



Arbitration CAS 2014/A/3578 Koninklijke Nederlandse Voetbalbond (KNVB) v. Fédération Internationale de Football Association (FIFA), award of 30 January 2015

Panel: Mr Chris Georgiades (Cyprus), President; Mr Efraim Barak (Israel); Mr Lars Halgreen (Denmark)

Football

Disciplinary sanction for improper conduct of the fans

Validity of the strict liability rule

Liability of the host association

Distinction between responsibility and sanction

Discretion to impose a sanction

1. The strict liability created pursuant to article 67 para. 1 of the FIFA Disciplinary Code (FDC) is not “unjust” *per se* and is justified in the context of the need to fight violence in football safeguarding all persons present in stadiums with law and order maintained therein.
2. Under the FDC, the overall responsibility of the host association exists even in cases where the events constituting the violation of the FDC were caused by the spectators of the visiting association and even if for the same events, the visiting association may be punished pursuant to article 62 para. 2 FDC.
3. Even if found liable, the association must not be sanctioned in any case of misconduct of the supporters. A distinction can be drawn between the responsibility, which under the FDC is an objective and strict liability obligation due to its nature more as a deterrent and preventive measure (whilst the punitive element is secondary), and the sanction which in a justified and proper circumstance could be reduced or even eliminated.
4. Article 67 of the FDC leaves space granting the FIFA Disciplinary Committee with discretion not to sanction an association or to impose sanctions at its own discretion depending on the particular facts and elements of each case, such as: how serious the violation was, the way the association handled the incident, and whether the overall circumstances of the incident should justify the sanctioning of the association in question.

1. PARTIES

1. The Koninklijke Nederlandse Voetbalbond (hereinafter: the “Appellant” or “KNVB”) is the national governing body of football in the Netherlands. The KNVB is affiliated to the Union of European Associations (hereinafter: the “UEFA”) and the Fédération Internationale de Football Association.
2. The Fédération Internationale de Football Association (hereinafter: the “Respondent” or “FIFA”) is an association under Swiss law and has its registered office in Zurich, Switzerland. FIFA is the governing body of international football at worldwide level. It exercises regulatory, supervisory and disciplinary functions over continental federations, national associations, clubs, officials and players worldwide.

2. FACTUAL BACKGROUND

A. Background Facts

3. Below is a summary of the main relevant facts, as established on the basis of the written submissions of the Parties and the evidence examined in the course of the proceedings. This background is made for the sole purpose of providing a synopsis of the matter in dispute. Additional facts and allegations found in the Parties’ written submissions may be set out, where relevant, in connection with the legal discussion that follows. While the Panel has considered all the facts, allegations, legal arguments and evidence submitted by the Parties in the present proceedings, it refers in its Award only to the submissions and evidence it considers necessary to explain its reasoning.
4. On 26 March 2013, the KNVB national football team played a home match against the national team of Romania within the frame of the Preliminary Competition for the 2014 FIFA World Cup Brazil where the following incidents occurred:
 - a. Before the beginning of the match, two bengal lights were ignited in the Romanian fans sector.
 - b. Before the match, a banner was displayed in the Romanian fans sector containing a political message.
5. The display of the banner was brought to the attention of the Respondent by way of a letter dated 29 March 2013 addressed by the Hungarian Football Federation informing the Respondent that Romanian fans attending the above mentioned match displayed a banner with a message in the Romanian language which in English reads as follows:

“Because of a burned rag you arrest him, after you have tolerated the ethical terrorism of RMDSZ as state politics through many years”.

The banner according to the Hungarian Football Federation's letter is related to a match between CFR Cluj and Rapid Bucuresti played on the 18 March 2013 within the framework of the Romanian national championship, during which the Hungarian flag was burned by a fan. The Hungarian Football Association requested an investigation in respect of the incident.

6. The banner was made up of three pieces and was removed by the intervention of the Appellants head steward who was able to retrieve two of the three pieces of the banner so that it could not be shown any more.

