

**Prof. Dr. Ali Abdel Aal**

**Speaker of the Parliament**

I have the honor, with their highness members of the Parliament, have the pleasure to present to you a law on regulating the work of associations and other public institutions in the field of civil work signed by more than ten members of the Parliament.

Kindly refer the draft law to the specialized committee in accordance with the provisions of the internal regulations of the Parliament.

Please accept our highest appreciation and respect.

Member of the Parliament

Abdulhadi Alqassabi

[List of handwritten names and signatures of 112 members of the Parliament]

**Law No ( ) of 2016**

**Resolving the Law of Civil Associations, Foundations, and Organizations  
Performing Civil Activities**

**By the name of the People**

**President of the Republic**

**The Parliament has resolved the following law:**

**Article One**

Pursuant to the provisions of the regulations of the established associations in accordance with the international agreements concluded by the Arab Republic of Egypt, the civil associations, foundations, and other entities shall be subjected to and regulated by the provisions of the enclosed law.

This law and the enclosed law shall organize the freedom of practice of civil work for the associations and organizations. It is prohibited for any entity, under any form or title, to practice any of the civil activities without being subject to the provisions of the enclosed law.

**Article Two**

All entities performing civil activities, pursuant to the definition stipulated in the enclosed law, of any legal form or naming, shall rectify their status pursuant to this law within six months of its resolution; otherwise, the competent court shall order its dissolution. The funds of these associations shall be transferred to the fund to support civil associations and foundations defined in the enclosed law. Every activity of these entities in violation of the provisions of this article shall be ceased.

The rectification of the status of these entities is through notifying the concerned ministry or the National Authority for Organizing Foreign NGOs Work established pursuant to the enclosed law, based on the situation, of all data of the association, organization, or entity and its activities, funding sources, programs, protocols, memoranda of understanding, and other cooperation forms of any naming that are performed by the Arab Republic of Egypt. That shall be done using the form prepared for that purpose. The entity shall also amend its regulations and systems to conform to the regulations and provisions of this law and the enclosed law.

**Article Three**

The Administrative Authority shall undertake the responsibility of listing the entities that have not rectified their status in accordance with the provisions of the enclosed law. The concerned minister shall

form one or more committees comprising the staff of the administrative authority and others. The membership of the committee shall include a representative of the governorate in which the entity is based. The committee(s) shall be responsible for the implementation and completion of the dissolution process after the issuance of a judicial order of the dissolution of the entity. The resolution shall define the system and period of work of the committee(s).

**Article Four**

It is prohibited for any entity to practice any of the activities of national associations and foundations without being subject to the provisions of the enclosed law. Any entity, other than the competent Administrative Entity pursuant to the attached law, may not, under any form or title, license the practicing of any activity of the activities of national associations and foundations. Such a license shall be void and invalid as of its issuance and may not bear any legal effect.

**Article Five**

Existing boards of directors of national associations, foundations and federations established pursuant to provisions of law No. 84 of 2002, and their executive and administrative bodies, shall continue to operate until they reformed according to its provisions.

**Article Six**

The Prime Minister shall issue the executive regulations of the enclosed law within six months as of the date of its promulgation. Until these regulations are issued, the current executive regulations and resolutions may continue in effect notwithstanding the provisions of the enclosed law.

**Article Seven**

The law of national associations and foundations No. 84 of 2002 is hereby abolished as well as any provision that contradicts with the provisions of the enclosed law.

**Article Eight**

This law is published in the official gazette and becomes effective on the next day following its publication.

President of the Republic

Abdel Fattah el-Sisi

# **Law of Civil Associations, Foundations, and Organizations Performing Civil Activities**

## **CHAPTER ONE: DEFINITIONS**

### **Article 1**

In the implementation of the provisions of this law, the following words and expressions have the following meanings:

1. **Civil work:** A work that does not aim at profit with the purpose of realizing development of the society in one certain area defined in the article of association of the entity.
2. **Association:** A group of a continuous legal formation established in accordance with the provisions of this law composing of natural or legal persons, or both, whose number in all cases is not less than 10, for a purpose of practicing civil work and.
3. **Public Benefit Association:** an association that aims at realizing public benefit upon or after its establishment and whose activity is for serving the public. A public benefit status shall be granted by a resolution from the prime minister.
4. **Foundation:** A legal person established by the allocation of one or more natural or legal persons, or both, of an amount not less than ten thousand pounds upon establishment for a civil work purpose without aiming at securing any profit or benefit.
5. **Foreign Non-Governmental Organization:** a foreign legal person, whose purpose is not for profit and whose main management is located in Egypt or outside, licensed to perform one or more activities of national associations and foundations subject to the provisions of this law and its rules.
6. **Central Association:** an association whose declaration is endorsed, according to the provisions of this law, by a decision from the Competent Minister, or who he authorizes, whose articles of association provide for working at the level of the Republic, having a branch or more in more than one province. The executive regulations of this law shall define any other criteria for central associations. New branches for a central association in provinces may not be established unless approved by the Competent Minister.
7. **Regional Federation:** a federation having a legal personality established by no less than ten national associations or foundations, or both, located in one province, regardless of the activity.
8. **Specialized Federation:** a central federation having legal personality established by at least ten associations or National foundations, or both, who perform common activities in specific fields at the level of the Republic.

9. **The General Federation:** a legal person of heads of boards of directors of regional and specialized federations providing support and assistance to national work. The federation shall be located in the city of Cairo.
10. **Regional Organization:** a civil association or foundation that performs its civil work in the Republic of Egypt and another country or more.
11. **Competent Court:** The administrative court having jurisdiction on the management center of an association.
12. **The Coordination Committee:** A coordination committee set up pursuant to the provision of Article 70 to decide on anything related to the work of foreign non-governmental organizations in Egypt, and all forms of cooperation with the government and non-government organization, the funding of their activities, and other responsibilities mandated to it in pursuant to the provisions of this law.
13. **Competent Minister:** The Minister concerned with the affairs of civil associations and work.
14. **Administrative Entity:** The Ministry concerned with the affairs of civil associations and work.

## **CHAPTER TWO: ASSOCIATIONS**

### **Article 2**

A national association is established by serving a notification to the competent Administrative Entity. The notification must fulfill all required documents provided for under the ensuing articles. An association acquires a legal personality and every natural or legal person has the right to join or withdraw from it in accordance with the provisions of this law.

The notification shall be considered valid and of legal effect only if it fulfills all the required data and documents in accordance with the form prepared for this purpose.

### **Article 3**

It is conditional for the formation of an association to have written articles of association that conforms to the form of the articles of association stipulated by the executive regulation and to be signed by all founders. It shall also have an independent and appropriate management center in the Arab Republic of Egypt and that it is appropriate for the performance of its activity.

In all cases, the articles of association of each and every association shall stipulate on its commitment of the respect of the constitution and laws and not violate the national security, law and order, and public honor and morals.

**Article 4**

It is conditional for a member of an association to enjoy civil rights and with no previous conclusive verdicts restricting freedom in a crime or offense that breaches honor or honesty, unless rehabilitated.

**Article 5**

It is permitted for non-Egyptians having permanent or temporary residence in Egypt to join membership of any association or its board but they may not exceed 10% of the members and that it shall notify the administrative entity of the names of those desiring to become members of the association or its board.

