

PANORAMIC

# SPORTS LAW

Switzerland

 LEXOLOGY



# Sports Law

Contributing Editors

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## REGULATORY

### **Governance structure**

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

In Switzerland, the responsibility for governance lies mainly with the sports organisation itself.

The legal framework and thus the regulatory governance regarding sports organisations depends mainly on the organisational form chosen by the respective sports organisation. Sports organisations are therefore in essence responsible for their own governance.

Sports organisations often choose to take the legal form of an association pursuant to article 60 et seq of the Swiss Civil Code and thus enjoy substantial organisational freedom. When established under Swiss law, associations have considerable flexibility in structuring and managing their entities. This includes the ability to determine internal governance structures, define the rights and obligations of members and establish internal remedies for dispute resolution. Therefore, the specific governance structure can vary depending on the sport and its specific requirements. In addition to the specific internal governance structure, the relevant statutory law will be applicable (eg, criminal law). The International Olympic Committee, the International Federation of Association Football, the Union of European Football Associations, the International Ice Hockey Federation and the International Cycling Union are all prominent examples where the legal form of the Swiss association is used.

Certain sports organisations opt for alternative legal entities, such as foundations or companies limited by shares, which both offer a more rigid legal structure compared to the association. Foundations allow for the allocation of assets for specific purposes. Examples of foundations include the World Anti-Doping Agency and the International Testing Agency, both based in Lausanne. On the other hand, professional sports teams, especially in football and ice hockey (eg, Lakers Sport AG in Rapperswil-Jona), are typically established as companies limited by shares. Based on the statutes of the Swiss Football League, this is actually mandatory for football clubs participating in the highest league. Companies limited by shares have a defined capital divided into shares, which are owned by the company's shareholders.

**Law stated - 18 Juli 2024**

### **Protection from liability**

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

In essence, athletes are protected by the specific rules of play applicable to their sport. In addition, in Switzerland, participants in sport competitions are generally held responsible for their on-field actions in accordance with Swiss civil and criminal law.

Especially in team sports, athletes may be liable in torts (article 41 of the Swiss Code of Obligations). However, there is generally an understanding that the athletes willingly assume certain risks associated with the activity (*volenti non fit iniuria*). This doctrine of assumption

of risk may limit the liability of participants, particularly in contact sports, where some level of physical contact and risk of injury is inherent to the specific sport. Naturally, this assumption of risk has its limits, and participants can still be held liable if their actions go beyond the reasonable expectations of the sport (eg, rules of play have not been complied with) or if they engage in intentional misconduct or gross negligence.

Athletes may also expose themselves to criminal sanctions. Commonly this would include criminal sanctions due to assault through negligence or acts of aggression. An interesting aspect is the relationship between the applicable rules of play and criminal law: in a previous decision of the Swiss Federal Supreme Court, it was stated that criminal liability can be assumed in principle if a foul is punishable based on the rules of play. In a later decision, the Swiss Federal Supreme Court provided for a more sophisticated perspective and concluded that the defendant's tackle was not specifically targeted at the opposing player and did therefore not constitute a violation of the rules of play. Instead, the tackle was considered to fall within the realm of sport-specific risks and therefore the doctrine of the assumption of risk was applied.

Additionally, sports organisations often have their own disciplinary system and regulations in place to address on-field misconduct, which may result in sanctions for participants involved in dangerous behaviour.

**Law stated - 18 Juli 2024**

### **Doping regulation**

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

In Switzerland, the legal framework for anti-doping is provided by the rules of sport under private law and federal law.

On one hand, based on private law, athletes are subject to the anti-doping regulations of sports governing bodies that have opted to adhere to the World Anti-Doping Program. Athletes may be sanctioned for doping offences pursuant to the World Anti-Doping Code. This World Anti-Doping Code is implemented by the Swiss Olympic Doping Statute with binding effect on all its member associations. The Swiss Olympic Doping Statute provides a standard basis for anti-doping provisions in Swiss sport.

