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EUROPEAN COMMISSION FOR DEMOCRACY THROUGH LAW
(VENICE COMMISSION)

LAW
ON NON-GOVERNMENTAL ORGANISATIONS
(PUBLIC ASSOCIATIONS AND FUNDS)
OF THE REPUBLIC OF AZERBAIJAN

**LAW OF THE REPUBLIC OF AZERBAIJAN
(unofficial translation)**

**ON NON-GOVERNMENTAL ORGANIZATIONS
(PUBLIC ASSOCIATIONS AND FUNDS)**

CHAPTER 1. GENERAL PROVISIONS

Article 1. The Purpose of the Law

- 1.1. The present Law regulates relations concerning establishment and operation of public associations and funds.
- 1.2. The definition of “non-governmental organizations” in this Law includes public associations and funds.
- 1.3. This Law defines the rules of establishment, operation, reestablishment and liquidation of non-governmental organizations as legal entities, running, management of non-governmental organizations, and their relationships with state bodies.
- 1.4. This Law does not apply to political parties, trade unions, religious unions, local self-governments as well as organizations established with an aim to fulfill the functions of these establishments, and other non-governmental organizations, whose activities are regulated by other laws.

Article 2. Non-Governmental Organization

- 2.1. Public Association - a voluntary, self-governed non-governmental organization, established by the initiative of a number of physical and/or legal persons, joined on the basis of common interests with purposes, defined in its constituent documents, without mainly aiming at gaining profits and distributing them between its members.
- 2.2. Fund - a non-governmental organization without members, established by one or a number of physical and/or legal persons based on property contribution, and aiming at social, charitable, cultural, educational or other public interest work.
- 2.3. Non-governmental organization may be established and operate with purposes not prohibited by the Constitution and laws of the Republic of Azerbaijan.
- 2.4. Non-governmental organization can not participate in elections of the President of the Republic of Azerbaijan, Parliament of the Republic of Azerbaijan, and municipalities and can not provide financial and other material support to political parties. Under election legislation of the Republic of Azerbaijan, non-governmental organizations may monitor presidential, parliamentary, and municipal elections held in the Republic of Azerbaijan as well as hold exit-polls. Foreign legal entities may participate in the events related to exit-polls held in presidential, parliamentary, and municipal elections only together with non-governmental organizations of the Republic of Azerbaijan. A non-governmental organization may make proposals for improving normative-legal acts, according to the procedure prescribed by laws of the Republic of Azerbaijan and its charter.

Article 3. Title and Location of Non-Governmental Organization

- 3.1. NGOs should have the title corresponding to its organizational-legal form and the nature of its work. It shall be prohibited to use the titles of state bodies of the Republic of Azerbaijan as well as the names of prominent persons of Azerbaijan (without the consent of their close relatives or successors) in the titles of non-governmental organizations.
- 3.2. The location of non-governmental organization shall be established according to its legal address indicated in its charter.
- 3.3. In case of legal address change of non-governmental organization, the relevant body of executive power (The Ministry of Justice of the Republic of Azerbaijan) should be notified in writing no later than within 7 days.

Article 3-1. Symbols of non-governmental organizations

Non-governmental organization can have a flag, emblem and other symbols. The symbols of an organization shall not be identical to symbols of the Republic of Azerbaijan and foreign states, as well as symbols of state bodies, international organizations and other institutions and they shall not imitate to trade marks protected by the law.

CHAPTER II ORGANIZATIONAL- LEGAL FORMS, TYPES, AND PARTICIPANTS OF NON-GOVERNMENTAL ORGANIZATIONS

Article 4. Organizational-Legal Forms of Non-Governmental Organizations

Non-governmental organizations may be established in any organizational-legal form.

Article 5. Types of Non-Governmental organizations

Non-governmental organizations may be established on the permanent or ad hoc basis.

Article 6. Area of Activity of Non-Governmental Organizations

- 6.1. Non-governmental organizations may be established and operate in the Republic of Azerbaijan under republican, regional, and local status. Area of activity of a non-governmental organization shall be defined by the organization independently.
- 6.2. Activities of non-governmental organization, operating under republican status shall cover entire territory of the Republic of Azerbaijan. The activities of regional non-governmental organizations should cover two or more administrative territorial divisions of the Republic of Azerbaijan. Local non-governmental organizations operate within one administrative territorial division.
- 6.3. International NGOs - public associations whose activities cover the territory of the Republic of Azerbaijan and at least one other foreign country.

Article 7. NGO Branch Offices and Representations

- 7.1. A registered NGO may open its branch offices and representations in the Republic of Azerbaijan and abroad. It shall not be required to carry out the state registration of branches and representations of NGOs. The organization shall inform the relevant

body of executive power about opening of a branch and (or) representation within ten days.

