

# NON-GOVERNMENTAL ORGANISATIONS BILL, 2000

## MEMORANDUM

*Includes amendments made by Parliament before passing into Law*

This Bill seeks to enact the law relating to Non-Governmental Organisations (NGOs) in Malawi. Specifically the Bill addresses issues relating to registration and requirements for the NGOs operating in Malawi so that there is equitable sectoral and geographical distribution of the NGO activities in Malawi, accountability and transparency of NGOs in their activities; co-ordination and consultation with Government in implementation of activities of NGOs and uniformity in the interpretation of policies.

The Bill seeks to enhance the NGOs contribution to the economy through provision of social services and creation of employment by ensuring that this is done efficiently and equitably.

[Part I](#) of the Bill deals with preliminary issues such as interpretation of words used in the Bill, objectives of the Bill and exempt organisations.

[Part II](#) of the Bill deals with the establishment of the NGO Board of Malawi. Issues such as composition of the Board, disqualification from appointment to the Board, removal of Board members, tenure of offices, allowances of Board members and chairman are provided for under this Part.

[Part III](#) of the Bill deals with issues relating to the Board. Under this Part the Board is given the power to establish such committees as it deems necessary. Further under this Part it is mandatory for a Board member to disclose interest in any matter being considered by the Board.

[Part IV](#) of the Bill spells out the duties and functions of the Board and these include:-

- a) to consider and adjudicate upon applications for registration by NGOs and ensure due compliance by the NGOs with the prescribed reporting requirements;
- b) to determine, for time to time, the incentives applicable to NGOs under this Act or any other written law and make the necessary recommendations to the Minister;
- c) commission surveys, inquiries and research, with a view to advising the Government with regard to any matter affecting NGOs; and
- d) appoint a suitably qualified person as a Registrar and such other employees as it may deem necessary for the discharge of the duties and functions of the Board.

[Part V](#) of the Bill deals with management of the Board, that is the Registrar and the staff

subordinate to him.

[Part VI](#) of the Bill deals with registration of NGOs. The Bill makes it mandatory for all NGOs operating in Malawi to register and lays down the conditions for registration.

This Part also makes provision for the certificate of registration and outlines the reporting requirements. Further the Part specifies under what conditions registration of NGOs can be cancelled or withdrawn.

[Part VII](#) deals with the designated NGO co-ordinating body. The designated NGO co-ordinating body is the Council for Non-Governmental Organisations in Malawi and the part also provides for the independence of the coronation body.

[Part VIII](#) of the Bill deals with General Assembly and specifies who can attend the General Assembly.

[Part IX](#) of the Bill deals with financial provisions and specifies the sources of funds of this board which includes any fees, fines and charges payable under the Bill. Also under this Part the Board is given powers to borrow money for meeting its obligations or discharging its functions. Further the Board is given the mandate to invest any surplus money.

There are also provisions relating to accounts, audit and annual reports of the activities of the Board.

[Part X](#) of the Bill deals with fundraising. It specifies which NGOs can fundraise from the public.

Finally [Part XI](#) of the Bill deals with miscellaneous provisions such as provisions relating to offences and penalties and regulations.

**B. No. 19**

**A B I L L**  
*entitled*

**An act to provide for the rights and obligations of Non-Governmental Organisations in Malawi, to promote the development and values of strong independent civil society, to provide for the establishment, functions and powers of the Non-Governmental Organisations Board of Malawi and the rights of the public to access information with respect to registered organisations and to provide for matters incidental thereto or connected therewith.**