In Switzerland, based on statutory law, using or applying prohibited substances as such is not a criminal offence for the athletes using or applying the substance. However, certain actions in connection with doping are subject to criminal sanctions under the Swiss Federal Act on the Promotion of Sports and Exercise (Sports Promotion Act). The Sports Promotion Act, along with its corresponding Ordinance, provides statutory regulations for the fight against doping in Switzerland and makes punishable the manufacture, acquisition, import, export, sale and market launch of doping substances. Criminal prosecution authorities investigate these cases, and judgments are made by state courts. Sentences range from a fine to imprisonment. For instance, a custodial sentence of up to five years may be imposed on anyone who, for doping purposes, manufactures, acquires, imports or exports doping substances. The sanctions apply to professional as well as amateur sports, such as bodybuilding and fitness. Most recent cases in which criminal sanctions have been applied

under the Sports Promotion Act concern the illegal production and distribution of doping substances in bodybuilding.

In addition to the Sports Promotion Act, the Act on Therapeutic Products and the Act on Narcotics may apply to doping, and offenders may be liable thereunder.

On an international level, Switzerland also ratified the Council of Europe Anti-Doping Convention, and the UNESCO International Convention Against Doping in Sport.

**Law stated - 18 Juli 2024**

## **Financial controls**

### **What financial controls exist for participant organisations within professional sport?**

In Switzerland, financial controls for organisations participating in professional sports vary depending on the specific sport and its governing bodies. Each sports organisation may have its own set of rules and financial guidelines to maintain financial stability, fairness and sustainability within its respective sport. The Financial Fair Play regulations of UEFA, for example, aim to promote financial stability and sustainability among sports clubs. These regulations typically require teams to operate within certain financial parameters to avoid excessive debt and overspending. Additionally, Swiss statutory corporate law further provides mandatory provisions relating to insolvency and over-indebtedness for companies limited by shares.

**Law stated - 18 Juli 2024**

## **DISPUTE RESOLUTION**

### **Jurisdiction**

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

In accordance with the Swiss Federal Constitution, any person has the right to have their case heard by a legally constituted, competent, independent and impartial court. Generally, domestic and international disputes are subject to the jurisdiction of regular state courts. This also applies to disputes relating to professional sport matters. However, for many sport organisations, cases are subject to the jurisdiction of arbitration courts.

Further, many sports organisations set up internal instances and procedures to review and decide on certain issues relating to sport matters. Such internal instances do not meet the constitutional right of an independent and impartial court and their decisions thus remain subject to the jurisdiction of state or arbitration courts for an appeal.

Switzerland plays a pivotal role in sports arbitration due to the presence of the Court of Arbitration for Sport (CAS) located in Lausanne, Switzerland. The CAS serves as both an ordinary arbitration tribunal and an appeal body. Jurisdiction of the CAS is established through arbitration agreements or the application of relevant sport rules and the CAS typically holds jurisdiction to arbitrate any sport-related commercial dispute (eg, sponsorship



contract) or disciplinary dispute (eg, fines). Certain sport federations have also delegated to the CAS Anti-Doping Division (CAS ADD) the authority to issue decisions against athletes in doping-related matters. It is, therefore, important to differentiate between the specific function of the CAS in the case at hand. In a recent decision of the Swiss Federal Supreme Court, it had to decide whether the CAS ADD was acting as an external court of appeal or as an internal instance of the respective sports organisation. The Swiss Federal Supreme Court ruled that in the case at hand the CAS ADD was acting as an internal instance and not as an arbitration court, since the CAS ADD obtained its power from the respective sports organisation. The power of the CAS ADD can therefore not be more extensive.

CAS awards are in essence final and binding and are subject to appeal to the Swiss Federal Supreme Court only on the grounds of public policy and procedural defects.

Most of the famous sports federations provide for the CAS as their appeal body, such as the International Olympic Committee, the International Federation of Association Football and the International Cycling Union.

**Law stated - 18 Juli 2024**

## **Enforcement**

### **How are decisions of domestic professional sports regulatory bodies enforced?**

The respective sports organisations themselves usually enforce internal decisions of sports organisations through sporting sanctions, such as, for example, match suspensions and fines.

Judgments of state courts and arbitral awards of arbitration courts can be enforced in accordance with domestic law. The procedure of such enforcement will depend on whether the case at hand is international and whether the decision relates to the payment of money.

Further, the recognition of decisions of Swiss state courts and arbitral awards of arbitration courts based in Switzerland is subject to the relevant international treaties. The most important international treaties in allowing an efficient enforcement are the Lugano Convention and the New York Convention.

