



# INTERMEDIARIES IN INTERNATIONAL TRANSFERS 2016

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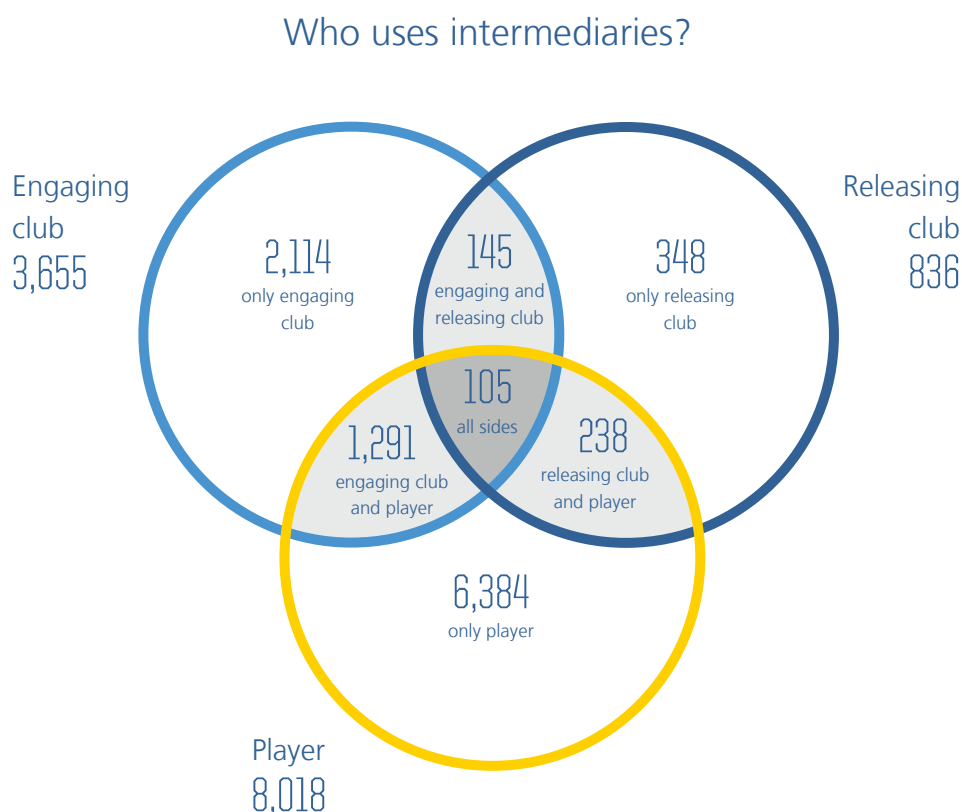
Typically, three parties are involved in the negotiation of a transfer: the player, the engaging club, and - if the transfer is not out of contract - the releasing club. Each party can choose to employ one or more intermediaries.

When completing a transfer in the International Transfer Matching System (ITMS), clubs must provide information regarding the intermediaries involved, including commissions<sup>1</sup>. This report offers an extensive overview on the involvement of intermediaries in all international transfers completed since 1 January 2013.

**Since 2013, 19.7% of all international transfers worldwide involved at least one intermediary.** If we focus exclusively on transfers that involved a transfer fee, this percentage is as high as 47.9%. **Over the same period, USD 1.1 billion were paid as commissions to club intermediaries.**

As shown in figure 1, intermediaries representing players are the most common (8,018 transfers since 2013), followed by intermediaries representing engaging clubs (3,655) and those representing releasing clubs (836).

Fig. 1: Number of international transfers with intermediaries since 1 Jan 2013



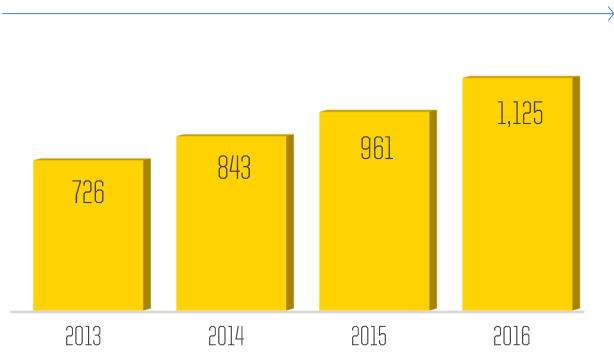
<sup>1</sup>Data on commissions is collected for club intermediaries, but not for player intermediaries (FIFA Regulations on the Status and Transfer of Players - Annexe 3, Article 4.2)

