



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.

THE LAW ON NON-GOVERNMENTAL ORGANIZATIONS^{1[1]}
(Official Gazette of the Republic of Montenegro, no. 27 of July 29, 1999)

PART I
General Provisions

The Scope of the Law

Article 1

This Law shall regulate the founding, registering, operating, joining and cessation of non-governmental organizations.

The term non-governmental organizations in this Law encompasses non-governmental associations and non-governmental foundations.

Non-Governmental Association

Article 2

A non-governmental association (hereinafter: association) is a not-for-profit membership organization which can be established by domestic and foreign natural or legal persons for the purpose of accomplishing individual or common interests, or for the purpose of accomplishing and promoting public interests.

Non-Governmental Foundation

Article 3

A non-governmental foundation (hereinafter: foundation) is a not-for-profit organization without members which can be established by a domestic or foreign person (hereinafter: persons), intended to manage certain property for the accomplishment of public benefit goals.

A foundation may also be established by a will.

^{1[1]} Translated by the International Center for Not-For-Profit Law (ICNL). This translation was made possible through the support provided by the ENI/DGSR/CS, ENI, U.S. Agency for International Development, under the terms of Grant No. EE-A-00-98-00015-00.

Foreign Non-Governmental Organization

Article 4

A foreign non-governmental organization may operate in the Republic of Montenegro under the conditions set forth in this Law.

The Application of the Law

Article 5

The provisions of this Law shall not apply to political parties, religious communities, trade unions, sports associations, employers associations, foundations and associations established by the state, as well as to non-governmental organizations which are established by separate laws.

Disclosure Requirement

Article 6

The work of non-governmental organizations shall be public.

The Duration

Article 7

A non-governmental organization shall be established for a limited or unlimited period of time.

Membership in Umbrella Non-Governmental Organizations

Article 8

A non-governmental organization may collaborate or become a member of a foreign or domestic umbrella organization.

Rules of registration set forth in this Law shall also apply to registration of umbrella organizations.

II The Establishment

The Founders

Article 9

An association may be established by at least five persons who have their domicile, residence or place of business in the Republic of Montenegro.

A foundation may be established by a single person regardless of his/her/its domicile, residence or place of business.

If a foundation is established by more than one person, they shall exercise their rights jointly, unless otherwise provided in the Memorandum of Incorporation.

The Memorandum of Incorporation

Article 10

A non-governmental organization shall be founded by a Memorandum of Incorporation. The Memorandum shall contain: the name(s) and address(es) of the founders, the goal(s) of the organization, the duration of the organization, and the name(s) and address(es) of the person(s) authorized to represent the organization.

In addition to the information set forth in Paragraph 1, the Memorandum of Incorporation of the foundation shall contain the name(s) of the president and the members of the managing board and information on the initial asset.

If a foundation is established by a will, it shall contain the information pertinent to the founding and entry into the register, or information on the person authorized to undertake the measures regarding the founding and registration of the foundation.

The By-laws

Article 11

A non-governmental organization shall have By-laws.

The By-laws shall have provisions with respect to the name and the seat of the organization, the internal structure of the organization, the organs of

management and supervision of the organization, the goals and activities of the organization, the methods of financing, liquidation and the distribution of assets, and other provisions pertinent to the activities of the organization.

Protection of the name and the logo

Article 12

The name and the logo of a non-governmental organization must be distinguished from the name and the logo of another organization.

The name of a non-governmental organization must be registered in the official language. An organization may also have its name in one or more foreign languages.

III The Register

The Authority

Article 13

The Ministry of Justice shall keep the registry of associations and the registry of foundations.

The Ministry shall issue regulations with respect to the manner of keeping the registry.

Entry into the Register

Article 14

Along with the application for entry into the register, the Memorandum of Incorporation and the By-laws need to be included.

Public Acknowledgment of the Registration

Article 15

A decision on registration and on the liquidation of a non-governmental organization shall be published in the Official Gazette of the Republic of Montenegro.

The Deadline for Entering into the Register

Article 16

The Ministry of Justice shall decide upon registration within ten days after submission of the request for registration.

If the Ministry disregards the foregoing deadline, it shall be assumed that the organization is registered on the first day following the expiration of the deadline.

The Data Amendments

Article 17

A non-governmental organization shall advise the Ministry of any change with respect to information which must be submitted for registration within 30 days after the change occurred.

Any changes with respect to the foregoing information shall not be deemed valid until entered into the registry.

Grounds for Denying Registration

Article 18

The Ministry shall deny registration if a non-governmental organization does not meet the requirements set out in Art. 14 of this Law.

An organization may instigate an administrative (non-litigation) procedure against the decision of the Ministry denying registration.

The Activities of Foreign Non-Governmental Organization

Article 19

A foreign non-governmental organization may operate in the Republic of Montenegro after it is entered into the registry book kept by the Ministry of Justice.