B. Proceedings before the FIFA Disciplinary Committee

7. On 3 April 2013, an investigation in respect of the initiation of possible disciplinary proceedings by FIFA was opened under reference 130268 against the KNVB, regarding the incident relating to the bengal lights since the above-mentioned incident appeared to be a violation of the FIFA Regulations (article 65 *et seq.* of the FIFA Disciplinary Code). The KNVB was asked to submit its position by 12 April 2013.
8. On 3 April 2013, the Secretariat of the Disciplinary Committee of the Respondent sent a letter directed to the KNVB asking for its comments in respect of the banner.
9. On 4 April 2013, and following FIFA's request, the match commissioner informed the FIFA DC that *"I do not have any knowledge about this type of incident. During the match I have not seen this type banner (maybe it has been in Romanian language or was too small to be noticed from my position). After the match I spoke with security officer and venue director and they have not reported any of this type incident. Also two Romanian police officers present where not reporting nothing of this type"*.
10. On 8 April 2013, the KNVB provided the Respondent with its comments regarding the banner incident.
11. By letter dated 12 April 2013 addressed to the Respondent, the KNVB set out its position regarding the bengal lights.
12. The position of the KNVB in respect of each of the incidents can be summarised as follows:

Banner incident

- Before the start of the match, some Romanian fans in the away section displayed a banner in Romanian wording.
- They provided a photo of the banner.
- Due to the fact that the text was in Romanian they could not confirm if the wording is the same as that mentioned in the letter of the secretariat of the FIFA Disciplinary Committee.

- The banner was made out of three pieces and could be hidden underneath the clothing of the supporters and therefore brought to the stadium without being intercepted. In this respect, the KNVB pointed out that a body search was performed to all Romanian supporters in the away section.
- Once the banner was displayed, its content was brought to the attention of the KNVB officers by the Romanian security officer present in the command chamber of the stadium and following his advice, the decision was made to remove the banner and this was done immediately.
- The KNVB did all that was possible in order to ensure the safety of all spectators as well as to ensure that law and order in the stadium was maintained.

Bengal Lights incident

- The match was played according to the safety and security plan developed for the occasion.
 - The Romanian Football Federation was responsible for the sale of tickets to the Romanian supporters allocated in the away sector.
 - The KNVB actively communicated to all supporters prior to the match that it was forbidden to bring and/or use any sort of fireworks both inside and outside the stadium.
 - All away supporters were searched prior to entering the football stadium.
 - KNVB mentioned that unfortunately fireworks are sometimes of such a small nature that they can be hidden in body cavities and therefore it is difficult to fully prevent that fireworks are in fact brought into the stadium.
 - The bengal lights that were ignited by the Romanian supporters were located behind a banner and therefore the identification of the supporter/s responsible was impossible.
 - The KNVB has fully complied with articles 65 and 67 of the FIFA Disciplinary Code.
 - Due to the fact that the safety of all persons present in the stadium was ensured, law and order was maintained in the stadium and the Romanian Football Federation was responsible for the sale of tickets to the away supporters, KNVB considers that it cannot be held accountable or punished for the ignition in the Romanian sector of the stadium of two bengal lights that were apparently hidden in body cavities of the away supporters.
13. On 11 April 2013, following the findings of FIFA in the framework of the investigation phase, disciplinary proceedings were opened against the KNVB. The incident relating to the banner considered a violation of articles 58, 65 ff and 67 of the FIFA Disciplinary Code (FDC) and the FIFA Stadium Safety and Security Regulations (article 60), the KNVB asked to provide its position by 18 April 2013.

14. On the 18 April 2013, the KNVB provided its position and reiterated the arguments and stance detailed in its earlier letters of 8 and 12 April 2013.
15. On the 7 May 2013 the Respondent rendered its decision by first merging the proceedings concerning the bengal lights and the banner and found the KNVB guilty of having violated articles 65 and 67 par. 1 and 3 of the FDC and ordered the KNVB to pay a fine of CHF 10,000 notifying its decision to the KNVB on 14 May 2013.
16. On 3 April 2014, the decision with grounds was notified to the Respondent.