**Law stated - 18 Juli 2024**

## **Court enforcement**

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

Decisions of professional sports regulatory bodies do not qualify as judgments or awards and are therefore not enforceable based on domestic law or international treaties. Their respective judgment or award can be appealed only if such decisions are appealed before a state court or an arbitration court. It is important to note that internal legal remedies must be exhausted before one can appeal before the CAS. Thus, if an internal appeal body exists, the case cannot be appealed directly to the CAS until the appeal body has made a decision that is final within the sports organisation.

Additionally, most sports organisations have opted for the jurisdiction of the CAS. In such cases, state courts typically do not have jurisdiction, except for the limited cases exclusively reserved for state courts and where the Swiss Federal Supreme Court acts as the appeal body.

Law stated - 18 Juli 2024

## SPONSORSHIP AND IMAGE RIGHTS

### Concept of image rights

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

Yes. Based on the personal rights stipulated in the Swiss Civil Code (article 28) as well as the Federal Act on Data Protection the right to one's own image is legally recognised. There is no register for such image rights.

Law stated - 18 Juli 2024

### Commercialisation and protection

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

The consent of the individual is required for any commercial exploitation of the individual's personality rights, including image rights.

Any commercialisation without the individual's consent entitles them to seek redress (including injunctive relief, damages and information disclosure) against the infringer.

Law stated - 18 Juli 2024

### Commercialisation and protection

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

Athletes typically grant their clubs a licence for the commercial exploitation of their image rights, including the right to sub-license these rights to other organisations (including partners and sponsors). It is common for clubs and other organisations to use athletes' image rights for marketing, promoting and merchandising, including selling tickets and branded products.

Therefore, the agreements between the athlete and his or her club and between the athlete's club and any other organisation will determine the extent to which an athlete's image rights are exploited.

Law stated - 18 Juli 2024

## **Morality clauses**

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

Generally, parties are free to structure their relationship based on the general principle of contractual freedom enshrined in Swiss law. Contracts may also include clauses relating to morality. However, no one may renounce his or her freedom or restrict the exercise of it to an extent that is contrary to the law or public morality. Thus, any clause that leads to the loss or restriction of the freedom of one of the parties will be deemed void and unenforceable (in whole or in part, depending on the circumstances).

**Law stated - 18 Juli 2024**

## **Restrictions**

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

A number of laws have special provisions on advertising to deal with the dangers of advertising certain products, such as alcohol, tobacco, medicines and certain foods, or advertising in the media channels, which have traditionally been regarded as the most pervasive, namely, television and radio. Advertising for alcoholic beverages and tobacco products is generally prohibited on television and radio. In relation to sports, advertising of alcoholic beverages is generally prohibited at sports grounds and at sports events, and advertising for tobacco products is prohibited at events targeting minors. With respect to gambling, the Swiss State Lottery Organisations hold the monopoly for sports betting in Switzerland and foreign online betting providers are not permitted to offer their services on the Swiss market.

**Law stated - 18 Juli 2024**

## **BRAND MANAGEMENT**

## **Protecting brands**

### **How can sports organisations protect their brand value?**

By registering, maintaining, monitoring and enforcing their brand as a trademark. In the case of unauthorised use of trademarks, trademark law provides for civil remedies and criminal sanctions. In addition, remedies against third parties who take advantage of the reputation and trademarks of sports organisations may be available under unfair competition law.

**Law stated - 18 Juli 2024**

## **Protecting brands**

### **How can individuals protect their brands?**

By registering, maintaining, monitoring and enforcing their brand as a trademark. In the case of unauthorised use of trademarks, trademark law provides for civil remedies and criminal sanctions. In addition, remedies against third parties who take advantage of the reputation and trademarks of another party may be available under unfair competition law.

**Law stated - 18 Juli 2024**

## **Cybersquatting**

### **How can sports brands and individuals prevent cybersquatting?**

Remedies for unauthorised use of trademarks and names (eg, domain name registrations or (online) impersonation to deceive the public) are based on trademark law, unfair competition law and rights of privacy and publicity. Civil actions and criminal sanctions are possible remedies.

Dispute resolution procedures for requesting cancellation or transfer of infringing domain name registrations are provided in the terms and conditions of domain name registries (eg, ICANN, Switch).

For Swiss-based providers of hosting services for unauthorised content, a self-regulatory code of conduct provides for an efficient 'notice and takedown' mechanism. A second self-regulatory code applies to Swiss-based domain name registrars when their clients register illegal domain names. These measures are, for example, the blocking of a domain name or the administrative access of the owner, the refusal of transfers and the refusal to renew domain names. Both self-regulatory codes, particularly in the case of an unidentifiable infringer or an unfavourable jurisdiction, are of particular benefit to rights holders.

