

Status:  Law in force

FED LAW No. 2 of 2008

### UAE Official Gazette

#### **Federal Law No 2 of 2008 Concerning Public Welfare Associations and Organizations**

We, Khalifa bin Zayed Al Nahyan, President of the United Arab Emirates.

- Upon perusal of the constitution,

- [Federal Law No. \(1\) of 1972](#) regarding competencies of ministries and powers of ministers and laws amending thereto,

- Federal Law No. (12) of 1972 regulating clubs and associations working in the field of youth welfare,

- [Federal Law No. \(6\) of 1974](#) regarding public welfare associations and the laws amended thereto,

- Federal Law No. (25) of 1999 regarding the General Authority of Youth and Sports Welfare, and

- According to what the proposal of the Minister of Social Affairs, approved by the Cabinet and the Federal National Council, and the ratification of the Federal Supreme Council,

Pass the following law:

#### **Preamble Chapter Definitions**

##### **Article (1)**

In applying the provisions of this law, the following words and phrases shall constitute the meaning shown opposite to each unless the context indicates otherwise:

State : The United Arab Emirates

Ministry : The Ministry of Social Affairs

Minister : The Minister of Social Affairs

Association : Public welfare association

Federation : A group of more than one public welfare association

Board : Board of directors of an association or the Federation.

Member : A member in the association

Non-governmental Organization : Any organization consisting of one founder or a group of founders established for a limited or unlimited period of time by allocating funds to achieve one of the purpose listed in [Article \(2\) of this law](#) without aiming to achieve profit

##### **Article (2)**

In applying the provisions of this law, public welfare associations shall mean any organized group sustainable for a limited or unlimited period of time composed of natural or juridical persons for the purpose of achieving social, religious, cultural, scientific, educational, professional, feminist, creative or artistic activity; providing humanitarian services; achieving any benevolent aim; or achieving solidarity whether by financial, material or technical assistance and seeking only public welfare in all its activities without attaining material benefits. In accordance with the provisions of this law, membership in said associations shall be open before all, and the aim of the association shall be identified as per the major purpose for its establishment.

## **Section One Establishment of the Association**

### **Article (3)**

The following conditions shall be necessary to establish an association:

- 1- Founders shall not be less than 20 founders. The Minister may make exceptions from this condition provided that the number of founders not be less than 5.
- 2- Each member shall not be less than eighteen years old
- 3- Members shall have good conduct and name, and may not have been previously sentenced to custodial penalty in a felony or misdemeanor that infringes honor or integrity, unless said members were rehabilitated.
- 4- All founding and working members shall be State nationals.

The aforementioned conditions shall apply to associations consisting of juridical persons as much as these conditions can be applicable to them.

### **Article (4)**

Founders shall meet to set the Articles of Association of the association including the following data:

- 1- Name of the association that shall be named according to its purpose, location and scope of work in the state. The name shall be selected so as to avoid any confusion with another association working in the same field of activity.
- 2- Purposes of the association
- 3- Membership conditions and types, admittance and discharging procedures, and members' rights and duties.
- 4- Method for forming the board, and its competencies and work system.
- 5- Rules and bases regulating ordinary and extraordinary general assemblies, their competencies, rules for convocation, and conditions for the validity of their holding.
- 6- Rules on amending the associations' Articles of Association; establishing branches or affiliated centers or merging with other associations; affiliation with and participation in entities, organizations and conferences abroad.
- 7- Resources of the association and method of utilization and handling, monitoring spending, the beginning and end of the fiscal year, the system and amount of advances to meet urgent expenses, and rules of gathering donations.
- 8- Conditions and rules for the voluntary liquidation of the association voluntarily and disposal of its funds.

The ministry shall prepare a model of articles of association as a guidance.

### **Article (5)**

Membership in the association shall be of three types:

Working membership - affiliated membership - honorary membership

Working Members: The founding members and all state nationals joining the association according to its Articles of Association.

Affiliated Members: All residents who are not state nationals joining the association according to its Articles of Association.

