THE CONSUMER PROTECTION LAW

ENACTED BY LAW NUMBER 67 OF 2006

In the name of the People

The President of the Republic
The People's Assembly passed the following law and it is hereby enacted.

Article 1

The appended law shall apply for consumer protection **(the Law)**.

Article 2

The minister concerned with trade and industry shall be the competent minister **(the Competent Minister)** to implement the appended Law

Article 3

The Competent Minister shall issue the executive regulations to the Law **(the Executive Regulations)** by virtue of a ministerial decree within three months from the date this Law comes into force.

Article 4

This Law shall be published in the Official Gazette and shall enter into force on the day following its publication.

This Law shall be stamped by the State's Seal and enacted as one of its laws.

Issued at the Presidential Office
On 21 of Rabi Akher 1427 *Hijreya* – Corresponding to 19 of May 2006

Hosny Mubarak
President of the Republic

THE CONSUMER PROTECTION LAW

Article 1

For the purposes of this Law, the following terms shall mean:

Persons: Natural persons and legal entities, including all types of companies and economic entities, associations, unions, organisations, enterprises, financial grouping or grouping or individuals however incorporated, and other connected parties as determined under the Executive Regulations implementing the objectives and provisions of this Law.

Products: Products and services offered by public or private law Persons, including second-hand commodities offered by suppliers.

Consumer: Any Person to whom a product is offered for satisfying a personal or familial need or with whom a transaction or conclusion of an agreement for the said purpose is made.

Supplier: Any Person who provides a service or produces or imports, distributes, exhibits, circulates or trades in any product or carries out any transaction in respect thereof with the purpose of offering it to the consumers or conclude an agreement or deal in it in any way.

Advertiser: Any Person who, by any means of advertising or promotion, advertises or promotes a service or commodity personally or through another Person.

Agency: The Consumer Protection Agency established by virtue of the provisions of this Law.

Associations: Non-profit associations and organizations and unions established and declared under the provisions of the law and concerned with consumer protection.

Defect: Any fault that leads to the diminution of the value of the product or the benefit for which it is intended and totally or partially prevents the consumer from benefiting from such intended purpose, including faults resultant from the wrong transporting or storage of the commodity, unless such faults are attributable to the consumer.

Article 2

Freedom to carry out economic activities shall be guaranteed to all. However, a person shall be prohibited from concluding any agreement or carry out any activity that prejudices consumers' essential rights, particularly:

i The right to health and safety upon the normal use of the products;
ii The right to obtain correct information and data of the products that are bought or used by or offered to consumer;
iii The right to free selection of products complying with the conditions relating to quality and complying with standards;

iv The right to personal dignity and respect of religious values and practices and norms;
v The right to obtain information related to the protection of consumer's rights and legitimate interests;
vi The right to join organizations, councils and committees engaged in consumer protection;
vii The right to bring legal actions for any matter related to the violation of consumer's rights, or prejudice or restriction to such rights, with expeditious and easy procedures at no cost;
viii The right to obtain a fair compensation for the prejudice caused to the Consumer or the consumer's money as a result or purchasing or using the products or receipt of the services;

All of the foregoing shall be applied subject to the provisions of this Law and without prejudice to the international treaties and conventions in force in Egypt.

Article 3

The manufacturer or the importer – as the case may be – shall place a label on the commodities indicating the specifications required under the Egyptian standards, any other law or the Executive Regulations to this Law. This label shall be written in the Arabic language, in a legible and clear form and in a manner that achieves the purpose of placing the label all made with reference to the nature of each commodity, the way it is advertised, exhibited or offered for sale.
The service provider shall indicate in a clear manner the data concerning the service being offered, including its price, specifications and characteristics.

Article 4

The data identifying the identity of the supplier shall be placed on all correspondence, documents and other written instruments that the supplier issues in the course of dealing or contracting with the consumer. The data shall also include electronic materials and documents and identification data, particularly commercials registration and trademarks (if any).