**Article 6**

It is permitted for any foreign community to establish an association observing the affairs of its members pursuant to the provisions of this law and with the condition of reciprocal treatment for the Egyptian community in that relevant country.

**Article 7**

Articles of association of any association must contain the following data:

- a. Address of the association management center
- b. Name of the association, which should not create any confusion with any other association within the same geographic or areal scope.
- c. The geographic and areal scope of the association and its areas of activity.
- d. Purposes, activity nature, goals, and means of achieving these goals of the association.
- e. Name, surname, age, nationality, profession, domicile, national identification number and email address (if any) of each founder.
- f. Resources of the association, their utilization and disbursement.
- g. Bodies that represent the association, the competencies of each, the method of members selection, dismissal or invalidation of membership as well as the quorum for the meetings of these bodies, the validity of their decisions and the means of invitations for informing members.
- h. Membership system, conditions, rights and duties of members; especially the right of every member to review the documents of the association, attending and voting in the general assembly whenever necessary conditions are fulfilled.
- i. Financial and accounting systems and financial control system.

- j. Rules for the meetings of the ordinary and extraordinary general assembly, the invitation process, the validity and location of the meetings. This shall include the rules for the powers of members in these meetings, the issuance of decisions, voting and election mechanisms of members of the board of directors, its powers, the appointment of the auditors and determining their fees.
- k. Rules for amending the articles of association of the association, establishing its branches, the cases for its termination other than the case of its dissolution by a court order, and entities that shall benefit from its funds in these cases. It is impermissible that the articles of association of any organization dictate that the funds of the association are transferred to anybody except the National Associations and Foundations Support Fund or any national association or foundation working in the same field of the association.
- l. Identity of the person who is authorized to apply for the “public benefit status.”

The Executive Regulations of this law shall be enclosed with model articles of association for guidance purposes, and the articles of association of these associations shall not violate this model.

### **Article 8**

The Administrative Entity undertakes to coordinate and cooperate with the concerned entities to establish a database in which it lists all associations and entities subject to the provisions of this law including their activities, programs, sources of funding, and other necessary aspects. Every association or entity will have a distinctive number at the national level in the database.

The Administrative Entity also undertakes to enter the summarized articles of association in the associations' database since the date of being notified of the wish to establish the association. This notification has no effect unless enclosed with the following documents:

1. Four copies of the articles of association of the association signed by all founders.
2. Two copies of the internal regulations that regulate financial and administrative affairs of the association and its workers in accordance with the model guiding sample enclosed with the executive regulations of this law.
3. The criminal status sheet and financial disclosure statement of every founding member.
4. A list of the persons selected for leadership and membership of the first board of directors from the founding group.
5. An official certified document confirming the occupancy of the association's premises.
6. A proof of payment of a fee not exceeding 10 thousand pounds for registering the association in the registry of the Administrative Entity. These fees shall be transferred to

the National Associations and Foundations Support Fund. The legal personality of the association is affirmed by making such entry.

7. The rules and conditions of voluntary work in association activities, if any, in addition to the rights and duties of volunteers and means of their protection.
8. Identity of the representative of the group of founders in the establishment procedures.
9. The website of the association and its email address, if applicable.

The executive regulation stipulates on the other documents that must be provided by those desiring to establish an entity that is organized by the provisions of this law or to become a member of the board, board of trustees, or work in these associations.

#### **Article 9**

The person requesting the establishment of the association submits a receipt that proves receipt of his notification stating the hour and date of receiving the notification and the person that received it. The notification may not be rejected unless it does not fulfill the data, information, and documents required.

If the Administrative Entity finds, within 30 working days of the date of the notification, that purposes of the association contain a penalized activity pursuant to the Penal Code or any other punitive law or that the data and enclosures of the notification are incomplete, it shall reject the application by a justified decision to be notified to the representative of the group of founders by a registered letter with receipt confirmation.

In this case, the representative of the group of founders may make right the mistake, complete the missing data or appeal against this decision before the competent court within sixty working days of being notified.

#### **Article 10**

The Administrative Entity undertakes to enter the association and take necessary actions to publish the summarized articles of association of the association on the official website of the Administrative Entity on the worldwide web (internet) after completing the notification process in accordance with the provisions of Article 9.

The association, upon affirmation of its legal personality, must publish its summary articles of association, approved by the Administrative Entity, in Egyptian newspapers and on its website, if applicable.

The Administrative Entity shall issue a letter to any bank under the oversight of the Egyptian Central Bank to open a bank account for the association using its registered name. It may not open an account of



the association or any other entity subject to the provisions of this law unless the aforementioned letter is issued.

**Article 11**

Any concerned person may review the summarized articles of association and obtain a certified copy thereof against a fee of one hundred pounds. These fees go to the National Associations and Foundations Support Fund.

**Article 12**

For amending the articles of association of an association, the same procedures for the establishment under this chapter shall be followed.

**CHAPTER TWO: PURPOSES, RIGHTS, AND COMMITMENTS OF ASSOCIATIONS**

**Article 13**

The association or any other entity subject to the provisions of this law shall work in the fields of social development defined in the articles of association of the association.

Associations and entities subject to the provisions of this law which perform their work and activities within the scopes defined by a resolution by the prime minister shall get the permit to perform these works from the administrative entity after consulting the concerned governor before commencing the implementation.

In all cases, associations and other entities subject to the provisions of this law are not allowed to work in any field or practice any activity that is part of the work of political parties, vocational or employee syndicates, work of political nature, or work that may cause harm to the national security, law and order, public morals, or public health.

**Article 14**

Associations shall work to achieve their purposes in the fields of development and social welfare to achieve social development goals within the scope of the state plans and development needs and priorities. It is impermissible to ban any of the aforementioned activities unless it breaches the conditions of establishment or goals of the association or if it relates to political and syndicate activities having laws regulating them.

Establishment of clandestine associations is prohibited. It is also prohibited for any association to perform any of the following:

1. Formation of brigades or formations of military nature.
2. The practice of activities that result in destabilizing the national unity, national security, public law and order, and public morals.
3. Calling for discrimination between citizens on the bases of sex, race, color, language, religion or belief, or any other activity promoting racism, incitement of hatred or any other causes that run against the constitution and law, or calling for the violation or nonconformity to laws and regulations.
4. The participation in funding or promoting for electoral campaigns for any candidate in presidential, parliamentary or local elections, or partisan propaganda campaigns. Associations may not provide financial support to parties, partisan or independent candidates or nominating any candidates in any elections under the name of the association.
5. Granting any scientific or professional certificates
6. Any other activities, which practicing requires a license from a government entity before obtaining that license.
7. Conducting surveys and publishing or making available their results. Conducting field researches or disclosing their results before presenting them to the Coordination Committee to make sure of their integrity and neutrality.
8. Getting into agreements of any form with any foreign entity inside or outside the country before notifying the Coordination Committee of such as well as any amendments to such agreements.
9. Targeting the realization of any profit for members of the association or performing any activities leading to this result. Following commercial practices to realize profits assisting in the purposes of the association may not be considered as a violating activity.

#### **Article 15**

All the chairs, board members, board of trustee members, and other entities subject to the provisions of this law are all subjected to the law of illegal earning and must conform to its provisions.

In all cases, it is not permitted to second any workers in the Ministry of Social Solidarity or its affiliated directorates or social unit or any other public authorities that undertake the supervision, guidance, or control over the associations to work in national associations and foundations subject to this law.

