

## Club licensing in Iceland



The UEFA Club Licensing system was first introduced to Icelandic clubs in early 2001 and the first licensing cycle started on November 15th 2002, so the first season of club licensing was summer 2003 (Iceland has a summer season, starting in early May and ending in late September or early October).

We have a single licensing system, so clubs that apply for a license to play in the top division are effectively also applying for a license to play in UEFA competitions. The second level also undergoes the system, but on a slightly less heavy scale. The number of teams in these two divisions is 24 in total (12 in each division).

At first, the system was met by scepticism by our clubs. This was understandable, because the demands on clubs that undergo the system are very heavy, especially when you take into consideration that Icelandic clubs in general are tiny on a European scale, as we are one of the smallest nations within UEFA. Since the early introduction, and as experience increases, the clubs and the system have grown together. The objective of club licensing, in short, is to help the clubs improve every aspect of their organizations. The keyword here is „help“, so the system is not simply a way of regulating the clubs, but also an effective tool to support their growth and overall improvement. As time has gone by, the clubs have gradually embraced the system and now consider it an integral and important part of their annual work. A key element in guaranteeing top level commitment from the FA has been the decision to have a board member as chairman of the First Instance Body, an absolute key. This guarantees direct access to the board meetings, and Licensing is generally a topic at all board meetings.

The general public is aware of the system being in place, and considers it a quality system that has made the clubs better. The media is interested, especially around the time of year the First Instance Body reviews the club applications and makes decisions on the granting of licenses. What also interests the media is of course which clubs will receive sanctions. Every year, several clubs are sanctioned, but so far none have yet been refused a license. But that may still come. The clubs are regularly warned not to become complacent ...

From the very beginning, I think the FA and the clubs realized that the main challenges would be two things – Infrastructure and fully audited financial accounts.

Very few clubs, if any, were having their annual finances fully audited, so the step there took a couple of years, but we were very strict on this criterion and the clubs took the necessary steps. Since 2004 this has not really been a problem, but occasionally, clubs that have not undergone the system before, new clubs coming into club licensing, struggle a bit. But anyways, any club coming into the system for the first time gets a one year adjustment period, so they can make the mistakes and learn from them. The credibility, trust and respect for football clubs´ finances has grown immensely and club finances are now seen as extremely trustworthy and a benchmark for other sports. We have reached a high level here, but should any of our clubs qualify for the Europa League or Champions League, it will be a whole different ball game, with the Financial fair play regulations coming into effect. As it stands, all our clubs are exempt from the Break-even rule, but any club that would qualify for the group stages of those UEFA competitions would surely go over the financial limit.

The infrastructure has taken much longer. Facilities for spectators in 2002 were not too great, with one or two stands at clubs´ grounds, and media facilities were poor. We have taken great strides here, and this is for the most part thanks to the pressure from the club licensing system. Before the season 2012, all clubs playing in the top division will be playing in stadiums with first class facilities for spectators and media. Clubs in the second level will all be playing in stadiums with good facilities for spectators. As most stadiums are municipality owned, this has been quite a battle for many of our clubs, but in the end, and with the support of the FA (also financial support), things have gone well.

In 2000, only five clubs out of the 30 clubs that have undergone club licensing since then had any facilities for spectators to mention. In 2010, 19 clubs in addition had installed spectator facilities and the first five had all expanded their stadiums. In 2012, all the 30 clubs will play in stadiums that fulfil infrastructure criteria from the respective regulations, so spectator facilities will be top class everywhere.

Now we have to look to the future and see what our next steps could be. Whether those steps will be within club licensing or deriving from the strides we have taken through club licensing remains to be seen. We can still improve our facilities. An issue we have dealt with in Iceland for a long time is that we have one of the shortest seasons in Europe. The reason for this is simply the lack of daylight because of the very northern position of the country. If we want to make the season longer we will have to have a serious look at two things. First of all the pitches themselves. How can we make them ready earlier in the spring and last longer in the autumn. An obvious solution here would be artificial turf, but people are not fully in agreement on that. Secondly, floodlights would need to be installed. Currently, only a handful of stadiums have floodlights. Although training pitches (artificial turf) have floodlights so we can train through the winter, floodlights have generally not been installed in the main stadiums because they are only used during the summer, when it is more or less bright day and night.

There is no doubt in my mind that club licensing has made a huge impact on the football society in Iceland, and we can see improvements everywhere. The clubs that have undergone club licensing since the very start are well established within the system and respect it. New clubs coming in are eager to face the challenges, because they feel that once they have entered a division that undergoes the system, they are on a level of higher quality, and that is where they want to stay. Clubs that have been relegated from the licensed divisions even request to stay within the system. So this is widely regarded as a quality system for football clubs, a benchmark that all clubs should strive to compete with.

Club licensing is definitely here to stay.

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