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SECRETARY OF SOCIAL DEVELOPMENT

DECREE for the expedience of the Federal Law for the Fomentation of Activities Undertaken by Organizations of Civil Society.

On the Margin, a seal with the National Shield, which says: The United States of Mexico – Presidency of the Republic.

VICENTE FOX QUESADA, President of the United States of Mexico, by whose inhabitants be it known:

That the Honorable Congress of the Union has served to direct me to the following

DECREE

"THE GENERAL CONGRESS OF THE UNITED STATES OF MEXICO DECREES:

THAT THE FEDERAL LAW FOR THE FOMENTATION OF ACTIVITIES UNDERTAKEN BY ORGANIZATIONS OF CIVIL SOCIETY BE EXPEDITED

UNIQUE ARTICLE.- The Federal Law for the Fomentation of the Activities Undertaken by Organizations of Civil Society is expedited, to be known as the following:

FEDERAL LAW FOR THE FOMENTATION OF ACTIVITIES UNDERTAKEN BY ORGANIZATIONS OF CIVIL SOCIETY

FIRST CHAPTER General Dispositions

Article 1. This law is of public order and social interest and has as its objective:

- I. Foment the activities undertaken by organizations of civil society as defined in article 5 of this law;
- II. Establish the facilities of the authorities that will apply (the law) and the organs that will assist in that aim;
- III. Determine the basis upon which the Federal Public Administration will foment those activities referred to in paragraph I of this article;
- IV. Establish the rights and obligations of the organizations of civil society that meet the requirements, which this law establishes, to be the object of the fomentation of its activities, and
- V. Favor the coordination among the dependencies and entities of the federal government and the beneficiary organizations of civil society, in matters related to the activities defined in article 5 of this law.

Article 2. For the purpose of this law, the following definitions will be used:

a) **Self-benefit:** good, utility, or enjoyment that the members of an organization of society or relatives up to the fourth civil degree, through the utilization of public support or stimuli that have been made for the achievement of the aims of the organization;

b) **Mutual Benefit:** good, utility, or enjoyment derived from public support or stimuli that are received, in a joint manner, by the members of one or various organizations and the responsible public functionaries and which are derived from the existence or activities of said the abovementioned;

c) **Commission:** the Commission for Fomenting the Activities of the Organizations of Civil Society;

d) **Council:** the Technical Consultative Council;

e) **Dependencies:** units of the Centralized Federal Public Administration;

f) **Entities:** the organisms, businesses, and trusts of the Para-state Federal Public Administration;

g) **Organizations:** the moral persons referred to in article 3 of this law;

h) **Networks:** groups of organizations that support each other, provide services of support to others for the fulfillment of their social purpose and foment the creation and association of organizations, and

i) **Registry:** the Federal Registry of Organizations in which are inscribed the organizations of civil society that are the object of fomentation.

Article 3. All Mexican groups or organizations that, being legally constituted, undertake one or some of the activities referred to in article 5 of this law and are not for-profit nor for party, political-electoral, or religious prosthelitization, can fall under and enjoy the support and stimuli established by this law, without undermining the obligations determined in other legal dispositions.

Article 4. The organizations of civil society that constitute the national chapters of international organizations that fulfill that which is established in article 3 can enjoy the rights established therein, if and when their organs of administration and representation are composed in their majority of Mexican citizens. For the purpose of that which is established in this article, the international organizations shall inscribe themselves in the Registry and declare their domicile in the national territory.

Organizations of civil society constituted according to foreign laws, previously meeting the corresponding dispositions of the Federal Civil Code, that undertake one or more of the activities whose fomentation is the object of this law, will enjoy the rights derived from inscription in the Registry, with the exclusion of those established in numerals II through VIII and XI of article 6 and 25, reserved for organizations constituted according to Mexican laws.