Honorary Member: Persons with high status and opinion who are known to have done great services to the country or the association; or those who have distinguished activities in the field of public service and volunteer work selected by the board of directors.

## **Articles (6)**

The founders shall elect from among them an ad hoc committee. Said committee shall select from its members a representative to conduct the procedures of registration stated in this law.

Said representative shall submit to the competent body in the Ministry an application for the registration of the association in triplets, with the following documents attached:

- 1- The Articles of Association of the association signed by the founders along with a summary of it.
- 2- Minutes of founders meeting signed by the attendees.
- 3- Minutes of the meeting of the ad hoc committee.
- 4- A list of the names, surnames, ages, occupations and domiciles of the founding members and copies of their register summary or identity cards.
- 5- The decision of the ad hoc committee authorizing one of its members in submitting the registration papers.

The Ministry shall prepare a serialized register to record these applications and shall give the representative a receipt with the date of submitting the application.

## **Article (7)**

The Ministry shall review the application and issue within (60) sixty days from date of submission a decision approving or rejecting the registration of the association. In the case of rejection, reasons for said rejection, or recommendations as to the amendment of the Articles of Association, or referral of the application to other competent entities shall be stated.

## **Article (8)**

The ad hoc committee may raise a complaint to the Minister within (180) one hundred and eighty days from the date of receiving the notice of rejection of registration or the elapse of the agreed upon period to decide on the application without replying it, whichever is first.

Decision on the complaint shall be issued within (180) one hundred and eighty days from the date of submission, stating reasons.

The decision issued by the Minister in this regard shall be final and shall be served to complainant.

Complainant may resort to the Judiciary within (180) one hundred and eighty days from the date of receiving notice of rejection of complaint or upon the elapse of the agreed upon period for deciding on the complaint, whichever is first.

## **Article (9)**

The association shall be registered by entering record thereof in registry of the Ministry. Data recorded in said registry shall be indicated in the Executive Regulation of this Law.

#### **Article (10)**

The association shall have juridical personality upon completion of the procedures of registration according to the provision of [Article \(9\) of this Law](#). The decision of registering this association shall be published in the Official Gazette.

#### **Article (11)**

The ad hoc committee shall convoke a general assembly within a period of no more than three months from the date of registering the association. All working members shall be invited to attend this meeting for the purpose of electing the association's board.

#### **Article (12)**

The Association may establish branches and centers inside the country. The Articles of Associations shall indicate the method of forming these branches or centers, their competencies and other provisions.

#### **Article (13)**

Associations registered according to the provisions of this law may request to form related federations pursuant to the Executive Regulations of this Law. Any association shall be termed a federation only if formed of a number of associations coming together according to the provisions of this Law. Existing federations shall have to amend their positions in accordance with the provisions of this law during a period to be specified by the Minister.

#### **Article (14)**

The federation shall be considered a public welfare association governed by the provisions of law for regulating and registering associations and other provisions relevant to the nature of the federation.

#### **Article (15)**

The duty of the federation in relation to the joining associations shall be as per the following:

- 1- Overseeing their joint benefits, guiding and directing them in the way that achieves their joint objectives.
- 2- Coordinating their efforts and working to improve the level of their services.
- 3- Providing technical, financial and cultural assistances.
- 4- Solving whatever disputes that may arise among them.

#### **Article (16)**

The association may not seek purposes other than the purposes specified in its Articles of Association. The association and its members may not interfere in politics or in matters related to the State's security and its ruling system, and shall not cause sectarian, racial or religious disputes.

#### **Article (17)**

1- The association may be represented in overseas participations such as conferences, forums, meetings or interviews upon obtaining the approval of the Ministry. The Minister shall reply to the request for approval within two weeks from the date of submitting said request.

The days in which the association's representatives travel abroad shall be deemed official working days for

employees of the government its affiliated organizations and bodies upon the approval of the concerned administrative body.

