

UEFA Club Licensing System Manual (Version 1.0) was issued on 15 March 2002. It was a fundamental working document, which contented the key minimum, according to which all the European clubs pretending to participate in UEFA club competitions, should work.

All national associations had to adapt that document to their local conditions, establish their own Manuals, which then had to be accredited by UEFA and approved by associations' executive bodies.

The Manual had 5 criteria

- sporting
- personnel & administrative
- infrastructure
- legal and
- financial

Each criterion had 4 grades ("A", "B", "C" and "D"):

- if the licence applicant couldn't meet requirements of "A" and "B" criteria as such, then it wouldn't obtain a licence or it could be withdrawn
- non-fulfillment of "C" criteria by the licence applicant would be sanctioned, but couldn't lead to the exclusion from entering in UEFA club competitions
- "D" criteria were best practice recommendations, thus the licence applicant had no obligation to fulfill them at the time being. However, one or another criterion might become a "MUST" criterion at a later stage.

Then the corresponding "adapting works" were run at the Football Federation of Armenia by newly appointed Licensing Manager Gevorg Hovhannisyanyan and Legal Department Manager Marina Janoyan. It has to be stressed that all works were executed in very difficult conditions, without any experience and/or practical knowledge, as well as technique. UEFA was the only source of assistance at that time.

Anyway, the draft version of the FFA Club Licensing System Manual (Version 1.0) was introduced to UEFA's attention in June 2003 and was accredited on 17 July 2003. The FFA Executive Committee approved it on 29 September 2003. This was "licensing Bible" for the upcoming 3 years.

In spite of that, starting from 2005 UEFA initiated preliminary works on establishment of new Manual. All works were implemented in cooperation with national associations. As a result Version 2.0 of UEFA Club Licensing System Manual was issued. Based on that document, national associations restarted their works on the adaption of the new manuals.

The main difference between these 2 documents (versions) constituted in more strict, better addressed and developed requirements. The main changes referred to sporting, personnel and administrative, as well as financial criteria. In particular,

- sporting criteria
  - developed requirements towards clubs' youth football development programs,
  - increased minimal quantity of youth teams;
- personnel and administrative criteria
  - increased (developed) requirements towards coaching minimal qualification,
  - increased requirements towards media officers, security officers, etc.,
  - limited application of "competence certificates";
- financial criteria
  - developed requirements towards financial documentation presented by clubs,
  - application of International Standards of Auditing (ISA) and International Financial Reporting Standards (IFRS).

All criteria have the same grading ("A", "B" and "C"):

- if the licence applicant does not fulfil any A-criteria, then it cannot be granted with a *licence* to enter the UEFA club competitions;
- if the licence applicant does not fulfil any B-criteria then it is sanctioned as specified by the licensor but can still receive a licence to enter the UEFA club competitions;
- C-criteria are best practice recommendations. Non-fulfillment of any C-criteria does not lead to any sanction or to the refusal of the licence. Certain C-criteria *may* become "MUST" criteria at a later stage.

More people worked on the document's draft version this time. First of all, the FFA Top Management established all conditions for a smooth and high-quality work (convenient office, necessary equipment, etc.). 2 working groups were established for adaptation of financial and non-financial parts of the Manual.

Those groups consisted of the Licensing Department experts, clubs' representatives (including accountants). Significant assistance was shown by Association of Accountants and Auditors of Armenia (AAAA), Ministry of Healthcare, Police, Emergency Management Administration and even by Licensing Department of Swedish Football Association. Of course, all-round and invaluable support was rendered by the UEFA Licensing Unit.

The FFA Club Licensing System Manual was accredited by UEFA on 14 November 2006, while the FFA ExCo approved it on 23 March 2007. At the same time this new version was accredited only for 1 year, while the 1<sup>st</sup> version was approved for 3 years. Taking into account that the auditing system of Armenia (in particular, Law of the Republic of Armenia "On Audit") meets international standards (ISA) only partly, UEFA granted the FFA time for the solution of this problem. The "local peculiarity" of this document constitutes in the fact that it has never been implemented in its full capacity.

Thereupon the FFA Top Management carried on a huge work right up to the application to the National Assembly of Armenia. Unfortunately, all efforts failed. Due to this, a financial group (Licensing Department Financial Experts + clubs' accountants) was established within the FFA Licensing Department. The group carried out necessary work and implemented changes required by UEFA.

As far as new financial criteria could produce additional problems for the clubs, it was discussed and decided within the FFA Licensing Department that financial criteria would be applied only towards those clubs, which applied for the UEFA licence. Others should provide the licensor with their non-financial documents. The 3<sup>rd</sup> version of the FFA Club Licensing System Manual was accredited by UEFA on 25 October 2007, but FFA ExCo approved it on 7 December 2007.

Before the season 2008/2009 the FFA Licensing Department organized and conducted several seminars for the clubs, during which necessary explanations and guidelines were forwarded in order to avoid problems and complications during the season.