responsibilities, vide a declaration form prescribed in the Policy. * If, at any time following the filing of his/her declaration there occurs any material change in the information contained in the declaration given, he/she is required to file a supplementary declaration describing such change, as soon as reasonably possible. * A record of the business, sport and other personal interests as declared by all persons covered by the Policy, which may conflict with the discharge of their responsibilities, is to be maintained by the FIH CEO, and updated if a supplementary declaration is filed. * Further, such records are to be made available at the FIH Office for inspection by any member of the board of FIH or any other person authorized by the President or the CEO of the FIH. |

| **Code of Ethics for the ICC** |
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| The Code of Ethics for the ICC (the “**ICC Code**”) is applicable to persons ‘directing and supporting’ the ICC, including, without limitation, members of all ICC Committees, Full Member Directors, Associate Member Directors, the President, the Chairman, the Chief Executive, all alternate directors and all ICC staff (defined as ‘Officials’ under the ICC Code). A brief overview of the ethical obligations placed on Officials under the ICC Code is provided below:  **General Statement**   * Officials should act in an honest and ethical manner. * In order to facilitate the transparent operation of the ICC, conduct that gives the appearance of impropriety is forbidden. * Officials should not engage in any conduct that in any way denigrates the ICC or harms its public image. * Officials must avoid any conduct that is inconsistent with the objectives of the Code. * No Official should engage in unlawful conduct and no funds or assets of the ICC should be used for any unlawful purpose.   **Fiduciary Duties**   * Each Official owes to the ICC a duty of care and loyalty and is required to discharge his duties in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and in a manner that the Official reasonably believes to be in the best interests of the ICC and the promotion of its objectives. * Directors to ensure that all the ICC’s assets and services are applied only in furtherance of, and in accordance with, the ICC’s objectives and that they are not used other than for official ICC business.   **Conflict of Interest**   * Officials not permitted to have an undisclosed conflict of interest. * Officials are required to be free from any influence which might interfere or appear to interfere with the proper and efficient discharge of their duties, or which might be inconsistent with their duty of loyalty to the ICC. * It is also the duty of Officials not to use their position with the ICC for personal advantage or gain (whether arising directly or through a related third party). * The ICC Code specifies the following indicative circumstances in which a potential conflict of interest would arise: * Material and direct personal involvement with sponsors, suppliers, vendors, contractors, venues, broadcasters, customers, such as, ownership of a material interest in such an entity; acting in any material capacity in such an entity, or acceptance of material payments, services or loans from such an entity. * Ownership of property affected by ICC action or acquired as a result of confidential information obtained from ICC. * Outside employment by a full time employee or full time consultant of the ICC. * In cases where an Official, either directly or indirectly, has such a conflict of interest or there is a potential for such a conflict of interest to arise, he is required to: * Disclose the interest to the chairperson of the relevant meeting (if applicable) or, in all other cases, the ICC Chairman, who shall have the authority to either (a) approve the conflict, or (b) refer the matter to the Ethics Officer for further consideration; and * Excuse himself from any formal discussions related to the conflict of interest; and * Abstain from voting and from seeking to influence the vote on any matter related to the conflict of interest. * Further, if the Ethics Officer himself has any conflicts or potential conflicts then he is required to make a declaration about those conflicts to the ICC Chairman. * The Code acknowledges that each director of the ICC Board (including Full Member Directors and Associate Member directors) are elected to their position by their respective Member Boards or groups of Member Boards (in the case of Associate Member directors) and that such directors may also hold positions in committees, organizations or companies established to facilitate and assist the delivery of ICC events within the jurisdiction of the Member Boards which they represent. The Code recognizes that an apparent or potential conflict of interest could exist in such situations but states that such instances need not require formal approval and will not be considered as violations of the Code.   **Confidentiality**   * Officials are prohibited from disclosing (whether for personal gain or otherwise) any facts, data or other information entrusted to them in confidence by virtue of their position of the ICC. This duty extends to agendas and accompanying papers, discussions during meeting or minutes of relevant meetings. However, Officials are permitted to disclose such information to the representatives of Member Boards who have appointed them or to professional advisors for the purpose of receiving advice, provided that the Officials notify such persons that the information is confidential and use their best endeavours to ensure that information is not distributed to any parties that are not part of their respective Member Boards. * Disclosure of any such information must not be for personal gain or benefit, nor should it be undertaken maliciously to damage the reputation of the ICC or any other person individually involved. * These duties of confidentiality continue indefinitely or until such time that such information comes into the public domain through other sources or until an Official is required, by law, to disclose such information or until ICC agrees to such disclosure in writing, in advance.   **Integrity (bribery, gifts and hospitality)**   * Officials are prohibited from offering or accepting any bribe, payment, commission, gift, donation, kick-back, facilitation payment or other inducement or incentive (whether monetary or otherwise) in order to influence decision-making in relation to any matter involving the ICC. * Any individual gifts, benefits, hospitality (other than that provided/received at cricket matches) or other advantages which are received by Officials, either directly or indirectly, which anyway relates to or arose as a result of, their positions, could be seen to potentially influence the judgment of the Officials in the discharge of their duties should be disclosed to the Ethics Officer who has the power to determine whether the gift may be accepted. * Cash gifts (in any form) are forbidden and Officials are prohibited from accepting cash payments from any third party in consideration for any services provided by the ICC. * Officials are prohibited from accepting any gift, payment or other benefit (whether of a monetary value or otherwise) in circumstances where such offer or acceptance brings the ICC into disrepute. * Gifts or hospitality, which the recipient reasonably, and in good faith, believes to have a nominal value (worth US $100 or less in aggregate, or equivalent amount in other currency), may be accepted without disclosure. However such gift should not influence or appear to influence the recipient in the discharge of his official duties. All other gifts or hospitality in excess of US $100 are required to be disclosed to the Ethics Officer upon receipt or in advance, and any failure to do so is considered a breach of the Code.   **Betting, Gaming or Gambling.**   * An Official is prohibited from having any business association or entering into any formal or informal business arrangement with any person or company who has interests in any form of financial speculation on the outcome of cricket matches or events anywhere in the world if such association or arrangement involves the payment of any monies to or by, or the conferring of any benefits or advantages upon or by, the Official either directly or indirectly for entering into such association or arrangement. * An Official is prohibited, from being engaged in the following activities: * match-fixing; * spot-fixing; * betting on cricket matches; * disclosing information relating to cricket matches which the Official knows could be used in relation to betting; * approaching players, player support personnel or match officials to get involved in match-fixing or spot- fixing; and * soliciting, inducing, encouraging, enticing, persuading, or facilitating any other person to engage in any of the foregoing conduct. * The Code clarifies that the receipt of winnings by Officials as a result of successful gambling on any matter unconnected would not constitute a breach of the ICC Code. * However, an Official shall not be in breach of the ICC Code if he is employed by, or has a business association with, a parent company which has a betting business as a subsidiary company (or is a business interest of any subsidiary company), provided that the Official can demonstrate to the Ethics Officer that he has no direct involvement with the betting business and also that he derives no direct or indirect benefit from the betting business, save that a fee payable to the Official referable to his being an officer of the parent company. |

Primary Resources:

* FIFA Code of Ethics
* IOC Code of Ethics
* FIH Code of Ethics & FIH Conflict of Interest/Confidentiality Policy and Guidelines
* Code of Ethics for the ICC
* AFC Code of Ethics

# Agent Regulations Across Sports Bodies and Professional Leagues

1. Executive Summary

Several sports bodies and leagues in the sphere of professional sports have introduced and implemented formal codes and regulations in order to regulate the activities and conduct of player agents. Such regulations attempt to protect not only the interests of players and athletes across sports, but also the teams, clubs and franchisees that engage such players from time to time. In order to capture a wide understanding of the rules followed across the world, this section attempts to compare and provide an overview of the regulations followed by one (1) international sports governing body, three (3) national sports governing bodies and three (3) major sports leagues that together encompass five (5) major sports played around the world. The seven (7) sports bodies/leagues and their respective player agent regulations that have been reviewed and compared for the purposes of this section are listed below:

* **Fédération Internationale de Football Association (FIFA)** – FIFA Regulations on Working with Intermediaries;
* **The Football Association (The FA)** - The FA Regulations on Working with Intermediaries;
* **Major League Baseball (MLB)** – MLBPA Regulations Governing Player Agents;
* **National Football League (NFL)** - NFLPA Regulations Governing Contract Advisors;
* **National Basketball Association (NBA)** - NBPA Regulations Governing Player Agents;
* **Cricket Australia** - ACA Player Agent Accreditation Scheme Regulations; and
* **England and Wales Cricket Board** **(ECB)** - ECB Players' Agents Registration Regulations.

