In the name of Allah, Most Gracious, Most Merciful

Arab Republic of Egypt
Presidency Of The Republic

# Official Gazette

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#### Law No. 181/2018

On

#### Promulgating Consumer Protection Act

In the name of the people,

The President of the Republic,

The House of Representatives passes the following Law and it is enacted by us.

#### Article (1)

The provisions of this law shall apply to Consumer protection. Its provisions shall not prejudice the provisions of the Law on Protection of Competition and the Prohibition of Monopolistic Practices promulgated by Law No 3 of 2005 and the Law on National Food Safety Authority promulgated by Law No 1 of 2017.

#### Article (2)

Economic courts are competent to adjudicate on civil and commercial disputes arising from the application of the provisions of the following law. The Administrative Court of Justice is competent to adjudicate administrative disputes arising from the application of its provisions.

#### Article (3)

The executive regulations of the following law shall be issued by a decision of the Prime Minister within three months from the date of its implementation. Until such regulations are issued, the regulations and decisions in force shall continue to be used and in a manner not inconsistent with its provisions.

# Article (4)

Law No  $\,$  67 of 2006 shall be repealed by the promulgated Consumer Protection Act.

# Article (5)

This law shall be published in the Official Gazette and be effective three months following the date of the publication thereof.

This law shall be stamped with the State Seal and be executed as one of its laws.

The present Law was issued by the Presidency on 3 Muharram 1440 AH (Corresponding to 13 September 2018 AD)

ABDEL FATTAH AL-SISI

# Consumer Protection Act Section (1) Definitions

#### Article (1):

In application of the provisions of this Law, the following terms and expressions shall have the meanings next to each:

- 1- **Consumer**: Any natural or judicial person to whom a product is provided to satisfy his non-professional, non-commercial or non-commercial needs, or to be dealt with or contracted in this regard.
- 2- Entity: Consumer Protection Agency (CPA)
- 3- **Persons:** Natural persons, judicial persons, including companies in all their forms, economic entities, associations, unions, institutions, establishments, confederations and financial gatherings, and groups of persons of different legal means of incorporation concerned with Consumer Protection, and other associated parties as defined by the executive regulations of this law.
- 4- **Products**: Goods and services offered people under public or private law, including second-hand goods contracted through a Supplier, except for banking and financial services organized under the provisions of the Central Bank and Banking System Act and the Law on regulating the supervision of markets and non-banking financial instruments.
- 5- Supplier: Any person engaged in a commercial, industrial, or professional business providing a service to the Consumer, producing, manufacturing, importing, exporting, selling, renting, displaying, circulating, distributing or marketing a commodity for the purpose of presenting it to the Consumer or dealing or contracting with the Consumer about it in any manner, including electronic means and other modern technical means.

6- Advertiser: Any person who advertises a commodity or service or promotes it by himself or by others by using any means of media or advertising, including digital means.

The Advertiser shall be the one who seeks the advertisement service, advertisement broker, advertising agency and advertising means, all in accordance with the Egyptian standard specifications for advertising requirements for commodities and services.

- 7- **Deficiency:** It is any deficiency in the value or benefit of any of the products according to the intended purpose, which necessarily prevents the Consumer in whole or in part from benefiting from it, including the shortage resulting from the error of handling or storing the commodity, unless the Consumer has caused such shortage.
- 8- Remote contracting: It is about displaying, selling or purchasing products using the Internet, or any other means of visual, audio or print communication, or by telephone or other means.
- 9- Competitions: Any work presented to the public by public or by means of a media or any other means, under any name, which makes the public hope to receive financial or in kind prizes in return for carrying financial burdens of any value.
- 10- Deceptive behavior: Any act or discontinuation to do something by the producer or advertiser that leads to creating an unrealistic or misleading impression of the Consumer, or leads to the occurrence of confusion or error.
- 11- Competent Minister: The Prime Minister.

### Article (2):

The freedom to engage in economic activity is guaranteed to all, and it is prohibited for any person to conclude any agreement or exercise any activity that would violate the basic rights of the Consumer, particularly:

- 1- The right to health and safety when using products normally.
- 2- The right to obtain all information and correct data about the services or products bought, used or presented.
- 3- The right to free testing of products that meet the quality requirements conforming to specifications and the fair competitive price determined by market mechanisms.
- 4- The right to maintain personal dignity and respect for communal customs and traditions.
- 5- The right to participate in institutions, councils and committees whose work relates to Consumer protection.
- 6- The right to bring legal proceedings for any violation, harm or restriction of the rights of the Consumer, through quick and easy procedures.
- 7- The right to receive fair compensation for the damage done to the Consumer or his/her money as a result of the purchase, use or receipt of the products.

All this shall take place without prejudice to the provisions of international treaties and conventions in force in the Arab Republic of Egypt.

# Section (2) Obligations of the Supplier and Advertiser Chapter (1)

# General obligations

#### Article (3):

The Supplier shall abide by the rules of health and safety and quality standards and guarantee the Consumer that the products conform to them according to the Egyptian standard specifications, or in accordance with international standards adopted in Egypt in case there are no such Egyptian specifications.

### Article (4):

The Supplier shall inform the Consumer of all essential data about the products, in particular the source of the product, its price, its features and its basic characteristics, and any other data specified by the executive regulations of this law according to the nature of the product.

