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Sporting Succession in International Sports Arbitration: A Comparative Analysis of CAS Jurisprudence

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1. Introduction

When a professional football club becomes insolvent, is dissolved, or is restructured, two sets of rules point in opposite directions. Under company law, an entity that ceases to exist also ceases to owe anything: the debts end with the debtor. Under the rules of football, the identity of a club can survive the company that operated it, and so can the debts attached to that identity. This is what is meant by *sporting succession*. Article 25 of the RSTP, and Article 21(4) of the Disciplinary Code in disciplinary matters, provide that the sporting successor of a debtor is treated as the debtor itself.[1] Both provisions list the relevant criteria only "among others", and this open wording has produced a large and not always consistent body of CAS case law on two questions: when succession exists, and when the successor must actually pay.

For creditors, unpaid transfer fees, training compensation and salaries are often what keeps them solvent. For a successor club reorganised for legitimate reasons, a wide reading of succession can impose debts far larger than any benefit it received. The problem is particularly visible in Turkey, where clubs carry heavy debt and regularly return under new legal entities with much the same sporting identity. This article is built around *CAS 2024/A/10308 AO Xanthi v. FIFA & Radoslav Vasilev*,[2] in which succession was denied, precisely because such cases show where the limits lie.

[1]Art. 25(1), FIFA Regulations on the Status and Transfer of Players (RSTP), 2025 edition; Art. 21(4), FIFA Disciplinary Code (FDC), 2023 edition.

[2]CAS 2024/A/10308 *AO Xanthi v. FIFA & Radoslav Vasilev*, award of 20 January 2025 (Sole Arbitrator: H. W. Kesler).

2. The Regulatory Framework

Sporting succession began in arbitral practice: FIFA and CAS applied it for about a decade before it was written into Article 15(4) of the 2019 Disciplinary Code, which became Article 21(4) in 2023; Article 25(1) of the 2025 RSTP uses the same wording.[3] The provision lists headquarters, name, legal form, team colours, players, shareholders or ownership, and the category of competition. The list is expressly open, so it is not a *numerus clausus*, and it gives criteria but no method: it does not say how many factors are needed, how they should be weighed, or whether any is decisive on its own.

The doctrine cuts across a basic rule of private law: clubs are separate legal persons, and separate persons are not liable for each other's debts. Sporting succession is a narrow exception, comparable to piercing the corporate veil,[4] and must avoid two opposite mistakes. Applied too narrowly, it rewards the club that uses insolvency strategically; applied too widely, it punishes the club that reorganises in good faith. Succession is a question of *lex sportiva*, not of the *lex fori* of the club's home country. National law still matters, but as fact: it explains how two entities came to share the same features, or whether a winding-up was really a bankruptcy.[5]

3. The Succession Test in CAS Jurisprudence

The early awards established that a club is a sporting entity in its own right, independent of the companies that operate it over time,[6] and produced the multi-factor test now codified, weighed without any fixed order of importance. *CAS 2021/A/8061* distinguished succession, which assumes a break, from mere continuity, where the club never really stopped and no successor needs to be declared.[7]

Panels do not apply the factors mechanically; the same factors, present to a greater or lesser degree, may tip the balance either way.[8] Continuity of players and coaching staff, and the level of competition, carry considerable weight because they are hard to disguise. A registered address, website

[3]Art. 15(4) FDC 2019; Art. 21(4) FDC 2023; FIFA Circular no. 1618. See V. Derungs, *Insolvency of Football Clubs and Sporting Succession* (Stämpfli, 2022).
[4]E. Özkurt, "Liability Arising From Sporting Succession: Review in accordance with FIFA Regulations and CAS Decisions", Football Legal (2024).
[5]CAS 2020/A/7551: a mandatory liquidation under sports legislation is not a bankruptcy proceeding.
[6]CAS 2007/A/1355 *FC Politehnica Timişoara SA v. FIFA & RFF*; CAS 2011/A/2646 *Club Rangers de Talca v. FIFA*.
[7]CAS 2021/A/8061, paras. 208–211.
[8]CAS 2020/A/7290 *Aris FC v. Lozano Farrán & FIFA*, para. 86.

or social-media accounts, which are easily changed, carry little. Abuse and bad faith point strongly towards succession but are not required. *AO Xanthi* adds a refinement: what matters is *active conduct*, that is, whether the alleged successor took steps to associate itself with the old club, rather than whether it simply failed to distance itself.[9] Two further questions often decide the case: the temporal nexus between the old club's end and the new club's start, and whether the new club took over the old club's place in the league pyramid.[10] Benefit and burden go together: a club that steps straight into that place has taken its predecessor's most valuable asset.

4. Key Case Law Analysis

AO Xanthi is an amateur association founded in 1967. When it was promoted in 1989, Greek law required it to create a football *société anonyme*, which became the debtor, Xanthi FC; the two coexisted for thirty-three years, sharing name, colours and crest. After the FIFA DRC ordered Xanthi FC to pay the player Radoslav Vasilev about EUR 231,885, the club withdrew from the professional league in September 2022 and was automatically liquidated. The association returned a full season later, in the lowest regional division. The FIFA Disciplinary Committee held it liable as successor and fined it CHF 15,000; the Sole Arbitrator set that decision aside.

