Federal Law No (24) of 2006 on Consumer Protection

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We, Khalifa Bin Zayed AL Nahyan, President of the United Arab Emirates Having perused the constitution; and

Federal Law No (1) of 1972 concerning the ministries' jurisdictions and the Ministers' powers as amended; and

The civil transactions law promulgated by Federal Law No (5) of 1985 as amended; and

Federal Law No (1) concerning the regulation of industry affairs as amended; and Federal Law No (4) of 1979 concerning the suppression of cheat and fraudulence in commercial transactions; and

Federal Law No (18) of 1981 concerning the regulation of commercial agencies as amended; and

The penal procedure law promulgated by Federal Law No (35) of 1992 as amended; and

The penal law promulgated by Federal Law No (3) of 1987 as amended; and Federal Law No (37) of 1992 concerning commercial transaction as amended; and The commercial transactions law promulgated by Federal Law No (18) of 1993; and

Federal Law No (28) of 2001 concerning the establishment of Emirates Standardization and Metrology Authority; and

Federal Law No (1) of 2003 concerning the Emirates Customs Authority; and Acting on the submissions made by the Minister of Economy as approved by the Cabinet and ratified by the Supreme Federal Council,

Have promulgated the following law:

Chapter One Definitions

Article (1)

In the implementation of the provisions hereof, the following words and phrases shall have the meanings respectively assigned to them, unless otherwise required by the context requires:

State : The United Arab Emirates

Ministry : The Ministry of Economy

Minister : The Minister of Economy

Commission : The High Consumer Protection Commission

Department : The Ministry's Consumer Protection Department

Competent Authority : The relevant emirate's local Competent Authority

responsible for applying the provisions hereof.

Approved Standards : The specifications approved by the Emirates

Standardization and Metrology Authority referred to

as" UAE standards".

Consumer : Any person obtaining a commodity or service for or

without a price to satisfy his own or another person's

needs.

Provider : Any natural or juridical person offering a service or

information, or manufactures, trades in, sells,

supplies, exports or interferes in producing or

exchanging a commodity.

Advertiser : Any person advertising or promoting a commodity or

service using different means of advertising and

publicity.

Commodity : An industrial, agricultural, animal or

transformational product including the primary

elements of materials and internal components of

the product.

Service : Every business offered by any party to the

consumer for or without a fee.

Price : Includes the sale price, rental or use charge

Chapter Two The High Consumer Protection Committee Article (2)

There shall be formed upon the Minister's proposal a Committee called the "High Consumer Protection Committee" chaired by the Minister and composed of representatives for the consumer protection societies; the cabinet shall issue a decision forming the Committee and determining its jurisdictions.

Article (3)

In case of an extraordinary crisis or conditions on the market leading to an unnatural increase in prices, the Minister shall, upon the recommendation of the Committee, take measures to control such increase and protect the consumers' interests and not to cause them any harm.

The executive regulations hereof shall set forth the grounds and measures used for deciding whatever is considered an unnatural rise in prices and monopolies for which measures are to be taken.

Chapter Three Consumer Protection Department and its Jurisdictions Article (4)

The Ministry shall create a Department called the "Consumer Protection Department to exercise the following jurisdictions:

1. Supervising the implementation of the consumer protection general policy in cooperation with the State's relevant authorities.

- 2. Coordinating with the State's relevant authorities to address illicit trade practices that harm the consumer.
- 3. Coordinating and cooperating with the relevant authorities to spread consumer awareness in the State about commodities and services and enabling the consumers to know their rights and the manner of demanding them.
- 4. Observing the price movement and working for controlling their rise.
- 5. Working for achieving the principle of fair competition and combating monopoly.
- 6. Receiving, taking actions concerning and referring the consumer's complaints to the Competent Authorities. Complaints may be also filed by the consumer directly or by the consumer protection society as the complainant's representative.
- 7. Publishing such decisions and recommendations as contribute to promoting the consumer's awareness.

Chapter Four Provider's Obligations Article (5)

The provider shall return or replace the commodity in case of discovering a defect therein in conformity with the rules prescribed in the executive regulations hereof.

Article (6)

The provider may not display, present, promote or advertise any adulterated, bad or misleading commodities or services that may harm the consumer's interest or health on ordinary use.

Article (7)

Subject to relevant laws and regulations, the provider shall, when he displays any commodity for trading, affix to the cover or pack of such commodity a conspicuous label containing details about the type, nature and ingredients of the

commodity, the product name, the production or packing date, the net weight, the country of origin and the country of export (if any), the manner of use (if possible), the expiry date, and attach a detailed statement within the pack about the commodity ingredients, specifications, the rules of its use, hazards and any other details in Arabic in the manner determined by the executive regulations hereof.