# CLUB INTERMEDIARIES

## Intermediaries representing engaging clubs

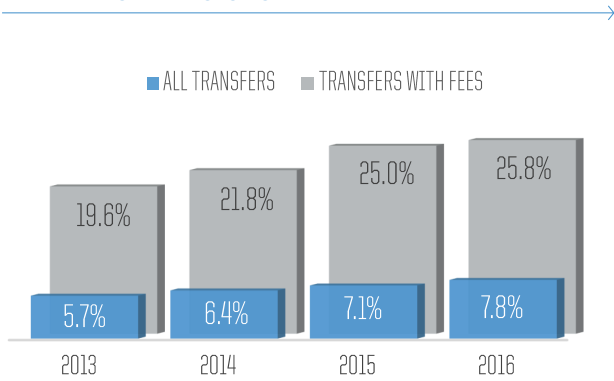
In 2016, engaging clubs employed intermediaries in 1,125 international transfers. With one month left until the end of the year, this represents a 17.1% increase compared to 2015, and sets a new record.

Fig. 2: Number of transfers with intermediaries representing the engaging club



As shown in figure 3, the percentage of transfers with intermediaries representing the engaging club has also grown year after year, and has now reached 7.8%.

Fig. 3: Percentage of transfers with intermediaries representing the engaging club



From 2013 to date, English clubs had the most transfers involving engaging club intermediaries - 905, representing 37.7% of all incoming transfers to England. Only considering transfers with fees, this percentage is a staggering 67.0%. In other words, **when engaging a player for a fee, English clubs used intermediaries in two out of three transfers.**

Italian clubs have very similar numbers: 35.0% of all incoming transfers, and 64.1% of those with fees had engaging club intermediaries.

In third place, perhaps surprisingly, are clubs from Myanmar: engaging club intermediaries were involved in 29.7% of their transfers, all of which were transfers without fees.

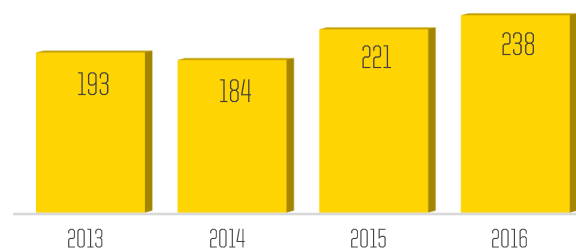
Fig. 4: Percentage of transfers with intermediaries representing the engaging club, since 1 Jan 2013, by country (minimum 20 transfers with intermediaries)

| Engaging club intermediaries |           |                            |
|------------------------------|-----------|----------------------------|
|                              | Transfers | As % of incoming transfers |
| England                      | 905       | 37.7%                      |
| Italy                        | 504       | 35.0%                      |
| Myanmar                      | 41        | 29.7%                      |
| Denmark                      | 109       | 24.8%                      |
| Japan                        | 117       | 24.6%                      |
| Germany                      | 336       | 21.9%                      |
| Wales                        | 99        | 17.8%                      |
| France                       | 159       | 14.3%                      |
| Austria                      | 50        | 13.9%                      |
| Scotland                     | 101       | 12.6%                      |

# Intermediaries representing releasing clubs

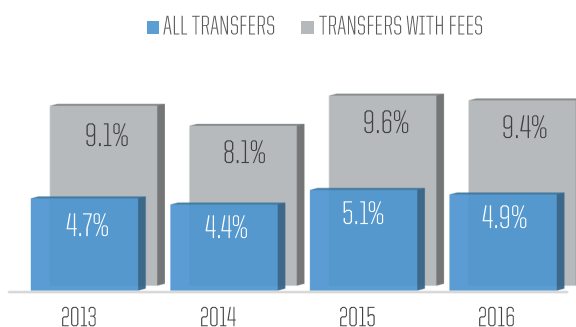
Transfers where a releasing club involved an intermediary are by far the least common. In 2016 there have been 238 such transfers.