2- The association may be affiliated to, join, or subscribe in any association or entity the premises of which is outside the state, and may deal with same, practice any activities and carry out projects outside the state upon a prior license from the Ministry.

The Ministry shall reply to the license application within two weeks from the date of submitting said application.

#### **Article (18)**

The association may hold conferences, forums, meetings or events in which persons from outside the state may participate upon the approval of the Ministry. The Ministry shall reply to the application for approval within two weeks from the date of submitting the application.

#### **Article (19)**

The Ministry shall be entitled to oversee the programs and projects of the association within the scope of its objectives specified in the Articles of Associations. The Ministry also may organize training courses and provide technical consultancy and different aspects of care so as to raise the quality of services and achieve good performance.

#### **Article (20)**

The association shall be subjected to the control of the Ministry in financial aspects to ascertain expenditures and confirm sound use of financial and material resources in purposes and projects carried out by the association pursuant to the Articles of Associations.

For this end, the Ministry may peruse the books, records and documents of the association.

#### **Article (21)**

The Ministry shall cooperate with other ministries, departments, bodies and general institutions in what it deems necessary for achieving the purposes of the association. The Ministry may assign some of its competencies for technical overseeing and paying of subsidiaries to any of the aforementioned associations.

#### **Article (22)**

The association shall keep in its premises records, books, publications and literatures, particularly:

- 1- Registers of members' names and their paid subscriptions
- 2- Records of meeting minutes of the board and general assembly sessions
- 3- Books of revenues and expenditures supported by certified documents.

The books, registers and publications of the association shall show the name of the association along with the number of its registration and field of activity.

### **Section Two Management of the Association**

#### **Chapter One The Board**

#### **Article (23)**

Every association shall have a board to manage its affairs, provide necessary means to carry out its activities and achieve its purposes. This board shall be elected by secret ballot. The Articles of Associations shall indicate the competencies of the board, conditions for membership of the board, number of members, terminating membership, the procedures of inviting the board for meetings, the validity of meetings and decisions, and the election of the board chairman.

The number of the board members may not be less than five and the board term may not be more than four years. Members may be reelected pursuant to the Articles of Association.

In all case, the age of board members may not be less than (21) twenty one years.

#### **Article (24)**

The board may appoint a manager from the members of the board or from non members to carry out internal executive work in the association, in particular appointing and disciplining employees, approving payment permits and overseeing the implementation of the decision of the general assembly and the board, unless otherwise stipulated in the Articles of Association.

#### **Article (25)**

Membership in more than one association that aim at achieving the same specific activity shall not be authorized, save for membership in the federation The Minister may make exceptions on this provision if justified.

#### **Article (26)**

The board may in accordance with the Articles of Association provide material incentives to any member of the association performing distinguished services for the association as a remuneration for the efforts exerted to motivate members to do more works and to encourage others.

Upon a proposal from the board and the approval of the general assembly, members of the board may receive remunerations for doing any work related to their competencies in the board.

### **Chapter Two General Assembly**

#### **Article (27)**

The general assembly shall comprise all working members fulfilling the conditions and duties of membership at the time of the general assembly meeting and who have been members for at least three months. The condition for the passage of three months shall be waived in relation to the meeting specified in [Article \(11\) of this law](#). Affiliated members may attend the meetings of the general assembly but may not be taken into consideration when establishing quorum, and they may not vote or become candidates.

The Ministry shall delegate a representative to the meeting of the general assembly.

#### **Article (28)**

Members shall be convoked and the Ministry shall be notified of the general assembly at least fifteen days (15 days) before set date. The Executive Regulation of this Law shall specify methods for convocation and attachments thereto.

#### **Article (29)**

The general assembly shall hold a regular meeting once every year during the four months following the end of the fiscal year to decide on matters of concern that fall within its competencies, in particular:

- 1- Ratifying the minutes of the previous general assembly meeting.
- 2- Approving the report of the board including its works in the ending year, activity programs and the new year work plan.
- 3- Approving the new proposed budget for the coming year and the balance sheet of the ending fiscal year.
- 4- Proposals submitted by members at the time specified by the Articles of Association
- 5- Electing the board or occupying vacancies.
- 6- Choosing an accounting auditor and setting remuneration for same.
- 7- Any new business.