SECOND CHAPTER

Of the Organizations of Civil Society

Article 5. For the purpose of this law, the activities of the organizations of civil society subject to fomentation are the following:

I. Social assistance, conforming to that established in the Law About the National Social Assistance and in the General Health Law;

II. Support for popular food programs;

III. Civic, focused on promoting citizen participation in matters of public interest;

IV. Juridical assistance;

V. Support for development of indigenous peoples and communities;

VI. Promotion of gender equality;

VII. Contribution to services for attention to groups with different capacities;

VIII. Cooperation with community development;

IX. Support for the defense and promotion of human rights;

X. Promotion of sports;

XI. Promotion of and contribution to services for attention to health and sanitary matters;

XII. Support for taking advantage of natural resources, protection of the environment, flora and fauna, the preservation and restoration of ecological equilibrium, as well as the promotion of sustainable development at the regional and communal levels, in urban and rural areas.

XIII. Educational, cultural, artistic, scientific and technological promotion and fomentation;

XIV. Foment actions for the improvement of the popular economy;

XV. Participation in civil protection actions;

XVI. Provision of support services for the creation and strengthening of the organizations that undertake activities affected by this law, and

XVII. Those determined by other laws.

Article 6. For the effects of this law, the organizations of civil society have the following rights:

I. To inscribe in the Registry;

II. To participate, in accord with the Law of Planning and other applicable juridical dispositions, as participative and consultative bodies;

III. To integrate themselves into the organs for participation and consultation established by the Federal Public Administration, in the areas related to the activities referred to in article 5 of this law, and those established by or owing to dependencies or entities;

IV. To participate in the mechanisms of social oversight that are established or operated by dependencies and entities, conforming to the applicable juridical and administrative normatives;

V. To access to the public support and stimulations that, for the fomentation of the activities seen in article 5 of this law, are established by the applicable juridical and administrative dispositions;

VI. To enjoy the fiscal incentives and other economic and administrative support permitted by the juridical dispositions of the matter;

VII. To receive donations and contributions, in terms of the fiscal dispositions and other applicable regulations;

VIII. To join with the relevant authorities, by the terms of the conventions to be made to that effect, in the provision of public services related with the activities mentioned in article 5 of this law;

IX. To access the benefits available to organizations that are derived from international conventions or treaties, and that are related to those activities and ends foreseen in this law, in the terms of said instruments;

X. To receive consultation, training, and collaboration on the part of the dependencies and entities for the better completion of their objectives and activities, in the framework of the programs formulated by said dependencies and entities;

XI. To participate , by the terms established by the applicable juridical dispositions, in the planning, execution, and follow-up of the policies, projects, and processes undertaken by the dependencies and entities, in relation to the activities referred to in article 5 of this law, and

XII. To be respected in decision-making related to their internal affairs.

Article 7. To access the support and stimuli provided by the Federal Public Administration, directed towards fomenting the activities established in this law, organizations of civil society will have, as well as the as those foreseen in other applicable juridical dispositions, the following obligations:

I. To be inscribed in the Registry;

II. To have the internal bodies of direction and representation constituted in a legal manner;

III. To have an accounting system that functions in accords with the generally accepted norms and principles of accounting;

IV. To provide the information that is required by the responsible authorities about its aims, statutes, programs, activities, beneficiaries, financial sources (be they national, foreign, or both), goods, administrative and financial operation, and the use of public support and stimuli received;

V. To annually inform the Commission about the activities undertaken and the fulfillment of its purposes, as well as the balance of its financial situation, in liquid assets and in goods, that reflect in a clear manner that situation, and, especially, the use and results derived from the public support and stimuli given with the aim of fomentation, to maintain the Information System updated and to guarantee in this way the transparency of its activities;

VI. To notify the Registry of any modifications to its constituting act, as well as any changes in its governing, directional, or representational bodies in a period no greater than forty-five working days beginning with the respective modification;

VII. To inscribe in the Registry the names of the Networks of which it forms a part, as well as when they stop belonging to them;

VIII. In case of dissolution, to transmit the goods that it has acquired with public support and stimuli, to another or other organizations that undertake activities subject to fomentation and that are inscribed in the Registry.