3. PROCEEDINGS BEFORE THE COURT OF ARBITRATION FOR SPORT

17. On 25 April 2014, the KNVB filed a Statement of Appeal with the Court of Arbitration for Sport (hereinafter: the “CAS”). On the 5 May 2014 the Appellant filed its Appeal Brief.
18. The Appellant nominated Mr Efraim Barak, attorney-at-law in Tel-Aviv, Israel, as arbitrator.
19. In its Appeal Brief, the Appellant challenged the FIFA DC Decision, submitting the following requests for relief:
 - (a) *Annulment of the decision passed on 7 May 2013 (terms of the decision communicated on 14 May 2013 and the grounds of the decision on 4 April 2014) by the FIFA Disciplinary Committee and reimbursement of the paid fine in the amount of CHF 10,000 and the paid costs and expenses of the proceedings before FIFA in the amount of CHF 2,000.*
 - (b) *To grant an order that the Respondent shall be liable for all costs and expenses incurred with the present procedure as well as those incurred with the procedure at the FIFA Disciplinary Committee.*
 - (c) *To grant an order that the Respondent shall pay the Appellant a contribution towards its legal and other costs, in an amount to be determined at the discretion of the Panel.*
20. On 28 April 2014, FIFA nominated Mr Lars Halgreen, attorney-at-law in Copenhagen, Denmark, as arbitrator.
21. In accordance with article R55 of the Code of Sports-related Arbitration (hereinafter: the “Code”), FIFA filed its Answer on 28 May 2014, whereby it requested CAS to decide the following:
 1. *To reject the Appellant’s prayers for relief in their entirety.*
 2. *To confirm the decision hereby appealed against.*
 3. *To order the Appellant to bear all costs incurred with the present procedure and to cover all legal expenses of the Respondent related to the present procedure.*

22. On 13 June 2014, pursuant to Article R54 of the Code and on behalf of the Deputy President of the CAS Appeals Arbitration Division, the CAS Court Office informed the Parties that the Panel appointed to decide the present matter was constituted by:
 - Mr Chris Georgiades, attorney-at-law in Limassol, Cyprus, as President;
 - Mr Efraim Barak, attorney-at-law in Tel-Aviv, Israel, and
 - Mr Lars Halgreen, attorney-at-law in Copenhagen, Denmark, as arbitrators.
23. By letter dated 7 July 2014, the CAS Court Office informed the Parties that, in accordance with Article R57 of the Code, the Panel had decided not to hold a hearing in the present matter, following the Parties' agreement to have an award rendered on the basis of the written submissions.
24. On 15 and 16 July 2014 respectively, the Parties filed the signed Order of Procedure with the CAS Court Office.
25. Both Parties agreed that their right to be heard had been respected in the present procedure.
26. The Panel confirms that it took into account in the subsequent deliberations, all the submissions, evidence and arguments presented by the Parties, even if they have not been specifically summarized or referred to in the present award.

4. SUBMISSIONS OF THE PARTIES

27. The following outline of the Parties' positions is illustrative only and does not necessarily encompass every contention put forward by the Parties. However, the Panel has carefully considered all the submissions made by the Parties, even if there is no specific reference to those submissions in the following summaries.
28. The submissions of the KNVB, in essence, may be summarized as follows:
 - First of all, the KNVB submits that CAS has jurisdiction in this matter, referring to article 118 of the FIFA Disciplinary Code (hereinafter: "FDC"). It is therefore a final decision within FIFA.
 - The KNVB refers furthermore to article 67 FDC that reads as follows:
 - "1. The home association or home club is liable for improper conduct among spectators, regardless of the question of culpable conduct or culpable oversight, and, depending on the situation, may be fined. Further sanctions may be imposed in the case of serious disturbances.*
 - 2. The visiting association or visiting club is liable for improper conduct among its own group of spectators, regardless of the question of culpable conduct or culpable oversight, and depending on the situation, may be*

fined. Further sanctions may be imposed in the case of serious disturbances. Supporters occupying in away sector of a stadium are regarded as the visiting association's supporters, unless proven to the contrary.

