

DRAFT

## **LAW ON ASSOCIATIONS**

*Pursuant to the Constitution of the Socialist Republic of Viet Nam;  
This Law provides for associations.*

### **CHAPTER I GENERAL PROVISIONS**

#### **Article 1. Governing scope and applicable entities**

1. This Law provides for the organization, operation and state management of associations.
2. The Law is not applicable to Vietnam Fatherland Front, Vietnam Labour Union, Vietnam Farmers Union, Vietnam Communist Youth Union, Vietnam Women's Union, Vietnamese Veterans' Association, and religious and faith-based organizations.

#### **Article 2. Association**

1. An association is a voluntary organization composed of Vietnamese citizens or organizations which has its mission and objects in line with the laws, operates for not-for-profit purposes, promotes solidarity and mutual aid, protects legitimate rights and interests of the association, its members and the community; and contributes to the country's development for the cause of wealthy people, a strong nation, and an equitable, democratic and civilized society.
2. Associations include incorporated associations and unincorporated associations.
  - a) Incorporated associations are those that are granted registration certificates by the competent state management agency.
  - b) Unincorporated associations are those that are not yet granted registration certificates by the competent state management agency.
3. The Government shall make detailed regulations for Point b, Clause 2 hereof.

#### **Article 3. Guarantee of freedom of association**

The State respects and guarantees that Vietnamese citizens and organizations have the rights to form, join and leave associations in accordance with this Law and other related legislations.

#### **Article 4. Policies of the State**

1. Creating the conditions for associations to operate and develop in accordance with laws.

2. Adopting mechanisms and policies for associations to engage in provision of public services and consultancy; and implementation of programs, projects, researches and other activities in accordance with the laws.
3. The State provides funds, block grants or operating grants tied to the assigned tasks (if any).
4. The State has policies on remuneration and benefits for the officials and civil servants who are rotated to, seconded to, or stationed in associations.
5. The Government shall make detailed regulations for this Article.

#### **Article 5. Application of legislation on associations**

1. Where the organization, operation and state management of an association are provided for in another law, provisions of which differ from those contained in this Law, this Law shall prevail.
2. Where an international treaty to which Vietnam is a signatory contains provisions differing from those contained in this Law, the international treaty shall prevail.

#### **Article 6. Principles for organizing and operating an association**

1. Observance of the Constitution, laws and regulations, and bylaws
2. Voluntariness, self-governing
3. Democracy, fairness, openness, transparency
4. Self-financing
5. Not-for-profit purpose

#### **Article 7. Name, head office, coverage, and legal status of an association**

1. The name of an association shall be written in Vietnamese and may be phonetically transcribed or translated into an ethnic-minority or foreign language; shall be in accordance with the laws as well as with the association's mission, objects and key areas of activity; shall not be identical or confusingly similar to the name of an existing association that is lawfully established in the same coverage; shall not be attached to the name of a famous personality, an individual or organization; and shall not violate social morality, or good customs and cultural traditions of the country.
2. The head office of an association shall be in Vietnam and in line with its geographical coverage.
3. In terms of geographical coverage, an association may:
  - a) Operate nationwide or in more than one province (a national or extraprovincial association);
  - b) Operate within a province or centrally-affiliated city (hereinafter collectively referred to as provincial association);
  - c) Operate within a district, town or provincial city (hereinafter collectively referred to as district association); or

- d) Operate within a commune, ward, or township (hereinafter collectively referred to as commune association).
6. An association has the legal entity status, its own seal, bank account and emblem in accordance with the laws.

#### **Article 8. Prohibited acts**

1. Unlawful obstruction, coercion, or interference with the establishment, organization and operation of an association
2. Establishment or operation of an association in a manner that goes against the laws or norms of social morality, infringes upon the legitimate rights and interests of the State, the community, organizations or individuals; or jeopardizes the national interest, sovereignty or security, public safety, national solidarity, human rights or citizens' rights.

## **CHAPTER II ESTABLISHMENT OF ASSOCIATIONS**

#### **Article 9. Conditions for establishing an association**

1. The proposed name of the association must be in accordance with Clause 1 Article 7 hereof.
2. The mission and objects of the association must be in accordance with Clause 1 Article 2 hereof.
3. The key areas of activity of the association must not overlap with those of an existing association that is lawfully established in the same geographical coverage.
4. The association must have its bylaws.
5. The association must have its head office.
6. It must have the required minimum number of subscribers as specified in the Government's regulations.