### Article (5):

The Supplier shall make sure that all the advertisements, data, information, documents, invoices, receipts and contracts, including the electronic records and documents, and other papers resulting from dealing with the Consumer, are written in Arabic and in a clear easy to read writing.

The Supplier shall also place on the advertisements the data identifying his/her identity, in particular his/her address, contact information, the registration data of his/her activity, and his/her trademark if there is any.

Such data may be in two or more languages, one of which shall be in Arabic.

### Article (6):

The Supplier shall place on the commodities the data as required by the Egyptian standard specifications or the law or the executive regulations of this law in Arabic in a clear easy to read writing, in the manner in which the purpose of such data is achieved according to the nature of each product and the manner of advertising, offering or having a contract for them.

The service provider shall clearly state the service data, features, characteristics, location and time of providing the service.

#### Article (7):

The Supplier shall declare the prices of the commodities or services which he/she offers or provides clearly, provided that the price includes the taxes imposed by the law or any other financial obligations, in accordance with the controls determined by the executive regulations of this law.

#### Article (8):

It is prohibited to lock up strategic products prepared for sale by trading through concealing, not putting them up for sale, refraining from selling them, or in any other form.

The Prime Minister shall issue a decision specifying the strategic products for a specified period of time and the controls of their circulation and the competent authority. The decision shall be published in the two widely circulated newspapers.

The owners of strategic products for non-personal use shall notify the competent authority of the commodities stored and their quantities.

#### Article (9):

The Supplier or the advertiser is committed to avoiding any deceptive behavior if such behavior has to do with any of the following elements:

- 1- The nature of the commodity, its essential features or the elements it is made up of or its quantity.
- 2- The source, weight, size, method of manufacture, date of production, expiration date, conditions and dangers of use.

- 3- Product characteristics and expected results from its use.
- 4- The price or how it is performed, including any amounts added to the price and in particular the value of the added taxes.
- 5- The commodity producer or service provider.
- 6- The type of service, the location of providing the service, the dangers of its use and its intrinsic features whether they have to do with its quality or the benefits of its
- 7- Contract terms and procedures, after-sale service, and warranty.
- 8- Awards, certificates or quality marks obtained by the product, commodity or service.
- 9- Trademarks, data or logos.
- 10- Unreal discounts on goods.
- 11- Available quantities of products.

The executive regulations of this law may include other elements.

#### Article (10):

The Supplier shall provide the Consumer with an invoice confirming the transaction or contracting with him/her about the product, including, in particular, the tax registration number, the date of the transaction or the contract, the price of the product and its specifications, its nature, quality, quantity and any other data specified by the executive regulations of this law. These regulations shall specify the conditions of which one or more of the above-mentioned statements will be sufficient.

# Article (11):

If the Supplier fails to deliver the invoice as set out in Article 10 of this Law, the Consumer shall have the right to prove the specifications of the product and all elements of the contract by all means of proof.

# Article (12):

In the event of agreeing to procure a product, the Supplier shall give the Consumer a receipt stating the characteristics of the product and its features or any other essential data determined by the executive regulations of this law according to the nature of the product and the contract.

#### Article (13):

It is prohibited to import, produce, trade or advertise products in such a way as to discriminate between citizens or abuse them, or to violate the rules of public order or morals.

# Article (14):

Competitions may not be announced by any means except after the Agency has been notified of the data specified by the executive regulation of this law at least three days prior to the announcement date. CPA may suspend the Competition and any advertisements related to it if it finds that the competition is unserious or deceptive, Or if it is announced contrary to the provisions of Article 13 of this Law.

The suspension order shall be issued in accordance with the rules and procedures stipulated in Article (57) thereof.

#### Article (15):

It is not permissible to declare the seizure of real estate units, the contracting of the sale thereof, or the sale of the land intended for construction, or the division thereof, except after obtaining a building permit, in accordance with the provisions of the Building Law promulgated by Law No 119 of 2008.

The contract may not include any term for which the seller or his successor shall receive a percentage, fees or commission of the price of the buyer's disposal of the real estate unit or of such disposal. Any condition that contradicts this is deemed null and void.

### Article (16):

Suppliers are prohibited from going to residential units to offer or sell products without prior and explicit request from the Consumer in accordance with the procedures determined by the executive regulations of this law.

#### Article (17):

The Consumer shall have the right to replace or return the commodity with a refund of its cash value without giving any reasons and without incurring any expenses within fourteen days of receiving it, without prejudice to any legal guarantees or conditions or better agreement for the Consumer. CPA may specify shorter periods of time given the nature of certain commodities.

# Except as provided in paragraph 1 of this Article, the Consumer shall not be entitled to directly replace or return the commodity in the following cases:

- 1- If the nature, characteristics, packaging or wrapping of the commodity prevents its replacement or return, or it is impossible to return it to the condition it was in when purchased.
- 2- If it is a perishable commodity.
- 3- If the commodity is not in the same condition as it was at the time of sale for a reason related to the Consumer.
- 4- If it is a commodity manufactured according to special specifications set by the Consumer and the commodity is in conformity with these specifications.
- 5- If the commodity is a book, newspaper, magazine, an information program and the like.

The Executive Regulations of this Law may add other cases.

#### Article (18):

The Supplier is obliged to place data, approved by CPA and stipulated in this law and its executive regulations, including the rights of the Consumer to the replacement and retrieval of the commodity in a visible place where the products are displayed or sold.