ENACTED by the Parliament of Malawi as follows:-

## PART I - PRELIMINARY

Short Title and Commencement	<p><b>1.</b> This Act may be cited as a Non-Governmental Organisation Act 2000 and shall come into operation on such date as the Minister may appoint by notice published in the Gazette.</p>
Interpretation	<p><b>2.</b> In this Act, unless the content otherwise requires - "Board" means the Non-Governmental Organisation of Malawi established under section 6;</p> <p>"designated NGO Co-ordinating body" means an independent institution representing Non-Governmental Organisations in Malawi established under section 24;</p> <p>"exempt organisation" means an NGO exempted from the provisions of this Act under section 5;</p> <p>"international NGO" means an institution or organisation for public benefit purposes, established under the laws of a country other than Malawi, or established under a treaty or convention and conduction some or all of its activities in Malawi;</p> <p>"NGO" means a Non-Governmental Organisation constituted for a public benefit purpose to which the provisions of this Act are applicable.</p> <p>"public benefit purposes" means organisational purposes involving developmental and charitable purposes including but not limited to, educational, health, welfare, advocacy, cultural, civic, social, recreational, scientific, environmental, or other similar objects for the benefit of the general public, a section thereof or members of the organisation but excluding involving the activities of a church or religion, trade union, employers organisation or political party;</p> <p>"public fundraising" means the soliciting from the general public in Malawi, for public benefit purposes, of contributions of value, whether in cash or in kind, but for the avoidance of doubt does not include the kind of soliciting directed to member, office bearers or other persons who have a relationship with the organisation concerned;</p> <p>"Registration of NGOs" means the Registrar appointed under section 19;</p>
Objectives of the Act	<p><b>3.</b> The objectives of this Act are:-</p> <p>a) to provide the development of a strong independent civil society in Malawi and to facilitate the formation and effective function of NGOs for</p>

public benefit purposes;

b) to create a conducive environment for NGO development through Government provision of incentives;

c) to promote donor and public confidence in the NGO sector, and to encourage the development of an NGO code of conduct, incorporating principles of fiduciary integrity, public accountability, democratic decision-making, developmental synergy, non-discrimination and beneficiary equity;

d) to facilitate a relationship between NGOs and the Government involving constructive collaboration and partnership in furtherance of the public interest; and

e) to affirm the human rights and provisions enshrined in the Constitution of the Republic of Malawi.

Application of the Act

**4.** Save as otherwise provided in this Act, the provisions of this Act shall apply to an NGO within Malawi which fulfils the following conditions:-

a) it has written constitution or a governing instrument;

b) it is not established, administered or controlled directly or indirectly by the Government of Malawi, or any other Government;

c) it applies all its funds and resources for public benefit purposed only;

d) it does not transfer or distribute, whether directly or indirectly, any benefit to its members, donors, trustees, directors or other officers, or their associates or next of kin, except if such benefits represent:-

(i) reasonable remuneration for services actually rendered; or

(ii) benefits conferred, without favour or discrimination, by reason of the beneficiary being part of an eligible group or category entitled to benefit in accordance with the public purpose of the organisation concerned;

e) it is not for private profit or gain for the persons controlling or managing the affairs of the NGO without prejudice to the rights and

privileges of employees;

f) it is managed or controlled by a committee, Board or Trust;

g) it serves all eligible people, regardless of age, gender, tribe, race, religion, creed, sex, political affiliation, nationality, disability or being a member of a minority group;

h) it is not a church or religion organisation of a purely evangelistic or proselytizing nature;

(i) it is not a political party, trade union or a social club created to pursue the pleasures of its members;

Exempt Organisation **5.** Subject to the provisions of section 20 (2), this Act shall not apply to an organisation which is:-

a) informal, and does not have a written constitution;

b) excluded so that it belongs to a category of organisations deemed not to fall within the ambit of this Act;

c) established, administered or controlled by or on behalf of the Malawi Government or other Government; or

d) specially exempted, so that the Board has determined in its discretion that such organisation is to be exempted from all or some of the requirements of this Act.

**B. No. 19**

## PART II - ESTABLISHMENT OF THE NGO BOARD OF MALAWI

Establishment of the Board **6.** - (1). There is hereby established a Board to be known as the body corporate having perpetual succession and a common seal and shall, under that name, be capable of suing and being sued and of purchasing or otherwise acquiring, holding and alienating moveable or immovable property and, subject to the provision of this Act, of performing all such acts as bodies corporate may by law, perform.

(2) The Board shall function without political or religious bias or interference by donors or the Government, any organ of the State, any political party.