Fig. 5: Number of transfers with intermediaries representing the releasing club



This is understandable, as clubs normally engage intermediaries to facilitate the arrival of a player from another club, rather than the departure of one. The low number is also ascribable to the high number of transfers of players out of contract (66.1% of all transfers in 2016). When a player moves out of contract there is no releasing club, hence there will not be a releasing club intermediary.

Fig. 6: Percentage of transfers with intermediaries representing the releasing club



**Nigerian clubs are those that rely most frequently on releasing intermediaries:** 17.6% of their outgoing transfers since 2013 had at least one involved.

In second place, with 13.8%, are Italian clubs, who have completed the most transfers with releasing club intermediaries - 138.

The third spot is held by Norwegian clubs with 13.0%.

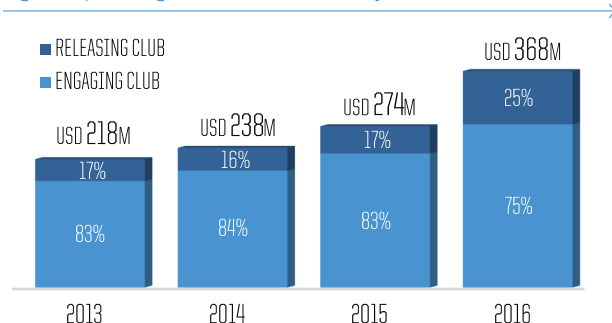
Fig. 7: Percentage of transfers with intermediaries representing the releasing club, since 1 Jan 2013, by country (minimum 20 transfers with intermediaries)

| Releasing club intermediaries |           |                            |
|-------------------------------|-----------|----------------------------|
|                               | Transfers | As % of outgoing transfers |
| Nigeria                       | 21        | 17.6%                      |
| Italy                         | 138       | 13.8%                      |
| Norway                        | 32        | 13.0%                      |
| Serbia                        | 22        | 11.1%                      |
| Germany                       | 54        | 10.2%                      |
| Croatia                       | 21        | 9.5%                       |
| Portugal                      | 78        | 9.3%                       |
| France                        | 48        | 8.1%                       |
| England                       | 88        | 7.0%                       |
| Belgium                       | 27        | 5.0%                       |

## Total commissions to club intermediaries

Spending on commissions has also increased significantly over the last few years, and has reached a new high. In 2016 so far, clubs paid USD 277 million in commissions to intermediaries representing them in engaging transfers and USD 91 million to intermediaries representing them in releasing transfers, for a total USD 368 million, that is 34.2% more than last year.

Fig. 8: Spending on club intermediary commissions



Since 2013, a total of USD 1.1 billion has been spent on intermediary commissions, and an impressive 98.1% of it has come from clubs affiliated to associations that are members of UEFA: European clubs spent USD 1.08 billion, while the rest of the world combined spent USD 21 million.

Fig. 9: Number of transfers with club intermediaries and spending on club intermediary commissions since 1 Jan 2013, by confederation

|          | Transfers with club intermediaries |           | Spending on commissions (USD million) |
|----------|------------------------------------|-----------|---------------------------------------|
|          | Engaging                           | Releasing |                                       |
| UEFA     | 3,241                              | 680       | 1,077.3                               |
| CONMEBOL | 43                                 | 57        | 10.7                                  |
| AFC      | 294                                | 18        | 7.7                                   |
| CONCACAF | 38                                 | 16        | 1.8                                   |
| CAF      | 39                                 | 65        | 1.0                                   |
| OFC      | 0                                  | 0         | 0.0                                   |

Not surprisingly, the top 10 countries in terms of spending on intermediary commissions are all in UEFA. The first non-UEFA country is Brazil, in 13<sup>th</sup> position with USD 6.7 million spent.

The top spenders on intermediary commissions are English clubs, who spent USD 381 million over the last four years. In second place are Italian clubs with USD 256 million. Combined, England and Italy account for 58.0% of all global spending on club intermediary commissions in the context of international transfers.