A summary of the key findings and trends witnessed across these seven (7) regulations reviewed is provided below:

* While regulations adopted by different bodies and leagues vary in scope and detail, primarily due to the varied nature of the sports they are intended to govern, the ultimate trend witnessed across the regulations is that the rules aim to harmonise the relationships between players and their employers.
* The regulations adopted by FIFA and consequently, the FA, perhaps have the least stringent rules when it comes to agent regulation. Unlike the other regulations reviewed for this section, there is no compulsory certification.
* The regulations implemented for all three (3) major American sports leagues (MLB, NFL and NBA) have been drafted and are enforced by the player associations for such league. Further, the regulations adopted by Cricket Australia and the ECB have been drafted in consultation with the cricket players associations based in their jurisdictions.
* The regulations adopted by FIFA and the FA, permit natural persons as well as legal persons (i.e. entities and corporations) to act as agents or intermediaries, whereas all the other regulations reviewed permit only natural persons to act as agents for players.
* Five (5) of the regulations reviewed restrict their scope to activities relating to playing contracts. However, the regulations adopted by FIFA and the FA also contemplate the services provided by intermediaries during transfers of players.
* None of the regulations reviewed aim to regulate or provide guidance on agent activity for commercial/economic/non-playing contracts entered into by players, such as endorsement agreements.
* All of the regulations reviewed require agents/intermediaries to register themselves in accordance with the regulations, before they are permitted to represent players in any activities relating to their player contracts. However, only the regulations adopted by the ECB exempt certain individuals from this requirement.
* The regulations adopted in all three (3) major American sports leagues (MLB, NFL and NBA) and those adopted by the ECB contemplate the provision of a standard form representation agreement or contract that is to be used by the players and their agents. The regulations adopted by FIFA, the FA and Cricket Australia make no mention of standard form player agreements.
* With the exception of the MLB, all the other regulations reviewed, in varying levels of detail, specify some form of eligibility criteria that has to be adhered to by agents in order for them to be certified or registered.
* The regulations adopted by the MLB, NFL, Cricket Australia and ECB require agents to undergo a written examination before they are granted certification. However, the regulations adopted by FIFA, the FA and the NBA have no such requirement.
* With the exception of FIFA and the FA, all other regulations reviewed require agents to furnish a one-time registration fee to obtain certification/registration and an annual license fee to maintain such certification/registration.
* With the exception of regulations adopted by Cricket Australia and the ECB, all other regulations reviewed attempt to restrict the amount of compensation that may be paid to an agent by the player or the club/team that he signs up with.
* All of the regulations reviewed, in varying levels of detail, specify standards of conduct that have to be adhered to by agents in their dealings with players, clubs and other persons. The standards of conduct specified in regulations adopted by the three (3) major American sports leagues are far more detailed, when compared to the regulations adopted by FIFA, the FA, Cricket Australia and the ECB.
* All the regulations reviewed, in varying levels of detail, specify certain reporting obligations that have to be adhered to by agents in order to retain their certification. The reporting obligations included in the regulations adopted by the NFL and the NBA appear to be the most stringent, when compared to the other regulations reviewed.
* Only the regulations adopted by the FA, the three (3) major American sports leagues (MLB, NFL and NBA) and Cricket Australia specify the sanctions/disciplinary measures that may be implemented in cases where agents breach such regulations. In contrast, FIFA’s regulations leave such measures to the discretion of their relevant member associations, the FA’s regulations specify that disciplinary measures will be determined by a Regulatory Commission appointed by the FA and the ECB’s regulations state that disciplinary measures will be determined by the ECB’s Cricket Discipline Commission.
* With the exception of the regulations adopted by FIFA, six (6) of the seven (7) regulations reviewed provide agents with the right to appeal in case they are subject to any sanctions or are denied certification or registration.
* Only the regulations adopted by the three (3) major American sports leagues specifically provide for an arbitration/dispute resolution mechanism in the event of any disputes among agents, players and teams.

The following sub-sections provide more detailed comparisons of each of the regulations, based on certain key parameters and criteria that are important in determining the scope, coverage and intended effectiveness of the regulations.

1. Scope

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| --- | --- | --- | --- | --- | --- |
| **Association/**  **League** | **Name** | **Drafted By** | **Permitted Registrants** | **Scope of Transactions Regulated** | **Standard Form Representation Agreement** |
|  | FIFA Regulations on Working with Intermediaries | Governing Body  (FIFA) | Natural Persons & Legal Persons | Playing Contracts and Transfers |  |
|  | The FA Regulations on Working with Intermediaries | Governing Body  (The FA) | Natural Persons & Legal Persons | Playing Contracts and Transfers |  |
|  | MLBPA Regulations  Governing Player Agents | Players Association  (Major League Baseball Players Association (MLBPA)) | Natural Persons only | Playing Contracts only |  |
|  | NFLPA Regulations Governing Contract Advisors | Players Association  (National Football League Players Association (NFLPA)) | Natural Persons only | Playing Contracts only |  |
|  | NBPA Regulations Governing Player Agents | Players Association  (National Basketball Players Association (NBPA)) | Natural Persons only | Playing Contracts only |  |
|  | ACA Player Agent Accreditation Scheme Regulations | Players Association  (Australian Cricketer’s Association (ACA), in consultation with Cricket Australia) | Natural Persons only | Playing Contracts only |  |
|  | ECB Players' Agents Registration Regulations | Governing Body  (ECB, in consultation with the Professional Cricketer’s Association (PCA)) | Natural Persons only | Playing Contracts only |  |

1. Rules Relating to Eligibility and Certification

| **Association/**  **League** | **Compulsory Registration/**  **Certification**  **(Whether Required)** | **Eligibility Criteria** | **Exempted Persons** | **Pre-Certification Requirements** | **Application Fee &**  **Annual Fee (if any)** |
| --- | --- | --- | --- | --- | --- |
|  |   (With Relevant Association) | * Impeccable reputation; * No conflict of interest. |  | * ‘Intermediary Declaration’ to be submitted to the relevant association. |  |
|  |  | * Impeccable reputation; and * Legal persons can only be registered by natural persons who are already registered. |  | * ‘Intermediary Declaration’ to be submitted to the FA. |  |
|  |  |  |  | * Application form; * Background check; * Written examination. | * $2000 (USD) as application fee; * $3000 (USD) as annual registration fee. |
|  |  | * Undergraduate degree from an accredited four year college/university and a post-graduate degree from an accredited college/ university; * Above criteria may be relaxed if applicant has at least seven (7) years ‘sufficient negotiating experience’, as determined by the NFLPA. |  | * Application form; * Authorisation for background check; * Signed ‘Authority and Consent’ to procure and release information including ‘Personal Consumer Credit Reports’; * Written examination. | * $2500 (USD) as non-refundable application fee; * Annual fee of $1500 (USD) if agent represents less than ten (10) active players and $2000 USD if agent represents ten (10) or more active players. |
|  |  | * A degree from an accredited four year college/university; * NBPA has the authority to determine whether relevant negotiating experience can substitute for any year(s) of education. |  | * Application form. | * $100 (USD) as non-refundable application fee; * $1500 (USD) as annual fee. |
|  |  | * Applicant to be at least eighteen (18) years of age. |  | * Application form; * ‘National Police Check’ (verification certificate); * Professional indemnity insurance of at least $2 million (AUD); * Written examination. | * $750 (AUD) as application fee, with $50 (AUD) being refundable if application is unsuccessful; * $990 (AUD) as annual fee. |
|  |  | * Applicant to be 18 years of age as on the date of application; * Good character and reputation (in the ECB’s opinion); * No conviction for any offence and is not bankrupt; * Not disqualified from acting as a director of or otherwise from being involved with a company pursuant to UK laws; * Not subject to an order under section 429(2)(b) of the Insolvency Act 1986; * Has not, in the previous 10 years, been censured or disciplined (in the UK or elsewhere) or had his/her membership revoked by any regulatory or professional organisation in relation to any business or professional activities; * Is not an officer, employee or consultant of a First Class County or the ECB (including without limitation a current registered and/or contracted cricketer). | * Player’s sibling, parent or spouse; and * Registered solicitor or barrister; and * PCA employee or officer who negotiates for a player who has already received an offer. | * Application form; * Professional indemnity insurance; * Written examination. | * £500 (GBP) + VAT as non-refundable application fee; * £1500 (GBP) + VAT as annual fee. |

