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In the Name of God, the Beneficent, the Merciful

Republic of Yemen
Ministry of Legal and Parliamentary Affairs

Law No. 1 for the Year 2001
Concerning Associations and Foundations

In the name of the People:

The president of the Republic,
After referring to the Constitution of the Republic,
And with the approval of the House of Representatives,
Has issued this law with the following stipulations:

Chapter I: Nomenclature, Definitions and Objectives

Section i: Nomenclature and Definitions

Article (1): This law shall be called the Law on Associations and Foundations

Article (2): For the purpose of the implementation of this Law, the terms and expressions shown adjacent to each word or expression, unless otherwise indicated from the context:

Republic: The Republic of Yemen.


Ministry: The Ministry of Pensions and Social Affairs, or the Branch Offices at the Governorates.

Minister: Minister of Pensions and Social Affairs.

Association: Any popular association established in accordance with this law by natural persons the least number of which is 21 persons at the time of application for the establishment thereof and 41 persons at the constituent meeting, the primary purpose of which is the realization of a common benefit for a specific social group, or to undertake activities/functions that are of a public benefit, and which does not seek from its activities to generate a financial profit for its members, and the membership of which shall be open in accordance with the conditions spelled out in the organizational procedures.

Foundation: Any popular institution established in accordance with the provisions of this Law, for a limited or unlimited time, by one or more natural or legal person, in order to undertake a public benefit function, without aiming to generate a financial profit, and its membership shall be confined to its founders only.
The Articles of Association: The Articles of Association of an association or foundation.

Organizational Regulations: The organizational regulations of the association or foundation.

General Assembly: The total number of the founders and members of the association.

The Board of Directors: The Board that is elected by the General Assembly.

The Board of Trustees: The Board of Directors of the Foundation.

The Control Committee: The Committee elected by the General Assembly.

Governorate Federation: This is a legal entity, which is composed of a number of associations and foundations, notwithstanding what their type is, within the same governorate.

Federation of a Specific Type: This is a general federation of associations and foundations of the same type, which seek to achieve common specific objectives, in a specific area in the range of their geographical areas or throughout the Republic.

General Federation: This is a general federation of associations and foundations which consist of the Governorate Federations and Federations of Associations and Foundations of the same type.

General Board: The General Board of the Governorate Federation or the Federation of a Specific Type of Associations and Foundations.

General Congress: The General Congress for the Governorate Federation, Federation of Specific Type or General Federation of Associations and Foundations.

Executive Office: The Executive office of the Governorate Federation, Federation of Specific Type or General Federation of Associations and Foundations.
Section ii: The Objectives

Article (3): This law seeks to achieve the following objectives:

1. To guide and encourage the associations and foundations to participate in comprehensive development.
2. To instill the leading role that associations and foundations play a role in the area and the development of democratic practice and the establishment of a Muslim civil society.
3. Provision of the guarantees that will ensure that the associations and foundations will exercise their activities in full freedom and independence and in keeping with their social responsibility.
4. Expansion of the scope of charitable and goodwill work and the enhancement of social solidarity within the society.
5. Simplification of the procedures and processing related to the right of forming associations and foundations and to enable them to carry out their missions in the best manner.

Chapter II: Provisions for the Establishment, Registration and Proclamation of Associations and Foundations

Section i: The Provisions for the Establishment of Associations and Foundations

Article (4): Associations and foundations are established in accordance with the provisions of this law and its Executive Procedures and in order to establish associations and foundations the following conditions should be met:

1st. The purposes / objectives thereof should not be in violation of the Constitution and the legislation and laws that are in effect.