#### **Article (30)**

The meeting of the regular general assembly shall be deemed valid with the attendance of at least more than half the working members. If the required number is not met, the meeting shall be delayed to another appointment not less than (15) fifteen days and not more than thirty (30) days from the date of the first meeting appointment. The second meeting shall be deemed valid with the attendance of any number of members.

The general assembly shall issue its decisions with the absolute majority of the number of attending members.

#### **Article (31)**

The general assembly may be convoked for extraordinary meetings upon a justified request made by the Ministry, the board, or a quarter of the working members. In the event the board does not convoke the general assembly according to the request of the Ministry or members, the Ministry may convoke the meeting at the expense of the association.

#### **Article (32)**

The competency of the extraordinary general assembly shall be to review the following matters:

- 1- Deciding on submitted resignations made by some or all of the board members if the resignation affects the board legal quorum.
- 2- Withdrawing membership from one or more of the board members.
- 3- Occupying vacancies if it is necessary to maintain the board legal quorum.
- 4- Proposing the merge of the association with another association similar in purposes. This proposal of merge shall be deemed a joining application to be approved by the extraordinary general assembly of the association which would be merged with through similar procedures. The decision approving the merger shall include procedures for implementation and impacts.
- 5- Revoking any board decision.
- 6- Amending the Articles of Association, upon the approval of the Ministry that shall have to respond to the application of amendment within thirty days from submission.
- 7- Volunteer liquidation of the association.
- 8- Any urgent matters affecting work progress that necessitates the convocation of the general assembly.

#### **Article (33)**

The meeting of the extraordinary assembly shall be valid with the presence of three quarters of the working members. In case the quorum is not attained, the meeting shall be postponed for a period of not less than (15)

fifteen days and not more than (30) thirty days from the date of the first meeting. The second meeting shall be valid with the presence of half the number of working members and. In case the quorum is not attained, an invitation for a third meeting shall be made within a period similar to that of the second meeting. The third meeting shall be valid with the presence of any number of working members.

In these cases, the decisions of the general assembly shall be issued with the majority of three quarters of the number of attending working members.

#### **Article (34)**

The extraordinary general assembly may not decide on matters not listed on the agenda.

#### **Article (35)**

Assembly members may authorize other members by written authorization to represent them in attending the general assembly pursuant to the provisions of the Articles of Association in this regard. One member may not represent more than one member. The authorization shall be approved by the association's board.

### **Section Three Resources of the Association**

#### **Article (36)**

The association's financial resources shall consist of :

- 1- Members subscriptions.
- 2- Revenues from activities, services and investments.
- 3- Donations, gifts, bequests and subsidiaries received by the association pursuant to the provisions of this Law.
- 4- Any other revenues.

#### **Article (37)**

Without prejudice to the provisions on solidarity funds and private individual institutions, the association's money shall be owned by the association and none of its members shall be entitled to said money. Withdrawing or dismissed member shall have no claim on such money.

#### **Article (38)**

The association shall deposit its money in its name in one or more of the national banks in the state and shall notify the ministry of said acts.

The association shall notify the Ministry in case of changing the bank where it deposits money within (10) ten days from the date of said change.

#### **Article (39)**

The association shall spend its money to achieve the purposes for which it is established. The association may not trade in or enter into financial speculation.

The association, upon the approval of the Ministry, may invest its surplus to secure a financial revenue to assist in achieving its objectives.

#### **Article (40)**



The board of the association shall submit to the Ministry a copy of the balance sheet of the previous year and the proposed budget for the coming year no more than (15) fifteen days from the approval of same by the general assembly.

#### **Article (41)**

The Ministry shall allocate within its budget funds for the assistance of associations. Regulation of said funds shall be through a decree issued by the Minister indicating types of subsidiaries and how to benefit from same.