1. Rules Relating to Agent Behaviour and Agent Compensation

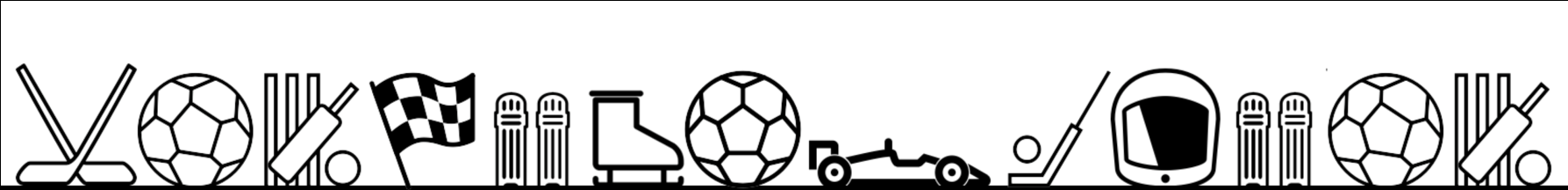
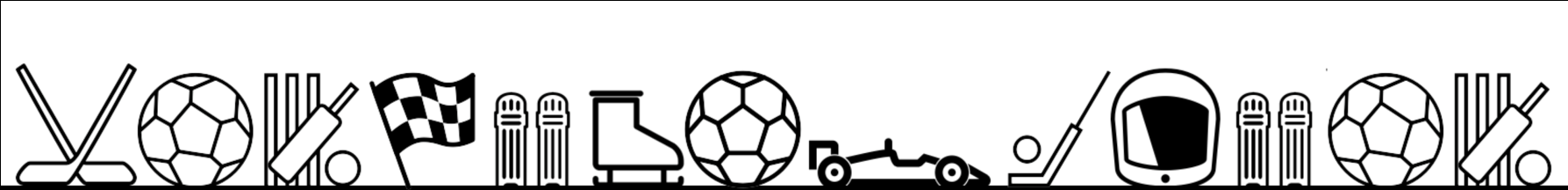
| **Association/**  **League** | **Standards of Conduct** | **Reporting Obligations**  **(If Any)** | **Restriction/Limit on Agent Compensation** |
| --- | --- | --- | --- |
|  | Brief guidelines on the following topics:   * Conflict of interest; * Dual representation (i.e. representing a player and a club). | * Intermediaries required to disclose all transactions they are involved in to relevant associations; * Associations required to publish a list of intermediaries, the transactions they were involved in and the remuneration paid to them by clubs/players, at the end of March, every calendar year. | * **If engaged to act on a player’s behalf** – 3% of the player’s basic gross income for the entire duration of the relevant employment contract; * **If engaged to act on a club’s behalf** – 3% of the player’s basic gross income for the entire duration of the relevant employment contract; * **If engaged to act on a club’s behalf in order to conclude a transfer agreement** - 3**%** of the eventual transfer fee paid. |
|  | Brief guidelines on the following topics:   * Conflict of interest; * Dual representation; * Disclosure of intermediary’s relationship with clubs. | * Intermediary to submit his/her representation contract with club/player to the FA before undertaking any relevant activities on behalf of such club/player, within ten (10) days of such contract being executed and in any event no later than at the time of the registration of a transaction by the FA. | * **If engaged to act on a player’s behalf** – 3% of the player’s basic gross income for the entire duration of the relevant employment contract; * **If engaged to act on a club’s behalf** – 3% of the player’s basic gross income for the entire duration of the relevant employment contract; * **If engaged to act on a club’s behalf in order to conclude a transfer agreement** - 3% of the eventual transfer fee paid. |
|  | The regulations provide guidance on a wide range of activities, including:   * Violations of player rights; * Disclosure of communications and interactions with non-client players; * Co-operation at the time of investigation.     The regulations also specify certain prohibited activities and conduct, including, but not limited to:   * Improper inducements; * Violating duty of loyalty towards client or any orders given by the MLBPA; * Cooperating with clubs to undermine players; * Unwelcome communications with players; * Actual or potential conflict of interests; * Undermining collectively bargained rights and benefits; * Unlawful or dishonest conduct. | * Agent is required to provide a copy of agent’s representation agreement with player to the MLBPA and the player; * On or before of March 1 of every year, agent to provide the MLBPA and each player who paid the agent any fees in the previous year a ‘Fee Statement’ in a format prescribed by the regulations. | * Player agent not permitted to charge a fee unless the player’s negotiated salary exceeds the applicable minimum salary for that year, as established by the ‘Basic Agreement’ (executed between MLB and MLBPA); * In cases where the salary negotiated exceeds the applicable minimum salary, any fee charged should not, when subtracted from the salary, result in a net salary to the player below or equal to the minimum salary; * No upper limit on agent remuneration specified. |
|  | The regulations specify a wide range of prohibited activities, including, but not limited to:   * Representing any player without being registered; * Improper inducement to the player or player’s family; * Providing false or misleading information or concealing material facts; * Borrowing any money from players; * Holding financial interest in any football club or engaging in any activity, which would create an actual or potential conflict of interest; * Agreeing to any provision in an agreement on behalf of a player, which deprives the player of his collective bargaining rights or violates any policies or rules of NFLPA; * Failing to report violations of the regulations; * Engaging in unlawful conduct and/or conduct involving dishonesty, fraud, deceit, misrepresentation etc.; * Circumventing or not complying with the maximum fee provisions of the regulations; * Failure to fulfil agent’s reporting and disclosure obligations as specified in the regulations. | * ‘Contract Advisor’ is required to sign and provide the NFLPA and the club with a copy of any player contract negotiated with that club within 48 hours after the contract is executed; * ‘Contract Advisor’ is required to provide on or before May 1 of each year, to every player who he/she represents, with a copy to the NFLPA, an itemized statement covering the period beginning March 1 of the prior year through February 28 or 29 of that year, which separately sets forth both the fee charged to the player for, and any expenses incurred in connection with the ‘Contract Advisor’s’ services. | * 3% of the player’s maximum compensation for each year of his playing contract, which may be reduced to 2%, 1.5% or 1% based on the player ‘tagging’ status. |
|  | The regulations specify a wide range of prohibited activities, including, but not limited to:   * Representing any player without being registered; * Improper inducement to the player or player’s family; * Providing false or misleading information or concealing material facts; * Borrowing any money from players; * Holding financial interest in any basketball team or engaging in any activity, which would create an actual or potential conflict of interest; * Agreeing to any provision in an agreement on behalf of a player, which deprives the player of his collective bargaining rights or violates any policies or rules of the NBPA; * Failing to report violations of the regulations; * Engaging in unlawful conduct and/or conduct involving dishonesty, fraud, deceit, misrepresentation etc.; * Circumventing or not complying with the maximum fee provisions of the regulations. | * Agent to sign and provide the NBPA with a copy of any player contract negotiated with a NBA team within forty eight (48) hours after the contract is executed. * Agent to provide on or before March 1 of each year, to every player who he/she represents, with a copy to the NBPA, an itemized statement covering the period January 1 to December 31 of the immediately preceding year which separately sets forth both the fee charged to the player for, and any expenses incurred in connection with, the agent’s services. | * If player receives only the minimum compensation due, as specified under the NBA-NBPA ‘Collective Bargaining Agreement’, agent to receive a maximum of 2% of such compensation as his/her fee for each season of the contract; * If player receives compensation in excess of the minimum compensation applicable under the NBA-NBPA Collective Bargaining Agreement, agent to receive 4% of such compensation as fee for each season of the contract (unless the player and his agent have agreed to a lesser percentage). |
|  | Agents are expected to adhere to the ‘Code of Conduct’, provided in Schedule 1 of the regulations, which covers the following topics:   * Conflict of interest; * Confidentiality; * Records and accounts; * Professional development and knowledge; * Disclosure responsibilities on agents; * Approaches to players; and * Co-operation with the ACA Accreditation Board. |  |  |
|  | The regulations require agents to act in good faith and not bring the game of cricket into disrepute. They also provide guidelines on the following activities:   * Conflict of interest; * Dual representation; * Records and accounts; * Disclosure of relationships; * Unauthorised approaches. | * Each registered agent must provide to the PCA a full list of his player clients on or before the last working day of each month. |  |

