

# Implications of International Sports Arbitration for the **Development of Sports Law in China**

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Abstract: With the rapid development of the global sports industry, legal disputes in the sports field are becoming increasingly common, highlighting the importance of effective dispute resolution mechanisms. The international sports arbitration system, particularly represented by the Court of Arbitration for Sport (CAS) in Lausanne, Switzerland, has become a crucial platform for resolving sports-related disputes worldwide. This system, characterized by its independence, efficiency, and specialization, plays an irreplaceable role in protecting the legitimate rights of the parties, maintaining sports order, and promoting the modernization of sports governance. In contrast, China's sports legal system still lags behind in this area, with issues such as inadequate legal frameworks, lack of independent arbitration institutions, shortage of professional arbitrators, and weak enforceability of awards.

Keywords: International Sports Arbitration; Sports Law; Sports Dispute Resolution; CAS; Sports Governance in China; Institutional Reference; Rule of Law; Sports Arbitration Mechanism

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#### 1 Introduction

# 1.1 Research Background and Significance

#### 1.1.1 The Growth of Global Sports Disputes and the Need for Legal Response

In recent years, the sports industry has experienced unprecedented global growth, transforming from a sector focused on fitness and recreation into a multidimensional domain encompassing culture, commerce, and national identity. The increasing professionalization and commercialization of sports have led to a surge in legal disputes, ranging from contract breaches between athletes and clubs, eligibility and selection controversies, sponsorship and broadcasting rights conflicts, to anti-doping sanctions and athlete disciplinary issues. These disputes are often characterized by their technical complexity, international scope, and urgency, placing pressure on traditional court systems that are generally ill-equipped to address such specialized issues efficiently.

#### 1.1.2 Institutional Value of International Sports Arbitration

Over the past four decades, CAS has developed into a comprehensive and mature legal institution. Its effectiveness lies in its structural independence, procedural efficiency, and a specialized pool of arbitrators drawn from both the legal and sporting communities. CAS provides a unique platform where athletes, federations, clubs, and sponsors can seek resolution for their disputes within a quasi-judicial framework that respects the specificity of sport while ensuring compliance with general legal principles such as due process, equality of arms, and the right to appeal.

#### 1.1.3 The Urgent Need for Development in China's Sports Legal System

China has achieved remarkable progress in the legal regulation of sports in recent years, most notably with the revised Sports Law of the People's Republic of China (2022), which formally emphasizes the importance of legal governance in sport and envisions the creation of sports arbitration mechanisms. However, several challenges persist:

The absence of a centralized and authoritative national sports arbitration institution;

A lack of procedural adaptation in existing arbitration laws for the unique needs of sports disputes;

A shortage of professionals with dual expertise in law and sports;

Limited public trust in current dispute resolution mechanisms;

Inadequate internal governance and rule of law within many sports associations and federations.

## 1.2 Research Objectives and Problem Awareness

This research is structured around three core objectives:

- (1) Institutional Analysis: To conduct an in-depth exploration of the legal design, operational procedures, and decision-making models used by international sports arbitration bodies such as CAS.
- (2) Comparative Legal Evaluation: To examine the similarities and differences between international and Chinese sports law frameworks, identifying institutional gaps and potential for convergence.
- (3)Policy Recommendations: To propose feasible and localized reforms for China's sports arbitration and governance mechanisms based on lessons learned from international experience.

At the same time, the paper raises and addresses several critical questions:

How can China maintain the principle of sports autonomy while ensuring compliance with legal norms?

Can sports arbitration exist independently from traditional judicial channels in the Chinese context?

Does China currently possess the legal and institutional infrastructure to implement an international-style arbitration system?

What is the appropriate balance between adopting international best practices and developing contextually appropriate Chinese legal norms?

# 2 The Evolution and System Design of International Sports Arbitration

# 2.1 The Origins and Evolution of International Sports Arbitration

## 2.1.1 The Birth of CAS: From Olympic Ideal to Legal Necessity

The Court of Arbitration for Sport (CAS) was established in 1984 under the initiative of the then-International Olympic Committee (IOC) President Juan Antonio Samaranch, with the initial goal of providing an independent, specialized institution to resolve disputes in the Olympic movement. The need for such a body arose from the growing number of legal conflicts in international sports, which traditional courts were ill-equipped to resolve efficiently due to their lack of familiarity with sporting norms, time constraints, and procedural delays.

Initially, CAS was administratively and financially dependent on the IOC, which led to concerns about its impartiality. This issue came to a head in the landmark case of Gundel v. FEI (1993), in which the Swiss Federal Tribunal held that although CAS could be regarded as a genuine arbitration institution, its structural dependence on the IOC undermined its neutrality. In response, the International Council of Arbitration for Sport (ICAS) was created in 1994, separating CAS from the IOC and thereby ensuring institutional independence.

#### 2.1.2 Expansion of Jurisdiction and Global Recognition

Since its institutional reform, CAS has significantly expanded its jurisdiction. It now handles a wide range of disputes, including:

Contractual disputes between athletes, clubs, and federations;

Disciplinary issues such as doping violations;

Governance and eligibility matters;

Appeals from decisions of international sports federations (e.g., FIFA, IAAF, ITF).

