



Republika e Kosovës
Republika Kosovo-Republic of Kosovo
Kuvendi - Skupština - Assembly

Law No.04/L –057

**ON FREEDOM OF ASSOCIATION IN NON-GOVERNMENTAL
ORGANISATIONS**

The Assembly of the Republic of Kosovo;

Based on Article 65 (1) of the Constitution of the Republic of Kosovo,

Approves

**LAW ON FREEDOM OF ASSOCIATION IN NON-OVERNMENTAL
ORGANISATIONS**

**CHAPTER I
GENERAL PROVISIONS**

**Article 1
Aims and scope of this Law**

1. This Law sets out the establishment, registration, internal management, activity, dissolution and removal from register of legal persons organized as NGOs in Kosovo.
2. This Law does not apply to political parties, trade unions and unions' organizations and religion centers or temples and other fields regulated with special laws.

Article 2

Definitions

1. Terms used in this Law shall have the following meaning:

1.1. **Non-Governmental Organization** (“NGO”) - any domestic association and foundation, as defined in Article 5 of this Law, or any foreign or international organization as defined in Article 7 of this Law;

1.2. **Ministry** - the Ministry of Public Administration;

1.3. **Minister** - the Minister of Public Administration;

1.4. **Competent Body** - the NGO registration and removal from register;

1.5. **Person** - any foreign or domestic legal or natural person;

1.6. **Authorized Representative** - an individual residing in Kosovo, who is of legal age and has ability to act, authorized to represent an NGO and to receive official notices and inquiries;

1.7. **Family member** - a spouse, children, parents, grandparents, grandsons, granddaughters, siblings, their children and spouses and immediate in-law family members (parents in law, brothers and sisters in law and their children);

1.8. **Extraordinary situations** - including natural disasters that are beyond the NGOs control and actually prevent the NGO from completing and submitting a report as foreseen by Article 18 of this law.

Article 3

Freedom of Association

1. Every person in Kosovo shall enjoy the full rights to freedom of association and establishment of NGO.

2. No person shall be required to associate involuntarily and no person shall be discriminated against in any way because of any decision to associate or not to associate.

Article 4

Non-distribution of Earnings

1. NGO shall not distribute any net earnings or profits as such to any person.

2. The assets, earnings and profits of an NGO shall be used to support the non-profit purposes assigned for the organization.

3. The assets, earnings and profits of NGO shall not be used to provide benefits, directly or indirectly, to any founder, director, officer, member, employee, or donor of the NGO, except the payment or reasonable compensation to such persons for work performed for the organization.

CHAPTER II ESTABLISHMENT OF NGO

Article 5 Notion of NGO in Kosovo

1. Domestic NGO is association or foundation established in Kosovo to accomplish the purpose based on the law, either for public benefit or mutual interest.

2. An association is a membership organization. An association may be established by at least three (3) or more persons, at least one of whom has a residence or seat in Kosovo.

3. A foundation is an organization without membership established to manage properties and assets. A foundation may be established by one or more persons, at least one of whom has a residence or seat in Kosovo.

Article 6 Establishment of Associations and Foundations in Kosovo

1. An association or foundation is established by a founding instrument which shall contain the following records:

1.1. the official name, official acronym and the official logo of the organization;

1.2. its organizational form (association, foundation);

1.3. the organization's address;

1.4. the organization's purposes and activities;

1.5. the names and addresses of the founders;

1.6. the name, address and other contact information of the authorized representative;

- 1.7. the timeline for which the organization is established, if there is such.
2. A foundation may also be established by a will, bequest, if it includes the information set forth in paragraph 1 of this Article.
3. An association or foundation shall have a statute containing the following information:
 - 3.1. the name of the organization, seat and logo;
 - 3.2. the purposes of the organization;
 - 3.3. the name of the highest governing body;
 - 3.4. if the NGO is an association, the procedures for electing and dismissing members, the conditions for membership, and if the organization decides to have a Board, the procedures for electing and dismissing members of the Board and the allocation of powers and responsibilities between the General Assembly of members and the Board;
 - 3.5. if the NGO is a foundation, the procedures for electing and dismissing members of the Board;
 - 3.6. the competences and responsibilities of officers, if any;
 - 3.7. the way of decision-making;
 - 3.8. rules and procedures for:
 - 3.8.1. amending the founding instrument and statute;
 - 3.8.2. merging, splitting up, or dissolving the organization, and
 - 3.8.3. distribution of any assets remaining after such dissolution.
4. A statute may contain any other rule, provision, or procedure that is not inconsistent with the requirements foreseen in this Law.
5. Rules and procedures of internal governance included in NGOs statute shall comply with democratic principles.
6. An association or foundation shall have only those powers, and be entitled to engage only in those activities and purposes, consistent with its Founding Instrument and statute and which are permitted by Law.