1. Disciplinary Issues and Dispute Resolution

| **Association/**  **League** | **Sanctions in Case of Breach/Violations** | **Provision for Appeals/Review** | **Dispute Resolution/Arbitration Mechanism** |
| --- | --- | --- | --- |
|  | * At the discretion of national member associations. | * At the discretion of national member associations. | * At the discretion of national member associations. |
|  | * Any breach of the regulations to be considered as ‘Misconduct’ which shall be dealt with in accordance with the Rules of The FA. * Sanctions to be determined by a Regulatory Commission appointed by The FA. |  |  |
|  | Disciplinary measures that may be undertaken by the MLBPA under the regulations include:   * Suspension or revocation of certification; * Imposing limitations or conditions on agent’s authority to represent certain players or to deal with certain clubs or to perform certain services on behalf of players; * Requiring restitution to players or other parties for any damages or losses agent has wrongfully caused; * Written reprimands or warnings, and other forms of discipline. |  |  |
|  | Disciplinary measures that may be undertaken by the NFLPA under the regulations include:   * Informal order of reprimand to be retained in the Contract Advisor’s file at the NFLPA’s offices; * Formal letter of reprimand which may be made public in NFLPA publications and other media; * Suspension or revocation of a Contract Advisor’s certification; * Prohibiting a Contract Advisor from soliciting or representing any new player-clients for a specified period of time; * Imposition of a fine payable within thirty (30) days of the imposition of such fine. |  |  |
|  | Disciplinary measures that may be undertaken by the NBPA under the regulations include:   * Informal order of reprimand; * Formal letter of reprimand which may be made public; * Suspension or revocation of an agent’s certification; * Prohibiting an agent from soliciting or representing any new player-clients for a specified period of time. |  |  |
|  | Disciplinary measures that may be undertaken by the ACA under the regulations include:   * suspension or cancellation of an agent’s accreditation; * issuing a warning or reprimand; * fixing any period during which the agent will not be permitted to re‐apply for accreditation; * payment of a reasonable fine as determined by the ACA’s Accreditation Board. |  |  |
|  | Any breach of the regulations to be investigated by the ECB’s ‘Cricket Discipline Commission’ (CDC) which exercises its discretion when handing out punishments. |   (For denial of certification only) |  |

Primary Resources:

* FIFA Regulations on Working with Intermediaries
* The FA Regulations on Working with Intermediaries
* MLBPA Regulations Governing Player Agents
* NFLPA Regulations Governing Contract Advisors
* NBPA Regulations Governing Player Agents
* ACA Player Agent Accreditation Scheme Regulations
* ECB Players' Agents Registration Regulations



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**Recommendations of the Mudgal Probe Committee Appendix-6**

**RECOMMENDATIONS [Nilay Dutta]**

The Committee sought the assistance of the various interactors, who have generously given their invaluable suggestions and recommendations. The Committee has also perused and considered the suggestions made by Mr. Y. P. Singh, ICC ACSU and Mr. Ravi Sawani, BCCI ACU in the light of the allegations of corruption that struck IPL. These ardent supporters of the game have unanimously and compellingly articulated that there should be an admonition to all concerned that the game of cricket is under serious threat.

The consolidated set of recommendations and suggestions in this report are thus aimed at ensuring that corruption/ malpractice such as those that have already been disclosed in the Report, be eradicated from the game of cricket and the game of cricket and in particular, the IPL be cleansed.

The recommendations may be broadly categorised as:

1. **INVESTIGATION AND PROSECUTION**
2. Betting and gambling being a State subject in the 7th schedule of the Constitution of India, there is no consolidated uniform law applicable to the entire country. In view of the specific requirements stipulated in Section 415 read with Section 420 of the Indian Penal Code the applicability of these provisions in matters of fixing of games/ spots/ sessions is debatable. The status of law in regard to betting and fixing has therefore created operational impediment on the part of investigating and prosecuting agencies in combating these corrupt influences in the sport. It is most imperative to enact a substantive law making all forms of manipulation of sports, corruption and malpractices a criminal offence. The law so enacted must be applicable uniformly in the country and should stipulate the creation of an independent investigating agency, a dedicated prosecuting directorate and a separate judicial forum for expeditious trials. The law must provide for stringent deterrent punishments, similar provisions as in Section 18 of the MCOCA and restrictive bail provisions as in NDPS and other similar enactments. This is necessary because influx of hawala money and involvement of terrorist elements in matter of betting and fixing of sports is causing serious threat to national security. In view of the national interest involved, it would be necessary to explore the options available to the Parliament and the Legislatures of various States to adopt the procedure stipulated in Article 252 of the Constitution of India.
3. The BCCI must adopt a “Zero Tolerance Policy” in matters of corruption in the game. It must adopt a far more pro-active role. Pending enactment of such law by the Parliament it is necessary that the Anti-Corruption Unit of the BCCI be substantially strengthened with immediate effect. The BCCI should create a dedicated fund for development of sophisticated investigating machinery responsible for preventing betting and fixing in cricket matches as well as for investigating any information to this effect available from players or any other source. The ACU must establish a system of accountability in the performance of its Anti-Corruption officers and also create an exhaustive database of bookies, fixers, kingpins of illegal betting and match fixers and make such information available to all stakeholders.
4. As have been noted the betting and fixing racket in sports functions most efficiently as one well-oiled machine throughout the country. The law enforcement authorities on the other hand reveal lack of co ordination and trust amongst themselves and more often than not function at cross purposes. This has resulted in increasing the vulnerability of the country’s economy andremains a matter of concern for national security. It is necessary that the Hon’ble Supreme Court may create a Special Investigation Team or a Joint Investigation Team so as to include officers from all specialised agencies such as enforcement directorate, Directorate of revenue intelligence, income tax authorities etc. The JIT may have either the CBI or the NIA as the nodal agency. The SIT or the JIT will take over all pending cases and investigate all available information in the various tapes referred to earlier and submit its report to the Hon’ble Supreme Court within a stipulated time frame so as to obtain appropriate orders for prosecution and trial.
5. **ACCESS TO PLAYERS**

It is evident that access to players, more so during the IPL, is far too free and easy leading to significant number of approaches being made to fix players or lure them to join the illegal betting syndicate. Supervision of players and an increased measure of control over their activities, though may be a sensitive issue, is necessary.

The BCCI ACU and the ICC ACSU have *interalia* made various recommendations pertaining to hotel accommodation of players, visitors access to their hotel rooms, temporary leave of players from hotels and attachment of security and anti-corruption officers with all IPL teams constantly. The proposals merit serious consideration by the BCCI subject to the caveat that while ensuring that the players are protected from contact of undesirable elements, the restrictions themselves should not be such which may ultimately affect the morale of the team. It is necessary to remind ourselves that the players are ambassadors of their country and the sport. The restrictions therefore ought not to isolate them or expect them to lead a monastic existence. The aim obviously is to prohibit unauthorised access by unsuitable /unscrupulous persons under unsuitable circumstances.