**Law stated - 18 Juli 2024**

## **Media coverage**

### **How can individuals and organisations protect against adverse media coverage?**

Reporting falsehoods, defamatory statements or excessive disclosure of an individual's personal details may be challenged under privacy rights, particularly where personal interests outweigh public interest in reporting case details. Remedies for defamation include civil actions (including publishing a decision) and criminal sanctions. The person whose personal rights are directly affected by the publication of (alleged) untruths in regularly published media has the right to a rebuttal. In the case of a defamatory statement in the media, criminal liability shall be assigned in the following order:

- to the author;
- if the author cannot be identified, to the editor or person responsible for the publication; and
- if the author cannot be identified and in the absence of a responsible editor, to the person responsible for the publication.

**Law stated - 18 Juli 2024**

## BROADCASTING

### Regulations

Which broadcasting regulations are particularly relevant to professional sports?

Under the Swiss Federal Law on Radio and Television and the European Convention on Transfrontier Television, Swiss (linear) television broadcasters are subject to regulatory requirements.

Swiss law contains specific provisions on television and radio advertising, which restrict or prohibit advertising for certain sectors (eg, alcohol, tobacco, medicines and political parties). It also lays down specific requirements for separating advertising from editorial content, sponsoring and product placement.

A substantial proportion of the public must have free access to coverage of events of major importance to society. The summer and winter Olympic Games, the semi-finals and finals of all teams and all matches involving the Swiss national team in the FIFA World Cup, the UEFA European Championship and the Alpine World Ski Championships are included in the Swiss list of relevant events. Swiss broadcasters are also required to comply with the lists drawn up by the member states of the European Convention on Transfrontier Television as regards free access in the country concerned.

**Law stated - 18 Juli 2024**

### Restriction of illegal broadcasting

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

Swiss copyright law provides for a statutory licence, subject to collective rights management, for the simultaneous retransmission of unaltered programmes for free television in Switzerland. Public screening generally requires a licence subject to collective rights management.

Civil actions and criminal sanctions are available under copyright law to combat illegal broadcasting. Access to an illegal stream can be effectively restricted by sending cease-and-desist letters and contacting the platforms hosting the content.

**Law stated - 18 Juli 2024**

## EVENT ORGANISATION

### Regulation

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

When organising an event, various contracts are typically entered into between different parties, including the venue owner. In particular, the Swiss Code of Obligations provides rules for venue hire. In addition, permits and licences may be required from the relevant authorities,

particularly for the use of public spaces, but also with regard to the sale of alcohol and health and safety regulations. Intellectual property rights, including trademarks, copyrights and image rights, as well as data protection under Swiss law, must also be considered. A collective management licence is generally required for public screenings or other public uses of musical works. Federal, cantonal and communal regulations regarding waste management, energy consumption and general compliance with environmental standards must also be taken into account. Liability and insurance arrangements are also important for sports event organisers. Ensuring liability and insurance coverage is essential to protect organisers and participants from potential risks and liabilities that may arise during an event.

**Law stated - 18 Juli 2024**

## **Ambush marketing**

### **What protections exist against ambush marketing for events?**

Trademark law, copyright law, trade name law and unfair competition law can provide legal remedies against unauthorised marketing using the media attention of a major event where the advertiser has no legal connection with the event and its organiser.

Trademark claims usually depend on the risk of confusion when others use identical or similar signs (such as logos, event titles and mascots) to promote similar goods and services. Well-known marks may even be protected in relation to other goods and services.

Mascots, film footage, official theme songs and logos may be protected by copyright. Public screenings generally require a licence under collective rights management.

It is considered an unfair competition practice or an infringement of personality rights, or both, if the advertiser gives the false impression of an existing business relationship (eg, as a sponsor or service provider) with the organiser of a sports event or the winner of a tournament.

In addition, contractual arrangements with the sponsor and other partners, as well as general terms and conditions for the purchase of tickets and the use of stadiums, may be used by the organiser of a sports event to support the branding strategy. These agreements only have a direct legal effect on the contractual partners (eg, sponsors, visitors and suppliers).

Third parties may be prevented from buying advertising space in the geographical and temporal vicinity of the event by public licences for the special use of public land.

