

Cabinet Resolution No. (1) of 2014

Regarding the Conciliation Rules and Conditions of the Violations Committed Against Federal Law No. (24) of 2006 Regarding Consumer Protection

The Cabinet:

- Having reviewed the Constitution;
- Federal Law No. 1 of 1972 Regarding the Jurisdictions of the Ministries and the Powers of the Ministers, and the amending laws thereof,
- Federal Law No. 24 of 2006 Concerning Consumer Protection, and the laws in amendment thereof,
- Cabinet’s Resolution No. 12 of 2007 Regarding the Executive Regulations of the Federal Law No. 24 of 2006 Concerning Consumer Protection, and the laws in amendment thereof,
- Based upon the presentation of the Minister of Economy and the approval of the Cabinet,

Resolves:

Article (1)

Definitions

In application of the provisions hereof, the following words and expressions shall have the meanings, as set out next to each, unless the context requires otherwise:

- Law** : Federal Law No. 24 of 2006 Concerning Consumer Protection, as amended.
- Ministry** : The Ministry of Economy.
- Minister** : The Minister of Economy.
- Competent Authority** : The local competent authority in each respective Emirate assigned to apply the provisions of the present Law.
- Committee** : The conciliation committee which would be formed in each Emirate in accordance with the provisions hereof.
- Conciliation** : Out-of-court process empowering the Committee to accept Conciliation with a provider that commits a violation, which is expressly prescribed by the Legislator as reconcilable, prior to the appearance of the violator before

the public prosecution.

Provider : A natural or judicial person providing service or information or manufacturing, distributing, trading, selling, importing, exporting or intervening in the production or trading of goods.

Article (2)

Formation of the Committee

In each Emirate, one or more Committees shall be formed by a decision of the Minister in coordination with the Competent Authority to undertake the task of Conciliation with the Provider that violates the provisions of the Law in accordance with the rules and conditions hereunder; provided, however, that the mechanism for the action of the Committee, the location of its meetings and how it would take its decisions and recommendations shall be determined in the formation decision.

Article (3)

Competences of the Committee

The Committee shall be competent in considering the Conciliation applications submitted thereto concerning the following violations:

1. A violation by the Provider of any of the provisions of the Articles 6, 7 and 14 of the Law; provided, however, that the consideration of the Conciliation shall not exceed AED 500.000 and shall not be less than AED 50.000.
2. A violation by the Provider of any of the provisions of the Articles 5 & 8 and paragraph 2 of the Articles 9 and 12 of the Law; provided, however, that the consideration of the Conciliation shall not exceed AED 100.000 and shall not be less than AED 5000.
3. A violation by the Provider of any of the provisions of paragraph 1 of Article 9 or any of the provisions of the Articles 10, 11, 13 and 15 of the Law; provided, however, that the consideration of the Conciliation shall not exceed AED 60.000 and shall not be less than AED 10.000.
4. The violation by a Provider of the provisions of the Law and its Executive Regulations; provided that the consideration of the Conciliation shall not exceed AED 50.000 and shall not be less than AED 5000.

Article (4)

Conciliation Rules & Procedures

In Conciliation the following procedures shall be adopted:

1. The violating Provider or the attorney thereof shall provide an application for Conciliation to the Committee on the form, as prepared by the Ministry for this purpose, within 10 business days as of the date of writing down a violation record against the same.
2. An applicant must include a written acknowledgment by the Provider or its attorney of committing the violation, the date and time of seizing it and the place of committing it and must fulfill all documents and data which shall be determined by a decision issued by the Minister.
3. The Committee shall consider the application and verify that it fulfills all required conditions, documents and data.
4. In the event that the Committee accepts the Conciliation application, the Committee should issue its decision thereon within 30 days as of furnishing the Conciliation application by the Provider; provided that the Committee shall specify in its decision the consideration to be paid by the Provider, the period within which the consideration of the Conciliation is to be paid and the authority to which such consideration is to be paid; provided, however, that all such actions shall be proved in an official record prepared for such purpose.
5. By a decision of the Minister the period for paying the consideration of the Conciliation may be extended, if a Provider applied for an extension for the payment period and has serious reasons preventing it from paying the consideration within the period that is specified by the Committee.
6. In the event that a Provider is not bound by the paying the consideration of the Conciliation within the specified period, the Committee should refer the Provider to the public prosecution on the form prepared by the Ministry for such purpose.
7. In case that a Provider refuses the Conciliation, the Committee shall refer the violation to the public prosecution, to take the prescribed actions according to the effective legislation in this regard, on the form prepared by the Ministry for such purpose.
8. In the event that the Conciliation procedures are finalized, the Conciliation record and its attachments shall be presented to the Minister or the person authorized thereby to endorse the reservation of the violation after paying the agreed Conciliation amount by the Provider.

Article (5)

Recurrence

No Conciliation applications of a Provider shall be accepted, in case of recommitting the same violation within a year as of committing the previous one.

Article (6)

Record Keeping

The Consumer Protection Department at the Ministry shall keep the required records for the implementation of the provisions hereof in accordance with the resolutions and regulations issued in this respect.

Article (7)

Executive Resolutions

The Minister shall issue the required resolutions and regulations for the implementation of this Resolution.

Article (8)

Publication & Effectiveness

The present Resolution shall be published in the Official Gazette and enter into force as of the day following its publication.

Mohammed bin Rashid Al Maktoum

Prime Minister

Issued by us:

Date: 12 / Rabi' I / 1435 A.H

Corresponding to: 13 / January / 2014 AD