Measures which can be considered in this regard include:

1. The introduction of an accreditation system; only BCCI/IPL/ Team Management accredited persons should be permitted access to players, in circumstances approved by the team management.
2. Prohibition on access to player’s hotel rooms except for immediate family members.
3. Strict control of telephonic access; only cellular telephones issued to players by the BCCI should be allowed and details of calls made and received should be available so as to allow monitoring by the BCCI. Possession of an unauthorised cell phone should be a punishable offence which automatically will entail deterrent punishment.
   1. Contact by players with media representatives, representatives of sponsors and the public generally should be through the team management specifically.
4. **DISCLOSURES BY PLAYERS**

Another set of measures, aimed at reducing the possibility of players being vulnerable to improper approaches, include:

1. The imposition on all concerned of an obligation to report, not only instances of approaches to himself, but also any information which he receives and any knowledge he obtains, however far-fetched he personally may regard it, concerning any other person including a colleague, which is suggestive of improper conduct. This is a sensitive issue amongst players. As experienced by the Committee and lucidly explained by Mr. Andre Oosthuizen and Mr. Gavin Tinkler in their book, “The Banjo Players” on the Hansie Cronje match fixing scandal:

*“It’s not difficult to understand this close, undying loyalty. To be a member of a national team involves admission to a brotherhood that is based on staunch allegiance. The players in the national squad spend something in the order of 26 weeks of the year in each other’s company. That time sees them living, travelling and eating together practicing at the nets for hours on end, day after day; venturing into distant countries and cities where the only familiar faces are those of their team members. Teamwork and team spirit is the bedrock of their lives…”*

Further,

*“But the same strong and abiding loyalty to the team and to the captain creates a series of problems when any of the players decide, as Cronje did, to involve themselves and attempt to involve their team members in things like match fixing or other forms of corruption. The squad doesn’t turn its back on the sinner, throw him out or cut him down. Their entire existence is about being together, remaining loyal and helping each other. Blowing the whistle on the offender is against team spirit. In the eyes of the players, the newspaper reporters, cricket administrators and the team’s medical staff are all outsiders, people who live on the fringes of the team but are not, in any true sense, part of the elite. It requires special courage for a player to break rank and to report on any skulduggery that’s going on within the team. By so doing, he opens himself up to abuse and misunderstanding....*

*This factor, the ties of brotherhood that bind the team members to each other, is going to be one of the very real problems confronting the cricket world as, in years ahead, attempts are made to wipe out the match fixing scourge.”*

Thus, it is not difficult to understand the fact that there is an instinctive reaction against “whistle-blowing” on friends and colleagues. It must be part of a player’s education and training that this is not disreputable conduct. On the contrary, it is the decent and honourable thing to do, in the greater interest of the game and all who have to do with it. Consideration should be given to rewarding persons who report misconduct, actual or potential, Consideration should be given to anonymous reporting.

1. It is important to create a schedule of events which are “notifiable events’ and reports of such instances are to be made compulsory, with the sanction of penalties to be imposed for non-reporting. Such events would include any approach (of whatever nature) by a bookie; punter; colleague; official or anyone else making any such attempts to the player even though the same may said to have been made casually. This requirement be made applicable for all cricketers at all levels of the game.
2. It should be made mandatory to make full and immediate disclosure by players and officials of any gifts received (possibly above a certain value) or additional income earned besides the contracted fee. It must be clarified that “gifts” would mean any interest or income or other unusual benefit which is not cricket related. If a player has any doubt about the propriety of anyone’s conduct with regard to an offer, or potential offer, of a gift, he should immediately report it to the concerned official or the IPL Integrity Unit (if such exists) alternatively to the team manager and the captain of the team.
3. The BCCI Anti-Corruption Code for Conduct for Participants should be incorporated by reference in the player’s contract and the player is to acknowledge therein that he knows and understands the contents of the BCCI Anti-Corruption Code, the obligations it places on him and the penalties for disobedience thereto including forfeiture of the contracted fee etc.
4. Access to bank accounts and other financial documentation should be available to the BCCI ACU with the player’s prior consent; this consent could be incorporated into the player’s contract. Access and information received from such access must be kept absolutely confidential. Access to similar documents of a player’s immediate family members and/ or other members of the family or their respective agents may well be justified in appropriate circumstances.

**IV.** **CONTROL AND SUPERVISION**

1. It is necessary to incorporate comprehensive and stringent rules and regulations in the Operational Rules so as to bind all the stakeholders including journalists, commentators, broadcasters, etc.
2. The BCCI/IPL should frame specific rules for assessing/ evaluating the credibility of owners in order to prevent unscrupulous entities from purchasing a franchise. It has been recommended by the ICC ACSU and BCCI ACU that any auction in this regard should be subject to a pre auction verification of the intending participants at such auctions.
   1. A separate Code of Conduct should be enacted for Owners and Team officials, similar to the Minimum Standards for players and match officials with a specific provision prohibiting owners and team officials from betting. The Code should also prescribe sanctions/ punishments.
   2. A separate code should be enacted for the registration and accreditation of Players agents/Managers by the BCCI, where no player should be allowed to align with an agent not registered and accredited by the BCCI. Before accreditation of players agents, their credibility should be ensured by the appropriate authority. Accreditation should be time specific and subject to renewal after review of the performance and integrity of the agents/managers.
3. **EDUCATION & TRAINING** 
   1. It has come to the notice of the Committee that bookies maintain a close vigil on players from an early stage in their career and lure them with gifts and cash for a sustained period of time and eventually introduce them into illegal betting and fixing syndicate. It is therefore critical that cricketers from their earliest days in the game, in addition to learning how the game is played, be made aware of the spirit of the game and the rules of fair play, honesty and integrity to the game. This education in the ethics of fair play should be ongoing, bearing in mind that the further a cricketer progresses, the greater are the pressures put upon him. Education programs such as the BCCI ACU Education module needs to be imparted to player’s right from the beginning of their training days, and be extended to include cricket schools and academies both run privately as well as run by the State associations.
   2. The BCCI should monitor continuous education of all registered cricket players in the country, from the club level onwards and disseminate educative materials in form of booklets to all budding cricketers of the country. The BCCI may like to explore the possibility of authoring a cricketer’s handbook incorporating FAQs for the young Indian Cricketers in the line of the Athletes Handbook 2013 published by the Go Sports Foundation, Bangalore.
   3. There has been a unanimous appeal to create an Integrity Unit by the BCCI, quite apart from the IPL governing Council, comprising of former senior players such as Shri Sachin Tendulkar, Shri Saurav Ganguly, Shri Rahul Dravid, Mr. V.V.S Laxman, Mr. Anil Kumble and any such other persons with impeccable character, integrity and honesty. Induction of such players into the unit will give greater credibility and command the respect and confidence of the teams and find acceptance. Such a unit will be able to counsel and mentor young players, who are suddenly caught in the midst of fame and glory of IPL making them extremely vulnerable to temptations.
   4. There has been a split response to the Anti-Corruption education that is being imparted to players by ICC ACSU during the IPL season. The critique of the Education module has been primarily based on the fact that education is imparted in English by facilitators/ trainers to players who are not well versed with the language. This criticism has been taken note of and it is recommended that if BCCI continue with the services of ICC ACSU and continue to impart its Education Program during the IPL season, the same be conducted in vernacular languages as well along with English. The Integrity Unit can be associated with this program.
   5. There is a huge disparity of contract money paid to IPL players due to the distinction between capped and uncapped players. Reputed players, particularly those who enjoy international status, are well very paid. However, it is also a fact that the professional life span of a cricketer is short and it covers a crucial period of their lives when they might otherwise be qualifying themselves for their life’s work, in a profession or other calling. The fact that there is a palpable financial insecurity amongst general and fringe players is undeniable. It is important therefore to ensure the financial security of players both in the immediate and the long term future in order to curb corruption in cricket.