The Supplier is prohibited from suspending the sale of the products on a condition contrary to the commercial practices, the condition of selling a certain quantity, or linking the sale to the purchase of other products, or other conditions.

#### Article (19):

The Supplier shall, within a maximum period of seven days from discovery or knowledge of a defect in the product, inform CPA of this defect and its potential harms.

If the defect harms the health or safety of the Consumer, the Supplier is committed to informing CPA of this defect immediately after discovering or knowing it, to announce that he/she stops manufacturing the product or dealing with it, and to warn Consumers against using it by publishing that in the various media.

In any of the cases referred to above, the Supplier is obliged to repairing the defect or replacing or taking the product back and making a refund at no additional cost to the Consumer.

Manufacturing or handling of the product by the Supplier shall not be resumed until after the approval of CPA. The executive regulations of this law shall determine the necessary procedures for this.

#### Article (20):

The Supplier shall guarantee the quality and safety of the product subject to contract throughout the warranty period and shall ensure the conformity of the specifications according to which the contract has been concluded.

#### Article (21):

The Consumer shall have the right within thirty days of receipt of the commodity to replace or return it with a refund if the commodity is defective or does not conform to the specifications or the purpose for which it was purchased.

In such cases, the Supplier shall, at the Consumer's request, comply with replacing or returning the product and giving the Consumer a refund with no additional cost, without prejudice to any warranties or legal or better contractual terms for the Consumer or shorter periods of time determined by CPA in view of the nature of the commodity.

The executive regulations of this law shall determine the necessary procedures for this.

#### Article (22):

The Supplier shall guarantee durable commodities against the defects of the industry for at least two years from the date of receipt of the commodities by the Consumer, without prejudice to any guarantees or legal conditions or better contractual terms for the Consumer.

The Prime Minister shall, on the basis of a presentation by the Minister concerned with industry affairs, issue a decision on the determination of durable commodities according to the criteria specified by the executive regulations of this law. In the case of products requiring installation or operation by the Supplier, the warranty period shall be calculated from the date of installation or actual operation, up to a maximum of two months from the date of receiving the product. The Supplier shall give the Consumer a receipt indicating the actual operation date.

# Article (23):

The warranty includes the discovery, inspection, and repair procedures and original spare parts, as well as the costs of the technicians' transportation and product transportation from the Consumer's premises to the company's headquarters or maintenance center and bringing it back to the Consumer's premises after repair, including the installation and operating expenses.

During the warranty period, the Supplier is obliged to inform the Consumer of periodic maintenance periods, and to provide the customer with a receipt showing the repairs and maintenance works. If the Supplier does not repair the product, he/she shall provide a new product of the same type and specifications or give a refund, which shall be determined by the executive regulations of this law.

#### Article (24):

If the same defect is discovered in the commodity more than twice during the first year from the date the Consumer received it, which substantially affects the quality of the functional performance of the commodity, the Supplier shall replace it with new ones of the same type and specifications without any cost to the Consumer or returning it with a refund, Unless CPA specifies a period less than the period referred to in view of the nature of the commodity, in accordance with the provisions of the executive regulations of this law.

#### Article (25):

The Service Provider shall reimburse the cost of the service or the cost of repairing the defect, give it back to the Consumer if there is defect or deficiency in it in accordance with its nature, terms of contract and commercial custom, or implement the decision of CPA if no agreement is reached.

### Article (26):

The Supplier of finishing operations, maintenance and household fixtures shall guarantee the validity of the work performed and the products supplied for a period of at least one year, unless CPA specifies a shorter period in view of the nature of the work or products. The warranty shall be at least three years if the defect is due to fraud or gross negligence.

The Supplier shall, when the conditions of responsibility for the non-validity of the service, provide the service again, give a refund, compensate the Consumer for what causes the defect, replace the product, give a refund or implement whatever CPA decides when no agreement is reached.

The Supplier of finishing operations, maintenance and household fixtures shall give the Consumer at the time of entering into the contract and prior to the commencement of the contracted work a receipt confirming the transaction, its specifications, expected cost, and any other data specified by the executive regulations of this law.

The executive regulations of this law shall specify the conditions in which only one or more of the above condition are stated, depending on the nature of the product and the commercial practices. If the Supplier does not provide the receipt as stated in the previous paragraph, the Consumer shall prove the other elements of the contract by all means of proof.

# Article (27):

The producer shall be liable for any damage caused by the product if it is proved that the damage was caused by a defect in the product due to its design, manufacture or composition.

The Supplier shall be liable for any damage caused by the product due to its misuse of the product if it is proved that the damage caused by the failure of the Supplier to take adequate care to prevent the damage or warn against the possibility of its occurrence.

The distributor or seller shall be liable for any damage caused by the product if it is proved that the damage was caused by a defect due to the way it was prepared for consumption, storage, filling, handling or offering.

In all cases the responsibility of the Suppliers shall be Joint and several liability.

#### Article (28):

Any clause contained in a contract, document, instrument or otherwise relating to contracting with the Consumer shall be null and void if it reduces any of the Supplier's obligations under this law or its executive regulation or exempts him/her from them.

#### Article (29):

The Supplier who enters into a contract shall maintain the information and data of the Consumer and not to deal with or conceal them contrary to the provisions of this law or the relevant laws, unless the Consumer expressly approves that, and take all necessary precautions to maintain the confidentiality and privacy of these data and information.