If using the commodity involves some hazard, such hazard shall be obviously indicated.

Article (8)

When displaying any commodity for trading, the provider shall record its price obviously or advertise it conspicuously at the place where the commodity is displayed. The consumer shall have the right to obtain a dated bill specifying the commodity type, price and any other details determined by the executive regulations hereof.

Article (9)

The provider shall be liable for any damage resulting from using or consuming the commodity, providing spare parts for endurable commodities within a limited period of time and for his failure to provide the guarantees advertised or agreed with the consumer, in conformity with the rules issued by the Minister's decision. Where a commodity is domestically produced, the producer and the seller shall be jointly liable for the above obligations.

Article (10)

The provider shall guarantee that the commodity or the service he supplies for the consumer conforms to the approved standard as advertised, and shall be also liable for not abiding by the conditions relative to public health and safety.

Article (11)

Subject to the provisions of Federal Law No (18) of 1981 concerning the regulation of commercial agencies as amended, any commercial agent or dealer shall execute any guarantees he submits to the producer or principal of the commodity covered by the agency.

The provider shall also, if he takes a period exceeding two weeks for executing the guarantees stipulated in the above paragraph, provide a similar commodity for the consumer's use without charge till the agent executes such guarantees.

Article (12)

Every commodity provider shall commit in his contracts to provide after-sale repair, maintenance or service and return the commodity within a limited period of time from the date of developing any defects.

Article (13)

The service provider shall guarantee the service he has rendered for a period of time suitable for the nature of such service, otherwise he shall refund the amount paid by the service receiver, or render the service again properly. The types of services and the guarantee period respectively prescribed for them shall be determined by the executive regulations hereof.

Article (14)

No provider may conceal or abstain from selling any commodity with intent to control the market price or impose the purchase of certain quantities thereof or of other commodities along, or charge a higher price than its advertised price.

Article (15)

Subject to the provisions of the following two Articles hereof relative to the consumer's rights, every provider shall, immediately upon discovering a defect in the commodity or service that is liable to harm the consumer when using the commodity or utilizing the service in a proper way, inform the Department, the Competent Authorities and the consumer of the potential hazards and the method of preventing them, as determined by the executive regulations hereof.

Chapter Five Consumer's Rights Article (16)

The consumer shall be entitled to compensation for any personal or materials damage pursuant to the general operative rules; any agreement to the contrary shall be invalid.

Article (17)

The Department shall possess a legal capacity for representing the consumer before courts and any other authority decided by the law.

Without prejudice to any party's right to resort to judiciary, the Department shall have the authority to undertake any settlement relative to the consumer protection. However, the decisions made by the Department in this regard may be appealed before the Minister.

Chapter Six Penalties Article (18)

Without prejudice to any stricter penalty stipulated by any other law, any violator of the provisions or the executive decisions hereof shall be liable to a fine of no less than One Thousand Dirhams. If the provider fails to indicate the hazards of using the commodity or service obviously, thereby causing any harm, the penalty shall be a fine of no less than Ten Thousand Dirhams.

Article (19)

In case of conviction of any crime covered by the provision hereof, the court may, besides the penalty prescribed, decide the seizure or destruction of the crime product and the materials and tools used for its production.

Article (20)

The executive regulations hereof shall specify the categories and periods necessary for position corrections in consistence with the provisions hereof.

The Minister may suspend any firm failing to correct its position from practicing its activity for a period not exceeding one week and escalate the matter to the court for closing the firm and disposing of the violation commodity.

Article (21)

The officers to be named by the decision of the Minister of Justice in coordination

with the Minister of Economy and Competent Authorities shall have a judicial

capacity to establish the crime committed in violation of the provisions of or the

decisions made under this law.

Such officers shall have access to any documents necessary for assuming their tasks.

Article (22)

Without prejudice to the provisions of international treaties or conventions to which

the state is a party, the Cabinet may make a substantiated decision upon the Minister's

proposal for exemption from applying certain provisions hereof.

Article (23)

The Cabinet shall issue the executive regulations of the provisions hereof, while the

Minster shall issue the decisions necessary for such execution.

Article (24)

This law shall be published in the official gazette and applied after three months from

the date of publication.

Khalifa Bin Zayed Al Nahyan

President of the United Arab Emirates

Issued by us in the presidential Palace, Abu Dhabi

On

: 19 Rajab 1427 A.H.

Corr.: 13/8/2006 A.D.