#### **Article 10. Founding committee**

1. Vietnamese citizens and organizations who desire to form themselves into an association shall propose a list of members of the founding committee and seek recognition of such founding committee from the competent state agency.
2. The founding committee shall have the following responsibilities:
  - a) Persuading citizens and organizations to subscribe to the association:
  - b) Completing the dossier for registering the establishment of the association as specified in Article 11 hereof and submitting it to the competent state agency in accordance with Article 14 hereof;
  - c) Upon the lapse of the two-year time limit counting from the date of the decision to recognize the founding committee, if the founding committee fails to implement the provisions set forth in Points a and b hereof, the decision of recognition shall expire.

3. The founding committee shall automatically disband as soon as the founding congress of the association elects the governing board.
4. The Government shall make detailed regulations for this Article.

#### **Article 11. Registration of association**

1. A dossier for registering the establishment of an association shall include:
  - a) Application for registration of association establishment;
  - b) Draft bylaws;
  - c) Decision on recognition of the founding committee and list of committee members;
  - d) List of citizens and organizations subscribing to the association and their applications for subscription.
  - dd) Document evidencing the right to lawful use of the premises on which the head office is to be located.
  - e) Memorandum on asset contribution (if any) and evidencing documents thereof.
2. Within 60 (sixty) working days from receipt of a full and proper dossier in accordance with Clause 1 hereof, the competent state agency specified in Article 14 hereof shall, in collaboration with related agencies, grant a certificate of registration; in case where registration is not granted, the competent agency shall explain in writing the reason for refusal.

#### **Article 12. Key contents of an association's bylaws**

1. Name and emblem of the association
2. Its mission, objects, areas of activity and geographical coverage
3. Its legal status and head office
4. Its principles of organization and operation
5. Rights and obligations of the association
6. Eligibility for membership
7. Rights and obligations of members; procedures for attaining membership and withdrawing from membership, competence to admit and expel a member
8. Composition and structure of the governing board and supervisory committee, procedures for election and removal, powers and duties of the governing board and supervisory committee, principles and methods of voting
9. Procedures for election and removal, powers and duties of officer positions of the association; eligibility, age and number of terms of office of the presiding officer position.

10. Demerger, spin-off, merger, amalgamation, change of name, dissolution and disposal/ liquidation of assets
11. Assets and finances, use and management of assets and finances of the association
12. Commendation and discipline
13. Complaint, denunciation and internal complaint procedures
14. Amendment and supplement to the association's bylaws
15. Entry into force
16. Other contents in accordance with the laws (if any)

### **Article 13. Founding congress**

1. Within 06 (six) months from the date of decision of association establishment, the founding committee shall organize the founding congress; if the founding congress is not organized within such time limit, the registration certificate shall cease to have effect.
2. Key contents of the founding congress:
  - a) Announcement of establishment of the association
  - b) Discussion and adoption of bylaws
  - c) Election of governing board
  - d) Adoption of the association's strategic direction
  - ad) Adoption of the congress resolution
3. Within 30 (thirty) days from the end date of the founding congress, the governing board of the association shall send a report on the congress outcomes and a request for recognition of the association's bylaws and presiding officer position to the competent state agency specified in Article 14 hereof.
4. Within 45 (forty five) days from receipt of such report on the congress outcomes and such request for recognition, the competent state agency specified in Article 14 hereof shall recognize the association's bylaws and presiding officer position; if recognition is not granted, the competent state agency shall respond to the applicant in writing, clearly stating the reason for refusal.