Article 7
Foreign and International NGOs

A foreign or international NGO is a legal person established outside of Kosovo under legislation that substantially meets the requirements of Article 4 of this Law.

Article 8
Association of Legal Persons

Legal Persons, including NGOs, may found associations, foundations to advance their lawful purpose, whether for public or mutual benefit, in accordance with Articles 5 and 6 of this Law.

Article 9
Registration

1. Every person, notwithstanding the nationality, race, color, gender, language, religion, political or other opinions, national or social origin, association with any community, property, economic and social situation, sexual orientation, birth, disability or any other personal statute shall be eligible to register NGO under the terms and conditions of this Law. No person needs to register the NGO to exercise the right on freedom of association.

2. The NGO shall be registered at the respective department at the Ministry of Public Administration.

3. The NGO shall attach to registration application an application form, founding instrument, and its statute.

4. An NGO shall designate in writing an Authorized Representative. All applications for registration must be signed by the NGOs Authorized Representative. The establishment act is signed by three establishers.

5. A foreign or international NGO registers by filing the following documentation:

5.1. an application form;

5.2. proof that it is a legal person in another country;

5.3. the organization's address in Kosovo; and

5.4. a written statement from a representative of the NGOs headquarters with authority to provide such statement stating:

5.4.1. the purposes of the NGO;

5.4.2. a general description of the activities that the NGO is planning to carry out in Kosovo, and

5.4.3. the name, address and other contact information of the Authorized Representative.

6. Applications for the registration of NGOs shall be submitted to and accepted by the competent body. Registration decisions and Registration numbers shall be taken and assigned by the competent body.

7. Documents submitted by an NGO in support of its application for registration shall be in corresponding languages in compliance with Constitution of Republic of Kosovo.

8. Notwithstanding paragraph 7. of this Article, documents submitted by a foreign or international NGO as proof that it is a legal person in another country, shall be submitted in their original language, together with translation of documentation in official languages in the Republic of Kosovo. Translation should be from the licensed authorized interpreter. Any substantive or misleading difference between the original language and translated document is a reason for withdrawing the organization's registration.

9. The Competent Body shall issue to an NGO a registration certificate or a written decision denying registration within sixty (60) days from the day of receipt of the registration application, unless the competent body requests in writing during that same time period further information or clarification. If registration is refused, the competent body shall include in the decision on refusal an explanation of the legal basis on grounds of which registration is refused and the right to appeal.

10. If the competent body requests in writing further information or clarification in connection with an application to register, the sixty (60) day period within which the competent body must issue a registration certificate or a written decision denying registration shall cease to run as of the date of the written request. Upon receipt of the further information or clarification requested, the competent body shall issue a registration certificate or a written decision denying registration within:

10.1. the number of days remaining in the original sixty (60) day time period for issuing a decision;

10.2. fourteen (14) days from the receipt of additional information or clarification, whichever term is longer.

11. A NGO shall inform the competent body within thirty (30) days of any change to the information required in paragraphs 1. and 3. of Article 6 and paragraph 5 of this Article. Amendments to registration shall be subject to procedures, standards, and time limits equivalent to those applicable to initial registration. Amendments accepted by the

competent body shall be recorded, registered, and publicly available under Article 12 of this Law.

Article 10 Denial of Registration

1. The Competent Body may deny an application if:
 - 1.1. the registration documents do not comply with the requirements of this Law;
 - 1.2. if the statute of the NGO would violate the provisions of the applicable Law;
 - 1.3. the organization seeking registration has the same name or acronym so similar to a previously registered or already established NGO that confusion is likely to result.
 - 1.4. if the statute and the program of the NGO promotes inequality based on race, religious, color, gender, language, religion, political or other opinions, national or social origin, association with any community, property, economic and social situation, sexual orientation, birth, disability or any other personal statute.