2nd. That it should have an articles of association and organizational regulations that should entail all its organizational, financial and administrative affairs, and in particular it should entail the following:

1. The name of the associations and foundations, which should not be similar to the name of any other association and foundation existing in the geographical scope of the activities of the association and foundation, and which is specified in its articles of association thereof.
2. The head office address of the association or federation and the geographical area in which it will operate.
3. The major objectives, for which the association or federation was established, which should be spelled out clearly and in details, and any other objectives that it intends to achieve in accordance with this Law.
4. The financial resources of the association or federation and how they will be used and expended.
5. The conditions for the acceptance of members, their rights and responsibilities and the conditions for their dismissal and withdrawal.
6. The list of the names, addresses, signatures, ages and professions of the founding members.
7. The organizational structure of the association or foundation.
8. The method for the selection of the Board of Directors of the association or foundation and the Control Committee and its purposes and responsibilities and how it conducts its meetings.
9. The financial control system.
10. How to amend the articles of association of the association or foundation.
11. The measures for the liquidation or dissolution of the association or foundation, or for its merger with another association or foundation similar to it, or its break-up to more than one association or foundation and to whom the funds and property thereof should go to accordingly.

Article (5):
1st. Anyone who signs the articles of association of an association or foundation is regarded as a founding member.

2nd. Anyone who has been convicted and finally sentenced to a criminal penalty or to one that restricts his freedom, for a crime of dishonorable conduct or in breach of trust, unless his legal status has been restored, is prohibited from being a founding member.

Article (6): The Ministry is responsible for the legal and control supervision of the positions and activities of the associations and foundations and their federations and provides support and guidance thereto to ensure their success and the achievement of their objectives.

Article (7): In coordination with the Ministry:
1st. The Ministry of Culture and Tourism is responsible for the technical supervision of the conditions and activities of the associations and foundations that are of a technical and cultural nature and their federations and shall support and guide to ensure their success and the achievement of their objectives.

2nd. The Ministry of Youth and Culture is responsible for the technical supervision of the conditions and activities of the sports and youth associations and foundations that are of a technical and cultural nature and their federations and shall support and guide to ensure their success and the achievement of their objectives.

Section ii: Registration and Proclamation

Article (8): The process of registration of an association or foundation should be based on the presentation of a written application to which should be attached a copy of its articles of association and its organizational regulations which the founders or anyone acting on their behalf should deposit with the Ministry or its branches or its relevant offices in return for a written receipt thereof.

Article (9): The Ministry or its relevant concerned office should process within one month from the date it receives the application, if this period terminates and the processing has not been completed, then the application shall be deemed to have been
accepted by force of law and the Ministry or its relevant office, based on the application of those concerned should undertake that registration in the register set up for this and to publicize this in any official newspaper.

Article (10): The Ministry or its relevant office, in the event that the application is refused pursuant to this Law should notify the founders of the decision to reject the application in writing, giving the reason thereof, and should post this in its bulletin board of the Ministry or the relevant office within ten days of the date of the decision.

Article (11): The concerned people are entitled to appeal the decision to reject the registration of associations and foundations in the court of competent jurisdiction within 60 days from the date they were notified of the rejection.

Article (12): After the registration of the association or foundation under the provisions of this Law, then it will have gained legal status recognized by law, which allows it to advocate and sue in its name and to carry out any activity permitted by the Law and its articles of association.

Article (13): The registration of an association or foundation is completed once the articles of association thereof is recorded in the register specifically set up for this at the Ministry or its relevant office after the completion of the procedures for the election procedures and the summary of the registration should be publicized at the expense of the relevant association or foundation.

Article (14): All amendments to the articles of association of any association or foundation shall be considered as not having been done unless the Ministry or its relevant office is notified thereof within 30 days from the date of approving the amendment thereof.

Article (15): Any association or foundation may set up a branch or more in any Governorate of the Republic if it is in the interest thereof and the Executive Procedures shall set the conditions and procedures of the establishment of such branches.

Article (16):
1st. The ministry and its relevant concerned office should maintain a copy of the documents related to the establishment of associations and foundations which have been registered and proclaimed and should open an account and keep the records and the procedures for the recording of such registration. The Executive Procedures shall set out the types of records, data and the recording procedures and the deletion thereof accordingly.

2nd. Every member of an association or foundation and anyone concerned is entitled to look at the contents of the documents and records stipulated in the previous paragraph, and to obtain output or copies thereof after payment of the fees set for this which will be set in the Executive Procedures.
Article (17): The name of the association or foundation, its head office address, the registration number thereof and the geographical scope of its operations [must be present] in all of its books and records and all its publications, stationery and correspondence.