Whether on his own or at the request of an official body or a person concerned, the Public Prosecutor or his representative, may order access to or get any data or information related to the Consumer if required to uncover the truth in a felony or misdemeanor that has serious evidence of its occurrence.

In all cases, the competent court shall have access to such data or information in connection with a dispute presented to it.

#### (Chapter 2)

#### Provisions for certain contracts

#### Article (30):

In case of sale by installments, the Supplier shall provide the Consumer with an invoice or receipt that includes the following data:

- 1- Total price for sale.
- 2- The price of the product in cash
- 3- The annual yield and the total return due for the installment period.
- 4- The amount to be paid by the Consumer in advance, if any.

- 5- The provider of the product by installment, its duration, the number of installments, and the value of each installment.
- 6- The rights and obligations of both the Consumer and the Supplier in case any of them breaching any of the terms of the agreement.

# Article (31):

The Consumer has the right at any time to pay all installments before they are due, provided that the value of the amount paid will reduce the due returns concerning the rest of the period, unless otherwise agreed.

#### Article (32):

In the case of a Timeshare contract, or partial share in ownership, the Consumer will have the right to refer to the contract within fourteen days from the date of signing it without giving reasons and incurring any expenses, without prejudice to the laws or decisions governing these contracts.

The provisions of this law apply to the contracting of fractional ownership or other systems similar to the time-sharing system.

# Article (33):

Service and maintenance centers shall inform the Consumer of the maintenance and repair works required for the product, the period of repair and its cost, and shall obtain the Consumer's express agreement about such works before they are carried out.

Service and maintenance centers shall also give the Consumer an invoice explaining the maintenance works and showing the parts of the product that have been replaced.

The said centers shall guarantee the safety of the product within the scope of the repair service according to the nature of the service and the terms of the contract, or the minimum limits of the guarantee specified by the executive regulations of this law.

When the terms of responsibility for the safety of the reform are met, the centers shall either give a refund of the fees for the service or re-provide the service at no additional cost to the Consumer, unless the defect arose for a foreign reason or due to an error related to the Consumer.

### Article (34):

The Supplier shall make available service, maintenance and repair centers, and also the original or approved spare parts of the imported or locally produced commodities.

The Supplier shall notify CPA of the approved service and maintenance centers and any change thereto as determined by the Executive Regulations of this Law.

CPA Board of Directors shall, by virtue of a decision issued after taking the opinion of the concerned business associations, the period of implementation of the obligation stated in the first paragraph of this article and the commodities exempted from it due to their nature or due to commercial customs.

#### Article (35):

In the case of the sale of the used commodities, the Supplier is obliged to inform the Consumer of the condition of the commodities and their defects, as specified in the executive regulations of this law.

In the case of the sale of used vehicles, the Supplier is obliged to give the Consumer a technical report on the condition of the vehicle and its faults issued by a service center licensed to do this business, unless otherwise agreed.

The responsibility of the Supplier and the service center providing such report will be joint and several liability if any of them intentionally conceals essential data affecting the purchase price or completion of the sale, or if the inspection report does not include such data due to gross negligence by either party.

# (Chapter 3)

#### Remote contracting

# Article (36):

The provisions of this Chapter shall not apply to contracts concluded between the Consumer and the Supplier or the advertiser as the case may be, in the following two cases:

- 1- Banking and financial services and those services related to trading in the capital market.
- 2- Contracting for the subscription to newspapers and other periodicals.

The executive regulations of this law may add other cases excluded from the application of the provisions of this chapter.

#### Article (37):

Before the conclusion of a remote contract, the Supplier shall provide the Consumer, in a clear and frank manner, with the information and data that enable him/her to take a decision to enter into a contract, particularly the following:

- 1- The Supplier's data, including the name, address, telephone number, e-mail if applicable, commercial registration number and tax card, whether the supplier belongs to a legally organized profession, and his/her professional status, the professional name of the body or organization he/she is registered in, as well as any information that allows identification of the manufacturer Or importer as the case may be.
- 2- Data of the product being offered, including its origin, characteristics and essential features, how it is used, and the risks that may result from such use, if any.
- 3- The price of the product and all the amounts that may be added to the price, in particular fees, taxes and shipping charges.
- 4- The duration of the offer.
- 5- The guarantee provided by the Supplier.
- 6- The services provided after the contract, if any.
- 7- The duration of the offer which deals with services provided periodically.
- 8- Date and place of delivery, and the expenses due upon delivery.
- 9- Provisions of rescinding the contract, especially the period during which the Consumer may rescind the contract.
- 10- The Maintenance center data and method of conducting maintenance of the commodities specified by this law.
- 11- The Contract data to be sent to the consumer in the event of completion of the contracting process.

This also includes any other data guaranteeing the rights of the Consumer, which are determined by the executive regulations of this law.

#### Article (38):

If the Consumer agrees to enter into remote contract, his/her agreement must be confirmed and he/she shall have the right to correct or amend his/her application within seven business days of acceptance, unless the parties agree about a longer period, in the circumstances and in the manner prescribed by the executive regulations of this law.