Article 11 Legal Status

1. A domestic NGO shall have the status of a legal person in Kosovo upon registration pursuant to this Law.
2. Upon registration, a foreign or international NGO is authorized to operate as a legal person in Kosovo.
3. Domestic and foreign or international NGOs are subject to all applicable Laws in Republic of Kosovo.
4. Any notice, letter, summons, or other legal acts shall be considered validly served on a registered NGO if it is delivered in person or by mail to the authorized representative or to the address specified pursuant to sub-paragraph 1.3. paragraph 1 of Article 6 and sub-paragraph 5.3. paragraph 5 of Article 9 of this Law.
5. Officers, directors and employees of registered NGOs shall not be personally liable for the debts or obligations of the NGO, but they shall be personally liable for willful or grossly negligent performance or neglect of duty.

Article 12
NGOs Register

1. The Competent Body shall maintain a register of NGOs.
2. The register shall contain the name, address, organizational form and purposes, establishers of each NGO, name and other contact information of its authorized representative and shall also indicate if an NGO has public benefit status.
3. The competent body shall be responsible for updating the data in the public register.
4. Local, foreign and international NGOs are obliged to submit once a year to the competent authority a statement confirming that the information required under paragraph 2 of this Article are still valid, or that have changed.
5. Failure to submit this statement for two (2) years in a row obligates the competent body to undertake procedures for removing from register the NGO. The competent body is obliged that sixty (60) days before the expiry of three (3) years term to deliver this statement and notify in written the NGO on the consequences of failure to meet this obligation.
6. The register shall be available to the public in accordance with the Law on protection of personal data.

CHAPTER III
INTERNAL ORGANIZATION AND FUNCTIONING OF NGO

Article 13
Internal Governance of Associations and Foundations

1. The highest governing body of an association shall be the Assembly, which shall consist of all members of the association. All members of the association shall be entitled to participate in meetings of the Assembly.
2. The highest governing body of a foundation shall be the Board of Directors. The Board of Directors shall consist of at least three (3) members.
3. The highest governing body shall have full responsibility for the policies and financial affairs of the organization and shall meet at least once a year, at which time it shall review and approve the assets, liabilities, income, expenditures, and programs of the organization for the past year as well as the anticipated plans for assets, liabilities, income, expenditures and programs for the upcoming year.

4. The highest governing body of an NGO shall not delegate:
 - 4.1. the duties under paragraph 3 of this Article;
 - 4.2. the election of officers in leading positions of the NGO;
 - 4.3. amendments to the Founding Instrument or Statute; and
 - 4.4. decisions to merge, split up, or dissolve the NGO.

Article 14
Conflicts of Interest and Duty of Loyalty

1. No member of a governing body shall be allowed to participate in the consideration or decision of any matter in which he or she has a direct or indirect personal or economic interest. A member of a governing body shall be deemed to have an economic interest if he/she or any family member has a direct or indirect economic interest.
2. Any transaction between an NGO and an affiliated organization, or between an NGO and its members, officers, members of the Board, or employees shall be prohibited unless the governing body determines after reasonable investigation that the transaction is in the best interests of and fair and reasonable to, the NGO and that the NGO could not have obtained a more advantageous arrangement with reasonable effort under the existing circumstances.
3. Officers and board members of an NGO have a duty to exercise loyalty to the NGO, to protect the confidentiality of non-public NGO-related information and interest of the NGO, and to carry out their responsibilities to the NGO with faith and diligence.

Article 15
Prohibition on Fundraising, Campaigning, and Endorsing Political Candidates/Parties

NGOs may not engage in fundraising or campaigning to support political parties or candidates for political office, nor may they propose, register or in any way endorse candidates for public office.

Article 16
Property and Resources

1. The income of an NGO may include donations of cash, securities, contributions in goods, bequests; membership, gifts, grants, real or personal property and income

generated from any lawful activities undertaken by the NGO with its property and resources.