Article (18): The Government shall provide the financial and material support for the associations when the following are met:

1st. That one year has passed since its establishment and since it, in fact, began undertaking its function noticeably.

2nd. That its activity serves a public benefit.

3rd. That it presents a copy of its annual final accounts approved by the General Assembly thereof to the Ministry or the relevant office thereof.

Article (19): Associations and foundations may not engage in any partisan activity or take part in any election campaign or to allocate any of its funds for such purposes directly or indirectly.

Article (20): The Ministry, represented by the relevant concerned General Directorate or its branches in the governorates is responsible for oversight of the associations and foundations and their respective federations as follows:

1st. Supervision of their elections and regulate their proceedings in the proper democratic manner.

2nd. Provide advice and technical assistance to the associations and foundations and their federations, when they are preparing their plans and undertaking their activities, based on a request by them for this.

Article (21): The Ministry may assign the operation of social centers and institutes that are related to it (such as the Productive Family, Social Care houses, etc.) to the active and successful associations to lighten the burden of the Government and to ensure the participation of the society in the contribution to sustainable social development, and the ministry shall provide monetary and material aid to thereto and the Executive Procedures shall set out the necessary and appropriate conditions and controls for this and the association or foundation may not dispose of the assets and property of these institutes and centers.

Article (22): The Ministry may subject the association or foundation which was allowed to manage any of its institutes or centers to its control and inspection of its work including the work related to the institute or center that it has assigned to it and check that it has complied with the laws and by-laws and the article of association of the association or foundation.

Article (23):

1st. Any association or foundation may, with the knowledge of the Ministry, obtain assistance from overseas from a foreign person or entity or the representatives thereof,
and they may also send anything so mentioned above to persons or entities overseas for humanitarian purposes.

2nd. Any association or foundation may, with the approval of the Ministry, undertake any activity based on a request or assignment from an external entity.

3rd. Any association or foundation may receive technical or scientific books, publications and magazines that are not in conflict with Islamic values and this Law and the other effective applicable laws.

Chapter III: The Management of Associations and Foundations and their Financial Resources

Section i: The General Assembly

Article (24): The General Assembly is composed of all the members, who have been members for at least three months and who have fulfilled their obligations for membership in accordance with the articles of association of the association or foundation.

Article (25): The General Assembly is empowered with the following authorities:

1. The approval of general policies and the organizational procedures and the amendments thereof.
2. To approve the reports of the Board of Directors and the Control Committee and the approval of the Annual Plan.
3. Review of the financial statements and the approval of the annual budget and the final annual accounts.
4. The election of the Chairman and the members of the Board of Directors and the Control Committee and the withdrawal of confidence of them or some of them.
5. Approval of the voluntary dissolution, merger or break-up of the association or foundation.
6. Any other tasks or responsibilities stipulated in the articles of association of the association or foundation.

Article (26): The quorum of the General Assembly is by the attendance of the majority of the members. If the quorum is not achieved the meeting shall be postponed for another meeting for a period not to exceed one week, and if a quorum is still not reached then, the meeting shall be postponed another twenty-four (24) hours, in which case the meeting then held will be correct by the attending members accordingly.

Article (27): A member of the General Assembly may not attend the meetings of the General Assembly on behalf of another member thereof, and may not take part in any of the voting if he has any personal interest in the decision which is being presented for voting, except the election of the management of the association or foundation.
Article (28): The resolutions of the General Assembly are passed by a majority of the members voting, and the decisions of the extraordinary meetings of the General Assembly are passed with the vote of the absolute majority of three members of the association, subject to the stipulations of Article (24) of this Law.

Article (29): The General Assembly shall hold one ordinary meeting annually by the invitation of the Chairman of the Board of Directors. It may also hold an extraordinary meeting by an invitation of the Chairman of the Board of Directors or by the call to such meeting by two-thirds of the members of the Board of Directors or by a third of the members of the General Assembly for the following matters:

1st. The amendment of the organizational procedures.

2nd. The dissolution, break-up, or merger of the association or foundation.

3rd. The withdrawal of confidence from all or some of the members of the Board of Directors or the Control Committee.

4th. Any other tasks that are set out in the organizational procedures that must be reviewed in an extraordinary meeting thereof.

