



## **This document has been provided by the International Center for Not-for-Profit Law (ICNL).**

ICNL is the leading source for information on the legal environment for civil society and public participation. Since 1992, ICNL has served as a resource to civil society leaders, government officials, and the donor community in over 90 countries.

Visit ICNL's **Online Library** at  
<http://www.icnl.org/knowledge/library/index.php>  
for further resources and research from countries all over the world.

### Disclaimers

**Content.** The information provided herein is for general informational and educational purposes only. It is not intended and should not be construed to constitute legal advice. The information contained herein may not be applicable in all situations and may not, after the date of its presentation, even reflect the most current authority. Nothing contained herein should be relied or acted upon without the benefit of legal advice based upon the particular facts and circumstances presented, and nothing herein should be construed otherwise.

**Translations.** Translations by ICNL of any materials into other languages are intended solely as a convenience. Translation accuracy is not guaranteed nor implied. If any questions arise related to the accuracy of a translation, please refer to the original language official version of the document. Any discrepancies or differences created in the translation are not binding and have no legal effect for compliance or enforcement purposes.

**Warranty and Limitation of Liability.** Although ICNL uses reasonable efforts to include accurate and up-to-date information herein, ICNL makes no warranties or representations of any kind as to its accuracy, currency or completeness. You agree that access to and use of this document and the content thereof is at your own risk. ICNL disclaims all warranties of any kind, express or implied. Neither ICNL nor any party involved in creating, producing or delivering this document shall be liable for any damages whatsoever arising out of access to, use of or inability to use this document, or any errors or omissions in the content thereof.

# **ACT II. OF 1989**

## **ON THE RIGHT OF ASSOCIATION**

(Enacted by Parliament on 11 January, 1989)

In order to ensure the implementation of the freedom of association, in accordance with the provisions of the Constitution and the International Covenant on Civil and Political Rights, Parliament enacts the following Act:

### ***Chapter I***

#### ***GENERAL PROVISIONS***

*Art. 1.* The right of association is a fundamental freedom to which everyone is entitled and which the Republic of Hungary recognizes, while ensuring its free exercise. Under the right of association everyone has the right to form organizations or communities with others or to participate in the activities thereof.

*Art. 2. (1)* Under the right of association private persons, legal persons and their organizations not possessing legal personality may, for purposes of their activities and in accordance with the intention of their founders, form and operate civil society organizations.

(2) The right of association shall not be exercised in such a way as to violate § 2 (3) of the Constitution to constitute a criminal offence or an invitation to commit such an offence, or to prejudice the rights and liberty of others.

(3) A civil society organization may be founded for the purpose of carrying out any activity consistent with the Constitution and not prohibited by law. No civil society organization shall be established for the primary purpose of economic-entrepreneurial activities. No armed organization shall be created under the right of association.

(4) A civil society organization, a union of civil society organizations and, if so provided by its statutes, an organizational unit of civil society organization having an independent administrative and a representative body and possessing the assets (separate budget) required for its operation may be declared to be a legal person.

*Art.3. (1)* A civil society organization is a voluntarily established self-governed organization formed for a purpose stated in its statute, having registered membership and organizing its members' activity in furtherance of its purpose.

(2) Unregistered members may also participate in the activities of a mass movement.

(3) Only private persons may be members of a political party or a trade union.

(4) A civil society organization is founded when at least 10 founding members have decided to establish it, have adopted its statutes and have elected its managing and representative bodies.

*Art. 4. (1)* Once formed, a civil society organization shall apply for its court registration. Its registration shall not be denied if its founders have complied with the requirements specified herein. A civil society organization comes into existence by registration.

(2) A Separate Act shall be applied to the establishment of political parties at working places, their management (Art. 19) and termination (subsection 2 e, of Art 16. And Art. 20-21).

*Art. (4/A)* The rules relating to civil society organizations shall be applied to associations (Art. 64-66 of the Civil Code) when applying this Act.

*Art. 5.* A community of private persons created under the right of associations shall not be deemed to be a civil society organization if it fails to operate on a regular basis, has no registered members or has no organization as provided for herein.

