

**Cabinet Resolution No (12) of 2007 Concerning the
Executive Regulations of Federal Law No (24) of 2006
on Consumer Protection**

The Council of Ministers;

Having perused the constitution; and

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

Federal Law No (5) of 1975 on the Commercial Register;

Federal Law No (1) of 1979 on the regulation of industry affairs, as amended;

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

Federal Law No (8) of 1984 concerning commercial companies, as amended;

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

The penal law promulgated by Federal Law No (3) of 1987 as amended;

The Law of Proof in civil and commercial transactions promulgated by Federal Law No (10) of 1992, as amended;

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

Federal Law No (37) of 1992 concerning trademarks, as amended;

Federal Law No (9) of 1993 concerning the control of the trade and stamping of valuable stones and precious metals;

Commercial transactions law promulgated by Federal Law No (18) of 1993, as amended;

Federal Law No 28/2001 Establishing the Emirates Authority for Standardization and Metrology;

Federal Law No (1) of 2003 establishing the Federal Customs Authority;

Federal Law No (13) of 2004 concerning the control of the import and export, transit of rough diamond;

Federal Law No (17) of 2004 on combating commercial concealment;

Federal Law No (1) of 2006 concerning electronic transactions and commerce;

Federal Law No 2 of 2006 on combating information technology crimes;

Federal Law No (24) of 2006 on Consumer protection;

Cabinet Decision No (207/16) of 2006 concerning the approval of the Cabinet's draft decision on the executive regulations of Federal Law No (24) of 2006 concerning Consumer protection;

Based on the proposals made by the Minister of Economy and the approval of the Cabinet;

Has decided:

Chapter One Definitions

Article (1)

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

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 entrusted with the application of the provisions of Law No 24 of 2006 and the present regulations.
Approved Standard Specifications	: The specifications approved by the Emirates Authority for Standardization and Metrology.
Consumer	: Any natural or juridical person obtaining a commodity or service for or without a price to satisfy his personal needs or the needs of others.
Provider	: Any natural or juridical person who provides a service or information, or manufactures, trades in, sells, supplies, exports or interferes in the production or exchange of a commodity.
Main Provider	: The producer/supplier who provides commodities and services to dealers, excluding Consumers.
Advertiser	: Any natural or juridical person who advertises or promotes 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 the components of the product.
Service	: Any activity offered by any party to the Consumer for or without a charge.
Price	: The sale price or the rental/use charge of the commodity/service.
Recovery	: The withdrawal of the commodity where it is proved to have manifested a defect by the Provider, the relevant authority of the state or of the country of origin, or any other state.
Recovered Commodity	: The commodity withdrawn within the state, or from the country of origin, or from any other state.

- Defect** : Any fault in the design, processing, manufacture of the commodity, or any inconsistency, deformity or damage occurring or appearing before or during use, or as a result of the commodity being not sufficiently conforming or complying with approved standard specifications, the warranty, the specifications announced or to be announced by the Provider, or any confirmation, advertisement connected or affixed to the commodity.
- Warranty** : A written or implicit declaration by the Provider or his representative that the commodity/service covered by the warranty is free from defects and is compliant with approved standard specifications, and that he undertakes to repair any failure or damage in the commodity/service within a specified period of time.
- Durable Commodities** : Commodities that can be used or utilized for several years.

Article (2)

Principles for determining whatever is considered an unnatural rise in prices:

1. The inflation rate in the state;
2. The commodity and service prices in previous periods;
3. The general price level in the state;
4. The general price level in neighboring states;
5. The commodity/service price in neighboring states;
6. The average rise in inflation rate of commodity/service price;
7. The foreign exchange rate on the commodity/primary material importation date; and
8. Consumer complaints to the Department.

Article (3)

The Department shall prepare studies and reports on any extraordinary crises and conditions on the market, determine the reasons for unnatural price rises, and submit the same to the Committee for recommendations on the actions to be taken to control such rise.

The Department may seek the assistance of any natural or juridical persons with experience in this field.