Article 5

Upon consumer's request, the supplier shall be bound to give to the consumer an invoice concerning the transaction or agreement related to the product, including in particular the date of the transaction or agreement, the price, specifications, nature, type, quantity and any other data of the product stipulated in the Executive Regulations of this Law.

Article 6

Every supplier and advertiser shall provide the consumer with correct information concerning the nature and characteristics of the product and avoid anything that would create an incorrect or misleading impression to the Consumer or lead to the Consumer falling into confusions or mistake.
The advertiser shall be relieved from any liability where the advertised information is so technical that a regular advertiser would be unable to verify its correctness and such information have been presented by the supplier.

Article 7

Within seven days from the date the supplier discovers or becomes aware of the existence of a defect in a product, the supplier shall inform the Agency of this defect and the potential prejudice that it may cause. If the defect is likely to harm the consumer's health or safety, the supplier shall immediately inform the Agency upon discovering or becoming aware of such defect. The supplier shall also announce stopping its production or dealing in it and warn the consumers not to use the product. In such cases, and upon the consumer's request, the supplier shall replace the product, repair the defect or accept the returning of the product and pay back its price at no additional cost.

If a dispute arises in the process of implementing the two preceding provisions, the matter shall be referred to the Agency in order to issue a binding decision.

The Executive Regulations of this Law shall indicate the procedures for implementing this Article.

Article 8

Without prejudice to any guarantees, legal or contractual conditions that are more favourable to the consumer, the consumer shall be entitled – within fourteen days from receiving the commodity – to exchange or return it and receive a refund without any additional cost if it was defective or didn't conform with the specifications or purpose of use agreed upon. In such cases and pursuant to the consumer's demand, the supplier shall exchange the commodity or accept it back against a refund without any additional cost.

In all cases, the suppliers shall be jointly liable in such matters.

If a dispute arises as to whether the defect exists or whether the commodity complies with the standards or the purpose for which it is bought, the matter shall be referred to the Agency for a binding decision.

Article 9

A service provider shall be bound to pay a refund or cover the diminution in the service or provide it again to the consumer where a defect or fault appears as with reference to the nature of the service, the contractual conditions and commercial norms. Any dispute concerning breaches related to the service shall be referred to the Agency for a binding decision.

Article 10

Any condition appearing in a contract, instrument, document or other similar item concerning the agreement concluded with the consumer shall be null an void if it relieves the supplier of the commodity or the service provider of any obligation under this Law.

Article 11

Where sale is on instalments, prior to the conclusion of an agreement, the supplier shall provide the following data to the consumer:

a) The entity providing the product by instalment;
b) The price of the product if paid totally in cash;
c) The term of the instalment;
d) The entire cost of sale;
e) The number and value of each instalment;

f) The sum to be paid in advance if applicable.

Article 12

The Consumer Protection Agency shall be established for the implementation of this Law. This Agency shall protect consumer's rights and interests. The Agency shall be a public independent legal entity affiliated to the Competent Minister. Its headquarter shall be in the city of Cairo and may have branches or offices in the governorates. The Agency shall be entitled to perform whatever necessary to achieve its objectives, including:

a) Set the work plans and programmes to protect consumer's rights and the further confirmation and development of such rights including the methods to achieve this purpose;
b) Receive and investigate the complaints made by the consumers and associations;
c) Coordinate with the State's different authorities to implement the provisions of this Law as appearing under its Executive Regulations. The said authorities shall be bound to provide the technical and data and advice requested by the Agency concerning matters related to the complaints made by consumers and associations;
d) Study the suggestions and recommendations sent to the Agency concerning consumer's rights and prepare related researches and studies.