In cases other than those exempted by a decision of the CPA Board of Directors according to the nature of the contract or the applicable commercial customs, the Supplier shall send to the Consumer written notice immediately upon entering into contract including the offer particulars referred to in Article 37 of this law and all other terms of the Contract. Such notice may be sent by e-mail or any other electronic medium in which the notice can be saved, and the notice may not include data other than those contained in the Supplier's offer.

# Article (39):

The Supplier shall be committed to the remote contract, including anything for which no special provision is mentioned in this chapter, and all the provisions of this law.

#### Article (40):

Without prejudice to any warranties, legal conditions or better Consumer agreement, the Consumer who enters into a remote contract shall have the right to rescind the contract within fourteen days of receiving the commodity.

In this case, the Supplier is obliged to refund the amount paid by the Consumer the same way it was paid, unless otherwise agreed upon, within a period not exceeding seven days from the date of returning the product as for the commodities or from the date of entering into contract as for the services. The consumer shall bear the expenses of shipment and returning the product, unless otherwise is set forth in the contract.

If the Supplier delivers the product later than the agreed upon date, or fails to deliver it within thirty days, if the date of delivery has not been agreed upon, the Consumer can rescind the contract, without any expenses, within fourteen days from the date of delay or the date of receipt whichever is longer. In this case, the Supplier shall refund the amount paid by the Consumer immediately upon notifying him/her of rescinding the contract in accordance with the manner and periods provided for in the two previous paragraphs, as the case may be, and the supplier shall bear all the reshipment and delivery expenses.

All this shall take place in accordance with the procedures prescribed by the executive regulations of this law.

### Article (41):

The Consumer loses the right to rescind the contract provided for in Article (40) of this Law in the following cases:

- 1- If he/she has fully benefited from the service before the expiry of the prescribed time for the right to rescind the contract.
- 2- If the agreement has to do with commodities manufactured at the Consumer's request, or meets the specifications specified by him/her.
- 3- If the agreement has to do with videos, CDs, information programs or publications whose covers have been removed by the Consumer.
- 4- If there is a defect in the product due to poor possession by the consumer.
- 5- In the cases where the request for rescinding the contract is contrary to the nature of the product or the commercial custom, or is arbitrary from the Consumer's side with regard to exercising the right to annul the contract, all as determined by the executive regulation of this law.

#### Section (3)

#### Consumer Protection Agency (CPA)

# Article (42):

Consumer Protection Agency (CPA) is the competent body to implement the provisions of this law; it is a legal identity affiliated to the competent minister, based in Cairo, and has the right to establish branches in all governorates, and may be assisted by the Consumer Protection committees in the governorates in exercising its functions.

#### Article (43):

# CPA aims to protect the Consumer and safeguard his/her interests, and in order to achieve all this, it has the right to do the following:

- 1- Develop plans and programs of action to protect the Consumer's rights and promote and develop them and make available the means to achieve all this.
- 2. Spread the culture of Consumer Protection and make it available to citizens.

- 3- Receive complaints and reports of all kinds in the field of consumer protection from consumers and associations, and investigating them. The executive regulations of this law shall specify the time required to respond to the complaint according to the different commodity groups for up to thirty days.
- 4- Coordination with the various bodies of the State to implement the provisions of this law, in particular the Authority for Competition Protection and Prevention of Monopolistic Practices. These bodies shall provide the technical data and advice required by CPA in respect of the subjects related to the provisions of this law and in a manner not contrary to other laws, as determined by the executive regulations of this law.
- 5- Study the suggestions and recommendations received by CPA in relation to the Consumer's rights, and preparing research and studies related thereto.
- 6- Coordination, cooperation, and technical support with the cadres and sectors concerned with complaints of consumers, users, citizens and clients in various bodies, departments, agencies and ministries, and exchange studies and research related to the field of application of the provisions of this law.
- 7- Support the activities of the NGOs concerned with consumer protection technically and legally.
- 8- Cooperate with the regulatory bodies in controlling markets, and deal with any violation of the provisions of this law.
- 9- Develop training programs to qualify those involved in the field of consumer protection.
- 10- Strengthen cooperation in consumer protection at home and abroad and take proactive actions and early warning to discover any potential harm to the consumer.
- 11- Express opinions on the legislations, policies and decisions affecting the rights of consumers on its own or at the request of the concerned parties which shall take the opinion of CPA on the draft laws and regulations relating to consumer rights.
- 12- Make or intervene in civil claims in respect of the interests of consumers, in accordance with the provisions of the laws governing the proceedings before the courts.

#### Article (44):

The funding resources of CPA are as follows:

- 1- The appropriations allocated to CPA in the State's General Budget.
- 2- Donations, grants and subsidies which CPA accepts in accordance with the law and in a manner that does not conflict with its objectives.
- 3- Whatever donations, grants, and international subsidies allocated by the State to CPA for the areas of consumer rights.
- 4- What is equal (25%) of the cash proceeds of reconciliation in cases of violation of this law.
- 5- The proceeds of the fees prescribed under this Law.
- 6- The returns on the work, studies and services performed by CPA under the provisions of Article (45) of this law.

# Article (45):

CPA has an independent annual budget, which starts with the beginning of the State's fiscal year, and ends with the end of the State's fiscal year and the surplus of its resources goes to the State Treasury.

Subject to the provisions of Article (53) of this Law, CPA shall not receive any charge for complaints from consumers or for the actions it takes with regard to them. CPA employees shall not get incentives or rewards from the proceeds of fines or the proceeds of donations and grants received by CPA.