Section ii: The Board of Directors

Article (30): The association or foundation should have a Board of Directors that is elected by the General Assembly and composed of five members at least and which exercises the following responsibilities:

1. Sets the general policies and regulations, runs the activities and undertakes the day-to-day affairs of the association or foundation.
2. Reviews the financial statements, approves the forecasted budget and presents to the General Assembly for the endorsement thereof.
3. Prepares the action plans and the annual activities of the association or foundation.
5. Proposes the amendment of the organizational procedures, the voluntary dissolution, merger or break-up, and the presentation of the proposal to the General Assembly its approval and endorsement thereof.
6. Preparation of an annual report, which includes the activities and the final accounts and the presentation thereof to the General Assembly for its approval thereof.
7. Preparation of the draft internal procedures and financial procedures and the presentation thereof to the General Assembly for approval thereof.
8. Entering into agreements with any entities when carrying out any projects, and in a way that does not conflict with provisions of this Law and the organizational procedures.
9. Representation of the association or foundation in the celebrations, seminars and carnivals with a view towards realizing the objectives of the association or foundation.
10. Carry out any other tasks or responsibilities set out in the organizational procedures of the association or foundation.

Article (31): If the number of the members in the Board of Directors is insufficient to have a quorum for a meeting, then the chairman of the Board of Directors, or the rest of the members can call the General Assembly to hold an extraordinary meeting where the vacant memberships should be filled or for the election of a new Board of Directors to complete the rest of the election term. If this is not done within 30 days the Ministry may call the General Assembly to meet to elect a Board of Directors within another thirty days after the expiry of the fist period.

Article (32): The Board of Directors shall meet on a monthly basis at least, and an absolute majority passes its decisions.

Article (33): The Board of Directors may appoint a Manager of the association from amongst its members or others and the appointment decree should set out the duties to be assigned to him accordingly.

Article (34): The elections of the associations and foundations are regulated as follows:

1st. The term of the Board of Directors is far three years.

2nd. The Board of Directors, before the end of its term by six months at least should prepare of the following elections and should present a report of this to the General Assembly in its meeting held for carrying out the elections for the new term and should notify the Ministry accordingly.

3rd. If the association or foundation does not hold its regular elections as set out in Paragraph (A) of this Article, the Ministry has the right to call the General Assembly for the election of the new Board of Directors within three months.

Article (35): A member of the Board of Directors of an association or foundation may not also be employed with the Ministry or other public entities that are responsible for overseeing, guiding or controlling the association or foundation, or otherwise providing it with funds, unless approval thereof is issued for reasons that are necessitated by public interest. This prohibition is applicable to the senior management of the mentioned entities from the level of Department Manager or above, who are actually exercising a management function in such entities.

Section iii: The Control and Inspection Committee

Article (36): Every association or foundation should have a Control Committee elected by the General Assembly from its membership, either by calling out the votes or by secret ballots, for a period of three years. The organizational procedures shall sat the minimum and maximum numbers of the Control Committee, provided that they are not members of the Board of Directors also.
Article (37): The organizational procedures shall set out the duties and responsibilities of the Control and Inspection Committee and the duties and responsibilities of its Chairman and its members.

Article (38): The Control and Inspection Committee of the association or foundation shall meet at least on a quarterly basis.

Section iv: The Financial Resources of the Associations and Foundations

Article (39):
1. The revenues of the association or foundation consist of the following:
   1st. The fees, subscriptions and contributions of the members.

   2nd. The assistance, aid, contributions, endowments, testate grants and unconditional grants, whether from a government entity or from authorities or organizations, and in a manner that does not conflict with the effective applicable laws.

   3rd. Proceeds realized from the assets of the association or foundation or from the economic activities in which it is engaged.

2. The associations and foundations may engage in economic and trading activities that are permitted by law in the following cases:
   1st. If the purpose is to generate a profit that is consistent with the purposes and objectives of the association or foundation.

   2nd. If there is no direct or indirect distribution of the profits from these economic activities, whether to the founders or to the Members of the association or foundation, or for its senior officials, the members of the Board of Directors, employees, or the providers of assistance and subsidies thereto.

   3rd. That such activities do constitute any speculation or financial risk that is not secured for the association or foundation.