Moreover, CAS decisions have become globally enforceable through recognition under the New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards, a key feature that lends it global legal credibility.

## 2.2 Organizational Structure and Legal Framework of CAS

#### 2.2.1 The Role of ICAS

The International Council of Arbitration for Sport (ICAS) is responsible for supervising the functioning and financing of CAS. It appoints CAS arbitrators and ensures the institution's independence. ICAS comprises 20 members appointed for

renewable terms, drawn equally from the Olympic movement and legal communities.

#### 2.2.2 Divisions of CAS

CAS operates three main divisions:

Ordinary Arbitration Division: Handles first-instance disputes, such as contract or disciplinary cases.

Appeals Arbitration Division: Reviews decisions issued by sports organizations or federations, often involving eligibility or doping matters.

Ad Hoc Division: A temporary panel established during major events (e.g., the Olympic Games), capable of rendering decisions within 24–48 hours.

## 2.3 Case Studies: Jurisprudence in Action

#### 2.3.1 Sun Yang v. WADA (2020)

Background: Chinese swimmer Sun Yang, a multiple Olympic and world champion, was accused of violating doping control procedures during an out-of-competition test in 2018. The World Anti-Doping Agency (WADA) appealed to CAS after the FINA (International Swimming Federation) initially cleared Sun of wrongdoing.

CAS Decision: In February 2020, CAS imposed an eight-year ban on Sun Yang, citing his refusal to cooperate with doping officers and destruction of a blood sample. However, the ruling was later annulled by the Swiss Federal Tribunal due to issues of arbitrator bias, leading to a retrial and a reduced suspension.

Significance: The case underscored procedural fairness, arbitrator neutrality, and cultural sensitivity in global arbitration. It also highlighted the tension between national legal systems and CAS authority.

#### 2.3.2 Claudia Pechstein v. ISU (2009-2016)

Background: German speed skater Claudia Pechstein was suspended for doping based on abnormal blood values, despite the absence of a positive drug test. She challenged the decision at CAS, and later, in German courts, claiming violation of her fundamental rights and lack of consent to CAS arbitration.

CAS Decision: CAS upheld the suspension, but the dispute led to years of litigation in German civil courts, which eventually recognized CAS as a legitimate arbitral body, though with reservations about athlete consent under monopolistic structures.

Significance: This case triggered broad debate on forced arbitration clauses, the independence of CAS, and whether athletes truly have a choice in dispute resolution. It also contributed to reforms in CAS procedures, including improved arbitrator appointment processes.

## 3 The Current State and Challenges of China's Sports Dispute Resolution Mechanism

#### 3.1 Overview of China's Sports Legal Framework

#### 3.1.1 The Evolution of Sports Law in China

China's modern sports law framework has developed gradually since the 1990s, influenced by its growing participation in international competitions and the need for regulatory systems to govern its rapidly professionalizing sports sector. The first Sports Law of the People's Republic of China, enacted in 1995, focused primarily on physical fitness, public sports development, and administrative regulation. While it acknowledged the importance of legal governance in sport, it lacked provisions for resolving private disputes or institutionalizing arbitration procedures.

#### 3.1.2 The Legal Instruments Governing Dispute Resolution

Dispute resolution in the Chinese sports system is governed by a patchwork of legal instruments and administrative regulations:

Sports Law of the PRC (2022) – Provides a general legal basis for dispute resolution and sports governance;

Arbitration Law of the PRC (1994, amended 2017) – Establishes rules for commercial arbitration but does not explicitly cover sports arbitration;

Civil Procedure Law – Regulates the judicial route of dispute resolution, including litigation in people's courts;

Administrative Reconsideration Law - Applies when athletes or other parties seek remedies against government

agencies or sports administrations;

Regulations of individual sports federations – Include internal appeal and disciplinary mechanisms, but vary widely in quality, transparency, and enforceability.

Despite this legal infrastructure, there is still no unified, specialized arbitration institution or dedicated judicial forum for sports-related disputes in China.

#### 3.2 Current Mechanisms for Resolving Sports Disputes in China

#### 3.2.1 Internal Resolution Mechanisms within Sports Federations

Most domestic sports disputes in China are initially handled within the respective national or local sports federations. These federations typically operate under the supervision of the General Administration of Sport of China (GASC) or other governmental agencies. Their internal mechanisms include:

Disciplinary committees for player or team misconduct;

Appeal panels for eligibility or registration disputes;

Ad hoc working groups for contractual or selection controversies.

While these mechanisms offer some degree of procedural structure, they often lack independence and transparency, as many federations have administrative rather than autonomous legal status. Furthermore, decision-makers are often not legally trained, and proceedings are not standardized across different sports.