The organization that is dissolved will have the ability to choose to whom to transfer said goods;

IX. To undertake the necessary actions to fulfill its social objective;

X. To promote the professionalization and training of its members;

XI. To not undertake activities of electoral or party proselitization;

XII. To not undertake proselytization or propaganda with a religious aim, and

XIII. To act with the criteria of impartiality and non-discrimination in the determination of beneficiaries.

Article 8. The organizations of civil society will not receive the public support and stimuli foreseen in this law when they commit, in some way any of the following:

I. There exists, among its directors and those public servants in charge of giving or authorizing public support or stimuli, relations of interests or family connections by blood or affinity to the fourth degree, which is to say, married, and

II. They hire, with public resources, people with family connections with the directors of the organizations, be it by blood or affinity to the fourth degree.

Article 9. The organizations of civil society that, with the aim of fomenting that established in this law, receive public support and stimuli, shall be subject to the applicable juridical and administrative dispositions regarding that material.

The organizations that obtain economic resources from third parties or from abroad, should complete the corresponding operations as conforms with the fiscal dispositions valid in national territory or, if so be it, based on international treaties and accords of which the country is a signatory.

THIRD CHAPTER

Of the Authorities and Actions of Fomentation

Article 10. The Federal Executive will name a Commission for the Fomentation of the Activities of the Organizations of Civil Society to facilitate coordination in the activities established in article 5 of this law.

The Commission will be composed of a representative, with the rank of sub-secretary or its homologue, at least, from each of the following dependencies:

I. Secretary of Social Development;

II. Secretary of Government;

III. Secretary of the Treasury and Public Credit, and

IV. Secretary of Foreign Relations.

The other dependencies or entities of the Federal Public Administration will participate upon the invitation of the Commission, when issues of their expertise are at hand.

The Technical Secretary will be in charge of the dependency as determined by the titular of the Federal Executive Power, among the secretaries mentioned in numerals I and II of this article.

Article 11. For the fulfillment of its charge, the Commission will have the following abilities:

- I. To define the public policies for the fomentation of the activities of the organizations of civil society;
- II. To undertake an evaluation of the policies and actions of the activities mentioned in this law;
- III. To promote dialogue among the public, social, and private sectors to improve the public policies related to the activities mentioned in article 5 of this law;
- IV. To know the infractions and to impose the corresponding sanctions on organizations of civil society, in conformity with that established in chapter IV of this law;
- V. Manage its internal rules, and
- VI. All others established by law.

Article 12. The Secretary of Social Development will be in charge of coordinating the dependencies and entities to undertake the activities of fomentation as referred to in this law, without prejudice to the abilities that other laws give to other authorities.

Article 13. The dependencies and entities can foment the activities of the organizations of civil society established in article 5 of this law, through one or some of the following actions:

- I. Give support and stimuli for the corresponding aims of fomentation, in conformity with that established by this law and other applicable legal and administrative dispositions;
- II. Promote the participation of organizations in consultative bodies, instruments, and mechanisms, as established by the corresponding normative, for the planning, execution and follow-up of public policies;
- III. Establish the means, informational instruments, incentives and support in favor of the organizations, in conformity with their budgetary assignment;
- IV. To work in concert and coordination with organizations to promote their activities, among those established in article 5 of this law;
- V. Design and execute the instruments and mechanisms that contribute to the ability of organizations to enjoy the plain exercise of their rights and comply with the obligations established in this law;
- VI. Conduct the studies and investigations that permit their support of the organizations in the development of their activities;
- VII. Conduct agreements of coordination among government bodies, to the effect that these contribute to the fomentation of the activities subject to this law, and
- VIII. Deliver the fiscal incentives as determined by the laws which govern that matter.

Article 14. The Commission, in coordination with the dependencies and entities of the federal public administration, shall elaborate and publish an Annual Report of the actions of fomentation and of the support and stimuli delivered in favor of the organizations of civil society that fall within this law.