On continuity, the arbitrator found a one-season gap and no connection between the levels of competition; giving up the higher division was read not as bad faith but as a deliberate and costly separation.[11] On succession, the shared features predated the debtor club and were imposed by law. The association had its own social-media accounts and took over no players, coaches or sponsors; only its public statements that "the story of AOX continues" pointed clearly the other way.[12] The award labels each factor "very important", "important" or "of limited relevance", and refuses to treat sporting continuity as a *conditio sine qua non* while holding its complete absence very important.[13] Read with *Aris Thessaloniki*, it shows that in dual-entity systems the right target is usually the professional company, not the founding association.[14]

Establishing succession is only the first step. Under *Rangers de Talca*, a creditor who failed to register its claim in the old club's insolvency could be refused enforcement; CAS later held that there

[9] *AO Xanthi*, paras. 102–110, in particular para. 106.
[10] *AO Xanthi*, paras. 74–93.
[11] *AO Xanthi*, paras. 83–85.
[12] *AO Xanthi*, paras. 157–166.
[13] *AO Xanthi*, paras. 161–162.
[14] CAS 2016/A/4918 *Ibeh v. Aris Thessaloniki*, paras. 157–159; S. Samarth, "Sporting Succession and Co-Existing Clubs", LawInSport (29 August 2025).

is no blanket rule.[15] FIFA Circular no. 1934 of 28 May 2025 wrote this balance into the new Article 21(5) FDC: debtors must notify creditors of domestic insolvency proceedings within fifteen days, and creditors who then fail to register without good reason may be treated as negligent.[16]

The doctrine has also survived public-policy review under Article 190(2)(e) PILA. In *SFT 4A_616/2021* (CSKA-Sofia), the Swiss Federal Tribunal held that the dispute was disciplinary, not contractual, and that *par conditio creditorum* was unaffected.[17] In *SFT 4A_246/2022* (Rapid 1923), it held that succession is a principle of accountability rather than a penalty, and that the award did not threaten the club's economic existence as in *Matuzalem*.[18] Further challenges on that ground are unlikely to succeed.[19] The standard criticism remains inconsistency.[20] Panels are converging on method; they still differ on weight, because the regulations provide none.

5. The Turkish Dimension and the Phoenix Club Problem

Bucaspor illustrates the pattern: founded in 1928, it folded in 2020 under its debts, and its historic crest was later associated with a separate entity.[21] Three practical points follow. First, the creditor chooses which entity to pursue,[22] so the strategic question is whom to target and when. Second, claims should be registered promptly in any domestic restructuring, and a debtor's failure to give the notice now required should be raised. Third, clubs reorganising genuinely should document their separation: new staff, new commercial partners, a clean restart at the appropriate level, and restraint in public statements about "continuing the story".

UEFA licensing complements succession: it tries to prevent the debt that leads to collapse, while succession ensures that a club that collapses and reappears does not simply shed its debts. The "phoenix club" is what the doctrine is aimed at, yet the same outward facts are consistent both with deliberate avoidance and with a genuine rescue. A

[15]G. Radev, "CAS rules that the Rangers de Talca precedent cannot be applied as a blanket rule to sporting succession cases", Football Legal (2021).
[16]FIFA Circular no. 1934 (28 May 2025), introducing the 2025 FDC.
[17]SFT 4A_616/2021, reviewing CAS 2020/A/6941 *Bengelloun v. FIFA & PFC CSKA-Sofia*.
[18]SFT 4A_246/2022, reviewing CAS 2020/A/7543 *FC Rapid 1923 SA v. da Silva e Souza & FIFA*; SFT 138 III 322 (*Matuzalem*).
[19]V. Derungs, "Swiss Federal Tribunal Rules That Sporting Succession Is Compatible With Public Policy", LawInSport (15 March 2023).
[20]FIFPRO, "FIFPRO denounces inconsistent CAS jurisprudence on sporting succession" (2022).
[21]Bucaspor 1928 A.Ş. later obtained the right to use the historic crest; cited as a factual illustration only, without prejudice to any proceeding.
[22]Samarth, above n 14.

sufficiently patient opportunist, willing to give up the old club's position and rebuild slowly, may fall outside succession altogether, as *AO Xanthi* itself shows. Whether that is a flaw, or the necessary price of protecting genuine reorganisation, is the central question the doctrine raises.

6. Conclusion

The legitimacy of sporting succession is now settled; what remains open is how it should be applied. *AO Xanthi* is a real step forward: it states the weight of each factor openly and distinguishes active association from a mere failure to separate. Three recommendations follow. First, FIFA should supplement the bare criteria in Article 25 RSTP and Article 21(4) FDC with published guidance separating the factors that carry real weight (continuity of competition level, of players and staff, and active use of the old club's reputation) from those that do not. Second, the new duties of diligence and notice under the 2025 Disciplinary Code should be kept and monitored. Third, national associations facing frequent reconstitution, and the Turkish federation in particular, should combine preventive licensing with clear domestic rules on the transfer of sporting rights, so that succession is settled before a club collapse rather than years afterwards in Lausanne. The doctrine will remain imperfect for as long as it rests on open balancing. Applied with the discipline shown in *AO Xanthi*, however, it can distinguish fairly between the club that is avoiding its debts and the club that is genuinely starting again.