#### **Article 16**

Without prejudice to any other privileges provided for in other laws, associations, foundations and federations established pursuant to the provision of this law shall enjoy the following benefits:

- a. Exemption from registration and entry fees due on the association with regard to all contracts where the association is party to such as property and mortgage contracts or any other in-kind rights, as well as exemption from signature endorsement fees.
- b. Exemption from current taxes and stamp duties, and those imposed in the future, on all contracts, powers of attorney, documents, printed materials, registers...etc.
- c. Exemptions for properties owned by the association from real-estate tax. The association, upon exercising its right in owning properties for fulfillment of its purposes only. The relevant activity may not be changed unless with the consent of the Competent Minister.

#### **Article 17**

Every member has the right to withdraw from the association at any time provided that the association is notified by a receipt-acknowledged letter. This may not prejudice the right of the association to claim for any due funds on the member of any nature.

#### **Article 18**

A member who withdraws from an association has the right to retract his decision to withdraw within 15 working days of the date of notifying the association. The executive regulations of the law shall define the procedures and rules for withdrawal from membership of an association.

#### **Article 19**

An association may cooperate with, join, affiliate to or partner with any local or foreign association, entity or organization to perform a civil activity that is not contradictory to the purposes of the association, provided that it receives permit from the Administrative Entity based on a request thereto.

The executive regulations shall define controls for such cooperation, affiliation or partnership with the local or foreign entity and the contents of the notification of data and information. The association may appeal against the rejection decision before the competent court.

#### **Article 20**

The Competent Minister, following an approval from the Coordination Committee, may license an association to open branches outside the Arab Republic of Egypt following the conditions prescribed in the executive regulations of this law. In this case apply the provisions of the regulations of regional organizations.

#### **Article 21**

An association is not permitted to open sites or offices in any province of the republic under its direct supervision for conducting and implementing its different activities unless except after the written approval of the Competent Minister or who he authorizes. The approval shall mention the address of the site, the nature of target activity, the name of the person in charge of it, and the workers.

#### **Article 22**

The associations and other entities subject to the provisions of this law shall open a bank account in one of the banks subject to the control of the Central Bank. This account can have subaccounts.

It shall also make sure that the expenditure on its activities/goals or its receipt of any funding are processed through this account or its subaccounts, and not any other accounts.

#### **Article 23**

Without prejudice to the provisions of the antiterrorism and money laundering laws and to achieve its purposes and financial sustainability, an association may receive cash funds or collect donations inside the Republic from Egyptian natural or legal persons. These funds shall be deposited in its bank account and association records shall be updated accordingly. The association shall allocate and spend these funds for the purposes for which they were raised.

It is a condition to notify the Administrative Entity thirty working days before receiving or collecting donations in order to get the required approval thereto. The Administrative Entity shall notify the Coordination Committee. These funds shall not be spend except after the approval is issued. The Executive Regulations of this law shall set forth the procedures and conditions required for licensing fund raising, as well as necessary conditions for each fundraising method as required by public interest.

#### **Article 24**

Without prejudice to the provisions of the antiterrorism and money laundering laws, an association may receive funds, donations and grants from Egyptian or foreign natural or legal persons outside the country providing that these funds are deposited in their bank account and update their registers accordingly. The Competent Minister, after consulting with the Coordination Committee, shall issue a decision regulating the procedures and rules for receiving funds within one month of the date of funds receipt into the account of the association. The Coordination Committee may object to the receipt of funds within the sixty working days following the date of notification.

The association undertakes not to spend donated funds within the sixty-day period. If the Coordination Committee does not respond within the sixty-day period, such inaction is considered as a non-approval. The association may not send or transfer funds of any kind to persons or organizations abroad except after obtaining a written approval thereto. This excludes the purchase of books, scientific, technical and artistic bulletins and journals and subscription fees. The executive regulations shall define the procedures for obtaining such permission and its requirements in terms of data and documents.

## **Article 25**

The association shall adhere to the standards of transparency, disclosure, the declaration of the sources of its funding, the names of its members, its annual budget and its activities on its official website and the website of the Ministry of Social Solidarity as well as inside its premises or it may use any publication and declaration mean.

The association shall maintain its documents, libraries, registers and bank notices and letters in its management center. The executive regulations of this law shall define these registers, their keeping and use and data they contain. These registers shall be stamped by the Administrative Entity before using them.

## **Article 26**

The Administrative Entity and the Coordination Committee shall be entitled to match the works of the associations and other entities subject to the provisions of this law without any hindrance to their work. It shall verify the funding provided to these entities matches the destinations and purposes for which they were allocated. To that end, they both have the right to take the necessary procedures to rectify any procedures or works that are in violation of the provisions of the law or the regulations issued to apply the law.

The Administrative Entity in case of violation of the provisions of articles 23, 24, and 25 and after notifying the entity with the necessary warning shall be entitled to suspend the activity of the association for a period not exceeding one year or to request the dissolution of the association or foundation or dismissal of the board or board of trustees based on the situation from the concerned court.

The association shall allow any of its members to examine the records, documents and instruments of the association whenever a member officially requests that from the association.

The association shall regularly update their project data and details, forms of cooperation it formulates, and its funding entities. The executive regulation of the law provides the deadlines of the regular update of the data.

## **Article 27**

Representatives of the Administrative Entity, nominated by a decision from the Competent Minister, may enter to the premises or branches of any association, foundation, federation or organization subject to the provisions of this law to monitor its activities and review its records on administrative, technical and financial aspects to ensure that they are in compliance with the provisions of this law or to provide the technical support whenever it considers fit in a manner that does not hinder the work of the association. The association and its board shall assist the representatives to fulfill their tasks.

Also every activity performed by other legal persons, that are within the purposes and fields of work of associations in any legal form, is subject to the monitoring of the Administrative Entity even if procedures of founding the relevant association have not been taken in accordance with this law.

### **Article 28**

Every association must have an annual budget that starts at the start of the year and ends at the end of the year. Accounts should be recorded in books elaborating in details its revenues and expenditures including donations and grants and their sources.

If the total annual revenues or expenditures of the association exceed one hundred thousand pounds, the board of directors shall present its final accounts to a chartered accountant, listed on the roster of auditors and accountants, for examination and submission of a report thereon.

In all cases, the final accounts must be published on the official website of the association and the website of the Ministry of Social Solidarity no less than seven days before the convention of the general assembly and shall also be distributed to association members as prescribed in the articles of association. The Administrative Entity shall be notified in order to attend or to follow up.

The Administrative Entity may object to the final accounts and request that they are corrected within fifteen working days. Otherwise, the Administrative Entity may take actions provided for in this law.

### **Article 29**

The association shall undertake to deposit its cash monies in its bank account under its registered name. The Administrative Entity shall be notified by this bank account number. Disbursement from these monies shall be only done by the chairman, or his assignee, and the cashier based on a resolution from the board of directors. The association shall notify the Administrative Entity by the names of those authorized to sign.

### **Article 30**

The association shall spend its funds for fulfilling its purposes and may invest the surplus of its revenues in a way to ensure securing financial resources to support its activities or reusing the funds in productive or service projects to support its activities in accordance with the Executive Regulations. In all cases, associations are not allowed to engage in financial speculations. The association shall convert foreign currency it receives to the Egyptian currency via an official bank and may not keep foreign currency except to the extent required to implement its activities.

