

The Draft Law of the Consumer protection System

On Sunday 19/6/1432 AH – 22/5/2011 AD, the National Society for Human Rights has submitted to the King the project system of the consumer protection. Here is the draft of the consumer protection system

:Chapter One
The Label, Definition and Objectives

:(Article (1
(This system is called (The Consumer Protection System

:(Article (2
The definition of each word mentioned in the exhibition of implementing the system's provisions, unless the context requires another meaning
.The system: the consumer protection system

The executive regulations: the regulations of the consumer protection system

.The Society: The Saudi Society for Consumer protection

The Specifications: The approved standard specifications by the Saudi Arabia Specifications and Measurement Agency

The Consumer: Each natural or legal person that gets a good or service, paid or free of charge, to fulfill his personal need or the need of others

The Good: Every animal, vegetable, industrial or transformative product, including the initial materials and substances used in the product. It can be calculated by counting, weight measurement, or the amount of energy

The Service: Each action or work provided to the consumer,
.whether paid or unpaid

The Consumer protection: Protecting the consumer's rights from
.the illegal practices that may harm him

.The person: Each natural or legal person

The defect: Each deficiency in the value of consumer goods or services either adding or decreasing, or deficiency in manufacturing or otherwise, whether in it or in its nature, kind, shape, elements , qualities, requirements, its properties or its origin, either in the weight, scale number, energy that leads to completely or partially deprive the consumer to take advantage of
.the good or service

The Supplier: Each person provide, distribute, display a service or circulate one of the products or handle them in order to be presented to the consumer or contract and deal with him on it
.including the modern technology

The Advirtisor: Each person is advertising for a product or service or promoted for it by himself or by others using any means, including electronic means and other means of modern
.technology

The Deceptive advertising: The announcement of the consumer goods and services by any means that includes a presentation or a false statement or claim or formulated using terms that will lead
.directly or indirectly to deceive or mislead the consumer

The Center: The National Center for monitoring the prices and
.wages and services

:(Article (3

Under the freedom of dealing and the swap, this system aims to

:the following

First: Protect the consumer and his rights from the illegal practices
.that may harm him

Second: Prevent all the work that contradict with the rules of
import, production or marketing of goods or detract it from its
.benefits or result in misleading the consumer

Third: Educate and aware the consumer and develop his values
and consumption patterns through the outreach and consumer
.education programs

Fourth: Ensure the exercise of the consumer's right in choosing the
most appropriate choice of goods and services available in the
.market

Fifth: Ensure the integrity of transactions, and the safety of
products and goods provided to the consumer, and the verification
.of its compliance with the identified standards and specifications

Sixth: Face the misleading or deceptive or false selling and
.marketing pressure

Seventh: Create a relationship of trust and cooperation between
the consumer and the product or service provider and participate
.in the dialogue and consultation with the concerned authorities

Eighth: The possibility of resolving the consumption's disputes in a
.friendly way according to the request of the consumer

Ninth: Support the consumer protection rules in the collective
consumption's "adhesion contracts" through stating the
need to edit the model contracts in Arabic and authorize the center
to form a committee of specialists so as to study the traded
adhesion contracts and suggest recommendations concerning the
affair of the unfair conditions that may be included and submitting
those recommendations to the competent authorities to cancel
.these terms or adjust them

Tenth: Protect the consumers from the sudden rise in prices of
.goods and services and wages

Eleventh: Activate the statutory procedures designed to protect the
.consumer at the practical and applied level

Twelfth: Ensure that the consumers' point of view is accessed to the relevant official bodies, and report them with the practices that harm their interests, and request its intervention to stop such .practices when appropriate

:Chapter Two

The Consumer Rights

:(Article (4

The Consumer enjoy the following rights, which exercised according to the provisions of this regulation
The right to health and safety during his normal use of goods or .services

The right to obtain correct and adequate information and data .about the purchased or used goods or the provided services

The right to free choice of goods and services which meet the .quality requirements that match the specifications

The right to obtain a proof for purchasing any commodity, or receiving any service, indicating in it the value, date and the Item .specifications, number, quantity, type and price

The right to replace the product or return it and recover its value, as well as the recovery of amounts that have been paid for a service within fifteen days from the date of the product purchase or the service provision. In addition, if there was a defect in the Item or was not in conformity with the agreed or applicable specifications or for the purpose for which it has been obtained provided that the defect is not resulted from the consumer misuse .of the product or service

The right to obtain fair treatment and without discrimination by the producer or importer of the product intended for domestic use or .for export

The right to obtain knowledge regarding the protection of their .legitimate rights and interests

The right to participate in the institutions, councils and committees .that are related to the consumer protection

The right to filing lawsuits on anything that might affect his rights and harm or restrict them, and this is through quick and affordable .procedures

The right to obtain full compensation for the damage that affected him or his money as a result of the consumption of a commodity or service utilization that is not identical to the usual standards or .specifications

The right to object to the increase of the wages of the Real Estate .for housing or trade if the increase is more than 5% annually

The right to object to the increase in the commodity prices or the .services wages if the increase is more than 5% annually

:Chapter Three

The obligations of the producers, importers, distributors, suppliers and advertisers

:(Article (5

The producer, importer, supplier or advertiser have to put on goods the data, which is imposed by the Saudi standard specifications, in Arabic and in a clear way so as to be easy to read. It also should be in a way that will achieve the purpose of putting such data and this is according to the nature of each product and its advertising or introducing or contracting method. The service provider has to set also in a clear way the data of the .service provided, its price, features and characteristics