The respective report, consolidated by the Secretary of the Treasury and Public Credit, will be included as a specific portion of the Annual Report to be delivered by the Executive to the Congress of the Union and to the Public in General, based upon the laws of the Budget, Accounting, and Public Expense, of Transparency and Access to Information, and of Superior Oversight of the Federation, and other applicable laws.

FOURTH CHAPTER**Of the Federal Registry of Organizations of Civil Society and of the Information System**

Article 15. The Federal Registry of Organizations of Civil Society is created, and will be in the charge of the Technical Secretary of the Commission, and will be assisted by a Technical Consultative Council.

Article 16. The Registry will have the following functions:

- I. To inscribe the organizations which apply to the registry, if they meet the requirements established in this law;
- II. Deliver to the inscribed organizations a certification of registration;
- III. Establish an Information System that identifies, in accords with that established in article 5 of this law, the activities undertaken by the organizations of civil society, as well as the requirements referred to in article 18, with the objective of guaranteeing that the dependencies and entities have the necessary elements for the completion of those activities;
- IV. Offer to the dependencies, entities, and the public in general, elements of information that help them to verify the completion of those obligations referred to in this law by the organizations and, in such case as necessary, solicit the Commission to impose the corresponding sanctions;
- V. Maintain up-to-date the relative information about the organizations referred to in this law;
- VI. Keep certificates of the registration process of those cases in which the inscription of some organization has been the object of rejection, suspension, or cancellation, in the terms of this law;
- VII. Permit, in conformity with the valid legal dispositions, the access to the information contained in the Registry;
- VIII. Oversee the completion of the corresponding dispositions and those which are established in this law;
- IX. To make known to the relevant authority the existence of acts or deeds that may constitute a crime;
- X. Keep a registry of the sanctions imposed by the Commission on those organizations of civil society , and
- XI. All others as established in the Rules of this law and other legal dispositions.

Article 17. The modules for the inscription process shall be operated only by the Registry.

Article 18. To be inscribed in the Registry, the organizations must comply with the following requirements:

- I. Presents an application to the registry;
- II. Show the constituting act in which it verifies that it has as a social objective the realization of some of the activities considered the subject of fomentation, in conformity with that determined by article 5 of this law;
- III. Foresee in its constituting act or in its valid statutes, that it will destine the public support and stimuli that it receives towards the fulfillment of its social objective;
- IV. Stipulate in its constituting act that it will not distribute among its members the remains of the public support and stimuli which it receives and, in the case of dissolution, it will transmit the goods obtained with said support and stimuli to another or other organizations whose inscription in the Registry is valid, in accords with that determined in numeral VIII of article 7 of this law.
- V. Declare its legal domicile;
- VI. Inform the Registry of the names of the Networks of which it forms a part, as well as when it stops belonging to one of these, and
- VII. Present a simple copy of the notarial testimony that accredits the personality and citizenship of the legal representative.

Article 19. The Registry shall deny the inscription of those organizations which wish to come under this law only when:

- I. It does not affirm that its social objective consists of undertaking at least on of the activities highlighted in article 5 of this law;
- II. There exists evidence that it does not undertake at least one activity listed in article 5 of this law;
- III. The documentation presented contains some irregularity, and
- IV. There exists evidence that it has committed grave or repeated infractions of this law or other juridical dispositions in the development of its activities

Article 20. The Registry will resolve matters regarding the inscription procedures in a period no greater than thirty working days from the time it receives the application.

In the case that there exists insufficiencies in the information which is presented in the application, it shall abstain from inscribing the organization and will notify it regarding such circumstances and granting it a period of thirty working days to rectify them. If that is not done within this period, the application will be denied.

Article 21. The administration and functioning of the Registry will be organized in conformity with the internal Rules determined by the Commission.

Article 22. The Informational System of the Registry will function through a data base distributed and shared among those dependencies and entities of the Federal Public Administration related to the activities highlighted in article 5.