### **Article 31**

In cases where the association issues a decision considered by the Administrative Entity as violating this law or the articles of association, the Administrative Entity may request the association, via a registered

letter with receipt confirmation, to withdraw the decision within ten working days of being notified. If this period elapses without withdrawing the decision, the decision of the Administrative Entity is considered valid. The association may appeal to the decision in accordance with the followed procedures.

### **CHAPTER THREE: BODIES OF THE ASSOCIATION**

#### **First: The General Assembly**

##### **Article 32**

The General Assembly shall compose of operating members who spent no less than ninety days in membership and fulfilled all their obligations pursuant to the articles of association of the association.

The articles of association of the association shall define the procedures of holding ordinary and extraordinary meetings of the general assembly, the mechanism of inviting to these meetings, the meeting place, the power of members in both types of meetings in issuing and voting on decision, the election of members of the board of directors, defining their powers, the appointment of auditors and setting their fees. In this regard, the association shall send to the Administrative Entity copies of the minutes of meetings, decisions and all amendments made to the formation of the board of directors and the articles of association.

#### **Second: Board of Directors**

##### **Article 33**

Each association shall have a board of directors composing of an odd number of members not less than five and not more than fifteen pursuant to the articles of association. Members shall be elected by the General Assembly for a term of four years. The first board of directors shall be appointed by the founders for a term of one year.

##### **Article 34**

The Board of Directors shall display the names of candidates for membership of the Board of Directors in the association premises on the second day following the closure of the nomination period. The Administrative Entity shall be notified within the seven following days but thirty working days at least before the elections date.

The Administrative Entity, and whoever concerned, may notify the General Assembly within seven days following the display or notification of the list, as the case may be, by any objections on members not meeting the conditions. If the concerned candidate does not withdraw nomination within fifteen days of the notification to the General Assembly, the Administrative Entity must issue a decision removing this person. The removed person, or whoever concerned, may submit a claim before the competent court

within seven days following the issuance of this decision. The court shall decide in the case before the date of the elections on urgency basis.

**Article 35**

It is prohibited to combine between membership of the board of directors of the association and working in the Administrative Entity or any other public entities supervising, guiding or monitoring the association and its funding except by a license from the Competent Minister and for the public benefit. This prohibition does not apply to associations whose membership is limited to those working in any of the aforementioned entities. It is also prohibited to combine between membership of any board of directors and paid work in the association or any of its activities or projects.

**Article 36**

The Board of Directors of an association shall manage its affairs. The executive regulations of this law shall define the competencies of the chairman, the deputy chairman, the cashier and the secretary general of the association. The chairman is the person representing it before judiciary and third parties. The board of directors, for the management of the association's affairs, may conduct any works other than the activities indicated in this law or the articles of association as activities requiring the prior approval of the General Assembly. The Board of Directors may appoint a general manager for the association, who may not be a member of the board.

Article 37

The articles of association of the association shall define the procedures of holding its meetings, valid legal quorum, its agenda and the voting mechanism in it. The board of directors shall meet at least once every three months. In case a member is absent, for more than half the meetings convened by the board in one year's time, the member is considered as has resigned and shall be notified by this via a registered letter with receipt acknowledged.

**Article 38**

Decisions of the board of directors shall be passed by the consent of the absolute majority of present members unless the articles of association provide for a larger majority. If votes are equal, the chairman shall have a casting vote. The Board of Directors shall notify the Administrative Entity by decisions passed by it or the General Assembly within fifteen working days of issuance.

**Article 39**

A aboard member may be reimbursed for actual transportation costs to attend sessions and committees as prescribed in the internal regulations of the association.

**Article 40**



Subject to the articles of association of the association, if the number of members of the board of directors becomes insufficient for it to be validly held, then the Competent Minister may, when necessary, appoint a temporary board from amongst the remaining members or others. The temporary board shall have the competencies of the board of directors. The temporary board of directors shall invite the General Assembly for convening within a year as of the date of appointment to elect a new board of directors. The mission of the temporary board ends with the election of a new board of directors.

## **CHAPTER FIVE: DISSOLUTION OF ASSOCIATIONS**

### **Article 41**

An association may be voluntarily dissolved by a decision of the Extraordinary General Assembly following the approved rules in its articles of association. In this case, the dissolution decision shall provide for the appointment of one or more liquidators from the list of certified accounting offices. The resolution shall define period of liquidation and liquidator's fees. The Administrative Entity shall be notified by that. If the liquidation period elapses without completing the process of liquidation, the Administrative Entity may extend it for one more term. Otherwise, the Administrative Entity may conduct the liquidation by itself.

### **Article 42**

Based on a request from the Administrative Entity, the competent court may rule for terminating the board of directors of an association and appointing a temporary board to take actions to invite for a general assembly meeting to elect a new board of directors in the following cases:

- 1) If the association performs activities that are not provided in the Articles of Association of the Association or that are not permitted.
- 2) If it is proven that the Articles of Association are not true.
- 3) If the board of directors of the association disposes or allocates its funds for purposes other than its original purposes.
- 4) If the association receives funds from an external entity or sends funds to an external entity in violation to the provisions of article 24 hereunder.
- 5) If the board of directors commits the crime of wasting of funds, or any other crimes covered under chapter four, volume two, of the penal code.
- 6) If the association collects donations in violation to provisions of articles 23 and 24 hereunder.
- 7) If it is proven that the members of the board of directors gain profit from the activities of the association or take its funding.
- 8) If the General Assembly does not convene for two consecutive years.
- 9) If the Administrative Entity is not enabled of monitoring the works of the association in accordance with the provisions of article 27 hereunder.

- 10) In case of moving to a new premises without notifying the Administrative Entity within no more than three months of the date of moving.

In all cases, it is prohibited for whomever it is proven to have a personal responsibility from among members of the dissolved board of directors for the violations that led to dissolving the board to nominate himself for the membership in another national association for a maximum period of four years as of the date of issuance of the termination of dissolution decision.

#### **Article 43**

The competent court shall rule based on a request from the Administrative Entity for dissolving the association and appointing a financial liquidator in the following cases:

1. Not rectifying the status in violation of the provision of this law and the articles of association
2. If it is proven that the real purposes of the association are related to targeting or performing an activity of the activities banned in article 14 herewith.
3. Continuance of the association in committing any of the violations stated in the article 42 and refraining from rectifying the error.
4. The association receives funding from an external entity without obtaining the necessary permit or spends these funds in violation to the provisions of this law.
5. The association violates the provisions related to the receipt of funds or collection of donations from inside the Republic.
6. If the association cooperates, joins, subscribes or affiliates to a foreign club, association, authority or organization in violation to the provisions of this law.
7. Not conducting actual works or serious programs for a year from the date of establishment or from the date of the last activity.

#### **Article 44**

The competent court shall decide in the standing claims in the cases aforementioned in articles 42 and 42 on basis of urgency without presenting it to the Egyptian State Lawsuits Authority.<sup>1</sup>

The Administrative Entity may suspend the activities of the association until the issuance of a ruling from court. It is impermissible in all cases to license an association, which has violations referred to the court for terminating the board or dissolving association, to collect donations, receive foreign funding or receiving subsidies from the Associations and Foundations Support Fund until the issuance of a ruling from court.

