

**DECREE** for the issuance of the Federal Law for the Promotion of Activities Accomplished by Civil Society Organizations.

On the margin a seal with the National Shield which says: United Mexican States – Presidency of the Republic.

**VICENTE FOX QUESADA**, President of the United Mexican States, to his residents to know:

That the Honorable Congress of the Union has directed me in the following

### **DECREE**

**“THE GENERAL CONGRESS OF THE UNITED MEXICAN STATES, DECREES:**

### **THE ISSUANCE OF THE FEDERAL LAW FOR THE PROMOTION OF ACTIVITIES ACCOMPLISHED BY CIVIL SOCIETY ORGANIZATIONS**

**SINGLE ARTICLE:** The issuance of the Federal Law for the Promotion of Activities Accomplished by Civil Society Organizations, to remain as follows:

### **THE FEDERAL LAW FOR THE PROMOTION OF ACTIVITIES ACCOMPLISHED BY CIVIL SOCIETY ORGANIZATIONS**

#### **CHAPTER ONE General Dispositions**

**Article 1.** The present law is of public order and social interest and has the following objectives:

- I. To promote the activities accomplished by the civil society organizations outlined in Article 5 of this law;
- II. To establish the authorities’ faculties which will apply this law and the entities which help to do so;
- III. To determine the basis on which the Public Federal Administration will promote the activities to which fraction 1 of this article refers;
- IV. To establish the rights and obligations of civil society organizations that comply with the requirements which this law establishes to be the objective of the promotion of their activities;
- V. To facilitate the coordination between the branches and entities of the federal government and the benefiting civil society organizations, in relation to the activities outlined in the Article 5 of this law.

**Article 2.** To better understand the effects of this law, the following will be defined as:

- a) Self-benefit: **the wellbeing, usefulness and benefit** that the members of an organization will get from the society or their familiars to the fourth civil degree, through the utilization of public support and stimuli that have been granted for the accomplishments of the organization’s goals;

- b) Mutual benefit: the **wellbeing, usefulness and benefit** proceeding from public support and stimuli received, in a joint venture, by the members of one or various organizations and by the responsible public servants, and derived from the organization's existence or from its activities;
- c) Commission: the Commission for Promotion of the Activities Accomplished by Civil Society Organizations;
- d) Council: the Technical Consulting Council;
- e) Branches: units of the Central Federal Public Administration;
- f) Entities: institutions, firms and trusts of the Interstate Federal Public Administration;
- g) Organizations: the moral persons referred to in Article 3 of this law;
- h) Networks: groups of organizations which support each other, lend support services to others for the accomplishment of their social objective, and promote the creation and association of organizations, and
- i) Registry: the Federal Registry of Organizations in which the civil society organizations that are the objects of promotion, are inscribed.

**Article 3.** All Mexican groups and organizations, legally constituted, which accomplish one or more of the activities referred to in Article 5 of the present law and do not pursue lucrative goals nor party proselytism, nor political-electoral, nor religious goals, without diminishing the obligations outlined in other legal dispositions, will be able to accept and enjoy the support and stimuli that this law establishes.

**Article 4.** The civil society organizations constituting national chapters of international organizations which comply with what is established in Article 3, can enjoy the rights established in said article, whenever its administrative and representative bodies consist mostly of Mexican citizens. For the purpose of what is disposed in this article, the international organizations should inscribe in the Registry and establish their headquarters on the national territory.

The civil society organizations constituted according to foreign laws, subject to the fulfillment of the corresponding provisions of the Federal Civil Code, which accomplish one or more of the activities whose promotion is the objective of this law, will enjoy the rights derived from the inscription in the Registry, with the exception of those established in points II to VII and XI of Article 6 and in Article 25, reserved for constituted organizations complying with Mexican laws.