# Article (46):

CPA President shall be appointed by a decision of the President of the Republic or his authorized representative on the basis of the offer of the competent minister, including the determination of his salary and allowances.

# Consumer Protection Agency (CPA) shall have a board of directors, composed of the CPA President and the memberships of:

Experienced full-time vice-president of CPA

One of the representatives of Egypt's State Council, chosen by CPA board chairman.

Representative of the Ministry of Foreign Trade, chosen by its Minister.

Representative of the competent Ministry of Supply and Trade, chosen by its minister.

Representative of the competent Ministry of Finance, chosen by its Minister.

Representative of the Ministry of Industry, chosen by its Minister.

Representative of the General Directorate of the Supply and Internal Trade Police, chosen by the Interior Minister.

Representative of the National Authority for Food Safety, chosen by the Authority Chairman.

Representative of the Upper Egypt Societies, the Greater Cairo Societies, the Lower Egypt Societies, the Suez Canal and the Red Sea Societies and the Sinai Governorates' Societies, in accordance with the procedures specified by the executive regulations of this law.

Representative of the Consumer Protection Specific Association, chosen by its Board of Directors.

Representative of the Central Consumer Cooperative Union, chosen by its Board of Directors.

Representative of the General Federation of Chambers of Commerce and representative of the Federation of Egyptian Industries (FEI), chosen by two federations' boards of directors.

The term of the agency shall be four years, renewable for one term. The competent minister shall issue a decision for forming the board and specifying the financial treatment of the vice president of CPA and the board members.

### Article (47):

CPA board shall be the supreme authority over its affairs. It may take whatever decisions as it deems necessary to achieve its objectives and shall exercise its powers in the manner specified in this Law. It has the right to do particularly the following:

- 1- Put the regulations for organizing the work and regulate its technical secretariat, and its financial and administrative affairs without being restricted to the governmental regulations. These regulations shall be issued by a decision of the competent minister.
- 2- Accept donations, grants, monetary aids, and subsidies provided to CPA in accordance with the law and in a manner that does not conflict with its terms of reference.

- 3- Approve the draft annual budget and CPA final account.
- 4- Recommend the CPA employees who are required to be given the status of the judicial seizure capacity necessary to implement the provisions of this law.
- 5- Consider the reports submitted by CPA president on the progress of work, and whatever decisions and procedures required for work.

#### Article (48):

CPA Board of Directors shall meet at the invitation of its Chairman at least once a month and whenever necessary. The Board may be convened at the request of two thirds of its members. The meeting shall be valid in the presence of ten members and its decisions shall be passed by a majority vote of those present. If the votes are equal, the president's side shall prevail. The decisions of the Board shall be effective without the need for approval or ratification. The Board may call for the attendance of those experts without having counted votes.

The Chairman of the Board or any of its members or their representatives may not participate in deliberations or vote in any case submitted to the Board in which they have an interest or have a dispute with one of its parties, or one of its relatives up to the fourth degree, or has represented or represents one of the parties concerned.

The executive regulations of this law shall regulate the necessary procedures in case there is a conflict of interests.

# Article (49):

CPA shall have a full-time executive director, who shall be appointed and his/her salary shall be determined by virtue of a decision of the competent minister based on the nomination of CPA Board. The executive regulation of this law shall specify his/her terms of reference. The appointment shall be two years renewable. The Executive Director shall attend the Board meetings without having a counted vote.

### Article (50):

CPA Board Chairman shall represent the agency before the courts and in his relations with others. He shall carry out the decisions of the Board, manage the affairs of the agency and develop the work systems thereof. He may delegate his deputy or the executive director or whoever he sees in some of his specialties.

# Article (51):

The CPA employees and other civil servants in the State, who shall be chosen by a decision of the Minister of Justice based on the suggestion of the Board of Directors of the agency, shall have the judicial seizure capacity in the application of the provisions of this Law and the Law of Suppression of Fraud and Deceit No. 48 of 1941 promulgated by Law No. 95 of 1945 on Supply Affairs.

The judicial control officers shall have the right to have access to all the records and documents of any governmental or non-governmental entity and to obtain all information and data necessary to examine the cases presented to the agency.

And for this purpose, the judicial control officers shall have the right to enter all the places determined for sale or in which the products subject to the provisions of this law are kept. They may take samples of such products and examine them in the laboratories specified by the regulations and decisions in accordance with the provisions of this law, and in accordance with the procedures prescribed.

#### Article (52):

In cases where there is a dispute between the Supplier, the Consumer and the Advertiser regarding the application of the provisions of this law or regarding the Consumer's right to replace the commodity or to demand a refund in the cases provided for in this law, the matter shall be referred to the agency to issue a binding decision in this regard.

CPA may issue a decision to replace the commodity or give a refund at the purchase price from the date the Consumer submits the complaint plus the returns determined in accordance with the price declared by the Central Bank or refunding the market value of the commodity, all in accordance with the controls and procedures specified by the executive regulations of this law.

CPA Board shall have committees to deal with disputes between consumers and suppliers or advertisers resulting from the application of the provisions of this law. The committees shall make the necessary recommendations in this respect for CPA. The Committee may, in the performance of its work, use those whom it considers important without having counted votes.