**Law stated - 18 Juli 2024**

## **Ticket sale and resale**

### **Can restrictions be imposed on ticket sale and resale?**

The relationship between the organiser of a sports event and the spectator is primarily contractual. The contract is formed when a spectator purchases a ticket for the event. The contract may impose certain conditions on the sale and resale of tickets. In particular, these conditions may include restrictions on the transfer of tickets, resale at inflated prices, or restrictions on the platforms and methods of resale, and they may differ depending on the

party to the contract, namely, whether the contracts are concluded with professional resellers or individual ticket purchasers. In the case of consumer contracts, the Federal Act on Unfair Competition contains rules prohibiting terms and conditions that are unfair to consumers and which, in breach of good faith, create a substantial and unjustifiable imbalance between the rights and obligations arising under the contract.

Law stated - 18 Juli 2024

## IMMIGRATION

### Work permits and visas

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

The process for clubs in Switzerland to obtain work permits or visas for foreign professional athletes, coaching staff, and administrative staff varies depending on whether the individuals are citizens of Switzerland, EU member states or third-country citizens.

##### Swiss and EU citizens

Swiss and EU citizens are generally entitled to work in Switzerland without a permit. They need to register with the local residents' registration office within 14 days of their arrival.

##### Third-country citizens

The club extends a job offer to the foreign professional athlete or staff member, specifying the terms of employment. The club acts as the sponsor and applies to the relevant Swiss authorities, to obtain a work permit or visa for the foreign individual. The application includes supporting documents, such as the employment contract, proof of qualifications and evidence of the club's financial capacity. The Swiss authorities review the application and assess whether the employment of the foreign individual complies with Swiss immigration regulations. They consider factors such as the individual's qualifications, the availability of local talent and the economic and social impact of their employment. For example, a football player must possess a high level of qualification, such as a minimum of three years' professional experience in one of the top leagues for athletes. Work permits for professional athletes are typically granted to professional clubs, particularly in football and ice hockey, at the top two levels.

Law stated - 18 Juli 2024

### Work permits and visas

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

Engaging in temporary sports competitions and participating in training activities for a period of up to two months per year does not fall under the category of gainful activity in

Switzerland. As a result, there is no need to apply for a work permit or fulfil registration requirements. However, if applicable, an entry visa must still be obtained according to the relevant visa regulations. It is important to note that specific circumstances, nationalities, and the nature of the activities can impact the requirements. Some nationalities may have visa waiver agreements with Switzerland, while others may require a visitor visa. Additionally, certain activities, such as participating in official matches or events organised by national sports federations, may have specific regulations or clearance requirements.

**Law stated - 18 Juli 2024**

### **Residency requirements**

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

Generally, individuals such as athletes, coaches, and staff members must possess a valid employment agreement to establish residence in Switzerland. The issuance of a work permit is contingent upon the specific purpose of their stay, which may be tied to their affiliation with a particular club or organisation. Consequently, once the employment agreement with the respective club concludes, the work permit granted for Switzerland will expire, resulting in the loss of authorisation to reside in the country.

However, athletes, coaches and staff members may seek a permanent residence permit following a period of residence in Switzerland lasting 10 years, although in exceptional cases, this can be reduced to five years. A permanent residence permit is not contingent upon a specific purpose or contractual obligation. It enables individuals to establish long-term residency in Switzerland, offering greater flexibility in terms of career options and the ability to settle in the country for an extended duration.

**Law stated - 18 Juli 2024**

### **Residency requirements**

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

Swiss immigration laws generally allow for family reunification, enabling the family members of foreign professionals to join them in Switzerland. Family members may include spouses or civil partners, same-sex spouses or partners (registered) and children below the age of 18. Once family members join the foreign professional in Switzerland, they are granted similar residency rights. This means they have the right to reside in Switzerland and may work in Switzerland. Family members of foreign professional athletes, coaching staff, and administrative staff generally have access to services and benefits in Switzerland, such as healthcare, education and social welfare, similar to Swiss residents.

**Law stated - 18 Juli 2024**



## SPORTS UNIONS

### **Incorporation and regulation**

#### **How are professional sporting unions incorporated and regulated?**

In Switzerland, the role of professional sporting unions is rather limited. For example, the Swiss Association of Football Players (SAFP) has existed since 2001. It represents Swiss professionals and has more than 570 football players as members. The SAFP has received official recognition from both the Swiss Football Association (SFV) and the Swiss Football League (SFL). Collaboratively, the SFL and SFV work with the SAFP to negotiate the terms encompassed within a standard player contract. SAFP represents the interests of professional football players at national and international levels.