#### **Article 45**

Those responsible for a dissolved association, whether by decision from the general assembly or by a court ruling, shall handover the funds of the association and all its documents, records and papers to the liquidator as soon as requested. These managers and the entity with whom monies of the association are

deposited, and its debtors may not make any transactions in the affairs, funds or rights of the association except by a written order from the liquidator.

**Article 46**

The executive regulation defines the method of selection of the liquidator, the entity he refers to for the performance of his work, the timeframe, and other issues related to his work in the liquidation.

The liquidator, upon conclusion of the liquidation process, shall distribute its outcomes as stipulated in the articles of association. If the articles of association do not contain such provisions or if it becomes impossible to implement these provisions, the outcomes of the liquidation shall be given to the National Associations and Foundations Support Fund as provided for in Chapter Four hereunder. The executive regulations shall define controls of the liquidation process, its term and procedures to be followed in case it is not possible to complete this process.

**Article 47**

In consideration of the competence of the competent court, the first instance court, having jurisdiction in the area in which the association premises is located, shall decide in claims submitted by or against the liquidator.

**Article 48**

It is impermissible for members of the dissolved association, or any other person running its affairs, to continue its activities or dispose its funds.

**CHAPTER THREE: PUBLIC BENEFIT ASSOCIATIONS**

**Article 49**

Public benefit associations shall be subject to provisions governing other associations for any matter not specifically covered in this section.

**Article 59**

Any association willing to achieve a public interest upon or after its establishment may acquire the public benefit status via a resolution from the Competent Minister based on a request from the association in accordance with the controls set forth in the Executive Regulations of this law. Cancellation of the public benefit status shall be via a resolution from the Prime Minister.

Public benefit associations may merge into each other by approval from the Administrative Entity and the same applies to non-public benefit associations. Merger between public benefit associations and other

associations not having public benefit status may be conducted only by a resolution from the Competent Minister. The executive regulations shall define the controls of this merger.

**Article 51:**

Through a resolution from the Prime Minister, privileges of public benefit associations shall be defined , especially the non-seizure of part of or all their funds, the non-acquisition of these monies by obsolescence and the possibility of expropriation of properties for the public benefit to fulfill purposes of the association.

**Article 52:**

The Administrative Entity may assign to a public benefit association the management of an affiliated foundation or entity or implementing any of its projects or programs following the rules and procedures to be determined via a decision from the Competent Minister.

**CHAPTER FOUR: NATIONAL FOUNDATIONS**

**Article 53**

Provisions applicable to associations shall apply to National foundations for matters not specifically covered by this Chapter.

**Article 54**

A National foundation is established by allocating a sum of money in line with the purpose of its establishment and the size of envisaged activities but shall not be less than ten thousand pounds upon establishment for a defined or indefinite period of time. National foundations may not target realizing financial gains for the benefit of any of its founders or trustees.

**Article 55**

The establishment of a National foundation may be made by one or more founders of natural or legal persons or both. Founders shall develop articles of association that contain, in particular, the following information:

- A) Name of the foundation, provided that it does not result in confusion with another foundation or associating sharing with it the same geographic scope.
- B) The geographic scope of the association and its management center in the Arab Republic of Egypt.
- C) The purpose behind the establishment of the foundation.
- D) Detailed statement of funds allocated for the realization of the foundation purposes.
- E) Organization of the foundation management including the methods of appointing the chairman and members of the board of trustees and the method for appointing the manager.

A National foundation may be established by an official instrument or a declared bequest, each of which may be considered as articles of association for the foundation provided it contain the information mentioned in the previous paragraph.

**Article 56**

Whenever the establishment of a National foundation is via an official instrument, it is permissible for the founder(s) to abolish it by another official instrument before its entry. The executive regulations of this law may be enclosed with model articles of association that may be followed by National foundations.

**Article 57**

Every National foundation shall have a board of trustees composing of no less than five members and not exceeding fifteen members to be appointed by the founder or founders. The chairman and members may be from those trustees. The Administrative Entity shall be notified by such appointment and any changes in the board of trustees.

**Article 58**

In case no board of trustees is appointed or the vacancy of one or more positions in the board and it is not possible to appoint their substitutes following the method indicated in the articles of association, the Administrative Entity shall make such appointment. The board of trustees shall manage the National foundation according to its articles of association and its chairman shall represent the foundation before judiciary and third parties.

**CHAPTER FIVE: FOREIGN NGOS**

**Article 59**

Foreign nongovernmental organizations that are not affiliated with a foreign government, political party, or foreign syndicate may be licensed to perform one or more activities of the activities of associations and National foundations subject to the provisions of this law and its rules for a defined term of three years renewable. An organization may not perform any activity in the Arab Republic of Egypt unless after obtaining a license to perform it.

**Article 60**

The executive regulations of this law shall define procedures for license application, the term of the license, data and information to be contained in the license application, documents to be attached thereto which should include the following:

- 1) An official endorsed certificate that states the mother organization is registered and performs civil work in a legal manner in its country enclosing a certified copy of the articles of association of the mother organization.
- 2) An official endorsed certificate stating that the organization requesting the license enjoys a good reputation and not involved in any incidents of corruption or crimes.
- 3) Approval of the mother organization of the establishment of a branch in the country providing the information of the founders, board members, officers, funding entities, activities, and other documents that must be enclosed in accordance with the executive regulation of the law and the rules of performing the licensed activity.
- 4) The criminal status sheet of the founders, board members, and officers.

#### **Article 61**

The organization pays when requesting the license and renewing or amending it a fee that does not exceed three hundred thousand pounds or the equivalent in US dollars in the currency decided by the Administrative Entity the yield of which goes to the National Associations and Foundations Support Fund. This amount increases by 20% every 5 years.

#### **Article 62**

In all cases, such licensed activities shall be consistent with the needs of the Egyptian society based on the priorities of development plans. It shall not be involved in the work of political parties, vocational or employee syndicates, work of political nature, or work that may cause harm to the national security, law and order, public morals, or public health.

#### **Article 63**

The foreign nongovernmental organization shall spend its money in what achieves its purposes according to the rules of the activity it is authorized to perform inside Egypt. It is impermissible for an organization to use its premises to achieve unlicensed goals or activities in violation to the laws and regulations.

#### **Article 64**

It is prohibited for a foreign nongovernmental organization licensed to perform an activity to send, move or transfer any funds or donations allocated for implementing activities or projects in Egypt to any person or organization or authority or entity in the outside unless after obtaining an authorization for that from the Coordination Committee and following the approved rules for that.

#### **Article 65**

A foreign organization licensed to work inside the Arab Republic of Egypt shall be subject to the control of the competent Administrative Entity in accordance with this law and shall present to this entity the following documents:

- Bank account number and sub-accounts through which it receives or spends funding of its activities in the republic, which the association is not allowed to receive or spend any money without.
- Annual progress reports during the period of conducting its licensed activities
- Annual balance sheets endorsed by certified a legal accountant.
- Any other reports, data or information requested by the Administrative Entity concerning the organization or any of its activities.

#### **Article 66**

All work relations concerning staff of the foreign nongovernmental organization are subject to the Egyptian labor law. Egyptian courts have exclusive jurisdiction over these disputes. Any agreement based on other than that is considered invalid.

In all cases, the associations and entities subject to the provisions of this law shall not rely on foreigners as experts, temporary or permanent workers, or volunteers except after it gets the permit to do so from the Coordination Committee in accordance with the procedures and documents defined by the executive regulation of this law.