Article (40): The associations and foundations that are subject to the provisions hereunder enjoy the following advantages:
1. Exemption from all forms of taxes for all the proceeds that they realize and the sources of their income.

2. Exemption from customs taxes and fees for the import of goods, supplies, equipment, instruments, spare parts, primary raw materials, whether manufactured or not manufactured, which are necessary to achieve its objectives.

3. Exemptions from customs duty on the gifts, grants and assistance it receives from overseas, which are needed for, undertaking its mission, based on the proposal of the Minister and the approval of the Minister of Finance.
4. The tariffs for electricity and water utilities that are applicable to domestic users are applicable to the Head Offices of the associations and foundations, and are also provided with a reduction of 50% of the value of their consumption accordingly.

Article (41): Durable goods, which are set out by the Minister, in agreement with the Ministry of Finance may not be disposed before five years have passed, unless the applicable customs taxes and duties, which are due thereon, are paid.

Article (42): The association or foundation may carry out service and productive enterprises, festivals, flea markets, exhibitions, sports tournaments for the achievement of its objectives and for supporting its financial resources.

Article (43): Every association or foundation should maintain complete and accurate books and records for its financial transactions, in accordance with the accounting standards and should adopt a policy of keeping its administrative and financial records and books as follows:

1. Keep permanently the following:
   1st. The original organizational procedures and any subsequent amendments thereto.
   2nd. The application file for the establishment of the association or foundation and any other applications for subsequent amendments or subsequent renewal [of the registration thereof].
   3rd. The minutes of meetings of the General Assembly or the Board of Directors and any other Committee branching out of them including the resolutions passed in such meetings and the relevant attachments thereto.
   4th. The rules, regulations, procedures and by-laws that are adopted by the General Assembly or the Board of Directors or any Committee branching out of them.

2. Financial records should be kept for nine (9) years.

3. All other documents and records should be kept for five (5) years.

**Chapter IV: Dissolution, Liquidation, Merger and Break-up of Associations and Foundations**

**Section i: Dissolution and Liquidation**

Article (44):
1st. The Ministry may sue for the dissolution of an association of foundation with the court of competent jurisdiction in the event that the association or foundation carried a serious breach of the provisions of this Law and the other applicable effective laws.
2nd. A suit may not be undertaken for the dissolution thereof unless the Ministry has given the association or foundation three notices within six months to remedy the violation and the association or foundation did not do so accordingly.

3rd. The dissolution judgment shall not be effective until the competent court of jurisdiction has issued a final ruling accordingly.

4th. An association may be dissolved by a resolution passed by a two-thirds majority of the General Assembly in an extraordinary meeting thereof, in accordance with the rules set out thereto in its organizational procedures.

5th. If the organizational procedure did not include stipulations for the appointment of a receiver, receivers or the method by which they are selected, or if the General Assembly could not agree on their selection, the court of competent jurisdiction shall select them and determine their fees and the length of the period for the liquidation thereof.

6th. For the purposes of the liquidation thereof, the legal person status of the association or foundation shall remain in effect pending completion of the period required accordingly.

7th. The Ministry should, within thirty (30) days of the approval for the voluntary dissolution of the association or foundation, or the issuance of a court ruling for the dissolution thereof by the competent court of jurisdiction, announce the dissolution of the association and delete it from the general records which it was registered in and should publicize as such in an official newspaper.

8th. If any association obtained any tax incentives or public contributions from the public or grants from any government entity or organization and it became subject to dissolution and liquidation proceedings, then its remaining properties and assets should be distributed as follows:

1. Meeting the outstanding debts and liabilities in accordance with the method set out in the organizational procedures or as dictated by the liquidation process.
2. The rest of the properties and assets should be turned over to any other association that has the same purposes or similar purposes based on a resolution passed by the General Assembly prior to the resolution for the dissolution, or by a ruling of the court.

Article (46):
1st. The association that is subjected to dissolution may initiate by submitting all its funds, documents, records and papers to the receiver by just requesting so, and it is forbidden from disposing of any of its affairs, funds or rights, as is the case with the entity that the funds were deposited with and the creditors, who are also forbidden accordingly, unless this is with the written order of the receiver.
2nd. The members of the association that was subjected to dissolution or any other person involved in the management thereof are forbidden from carrying on with the activities thereof and the disposal of its funds and properties.