Article 13

The Agency shall have a board of directors (the Board of Directors) composed by virtue of a decree issued by the Competent Minister and made up of fifteen members, as follows:

- A full time chairperson (the Chairperson) with substantial experience in the functions of the Agency and its work;
- Two members representing the Ministry of Trade and Industry;
- A member who is a vice-president of the State Council, selected as provided for under the law regulating the State Council;
- Four members representing associations selected by the Competent Minister and pursuant to the nomination made by associations' boards of directors;
- A member representing the special union of associations for the protection of consumer rights, selected pursuant to their boards' nomination;
- A member representing the Central Consumer Cooperative Association, selected pursuant to its board's nomination;
- A member representing the General Association of Chambers of Commerce, selected pursuant to its board's nomination;
- A member representing the association of Egyptian Industries, selected pursuant to its board's nomination;
- Three members with related experience;

Board members shall serve for a term of three years that may be renewed for one additional term only. The decree composing the Board of Directors shall appoint a Board member as a vice-chairperson (the Vice-Chairperson). The said decree shall also fix the financial treatment of the Chairperson and Board members without being restricted by the governmental laws and regulations provided under any other law.

Article 14

The Board of Directors shall meet upon the invitation made by the Chairperson or the Vice-Chairperson at least once every month and whenever necessary. The Board may also be called to meet upon the invitation made by a two-third majority of its members. The Board meetings shall be valid if attended by nine Board Members. The absolute majority voting of the attending members shall pass resolutions. If voting if equally divided, the Chairperson shall have the casting vote. The Agency's resolutions shall be enforceable without any further approval of ratification.

A Board member may not be entitled to participate in the deliberations or voting where this such member or the agent thereof has an interest or a dispute in a matter referred to the Board or is a relative up to the fourth degree with a party to the said matter or has been or actually is representing one of the concerned parties.

The Board shall be entitled to invite any experts to attend its meetings in order to assist it. Experts shall not have a countable vote.

Article 15

The Agency shall have a full time executive director (the Executive Manager). This Executive Manager shall be nominated by the Chairperson and appointed by virtue of a decision made by the Board of Directors. This resolution shall also determine the Executive Manager's financial treatment.

The Executive Regulations of this Law shall determine the functions of the Executive Manager.

Article 16

The Board of Directors shall set the Agency's bylaws (the Bylaws). The Bylaws shall organize the work at the Agency and regulate the matters related to its technical secretariat, human resources and its financial and administrative affairs without being restricted by the governmental regulations.

The Bylaws shall be enacted by virtue of a decree issued by the Competent Minister.

Article 17

By virtue of decisions made by the Agency's Board of Directors, committees shall be composed to settle disputes (the Dispute Settlement Committees) arising from the application of the provisions of this Law between consumers, suppliers, or advertisers subsequent to summoning them to appear for defence.

A Dispute Settlement Committee shall be composed as follows:

- A president at the level of Head of a Court of First Instance and a judge, both to be selected according to the law regulating the judiciary authority;
- A person with substantial related experience selected by the Competent Minister upon the nomination made by the Agency's Board of Directors.

In the process of carrying out its functions, the Dispute Settlement Committees shall be entitled to resort to the assistance of whomever it considers is needed. Those resorted to for assistance shall not have a countable vote.

Challenging these committees' decisions shall be before the competent Court of Appeal according to the provisions of law appearing under the Code of Civil and Commercial Matters.

Article 18

All those working for the Agency shall be prohibited from releasing or disclosing any information or data – including their sources – for the cases related to the implementation of this Law and which has been presented or exchanged during the inspection of cases and the undertaking of decisions related to the cases.

The said information, data and sources shall not be used for purposes other than those for which they were given.

All those working for the Agency shall be prohibited – for two years from the date of leaving service – from performing any work for those persons who have been subjected to an inspection or are being subject on such date.

Article 19

Upon establishing the occurrence of a violation of any provision of this Law, the Agency shall compel the violator to adjust and remove it immediately or within the time limit fixed by the Agency's Board of Directors. The foregoing shall apply without prejudice to the provisions of liability arising from the violation.