3. Improper conduct includes violence towards persons or objects, letting off incendiary devices, throwing missiles, displaying insulting or political slogans in any form, uttering words or sounds, or invading the pitch”.

- Due to the fact that the safety of all persons present in the stadium was ensured, law and order was maintained in the stadium and the Romanian Football Federation was responsible for the sale of tickets to the away supporters, the Appellant cannot be held accountable (or punished) for the ignition (in the Romanian sector of the stadium) of two bengal lights that were apparently hidden in body cavities of the away supporters or for a banner that was apparently hidden underneath the clothing while entering the stadium and subsequently being showed by Romanian supporters in the away sector of the stadium.
- The KNVB underlines that article 67 par. 1 FDC is a *lex generalis* strict liability rule, according to which the home association is liable for improper conduct among spectators, regardless of the question of culpable conduct even if the events which constitute an alleged violation of the FDC were caused by the spectators who are considered spectators of the visiting association and even if for the same events the visiting association may be punished as well under article 67 par. 2 as was indeed the case in the given circumstances of this case.
- The KNVB submits that the article 67 par. 1 of the FDC strict liability rule is to be considered “unjust” in the given circumstances since the Appellant bears no responsibility whatsoever for the misconduct of the Romanian supporters and that there is no reasonable justification to sanction the Appellant in the particular case.
- The KNVB continues that the FIFA DC Decision is legally flawed and must be set aside the CAS issuing a new decision annulling entirely the FIFA DC Decision.
- Finally, the KNVB submits that the Respondent must pay the Appellant a contribution towards its legal and other costs in the present proceedings and before the FIFA DC in an amount to be determined at the discretion of the Panel has to bear all procedural and legal costs of the KNVB.

29. The submissions of the Respondent, in essence, may be summarised as follows:

- Article 57 of the FDC obligates associations which organize matches to take, *inter alia*, every safety precaution required under the circumstances before, during and after the match similar provisions are to be found in art. 4 par. 5(a) of the Regulations of the 2014 FIFA World Cup Brazil.
- Article 67 par. 1 of the FDC makes the home association liable for improper conduct among spectators, regardless of the question of culpable conduct or culpable oversight

and depending on the situation may be fined. Further sanctions may be imposed in the case of serious disturbances.

- Article 63 par. 3 of the FDC provides that improper conduct includes violence towards persons or objects, letting off incendiary devices, throwing missiles, displaying insulting or political slogans in any form or uttering insulting words or sounds or invading the pitch.
- Article 60 par. 1 of the FIFA Stadium Safety and Security Regulations prohibit for political, religious messages or any other political or religious actions, inside or in the immediate vicinity of the stadium by any means, before, during and after matches.
- The Appellant does not contest the contents of the match official's report concerning the two bengal lights ignited in the Romanian sector before the start of the match whilst it also admits the incident concerning the banner.
- The FIFA DC in rendering its Decision considered all elements at its disposal and took note of all efforts displayed by the Appellant, however, the FIFA DC emphasised that despite all the measures taken the flares were lit an incident which could endanger safety and security of individuals.
- The Appellant's allegation that the strict liability rule contained in article 67 of the FDC as "unjust" is wrong. The responsibility established in article 67 par. 1 of the FDC is not identical to the criminal law model, the principle provided in the said article is the one of strict liability, according to which an association is held responsible once the acts have been established.
- The Respondent refers to CAS/2009/A/1944 and CAS/2012/A/423.
- The Respondent holds that the Appellant being the home association in the particular match had the duty and obligation to ensure the security within and around the stadium and therefore to avoid the occurrence of any incident. A more diligent body and bags check at the entrance of the visiting supporters would have avoided the ignition of the bengal lights and the display of the political banner and therefore the opening of the disciplinary proceedings against the Appellant.
- The sale of tickets to the Romanian fans by the Romanian Football Federation (customary to be done) cannot and does not exclude the liability of the KNVB.
- It is a general and well established principle that the display of political banners during FIFA official matches has no place in football stadiums in connection to football matches. The principle can bear no exception and shall be applied in uniformity and the necessary severity irrespective whether it occurs before, during or after the match.
- Article 60 par.1 of the FIFA Stadium Safety and Security Regulations – to which participating associations have to abide by virtue of art. 4 of the regulation 2014 FIFA World Cup Brazil – expressly provides for the strict prohibition by any means of the