### **Article 14. Competence to issue certificates of registration, demerger, spin-off, merger, amalgamation, suspension, dissolution, change of name, and recognition of bylaws and presiding officer position of an association**

1. Competence to issue certificates of registration, demerger, spin-off, merger, amalgamation, suspension, dissolution, change of name, and recognition of the presiding officer position
  - a) The Minister of Home Affairs has the competence to issue certificates of registration, demerger, spin-off, merger, amalgamation, suspension,

dissolution, change of name, and recognition of the presiding officer position of a national or extraprovincial association.

b) The Chairperson of People's Committee of a province or a centrally-affiliated city (hereinafter collectively referred to as provincial People's Committee) has the competence to issue certificates of registration, demerger, spin-off, merger, amalgamation, suspension, dissolution, change of name, and recognition of the presiding officer position of a provincial association. Based on actual conditions in a locality, the Chairperson of provincial People's Committee delegates the Chairperson of People's Committee of a district, town or provincial city (hereinafter collectively referred to as district People's Committee) to issue certificates of registration, demerger, spin-off, merger, amalgamation, suspension, dissolution, change of name, and recognition of the presiding officer position of a district or commune association.

2. Competence to approve an association's bylaws

a) The Prime Minister approves the bylaws of Vietnam Union of Science and Technology Associations, Vietnam Union of Friendship Organizations, Vietnam Union of Literature and Arts Associations, Vietnam Chamber of Commerce and Industry, Vietnam Writers Association, Vietnam Journalists Association, Vietnam Lawyers Association, Vietnam Cooperatives Alliance, and Vietnam Red Cross Society;

b) For those associations that are not listed in Point a hereof, the same state agency who has the competence to allow establishment of an association shall approve its bylaws.

## **CHAPTER III MEMBERSHIP**

### **Article 15. Membership**

1. An association has official members and may have associate members and honorary members.

2. Official membership: Vietnamese citizens or organizations who endorse the association's bylaws, meet eligibility requirements set forth hereinunder and in the association's bylaws, and voluntarily apply for membership may become official members of the association.

a) For individuals: An eligible individual must be a Vietnamese citizen, must not be under any ongoing proceedings for criminal liability, and must not be under any court ban on participation in association activities or a court ban on professional practice in the association's key areas of activity.

b) For organizations: An eligible organization must be a Vietnamese organization with legal entity status and must not be under any ongoing proceedings for dissolution, de-merger, spin-off, amalgamation, termination or suspension of operation, or under any court ban on operation.

c) Joint-ventures and wholly foreign-owned enterprises that are incorporated and operate in Vietnam (hereinafter referred to as enterprises with foreign elements), satisfy eligibility criteria for official membership set forth in the

bylaws of a national, extra-provincial or provincial association may become official members of such association. Such an enterprise shall appoint a corporate representative, who must be a Vietnamese citizen, to assume its membership in the association. Associations that may admit enterprises with foreign elements as their official members shall be subject to determination of the competent state agency specified in Point a Clause 1 Article 14 hereof.

3. Associate membership: Vietnamese citizens and organizations, and enterprises with foreign elements who are unable to become official members or fail to meet eligibility requirements for official membership, but endorse the association's bylaws and voluntarily apply for membership may become associate members.
4. Honorary membership: Vietnamese citizens and organizations with established reputation or valuable contribution to an association may be conferred honorary membership.

#### **Article 16. Rights of members**

1. To have their legitimate rights and interests protected by the association in accordance with the laws
2. To have the association provide them with information related to its areas of activity; to engage in activities organized by the association in accordance with the laws and bylaws
3. To take part in discussing and deciding the association's operational directions in accordance with the association's regulations; to make suggestions and recommendations to the association and the competent agencies on issues related to the association's areas of activity in accordance with the laws and bylaws
4. To attend the association's assemblies (for delegate assemblies, only delegates may attend), to stand for election of, to make nomination for, and to elect the association's bodies and officer positions in accordance with the association's regulations
5. To introduce new members
6. To be commended and rewarded in accordance with the association's regulations and the laws
7. To be issued membership cards (if any)
8. To resign from membership if they find it impossible to maintain their membership
9. To enjoy other rights as specified in the association's bylaws and by the laws
10. Associate members and honorary members shall have the same rights and obligations as official members do, except for the right to vote on the association's important matters, and the rights of candidature, nomination and election of the governing board.