**Law stated - 18 Juli 2024**

### **Membership**

#### **Can professional sports bodies and clubs restrict union membership?**

No. The right to form (sports) unions and be a member of such an association is a constitutional right in Switzerland; any restriction in this regard is therefore unconstitutional.

**Law stated - 18 Juli 2024**

### **Strike action**

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

Yes, there are certain restrictions on professional sports unions taking strike action, for instance, in Swiss football. In Switzerland, the Swiss Trade Union Federation is the umbrella organisation for unions. In the realm of professional sports, the SFV represents the interests of football players and clubs. The SFV has its own statutes and regulations governing the relationship between players and clubs.

While there are no specific legal provisions in Switzerland that prohibit strike action by sports unions, they must adhere to certain requirements. Unions must act within the framework of the law and abide by existing collective bargaining agreements or employment contracts. They must also attempt to reach a resolution through negotiations first and resort to strike action as a last resort when all other options have been exhausted.

In summary, while there are no explicit prohibitions on strike action by sports unions in Switzerland, they must comply with existing regulations and contracts and, whenever possible, utilise alternative dispute resolution mechanisms before resorting to strike action.

**Law stated - 18 Juli 2024**

## EMPLOYMENT

## Transfers

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

In Switzerland, the legal framework for individual transfers in football is primarily governed by the Swiss Football Association (SFV) and its regulations. In the realm of professional sports, the relationship between athletes and their clubs is typically established through an employment contract, often in the form of fixed-term agreements. Consequently, when an athlete is transferred from one club to another, their existing employment contract with the former club must be terminated, unless the agreed-upon term has already expired. Subsequently, a new employment contract is established with the new club to formalise the athlete's association with their new team.

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

Under Swiss employment law, it is generally permissible to include restrictive covenants, such as non-competition clauses, within employment contracts. However, within the sports industry, these restrictive covenants are viewed as unjustifiably hindering athletes' economic prospects. As a result, they are considered excessive and unenforceable. The rationale behind this perspective is that restrictive covenants impose unreasonable limitations on athletes' ability to pursue their careers and seek better opportunities within the sporting world.

Further, additional restrictions can come into play in the sports industry. For instance, there may be limitations on the transfer of underage athletes or transfer bans imposed on clubs, which can arise from specific regulations within a particular sport. For example, football is subject to the Union of European Football Associations' Financial Fair Play Regulations, which may introduce further constraints on player transfers and club operations.

**Law stated - 18 Juli 2024**

## Ending contractual obligations

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

In Switzerland, the possibility for individuals to buy themselves out of their contractual obligations to professional sports clubs can vary depending on several factors, including the terms specified in their employment contract and the regulations established by governing bodies. Generally speaking, individuals cannot unilaterally buy themselves out of their contractual obligations. To do so, they would require the consent of the relevant professional sports club or a specific provision within the employment agreement, such as a buy-out clause.

**Law stated - 18 Juli 2024**

## Welfare obligations

## | What are the key athlete welfare obligations for employers?

Employers in Switzerland that are typically professional sports clubs have key athlete welfare obligations to ensure the well-being and safety of their athletes, particularly in contact sports. These obligations include:

- **Duty of care:** employers have a duty of care towards their athletes, meaning they are responsible for taking reasonable steps to protect their physical and mental well-being. This includes providing a safe training and playing environment, implementing appropriate safety measures, and ensuring access to medical support and treatment.
- **Injury prevention and rehabilitation:** employers are expected to take measures to prevent injuries and promote rehabilitation. This involves implementing proper training programmes, employing qualified medical and coaching staff, and providing necessary medical treatment and rehabilitation services when injuries occur.
- **Health and safety:** employers must comply with health and safety regulations to create a safe working environment for athletes. This includes adhering to guidelines related to equipment safety, playing surfaces and facilities, as well as addressing any potential hazards that may pose risks to athletes' health and well-being.
- **Sports medicine and medical support:** employers are responsible for providing access to sports medicine expertise and medical support. This includes having qualified medical staff, such as team doctors and physiotherapists, available to address athletes' medical needs, perform assessments and provide appropriate treatment and rehabilitation.
- **Mental health support:** recognising the importance of mental well-being, employers should also provide resources and support for athletes' mental health. This may involve offering counselling services, access to mental health professionals and creating an environment that promotes mental well-being and addresses any psychological challenges athletes may face.