Along with the application for registration, a foreign non-governmental organization shall submit:

- Proof of registration in the domiciled country;
- the name and the address of the person authorized to represent the organization;
- the seat of the organization in Montenegro and the organizational form with which it will operate (branch, office, affiliation, agency).

Rules on registration set forth in this Law shall also apply to registration of foreign non-governmental organizations.

IV Organs of Non-Governmental Organizations

Organs of an Association

Article 20

An association shall have a General Assembly and a Managing Board. Other organs of an association may also be envisaged in its By-laws.

Article 21

If an association has fewer than 10 members, all the members shall assume the functions of the General Assembly.

In the case referred to in Paragraph 1, an association does not have to form a Managing Board.

Organs of a Foundation

Article 22

A foundation shall have the Managing Board and the Supervisory Board.

President and members of the Managing Board shall be designed by the foundation's Memorandum of Incorporation.

The same persons cannot serve as members of the Managing and Supervisory Boards.

Other organs of the foundation may also be envisaged in its By-laws.

V Legal and Economic Status

Legal Status

Article 23

A non-governmental organization shall have the status of a legal person from the date of entry into the registry.

The Property

Article 24

The property of a non-governmental organization consists of membership fees, donations, gifts, financial subventions, inheritances, interests on bank deposits, dividends, and lease and other income generated from any lawful activities.

Economic Status

Article 25

A non-governmental organization may engage in economic activities provided that all the profit generated from those activities is invested in the organization's main statutory activities carried out in the Republic of Montenegro

The Government's Support

Article 26

The Government of Montenegro shall provide financial aid to not-governmental organizations.

The criteria and the procedure for obtaining the government's aid shall be prescribed by special regulations.

Tax and Other Exemptions and Privileges

Article 27

The Government shall provide tax and other exemptions and privileges for non-governmental organizations.

VI Dissolution and Liquidation

Article 28

A non-governmental organization shall be deemed dissolved after it has been abolished from the registry.

An organization shall be abolished from the registry:

- if the organization is established for a limited period of time, the first day after the expiration of that time;
- if a competent organ of the organization decides to dissolve it, the day the decision is submitted to the registration authority
- if the organization is banned, the first day after the decision of a competent body becomes final.

Disposal of the Property

Article 29

The remainder of the property of a non-governmental organization which ceases to work shall be distributed to other humanitarian or non-governmental organizations, in accordance with the decision of the organization's competent organ.

However, if the competent organ of an organization fails to render such a decision before the organization is abolished from the registry, the Government of Montenegro, following the Ministry of Justice's recommendation, shall decide on the distribution of the remainder of the property within 30 days from the organization's abolishment from the registry.

VI Punitive Provisions

Fines

Article 30

A fine ranging from ten to fifty times the amount of the minimum wage in the Republic shall be imposed on a non-governmental organization which:

- started its activities before entry into the registry;
- failed to report any change to information necessary for entry into the registry within 30 days of the day these changes occurred;
- carried out activities not envisaged in the By-laws;
- used a name other than that stated in the registry.

A fine ranging from two to ten times the amount of the minimum wage in the Republic shall also be imposed on the representative of an organization which committed a violation of the Law stated in paragraph 1, subparagraph 1 through 4.

Article 31

A fine ranging from ten to eight times the amount of the minimum wage in the Republic shall be imposed on a non-governmental organization which generated a profit against the provisions of this Law.

A fine ranging from ten to fifty times the amount of the minimum wage in the Republic shall also be imposed on the representative of an organization which violates the provisions of this Article.

VIII Transitory and Closing Provisions

Regulations

Article 32

Within 60 days from the enactment of this Law, the Ministry of Justice shall issue regulations necessary for the implementation of the Law.

Adjustment to the Law

Article 33

Social organizations and citizens' associations which are entered into the register of social organizations and the register of citizens' associations shall within six months from the enactment of this Law adjust the internal acts to the provisions of this Law and re-register with the Ministry of Justice.

Within the same period, foundations, funds and legacies which are entered into the registry of foundations, funds and legacies shall re-register as non-governmental foundations, in accordance with the provisions of this Law.

Social organizations, citizens' associations, foundations, funds and legacies which fail to meet the foregoing deadline for adjustment and re-registration will cease to exist by the force of law (*ipso iure*).

Termination of Relevant Laws

Art. 34

After the enactment of this Law, the provisions of the Law on Citizens' Associations (Official Gazette of the Republic of Montenegro, no. 23/90, 13/31, 30/92) and the Law on Legacies, Foundations and Funds (Official Gazette of the Republic of Montenegro, no. 24/85) shall no longer apply.

Coming Into Force

Art. 35

This Law shall come into force on the eight day following its publication in the Official Gazette.