### **Article 17. Obligations of members**

1. To strictly observe the State's policies and laws, to comply with the association's bylaws and regulations
2. To participate in the association's activities; to unite and cooperate with other members to build a strong association
3. To protect the association's reputation, not to act on behalf of the association in transactions, unless authorized in writing by the association's officers
4. To fulfil information and reporting requirements in accordance with the association's regulations
5. To pay membership dues in a full and timely manner in accordance with the association's regulations
6. To fulfil other obligations in accordance with the laws and the association's regulations

### **Article 18. Termination of membership**

1. For individual members:
  - a) [Membership shall be terminated when] A member voluntarily files a written resignation, or is expelled in accordance with the association's bylaws;
  - b) [Membership shall be terminated when] A member is declared by the court as missing, having limited capacity for civil act, or having lost capacity for civil act; is dead or declared as dead by the court; or is sentenced to imprisonment in accordance with the laws
2. For institutional members:
  - a) [Membership shall be terminated when] A member voluntarily files a written resignation, or is expelled in accordance with the association's bylaws;
  - b) [Membership shall be terminated when] A member is dissolved, bankrupt, amalgamated, demerged, or spun off; or is banned by the court from participation in association activities or professional practice in the association's areas of activity
3. The competence and procedures for membership termination and settlement of rights and obligations for members shall be regulated by the association's bylaws.

## **CHAPTER IV ORGANIZATIONAL STRUCTURE AND FUNCTIONING OF AN ASSOCIATION**

### **Article 19. Organizational structure**

The organizational structure of an association is comprised of:

1. Congress;
2. Governing board;
3. Supervisory committee;



#### 4. Subordinate units and organizations.

### **Article 20. Congress**

1. The supreme governing body of an association shall be its term-based or extraordinary congress.
2. A term-based or extraordinary congress shall take place in the form of a plenary assembly or delegate assembly. There must be over 1/2 (one half) of official members or delegates present at a plenary or delegate assembly, respectively, in order for business to be conducted.
3. The term of a congress shall be regulated by the association's bylaws, but shall not exceed 05 (five) years from the end date of the preceding congress.
4. An extraordinary congress shall be convened when it is requested by at least 2/3 (two thirds) of governing board members or by over 1/2 (one half) of official members.
5. The following matters shall be resolved at a congress:
  - a) Adoption of the association's business review report for the term and business directions for the succeeding term; and performance review reports of the governing board and the supervisory committee;
  - b) Election of the governing board;
  - c) Amendment and/or supplement to the association's bylaws (if any);
  - d) Finances;
  - e) Other matters as set forth in the bylaws;
  - f) Adoption of the congress resolution.
6. No later than 30 (thirty) days prior to the start date of a congress, the governing board shall send a written notice of the upcoming congress to the competent state agency specified in Article 14 hereof. The association may proceed with organizing the congress only after approval is granted by the competent state agency specified in Article 14 hereof.
7. Within 30 (thirty) days from the end date of a congress, the governing board shall submit the report on the congress outcomes, request for change of name, and request for recognition of the amended and/or supplemented bylaws (if any) and the presiding officer position to the competent state agency specified in Article 14 hereof.
8. Within 45 (forty five) days from receipt of such report and request, the competent state agency specified in Article 14 hereof shall grant recognition of the association's bylaws and presiding officer position; where recognition is refused, the agency shall send a written response, clearly stating the reason(s) for refusal.
9. The Government shall make detailed regulations on documentation and procedures for reporting on the organizing of a congress, reporting on the

congress outcomes and change of name, and approving the amended and/or supplemented bylaws of an association.

**Article 21. Governing board and presiding officer of an association**

1. The governing board of an association shall be its leadership body between two terms of congress; the governing board is elected from official members of the association by the congress.
2. The number of members, qualifications, term of office, and principles of functioning of the governing board shall be regulated by the association's bylaws.
3. Duties and powers of the governing board:
  - a) Organizing the implementation of the congress resolutions and the association's bylaws, leading the association's business between two congresses;
  - b) Preparing and deciding to convene a congress;
  - c) Determining the annual workplan and program of the association;
  - d) Determining the operational structure of the association; promulgating internal regulations on operations, on management and use of the association's finances and assets, on administration and use of the association's seal, on commendation and discipline and on other internal matters in accordance with the laws and the association's bylaws;
  - e) Electing and removing standing members of the governing board and officer positions of the associations;
  - f) Having other duties and powers as specified in the association's bylaws.
4. The presiding officer of an association shall be its legal representative and shall be responsible to the laws for all activities of the association. The presiding officer shall be elected by the governing board from the board members in accordance with the laws and the association's bylaws. The state agency shall have the competence for recognizing and removing the presiding officer of an association.
5. The Government shall make detailed regulations on procedures for recognition and removal of an association's presiding officer.