#### **Article (42)**

Upon consideration of granting, increasing, decreasing or stopping subsidiaries to associations, the Ministry shall use all or some of the following criteria:

- 1- Funds allocated for subsidies in the annual Ministry budget.
- 2- Extent of the association's need for a subsidiary.
- 3- Extent of the association's success in achieving its purposes.
- 4- Periodical reports on the association's activities and the extent of its abiding by the provisions of its Articles of Association.

#### **Article (43)**

Donations may only be collected through associations registered pursuant to the provisions of this Law and upon a prior license from the Ministry.

Associations may not accept any donations, bequests or grants, or collect or give any donations from or to any persons or entities outside the state except with a prior license from the Ministry.

The Minister shall issue a decree regarding the rules and procedures regulating this matter.

### **Section Four Non Governmental Organization**

#### **Article (44)**

Founders shall formulate Articles of Association for the non governmental organization including, in particular, the following data:

- 1- Name of organization, geographical scope and premises of its management location in the state.
- 2- The purpose of founding this organization.
- 3- A detailed statement of the funds allocated to achieve the organization' purposes.
- 4- Regulation of the organization's management, including method for the appointment chairman and members of the board of trustee and the method of appointing the manager.

The establishment of non governmental organization may take place by an official document or a certified will that shall be considered Articles of Association. Attached to the Executive Regulation of this Law there shall be model Articles of Association for the guidance of non governmental organizations.

#### **Article (45)**

The non governmental organization shall be managed by a board of trustees in accordance to its Articles of Association and shall be represented by the chairman of the board of trustee before judicial authorities and third

parties.

#### **Article (46)**

Where no other special provisions are made, the provisions of this Law and its Executive Regulations shall be applied to non governmental organizations as much as they fit their nature.

### **Section Five Liquidation and Merger**

#### **Article (47)**

1- The Minister may pass a decree for the dissolution or liquidation of an association in the following cases based on the proposal of a committee formed by a minister's decree, headed by the Undersecretary and shall comprise a senior Ministry employee, a representative of the Ministry of Justice selected by the Minister of Justice, and two members of a public welfare association other than the association in question selected by the Minister:

- (a) If the association violates the provision of [Article \(11\) of this Law](#)
- (b) If its members are less than the number specified in [item \(1\) of Article \(3\) of this Law](#).
- (c) If established that its works in are not seriously achieving rightly the objectives for which it was founded, or if it is unable to achieve these objectives
- (d) In case it disposes of its money for purposes other than those specified.
- (e) In case it is unable to meet its financial obligations.
- (f) In case it refuses to submit to inspection or provides incorrect data with the intention of misleading.
- (g) In case it commits a gross infringement to its Articles of Association or the provisions of this Law.
- (h) In case its general assembly has not convened for two successive years.

2- The decision of dissolution and liquidation shall be published in the Official Gazette. Five members of the association may jointly raise a complaint about the decision of dissolution and liquidation within thirty days from the date of publishing. Deciding on the complaint shall be done through a justified decision within thirty days from the date of submission and the complainant shall be notified of said decision as per stipulated in the Executive Regulations.

3- Instead of dissolving and liquidating the association and for public interest, the Minister may:

- (a) Appoint with a justified decision a temporary board from the working members of the association to be entrusted with the competencies of the elected board for a period of (6) six months that may be renewed for a similar period. The members of the association's board and working employees shall immediately hand all the association's funds, records, books and documents to the temporary board as soon a it is formed.
- (b) To merge the association with another association of similar purposes. The decision of merger shall be issued in both association according to [Article \(32\) of this Law](#).

#### **Article (48)**

Without prejudice to the provisions of [Article \(51\) of this Law](#), the association may be voluntarily liquidated by a decision from an extraordinary general assembly provided that the ministry shall be notified of the place of this meeting at least (15) fifteen days in advance.