Article (4)

In case of an extraordinary market crisis or condition that requires particular actions to be taken expeditiously to limit an unnatural rise in prices, the Minister may, based on the recommendation of the Committee, take the actions necessary for protecting and not harming the Consumer interest.

Article (5)

The following shall particularly be deemed cases of monopoly:

1. Selling commodities/services at prices lower than the cost price to create a market monopoly status that will consequently harm the Consumer.
2. The alliance of more than one Provider in a way that constitutes damage to national economy or the Consumer interest.
3. The Providers agreeing explicitly or implicitly on fixing, reducing or raising the price in a declared or clandestine way that constitutes damage to national economy or the Consumer interest.
4. The competitors agreeing on dividing the market among themselves according to geographical distribution or the volume of sales.
5. The Provider buying a competitive commodity/service from the market for the purpose of controlling prices.
6. Abstaining from supplying or displaying commodities/services, or suspending such supply or display, or determining the quantity of the production or supply.
7. The Provider requiring the Consumer to buy a commodity/service additionally to the one he intends to acquire.

Article (6)

No practices, agreements or contracts, written or verbal, explicit or implicit, shall be permitted, if the aim of such practices, agreements or contracts, or the impact resulting therefrom is the creation of any case of monopoly.

Article (7)

The Department shall, pursuant to the provisions of the law, the present regulations and the executive decisions thereof, take the necessary actions and measures against monopoly practices and dealings that cause damage to national economy or the Consumer interest.

Consumer Rights

Article (8)

Consumer rights shall include the right to:

1. Protection from products, production processes and services that endanger the Consumer's health or safety.
2. Provide the Consumer with facts that help him buy and consume commodities and services properly.
3. Choose among several alternatives of commodities and services at competitive prices with guaranteed quality.
4. Hear the Consumer's opinions and represent his interests with official and non-official authorities, and adopt his opinions for the development of commodities and services.
5. Satisfy the Consumer's basic needs of commodities and services such as food, clothing, shelter, health care and education.
6. Compensation and fair settlement for his legitimate claims, including compensation for bad commodities or unsatisfactory services or any practices that harm the Consumer's interest.
7. Enlightenment, and to gain knowledge and skills required for wise choices among commodities and services, and to be aware of his basic rights and responsibilities, and the method of using them through sustainable awareness programs.

8. Live in a sound environment.

Article (9)

The Department shall receive the Consumer complaints, coordinate with local authorities in this regard, take investigative and search procedures, and pass a proper decision concerning the complaints pursuant to the provisions of the law and the present regulations.

Any interested person may appeal to the Minister against the Department decision within fifteen days from the date of being notified of the decision. The appeal must be written on the form designated for this purpose with the Department, and specify the complainant's capacity, the reasons for his appeal, and must be signed by the complainant or his legal representative. The appeal shall suspend the execution of the decision till it is determined for acceptance or refusal.

Interested parties may object to the decision on the appeal before the competent court.

Article (10)

Provider's Obligations

The Provider shall take the procedures stipulated herein to recover commodities from local markets and Consumers if:

1. Some defect is detected in the commodity.
2. Any reports or studies prove that the commodity has some defect.
3. Complaints are received from Consumers or relevant authorities that the commodity has some defect.
4. A memo is issued by the Ministry for the recovery of the same commodity.
5. There are recoveries of the same commodity outside the state.
6. It is proved that the commodity is not compliant with the approved standard specifications.

Article (11)

Not later than (14) days, the Provider shall serve the Department a written notice on any commodity recovery, provided that the notice contains the following details:

1. The names of the commodity, the Provider and the country of origin.
2. A color photo of the commodity and the defective part thereof.
3. An accurate description of the defect and the reasons from which it has resulted.
4. The quantity sold and the one to be recovered.
5. The type and nature of harms that may be caused to the Consumer.
6. The actions taken by the Provider for recovery.
7. The media used for announcing the recovery process, the time period and hours for such announcements.
8. The actions the Provider will take concerning the defective commodity.
9. The time period expected to remedy the defect, with due regard to the Consumer conditions and interests.