- 7.2. NGO branch office may be established outside the location of the NGO and carry out its activity or part of its activity.
- 7.3. NGO representation shall be established outside its location, shall represent and defend its interests.
- 7.4. NGO branch office and representation are not legal persons, they get a share of a property from an NGO which created them, and they act on its behalf on the basis of Regulation approved by the NGO. The NGO which created branch offices and representations shall be liable for their activities.
- 7.5. The managers of a branch office and representation shall be appointed by the NGO and shall act within the authority provided by the NGO. Deputies to managers of branches or representations of a non-governmental organization whose founders are foreigners or foreign legal persons shall be the citizens of the Republic of Azerbaijan.

Article 8. NGO Participants

- 8.1. Participants of public associations include founders, members, and assistants. Participants of funds include founders and assistants.
- 8.2. Members of a public association under the age of 18 shall have rights and duties according to the civil legislation of the Republic of Azerbaijan.
- 8.3. Foreigners and stateless persons may be participants of NGOs operating in the Republic of Azerbaijan.
- 8.4. Admission to NGOs should be equally open to men and women and the equal opportunities should be created for them.
- 8.5. The requirement indicated in Article 8.4 shall not apply to NGOs, established for the protection of special interests of any sex.

Article 9. NGOs' Founders

- 9.1. Legal persons (except state bodies and local self-governments) or physical persons reaching the age of 18 may be the founders of NGOs (physical persons reaching the age of 16 may be the founders of youth public associations).
 - 9.1-1. Foreigners and stateless persons who have a permanent residence right in the Republic of Azerbaijan can be founders of an NGO in the territory of the Republic of Azerbaijan.
- 9.2. NGO founders have equal rights. Their mutual rights and duties shall be established by the constituent agreement- in respect of the NGO establishment (when concluding a contract), and by the NGO charter- in respect of participation in the NGO activity.

Article 10. Members of Public Associations

- 10.1. Any physical and legal person (except state bodies and local self-governments) may be a member of public association in the Republic of Azerbaijan.

- 10.2. Members of public association have equal rights. They may elect and be elected in its management bodies, participate in its work, control the activity of its management, have other rights provided for by its charter, as well as they should follow the charter requirements.
- 10.3. Issues of membership in a public association and termination of membership shall be established by its charter. The charter should ensure the right of appeal against termination of membership in the public association within the association and in the court.
- 10.4. Once the public association passes the state registration, within 30 days it shall ensure that the registry of members is conducted.

Article 11. NGO Assistants

NGO assistants include physical and legal persons (except state bodies and local self-governments) who participate in the NGO work subject to its charter, support it by providing with any assistance and services without making their relationships with the NGO official. Availability of assistants and their legal status shall be established by the NGO constituent documents.

CHAPTER III. ESTABLISHMENT, REORGANISATION, AND LIQUIDATION OF NGOs

Article 12. NGO's Establishment

- 12.1. NGO may be formed as a result of its foundation as well as reorganization of an existing NGO.
 - 12.1-1. The minimum nominal capital for the establishment of the fund shall be ten thousand manats.
- 12.2. Establishment of an NGO through its foundation is held by a decision of its founders (founder). In this case, a constituent meeting shall be convoked and the NGO charter shall be adopted.
- 12.3. State registration of branches and representations of foreign NGOs in the Republic of Azerbaijan shall be carried out on the basis of the agreement signed with such organizations.

Article 13. NGO Charter

- 13.1. NGO charter should specify its title and location, objectives and running procedure, rights and duties of its members, conditions and procedure for admission to membership and termination of membership to public association, sources for forming of NGO property, the procedure for adoption of the charter and making amendments, the procedure for NGO liquidation, and use of its property in case of liquidation.
- 13.2. Fund charter should specify its title, also including the word 'fund', its location, objective, its bodies, including Board of Guardians, and its forming procedure, information on appointment and dismissal of the fund's officials and disposal of property in case of the fund liquidation.

13.3. The charters of NGOs shall not provide for appropriation of powers of state and local self-governed bodies, as well as implying of functions of state control and revision.

Article 14. Amendments to NGO Charter

14.1. Amendments to the charter of a public association may be made under a decision of its supreme management body. Amendments to the charter of a fund may be made by the fund's Board of Guardians and only for the fund's objectives.

14.2. The fund's charter may be changed by the fund's Board of Guardians if only the possibility of amendment is stipulated in its charter. If keeping the charter unchanged results in consequences which could not be foreseen during the time of fund establishment, and the charter does not provide for the possibility of amendments or the charter has not been changed by authorized persons, then the court shall have the right to make changes in the charter, based on an application of the fund's Board of Guardians.

14.3. The state registration of amendments to NGO charter shall be made by the relevant body of executive power (the Ministry of Justice of the Republic of Azerbaijan). Amendments to the NGO charter shall become effective since the date of their state registration.