**VI.** **OPERATIONAL MECHANISMS**

1. There should be a complete ban on post-match parties or any other parties organised by private individuals or sponsors. In any official function, no outsider may have access without official authorisation.
2. BCCI while entering into contracts with its official sponsors should incorporate prohibition on availing the services of any banned player by the official sponsor in any manner, including as TV/radio commentator, during the period of such ban.
3. Players should receive ongoing psychological support concentrating particularly on stress management and counselling with regard to the pitfalls of success and vulnerability to approaches from unsuitable people.
4. It has been disclosed to the Committee that the BCCI ACU maintains a database incorporating therein the names and details of undesirable elements like bookies, fixers etc. Similarly ICC ACSU also maintains a separate database. It is surprising that the details of the database are not shared by the Anti-Corruption unit with the players, match officials, administrators etc. Some of the players with whom the Committee interacted have stated that though they have been told to report any approach by such undesirable elements, they were not aware as to who these undesirable elements are. On being questioned as to why such databases are not shared with concerned stakeholders the officers replied that they were concerned with possible retaliation by actions of defamation. Under the Indian laws, this is incorrect, since a number of exceptions to Section 499 of Indian Penal Code take care of such concerns. The concern being totally misplaced, it is imperative that the details of such unscrupulous undesirable elements be shared with all stakeholders including players, umpires, match officials, support personnel, administrators etc.

**VII. PUNISHMENTS AND SANCTIONS**

It is incumbent upon the IPL Governing Council and the BCCI to send a clear and emphatic message that dishonesty in cricket will not be tolerated and the most effective way of conveying this message is by the prescription and imposition of severe and stringent punishment. Most significantly, the punishment must be a deterrent; which implies that it should deter not only the offender but also others, like minded, from offending. It is important to inform players that, where appropriate, an act of misconduct shall be referred to the Police, in addition to whatever internal disciplinary measures are taken. It is desirable that the various forms of punishment be clearly delineated; ranging from the lightest to the most severe.

**CONCLUSION**

One notes with utmost pain, that the folklore of corruption and such other malpractices that has come to surround the game of cricket and in particular, IPL, unfortunately has a ring of truth to it. Roots of corruption and malpractices have crept in deep into the game of cricket, more particularly, the IPL, and are seeping into the game at an alarming rate. If unchecked, the same would be damaging for the game of cricket and defeat public confidence in the integrity of the game. The problem is required to be addressed with absolute seriousness and with a strong determination to cleanse the game. Any complacency is sure to shake public confidence. It would be worthwhile to remind ourselves that the game of cricket is only as strong as the support it receives from the public.

**(NILAY DUTTA)**

Member

|  |  |
| --- | --- |
| Date: February | , 2014 |

**RECOMMENDATIONS [Justice Mudgal and L.Nageswara Rao]**

The Committee is further of the view that it is essential that to deal with the malaise of spot/match fixing, Senior iconic players with unimpeachable integrity such as Sachin Tendulkar, Rahul Dravid, Sourav Ganguly, VVS Laxman, Venkatesh Prasad and Anil Kumble should advise and caution the various teams and in particular the younger players and debutants about the pitfalls of such malpractices. Our view is that such interactions with the legends of sport would be most effective and deter the potential wrongdoers.

Furthermore the ACSU-ACU instructions should not be routine lectures by any foreign instructor but be disseminated by Indians in a more interactive meetings in a local language understood by all players.

Apart from the above conclusions arrived at by us we also recommend to the Hon’ble Supreme Court to consider the following suggestions which in our opinion may make the game of cricket a cleaner game so as to eliminate the evil of spot and match fixing:

1. We would recommend that apart from instructions in the local language understood by the concerned players, the BCCI need not spend enormous sums of money on ICC deputed anti corruption instructors and reputed retired armed forces and police officers from India should be asked to do it after due training and sensitization in Indian languages;
2. In order to instil some fear in the players and support personnel, an essential requirement is that leads and information that are received from players and other personnel should be kept confidential but must be necessarily be investigated and allegations should be put to a rest. The current practice of not investigating unless an outside agency (like media) brings forth a sporting fraud seems to be a reactive approach rather than a proactive approach;
3. In order to detect sporting fraud, it has been pointed out by most investigating agencies that they lack the tools to know the name of the bookies, the amount that has been bet, detect a sporting fraud unless an intelligence from other sources like phone tapping is available amongst other drawbacks. They have stated that legalizing sports betting would reduce the element of black money and the influence of the underworld besides help them in detection and focusing their investigation;
4. An approach needs to be devised where different law enforcement agencies and the Anti-Corruption unit of the BCCI can share intelligence and conduct effective investigation;
5. The investigative wing of the BCCI, should be clearly defined and no person holding office in the BCCI, should have the power to curtail, restrict or define any such investigation;
6. IPL is a good format and has benefitted a number of players therefore there is a need to protect it. However in the interest of the league, IPL should be a stand - alone commercial entity with representatives from the franchises, BCCI, broadcasters and independent professional directors forming a part of the governing body of the IPL;
7. BCCI should have a system of registering player agents. Before registering player agents there should be an examination of the agents to confirm their understanding of the rules and regulations of BCCI and IPL. Besides this the antecedents of the player agent should also be verified so that dubious elements of society with links to bookies or the underworld are not given a registration as a player agent;
8. Player agents should not be allowed to travel with the team or stay in the same hotel as the team, especially when it is in proximity to the date of a match being played by a player who the agent represents;
9. Players should not be allowed to own any stakes or interests in player agencies or companies involved with cricket unless such interests are in the nature of sponsorship or endorsements. Such interests should be declared by the player or his agent to the BCCI, within 15 days of such interest accruing. In particular employment of the players in the franchise group companies should be avoided;
10. Some franchises have drafted a code of conduct which regulates the activities of the players outside the ground during the IPL season. Any person who wishes to be associated with the team that is, wants to be a part of the dugout(s), team meetings, strategy discussions, regular player interactions during the IPL, also needs to sign the code of conduct and be liable to similar obligations as the players.

We, have examined the recommendations of Mr. Nillay Dutta as set out in Chapter III of his Report and approve the recommendations suggested by him.

**(Retd. Justice Mukul Mudgal)**

**(L.Nageswara Rao)**

**Dated: 9th February 2014.**

**Report commissioned by KSCA Appendix-7**



**Karnataka State Cricket Association**

**Business Process Re-engineering**

**GAP ANALYSIS & RECOMMENDATIONS**

**Version 2.0 – August 2012**

**Prepared by**

**NCR Consultants Limited**

**www.ncrcl.com**

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# Background

NCRCL was approached by the Management of KSCA for Business Process Reengineering and implementation of a Management Information System.

The assignment began with a documentation of the existing processes. NCRCL team discussed with the department heads of KSCA to understand the current flow of information, documents and reporting system in place. The necessary information and documents were also collected. Based on the information and documents collected, NCRCL came up with “AS IS” Process Documentationfor all the departments. The document has been submitted to KSCA for validation by the department heads as well as the Management.

# Major Gaps observed

During the process mapping exercise, a number of gaps were identified. The identified gaps are presented in the 3PT framework. The 3PT framework developed by NCRCL recognizes that for every initiative to be successful, the Policy aspects, Processes, People and Technology aspects need to be addressed adequately. Accordingly, the gaps are summarized in table below. Against each gap, the implication in terms of the inherent risk is given along with a rating of the criticality of the risk. The rating is on a scale of 1 to 5, where ‘1’ indicates least risk and ‘5’ indicates maximum risk.