If the violation harms or is supposed to harm to the consumer's health or safety, the Agency's Board of Directors, in accordance with the provisions of the Executive Regulations and as the case may be, shall be entitled to issue a resolution suspending the provision of the service or the seizure of commodities subject matter of the violation. The said suspension shall remain pending the completion of the investigations or the rendering of a judgment in such matter. The Agency shall undertake the necessary measures to inform the Consumers of the violation.

Article 20

The Agency shall have an independent budget that starts and terminates with the State's fiscal year.

The Agency's resources shall consist of:

a) The allocations provided by the State in its general budget;
b) The donations, grants, financial aid and any other resources that the Agency decides to accept by virtue of at least a two-third majority voting and provided all such resources are not made in violation of the Agency's objectives;
c) The donations, grants and financial aid that the State allocates as provided for under international treaties and directed towards consumer protection;

A special account for the said resources shall be held at a bank subject to the supervised by the Central Bank of Egypt subsequent to the Finance Minister's approval. The surplus of this account shall be carried forward at the end of every year to the Agency's budget of the following one.

The Agency may not charge any return for the complaints it receives from the Consumers nor for the executed procedures concerning the complaints. Those working for the Agency may not be entitled to receive any bonuses or incentive rewards from the receipts of the fines or the proceeds of the donations, grants or financial aid.

Article 21

The employees working at the Agency who are designated by virtue of a decree issued by the Minister of Justice in agreement with the Competent Minister and upon the nomination of the Agency's Board shall have the capacity of a judicial inspector in the process of implementing the provisions of this Law.

These employees shall have the right of access to all ledgers and documents at any governmental or non-governmental entity. They shall also be entitled to obtain the information and data that is necessary to inspect the cases referred to the Agency.

Article 22

The resolutions passed by the Agency in the process of implementing the provisions of this Law shall be final. However, they may be challenged before the Administrative Court.

The resolutions passed by the Agency shall not be subject to the provisions of Law Number 7 of 2000 concerning the establishment of conciliation committees in some disputes which the ministries and other public law entities are party to.

Article 23

Without prejudice to the functions of the associations established for consumer protection under the law regulating civil society organizations, these associations shall have the right to:

a) Bring legal actions related to consumers' interests or intervene in them;
b) Carry out surveys and price and quality comparison and verify the correctness of related data that indicate contents and notify the concerned entities of violations in such regard;
c) Present information to the concerned governmental entities concerning the problems related to the consumers' rights and interests and present suggestions for avoiding such problems;
d) Receive and verify the consumers' complaints and work on avoiding the causes;
e) Assist the consumers who have been prejudiced as a result of buying the commodity or receiving the service in making complaints to the concerned entities including the Consumer Protection Agency and undertake the necessary legal measures to protect the consumers rights and interests;
f) Participate in spreading the culture of consumer rights and make the citizens aware of their rights and establish the necessary databases to perform their functions;

The consumer protection associations and the Special Union for these associations shall be prohibited from receiving any donations, grants or financial aid from the Suppliers or the Advertisers.

Article 24

Without prejudice to any more severe sanctions provided for under any law, and without prejudice to the consumer's right to compensation, the person who violates Article 3, 4, 5, 6, 7, 8, 9, 11, 18, and the last paragraph of Article 23 hereof shall be fined a sum of not less than five thousand to not more than one hundred thousand Egyptian pounds. The value of the fine shall be doubled if the violation is repeated.

The person in charge of actual management of the violating legal entity shall be subject to the same penalty if established that this person has been aware of the violation and the breach of duties required by management has contributed in the occurrence of the criminal offence.

The legal entity shall be jointly liable to pay the financial penalties and the compensation if the violation has been committed by one of its workers in the name or for the interest of such legal entity.

The court shall order the publication of the convicting judgment in two daily newspapers of wide circulation. The cost of this publication shall be charged to the person who has been convicted.

The Agency's Chairperson shall be entitled to settle with the accused prior to the rendering of a final and conclusive judgment in the criminal action against the payment of a sum that is not less than ten thousand Egyptian Pounds. The settlement shall extinct the criminal legal action.