Article 15. Notification on Establishment of a public association

15.1. Notification on establishment of a public association shall be made through written notice to the relevant body of the executive power within 30 days since adoption of a decision on its establishment. A constituent protocol shall be enclosed to the notification signed by the head of a public association.

15.2. On a day of receipt of the notice, the relevant body of the executive power shall issue to the public association representative a document confirming the notice receipt, or shall send such document by mail.

Article 16. NGO's State Registration

16.1. The state registration of NGOs shall be conducted by the relevant body of executive power pursuant to legislation of the Republic of Azerbaijan on registration of legal persons.

16.2. NGO shall acquire a legal person status only after passing the state registration.

Article 17. Refusal of State Registration

17.1. Refusal in state registration of non-governmental organizations can take place only in the cases provided for by the Law of the Republic of Azerbaijan On State Registration and State Registry of Legal Entities.

17.2. Information on refusal of the state registration of NGO shall be submitted in writing to the NGO representative, indicating reasons for the refusal, and provisions and articles of legislation violated, while drafting constituent documents.

17.3. Refusal of NGO state registration can not prevent from re-submission of amended documents for state registration.

17.4. Refusal of state registration of NGO may be appealed in an administrative order and (or) to court.

Article 18. Termination of NGO activity

NGO activity can be terminated by a way of re-organization (amalgamation, merger, division, separation, transformation) of NGOs or their liquidation.

Article 19. NGO Reorganization

19.1. NGO may be reorganized according to the procedure provided for by the present Law. NGO may be reorganized under a decision of its founders or the body of the organization, authorized by its charter.

19.2. NGO reorganization can be held in the forms of amalgamation, merger, division, separation, transformation.

19.3. Reorganization of NGO in a form of merger of other organization shall be recognized from the moment of a notice on termination of the activity of one of these organizations is included in the state register of legal persons by the relevant body of executive power (the Ministry of Justice of the Republic of Azerbaijan).

19.4. Formation of NGO in the forms of division and separation shall be recognized from the moment of a notice is made in the state register of legal persons regarding separation of one of them or termination of divided organization's activity, and establishment of new NGOs by the relevant body of executive power (the Ministry of Justice of the Republic of Azerbaijan).

19.5. Establishment of NGO in a form of its transformation shall be recognized from the moment of a notice is made in the state register of legal persons regarding liquidation of existing organization by the relevant body of executive power (the Ministry of Justice of the Republic of Azerbaijan), and establishment of a new organization on its basis.

19.6. All issues related to succession after NGO reorganization shall be solved pursuant to procedure provided for by the Civil Code of the Republic of Azerbaijan.

Article 20. NGO Liquidation

NGO can be liquidated pursuant to the procedure provided for by the legislation on the state registration of legal persons of the Republic of Azerbaijan.

Article 21. Property of Liquidated NGO

All property issues related to NGO liquidation shall be solved pursuant to procedure provided for by the Civil Code of the Republic of Azerbaijan.

CHAPTER IV. NGO ACTIVITY

Article 22. Types of Activities of NGO

22.1. NGO may carry out any types of activities in the country and abroad, not prohibited by legislation of the Republic of Azerbaijan and not contradicting objectives set out in the NGO's charter.

22.2. NGO can carry out entrepreneurial activity, not distributing gained profits between its founders (members), only aiming to achieve objectives of NGO establishment.

Production and sale of goods and services, and purchase of securities, acquisition of property rights and non-property rights, participation as a depositor in economic unions and partnerships, producing profit shall be considered such activities.

22.3. NGO shall keep record of incomes and expenditures on entrepreneurial activities. Any restriction for types of activities admissible for NGO shall be defined only by law.

Article 23. NGO Property

23.1. NGO may own various types of property, not prohibited by law.

23.2. NGO is liable for its obligations with its property. This property may be alienated only pursuant to laws of the Republic of Azerbaijan.

23.3. Fund's property consists of property contributed by the fund's founders (founder). After establishment of a fund, a person who makes contributions to the fund shall not acquire a right of founder. Founders shall not be liable for obligations of a fund established by them, and funds shall not be liable for obligations of their founders.

Article 24. Sources for Forming NGO Property

24.0. Sources for forming NGO property in money or other form are as follows:

24.0.1. periodic or non-recurrent membership fees of their founders or members of public associations;

24.0.2. property fees and voluntary donations;

24.0.3. incomes from the sale of goods, provision of services, fulfillment of works;

24.0.4. dividends, incomes gained from stocks, loans, other securities, and deposits;

24.0.5. incomes gained from the use of own property and from its sale;

24.0.6. grants;

24.0.7. other incomes, not prohibited by legislation.