**Article 22. Supervisory committee**

1. The supervisory committee of an association shall be its body for monitoring and supervising the observance of the association's bylaws between two terms of congress.
2. The competence for electing the supervisory committee, number of committee members, term of office, and principles for committee functioning shall be regulated by the association's bylaws.
3. Duties and powers of the supervisory committee:

- a) Monitoring and supervising the implementation of the association's bylaws, congress resolutions, resolutions and decisions of the governing board, the association's internal regulations on activities of its subordinate units and organizations, and its members;
- b) Examining and handling petitions, complaints and denunciations sent to the association by organizations, members, and citizens in accordance with the laws and the association's bylaws;
- c) Having other duties and powers as specified in the association's bylaws.

### **Article 23. Subordinate units and organizations**

1. Subordinate units of an association include:
  - a) Offices and technical divisions, whose functions are to assist the governing board and are created in accordance with the association's bylaws;
  - b) Alliances of branches, branches, sub-branches, and subsidiary groups that are created by the association in accordance with its bylaws, do not have legal entity status and do not have their own bank accounts or seals;
  - c) A national or extraprovincial association may set up its representative office in provinces or centrally-affiliated cities other than the location of its head office; in such a case, the associate shall obtain permission from the provincial People's Committee of the province or city that houses its representative office and report in writing to the competent state agency specified in Article 14 hereof.
2. Subordinate organizations with legal entity status (if any) shall be established and operate in accordance with the laws.

### **Article 24. Powers of an association**

1. To organize itself and to operate in accordance with the bylaws recognized by the competent state agency;
2. To advance its mission and objects;
3. To represent its members in internal and external relations that are related to its rights and obligations;
4. To protect legitimate rights and interests of its own and its members in accordance with the laws and the association's bylaws;
5. To organize and coordinate activities among its members for its common interest; to mediate internal disputes;
6. To disseminate knowledge and provide coaching for its members; to supply necessary information to its members in accordance with the laws,
7. To participate in programs, projects, researches, and consultancy in accordance with the laws; to participate in delivery of services, vocational training and apprentice in accordance with the laws;

8. To provide comments on legal normative documents related to its areas of activity in accordance with the laws; to make recommendations to the competent state agencies on matters related to its operations and areas of activity; to provide training and other services in accordance with the laws and to issue certificates of professional practice when fully satisfying the conditions set forth by the laws;
9. To collaborate with relevant agencies and organizations in performing its tasks;
10. To collect membership dues and to conduct revenue-generating activities in accordance with the laws in order to self-finance its operations;
11. To raise funds and receive lawful donations from domestic and foreign organizations and individuals in accordance with the laws;
12. For national and extraprovincial associations, to accede to counterpart international organizations, to conclude and implement international arrangements in accordance with the laws; and
13. To have other rights as specified by the laws.

#### **Article 25. Obligations of an association**

1. To observe laws and regulations, to organize itself and operate in accordance with the bylaws recognized by the competent state agency;
2. To be subject to state management exercised by the regulator of the sector(s) where the association is active;
3. Where there is a change in its presiding officer position, or relocation of its head office, to report such change or relocation to the competent state agency specified in Article 14 hereof and the relevant sector regulator in the association's key areas of activity;
4. To report the establishment of its subordinate legal entity to the competent state agency specified in Article 14 hereof and the relevant sector regulator in the association's key areas of activity;
5. By the 1<sup>st</sup> of December every year, to report its progress of organization and operation to the competent state agency specified in Article 14 hereof and the relevant sector regulator in the association's key areas of activity;
6. To subject itself to the guidance, examination and inspection of the competent state agency in terms of its compliance with the laws and its bylaws;
7. To create and maintain at its head office a register of its members, subordinate units, representative offices and subordinate organizations with legal entity status (if any), books and documentation on its assets and finances, resolutions, minutes of congresses and board meetings;
8. To use the funds acquired from sources mentioned in Clauses 10 and 11, Article 24 hereof solely for the purpose of its operation in accordance with its bylaws; not to distribute such funds for its members

9. To use its funds in accordance with the laws and its bylaws; every year, the association shall prepare its final accounts in accordance with the State regulations and submit to the finance agency of the same level of government and the competent state agency specified in Article 14 on its receipt and use of donations from foreign individuals and organizations;
10. To issue internal regulations on the functioning of the governing board and supervisory committee, on management and use of the association's finances and assets, on commendation and discipline, on internal complaint redress, on administration and use of the association's seal, and on other internal matters in accordance with the laws and the association's bylaws;
11. To develop and promulgate a code of professional ethics in its areas of activity in accordance with the laws; and
12. To fulfil other obligations as specified by the laws.