#### Article (53):

CPA shall have the right to direct the complaint parties to have the product in question technically examined, in one of the approved laboratories or bodies when necessary. CPA shall tell which party to bear the expenses of technical examinations and inspections.

#### Article (54):

The Supplier and the Advertiser shall provide CPA with the required data, papers or documents required for the exercise of its functions, within the dates specified by the Executive Regulations of this Law.

#### Article (55):

The CPA employees shall not disclose the information or the data and its sources concerning the cases related to the application of the provisions of this law, which are submitted or dealt with while examining these cases and taking the actions and the related decisions.

Such information, data and sources may not be used for purposes other than those for which they were submitted. The CPA employees shall not perform any work for the persons subject to examination for a period of two years from the date of examination.

### Article (56):

Upon proving the violation of the provisions of this law, CPA shall oblige the violator to modify his/her position and remove the violation within a period of time determined by his/her board of directors, without prejudice to the liability provisions arising from such violations.

If the violation results in any harm to the health or safety of the Consumer, the CPA Board shall, in accordance with the rules set out in the executive regulations of this law, issue a decision to suspend the service or to keep the commodities violated until the conclusion of investigations or the issuance of a judicial decision or judgment in this regard, and CPA shall take the necessary measures to inform consumers of the violation.

#### Article (57):

In case of violation of Articles (9) and (14) of this Law, CPA may ask the Supplier and the Advertiser to correct or amend the misleading or deceptive advertisement. If the Supplier or the Advertiser refrains from making the correction within three days from the date of the request, and If the advertisement is a product that is harmful to the health and safety of the consumer, or if the advertisement contravenes the provisions of Article 13 of this law, CPA may take actions to suspend the advertisement temporarily for a period not exceeding seven days. In this case, CPA shall issue a report proving the proceedings and justifications to be presented to the competent public prosecution within forty-eight hours from the date of suspension of the advertisement.

The prosecution shall present the report to the competent appeals court, which shall be held in the Chamber of Counsel within twenty-four hours with a memorandum of its opinion. The Court shall issue a temporary decision concerning the report, not later than seventy-one hours from the date of its presentation, either by endorsing what has been done to stop or cancel the advertisement. The Court shall decide on the extent of the continuation of the procedures issued by CPA to suspend the advertisement whenever it deems it necessary to postpone the consideration of the report.

If CPA does not present the report referred to in the previous paragraph at the specified time, its decision to suspend the advertisement shall be null.

The temporary order issued by the court regarding the report shall be overturned by the issuance of an order from the Public Prosecution that there is no basis for filing criminal action or by a final judgment of acquittal.

#### Article (58):

Subject to the provisions of this law, the decisions issued by CPA shall be in accordance with the provisions of this Law and shall be appealed before the Administrative Court of Justice.

The appeal against the aforementioned decisions excludes the application of the provisions of Law No. 7 of 2000 regarding the establishment of conciliation committees with regard to certain disputes, to which the ministries and public legal persons are parties.

#### Article (59):

The CPA Board may, upon the approval of a majority of its members, reconcile with the accused in the crimes provided for in this Law, unless it results in any injuries or deaths to consumers, provided that the reasons for the violation are removed, as follows:

- 1- Reconciliation may be made before the criminal case is referred to the competent court in return for paying a sum of money not less than the minimum and not exceeding one third of the maximum fine.
- 2- Reconciliation may be made after the criminal case has been referred to the competent court until a final judgment has been rendered before the payment of an amount not less than three times the minimum fine prescribed and not exceeding half of the maximum fine.

Reconciliation entails ending criminal proceedings.

#### Article (60):

CPA shall develop a program called "Consumer's Friend" in which the Supplier participates at his/her request and grant a certificate called "Consumer Friend's Certificate" for one year prior to the submission of his/her request, provided that he/she is bound by the provisions of this law and its executive regulations.

CPA has the right to withdraw this certificate as soon as it becomes aware of the Supplier's breach of any of the conditions of granting it.

The executive regulations of this law shall specify the terms and conditions of granting this certificate and the issuance fees in proportion to the size and nature of business of the establishment under evaluation not to exceed twenty thousand pounds for each sales unit of the Supplier.

### Article (61):

The parties concerned with the complaint shall obtain a valid certificate for the outcome of the complaint procedures, as well as photocopies of the relevant technical reports. The executive regulations of this law shall specify the rules for issuing such certificate and the issuance fees thereof not exceeding two hundred pounds.

#### Section (4)

# NGOs concerned with consumer protection

### Article (62):

Without prejudice to the competence of associations that are established or whose purposes or objectives are to protect consumers in accordance with the provisions of the Associations Law, associations shall have the following competences in cooperation with CPA:

- 1- Establishment of actions on behalf of the masses of consumers, or intervention in accordance with the procedures established in the laws of direct litigation.
- 2- Conducting a survey and comparison of prices and quality of products, verifying the accuracy of their data, monitoring the commitment of suppliers to the advertised price, checking out the advertisements displayed by suppliers and advertisers and informing the relevant agencies of the violations in this regard.
- 3- Providing information to the competent governmental authorities on the problems related to the rights and interests of consumers and make suggestions for handling them.
- 4- Receiving and verifying consumer complaints and working with CPA to remove the causes.