#### 3.2.2 Judicial Routes: Civil and Administrative Litigation

In more serious or unresolved cases, parties may seek judicial redress through civil or administrative courts. Common sports-related litigation includes:

Breach of contract between athletes and clubs;

Disputes over sponsorship and endorsement agreements;

Disciplinary sanctions challenged through administrative lawsuits.

However, the courts often lack expertise in sports regulations and international norms. Judges may not fully understand the unique timelines, governance structures, and cultural nuances of sport, resulting in delays, inconsistent rulings, and procedural inefficiencies. Moreover, courts generally defer to the "autonomy of sport," limiting their willingness to interfere in sports-related decisions unless clear legal violations occur.

1. Establishing a Specialized National Sports Arbitration Institution

One of the most critical takeaways from the international model is the necessity of a dedicated sports arbitration institution. CAS's success lies in its specialization, independence, and procedural clarity. China could consider establishing a "China Sports Arbitration Center" (CSAC) as an independent body, separate from administrative agencies and sports federations, with jurisdiction over a broad range of disputes including contract breaches, disciplinary actions, eligibility issues, and doping violations.

2. Strengthening Legal and Regulatory Foundations

To support institutional reform, China's legislative framework must evolve in a more integrated and detailed direction. While the 2022 revision of the Sports Law laid important groundwork, additional regulations are needed to operationalize dispute resolution systems, including:

Specific provisions for sports arbitration and mediation;

Clear definitions of the types of disputes subject to arbitration;

Rules on the qualifications and appointment of arbitrators;

Recognition and enforcement of arbitral awards within the civil court system.

Furthermore, harmonizing internal disciplinary codes of sports federations with national law and ensuring their legal enforceability is essential for the coherence and legitimacy of the system.

# 4 Policy Recommendations

In light of the analysis of China's current sports dispute resolution mechanisms and the lessons drawn from the international sports arbitration framework, particularly the Court of Arbitration for Sport (CAS), this chapter outlines key

policy recommendations to guide China in building a more robust, transparent, and professional sports law and arbitration system.

#### 4.1 Establish a National Sports Arbitration Center (NSAC)

## 4.1.1 Institutional Independence and Legal Status

The most immediate step for China is to establish a National Sports Arbitration Center (NSAC), an independent institution designed to handle a wide range of sports-related disputes. This center should be distinct from governmental sports agencies and national federations to ensure neutrality and independence.

Legal Framework: The NSAC should be explicitly established under Chinese sports law, with clear provisions detailing its legal powers, functions, and procedures. This framework should align with international standards, ensuring that the system remains credible and enforceable.

Mandate and Jurisdiction: The NSAC should be given jurisdiction over sports contract disputes, disciplinary actions, eligibility issues, anti-doping violations, and other sports-related conflicts. Importantly, the center must have the power to enforce its rulings domestically and internationally.

Structural Autonomy: The NSAC should operate as a self-governing institution, free from political and administrative influence. Its operations should be driven by principles of fairness and impartiality, ensuring that all parties, from athletes to sports organizations, have confidence in the dispute resolution process.

#### 4.1.2 Specialized Arbitration Panels

The NSAC should establish panels of arbitrators with specialized knowledge in sports law, arbitration, and the particularities of different sports. These panels would ideally consist of:

Experienced legal professionals with expertise in contract law, labor law, and international arbitration;

Former athletes or sports professionals who can bring practical insight to decision-making;

Academics and experts in sports governance, including representatives from major international sports bodies.

This diverse panel structure would ensure a balance between legal expertise and practical experience, essential for fair and informed decision-making.

#### 4.2 Revise and Strengthen the Sports Law Framework

## 4.2.1 Legislative Reforms

While the 2022 revision of the Sports Law is a positive step forward, there are still significant gaps in its application, particularly in dispute resolution. The law should be further amended to provide detailed provisions for:

Sports Arbitration Procedures: Clearly outline the arbitration process, including timelines, filing procedures, and specific legal principles that should be applied in sports-related disputes.

Recognition of Arbitration Awards: Strengthen the enforcement mechanism of domestic arbitration awards and align it with international standards such as the New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards.

Support for Alternative Dispute Resolution: Encourage and promote mediation and other alternative dispute resolution (ADR) methods in sports to provide faster and more cost-effective solutions, especially for smaller-scale disputes.

# 4.2.2 Detailed Regulations for Federations

In addition to national law, detailed regulations should be established to standardize the dispute resolution processes within sports federations. These regulations should ensure that:

All federations are required to establish independent arbitration or appeal panels.

Federations' disciplinary decisions should be subject to review, either by the NSAC or independent external bodies.

Transparency and fairness are guaranteed in every stage of the dispute process, from investigations to final rulings.

#### **5** Conclusion

The establishment of a specialized and independent sports arbitration system is a crucial step for China in modernizing

its sports governance. By implementing these policy recommendations—creating a National Sports Arbitration Center, revising the Sports Law, strengthening professional training, and aligning with international norms—China will build a transparent, fair, and credible dispute resolution framework for its growing sports industry. These reforms will not only protect the rights of athletes but also contribute to the development of a fairer, more professional sports environment in China.

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