## **CHAPTER V DEMERGER, SPIN-OFF, MERGER, AMALGAMATION, SUSPENSION AND DISSOLUTION OF ASSOCIATIONS**

### **Article 26. Demerger, spin-off, merger and amalgamation**

1. An existing association (hereinafter referred to as the demerged association) may be divided into two or more new associations with the same geographical coverage. The demerged association shall cease to exist and operate. Its rights and obligations shall be transferred to the new ones.
2. Part of an existing association (hereinafter referred to as the incumbent) may be spun off into a new association (hereinafter referred to as the spin-off) with the same geographical coverage. The incumbent shall transfer part of its rights, obligations and assets (if any) to the spin-off.
3. One or more existing associations (hereinafter referred to as the merged association/s) may be merged into another association with the same areas of activity and same geographical coverage (hereinafter referred to as the acquiring association). The merged associations shall cease to exist and operate. Rights, obligations and assets of the merged association(s) shall be transferred to the acquiring one.
4. Two or more existing associations (hereinafter referred to as amalgamated associations) in the same areas of activity and same geographical coverage may be amalgamated into a new association. The amalgamated associations shall cease to exist and operate. Their rights, obligations and assets shall be transferred to the new one.
5. The Government shall make detailed regulations for this Article.

### **Article 27. Suspension**

1. An association shall be ordered by the competent state agency specified in Article 14 hereof to suspend its operation for a period of 03 (three) to 06 (six) months when it commits any of the following violations:
  - a) It fails to fulfil the reporting obligations in Clause 5 Article 25 hereof for two years in a row;

- b) It fails to fulfil the reporting obligations set forth in Point c Clause 1 Article 23, Clauses 3 and 4 Article 25 hereof and, despite being required in writing by the competent state agency to report within 20 (twenty) days, fails to do so;
  - c) The term of a congress as specified in the bylaws has lapsed for more than 06 (six) months, but the association has not yet reported on the organizing of a congress;
  - d) The association goes forward in organizing the congress when approval is not yet granted by the competent state agency as required in Article 14 hereof;
  - e) The time limit of 06 (six) months, which commences from the association's receipt of a written communication of the state agency specified in Article 14 hereof requesting it to settle its internal conflicts and disputes, has lapsed but the association fails to do so, letting such conflicts prolong;
  - f) The association fails to be continuous operation for 06 (six) months;
  - g) The association violates laws and regulations on management of assets and finances;
  - h) Election of officer positions is not in line with the laws and its bylaws;
  - i) The association commits other violations against the laws and its bylaws.
2. Within 15 (fifteen) working days from the date of an affirmative determination of any violation specified in Clause 1 hereof, the competent state agency as specified in Article 14 hereof shall issue a decision to suspend operations of the association.
  3. If the association does not agree with such decision on suspension, it has the right to lodge a complaint in accordance with the laws.
  4. Suspension of seal use shall be subject to legislation on management and use of seal and other related laws
  5. During the period of suspension, if the association manages to remedy its violation, it shall prepare 01 (one) application dossier for resumption and submit to the competent state agency for consideration and determination. Such a dossier shall include:
    - a) An application for resumption of operation;
    - b) A report of the governing board and documents evidencing that the violation has been rectified.
  6. Where the violation is not yet rectified, the association shall file with the competent state agency specified in Article 14 hereof a written application for extension of the suspension period prior to expiry of such period. Extension shall not be more than 90 (ninety days) from the date on which the competent state agency grants such extension in its written response.
  7. Within 15 (fifteen) working days from receipt of a full, proper dossier as stipulated in Clause 5 hereof, resumption of operation shall be granted by the

competent state agency specified in Article 14 hereof; where resumption is not allowed, the agency shall send a written response, clearly stating reasons therefor.