Section ii: Merger and Break-up

Article (47):
1st. An association or foundation may be merged with another association or foundation that has the same or similar purposes, provided that the decision to merge shall be issued with the approval of two-thirds of the General Assembly or the founders of the foundation. The decisions as such shall not be effective until the Ministry has confirmed the propriety of the procedures of the merger and the new association or foundation shall be considered as a legal person in accordance with the provisions of this Law.

2nd. The decisions for mergers shall be considered as being merely contracts by which the rights, obligations and assets of the association or foundation prior to the merger are transferred to the newly merged association or foundation accordingly.

Article (48):
1st. The activities of any association may be broken up into two or more associations in exceptional situations with due cause, and for a clear interest that is determined by the General Assembly by a two-thirds vote thereto.

2nd. The decisions for a break-up shall be considered as being merely contracts by which the rights, obligations and assets of the association or foundation prior to the break-up are transferred to the newly merged association or foundation accordingly. The newly formed associations and foundations duly formed as such shall gain legal status as a legal person in accordance with his Law.

3rd. When deciding on a break-up or split, the General Assembly shall designate an legal accountant to undertake the distribution of the rights, liabilities and assets of the association prior to the break-up between the two or more new associations formed as such.

Chapter VI: Foundations

Article (49): The provisions of this Law that are applicable to associations shall be applicable to foundations, unless particular stipulations are otherwise provided herein.

Article (50): Foundations are established by the allocation of a certain amount of funds for a specified or unspecified period for a purpose other than the generation of commercial profits.

Article (51): A foundation may be established by one or more natural or legal persons or any combination of the two, and a foundation may be established by a registered testate for undertaking charitable work.
Article (52): The founders of the foundation shall prepare it articles of establishment or organizational procedures, which should specifically include the following:

1st. The name of the foundation, its geographical scope of operations and the head office address.

2nd. The purpose for which the foundation was established.

3rd. A statement of the funds to be allocated for the achievement of the purposes of the foundation.

4th. The organization of the management of the foundation including the designation of the Chairman and members of the Board of Trustees and the method of designating the Executive Director of the foundation.

Article (53): Substantiation of the legal person status of the foundation immediately after its registration and recording at the Ministry, and the recording and registration process shall be completed upon the submission of an application by the founder of the foundation or anyone legally acting on his behalf or the trustee designated to execute a testate will.

Article (54): Every foundation should have a Board of Trustees composed of three persons at least, designated by the founder or founders. The Chairman and members may be members thereof or others.

Article (55): The foundation should give notice to the Ministry of the designation of the Board of Trustees or any amendments thereof.

Article (56): The Board of Trustees of the foundation is responsible for the management of the foundation in accordance with the organizational procedures thereof and the Chairman shall represent the foundation in court and with other parties.

Article (57): The foundation shall have an annual budget, which should include its revenues, expenditures, and the ways in which its funds shall be split.

Article (58): By a decision of the founder thereof or by anyone designated to issue such a decision in the organizational procedures, a foundation may be dissolved and liquidated, and the organizational procedures thereof shall determine the method for the disposal of the funds and property, and if it was a testate foundation then the disposal thereof should not violate the will.
Chapter VI: Federations

Section i: The Governorate Foundation and the Federations of Specific Type

Article (59): Associations and foundations are entitled to set up from among them federations at the governorate level and federations of a specific type of associations and foundations within the scope of their geographical operations or at the level of the Republic as a whole, and the federation shall be a legal person, and it shall be set up in a manner that will ensure their voluntary joining or withdrawal. The Governorate Federation shall consist of the associations and foundations within a single governorate or at the national level, which seeks to achieve a specific function in a specific field. The federation may not refuse an application to join it, as long as the conditions for joining have been met. The Executive Procedures of this Law shall set out the procedures and conditions for the establishment and formation of the federations.

Article (60): No more than one Federation should be set up at the Governorate level or the formation of Federation of a specific type with less than ten member associations or foundations that are in the governorate.