2. An NGO may engage in economic activities for the purpose of supporting its non-profit activities, in compliance with Article 4, and provided that income realized through economic activities is used solely to accomplish the purposes specified in the NGOs statute.

3. An NGO may own and manage property and assets for the accomplishment of its non-profit purposes.

4. It is forbidden by law to finance organizations whose activity does not coincide with legal order in the Republic of Kosovo and the international applicable right.

CHAPTER IV PUBLIC BENEFICIARY STATUS OF NGO, FINANCIAL REPORTING AND ITS SUSPENSION

Article 17 Public Beneficiary Status

1. NGO registered under this law may apply for public beneficiary status if the NGO is organized and operated to undertake one or more of the following as its principal activities: humanitarian assistance and relief, support for disabled persons, charity activities, education, health, culture, youth, sport, environmental conservation or protection, economic reconstruction and development, the promotion of human rights, the promotion of democratic practices and civil society, or any other activity that serves the public beneficiary.

2. Education and health NGOs activities shall constitute public beneficiary activities only if significant benefits are provided free of charge or less than fair market value to disadvantaged individuals or groups. NGOs activity for economic development shall constitute a public beneficiary activity only if it is undertaken primarily for the benefit of disadvantaged individuals or groups.

3. An NGO may apply for public beneficiary status upon initial registration by the NGO or thereafter. The Competent Body shall grant public beneficiary status if the registration documents of the NGO demonstrate that the purposes and activities of the NGO satisfy the requirements of paragraph 1 and paragraph 2 of this Article.

4. NGOs with public beneficiary status shall be entitled to tax and fiscal benefits, except those which are essentially charges for municipal public services.

5. To implement this Article, the Ministry shall propose sub-legal act which shall be adopted by the Government.

Article 18
Financial and Activity Reporting Obligations for NGOs with Public Beneficiary Status

1. An NGO that has been granted public beneficiary status must file each year an annual report to the Competent Body with respect to its operations and activities within Kosovo. Reports must be filed by the end of March each year for the reporting year ending 31 December of the previous year.

2. The annual report shall be signed by the Authorized Representative of the NGO. The Authorized Representative is responsible that all statements in the report are true and correct.

3. The annual report shall necessarily consist of the following three sections:

3.1. management and Administration Section;

3.2. report on Activities and Achievements, and

3.3. financial Statement.

4. The Management and Administration Section shall include:

4.1. name, acronym, (name in initials), address, telephone number, fax number and e- mail address of the NGO;

4.2. name of the chief executive officer (e.g. the manager or Executive Director), and

4.3. names of the members of the governing body, and names and titles of all officers in leading positions.

5. The Report on Activities and Achievements shall include:

5.1. a statement of the mission and public benefit purpose of the NGO;

5.2. identification of major programs, and the activities designed to implement those programs. The statement should be sufficient to demonstrate how the organization fulfills its public benefit purposes through its activities;

5.3. a statement of key program achievements;

- 5.4. if the NGO undertakes other activities in addition to activities that serve the public benefit as defined in paragraph 1 of Article 17 of this Law, a statement describing those activities;
- 5.5. a statement that the NGO undertook no fundraising or campaigning to support political parties or appointed or elected candidates for public office, or registration or endorsement of appointed or elected candidates for public office, during the reporting period;
- 5.6. an NGO that engages in public benefit activities in the fields of education or health, a statement of the following should be filed:
- 5.6.1. the type of disadvantaged individuals or groups served;
 - 5.6.2. the types of benefits to these disadvantaged individuals or groups that the organization provides, and
 - 5.6.3. a certification that those benefits are provided free of charge or at less than fair market value;
- 5.7. for an NGO that engages in public benefit activities in the field of economic development, a statement of the type of disadvantaged individuals or groups served.
6. The Financial Statements shall be prepared using forms provided by the competent body, and shall include, at a minimum:
- 6.1. a balance sheet, showing the assets and liabilities of the organization; and
 - 6.2. a financial statement on the source of income, where incomes and expenses of the NGO are presented separately for the management, administration and programming section.
7. By the request of an NGO, the competent body may grant to the NGO, extra time for filing annual reports if such a requirement would be imposed by extraordinary circumstances, but not later than thirty (30) days from the day when passing these circumstances.
8. The Financial Statements shall be prepared by the end of March for the one year period ending December 31st of the previous year.
9. The Financial Statements prepared and submitted by domestic NGOs with annual income or expenditure in excess of one hundred thousand (100.000) € and by foreign and international NGOs with annual income or expenditure in connection with their operations and activities within the Republic of Kosovo in excess of one hundred thousand (100.000) € shall include a financial statement of fiscal year as in the Republic

of Kosovo, including the audit report for the previous year, signed by a licensed auditor in the Republic of Kosovo, in order that the material aspects and financial position of the organization for that reporting period is presented fairly.