Article 23. The Registry will contain all the information that forms part of or is derived from the paperwork and management in respect to the inscription of organizations therein. Said information will include all the actions of fomentation which the dependencies and entities undertaken in regards to the registered organizations.

Article 24. All the dependencies and entities, as well as the inscribed organizations, will have access to the existing information in the Registry, with the aim of being informed about the state of the procedures of the Registry.

Those persons who wish to access the information established in the Registry shall follow the procedures referred to in Chapter III of the Second Title of the Federal Law of Transparency and Access to Public Governmental Information.

Article 25. The dependencies and entities that are grant support and stimuli to the organizations with a valid inscription in the Registry shall include in the Informational System of the Registry everything related to the type, amount, and assignment thereof.

FIFTH CHAPTER Of the Technical Consultative Council

Article 26. The Council is a body for advice and consultation, of an honorary character, that will have as its objective propose, opinionate, and give recommendations in respect to the administration, direction, and operation of the Registry, as well as meet annually with the Commission to conduct a joint evaluation of the fomentation policies and actions.

Article 27. The Council will be composed in the following manner:

- I. A public servant designated by the Commission, who will preside over the Council;
- II. Nine representatives of organizations, whose presence on the Council will be for three years, being renewed by thirds each year. The Commission will call for a convocation to choose the representatives of the organizations inscribed in the Registry, in which the requirements for eligibility shall be defined, addressing the criteria of representativeness, long-standing nature, membership, and work of the organizations;
- III. Four representatives of the academic, professional, scientific, and cultural sectors; the Commission will make known the basis for the selection of these representatives;
- IV. Two representatives of the Federal Legislative Power, one for each Chamber, whose legislative work relates to the material regulated in this law, and
- V. An Executive Secretary, designated by the Council upon the recommendation of the Council President.

Article 28. The Council will hold ordinary plenary sessions at least two times per year, and extraordinarily, when it is convoked by its President or by one third of the members of the Council. The Technical Secretary will provide whatsoever is necessary to all the members of the Council to support their participation in Council meetings.

Article 29. For the completion of its objective, the Council will have the following functions:

- I. Analyze the policies of the Mexican State related to the fomentation of the activities highlighted in article 5 of this law, as well as formulate opinions and proposals about its application and orientation;

- II. Promote citizen and organization participation in the follow-up, operation, and evaluation of the policies of the Mexican State established in the previous numeral;
- III. Create the commissions and work groups considered necessary for the execution of its functions;
- IV. Suggest the adoption of administrative and operational measures that would permit the completion of its objectives and the efficient development of its functions;
- V. Join in the application of this law;
- VI. Give recommendations for the determination of infractions and their corresponding sanctions, by the terms of this law. The recommendations lack a binding character, and
- VII. Create the Operations Manual in conformity with which it will regulate its organization and functioning.

SIXTH CHAPTER

Of the Infractions, Sanctions, and Means of Appeal

Article 30. The following shall be considered infractions of this law, on the part of those subjects to which it is addressed and which fall under it:

- I. To undertake self-benefiting or mutually benefiting activities;
- II. To distribute financial or material remnants left over from the public support of stimuli among its members;
- III. To apply the federal public support and stimuli they receive to matters other than those for which they were authorized;
- IV. To stop conducting activities highlighted in article 5 of this law after having received the public support and stimuli;
- V. To conduct and type of activity that could generate results that imply political proselytism in favor of or against any party or candidate to be popularly elected;
- VI. To carry out proselytism of a religious nature;
- VII. To undertake activities unrelated to its social purpose;
- VIII. To not distribute its goods, resources, interests, or products to fulfill those aims or activities for which it was formed;
- IX. To fail to deliver those reports requested of it from the relevant dependency or entity that have given or authorized federal public support or stimuli;
- X. To fail to maintain at the disposal of the relevant authorities, or the public in general, information about the activities that it carries out in application of the public support and stimuli that have been utilized;
- XI. To omit information or to include false information in any report;
- XII. To not inform the Registry within the period of forty-five work days, beginning with the respective decision, about any modification in its constitutive act or statutes, or about whatever relevant changes in the information provided upon application for inscription in the Registry, and
- XIII. To not meet any other obligation that corresponds to it in the terms of this law.