#### **Article 67**

Without prejudice to provisions of this section, branches of foreign NGOs or their representation offices shall be subject to the provisions of other sections of this law.

#### **Article 68**

In case the organization violates the provisions of this law or the rules for conducting licensed activities, the Competent Minister, after approval of the Coordination Committee, may issue a decision suspending the violating activity or cancelling the activity license. The Coordination Committee shall inform the concerned organization.

The executive regulations of this law shall define other conditions under which licenses to foreign organizations are renewed, amended or cancelled as well as the procedures to be followed and the disposal of its monies whatever their nature.

#### **Article 69**

The provisions related to foreign NGOs are applicable to regional NGOs and they shall abide by them. The regional NGOs shall be entitled to open subaccounts of their original accounts to be allocated to what the NGO spends in other countries.

## **CHAPTER SIX: THE NATIONAL BODY FOR ORGANIZING FOREIGN NGOS WORK (THE COORDINATION COMMITTEE)**

### **Article 70**

A national body called “The National Body for Organizing Foreign NGOs Work (The Coordination Committee)” that works under the supervision of the Prime Minister and has the legal personality. It shall be located in the province of Cairo and may establish offices in other governorates.

The Committee shall undertake the responsibility of looking into all matters related to the establishment, work, and activity of foreign NGOs in Egypt, all the different forms of cooperation between these NGOs and the governmental and nongovernmental entities and foundations in the country, as well as the foreign funding of the Egyptian civil association and foundations.

### **Article 71**

The Coordination Committee besides the mandates provided by the provisions of this law undertakes the following:

1. Approval of the requests of establishment of foreign NGOs, licensing the organization to perform one or more activities in Egypt and deciding on the request for renewing, amending or cancelling it.
2. Licensing the organization to send, move or transfer any funds or donations allocated for implementing activities or projects in Egypt to any person, organization, authority, foundation or association abroad.
3. Licensing for receiving funds from the outside whatever their nature whether from an Egyptian or a foreign person, or from a foreign entity or its representative in the inside. Or sending its funds whatever their nature to persons or organizations in the outside notwithstanding the provisions of article 64 herewith.
4. Ensuring that the funding of associations and other entities subject to the provisions of this law is spent for the purposes it was allocated for or collected for as well as issuing the necessary decisions to rectify any violations in this regard. The Committee is thus entitled to look into the bank accounts of the entities subject to the provisions of this law.
5. Receiving the notifications of local funding of the associations and entities subject to the provisions of this law from the Administrative Entity.
6. Licensing the foreign NGOs to go into forms of cooperation with other entities inside the country and requiring the necessary data and documents thereto.

The Committee shall be entitled to make all decisions and resolve all necessary procedures that enable it to practice its mandate.

### **Article 72**



The Committee is managed through a board of directors. It is formed via a resolution by the Prime Ministry and to be chaired by a chair with the degree of a minister for 3 renewable years, and the membership of representatives of the following concerned ministries and agencies selected by the ministers and heads of these entities:

- Representative of the Ministry of Foreign Affairs.
- Representative of the Ministry of Defense
- Representative of the Ministry of Justice.
- Representative of the Ministry of Interior.
- Representative of the Ministry of International Cooperation.
- Representative of the competent ministry
- Representative of the Central Intelligence Agency
- Representative of the Central Bank.
- Representative of the Anti-Money Laundering Committee
- Representative of the Administrative Control Authority

### **Article 73**

The Board of Directors shall call for a periodic meeting every month and whenever is deemed necessary by the invitation of the chair or any of the directors. The meeting cannot be held except with a quorum of the majority of its members. Decisions cannot be made except with the majority of two thirds of the members. The issue to be decided by the board is considered turned down if there is not a quorum for making the decision, and any decision or work other than that is considered invalid.

The decisions of the board of members shall be informed to the Prime Minister within 7 days of their issuance and he has the right to refer them back to be studied again. Then the related ministries and entities shall be informed and these concerned ministries and entities shall be committed to implementing and enforcing the provisions of these decisions.

### **Article 74**

The Committee shall have an independent annual budget in which it enters the necessary sufficient allocations for its activities. It is not permissible for the Committee to receive any aids or gifts from any entity other than state entities.

### **Article 75**

The Committee shall have its General Secretariat chaired by a General Secretary and a sufficient number of competent staff. They shall have their own regulation that organizes the work and staff affairs and duties. The regulation shall be issued by a resolution from the Prime Minister based on a presentation from the board of directors of the Committee without being restricted to the government rules and systems.

#### **Article 76**

The committee may seek assistance from whom it sees of expertise and specialization from relevant ministries. The Executive Regulations of this law shall define the procedures for the meetings of the committee, the establishment of its technical secretariat and determining its administrative expenditures.

#### **Article 77**

The Committee shall decide in applications submitted to it within no more than sixty working days of the date of submitting the application with required documents enclosed with it as set forth in the Executive Regulations.

### **CHAPTER SEVEN: NATIONAL ASSOCIATIONS AND FOUNDATIONS SUPPORT FUND**

#### **Article 78**

A fund shall be established at the competent ministry, under the name of “National Associations and Foundations Support Fund” to provide financial support for the sustainability of activities implemented by associations, national foundations and federations established pursuant to provisions of this law. The Executive Regulations of the law shall define the competencies of its fund.

#### **Article 79**

The National Associations and Foundations Support Fund shall have a board of directors chaired by the Competent Minister and the following members:

- Head of financial and administrative affairs sector
- Head of social welfare sector
- Head of the central department for associations and federations
- Deputy head of the state council
- Three public figures selected by the Competent Minister
- Head of the general federation of associations and national foundations
- Head of a regional federation
- Head of a specialized federation
- A member of a public benefit association
- A member of a central association
- A member of a national association
- A member of a national foundation

The Executive Regulations shall define selection criteria and method. The term of the fund board is four years. A decision from the Competent Minister shall be issued to establish the fund, define its management structure and remunerations of its members. The fund shall have a technical secretariat

composed of staff of the Ministry of Social Solidarity. A decision from the Competent Minister shall be issued to define the composition of the secretariat, its working system and remunerations. The fund shall have a manual for standard operating procedures.

#### **Article 80**

Resources of the Fund shall compose, in particular, of the following:

- a. Amounts allocated in the state budget for assisting associations and national foundations established pursuant to the provisions of this law.
- b. Fees for entry of associations and foundations, established under this law, in the Administrative Entity register. And fees for issuing or renewing a work permit for foreign NGOs.
- c. Donations, assistance and grants received by the Fund and approved by the board of directors.
- d. Monies inuring from the dissolution of associations and national foundations.
- e. Additional fees imposed for the benefit of charitable works.
- f. Fines imposed pursuant to provisions of this law.
- g. One percent (1%) of the net yield of fund raising licenses issued in favor of an association and of the amount of every licensed grant.
- h. Any other resources approved by the Fund's Board of Directors.
- i. Returns on the investment of its funds.

### **Chapter Eight: Regional & Specialized Federations**

#### **Article 81**

Provisions applicable to associations shall apply to federations created in accordance with the provisions of this law for matters not specifically covered by this Chapter.

#### **Article 82**

Associations and national foundations, whose management center is located within the province, regardless of their activities, shall establish one Regional Federation among them. The Federation should have written articles of association, entered with the competent Administrative Entity.