## **CHAPTER TWO**

### **On Civil Society Organizations**

**Article 5.** For the purposes of this law, the activities of the civil society organizations which are the objects of promotion are the following:

- I. Social assistance, consistent with what is established in the Law on the National System of Social Assistance and in the General Health Law;
- II. Support for public nourishment;
- III. Civic, focused on the promotion of citizen participation in affairs of public interest;
- IV. Juridical assistance;
- V. Support for the development of villages and indigenous communities;

- VI. Gender equality promotion;
- VII. Contribution of services for attention to social groups with different capabilities;
- VIII. Cooperation for community development;
- IX. Support for the protection and promotion of human rights;
- X. Sports promotion;
- XI. Promotion and contribution of services for attention to health and sanitation matters;
- XII. Support in the utilization of natural resources, protection of the environment, flora, and fauna, preservation and restoration of ecological equilibrium, as well as the promotion of sustainable development at the regional and community level, of urban and rural areas;
- XIII. Educational, cultural, artistic, scientific, and technological promotion and development;
- XIV. Promotion of actions for the improvement of the economy;
- XV. Participation in actions of civil protection;
- XVI. Offering of support services to the creation and strengthening of organizations which accomplish activities which are the objective of this law, and
- XVII. Those determined by other laws.

**Article 6.** For the purposes of this law, the civil society organizations have the following rights:

- I. To inscribe in the Registry;
- II. To participate, in compliance with the Law of Planning and other applicable juridical dispositions, as instances of participation and consultation;
- III. To integrate into the agencies of participation and consultation established by the Federal Public Administration, in fields linked to the activities to which article 5 of this law refers, and which are established or should be operated by branches or entities;
- IV. To participate in the mechanisms of social control which are established or operated by branches and entities, in compliance with applicable juridical and administrative norms;
- V. To consent to public support and stimuli which are established by applicable juridical and administrative disposition for the promotion of activities outlined in article 5 of this law;
- VI. To enjoy fiscal incentives and other economic and administrative support permitted by juridical dispositions on this matter;
- VII. To receive donations and contributions, in terms of the fiscal dispositions and other applicable agendas;
- VIII. To cooperate with the appropriate authorities, in the terms of agreements in effect, in providing public services related to the activities outlined in article 5 of this law;
- IX. To consent to benefits to organizations derived from international conventions or treaties related to activities and objectives outlined in this law, in terms of said instruments;
- X. To receive offices, training and collaboration by the branches and entities for better completion of their goals and activities, within the framework of programs which are, in effect, formulated by said branches and entities;
- XI. To participate, in the terms established by applicable juridical dispositions, in the planning, execution and follow-up of policies, programs, projects, and processes

accomplished by branches and entities, in relation to the activities to which article 5 of this law refers, and

XII. To be respected in the making of decisions related to their internal affairs.

**Article 7.** To access the support and stimuli granted by the Federal Public Administration directed at promotion of activities this law establishes, the civil society organizations have, on top of those outlined in other applicable juridical dispositions, the following obligations:

- I. To be inscribed in the Registry;
- II. To have constituted, in a legal manner, their executive and representative bodies;
- III. To rely on an accountability system in accordance with generally accepted norms and principles of accountability;
- IV. To provide the information requested of them by the responsible authorities about their goals, statutes, programs, activities, beneficiaries, national and/or foreign sources of finance, heritage, administrative and financial operations, and the use of public support and stimuli they receive;
- V. To annually inform the Commission about the activities accomplished and the completion of their intentions, as well as the balance of their financial, accounting, and inherent situation which reflect in a clear manner their situation, and, particularly, about the use and results derived from public support and stimuli granted with the goal of promotion, to keep updated the Information System, and to guarantee the transparency of their activities;
- VI. To notify the Registry of modifications to its constitution, as well as of changes in governing, executive, and representative bodies no later than forty five days following the changes;
- VII. To inscribe in the Registry the names of the networks of which they are a part, as well as when they cease to belong to these networks;
- VIII. In case of dissolution, to transfer the goods acquired through public support and stimuli, to one or more organizations which accomplish activities that are objects of promotion, and which are inscribed in the Registry.  
The dissolved organization will have the choice of electing to whom to transfer said goods;
- IX. To accomplish actions necessary for the completion of their social goal;
- X. To promote the professionalism and capabilities of their members;
- XI. Not to accomplish activities of party or electoral partisanship;
- XII. Not to accomplish partisanship or propaganda with religious goals, and
- XIII. To act with impartial criteria and not to discriminate in the determination of beneficiaries.