Fig. 10: Spending on club intermediary commissions since 1 Jan 2013, by country

| Club intermediary commissions (USD million) |          |           |       |
|---------------------------------------------|----------|-----------|-------|
|                                             | Engaging | Releasing | Total |
| England                                     | 349.5    | 31.8      | 381.3 |
| Italy                                       | 199.7    | 56.5      | 256.3 |
| Germany                                     | 86.1     | 9.8       | 95.9  |
| Portugal                                    | 48.6     | 43.7      | 92.3  |
| Spain                                       | 80.5     | 9.6       | 90.1  |
| France                                      | 15.5     | 13.0      | 28.5  |
| Wales                                       | 19.8     | 2.8       | 22.7  |
| Russia                                      | 15.3     | 1.9       | 17.3  |
| Croatia                                     | 4.3      | 9.6       | 13.9  |
| Belgium                                     | 4.9      | 7.5       | 12.4  |

## Average commissions to club intermediaries

When it comes to individual transfers, commissions paid to intermediaries can vary significantly from one transfer to another. Figures 11 and 12 show a breakdown of the average and median commission paid to club intermediaries as a percentage of the transfer fee<sup>2</sup>.

Fig. 11: Average commission as percentage of transfer fee for intermediaries representing the engaging club, since 1 Jan 2013, by transfer fee

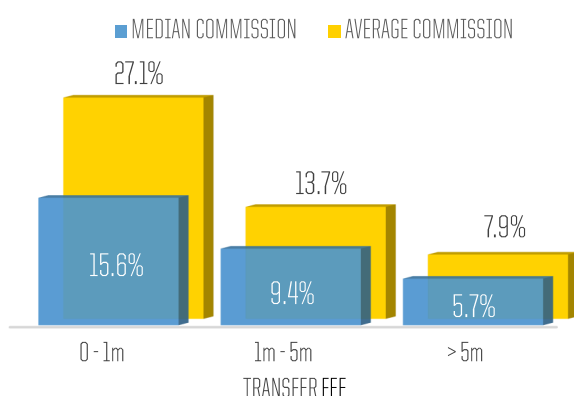
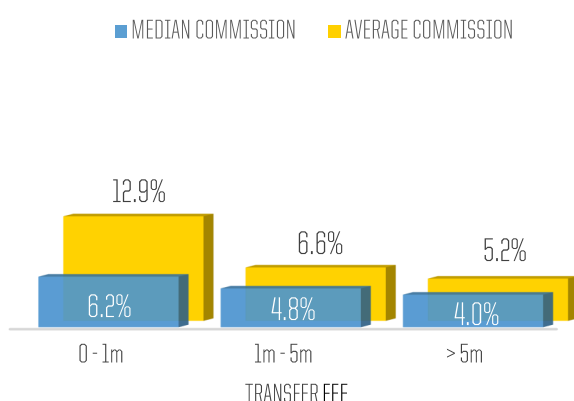


Fig. 12: Average commission as percentage of transfer fee for intermediaries representing the releasing club, since 1 Jan 2013, by transfer fee



Commissions paid by engaging clubs are on average higher than those paid by releasing clubs. In both cases, when transfer fees are

**higher, commissions** - in terms of percentage - **tend to be lower and more consistent**. In fact, for transfers under USD 1 million, the average commission is 27.1% to engaging club intermediaries and 12.9% to releasing club intermediaries, with a large variance from transfer to transfer, as percentages sometimes largely exceed 100%. Instead, for transfers over USD 5 million, average commissions are 7.9% and 5.2%, respectively, with the vast majority being below 10%, and only a handful exceeding 20%.

It is important to note that average commissions must be looked at with slight scrutiny. In the presence of unusually high values, averages can be affected significantly. For example, a club might engage a player and pay a USD 10,000 transfer fee but reward the intermediary a USD 50,000 commission, which corresponds to 500% of the transfer fee. Because such transfers exist, the average of all commissions will take a very high value, but not reflect the actual situation. For this reason, figures 11 and 12 also show median commissions. As one may expect, median commissions are lower than average commissions. However, the conclusion is the same: in transfers with lower fees, intermediary commissions are proportionally larger and highly variable. As transfer fees grow, percentage commissions tend to decrease, and so does their variability.

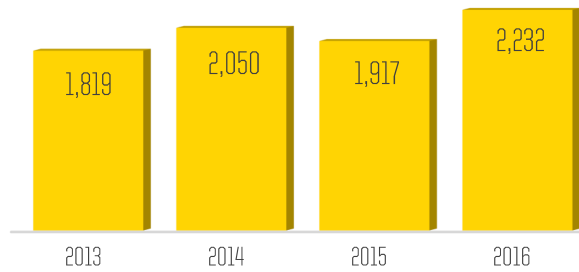
As seen in the previous pages, intermediary involvement is lower when there are no transfer fees. Nonetheless, **intermediaries involved in free transfers often still get a commission**. Since 2013, there have been 2,065 free transfers with club intermediaries involved, and total spending on commissions was USD 221 million.