Article (61): The Governorate Federation and the Federation of a Specific Type are responsible for:

1st. Preparation of the database and the provision of enough information on the associations and foundations which operate within its geographical scope, including the studies and research that are related to it, as well as the local and foreign conferences that are connected with its activities,

2nd. To work towards publishing a directory of the list of associations and foundations that are registered within its geographical scope, in order to inform the public about them and to persuade them to contribute to and participate in its activities.

3rd. Undertake the required social research in the geographical scope of the federation and to participate in the general social research that is undertaken by the General Federation of Associations and Federations.

4th. Coordination of effort between the associations and foundations that are members in the federation to ensure their integration.

5th. Provision of services that are provided by the associations or foundations, in light of the needs of the society and the resources of these associations and foundations and their available resources.

6th. Organization of the programs for the technical and administrative preparation and training of the employees of the associations and foundations and their members.
7th. Study of the problems of funding the associations or foundations and to work towards finding solutions for them.

**Section ii: The Central Federation of Associations and Foundations**

Article (62): A General Federation for Associations and Foundations shall be established, which will have the status of a legal person and which will include in its membership the governorate federations and the federations of a specific type in accordance with the following:

1st. The head Office of the Federation shall be in the Capital Secretariat and it may open up branches in the governorates.

2nd. The management of the Federation shall be carried by an Executive Office, which shall be elected by the General Board.

3rd. The legal period for the General Federation shall be set for four (4) years.

4th. The General Federation shall have its internal procedures that shall be issued by the General Board of the Federation.

Article (63): The General Federation of Associations and Foundations is responsible for the following:

1st. Preparation of a general outlook on the role of the associations and foundations in the implementation of the social development programs.

2nd. Undertake the necessary studies for the provision of the required funding needed by the associations and foundations and for the development of their resources, and to undertake contacts with the domestic and external entities that will help in the provision of assistance and aid and to give them advice on the methods for enhancing their financial capabilities.

3rd. Preparation of the technical and administrative preparation and training for the staff of the associations and foundations and their members in coordination with the federations by type and the governorate federations.

Article (64): The General Federation shall have a General Congress which is responsible for the election of the General Board of the Federation from among its members and is composed of the General Congress of:

1st. The Executive Offices of the Governorate Federations and the Federations of Specific Type.

2nd. Delegates of the Congress at the Governorate level, the organizational procedures shall set the constitution of the General Federation, and shall set the rules of the General Board and the Control Committee and the method of electing their members.
Article (65): The Executive procedures of this Law shall set forth the procedures and conditions of the formation and establishment of the Federation of Specific Type and General Federation.

Article (66): The General Board of the General Federation elects an Executive Office of seven members at least, but no more than fifteen members.

Chapter VII: Penalties

Article (67): The following penalties are without prejudice to the penalties that are more severe stipulated in the Criminal Law, Penal Law or any other law.

Article (68): The punishment of imprisonment for a maximum of one year or a fine of a maximum of YR 100,000 is meted out to anyone who:

1. Wrote or presented or maintained a record or document that are supposed to be maintained as ordained by the Law, which contains fraudulent data knowingly, and all those who gave any data so mentioned to any entries not responsible, or intentionally covered up any information required by Law to be presented to the relevant concerned entities.
2. Undertook activities that are in excess of the purposes for which the association or foundation was established, or who spent its funds for a purpose that does not serve the purpose thereof, or used its funds in speculative activities for his own account or for the account of association or foundation, in violation of the provisions of this Law.
3. Participate in the continuation of the activities of an association or foundation which has been decreed for dissolution or liquidation knowingly so, and the knowledge is considered proven against all by just merely publicizing the issuance of the dissolution and liquidation decree.
4. The disposal or the use of the exemptions or the facilities referred to in this Law for purposes other than those specifically set for hereunder.
5. All receivers who distribute to members or others the assets or property of the association or foundation, in violation of the regulations thereof or the decree for the dissolution thereof.