**Article 8.** The civil society organizations cannot receive public support nor stimuli provided by this law when they engage in one of the following:

- I. Relationships of interest or links through blood relationships to the fourth degree, or spousal relationships between directors and public servants in charge of issuing or authorizing the public support and stimuli, and
- II. Persons hired with public resources who have familiar relationships to the directors of the organization, whether through blood or kinship to the fourth degree.

**Article 9.** The civil society organizations with goals established by this law which receive public support and stimuli should subject themselves to the applicable juridical and administrative dispositions.

The organizations, which obtain economic resources from third parties or from abroad, should terminate the corresponding operations in accordance with appropriate fiscal dispositions on the national territory, or, when this is the case, based on international treaties and agreements in which the country participates.

### **CHAPTER THREE**

#### **On the Authorities and Actions of Promotion**

**Article 10.** The Federal Executive will constitute a Commission of Promotion of the Activities of Civil Society Organizations to facilitate the coordination of the design, execution, follow up, and evaluation of the actions and measures for the promotion of the activities established in Article 5 of this law.

The Commission will consist of one representative, with the rank of Undersecretary or equivalent, at least, from each of these entities:

- I. Secretariat of Social Development;
- II. Secretariat of Government;
- III. Secretariat of Finance and Public Credit, and
- IV. Secretariat of Foreign Relations.

The other branches or entities of the Federal Public Administration will participate with an invitation from the Commission, when issues within their competency are discussed.

The Technical Secretary will be in charge of the branch determined by the Federal Executive Power, among the secretariats outlined in points I and II of this article.

**Article 11.** For the completion of its task, the Commission will have the following attributes:

- I. To define the public policies for the promotion of the activities of civil society organizations;
- II. To accomplish the evaluation of the policies and actions of the promotion of activities which the present law outlines;
- III. To promote continuous dialogue between public, social, and private sectors in order to improve the public policies related to the activities outlined in article 5 of this law;
- IV. To know the infractions and to impose the corresponding sanctions on the civil society organizations, in compliance with that available in Chapter IV of this law;
- V. To expedite its internal rules, and
- VI. Others outlined by the law.

**Article 12.** The Secretariat of Social Development will be in charge of coordinating the branches and entities for the accomplishment of promotional activities to which this law refers, without prejudice of the attribute, which other laws grant to other authorities.

**Article 13.** The branches and entities can promote activities of civil society organizations established in article 5 of this law, through one or many of the following actions:

- I. Granting of corresponding support and stimuli for purposes of promotion, in accordance with that established by this law and other applicable legal and administrative dispositions;
- II. Promotion of the participation of the organizations in agencies, instruments, and mechanisms of consultation which corresponding norms establish for the planning, execution and follow-up of public policies;
- III. Establishment of means, informative instruments, incentives, and support in the favor of the organizations, according to their supposed assignment;
- IV. Agreement and coordination with organizations to impel their activities, among those provided in article 5 of this law;
- V. Design and execution of instruments and mechanisms which contribute to organizations' agreement to full exercise of their rights and completion of their obligations established by this law;
- VI. Accomplishment of studies and research which allow for support of organizations in the development of their activities;
- VII. Celebration of coordinating conventions within government boundaries, if those contribute to the promotion of activities which are the object of this law, and
- VIII. Granting of fiscal incentives planned by laws on that matter.