#### **Article 28. Dissolution**

1. An association may dissolve on its own or be dissolved.
2. Self dissolution shall be adopted by a congress under either of the following circumstances:
  - a) It is recommended by the governing board; or
  - b) It is recommended by over 1/2 (one half) of official members
3. Procedures and documentation for self dissolution: The association files 01 (one) dossier with the competent state agency specified in Article 14 hereof and publishes a notice on time limit for debt repayment (if any) to related organizations and individuals in accordance with the laws; the notice must be published in 03 (three) consecutive issues of a national newspapers if the association operates nationwide or extraprovincially, or of a local newspapers if it operates within a province; a dossier shall include:
  - a) Application for dissolution;
  - b) Resolution of the congress on dissolution;
  - c) Statement of assets and finances; and
  - d) Proposed plan for disposal of assets, finances and time limit for debt repayment.
4. An association shall be dissolved under any of the following circumstances:
  - a) It fails to be in continuous operation for 12 (twelve) months;
  - b) It commits violation during the period of suspension;
  - c) The period of suspension has lapsed but it fails to rectify the violation and does not file any application for extension, or the extension period has lapsed but the association fails to rectify the violation;
  - d) It has been over 06 (six) months since the adoption of congress resolution on self dissolution, but the governing board has not yet executed such resolution;
  - ad) It has been over 09 (nine) months since self dissolution is recommended by over one half of official members but the governing board has not yet undertaken procedures for self dissolution;
  - e) Internal conflicts and disputes remain unresolved and prolong for more than 12 (twelve) months since receipt of a written communication of the state management agency specified in Article 14 hereof to order the association to resolve its internal disputes and conflicts; or
  - g) The association commits serious violation against the laws or its bylaws.

5. Responsibilities of the competent state agency:
  - a) Where an association dissolves on its own: The competent state agency specified in Article 14 hereof decides dissolution of the association after 15 (fifteen) working days from the end date of time limit for debt repayment and disposal of assets and finances as stated in the published notice if there is no complaint.
  - b) Where an association is dissolved: Within 15 (fifteen) working days from the date of affirmative determination of a violation set forth in Clause 4 hereof, the competent state agency specified in Article 14 hereof shall request the association to take stock of its assets and finances; to propose a plan for disposal of assets and finances and time limit for debt repayment in accordance with the laws and the association's bylaws; to publish a notice on dissolution and time limit for debt repayment and disposal of assets and finances in 03 (three) consecutive issues of a national print or electronic newspapers if the association operates nationwide or extraprovincially, or of a local print or electronic newspapers if it operates within a province. After 15 (fifteen) working days from the end date of time limit for debt repayment and disposal of assets and finances stated in the published notice, if there is no complaint, the competent state agency specified in Article 14 hereof shall issue a decision on dissolution.
  - c) Where an association does not agree on the dissolution decision, it has the right to file a complaint in accordance with the laws. When the complaint is pending, the association is not allowed to be active.
6. The association shall cease its operation from the date on which the decision on dissolution issued by the competent state agency enters into force.
7. Revocation of the seal of a dissolved association shall be subject to legislation on management and use of seal and other related laws.

## **CHAPTER VI ASSETS AND FINANCES OF AN ASSOCIATION**

### **Article 29. Assets and finances**

1. An association's assets include:
  - a) Office building, equipment and vehicle for the association's operating purposes;
  - b) Assets acquired with the association's own funding; donations from domestic and foreign individuals and organizations in accordance with the laws; grants from the State budget which are tied to the assigned tasks (if any).
2. Sources of income of an association:
  - a) Membership dues;
  - b) Revenue from provision of services and consultancy, delivery of programs, projects, researches, or other activities in accordance with the laws; and
  - c) Other legitimate sources of income.



3. Expenditures of an association:
  - a) Operational expenditures
  - b) Office rental, purchase of facilities;
  - c) Remuneration and employment benefits; and
  - d) Reward and other expenditures in accordance with the laws and the association's bylaws

### **Article 30. Management and use of assets and finances**

The management and use of an association's assets and finances shall be open, transparent and consistent with the laws and its bylaws:

1. An association's assets and finances shall be used for promoting its mission, objects, rights and obligations, and shall not be distributed to its members.
2. The management and use of assets and finances that are provided, granted or funded by the State for implementation of the assigned tasks shall be subject to legislation on the State budget.
3. The management and use of assets and finances donated by domestic and foreign organizations and individuals shall be consistent with the laws. The Government shall make detailed regulations on implementation of this Clause.
4. The management and use of the assets and finances that do not fall under Clauses 2 and 3 hereof shall be regulated by the association's bylaws.