<sup>2</sup>To limit the effect of outliers, commissions above 100% were considered as equal to 100%

# PLAYER INTERMEDIARIES

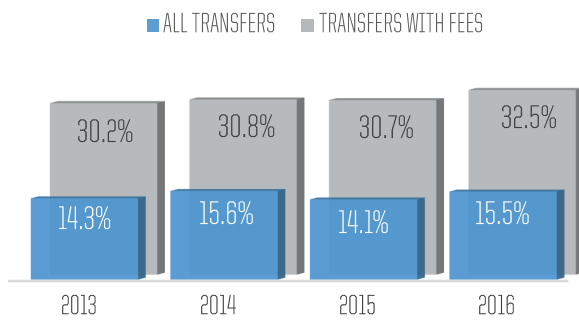
As with club intermediaries, 2016 has been a record year for player intermediaries as well. One month before the end of the year, there have been 2,232 transfers where the player was represented by one or more intermediaries, 16.4% more than in 2015.

Fig. 13: Number of transfers with intermediaries representing the player



At 15.5%, the percentage of transfers with player intermediaries is the highest among transfers with intermediaries.

Fig. 14: Percentage of transfers with intermediaries representing the player



Players from Denmark are those that engage intermediaries the most: since 2013, 42.9% of them were represented by an intermediary when involved in international transfers. Players from Israel (39.9%) and from the Netherlands (37.9%) complete the top 3.

Fig. 15: Percentage of transfers with intermediaries representing the player, since 1 Jan 2013, by player nationality

| Player intermediaries |           |                       |
|-----------------------|-----------|-----------------------|
| Player nationality    | Transfers | As % of all transfers |
| Danish                | 180       | 42.9%                 |
| Israeli               | 67        | 39.9%                 |
| Dutch                 | 314       | 37.9%                 |
| USA                   | 273       | 36.8%                 |
| Canadian              | 65        | 35.3%                 |
| Austrian              | 122       | 35.1%                 |
| Australian            | 127       | 33.9%                 |
| Belgian               | 176       | 31.8%                 |
| Czech                 | 139       | 31.7%                 |
| Jamaican              | 52        | 29.2%                 |

Depending on the phase of a player's career, there seems to be a different approach as to how often players resort to intermediaries. Players under 18 years old use intermediaries in 18.1% of their international transfers. Between 18 and 32 years of age, this percentage decreases to 15.0%, and drops to 11.0% for players over 33 years old. As seen in figure 14, transfers with player intermediaries are twice as frequent when there is a transfer fee, and the highest proportion of transfers with fees is in



fact recorded among players under 18 years of age. However, other interpretations may apply. For instance, it may be argued that as players grow older and more experienced, they are less likely to need intermediaries; or that the intermediaries themselves would rather represent younger players, as they have longer careers ahead of them.

Undoubtedly, many factors can influence the likelihood of intermediary involvement in transfers. While it is not easy to quantify to what extent each factor contributes and to identify a clear cause-effect relation, this reports shows that a player's nationality, age, a club's location and the value of a transfer all play an important role.



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## Source of data

The source of all data and information (unless explicitly indicated differently) is:

FIFA Transfer Matching System GmbH  
Zurich, Switzerland

## Methodological approach

Data and analyses provided only concern international transfers of professional male football players within the scope of 11-a-side football.

Transfer data has been analysed for transfers completed between 1 January 2013 and 20 November 2016. All data has been extracted from ITMS on 21 November 2016.

All information on transfer fees and intermediary commissions is automatically converted into US dollars on the basis of conversion rates as of the day of the transfer's first registration in ITMS.

Numbers in the report are rounded.

Transfers are allocated to a certain date according to the date when they reach the status of "ITC request" in ITMS, irrespective of the date of their first entry.

## Data protection

The data contained in ITMS and in this report is covered by Swiss data protection law. Those associations and clubs whose names appear in this report have expressly authorised FIFA TMS to disclose information concerning their transfers for reporting purposes.