The Department shall open a recovery file containing all the details required by this Article. It may also add any details or actions it deems necessary for recovering the defective commodity, depending on the commodity type and nature.

Article (12)

In case of recovery, the Provider shall replace, repair or refund the price of the commodity, or replace or repair the defective part thereof free of charge and regardless of the allowable warranty period, depending on the type and nature of the commodity and the type of the defect discovered.

Article (13)

The Provider shall bear the transport charges of the defective commodity, and the costs for sending technicians to replace or repair the defective part, and all costs resulting from recovering the commodity.

Article (14)

Within thirty days from the inception of the recovery process, the Provider shall send the Department a report on the commodity repaired or replaced, or on the defective part thereof that has been repaired, or recovered or refunded. The report shall contain the following details:

1. The quantity sold
2. The quantity recovered
3. The quantity of the commodities that has been repaired, replaced or refunded.
4. The actions to be taken to avoid the defect, if possible.

Article (15)

The Provider shall receive and settle the Consumer's complaints. If the defect recurs more than three times, he shall serve the main Provider a notice and send a copy of the notice to the Ministry.

Article (16)

Pursuant to the Minister's decision, the Department shall take recovery actions for the defective commodity at the Provider's expense, in coordination with relevant authorities, if:

1. the Provider fails to take recovery actions.
2. the Provider fails to take or delays in taking recovery actions in the cases where it is believed there are possible risks or harms on the Consumer from the defective commodity.
3. it is difficult to identify or reach the Provider.

Article (17)

By way of exception to the provisions of the preceding article, the Department shall take recovery actions for defective commodities in necessary cases that constitute danger to the Consumer. In such case, the Provider shall incur the costs of recovery.

Article (18)

The Department shall, in coordination with relevant authorities, monitor the commodities recovered inside or outside the state, and inform the Committee periodically on recoveries.

Article (19)

In case of receiving any complaint or report on some defect in a commodity, the Department shall investigate the matter. If it becomes certain about the defect, the Department shall notify the Provider that he must recover the commodity within a period it shall determine, depending on the nature of the commodity.

Article (20)

Relevant authorities, Consumers and interested parties may apply to the Department for recovering a defective commodity, subject to attaching acceptable evidence to the application. The Department shall investigate the application and take the necessary actions in respect thereof.

Article (21)

The Provider shall advertise the recovery of the defective commodity under the following conditions:

1. The advertisement must be published in at least two local newspapers, including one in Arabic, not later than (24) hours from the date of being served a notice for recovery, and on the Ministry websites.
2. The advertisement size must not be less than 15 cm by 15 cm.
3. The advertisement must contain:
 - A. The Provider's name and address.
 - B. The commodity trademark.

- C. The names of the commodity and the country of origin.
- D. A defect description.
- E. The instructions the Consumer should follow to avoid any possible damages from using the commodity.
- F. The instructions the Consumer should follow to repair, replace or refund the price of the commodity.

The Department may designate any other advertising medium, and its period and time.

Article (22)

If the Provider fails to recover a defective commodity pursuant to the present regulations after he learns about the defect, such act shall be deemed commercial cheat pursuant to the provisions of Federal Law No (4) of 1979 referred to above, in which case the Department shall refer the matter to the public prosecution to move a penal action against the Provider.

Article (23)

Subject to serving the Department a written notice of recovery procedures, the Provider shall, if need so requires, recover the defective commodity outside the state, pursuant to the procedures applicable abroad.

Article (24)

The Consumer shall be entitled to choose a remedy method for the defective commodity either by replacing, repairing or refunding the price of the commodity, with due regard to the type and nature of the commodity, the time period the remedy process will take. The Consumer shall also have the right to obtain, free of charge, an alternative commodity to utilize pending completion of remedy procedures, depending on the nature of the defective commodity and the time period the defect remedy will take.