promotion of political messages or actions inside or in the immediate vicinity of the stadium, before, during or after matches.

- The argumentation and conclusions of the FIFA DC are adhered to.
- With regard the sanction, the FIFA FDC took into consideration all relevant factors in the case and the degree of the Offender's guilt so as to impose the sanction it considered two aggravating circumstances the result being that the sanction imposed is perfectly justified and commensurate.

5. JURISDICTION

30. The jurisdiction of the CAS which is not disputed, derives from article 128 FDC which provides that:

"The FIFA Statutes stipulate which decisions passed by the judicial bodies of FIFA may be taken before the Court of Arbitration for Sport"

and article 67(1) of the FIFA Statutes, which provides that:

"[a]ppeals against final decisions passed by FIFA's legal bodies and against decisions passed by Confederations, Members or Leagues shall be lodged with the CAS within 21 days of notification of the question"

and article R47 of the Code which provides:

"An appeal against the decision of a federation, association or sports-related body may be filed with the CAS insofar as the statutes or regulations of the said body so provide or as the Parties have concluded a specific arbitration agreement and insofar as the Appellant has exhausted the legal remedies available to him prior to the appeal, in accordance with the statutes or regulations of the said sports-related body".

The Jurisdiction of the CAS is further confirmed by the Order of Procedure duly signed by the Parties.

31. It follows that the CAS has jurisdiction to decide on the present dispute.

6. ADMISSIBILITY

32. Article R49 of the Code provides as follows:

"In the absence of a time limit set in the statutes or regulations of the federation, association or sports-related body concerned, or of a previous agreement, the time limit for appeal shall be twenty-one days from the receipt of the decision appealed against. After having consulted the Parties, the Division President may refuse to entertain an appeal if it is manifestly late".

33. The appeal was filed within the deadline of 21 days set by arts. 67 of the FIFA Statutes and R49 of the Code. The appeal further complied with all other requirements of art. R48 of the Code, including the payment of the CAS Court Office fee.
34. It follows that the appeal is admissible.

7. APPLICABLE LAW

35. Article R58 of the Code provides as follows:

“The Panel shall decide the dispute according to the applicable regulations and the rules of law chosen by the Parties or, in the absence of such a choice, according to the law of the country in which the federation, association or sports-related body which has issued the challenged decision is domiciled or according to the rules of law, the application of which the Panel deems appropriate. In the latter case, the Panel shall give reasons for its decision”.

36. The Panel notes that article 66 (2) of the FIFA Statutes stipulates the following:

“The provisions of the Code of Sports-Related Arbitration shall apply to the proceedings. CAS shall primarily apply the various regulations of FIFA and, additionally, Swiss law”.

37. The Parties agreed to the application of the various regulations of FIFA and subsidiary to the application of Swiss law. The Panel is therefore satisfied to accept the subsidiary application of Swiss law should the need arise to fill a possible gap in the various regulations of FIFA.

8. MERITS

A. The Main Issues

38. The main issues to be resolved by the Panel are:
- a. Is the rule of strict liability as it is embodied in article 67 par. 1 of the FDC “unjust” considering the specific circumstance of this case, and thus the decision of the FIFA DC decision should be set aside?
 - b. Does the rule of strict liability applicable in every case of improper conduct among spectators always lead to a result under which the home association must be sanctioned if found responsible for such improper conduct, or may a distinction be drawn between the responsibility which, under the FDC, is an objective issue and the sanction itself?
 - c. In the specific circumstances of this case, is the fine of CHF 10,000 imposed on the KNVB appropriate or not?

a) *Is the rule of strict liability as it is embodied in article 67 par. 1 of the FDC “unjust”?*

39. The Appellant acknowledges in its Appeal Brief that article 67 par. 1 of the FDC contains a strict liability rule. The strict liability rule is according to the Appellant to be considered as “unjust” in the given circumstances since the Appellant bears no responsibility whatsoever for the misconduct of the Romanian supporters and that there is no reasonable justification to sanction the Appellant in the particular case.