**Law stated - 18 Juli 2024**

## | **Young athletes**

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

Swiss employment law restricts the employment of minors (children under 15 years old) to exceptional cases that must meet specific requirements. Additionally, particular sports federations, such as the International Federation of Association Football, have their own provisions, such as article 19 of the FIFA Regulations on the Status and Transfer of Players, which generally prohibits the international transfer of minors. In Swiss football, there are specific restrictions on the employment and transfer of young athletes to ensure their protection and welfare. These restrictions aim to prevent exploitation and ensure that young athletes have appropriate opportunities for development and education.

**Law stated - 18 Juli 2024**

## Young athletes

### What are the key child protection rules and safeguarding considerations?

Several key child protection rules and safeguarding considerations are in place to ensure the well-being and safety of young athletes. These include for example age restrictions, safeguarding measures, parental consent and involvement as well as transfer regulations.

Law stated - 18 Juli 2024

## Club and country representation

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

When athletes represent both their club and country, for instance in Swiss football, employment relationship issues that may arise include scheduling conflicts, player fatigue and injury risk, compensation and insurance considerations, contractual obligations, the release of players from club duties, and managing loyalty and allegiance between the club and national team. The national football clubs are subordinated to FIFA and the Union of European Football Associations. The situation can be described as all parties being interlinked by the corresponding international as well as national regulations. FIFA, for example, stipulates in its regulations that clubs have to release football players if they are called up for an international match to represent their country.

Law stated - 18 Juli 2024

## Selection and eligibility

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

When it comes to selection and eligibility disputes, national bodies have established procedures to address such issues. These bodies, for example in football, the SFV and relevant sports governing bodies, typically have specific mechanisms in place to handle these disputes. Selection and eligibility disputes in Swiss football are typically addressed by national bodies through internal review, mediation and resolution attempts, arbitration or disciplinary proceedings, and potential avenues for appeals within the sports governance structure. The goal is to ensure fairness, uphold the sport's integrity, and provide transparent and impartial mechanisms for resolving such disputes.

Law stated - 18 Juli 2024

## TAXATION

### Key issues

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

Athletes who are competing in Switzerland but are not domiciled in Switzerland might become liable to pay taxes in Switzerland. If the athlete's country of residence and Switzerland have entered into a double tax agreement, the right to tax is generally granted to the state where the sport is played. This generally also includes payments that are not made directly to the athlete but to third parties (eg, the athlete's employer) as well.

However, not all of the athlete's income can actually be taxed in Switzerland; this only applies to income that is directly related to the athlete's physical performance or appearance in Switzerland (eg, prize money, entry bonus, etc). On the other hand, for example, regular salary and sponsorship payments or premiums for standing in the world rankings, which are paid independently of sporting events in Switzerland, are generally not taxable in Switzerland.

If the income is taxable in Switzerland, the sporting event organiser is responsible for declaring and deducting the withholding tax directly and paying it to the Swiss tax authorities.

Athletes with tax residency abroad may also become liable to pay value-added tax in Switzerland if they realise income in Switzerland and at the same time achieve a worldwide turnover of at least 100,000 Swiss francs per year (a simplified procedure in which the value-added tax is settled by the event organiser might be applicable).

Swiss resident athletes are subject to tax on their worldwide income. However, income that is directly related to a sporting performance abroad might be exempt (depending on the double tax agreement, if any).

**Law stated - 18 Juli 2024**

## UPDATE AND TRENDS

### **Key developments of the past year**

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

The participation of transgender people in sports remains challenging, in particular the categorisation of the respective sports based on biological sex or gender identity. World Athletics, for example, prohibits certain transgender women from participating in women's world rankings competitions. On the other hand, in all levels of Swiss ice hockey transgender women are allowed to participate to the extent that their testosterone level remains below a certain threshold. This is based on the IOC Consensus Meeting of November 2015.

However, currently, there is no consolidated international framework in place for the participation of transgender people in sports. Various individual sporting bodies have issued their own regulations for this matter, such as World Athletics and Swiss Ice Hockey Federation .

**Law stated - 18 Juli 2024**