## **CHAPTER VII STATE MANAGEMENT OF ASSOCIATIONS**

### **Article 31. Contents of state management of associations**

1. Promulgating legal normative documents on associations and organizing the implementation thereof
2. Issuing certificates of registration, demerger, spin-off, merger, amalgamation, suspension, dissolution, change of name, recognition an association's bylaws and presiding officer position
3. Providing technical guidance to officials and civil servants engaged in management of associations
4. Educating and disseminating legal information on associations
5. Inspecting and supervising compliance with legislation on associations; supervising observance of bylaws of associations
6. Administering associations' conclusion and implementation of international arrangements, accession to international organizations, implementation of external relation activities, receipt of aid from foreign individuals and organizations in accordance with the laws
7. Managing assets and finances that are provided, granted or funded by the State for implementing the assigned tasks and that are donated by domestic and foreign organizations and individuals in accordance with the laws

8. Redressing complaints and denunciations, handling violations of legislation on associations
9. Compiling reports on the organization, operation and management of associations

### **Article 32. Responsibilities for state management of associations**

1. The Government shall exercise unified state management of associations at the national level
2. The Ministry of Home Affairs shall be responsible to the Government for implementation and collaboration with ministries or ministerial-level agencies in exercising state management over association as assigned by the Government.
3. Ministries and ministerial-level agencies shall, within their respective mandates and powers, be responsible for adopting policies and mechanisms for associations to engage in delivery of programs, projects, researches, consultancy and other activities in accordance with the laws; inspecting, supervising, redressing complaints and denunciations, and handling law violations in their respective areas of management.
4. Provincial People's Committees, within their respective mandates and powers, shall be responsible for granting certificates of registration, demerger, spin-off, merger, amalgamation, suspension, dissolution, change of name, recognition of bylaws and presiding officer position for the associations that active in their localities; inspecting, supervising, redressing complaints and denunciations, and handling law violations in their areas of management.
5. District People's Committees shall, as delegated, be responsible for granting certificates of registration, demerger, spin-off, merger, amalgamation, suspension, dissolution, change of name, recognition of bylaws and presiding officer position for the associations that active in their localities; inspecting, supervising, redressing complaints and denunciations, and handling law violations in their areas of management.

### **Article 33. Commendation and reward**

Associations, association members and employees who make distinguished contributions to socio-economic development shall be commended and rewarded in accordance with the bylaws of associations and the laws.

### **Article 34. Redress of disputes, complaints and denunciations**

1. Internal disputes, complaints and denunciations shall be redressed by the association in accordance with its bylaws and the laws. The governing board shall stipulate in detail procedures and competence for redressing internal disputes and complaints in accordance with the laws and the association's bylaws.
2. The association shall report the results of redressing disputes and complaints to the competent state agency specified in Article 14 hereof.

### **Article 35. Handling of violations**

1. An agency, organization or individual who commits violation of this Law shall, depending on nature and severity of such violation, be punished by disciplinary

action or administrative punishment, and be held liable for compensation if injury is caused by such violation; individuals may be subject to criminal responsibility in accordance with the laws.

2. The Government shall make detailed regulations for administrative sanctioning applicable to violations of this Law.

## **CHAPTER VIII IMPLEMENTATION PROVISIONS**

### **Article 36. Entry into force**

1. This Law shall enter into force on the 1st January of 2017.
2. This Law shall supercede the Order No. 102/SL/:004 dated 20<sup>th</sup> May, 1957 issued by the President of Vietnam Democratic Republic on promulgation of the Law governing the right to association.
3. Those associations that are lawfully established prior to the entry into force of this Law may continue their operation without having to register for reestablishment.

### **Article 37. Guidance for implementation**

1. The Government shall make detailed regulations and guidance for the implementation of this Law.
2. This Law is passed by the National Assembly, Legislature.... in its ..<sup>th</sup> sitting on date ... month of 2016.