| **Gaps** | **Description** | **Policy** | **Process** | **People** | **Technology** | **Inherent Risk** | **Risk Rating** | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **1** | **2** | **3** | **4** | **5** |
| Delegation of Powers not comprehensive | Though delegation of powers has been defined, it was observed that it is not followed in many cases |  |  |  |  | Lack of accountability in decisions taken |  |  |  |  |  |
| Processes not clearly defined | In many cases the processes are person dependent rather than system dependent |  |  |  |  | Difficulty in fixing responsibility |  |  |  |  |  |
|  |  |  |  |  |  | Process inefficiencies |  |  |  |  |  |
| Inadequate trained staff | Many tasks are performed by people without adequate skills and training |  |  |  |  | Process inefficiencies |  |  |  |  |  |
|  |  |  |  |  |  | Non compliance to policies |  |  |  |  |  |
| Lack of process automation | Though IT initiatives have been taken, they are yet to be fully implemented |  |  |  |  | Delays in procedures and records maintenance |  |  |  |  |  |
| Lack of systematic review and monitoring | The reviews are need based and ad hoc. There is no formal review process |  |  |  |  | Lack of ownership for the processes |  |  |  |  |  |
|  |  |  |  |  |  | No follow up of commitments |  |  |  |  |  |
| Project cost estimation not properly justified | Relevant historical information supporting estimates not available |  |  |  |  | Abnormal escalation in costs |  |  |  |  |  |
|  |  |  |  |  |  | Improper funds utilization |  |  |  |  |  |
| Inadequate project management practices | No project management tool used, insufficient project management expertise |  |  |  |  | Time delays in project execution |  |  |  |  |  |
| Lack of proper maintenance planning | There is no system of annual maintenance planning. Systematic monitoring of AMCs is also lacking |  |  |  |  | Breakdowns |  |  |  |  |  |
|  |  |  |  |  |  | Disruptions in regular activities |  |  |  |  |  |
| Purchase policy not clear | Detailed policy outlining the type of purchases, purchase powers not available |  |  |  |  | Non availability of materials at the right time |  |  |  |  |  |
|  |  |  |  |  |  | Lack of accountability in purchase decisions |  |  |  |  |  |
| Lack of control over returnable material | There is no proper system of recording such issues and periodic reconciliation of material lying with outsiders |  |  |  |  | Pilferage of materials |  |  |  |  |  |
| Lack of inventory management system | Current system is manual and not foolproof |  |  |  |  | Poor Inventory Control |  |  |  |  |  |
| Cash basis of accounting | Accounting is primarily cash based. Revenues and expenditure are not recognized on due basis. |  |  |  |  | Improper funds planning |  |  |  |  |  |
|  |  |  |  |  |  | Poor working capital management |  |  |  |  |  |
| Lack of well defined budgeting system | The rationale for budget estimate is not clear. There are no standard budget formats. Bottom up budgeting with consolidation at different levels is not there. |  |  |  |  | No variance analysis |  |  |  |  |  |
| Lengthy bill processing process | Bills go through minimum two rounds of approval (bill approval, payment approval) to the FC/MC resulting in delays |  |  |  |  | Delays in bills processing |  |  |  |  |  |
| Lack of backup and disaster recovery arrangements | There is no systematic backup of data. |  |  |  |  | Discontinuation of operations |  |  |  |  |  |
| Inadequate tournament planning procedures | There are no Standard Operating Procedures for different events. No project management tools are used for planning and organizing tournaments |  |  |  |  | Disruptions during matches |  |  |  |  |  |
|  |  |  |  |  |  | Last minute rush for tournament activities |  |  |  |  |  |
| Lack of membership database | Current database is manual (spreadsheet) |  |  |  |  | Delays in members’ communication |  |  |  |  |  |
|  |  |  |  |  |  | Inadequate tracking of membership dues |  |  |  |  |  |

The Gap Analysis is based on NCRCL team’s understanding of ‘AS IS’ Business Processes. These need to be brainstormed after validation of the AS IS Process Charts by the Management and key personnel of KSCA. The recommendations need to be seen in light of these gaps plus any other gaps that may be identified by KSCA internally to arrive at possible solutions.

# Department wise Gap Analysis

The major gaps that have been identified under each Department along with suggestions to address the gaps are detailed below. These gaps have to be read in conjunctions with the AS IS process charts. The corresponding activity codes of the relevant AS IS process charts are indicated in the Reference column.

## Section 1: Membership

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Gaps** | **Suggestions** | **Reference - Activity Code** | **Inherent Risk** | **Risk Rating** | | | | |
| **1** | **2** | **3** | **4** | **5** |
| Applicant sends letter for applying for membership. There is no prescribed format for the membership application | Standard template for membership application needs to be prescribed. Pre-printed forms can be used. | MB-1-1 | Delay is processing |  |  |  |  |  |
| Manual inward | All Inwards can be done electronically. The inward number can be generated automatically. | MB-1-2 | Delay in retrieval |  |  |  |  |  |

## Section 2: Tournament

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Gaps** | **Suggestions** | **Reference - Activity Code** | **Inherent Risk** | **Risk Rating** | | | | |
| **1** | **2** | **3** | **4** | **5** |
| There is no Standard Operating Procedure (SOP) for conduct of Tournaments. The activity sequencing, resource requirements are not planned holistically | SOP in terms of a Package of Practices, calendar of activities must be prescribed for different type of events. This SOP should form part of the project management system for each tournament. |  | Non holistic Tournament Planning |  |  |  |  |  |
| The financial budget estimate is prepared for the financial year. The basis of preparation of budget estimates for tournaments is not clear. | Budget estimate for tournament to be prepared at the beginning of every financial year based on “Calendar of Events” and considering actual of current year | TO-2-12 | Cost overrun |  |  |  |  |  |

## Section 3: Logistics

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Gaps** | **Suggestions** | **Reference - Activity Code** | **Inherent Risk** | **Risk Rating** | | | | |
| **1** | **2** | **3** | **4** | **5** |
| There is no Standard Operating Procedure (SOP) for logistics operations. The activity sequencing, resource requirements are not planned holistically | SOP for logistics in terms of a Package of Practices, calendar of activities must be prescribed for different type of events. This SOP should form part of the project management system for each tournament. |  | Logistics Planning |  |  |  |  |  |
| The inputs used and the basis for preparation of budget estimates for the year is not clear. | Guidelines for budget estimates along with necessary formats to be prescribed | LO-1 | Budget for Logistics |  |  |  |  |  |
| This department frequently takes service of travel operators. But it is not clear whether the department maintains list of approved travel operators or not. | List of approved service providers needs to be maintained | LO-2-6,  LO-3-6 | Fluctuations in commission rates |  |  |  |  |  |

## Section 4: Purchase

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Gaps** | **Suggestions** | **Reference - Activity Code** | **Inherent Risk** | **Risk Rating** | | | | |
| **1** | **2** | **3** | **4** | **5** |
| The inputs used and the basis for preparation of budget estimates for the year is not clear. | Guidelines for budget estimates along with necessary formats to be prescribed. The purchase budget must be linked to the planning of cricketing activities | PU-1-3,  PU-2-2 | Over/under estimation |  |  |  |  |  |
| Duplication of activities, extra activities, maintenance of multiple records in the purchase process | The activity (Make outward entry of the bill details in the delivery book and take acknowledgement ) can be avoided | PU-5-11 | Inefficient utilization of resources |  |  |  |  |  |
|  | The activity (Preparation of purchase requisition) can be avoided | PU-3-8 |  |  |  |  |  |  |
|  | The activity (Preparing cover letter) can be avoided | PU-3-10 |  |  |  |  |  |  |
|  | The activity (Inward Entry) can be avoided | PU-3-12 |  |  |  |  |  |  |
|  | The activity (Make outward entry of bill details in delivery book and take acknowledgement ) can be avoided | PU-5-2 |  |  |  |  |  |  |
|  | The activity (Affix a seal and enter the Inward number in the bill ) can be avoided | PU-5-5 |  |  |  |  |  |  |
|  | The activity (Inward entry in the delivery book and take acknowledgement) can be avoided | PU-5-7 |  |  |  |  |  |  |
|  | Approval of the bill can be taken by Accounts Department | PU-5-9 |  |  |  |  |  |  |

## Section 5: Central Stores

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Gaps** | **Suggestions** | **Reference - Activity Code** | **Inherent Risk** | **Risk Rating** | | | | |
| **1** | **2** | **3** | **4** | **5** |
| Material reconciliation is not done for cricketing material issued on returnable basis | A system of periodic reconciliation and reporting needs to be established |  | Pilferage of materials |  |  |  |  |  |
| No GRN (Goods Receipt Note) is generated for material receipts | GRN required | CS-1-6 |  |  |  |  |  |  |
| The bin cards are not updated for material movement | The best practice is to update bin cards during movement of materials | CS-1-10 | Tracking of materials |  |  |  |  |  |
| Sometime the materials like mats are issued directly to the ground and sometime it is issued to tournament department, zones and clubs. There are no registers maintained to trace the materials. | Inventory management system needs to be implemented.  A register to track the materials movement with acknowledged by the receiver needs to be put in place.  The practice of issuing cricketing material to outsiders on a security deposit may be considered. | CS-2-3,  CS-2-4,  CS-2-7 | Pilferage of materials |  |  |  |  |  |
| The approving authority for rejection and return of the material is not clear. | Must be defined clearly | CS-4-3 | Pilferage of materials |  |  |  |  |  |
| Physical verification is done once a year only | More frequent physical verification of stock is required for better control | CS-6 | Inventory Control |  |  |  |  |  |