Composition of the Board

**7.** The Board shall consist of ten members who shall be citizens of Malawi and appointed as follows:-

a) seven members, at least three of whom shall be women, appointed by the minister in consultation with CONGOMA

b) the following members ex-officio -

(i) the Secretary for Gender, Youth and Community Services; and

(ii) the Secretary for Justice

(iii) the Secretary to the Treasury

Disqualification from Appointment to the Board

**8.** Any person who -

a) is declared bankrupt under any law in force in Malawi;

b) is under any law in force in Malawi, adjudged or otherwise declared to be of unsound mind;

c) has at any time been convicted of an offence involving theft, fraud, forgery, perjury or other dishonesty ;

d) has, within the past five years, been convicted of an offence under any written law punishable by a term of imprisonment of six months without the option of a fine.

e) Would for any other reason be disqualified by law from serving as a director of a company or a trustee of a trust within Malawi,

shall be disqualified from being appointed as a member of the Board.

Removal of Board Members

**9.** Members of the Board, other than members ex-officio, shall be subject to removal and substitution anytime, by a decision of:-

a) the minister in consultation with CONGOMA, in the case of a member appointed under section 7(a); and

b) the Board, in case of a member appointed under section 7(b)

Tenure of Office

**10.** (1). A member of the Board, other than a member ex-officio, shall hold office for a period of three years and at the expiry of that period shall

be eligible for reappointment for one more similar term.

(2). The office of the member of the Board shall be vacated:-

a) upon his death;

b) upon written resignation delivered to the Board;

c) if any circumstances arise that, if he were not a member, would cause that member to be disqualified for appointment as member;

d) if he has been absent without valid excuse from three consecutive meetings of the Board of which he has had notice;

e) if he is incapable of efficiently performing his duties as member of the Board.

Filling of Vacancies **11.** (1). On vacation of office by a member of the Board, the vacancy shall be filled by a person appointed in accordance with section 7.

(2). The membership of the Board as first and subsequently appointed and every change in the membership shall be published in Gazette.

Invited Persons **12.** The Board may invite any person, based on his experience and expertise, to attend any meeting of the Board and take part in the deliberations of the Board but such person shall not be entitled to vote at that meeting.

Allowances, etc. of board members **13.** Members of the Board shall be paid such honoraria as the Board may determine and the Board may make provision for the reimbursement of any reasonable expenses incurred by a member of the Board in connection with the business of the Board.

Chairman and Vice-Chairman **14** (1). The Board shall elect both the Chairman and Vice-Chairman from among their members who shall, subject to subsection 2, hold office for the duration of their membership on the Board.

(2). The office of the Chairman and the Vice-Chairman shall become vacant -

a) if the holder resigns his office by notice to the Board ;

b) if the holder of the office ceases to be a member of the Board;

c) if the Board so decides by a two third majority vote.

(3). Whenever the Chairman is absent or is for any reason unable to discharge the functions of his office, the Vice -Chairman shall discharge the functions of the Chairman.

## **B. No. 19**

### **PART III - MEETINGS OF THE BOARD**

Meetings of  
the Board

**15.** (1) The Board shall hold ordinary meetings for the dispatch of business at least once every three months in each year.

(2) No member of the Board shall attend the meetings of the Board by representation

(3) An extraordinary meeting of the Board

a) may be convened by the Chairman within seven days after giving notice to members of the Board.

b) Shall be convened by the Chairman within fourteen days of the receipt by him of a requested in writing signed by not less than four members of the Board and specifying the purpose for which the meeting is convened;  
or

c) If the Chairman does not convene the meeting requested, the members requesting such meeting.

(4) At any meeting of the Board -

a) the chairman or in his absence the Vice-Chairman shall preside;

b) in absence of both the Chairman and the Vice-Chairman the members present shall elect one of their number to preside;

c) the quorum shall be formed by any six members

(5) At any meeting of the Board a decision on any matter shall be that of the majority of the members present and voting and in the event of an equality of votes, the person presiding shall have a casting vote in addition to his deliberative vote.

(6) The Board shall cause minutes to be kept of the proceedings of every

meeting of the Board.