**Article 14.** The Commission, in coordination with the branches and entities of federal public administration should elaborate and publicize an Annual Report on promotional activities and on the support and stimuli granted to civil society organizations covered in this law.

The above mentioned report, strengthened by the Secretariat of Finance and Public Credit, will be included as a specific part of the Annual Report issued by the Executive to the Congress of the Union and of the Public Accounts, with bases in the laws of Budget Balance, Accountability and Public Spending, of Transparency and Access to Information, of Superior Finance of the Federation and other applicable laws.

## **Chapter Four**

### Of the Federal Registry of Civil Society Organizations and the Information System

**Article 15.** The Federal Registry of Civil Society Organizations will be created and in charge of the Technical Council of the Commission, and will be assisted by the Technical Consulting Council.

**Article 16.** The Registry will have the following functions:

- I. To inscribe organizations that solicit registration, as long as they comply with the requirements established in this law;

- II. To grant the constancy of the Registry to the inscribed organizations;
- III. To establish a system of information that identifies, in accordance with that established in Article 5 of this law, the activities that the civil society organizations accomplish, as well as the requirements referred to in Article 18, in order to guarantee that the branches and entities can rely on the elements necessary for complying with this law;
- IV. To offer elements of information to branches, entities, and general residences in order to help them verify that the organizations comply with the obligations that this law refers to, and if they do not, to solicit the imposition of corresponding sanctions by the Commission;
- V. To maintain the actualization of the information pertaining to the organizations to which this law refers;
- VI. To follow up on the registration process with respect to those cases in which the inscription of an organization has been rejected, suspended, or cancelled, according to the terms of this law;
- VII. To permit, in accordance with the effective ordinances, access to the Registry's information;
- VIII. To monitor the fulfillment of the ordinances that correspond to and are established by the present law;
- IX. To inform the competent authority of the existence of acts or facts that can be constituted as a crime;
- X. For the Registry to follow up on the sanctions that the Commission imposes on civil society organizations, and
- XI. Everything else that the Regulations of this law and other ordinances establish.

**Article 17.** The mechanisms for the inscription process will be operated exclusively by the Registry.

**Article 18.** In order to be inscribed in the Registry, organizations will have to comply with the following requirements:

- I. To present a registration application;
- II. To exhibit their constitution which explains the social objective of the organization and to accomplish some of the activities considered objects of promotion, according to those in Article 5 of this law;

- III. To foresee in their constitutions or in their effective statutes how the public support and stimuli received will be used in order to fulfill their social objective;
- IV. To stipulate in their constitution or in their statutes, that remnants of public support and stimuli received will not be distributed among associates, and in the case of disassociation, that that obtained with said support and stimuli will be transmitted to one or many other organizations whose inscription in the Registry is found to be effective, according to Fraction VIII of Article 7 of this law;
- V. To indicate their legal residence;
- VI. To inform the Registry of the names of the Networks to which they belong as well as when they cease to belong to these Networks, and
- VII. To present a simple copy of a notarized testimony that accredits the personality and citizenship of their legal representative.

**Article 19.** The Registry will deny inscription to those that would like to be bound by this law only when:

- I. The social objective of the organization does not credibly accomplish one of the activities outlined in Article 5 of this law;
- II. Evidence exists that the organization has not accomplished even one activity of those listed in Article 5 of the present law;
- III. The documentation exhibited presents some irregularity, and
- IV. Evidence exists that the organization has committed grave or repeated infractions of this law or other ordinances in the development of its activities.

**Article 20.** The Registry will make a decision about the inscription requests within a period of no more than thirty business days after receiving an application.

In the case of an application with incomplete information, the Registry will abstain from inscribing the organization and will notify it of the circumstance, permitting the organization a period of thirty business days to remedy the situation. If, at the end of this period, the organization has not done so, the Registry will reject the application.

**Article 21.** The administration and operations of the Registry will be organized in agreement with the internal Regulations issued officially by the Commission.