The Appellant further submits that the FIFA DC Decision is legally flawed and must be set aside, and that the CAS issues a new decision annulling entirely the FIFA DC Decision.

40. The Panel is of the opinion that indeed article 67 par. 1 of the FDC contains a strict liability rule, according to which the home association is liable for improper conduct amongst spectators regardless of the question of culpable conduct.
41. The Panel does not agree with the Appellant that the strict liability created pursuant to article 67 par. 1 is “unjust” *per se* and is of the opinion that, under the FDC, the overall responsibility of the host association exists even in cases where the events constituting the violation of the FDC were caused by the spectators of the visiting association even if for the same events, the visiting association may be punished pursuant to article 62 par. 2 as was the case in the particular match.
42. The Panel notes that in a number of CAS decisions it was held that strict liability *per se* is not unlawful as such and is justified in the context of the need to fight violence in football safeguarding all persons present in stadiums with law and order maintained therein. Nevertheless, the Panel feels that it is necessary and in line with the recent decision of the CAS (CAS 2013/A/3090) to reiterate that this does not mean that in any case of misconduct of the supporters, the associations – even if found responsible – must be sanctioned.
43. The Panel is of the view that a distinction can be drawn between the responsibility which under the FDC is an objective and strict liability obligation due to its nature more as a deterrent and preventive measure (whilst the punitive element is secondary (see CAS 2009/A/1944 and TAS 2002/A/423)), and the sanction which in a justified and proper circumstance could be reduced or even eliminated.
44. As mentioned in the decision CAS 2013/A/3090 the Panel draws the said distinction finding comfort from the very provisions of article 67 par. 1 and more specifically in the words “*may be fined*”. It is evident to the Panel that the FDC draftsman left space granting the FIFA DC with discretion not to sanction an association (in the particular case KNVB) or to impose sanctions at its own discretion depending on the particular facts and elements of each case, such as: how serious the violation was, the way the association handled the incident, and whether the overall circumstances of the incident should justify the sanctioning of the association in question.
45. The present case provides the Panel with the ability to consider and apply the distinction made hereinabove particularly as the facts of the case involve two different (by nature) prohibited

events, the one relating to the display of the banner and the one relating to the igniting of the bengal lights.

i. The incident relating to the banner

46. Following from the above stance and drawing from the reasoning in the recent CAS Decision (CAS 2013/A/3090), the Panel easily reaches the conclusion that the KNVB did everything possible and in this respect fulfilled its obligations pursuant to the FDC and the applicable safety rules. However, due to the specific circumstances (the piecemeal construction of the banner and the use of a foreign language), the KNVB could not prevent its entering into the stadium by reasonable means. The KNVB became aware of the banner only once the match started and, as required and expected by it, took action for its removal. The KNVB's action in respect of the banner was such that the FIFA official observer did not even take notice of the display and consequently did not report the same the incident reported at a later date by the Hungarian Football Association
47. In light of the circumstances and the very provisions of article 67 par. 1 of the FDC, the responsibility is indeed imposed on the KNVB merely because of the existence of the strict liability but, however, the provisions of the relevant article do not make the sanction mandatory leaving to the discretion of the appropriate disciplinary organ (at this instance the CAS Panel), the ability to consider both aggravating and mitigating factors.
48. The Panel having evaluated all facts and circumstances concerning the banner and applying its discretionary powers, rules that in respect of the particular incident there should be no sanction.
49. Having reached the above-mentioned ruling the Panel would like to note that FIFA DC, when reaching its Decision, did not ignore the decision in the case CAS 2013/A/3090 as the FIFA DC Decision was given in May 2013 whilst the aforementioned decision was given a month later (June 2013). Therefore, the Panel may assume that the FIFA DC in the future will take into consideration the CAS rulings in the case CAS 2013/A/3090 and the present case where similar facts and/or circumstances prevail.