Article 31. When an organization of civil society with a valid registration commits any of the infractions referred to in the anterior article, the Commission, through the Technical Secretary, will, according to the case, impose upon the organization the following sanctions:

I. Warning: in the case that the organization has committed any of the behaviors that constitute infractions according to that established in the previous article for the first time, it shall be warned so that it may correct the irregularity, within a period no greater than thirty days counted from the respective notification;

II. Fine: in the event of a failure to comply with the warning by the terms established in the previous numeral, or in the event of a failure to fulfill the requirements to which are referred in infractions VII, VIII, IX, X, XI, XII y XIII of article 30 of this law; they will be fined for the equivalent of three hundred days of minimum salary, valid in the Federal District;

III. Suspension: from inscription in the Registry, for one year, counted from the notification, in the case of repetitive incidences in respect to the violation of an obligation established by this law, that has already required a fine of the organization, and

IV. Definitive Cancellation from inscription in the Registry: in the case of repetitive or grave incidences. An infraction will be considered repetitive if the same organization that has been previously suspended, is again to be suspended, without consideration of which of the dispositions of this law has been violated. A grave incident shall be understood to mean any of those referred to in numerals I, II, III, IV, V y VI of article 30 of this law.

The sanctions to which this article refers shall be applied without prejudice to the civil, penal, and administrative responsibilities that may exist, in conformity with applicable juridical dispositions.

In the case that an organization is sanctioned with suspension or definitive cancellation from inscription, the Commission, through the Technical Secretary, shall give notice, within the fifteen days prior to the notification, to the responsible enforcing authority, with the aim that this authority know of and resolve the matter in accords with valid normative, with respect to the fiscal benefits that have been granted in the framework of this law.

Article 32. Against the resolutions dictated in conformity with this law, its Rules, and other applicable dispositions, the means of appeal established in the Federal Law of Administrative Procedure will be followed.

Transitory

First. The current law will enter into validity the day following its publication in the **Official Daily of the Federation**.

Second. The Commission referred to in article 10 shall be created within 30 working days of the validity of this law.

Third. The Federal Executive shall make known the rules of this law, in a period of 60 working days counted from the publication of this law in the **Official Daily of the Federation**.

Fourth. For the effect of inscribing those organizations referred to in the Fourth Chapter of this law, the Registry shall be created and initiate operations within 120 working days following the date on which this law becomes valid.

Fifth. The composition and installation of the Council shall be carried out by the Commission, within 180 working days following the date on which this law becomes valid.

Sixth. For the first and only occasion, for the installation and composition of the Council referred to in article 26, the council members representing the organizations will be invited through a random procedure, in three groups of three people each, that shall be carried out by the Commission referred to in article 9 of this law, based on the proposals made by those same organizations.

Also for a unique occasion, the first group will remain in its charge for one year, the second group two years, and the third group three years, so that one-third may be renewed each year for a three-year period.

Mexico, F.D., on the 15th of December of 2003.- Sen. **Enrique Jackson Ramírez**, Dep. President. **Juan de Dios Castro Lozano**, President.- Sen. **Yolanda E. González Hernández**, Dep. Secretary.- Dep. **Amalín Yabur Elías**, Secretary.- Seals/Signatures."

In completion of that established in numeral I or Article 89 of the Political Constitution of the United States of Mexico, and for its due publication and observance, I make known this Decree in the Residence of Federal

Executive Power, in the City of Mexico, Federal District, on this the thirtieth day of the month of January of two thousand four.- **Vicente Fox Quesada**.- Sealed/Signed.- Secretary of Government, **Santiago Creel Miranda**.- Sealed/Signed.