Article (69): The punishment of imprisonment of a maximum of six months, or a fine of a maximum of YR 50,000 to anyone who:

1. Permits anyone other than the members of the association or foundation, whose names are registered in its registers, to participate in the management, and discussions of the General Assembly, without the approval of the Board of Directors.
2. Solicit the collection of contributions from the public or from a legal person or more for personal purposes otherwise than the conditions and situations that are permitted by this Law to do so.
3. Who was proven to attempt to ruin or harm the association or foundation or any of its management committees, or who attempted to infringe upon its activities or work; whether he was from the association or foundation or from outside.

Article (70): For any other violations of the provisions of this Law, or its Executive Procedures, or decrees related to if, the perpetrator thereof shall be penalized by imprisonment of a maximum of three months or a fine of a maximum of YR 30,000.

Chapter VIII: Final Provisions

Article (71): Associations or foundations may appeal to the court of competent jurisdiction against any measure taken against it by the Ministry or any other Government organ.

Article (72): The members of any association or foundation may appeal to the court of competent jurisdiction against any decrees or measures taken by the Board of Directors that are in violation of the provisions of this Law and the other effective applicable laws, or the organization procedures, within 30 days of the date of issuance of the decree or the violation thereof or the date of being notified of such a decree.

Article (73): The General Assembly or the Board of Directors may form permanent or temporary committees, in accordance with the organizational procedures of the association or foundation.

Article (74): The members of the Board of Directors and the employees of the association or foundation shall be personally liable for their actions while working for the association or foundation or as a result of a deficiency or negligence in the performance of the duties assigned to them.

Article (75): The Chairman and members of the Board of Directors and the employees of the association or foundation should keep the information and date of the association or foundation confidential and should not disclose thereof, unless it is for those are concerned, in accordance with the provisions of this Law.

Article (76): The net profits, proceeds and assets of the association or foundation may not be used obtain any direct or indirect personal benefits of any of the members of the Board of Directors, or employees or founders or contributor thereof.

Article (78):
1st. Every association or foundation shall open an account with any recognized bank in the Republic of Yemen, where it maintains its funds. It may keep an amount with its cashier sufficient to meet the expenses of the association or foundation for a maximum period of two months.

2nd. In all cases, the association or foundation should deposit all its revenues to the bank as they are collected, without any deductions thereof for meeting any other expenditure.
Article (79): Non-Yemeni associations or foundations may open offices or branches in Republic of Yemen, provided that there is nothing in its purposes which violates Islamic values, or the provisions of this Law, the Constitution and the other effective applicable laws, and provided that such offices and branches are registered in the appropriate registers set up for this purpose in the Ministry Headquarters, in accordance with the procedures outlined in the Executive Procedures of this Law.

Article (80): The citizens of fraternal and friendly countries may set up associations or foundations through which they engage in cultural, sports and social functions, provided that its purposes should not include what is construed as a violation of Islamic values, or the provisions of the Constitution, this Law and the effective applicable laws, and provided that they present an official application therefore through their embassies or their diplomats that are accredited in the Republic of Yemen, to the Ministry of Foreign Affairs and from there to the Ministry.

Article (81): Fraternal and friendship societies may be set up, which will work for cooperation in cultural, social, and economic fields, that are not in violation of Islamic values, or the provisions of the Constitution or this Law, and which work to enhance relationships between the fraternal and friendly countries and Republic of Yemen.

Article (82): The existing associations and foundations are hereby granted a period of one year to renew and adjust their situation in accordance with the provisions of this Law.

Article (83): The Executive Procedures of this Law shall set the financial resources of the Governorate federations and the Federations by specific type and the General Federation.

Article (84): Any association or foundation established in accordance with the provisions of this Law may not proceed with its activities except after it has completed the registration procedures thereof.

Article (85): The provisions of this Law are not applicable to the labor unions, cooperative associations and foundations.

Article (86): The Executive Procedures of this Law shall be issued by a Decree of the Prime Minister, based on a proposal presented by the Minister, within a period of six months maximum from the date of issuance of this Law.

Article (87): Law No. 11 for the Year 1963 concerning Association and any other legal stipulations that conflict with the stipulations hereunder provided is hereby cancelled.

Article (88): This law is effective from the date of issuance and shall be published in the Official Gazette.

Issued at the office of the presidency in Sana'a

Ali Abdullah Saleh
President of the Republic