10. The annual report shall include:

10.1. a statement including all activities as well as payment of salaries of the NGO employees, including job descriptions of the persons involved and contractual relations between the NGO and the other party in performing that task, or

10.2. a certification that the NGO has not developed the foreseen activity under subparagraph 10.1 of this paragraph, during the reporting period.

11. Reports filed in accordance with this Article shall be available to the public. An NGO may identify information it considers confidential in its report and request that the competent body delete such information before making the report available to the public. Information or assets that may be considered confidential for purposes of this Article includes personal or financial information of employees of the organization. An NGO must file a request for non publishing information at the time that it files the report in question, and must state specific reasons for confidential treatment of the information. The NGO shall in addition provide confidential information separately from the rest of its Report and must clearly state that the report is subject to a request for non publishing. The Competent Body shall respond in writing stating its decision to grant or deny the request to non publishing within fifteen (15) days of the request.

12. Unauthorized and illegal publication, by competent body containing respective data shall be punished according to legal provision in force.

13. The competent body, after successfully completing the reporting obligation of NGO with public benefit status, as required under this article, shall provide the NGO with a new certificate for public beneficiary status for one (1) year.

Article 19

Suspension, revocation and voluntary withdrawal of Public Beneficiary Status

1. The Competent Body may suspend a public beneficiary status of an NGO that fails to file a complete annual report as required by Article 18. An NGO that fails to file a report required by this law within the time specified in paragraph 1 of Article 18 of this law, or that files an incomplete report, will be given written notice of the failure by the competent body. The written notice shall instruct the NGO to file the missing or incomplete reports within thirty (30) days of the date of the notice, and inform the NGO that failure to do so shall result in the suspension of the public benefit status of the NGO and all benefits thereof.

2. An NGO that fails to file a complete report as required within thirty (30) days of a written notice pursuant to paragraph 1 of this Article, will be given written notice by the competent body that its public beneficiary status and all benefits thereof have been suspended, and, if the NGO fails to provide the report within sixty (60) days of the notice, the competent body shall issue the decision for revocation of public beneficiary status. The NGO is obliged to retroactively conduct all unpaid tax and customs duties derived from tax and customs facilities for Public Beneficiary Status, for the period for which failed to report, within six (6) months of the receipt of decision.

3. The Competent Body shall suspend the public beneficiary status of an NGO if, after review of an annual report submitted by an NGO, determines that the NGO no longer meets the requirements for public beneficiary status foreseen under Article 17 of this Law. Upon this determination, the competent body shall notify the NGO in writing about the reasons for suspension of the NGO's public beneficiary status and benefits thereof. The NGO may, within thirty (30) days from the receipt of notice, provide the competent body with written information to support its eligibility for public beneficiary status. Upon failure of the NGO to provide acceptable information by the required date, the Competent Body shall issue a decision on revocation of the public beneficiary status. The NGO is obliged to retroactively accomplish all unpaid tax and customs duties derived from unpaid tax and customs facilities for public beneficiary status for the period for which violation is found, within six (6) months from the receipt of the decision. The competent body shall notify in writing the tax and customs authorities on the decision.

4. The NGO, whose public beneficiary status is revoked, has the right to apply again for the public benefit status after three (3) years of expiry of the date of revocation.

5. NGO with public beneficiary status may apply to withdraw from this status after the end of the financial year for which enjoyed the facilities guaranteed by the public benefit status. The request for withdrawal from this status for the coming year should be made at least forty-five (45) days before the end of calendar year during which the NGO is enjoying the public benefit status. The competent body is obliged to decide on the withdrawal from public benefit status no later than thirty (30) days after receipt of request, by informing on the decision all tax and customs authorities. NGO that voluntarily withdraws the public beneficiary status has the right to request this status again, according to the procedures prescribed by law.