Establishment of  
Committees

**16.** The Board may, for the better carrying into effect of its purposes and functions under this Act, establish such committees as the Board shall deem appropriate to perform such functions and responsibilities as the Board may consider expedient.

Disclosure of Interest

**17.** (1) A member of the Board who has an interest directly or indirectly, in any matter to be considered by the Board shall, soon after the facts have come to the knowledge of the member, disclose this fact and the nature of the interest to the Board.

(2) After the disclosure, the remaining members shall discuss the matter and determine whether the member should be precluded from participating further in the meeting concerned and the decision taken by the remaining members regarding the matter shall be recorded in the minutes of the meeting.

(3) Subject to the provisions of subsection (2), a member who has an interest in a matter that is before the Board and who cannot therefore perform his functions in a fair, unbiased and proper manner shall not vote, participate in any other manner in the proceedings of a meeting of the Board or be present at the venue such a meeting being held.

(4) Where a member does not comply with the provisions of subsections (1) and (3) then the proceedings of such a meeting relating to the matter in which he has an interest shall be void.

**B. No. 19**

#### PART IV - DUTIES, FUNCTIONS AND POWERS OF THE BOARD

Duties and  
Functions of  
the Board

**18.** (1) The Board shall register and regulate operations of NGOs in Malawi.

(2) Without derogating from the generality of subsection (1), the Board shall -

a) establish and maintain the register of NGOs, incorporating a data base and a public documentation centre in respect to NGOs incorporated or operating within Malawi, and such additional registers or sub-registers, including such as may relate to exempt organisations and international

NGOs;

b) consider and adjudicate upon applications for registration by NGOs and ensure due compliance by the NGOs within the prescribed reporting requirements;

c) withholding, suspend, or withdraw registration of NGOs in the event of failure or refusal to comply with the provision of this Act;

d) provide free public access to the NGO register and database, including the records and returns of NGOs lodged in the public documentation centre;

e) to determine, from time to time, the incentives applicable to NGOs under this Act or any other written law and make the necessary recommendations to the Minister;

f) commission surveys; enquires and research, with a view to advising the Government with regard to any matter affecting NGOs;

g) appoint a suitably qualified person as Registrar, and such other employees as it may deem necessary for the discharge of the duties and functions of Board; and

h) to do all such things as are necessary or incidental or conducive to the better carrying out of the objectives and functions of the Board specified in this Act.

**B. No. 19**

#### PART V - MANAGEMENT OF THE BOARD

Registrar and Other  
Employees

**19. - (1)** The Board shall appoint the Registrar who shall be the chief executive of the Board and Secretary to the Board.

(2) The terms and conditions of service of the Registrar shall be subject to the approval of the Board.

(3) The Registrar shall establish and maintain the register, administer and implement this Act and perform such other duties as the Board may, from time to time assign to him.

(4) The Board may appoint, on such terms and conditions, such other employees subordinate to the Registrar as it may deem necessary for the

carrying out the functions of the Board.

(5) The Board may delegate to the Registrar the appointment of employees of such ranks as the Board may specify.

**B. No. 19**

## PART VI - REGISTRATION OF NGOs

Registration

**20.** - (1) Every NGO established or operating in Malawi which is recognised as a legal person under the laws of Malawi, except the exempt organisations, shall register with the Board:

Provided that an NGO existing at the time of coming into force of this Act shall be required to register within a period of twelve months from coming into force of this Act.

(2) No NGO shall be registered under this Act unless a minimum of two of its directors or trustees, as the case may be, are citizens of Malawi.

3. a) An [application for registration shall be in a prescribed form](#) and accompanied by -

- i) a certified copy of the constitution of the NGO; and
- ii) such registration fees as may be prescribed by the Board from time to time.
- iii) a plan of the activities which the NGO intends to undertake
- iv) approval from the Ministry responsible for the activities to be undertaken by the NGO in the form of a memorandum of understanding or any other agreement between the Ministry and the NGO;
- v) proof that the NGO is a member of CONGOMA
- vi) a statement that the NGO shall not engage in partisan politics including electioneering and politicking; and
- vii) the source of funding for the NGO

b) The form shall contain the following particulars of the NGO concerned -

- (i) name of the NGO

- (ii) physical and postal address
- (iii) telephone, facsimile and telex numbers where applicable
- (iv) the full names, addresses, occupations and nationalities of all Trustees, Directors and other executive Board members
  
- (v) the name and address of the NGO's auditors, who are acceptable to the Board;
  
- (vi) the latest available audited annual financial statements and annual report, in respect of existing NGOs.