CHAPTER V. NGO MANAGEMENT

Article 25. Grounds for Management of Public Association

25.1. Structure, composition, authority of management bodies of NGO, procedure for their forming and terms of their authority, rules to adopt a decision and act on behalf of a public association shall be established by the public association charter pursuant to the present Law and other laws.

25.2. A general meeting convoked at least once a year is a supreme management body of public association.

25.3. The general meeting shall be convoked at the initiative of the executive body of the public association or one of its founders or one thirds of its members.

25.4. The primary function of the general meeting is implementation of objectives based on which it was established.

25.5. Consideration of the following issues shall be within the authority of the general meeting:

- 25.5.1. adoption of a public association charter and its amendment;
- 25.5.2. identification of principles for forming and use of the public association property;
- 25.5.3. establishment of executive bodies of the public association and termination of their authority ahead of time;
- 25.5.4. approval of annual report;
- 25.5.5. participation in other organizations;
- 25.5.6. reorganization and liquidation of the public association;

25.6. Founders and members of public associations should be notified about the place and time of their general meeting at least 2 weeks before. The general meeting may amend the charter only in the presence of more than a half of the public association's members. A decision of the general meeting shall be adopted by a majority of votes of members participated in the meeting. Each member has one vote.

25.7. The written minutes shall be kept at a general meeting. The minutes shall be signed by a chairman and a secretary of the meeting. If necessary, the minutes of the meeting shall be distributed to all members.

Article 26. Executive Body of Public Association

26.1. The executive body of the public association may be collegial and (or) sole body. This body shall carry out the current guidance on the public association's operation and is accountable to the supreme management body of the public association.

26.2. The executive body of the public association shall open branch offices and representations of the public association.

26.3. Consideration of all issues, other than those covered with exceptional authority established for other management bodies of a public association by the present Law, other laws and the public association's charter, shall be within the competence of the executive body of the public association.

Article 27. Fund Management

27.1. Management of a fund shall be carried out by its chairman or board.

27.2. The Board of Guardians of a fund is a control body of the fund and exercises control over the fund's activity, adoption of decisions by other bodies of the fund and enforcement of them, usage of fund's resources, control of fund's operation, amendment to its charter, adoption of a decision on its dissolution or reorganization. The Board of Guardians shall fulfill its work on a voluntary basis.

27.3. The procedure for formation and operation of the Board of Guardians of the fund shall be established by the fund charter, approved by the fund founders.

CHAPTER VI. NGOs AND STATE BODIES

Article 28. Relationship between the State Bodies and NGOs

NGOs rights are protected by all state bodies. NGOs have a right to work independently under legislation. State bodies may provide financial and other forms of assistance to NGOs. Structures of public associations shall not be established in state bodies.

Article 29. Control of NGOs' Activity

29.1. NGO shall keep accounting records pursuant to legislation.

29.2. The amount and the structure of NGO incomes as well as its property, expenses, number of staff, information on remuneration cannot be state or commercial secret.

29.3. Fund should publish reports every year on the use of its property.

29.4. Non-governmental organization shall submit an annual financial report to the relevant body of executive power of the Republic of Azerbaijan no later than 1st April of each year. Forms, content and procedure of submission of these reports shall be determined by the relevant body of executive power.

Article 30. Tax Privileges for NGOs (Article was removed by Law on December 3, 2002)

CHAPTER VII. FINAL PROVISIONS

Article 31. NGO Liability

31.1. In case of violation of the requirements arising out of the provisions of the present Law, NGO shall be liable pursuant to legislation of the Republic of Azerbaijan.

31.2-1. Non-governmental organization shall be warned for failure to submit necessary information for the state registry of legal entities or submission of false information.

31.2. In case of actions contradicting the objectives of the present Law, the relevant body of executive power (the Ministry of Justice of Azerbaijan) may in writing notify the NGO or instruct the latter to remove the violations.

31.3. NGO has a right to appeal to court against such notification or instruction.

31.4. In case of NGO is notified or instructed in writing on removal of violations more than twice a year, the NGO may be liquidated under the court's decision.

31.5. The activity of NGO that impede liquidation of circumstances of the state of emergency may be suspended according to the procedure prescribed by law.

31.6. If NGO fails to submit within the deadlines an annual financial report, the relevant body of executive power can, by means of writing a written warning to the organization, issue an instruction to submit the relevant report within 30 days. Non-governmental organization that fails to submit the report within this period can be held responsible in accordance with the legislation of the Republic of Azerbaijan.

Article 32. Re-registration of NGO Registered Before

The relevant body of executive power (the Ministry of Justice of the Republic of Azerbaijan) should include NGOs, registered prior to the entry into force of the present Law, in the state register of legal persons of the Republic of Azerbaijan.

Article 33. Entry into Force of the Present Law

The present Law shall enter into force on the day of its publication.

Heydar Aliyev
President of the Republic of Azerbaijan

Baku, June 13, 2000
B 894-1G