CHAPTER V
TERMINATION AND REMOVAL OF NGO FROM REGISTER

Article 20
Termination of NGO

1. An NGO may be terminated when:
 - 1.1. a voluntary decision to terminate the organization is made by the highest governing body in accordance with the NGO's statute;
 - 1.2. the NGO becomes insolvent as defined by applicable law;
 - 1.3. the stated time limit expires, if such time limit is defined in the establishment act;
 - 1.4. based on the valid court decision.

Article 21
Removal of NGO from Register

1. The competent body may remove the NGO from register:
 - 1.1. in one of the cases referred to in paragraph 1 of Article 20 of this Law;
 - 1.2 if the NGO for three (3) years fails to file the annual statement foreseen under paragraph 5 of Article 12 of this Law.
2. The competent body shall give to the NGO a written notice of the grounds for termination and the opportunity to respond prior making a decision to terminate an NGO's registration.
3. In the event of the termination or removal from the register of an NGO that received tax or fiscal benefits, public donations, or government grants, all assets remaining after discharge of the NGO's liabilities shall be distributed to another NGO with the same or similar purposes. This NGO shall be identified in the NGO's statute or with a proposal of the NGOs highest governing body. The Ministry shall establish the Committee for Distribution of remained Assets of terminated or removed from register NGOs, with representatives of NGOs too, pursuant to the sub-legal act issued by the Government.
4. In all other cases, any assets remaining after the discharge of liabilities shall be distributed in accordance with the statute or a decision by the highest governing body and in all cases in compliance with Article 4 of this law.

5. An NGO with public beneficiary status that is dissolved or removed from the register, or ceased its activity in Kosovo during a reporting period shall file a report for that period, pursuant to Article 4 and 18 of this law. In its report, the NGO shall state the date of dissolution, termination, removal from the register, the provisions made for winding up of its affairs, the amount of assets remaining after discharge, the intended disposition of those assets, and how the determination to dispose of assets was made (i.e., by provision in the Statutes of the organization, by decision of its highest governing body or by the competent body.)

6. Authorized person of the NGO has legal responsibility for registration before the competent body and other bodies.

7. After the exhaustion of all rights of appeal and based on the decision for removal from the register, the competent body shall remove the NGO from the register of NGOs.

CHAPTER VI COOPERATION AND SUPPORT OF NGOs

Article 22 Institutions of the Republic of Kosovo and NGOs

Institutions of the Republic of Kosovo support, but not interfere in the activities of NGOs, and make public all forms of cooperation and support. Giving any public funds from the Republic of Kosovo to NGOs is done based on predetermined public criteria.

Article 23 Appeals

1. If an NGO is not satisfied with the decision of the first instance body has a right to file an appeal to the second instance body.

2. The Appeal can be filed to the competent body of the second instance through the body of first instance.

3. Pertinent ministry establishes the competent body of the second instance, which should be an independent body.

4. The manner of establishing and functioning of this body shall be regulated with special regulation issued by pertinent ministry.

**CHAPTER VII
PROVISIONAL AND FINAL PROVISIONS**

**Article 24
Sub-legal acts**

1. The Ministry, for implementation of this law, shall propose sub-legal acts in terms of six (6) months after entry into force of this law.
2. The government shall issue sub-legal acts within nine (9) months after entry into force of this law.

**Article 25
Abrogation**

This Law shall abrogate the Law no. 03/L-134 on Freedom of Association in Non-Governmental Organizations and any other provision which is inconsistent with this law dealing with freedom of association in non-governmental organizations.

**Article 26
NGOs Registered under the Law 03/L134 on Freedom of Association in NGOs in
Kosovo**

Any NGO registered under the Law 03/L134 on Freedom of Association in NGOs in Kosovo is considered a registered NGO in Kosovo under this law.

**Article 27
Entry into force**

This Law shall enter into force (15) days after publication in the Official Gazette of the Republic of Kosovo.

**Law No. 04/L-057
29 August 2011**

President of the Assembly of the Republic of Kosovo

Jakup KRASNIQI