(4). a) The Board shall accept or reject an application within a period of ninety days from the date of the application was received by the Board or the date on which the applicant provides the information sought by the Board if that date is later.

b) Where the Board rejects an application for registration by an NGO, the Board shall furnish in writing to the NGO concerned its reasons.

Certificate of  
Registration

**21.** (1) The Board shall issue a certificate of registration to every NGO registered under the Act.

(2) A certificate of registration shall constitute proof that the NGO concerned

a) is a body corporate and separate from its members, with perpetual succession;

b) can engage in public interest activities and public fund-raising throughout Malawi;

c) is eligible for such fiscal or other benefits and privileges, as may be applicable to registered NGOs from time to time.

Reporting  
Requirements

**22.** (1) Every registered NGO shall file with the Registrar's office the following documents and information which shall be part of the Registry accessible to the public under section 18 (2) (d) -

a) on an annual basis, and by such date as may be prescribed -

(i) its audited annual financial statements

(ii) its annual report outlining the activities undertaken by the NGO in the

year and such other information as may be prescribed;

(iii) an annual return reflecting details of its trustees, directors, office bearers, auditors and such other information as may be prescribed;

(iv) its source of funding

b) in the event of any amendment to its constitution or government instrument, a certified copy of such amendment, within sixty days of such amendment being adopted; and

c) any such further documentation or information regarding the officers and activities of a registered NGO which the Board may require.

Cancellation or  
Suspension of  
Registration

**23. - (1)** The Board may order the Registrar to cancel or suspend the registration of an NGO if it is satisfied that the NGO -

a) has ceased to exist or function for the purposes for which it was constituted; or

b) has failed or refused to comply with the provisions of this Act.

c) has been engaged in partisan politics.

(2) The NGO co-ordinating body may, where it has good and valid reasons, make recommendations to the Board for cancellation or suspension of the registration of an NGO.

(3) An order cancelling or suspending the registration of an NGO under subsection (1) shall be issued, unless;

a) the NGO concerned has been given at least thirty days prior written notice, sent to its last known address; of the Board's intention to impose such sanction; and

b) the NGO has been an opportunity to be heard either verbally or in writing as the Board may determine.

(4) Any NGO aggrieved by a decision of the Board made under this part may apply to the High Court for judicial review.

**B. No. 19**

**PART VII -THE DESIGNATED NGO CO-ORDINATING BODY**

Designation  
of Body

**24** (1) The general Assembly shall designate the Council for Non-Governmental Organisations in Malawi (in this Act otherwise referred to as "CONGOMA") as the designated NGO co-ordinating body for the purposes of this Act.

(2) As the designated NGO co-ordinating body, CONGOMA shall represent and promote the collective interest and concerns of NGOs in Malawi.

Functions of  
CONGOMA

**25.** For purposes of this Act, the functions of CONGOMA shall be -

(a) to enhance and improve operational environment within which NGOs function

(b) to promote and facilitate coordination, collaboration and cooperation between the NGO community, the Government, the Donor Community and the commercial sector in Malawi

(c) to further the standing of NGOs as competent, professional and suitable agents of development

(d) to support NGOs to become institutionally strong; and

(e) to assist NGOs to carry out their functions under the Act.

**B. No. 19**

#### PART VIII - GENERAL ASSEMBLY

General  
Assembly

**26.** (1) For purposes of good administration and proper management, CONGOMA shall hold a General Assembly of the NGOs which shall be attended by the following:-

a) all members of the Board

b) all Board Members of CONGOMA

c) all NGOs registered under this Act

(2) The General Assembly of the NGOs shall be held once every year to transact the following business -

a) receive a report concerning the activities of the Board during that

financial year; and

b) to deal with any matters which the Board desires to bring before it and any other matter or suggestion which the general membership may bring before it:

Provided that no such suggestions shall be considered by the General Assembly unless on week prior notice in writing is served on the members before the meeting is held.