#### **Article 83**

Each Regional Federation shall have a board of directors composing of fifteen members for a term of four years. The members shall be elected by the General Assembly. The Executive Regulations of this law shall define the competencies of the regional federation.

**Article 84**

A specialized federation is formed of no less than ten associations or national foundations, or both, performing or funding a joint activity in a specific field at the level of the Republic. The federation should have written articles of association and a legal personality. As soon as an association or national foundation acquires legal personality, it may join the specialized federation based on its activity. The Executive Regulations of this law shall define procedures to join this federation and its competencies.

**Article 85**

A General Federation for Associations and National Foundations shall be established having legal personality. The Executive Regulations of this law shall define the competencies of this federation, which shall include, in its membership, the boards of directors of regional and specialized federations. The headquarters of this Federation shall be in the city of Cairo.

Regional and specialized federations must join the General Federation. The executive regulations shall define the procedures of joining and the fee required to be paid annually not exceeding five hundred pounds for a regional federation and one hundred pounds for a specialized federation. Management of the General Federation shall be assumed by a board of directors composing of fifteen members elected by its general assembly for a term of four years.

**CHAPTER NINE: PUNISHMENTS**

**Article 86**

Without prejudice to the Administrative Entity right to suspend the activity of the violating association or request the dissolution of the association or the termination of its board members based on the situation, without prejudice to any severer penalty stipulated in the penal code or any other law, the violations/crimes stipulated in this law shall cause the penalties in this chapter.

**Article 87**

A jail sentence of not less than a year and not exceeding 5 years and a fine of no less than fifty thousand pounds and not exceeding one million pounds on:

- a. Whoever established an association, which real purposes are proven to conduct prohibited activities contained in paragraphs A and B of article 14 hereunder.
- b. Whoever received as a chairman or a member in an association or a National foundation, either in a true or alleged capacity, funds from abroad or sends money to abroad or collects donations in violations to provisions of this law. The court shall rule to obligate the convict to return any fund he received, sent or collected as the case is. These funds shall go to the National Associations and

Foundations Support Fund. Any bank or financial mediator who has aided or was involved in this shall be punished with the same penalty.

- c. Whoever embezzles the funding of the associations or other foundations subject to the provisions of this law or spend it in other than the purpose it was allocated for in violation of the regulations and laws. The court shall sentence the person to pay double what he embezzled or spent based on the situation. These funds shall go to the National Associations and Foundations Support Fund
- d. Whoever helped or participated with a foreign organization in performing a national activity in Egypt without obtaining a permit from the Coordination Committee or in violation to the provisions of this law or the rules of performing the licensed activity. The court shall rule to confiscate the money of this organization and forwarding it to the National Associations and Foundations Support Fund.
- e. Whoever conducted or participated in conducting field researches or opinion polls in the field of national work without obtaining approvals from the concerned authorities.
- f. Whoever performed an activity of the activities of the association or the National foundation despite the issuance of a ruling or a resolution suspending its activities or dissolving it.
- g. Whoever established an entity under any name and in any form other than the form of associations and National foundations established pursuant to the provisions of the law to perform one of the activities of these associations and foundations without following the rules approved in it. The court shall rule to close the location and confiscate the funds and forwarding them to the National Associations and Foundations Support Fund.

#### **Article 88**

A jail sentence of not exceeding a year or a fine of no less than twenty thousand pounds and not exceeding five hundred thousand pounds shall be imposed on:

- a. Every natural or legal person, with the exception of the competent Administrative Entity, who grants a license to any organ to perform an activity of associations or foundations based on the conditions provided for in this law.
- b. Whoever deliberately refrains from enabling the Administrative Entity to monitor and examine the activities of the association.
- c. Whoever moves the premises to a different location than the notified one. In case the violation is repeated, the Administrative Entity may request the dissolution of the association in a claim before the competent court.
- d. Whoever disposes the funds of an association or a National foundation against which a dissolution and liquidation ruling or resolution was issued without a written order from the liquidator.
- e. Every liquidator who distributes funds of the association, National foundation or federation in contrary to the provisions of this law.

#### **Article 89**

The person in charge of actual management of the legal person is punished with the same punishments for the same acts committed in violation to the provisions of this law when it is proven that he knows them and that his failure to perform his duties facilitated the crime. The legal person shall be jointly liable for the financial penalties with the convicts in accordance with the provisions of this law.

**AN EXPLANATORY MEMORANDUM**

**FOR THE DRAFT LAW OF NATIONAL ASSOCIATIONS, FOUNDATIONS, AND OTHER ENTITIES PERFORMING CIVIL WORK**

Law 84 of 2002 was issued to organize the affairs of Civil Work Associations and Foundations. The practical experience after more than 10 years of application of the law has shown that there had been great developments in the field of civil work and civil society. The experience has also revealed many shortcomings of the aforementioned law. The aforementioned law did not provide the civil associations and foundations the freedom of work and progress in the fields of social development due to the ambiguity of some of its texts, incompleteness of its provisions, and lack of clarity of its procedures. The law did not also strike the necessary balance between the requirements of protecting the national security and preservation of law and order in the country. As a result of that, there have been many practical issues for both the state and the civil society.

The international practices have revealed the importance that the state shall ensure and guarantee that the expenditure of the funding and money of the associations and other entities working in the field of civil work is allocated only to civil work. That applies for the funding collected through fund raising or donations in the form of grants and other forms of funding. That is to ensure the abusers and greedy will not be able to exploit it. It is also to ensure preventing any diversion in its spending from its set goals and purposes. That is all aimed at the preservation of the credibility of the state that has allowed the civil society to help it perform works that fall within its responsibilities in the first place.

Therefore emerged the need to develop a new legislative framework that aims at achieving the aforementioned goals in the framework of organization of provisions and clarity of procedures, eventually achieving the constitutional regulations particularly after the constitution of 18 January 2014 and in line with the international commitments of Egypt in the protection and organization of the freedom of Civil Work and Peaceful Assembly.

It is worth noting that Article 22 of the International Covenant on Civil and Political Rights states the following:

1. Everyone shall have the right to freedom of association with others, including the right to form and join trade unions for the protection of his interests.
2. No restrictions may be placed on the exercise of this right other than those which are prescribed by law and which are necessary in a democratic society in the interests of national security or public safety, public order (ordre public), the protection of public health or morals or the protection of the rights and freedoms of others. This article shall not prevent the imposition of lawful restrictions on members of the armed forces and of the police in their exercise of this right.

Based on the constitutional bases in force, which have been complemented by the aforementioned international conventions, the enclosed law has been resolved and the most prominent of its features are as follows:

**First: Law of Issuance/Resolution:**

- 1) The law of issuance/resolution has put provisions that organize the method of properly transiting from the application of the old law of associations to the new law of associations. It has stipulated on the cancellation of the old law and that it does not form any violation of the systems and regulations of associations created in accordance with valid international conventions.
- 2) The law has ordered all the entities that perform civil work in accordance with the definition stated in the law to rectify their status pursuant to its provisions within 6 months from its issuance. Otherwise, there shall be a court order on dissolving the entity. The law has also ordered the Administrative Entity to first make a list of the entities that have not rectified their status in accordance with the provisions of the law.