## Section 6: Engineering – Civil

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Gaps** | **Suggestions** | **Reference - Activity Code** | **Inherent Risk** | **Risk Rating** | | | | |
| **1** | **2** | **3** | **4** | **5** |
| Basis of preparation of estimates is not clear | In addition to SR, the actual past experience in similar works must be considered while preparing estimates | EC-2-1 | Over/under costing of projects |  |  |  |  |  |
| Job descriptions are not clear amongst the existing staff | Roles and responsibilities of each person in the project life cycle to be clearly defined | EC-8-2 | Accountability for the jobs |  |  |  |  |  |
| Weak project management | Engagement of a Project Management agency may be considered.  Project management training to be given to existing staff  Project management tool required to plan and manage all ongoing projects. | EC-10-1 | Time/cost overrun |  |  |  |  |  |
| System of planning and monitoring of maintenance activities are not adequate | Annual maintenance calendar needs to be prepared for scheduled maintenance.  System of tracking AMC contracts to be put in place |  |  |  |  |  |  |  |
| M. Book (Measurement Book) is maintained at H.O. | Measurements must be recorded on site in the M Book | EC-10-4 |  |  |  |  |  |  |

## Section 7: Engineering - Electrical

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Gaps** | **Suggestions** | **Reference - Activity Code** | **Inherent Risk** | **Risk Rating** | | | | |
| **1** | **2** | **3** | **4** | **5** |
| Maintenance planning system not in place | An annual scheduled maintenance calendar must be prepared and integrated with the tournament calendar |  |  |  |  |  |  |  |
| Basis of preparation of estimates is not clear | In addition to SR, the actual past experience in similar works must be considered while preparing estimates |  | Over/under costing of projects |  |  |  |  |  |
| Weak project management | Project management training to be given to existing staff  Project management tool required to plan and manage all ongoing projects. |  | Time/cost overrun |  |  |  |  |  |

## Section 8: Housekeeping and Security

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Gaps** | **Suggestions** | **Reference - Activity Code** | **Inherent Risk** | **Risk Rating** | | | | |
| **1** | **2** | **3** | **4** | **5** |
| Planning of manpower and material requirements is weak | An annual plan integrated with the Tournament Calendar must be prepared |  | Non availability of resources in the required time |  |  |  |  |  |
| Input used and basis for annual budgeting is not very clear as there are no proper MIS reports | Manpower and material requirements must be arrived based on annual plan and used for budgeting |  | Over/under costing |  |  |  |  |  |

## Section 11: Club House

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Gaps** | **Suggestions** | **Reference - Activity Code** | **Inherent Risk** | **Risk Rating** | | | | |
| **1** | **2** | **3** | **4** | **5** |
| Delays in attending complaints | Complaint tracking and monitoring to be strengthened.  Adequate maintenance staff to be deployed | CH-2-2 | Reduction in occupancy |  |  |  |  |  |
| Control over cash transaction with non members | Automation of cash billing | CH-8-1 | Actual sales more than book sales |  |  |  |  |  |

## Section 13: Networking and IT

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Gaps** | **Suggestions** | **Reference - Activity Code** | **Inherent Risk** | **Risk Rating** | | | | |
| **1** | **2** | **3** | **4** | **5** |
| Lack of proper maintenance planning | A system of annual scheduled maintenance planning must be established |  | Breakdowns |  |  |  |  |  |
| Delay in attending issues | Adequate qualified staff to be deployed | IT-2-1 |  |  |  |  |  |  |
| No records are maintained for activities | Suitable registers and logs need to be maintained.  A system of ticketing must be introduced |  |  |  |  |  |  |  |
| Inadequate backup arrangements | A system of periodic backup must be put in place.  Disaster recovery system must be established |  | Discontinuous of operations |  |  |  |  |  |

## Section 14: Human resources

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Gaps** | **Suggestions** | **Reference - Activity Code** | **Inherent Risk** | **Risk Rating** | | | | |
| **1** | **2** | **3** | **4** | **5** |
| Most of the HR activities like interviews, salary fixation etc. are done by the respective departments itself | All the HR activities to be done by HR department | HR-1-5 | Non Accountability for jobs |  |  |  |  |  |

## Section 15: Accounts

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Gaps** | **Suggestions** | **Reference - Activity Code** | **Inherent Risk** | **Risk Rating** | | | | |
| **1** | **2** | **3** | **4** | **5** |
| Cash book closure procedures are not clearly defined | A system of daily closing of physical cash and tallying with cash book must be put in place | AC-5 | Cash discrepancy |  |  |  |  |  |
| Lengthy bill approval cycle with duplication. | Multiple levels of approval by the FC must be avoided.  Delegation of powers to be modified to introduce approvals based on amounts | AC-15-10 | Lengthy Bill Processing |  |  |  |  |  |
| Gaps in activities and documentation | ‘Physical verification’ of cash reportshould be maintained’ | AC-5-5 |  |  |  |  |  |  |
|  | Ticket reconciliation daily as well as at the end of the tournament must be introduced | AC-1/AC-3 |  |  |  |  |  |  |
|  | Fixed assets register should be maintained | AC-13-9 |  |  |  |  |  |  |
|  | Reconciliation for major creditor account has to be prepared periodically | AC-26-1 |  |  |  |  |  |  |

# Recommendations for process automation

A common thread running across all the recommendations in the previous section is the implementation of an IT solution for automation of processes. Implementation of an integrated IT solution would ensure that a majority of the process gaps are addressed thereby improving productivity and the control environment.

The process automation recommendations across departments are summarized in this section and presented under different modules for better clarity. The desired functionality of each module is given below. These modules can be implemented independently or developed as part of an ERP implementation.

## Membership Management Module

Membership Management Module will have following functionality:

* Membership application processing
* Generation of necessary forms, such as:

1. Membership Registration Form
2. Membership Renewal Form
3. Membership Transfer Form

* Automatic membership number generation
* Maintenance of members’ records
* Management of demand and collection of membership fees

## Tournament Management Module

Tournament Management Module will have following functionality:

* Preparation of Calendar of events (In case of any change in match schedule, it would update the schedule accordingly)
* Preparation of Calendar of Operation for a particular event
* Handling Pre event and Post event activities
* Tournament costing
* Tournament planning and budget preparation
* Maintenance of track record of Players, Umpires and Scorers
* Generation of statistical reports for Players, Umpires and Scorers

## Logistics Management Module

Logistics Management Module will have following functionality:

* Preparation of Budget
* Preparation of estimate for an event
* Transport planning for local and outstation matches
* Generation of work order
* Accreditation
* Generation of necessary reports
* Integration with Tournament Module

## Inventory Management Module

Inventory Management Module will have following functionality:

* Management of inventory for cricketing and non cricketing items:

1. Receipts of material
2. Storage
3. Issue of materials
4. Valuation
5. Identification of fast, slow and non moving items
6. Reorder level

* Tracking of returnable cricketing material
* Generation of various documents like Goods received Note, Gate Pass, Returnable Gate Pass, Material Rejection Note, Scrap Disposal Report, etc.

## Project Management Module

Project Management Module will have following functionality:

* Project planning and budgeting
* Preparation of project cost estimate
* Project activity scheduling and tracking
* Resource Management (Man Power and Material)
* Project Monitoring & Reporting
* e-tendering

## Management information system (MIS) Module

Management Information System (MIS) Module will have following functionality:

* Generation of necessary reports such as:

1. Detailed reports
2. Summarized reports
3. Analytical reports

* Generation reports for

1. Departments
2. Management

* Generation of Standard reports as well as customized reports





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