- 5- Assisting consumers who have been harmed by the use or purchase of a commodity or receiving a service in submitting complaints to the competent authorities, and taking legal actions to protect their rights and interests.
- 6- Contributing to the dissemination of the culture of consumer rights, raising citizens' awareness of their rights and establishing the necessary data bases for these associations to perform their duties.
- 7. Providing consumer consultations on consumer protection, and establishing centers for this in various cities and governorates.

It is prohibited for consumer protection associations and the specific union of these associations to receive grants or donations from Suppliers or Advertisers.

# Section (5)

#### Penalties

#### Article (63):

Without prejudice to any more severe penalty provided for in any other law and without prejudice to the right to compensation, the acts established in the following articles shall be punishable by the penalties provided for therein.

# Article (64):

Any supplier shall be punished by a fine not less than ten thousand pounds and not exceeding five hundred thousand pounds or the value of the product, whichever is greater, if he/she violates the provisions of any of the following articles: (3,4,5,6,7,12,14,16,18,21 , 35,38,30, 40 / first and second paragraphs, 55, 56 / first paragraph, 62 / last paragraph) of this law.

Any person who contravenes the decisions made pursuant to Article 33 (first paragraph) of this law shall be punished by the same penalty. The court may order the closure of the service and maintenance center of the violator for a period not exceeding six months.

### Article (65):

Any supplier shall be punished by a fine not less than thirty thousand pounds and not more than one million pounds or twice the value of the violated product, whichever is greater, if he/she violates the provisions of any of the following articles: (10,20,22,24,25,26,29,30,31,33 / Second and third paragraphs, 40 / third paragraph) of this law.

# Article (66):

Every supplier shall be punished by a fine of not less than fifty thousand pounds and not exceeding two million pounds, or twice the value of the violated product, whichever is greater, if he/she violates the provisions of any of the following articles: (9, 13, 15, first paragraph, 32, 34, 56/second paragraph) of this law.

# Article (67):

# A fine of not less than twenty thousand pounds and not exceeding five hundred thousand pounds shall be imposed on anyone who commits any of the following acts:

- 1- Preventing the judicial officers who are authorized to implement the provisions of this law from the performance of their jobs.
- 2- Refraining from providing CPA with the data, papers or documents provided for in Article (54) of this Law.
- 3- Providing CPA with incorrect data, papers or documents with his/her knowledge.

#### Article (68):

Any person who fails to implement the decision to suspend the advertisement in accordance with the provisions of Article (57) of this Law shall be punished by a fine of not less than fifty thousand pounds and not more than one million pounds or twice the value agreed upon with the advertising agency for the violating advertisement, whichever is greater.

# Article (69):

In the case of committing any of the offenses punishable by the preceding articles of this law again, the fine shall be doubled.

#### Article (70):

Any person who contravenes the provisions of Article (19) of this Law shall be punished by a fine of not less than fifty thousand pounds and not more than two million pounds, or the equivalent of the value of the goods, whichever is greater.

If the violation of the provision of the said article endangers the life of the Consumer or causes him/her to suffer a chronic or intractable illness, the penalty shall be imprisonment or a fine not less than one hundred thousand pounds and not exceeding two million pounds or one of these two penalties.

#### Article (71):

Any person who contravenes the provisions of Article 8 of this Law shall be punished by imprisonment for a period of not less than one year and a fine not less than one hundred thousand pounds and not exceeding two million pounds or the equivalent of the value of the violated commodity, whichever is greater.

In case of committing this offense again, a penalty of not less than two years and not exceeding five years shall be imposed and the value of the fine shall be doubled.

In all cases, the court will order the forfeiture and the judgment will be published in two widely circulated daily newspapers at the expense of the convicted person.

### Article (72):

If the violation of any of the provisions of this law causes injury to a person with permanent disability or chronic or intractable illness, the penalty shall be imprisonment and a fine of not less than one hundred thousand pounds and not more than one million pounds or equivalent value of the violated product, whichever is greater.

If the court considers the application of the provision of Article (17) of the Penal Code, in this case it is not permissible to reduce the punishment restricting freedom from imprisonment for one year.

If the violation results in the death of one or more persons, the penalty shall be life imprisonment and a fine of not less than two hundred thousand pounds and not more than two million pounds, or equivalent value of the violated product, whichever is greater.

### Article (73):

In addition to the penalties prescribed in this law, the Supplier shall be sentenced to refund the value of the violated product in each case where the Consumer has the right to receive the refund, unless he/she has already received it before the judgment is issued.

The application of the first paragraph of Article 32 of the Penal Code does not prevent issuing a refund as set forth in the preceding paragraph.

# Article (74):

The person responsible for the actual administration of the violating legal person shall be punished by the same penalties provided for in this law if it is found to be aware of the violation and the breach of the duties imposed by that administration contributes to the crime.

The legal person shall be jointly liable for the fulfillment of the financial penalties and compensation if the violation is committed by one of its employees in its name or in its favor.

#### Article (75):

The court decides to publish the sentence of conviction at the expense of the convicted person in widely circulated daily newspaper and websites. CPA shall announce in detail on its website the final verdicts leading to conviction in accordance with the provisions of this law. The declaration shall continue for three years from the date of the judgment, and the court registry shall provide CPA with official copies of such judgments without any procedures or payment of judicial fees or other fees.

#### Article (76):

It is not permissible to initiate criminal proceedings or to take actions in respect of the crime provided for in Article 13 of this Law, except at the written request of the competent minister or his authorized representative.