(3) A notice convening the General Assembly shall be sent to members not less than fourteen days before the date of the meeting and notice shall be accompanied by the agenda for the meeting.

(4) At the General Assembly the quorum shall be formed by fifty percent of the membership.

(5) At the General Assembly voting shall be by secret ballot and in the event of an equality of votes the Chairman or other person presiding shall have a casting vote in addition to his deliberative vote.

(6) The general public may attend the General Assembly as observers and shall not directly participate in the proceedings of the General Assembly but may make their observations in writing to the Chairman.

(7) The Chairperson of the Board of CONGOMA shall preside at the General assembly

**B. No. 19**

## PART IX - FINANCIAL PROVISIONS

Funding of  
the Board

**27.** (1) The funds of the Board shall consist of -

a) any fees, fines and charges payable under this Act; and

b) such other moneys and assets as may accrue to or vest in the Board by way of donation, loan or otherwise received by the Board

Borrowing  
Powers

**28.** The Board shall have power to borrow either temporarily, by way of overdraft or otherwise, such sums as it may require, for meeting its obligations

or discharging its functions under this Act.

Provided that any such borrowing shall be approved by the General Assembly

Investment of Surplus Money **29.** The Board may invest any money in such a manner as the Board may deem expedient.

Financial Year **30.** The financial year of the Board shall be period of twelve months as the Board shall determine:

Provided that the first financial year of the Board may be such shorter or longer period that twelve months as the Board shall determine but being not less than six months nor more than eighteen months.

Accounts and Audit **31.** (1) The Board shall keep proper accounts and other accounting records in accordance with the general accepted account principles and practice.

(2) The accounts of the Board shall be audited annually by independent auditors appointed by the Board and approved by the General Assembly.

Annual Reports **32.** (1) As soon as practicable, but not later that six months after expiry of each financial year, the Board shall submit to all members of the General Assembly and the Ministry responsible a report concerning its activities during that financial year.

(2) The Report referred to in subsection (1) shall include information on the financial affairs of the Board, and there shall be appended to the report

-

- a) an audited balance sheet
- b) an audited statement of income and expenditure;
- c) such other information as the Board may consider appropriate.

**B. No. 19**

## PART X - FUNDRAISING

Fundraising by registered NGOs **33.** Every NGO registered under this Act, including an exempt organisation which is registered, may solicit and accept funds and contributions and engage in public fundraising for the furtherance of its public benefit purposes as it may deem appropriate, subject to compliance with the reporting requirements prescribed under this Act, or any other

written law.

**B. No. 19**

## PART XI - MISCELLANEOUS PROVISIONS

- Offence and penalty      **34** An NGO which contravenes the provisions of Act shall be guilty of an offence and liable on conviction to a fine of K50,000.00 or an amount equivalent to the financial gains generated by the offence whichever is the greater.
- Regulations      **35.** (1) The Minister may, on the advice of the Board, make regulations for carrying out or giving effect the provisions of this Act and without prejudice to the generality of the foregoing such regulations may -
- a) prescribe fees payable -
    - (i) upon application for registration;
    - (ii) for restoration to a register
    - (iii) for any other matter under this Act; and
  - b) prescribe the [forms](#) required to be prescribed under this Act.
- (2) A regulation made under subsection (1) may, notwithstanding the provision of General Interpretation Act prescribe penalties for any contravention of its provisions or failure to comply therewith, involving the imposition of a fine not increasing K25,000.00.
- Savings      **36.** This Act shall not derogate from terms of any agreement or similar arrangement concluded between the Government and any NGO prior to the coming into force of this Act with reference to the operations of any such NGO in Malawi.

## OBJECTS AND REASONS

The object of this Bill is to make better provision for the registration and operation on Non-Governmental Organisation in Malawi.

P. H. FACHI, SC  
*Attorney General*