## ***Chapter II***

### ***STATUTE OF CIVIL SOCIETY ORGANIZATIONS***

*Art. 6. (1)* The statute of a civil society organization shall ensure its democratic operation on the basis of self-government as well as the realization of the rights and the fulfillment of the duties of its members in accordance with its purposes as laid down therein.

(2) The statutes of a civil society organizations shall define its name, purpose, seat and organizational set-up.

*Art. 7. (1)* The name and purpose of a civil society organization shall not, without the consent of the legal person concerned, give the impression of the organization carrying out its activity in association with that of another legal person.

(2) The name of a civil society organization shall differ from those of other civil society organizations already registered and operating in a similar sphere of activity in the territory of Hungary.

## ***Chapter III***

## ***RIGHTS AND DUTIES OF MEMBERS***

*Art. 8.* (1) Members of the managing and representative bodies of a civil society organization may be Hungarian nationals, non-nationals settled or possessing a residence permit in Hungary and, if the civil society organization is of an international character, other non-nationals, provided that they are in possession of their civil rights.

(2) Only Hungarian nationals may be the founders and officers of political parties. Members of political parties not possessing Hungarian nationality shall not have a right to vote and to nominate candidates within the political party.

*Art. 9.* Members of a civil society organization

- a. may participate in its activity and programs;
- b. may elect and may be elected to its organs;
- c. shall comply with their duties as laid down in its statutes.

*Art. 10.* (1) Any member may sue upon an unlawful decision of an organ of the civil society organization at the court within 30 days of having obtained knowledge thereof.

(2) A suit brought against a decision shall have no delaying force, but the court may, where appropriate, suspend the execution of the decision.

(3) Members of a political party have the right specified in subsection (1) only in case of a violation of the present Act and the Act on Operation and Management of Political Parties.

## ***Chapter IV***

### ***ORGANIZATIONAL SET-UP OF CIVIL SOCIETY ORGANIZATIONS***

*Art. 11.* (1) The highest organ of a civil society organization shall be the entity of its members or a board elected by them directly or indirectly under a procedure provided for in its statutes.

(2) The highest organ of a civil society organization shall be convened when it is necessary, but at least every five years. It shall be convened when it is ordered by the court or when it is requested, with a statement of reason and purpose by one-third of the members or by another proportion thereof as may be determined by the statute.

(3) Unless otherwise provided for in the statute, the managing and representative organs shall be elected by secret ballot.

*Art. 12* (1) The highest organ of a civil society organization shall be empowered

- a. to adopt and to amend the statutes;
- b. to approve the annual budget;
- c. to approve the annual report of the managing organ;
- d. to decide on merging with another civil society organization and on the organizations' dissolution;
- e. to decide any other matters, which may be decided exclusively by under the statutes.

(2) The decision on the organization's annual budget and the consideration of the managing body's annual report may be entrusted by the statute to an organ other than the highest organ.

## ***Chapter V***

### ***UNIONS OF CIVIL SOCIETY ORGANIZATIONS***

*Art. 13.* The rules on civil society organizations shall be applied, accordingly to the organizational set-up and the operation of the unions of civil society organizations as well as to their registration and legal capacity.

## ***Chapter VI***

### ***SUPERVISION OF CIVIL SOCIETY ORGANIZATIONS***

*Art. 14.* (1) In accordance with the applicable rules, the public prosecutor's office shall supervise the legality of the civil society organizations' application with the exception of political parties. The public prosecutor may have recourse to the court in cases where the legality of the operation of a civil society organization cannot be ensured by other means.

(2) The public prosecutor may file a claim against the political party in case of violation of the law by the political party.

*Art. 15.* (1) A civil society organization shall be registered with the country court or the Metropolitan Court (hereafter court) competent its registered office.

(2) The application for registration shall be submitted by the person authorized to represent the civil society organization. He shall enclose a copy of the statute and of the minutes of the constituent meeting to the application.

(3) The court shall decide on registration in a non-contentious procedure, out of turn. The court also conveys its decision on registration to the public prosecutor's office.