ii. The incident relating to the bengal lights

50. With respect the second violation, the Panel notes that the bengal lights were ignited by the Romanian fans. This fact is not disputed by the KNVB. Consequently, the violation of article 67 of the FDC occurred and the responsibility as per the provisions of the FDC is therefore applicable.
51. With regard to the sanction, as opposed to the banner incident, from the facts of the case, the Panel does not find out any mitigating factors. Indeed, associations are expected to use their best efforts and technical means to preclude such a prohibited incident even where, as the KNVB submits, the items in question are small and can easily be hidden in places of one's body where the association and its officers cannot search.

52. The Panel notes that in the challenged decision FIFA imposed the KNVB an accumulated fine of CHF 10,000 for having violated articles 65 and 67 par. 1 and 3 of the FDC without making a distinction, for this purpose, in between the two violations. However as this Panel found that the KNVB should not be sanctioned for the incident related to the banner (*supra* §48) the sanction should therefore be reduced in order to reflect this finding and conclusion.
53. For the purpose of assessing the proper sanction, the Panel took note of the existence of a previous sanction imposed upon the KNVB a short time ago in respect of a match played during the same qualifying round of the 2014 FIFA World Cup Brazil and as such considered this as constituting an aggravating factor.
54. In view of the above the Panel finds that the sanction of CHF 7,500 in respect of the FDC violation in respect of the incident of the bengal lights is proportional and reasonable.

B. Conclusion

55. Based on the foregoing and after taking into due consideration both the applicable regulations as well as the evidence provided and the arguments put forth by the KNVB, the Panel finds that:
 - a. Article 67 par. 1 of the FDC is a strict liability rule, it is not unjust *per se* as alleged by the Appellant.
 - b. Article 67 of the FDC leaves space for the FIFA Disciplinary Committee to impose sanctions at its own discretion, including the possibility not to sanction an association in justified cases even though it was found responsible due to the strict liability rule. In application of this principal, considering the circumstances of this case, no sanction should be imposed on KNVB in respect of the incident of the banner.
 - c. In the specific and overall circumstances of this case, a sanction of CHF 7,500 following the violation of article 67 of the FDC as regard the incident of the Bengal lights is in itself considered proportional and reasonable
56. Consequently, the Panel concludes that the appeal of the KNVB is partially upheld and that the FIFA DC Decision shall accordingly be set aside and replaced by a new decision as stated above.
57. Any other prayers and requests for relief are dismissed.

ON THESE GROUNDS

The Court of Arbitration for Sport rules that:

1. The appeal filed by the Koninklijke Nederlandse Voetbalbond on 25 April 2014 against the Decision issued on 7 May 2013 by the Disciplinary Committee of the Fédération Internationale de Football Association is partially upheld.
 2. The Decision issued on 7 May 2013 by the Disciplinary Committee of the Fédération Internationale de Football Association is set aside and replaced by the following decision:
 1. *The Koninklijke Nederlandse Voetbalbond is liable for the improper conduct among spectators during the Preliminary Competition match of 26 March 2013 for the 2014 FIFA World Cup Brazil™ between the Dutch National Team and the Romanian National Team and is therefore in violation of Articles 65 and 67 par. 1 and 3 of the FIFA Disciplinary Code (FDC).*
 2. *In the circumstances of this case, the Koninklijke Nederlandse Voetbalbond is exempted from any sanction with respect the incident relating to the display of the offensive banner.*
 3. *The Koninklijke Nederlandse Voetbalbond will pay the fine of CHF 7,500 for the violation of the FDC in respect of the incident of the Bengal lights.*
- (...)
5. All other motions or prayers for relief are dismissed.