Article 25

Before performing any repairs or changes to a commodity, the Provider shall, without any charge, serve the Consumer a written notice of the estimated repair cost and the period of his offer.

After the repair process, the Provider shall specify in the invoice he issues the parts that have been replaced and their prices, and whether such parts are new, used or renovated. The Provider shall bear the costs of labor and shall warrant the replaced parts; the warranty period must not be less than three months for electrical and electronic commodities, or six months for durable commodities from the date of delivery after repair. The warranty shall not include any case where the commodity is improperly used.

Article (26)

The Provider displaying a commodity that is used, renovated, or involving a defect not causing any harm to the Consumer's health or safety shall advertise the condition of such commodity visibly and clearly on the commodity, and at the place where he practices his activity. He shall also indicate such condition in any relevant contract he may conclude or any invoice he may issue.

Article (27)

No person may advertise any commodity or service in any way whatever that misleads or deceives the Consumer.

Article (28)

In case of displaying any commodity for circulation, the Provider shall stick to its cover or pack a label in Arabic in clear, readable and understandable meaning in a conspicuous place. The label must contain the following details:

1. The commodity type, nature and components.
2. The commodity name.
3. The production or packing date.
4. The expiry date.
5. The net weight.
6. The country of origin (the name of the country without abbreviation letters. The country of origin must not include the country name only, without the phrase "Made in", nor must the flag of another country than that of origin be put).
7. The exporting country, if any.

8. The method of use, if possible.
9. The measurement/weight unit suitable for the commodity.

The Provider shall enclose a detailed statement in Arabic within the pack of the commodity ingredients, specifications, rules of its use and risks.

Within a period not exceeding one year from the issue date hereof, the Provider shall reconcile his positions according to this article for the commodities already imported.

The Minister may propose any additional details to commodities. A cabinet decision shall be issued for such details.

Article (29)

In case of displaying any commodity or services, the Provider shall conspicuously write the price on the same in the local currency, or advertise such price prominently at the place of display. He shall also reconcile his positions according to the provisions of this article, within a period not exceeding two months from the issue date hereof.

Article (30)

The Provider shall not discriminate among Consumers for selling a commodity or service, whether in terms of price or quality.

Article (31)

The Consumer shall have the right to obtain a date invoice including the following details:

1. The Provider's name and address
2. A commodity introduction.
3. The Sale unit.
4. The quantity or units sold of the commodity.
5. The commodity price in the local currency.

Article (32)

The Provider shall warrant the service he has performed during a specific period of time suitable for the nature of such service, failing which he shall refund the amount paid by the service recipient, or perform the service again properly.

Article (33)

The Provider shall warrant in writing the quality of the commodity/service and the presence of the specifications set or required by the Consumer. He shall also warrant any invisible defects that may detract from the commodity/service value or that make it unusable for the intended purpose depending on its nature, or according to the conditions of the contract between the Provider and the Consumer.

Article (34)

The Provider shall, for a period of not less than five years or for a period consistent with the nature of the commodity, offer after-sale services, including the provision of spare parts and maintenance for durable commodities.

Article (35)

Except as specifically provided for herein, the warranty period of services and the rates of commodities provided to the Consumer by the Provider shall be governed by the terms of the contract between them.

Article (36)

Apart from the provisions of Articles (28 & 29) hereof, any Provider practicing in the state on the application date of these regulations shall, within six months from the application date hereof, reconcile his positions with the provisions of Federal Law No (24) of 2006 referred to above, and these regulations. If such positions are not reconciled within the specified period, the Minister may suspend the Provider from carrying on his activity for not more than one week, and refer the matter to a competent court for necessary actions.

Article (37)

The Minister shall issue the decisions necessary for implementing the provisions of these regulations.

Article (38)

This decision shall be published in the official gazette, and shall apply from the date of issue.

Mohammed Bin Rashid Al Maktoum
President of the Council of Ministers

Issued by us

On Rabia AL Awwal 10, 1428 H
Corresponding to March 29, 2007