**Second: Substantive Law**

- 1) The Law has devoted clear definitions of the terms used in the law to avoid the confusion of these terms, which has resulted in different concepts and applications in the old law. The draft has also created a new organization of the regional organization and clarified that it is the civil association or foundation that practices its civil work in the Republic of Egypt and another one or more countries. It has also created a new national body that works under the supervision of the Cabinet and in its membership are members of the concerned entities. It shall be responsible for dealing with the issues of foreign NGOs in Egypt and the funding related to their work.
- 2) The project has made the establishment of associations commence with a notification as stipulated by the constitution providing that this notification fulfill all the required legal data and conditions. It has also allowed the associations and institutional entities subject to the provisions of this law to work in the fields of social development stated in their articles of associations and nothing else. And to achieve the specialization of targets, the project did not permit the associations to work or be involved in any activities within the scope of work of political parties, syndicates, activities of political nature, activities that might harm the national security of the country, or activities that might violate the public order, morals, or health.
- 3) To achieve the purposes of achieving the purposes and goals of the civil associations and foundations, the draft law has prohibited the establishment or continuity of secret societies, formation of military or paramilitary formations or groups, practice of any works that result in the violation of national unity, national security, public order, and public morals. It also prohibited the calls for discriminating against each other because of race, origin, color, language, religion,



creed, any other activity that calls for hatred and racism, or any other reason that violates the constitution and the law. It has prohibited the participation in the funding of parliamentary or local elections, or partisan propaganda campaigns. Associations may not provide financial support to parties, partisan or independent candidates or nominating any candidates in any elections under the name of the association, granting any scientific or professional certificates, any other activities, which practicing requires a license from a government entity before obtaining that license, and targeting the realization of any profit for members of the association or performing any activities leading to this result. Following commercial practices to realize profits assisting in the purposes of the association may not be considered as a violating activity.

- 4) The draft law has supported the values of transparency, publicity, and disclosure in the work of associations. It stipulated that the associations shall announce their sources of funding, names of members of the association, annual budget, and activities and publish all of that on their official website, the website of the concerned ministry, inside their headquarters or any means of publicity and publication.
- 5) The draft law guaranteed the association, for the purpose of achieving its goals and support its financial resources, the right to receive cash funding and fund raising from inside the republic from natural or legal Egyptian persons. It also stated that they shall deposit the monies in the bank account of the association and that it allocates and spends these monies for the purposes they have been raised and collected for.
- 6) The draft law determined the bodies that each association comprises and how these bodies are formed. The draft prohibited combining between membership of the board of directors of the association and working in the Administrative Entity or any other public entities supervising, guiding or monitoring the association and its funding because it is considered a conflict of interest.
- 7) The draft law organized the methods of terminating and dissolving the board of directors of an association and assigned it to the judiciary in accordance with the provisions of the constitutions. It mandated the competent court to rule based on the request from the Administrative Entity to either terminate the board of directors, dissolve the association, appoint a liquidator of its finances based on urgency and with brief procedure. That shall be in specific cases the most important of which is that it is proven that the association practices legally prohibited activities, or that the association continues to practice any of the stated violations, and not rectifying the notes. That is also the case when the association receives funding from an external entity without obtaining the necessary permit and starts to spend it in violation to the provisions of the law. It also applies when the association violates the provisions related to receipt of funds or collection of donations from inside the Republic.

- 8) The draft law allowed acquiring the public benefit status via a resolution from the Competent Minister to any association that aims at achieving a public interest when or after it is established based on a request from the association in accordance with the controls set forth in the Executive Regulations of this law. That is providing that a resolution from the Prime Minister define the public authority privileges of public benefit associations, especially the non-seizure of part of or all their funds, the non-acquisition of these monies by obsolescence and the possibility of expropriation of properties for the public benefit to fulfill purposes of the association.
- 9) The draft law permitted the establishment of a national foundation by allocating a sum of money in line with the purpose of its establishment and the size of envisaged activities but shall not be less than ten thousand pounds upon establishment for a defined or indefinite period of time. It also permitted the establishment of a national foundation by one or more founders of natural or legal persons or both. Founders shall develop articles of association, which the draft law set the information that it includes.
- 10) The draft law also permitted the foreign nongovernmental organizations to perform one or more activities of the activities of associations and National foundations subject to the provisions of this law and its rules for a defined term of three years renewable. The draft law prohibited the foreign NGOs from practicing any work in the Republic of Egypt except after the receipt of a permit from the concerned national authority working on the organization of foreign NGOs work. The project defined the national authority, its formation, mandate, and administrative structure.
- 11) The draft law has organized the establishment, formation, and resources of the National Associations and Foundations Support Fund, which aims at providing the financial support for the sustainability of the activities of the civil associations and foundations and the unions established in accordance with the provisions of the law. The draft law also assigned the executive regulation to define the mandate of the fund.
- 12) In order to strengthen the private associations and foundations, the draft law ordered the civil associations and foundations to assemble and gather in specialized or regional federations. The draft law determined the formation of each federation of these federations. The project also organized the provisions of the General Federation of Civil Associations and Foundations.
- 13) Finally, the draft law stipulated on the punishments resulting from the violation of the provisions of the law. It has restricted the punishments to the actions that form a threat to the national security of the country and violation of the trust of the donors. It thus limits the crimes as much as possible and provides the best atmosphere for civil work, protects the national security, and keeps the law and order. That is all based on the international criteria in the organization of association.

We the parliament members have the honor to present this draft law to the Speaker of the Parliament to kindly refer it to the competent committee in preparation for presenting and discussing it in the parliament.

On behalf of the parliament members:

**Republic of Egypt**

**The Parliament**

**General Secretariat**

**Dear Dr. Mohammed Abdul Wahab**

**General Secretary of the Committees Affairs**

I am hereby enclosing the original version of the draft law presented by more than 10% of the parliament members with regard to the organization of the work of civil associations and other public entities performing work in the field of civil work. The draft law has been referred by the parliament in its session number 96 for the ordinary session of the first legislative term on Tuesday Sep 6, 2016 to a joint committee from the Social Solidarity, Family, and Disabled Committee and the Office of Constitutional and Legislative Affairs.

Kindly give instructions of proceeding with the necessary.

Sincerely yours,

Parliament Deputy Secretary General

Consultant Mohammed Nassr

**Dear Dr. Abdul Hadi Ahmed Al Qasabi**

**Head of the Social Solidarity, Family, and Disabled Committee**

I would like to hereby inform you that the Parliament in its session on Sep 6, 2016 to refer the draft law of organization of the work of civil associations and other public entities performing work in the field of civil work presented by more than 10% of the members of the parliament to a joint committee from the Social Solidarity, Family, and Disabled Committee and the Office of Constitutional and Legislative Affairs.

Kindly be informed and proceed with the necessary procedures.

Sincerely yours,

Speaker of the Parliament

Dr. Ali Abdul Aal

**Dear Mr. Bahaa Addin Abu Shaqah**

**Head of the Constitutional and Legislative Affairs Committee**

I would like to hereby inform you that the Parliament in its session on Sep 6, 2016 to refer the draft law of organization of the work of civil associations and other public entities performing work in the field of civil work presented by more than 10% of the members of the parliament to a joint committee from the Social Solidarity, Family, and Disabled Committee and the Office of Constitutional and Legislative Affairs.

Kindly be informed and proceed with the necessary procedures.

Sincerely yours,

Speaker of the Parliament

Dr. Ali Abdul Aal