**Article 22.** The Information System of the Registry will function by means of a database distributed and shared between the branches and entities of the Public Federal Administration that are related to the activities outlined in Article 5.

**Article 23.** All the information that forms part of or is derived from the actions and transactions related to the inscription of organizations will be concentrated in the Registry. Said information will also include all the actions of promotion that the branches and entities undertake with relation to registered organizations.

**Article 24.** All the branches and entities, as well as the inscribed organizations, will have access to the Registry's existing information, with the goal of being informed of the status that the Registry's procedures monitor.

Those persons that desire access to the Registry's information will have to follow the procedure referred to in Chapter III of the Second Title of the Federal Law of Transparency and Access to Public Governmental Information.

**Article 25.** The branches and entities that grant support and stimuli to validly inscribed organizations will include information relevant to the type, total amount, and assignment of this support in that reported to the Registry's Information System.

## **CHAPTER FIVE**

### **Pertaining to the Technical Consulting Council**

**Article 26.** The Council is a consulting agency of honorific nature that will have as an objective to propose, to form opinions about, and to issue recommendations concerning the administration, direction, and operation of the Registry, and to collaborate annually with the Commission to produce an evaluation incorporating the politics and actions of promotion.

**Article 27.** The Council will be integrated in the following form:

- I. A public servant designated by the Commission will preside over the Council;

- II. Nine representatives of organizations will serve for three years in the Council, turning over by thirds every year. The Commission will issue the notice for the election of the representatives of organizations inscribed in the Registry, in which they will outline the eligibility requirements, taking into consideration the representation, tenure, membership, and performance of each organization;
- III. Four representatives from academic, professional, scientific, and cultural sectors, selected by the Council;
- IV. Two representatives of the Federal Legislative Power, one for each Chamber, whose legislative work is similar to the material that this law regulates, and
- V. An Executive Secretary, designated by the Council at the suggestion of its President.

**Article 28.** The Council will ordinarily convene at least two times a year and a third time if its President or a third of the members of the Council convoke it. The Technical Secretary will provide everything necessary in order to support the participation of all Council members attending the meetings.

**Article 29.** For the fulfillment of its objective, the Council will have the following functions:

- I. To analyze the policies of the Mexican state related to the promotion of the activities outlined in Article 5 of this law and to formulate opinions and propositions about their application and orientation;
- II. To drive the participation of citizens and organizations in the pursuit, operation, and evaluation of the policies of the Mexican state outlined in the section above;
- III. To integrate the commissions and working groups necessary for the exercise of its operations;
- IV. To suggest the adoption of administrative and operational measures that will allow for the completion of its objectives and the effective development of its operations;
- V. To carry out the application of this law;
- VI. To issue recommendations for the determination of infractions and corresponding sanctions along the lines of this law. The recommendations will not be of a binding nature, and
- VII. To issue an Operational Manual which will regulate its organization and its operations.

## CHAPTER SIX

### Pertaining to Infractions, Sanctions, and Means of Refutation

#### **Article 30. Infractions of this law consist of the following:**

- I. To carry out activities of self- or mutual-benefit;
- II. To distribute financial remnants or materials resulting from the public support and stimuli among its members;
- III. To apply public federal support and stimulation received to ends for which they were not authorized;
- IV. To fail to accomplish the activity or activities foreseen in article 5 of this law, once the public support and stimuli are received;
- V. To carry out whatever type of activity that could generate results which imply political partisanship in favor of or against a party or candidate in charge of popular election;
- VI. To carry out partisanship of a religious nature;
- VII. To perform activities other than those pertaining to its social objective;
- VIII. Not to use its goods, resources, interests, and products for ends and activities for which they were constituted;
- IX. To fail to turn in reports solicited by the competent branch or entity that has issued or authorized the organization's use of public federal support and stimuli;
- X. To neglect to leave information about the activities it accomplishes with the use of the public support and stimuli received at the disposition of the competent authorities or of the general public;
- XI. To omit information or to include false data in the reports;
- XII. To fail to inform the Registry, within a term of forty-five business days, counting from the respective decision, about any modification of its constitution or statute or about any relevant change of the information provided in the organization's inscription;
- XIII. To fail to comply with any of the obligations that correspond with the terms of the present law.