#### **Article (49)**

Person in charge of the affairs of any association for which a decision is made for voluntary or mandatory

liquidation may not dispose of its money and documents without a decision from the Ministry indicating method of liquidation according to the regulations specified by the Executive Regulations of this Law. The Minister shall issue a decree indicating the method of liquidation, the way of disposing of said money and documents, and the entity to which said money shall be directed in case the Articles of Association do not indicate same or in case it is not possible to carry out what is indicated.

#### **Article (50)**

In all cases, if the association is dissolved or liquidated, it shall retain its juridical personality as much as is needed to conclude the liquidation works. The Minister shall issue a decree to delete the association from the register after concluding the liquidation process as is required.

The decision of deletion shall be published in the Official Gazette.

### **Section Six Final Provisions**

#### **Article (51)**

The Ministry shall record and register social solidarity funds pursuant to the rules and procedures issued by a decree made by the Cabinet upon the recommendation of the Minister.

#### **Article (52)**

The provisions of this Law may not be applicable to the various activities referred to in [Article \(2\) of this Law](#) that are practiced by schools and institutes, federations, associations, clubs, and youth and sport centers interested in youth cultural, social and sport affairs in the state regulated by Law no.25 of 1999 on the General Authority of Youth and Sports Welfare.

#### **Article (53)**

The association shall be exempted from the following financial obligations:

- 1- Taxes and customs duties in relation to tools and imported appliances on its account necessary to practice its activity. Said tools and appliances may not be disposed of to another entity that is not exempted from taxes and custom duties before the elapse of one year from the date of importation, unless the related taxes and due fees are paid.
- 2- The taxes and fees related to the different activities it carries out.
- 3- The consumption fees of water ,electricity and natural gas produced by governmental bodies.

#### **Article (54)**

Any group or entity may not practice any activity of associations except under the provisions of this Law and upon completion of the procedures of registration. In case of violation, the Ministry shall issue a decision to halt said activity or close the violating premises. The competent authorities in the state shall apply this decision by force when necessary, without prejudice to civil and penal responsibility.

#### **Article (55)**

The Ministry is the only entity entitled to register the public welfare associations and grant licenses to same to practice its activities. All associations registered or licensed pursuant to private systems or local orders shall amend their Articles of Association and submit an application of registration according to the provisions of this Law within (6) six months from the date of enforcement of this Law or they shall be deemed dissolved and the Ministry shall liquidate its money and indicate the body to which said money is to revert.

**Article (56)**

The objection or rejections of Ministry' of the applications received shall be based on the provisions of this Law and shall be made via registered mail with proof of receipt to be served to the applicant within the period indicated in this Law.

**Article (57)**

Perpetrators of violations of the provisions of this Law and its implementation decisions shall be punishable by a fine of no more than (10,000) ten thousand dirham, without prejudice to more severe penalties stipulated in any other law.

Upon the infringement of any of the provisions of [Article \(43\)](#), the court shall order the confiscation of the money obtained by the association without a license.

**Article (58)**

Specified employee of the Ministry deemed law officers by a decision from the Minister of Justice upon the approval of the Minister shall have the capacity of law officers to establish violations of the provisions of this Law, and implementing rules and decisions.

**Article (59)**

Any clause that violates or contradicts the provisions of this Law shall hereby be repealed. [Federal law No. \(6\) of 1974](#) referred to hereinbefore shall also be repealed and Executive Regulations and decisions issued accordingly shall be applicable in so far as they do not contradict the provisions of this Law and until the Executive Regulations and decisions of this Law are issued.

**Article (60)**

The Minister shall issue the regulations and decrees necessary for the implementation of the provisions of this Law.

**Article (61)**

This law shall be published in the Official Gazette and shall be effective after one month of date of publication.

**[Signed]**

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	<p>Khalifa bin Zayed Al Nahyan President of the United Arab Emirates</p>
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Issued by us in Abu Dhabi Presidential Palace

On 13 Muharam 1429 A.H

Corresponding to 21 January 2008 A.D.