(4) Any change in the name or registered office of a civil society organization and in the person authorized to represent shall be reported to the court.

*Art. 16.* (1) Suits brought by members of a social organization (Art. 10) and by the public prosecutor (Art. 14) fall within the jurisdiction of the country court or the Metropolitan Court.

(2) On the basis of a suit by the public prosecutor, the court

- a. may nullify the unlawful decision of a civil society organization and order, where necessary, the adoption of anew decision;
- b. may convene the highest organ of the civil society organization in order to restore the legality of its operation;
- c. may suspend the organization's operation and appoint a supervisor in charge of controlling it, if the legality of operation cannot be ensured by other means;
- d. shall dissolve the civil society organization, its operation is contrary to Art. 2 (2) hereof;
- e. shall declare the termination of the civil society organization, if it has failed to operate for at least one year, or the number of its members is permanently below the number determined by this Act.

(3) In case of political parties a supervisor mentioned in subsection (2) c, of Art. 16. May only be appointed to supervise the financial management of the political party.

*Art. 17.* The activity of a civil society organization subjected to specific conditions or otherwise regulate by law shall be supervised, under the rules governing administrative control, by the state organ competent for the activity.

## ***Chapter VII***

### ***FINANCIAL MANAGEMENT OF CIVIL SOCIETY ORGANIZATIONS***

*Art. 18.* A civil society organization shall be liable for its debts with its own assets. Members shall not be liable with their property for the organizations' debts, apart from the payment of membership fees.

*Art. 19.* (1) The assets of a civil society organization shall be constituted mainly by membership fees as well as by endowments and contributions from legal and private persons.

(2) A civil society organization may also engage in economic-entrepreneurial activities in order to realize the economic conditions for the achievement of its purpose.

## ***Chapter VIII***

### ***TERMINATION OF CIVIL SOCIETY ORGANIZATIONS***

*Art. 20.* A civil society organization shall cease to exist by dissolution, merger with another civil society organization, order of dissolution, or declaration of termination.

*Art. 21. (1)* When a civil society organization ceases to exist, its assets shall be disposed of, after the satisfaction of creditors, in accordance with the stipulations of its statute or with the decision of its highest organ. The related tasks shall be for the liquidators to carry out.

(2) If a civil society organization has ceased to exist by an order of dissolution or it termination has been declared, and no provision has been made for disposal of its property, the property shall, after the satisfaction of creditors, pass into state ownership and be used for public interest purposes. The way of spending the assets shall be made public.

## ***Chapter IX***

### ***FINAL PROVISIONS***

*Art. 22.* Unregistered civil society organizations operating on the day of this Act entering into force may apply for registration until 31 December 1989. If a civil society organization fails to do so it shall be deemed terminated.

*Art. 23.* The activity, organizational set-up and supervision of civil society organizations established and operating by virtue of separate legislation previous to the entry into force of this Act shall be governed by the relevant provisions of such legislation until amended or repealed.

*Art. 24.* The government shall be empowered to lay down provisions to govern the economic activities of civil society organizations with the exception of political parties.

*Art. 25 (1)* The conditions for and the way of exercising the right of association by members of the armed forces and armed bodies shall be determined by the respective official regulations.

(2) The provisions of Art. 11 of this Act shall not apply to trade unions and employers' representative organizations.

*Art. 26.*

*Art. 27.*

*Art. 28.* (1) This Act shall enter into force on the day of its promulgation.

(2) The following provisions of Law shall lose effect on the entry into force of this Act:

Law-Decree No. 35 of 1970 on Association as well as Law-Decree No. 29 of 1981 and Law-Decree No. 27 of 1983 amending it;

Art. 2 of Law-Decree No. 3 of 1979 modifying certain spheres of competence in respect to the agricultural and food sector;

Art. 3, subsection (4) of Law-Decree No. 9 of 1986 on the State Youth and Sport Office;

The passage "... with the consent of the supervisory authority" in Art. 70, paragraph (2), of Act IV of 1959 (Civil Code).