**Article 31.** When a civil society organization with valid registration commits one of the infractions to which the previous article refers, the Commission, through the Technical Secretary, will impose on the organization, according to each case, the following sanctions:

- I. Notice: in the case of an organization that has committed for the first time, one of the conducts considered an infraction consistent with those presented in the previous article, they must remedy the irregularity within a period of no more than thirty business days starting from the respective notification;
- II. Fine: in the case that the irregularity is not remedied within the term referred to in the previous fraction or in the cases of a failure to comply with the expectations of the infractions VII, VIII, IX, X, XI, XII, and XIII of article 30 of this law, they will be fined for as much as the equivalent of three-hundred days of the general minimum salary in the Federal District;
- III. Suspension: from inscription in the Registry for a year from notification, in the case of a violation of an obligation established by this law which the organization has violated before and for which it has already been fined;
- IV. Definite cancellation from its inscription in the Registry: in the case of a repeated or grave infraction. An organization which has already been suspended and repeats an infraction will be deserving of a new suspension, regardless of the type of infraction violated. An infraction of any of the expectations referred to in fractions I, II, III, IV, V, y VI of Article 30 of this law will be considered a grave violation.

The sanctions referred to in this article will apply without prejudice from the civil, penal, and administrative responsibilities, consistent with the applicable judicial dispositions.

In case of an organization that is sanctioned with a suspension or final cancellation of its inscription, the Commission, by means of the Technical Secretary, will give warning within fifteen business days after the notification of the sanction to the corresponding fiscal authority so that they are in agreement with the effective decision, with respect to the fiscal benefits that have been issued in the framework of this law.

**Article 32.** Against the resolutions dictated by this law, the Regulations, and other applicable dispositions, the means of refutation established in the Federal Law of Administrative Procedure will proceed.

## **Temporaries**

**First.** This law will go into effect the day following its publication in the **Official Journal of the Federation.**

**Second.** The Commission referred to in Article 10 must remain assembled for thirty business days after this law goes into effect.

**Third.** The Federal Executive will issue the regulation of this law in a period of sixty business days after its publication in the **Official Journal of the Federation.**

**Fourth.** For effects of the inscription of the organizations referred to in Chapter Four of this law, the Registry will conform and initiate its operation within 120 business days following the day this law goes into effect.

**Fifth.** The integration and installation of the Council will be achieved by the Commission within 180 business days following the day this order goes into effect.

**Sixth.** For the first and only time, for the installation and integration of the Council which Article 26 refers to, the council representatives of the organizations will be invited by means of a random selection process, in three groups of three people each, that will accomplish the Commission referred to in Article 9 of this law, from among the proposals made by the organizations themselves.

Also, on the first occasion only, the first group will remain in charge for one year, the second group for two years, and the third group for three years, so that in following years, each group will be renewed each year for a 3-year period.

Mexico, D.F., December 15, 2003. – Sen. **Enrique Jackson Ramirez**, President. – Dip. **Juan de Dios Castro Lozano**, President. – Sen. **Yolanda E. Gonzalez Hernandez**, Secretary. – Dip. **Amalia Yabur Elias**, Secretary. –Signatures.”

In compliance with that proposed in Fraction I of Article 89 of the Political Constitution of the United States of Mexico, and in order for its publication and observation, I issue the present Decree in the Residence of the Federal Executive Power,

in the City of Mexico, Federal District, on the thirtieth day of the month of January in two-thousand four. – **Vincente Fox Quesada**. – Signature- The Secretary of Government, **Santiago Creel Miranda**. – Signature.