:(Article (6

In the circumstances that the use of the product or service could lead to damage the health and safety of the consumer, the producer, importer, supplier, the advertiser and the service provider are committed to show the best way to use the product or service and how to prevent the potential damages and to treat .them if they occur

:(Article (7

If it turns out to the producer, importer or supplier, distributor, or advertiser or the service provider that the good or service that is put in circulation includes a defect or more, he must inform the competent authorities specified in the regulations, as soon as he knew or informed or being informed of the contravention or when editing the record , he must inform them with the information that are related to the quantity and the names of the merchants who .exchange this defective product or service and their addresses And if the defect would compromise the consumer's safety, health or it may pose a threat to him, he must immediately take, in :addition to the previous procedure, the following procedures

- Informing the consumers through the media about these defects -1
.and warning them of the risks that may result from them
.Pull the item from the markets -2
- Retrieve the goods that have been sold or leased and return the -3
.price paid
- Replace the goods at his own expense and bring the price paid -4
.if it cannot be fixed
- Get rid of the goods, in ways that are correct and not harmful to -5
.the environment, and at his own expense

:(Article (8

Asking the producer, importer and supplier for not providing the spare parts for goods during a specific time period, and asking them for not providing the advertised and agreed guarantees with the consumer and this should be in accordance with the rules .specified by the regulations

:(Article (9

The producer, the importer, distributor, supplier, advertiser and the service provider, each in his own jurisdiction, should be committed :to the following

Making sure of installing the data, specifications and full components of the product, especially the manufacturer date and expiry date and the country of origin before putting them on the .market or the buying or selling process or before being advertised
Commitment to the advertised Saudi or global standard specifications in order to determine the quality of the product or service provided to the consumer, also ask for the non-compliance with the conditions relating to the public health and .safety

Choosing a commercial name and address and recording them in the official records of the competent authorities and keeping the .approved records for his activity

Keeping the buying and selling receipts, or copying ,displaying or submitting them to the competent official authorities when needed .or enable them to see it in his shop without any opposition

Not raising the price of a good or service or rent with more than 5% annually without the approval of the National Centre for .monitoring the prices and wages and services

Promoting, by any means of media, publishing and advertising, a product or service that does not meet the approved local or .international standard specifications

Noting down in all his correspondence, publications, advertisements and the editing issued by him in his dealings or contract with the consumer - including the electronic editing and documents – the data which will determine his character and especially the data recorded in his activity record and his brand, if .there is

Attending in person or who represented him in front of the competent or the relevant authorities within one week from the date of his notification to answer for any violation of the provisions of this regulation or to give any information about the item or .service that is processed or advertised

Allowing the relevant official authorities to conduct detection and inspection in place of work so as to obtain samples from what is stored and presented in order to conduct tests with the officially approved authorities to determine its suitability for human .consumption

:(Article (10

The supplier or distributor should be commit to submit to the consumer a bill that proves his dealing on the item or service, and it should include in particular the trade or contract date, the price of the good or service, its characteristics , nature, quality and

quantity, and any other data stated by the executive regulations for
.this system

:(Article (11

:Prohibiting any person from the following

The practice of cheating ,deception and fraud or hiding the fact of
the substrates to the approved specifications in all the goods and
.services

The use of force or objection with the inspection committees and
the representatives of the relevant official authorities and
preventing them from carrying out their duties entrusted to them or
.obstructing them in any means

Producing, selling, displaying, importing, supplying, distributing, or
:announcing the following

Any goods that are fake or corrupt or the services that contradicts
.with the provisions of Islamic law or public order or public morals

Any goods that are contrary to the approved standard
.specifications

Any goods that are not logging clearly the ingredients, warnings (if
any), manufacturer date and the expiry date on their labels or
.packs

.Hide, change, remove or twist the expiry date

Re-packaging the damaged or expired products with packs and
covers that carry different validity date that are not true and
.mislead the consumer

:(Article (12

The producer, importer, supplier or advertiser or all of them or
some of them will be responsible for the damage resulting from the
use or consumption of the product that does not meet the
conditions for safety and health of the consumer unless it is proved
the identity of the person that provided him and his good intention,

and every contractual condition that contradicts that is considered
.null and void

Every condition or statement that would exempt the manufacturer
or supplier from the responsibility of identifying it is considered null
.and void

:(Article (13

The producer, importer or supplier or distributor are committed to
return the good and its value or replacing or repairing it free of
charge in the event of discovering a defect in it or not being in
conformity with the standards prescribed or the purpose for which
had been contracted for. They will also be committed to ensure the
service which he has carried out during a period of time that
commensurate with the nature of the service and return the
amount paid by the recipient of the service, or performing it again
.correctly

:(Article (14

All the commercial agents or distributors are committed to
implement all the guarantees provided by the producer or the
principal of the commodity instead of the agency, and if the
implementation of the safeguards took a period exceeding fifteen
days, the commercial agent or distributor is committed to provide
similar commodity to the consumer to use it without charge until
.those safeguards are implemented

:(Article (15

It is not permissible for a supplier, importer or seller to hide any
commodity or refrain from selling them in order to increase their
price or control the market price, or to impose buying certain
quantities of them, or buying another commodity with it, or to
.receive a price higher than the price that has been announced

:(Article (16

The supplier, before contracting, has to provide the following data for the consumer , in case of selling the good or service by installments

- .The price of selling the goods or provide services in cash
- .The price of selling the goods or provide services in installments
- .The possible periods by installments
- .Total premiums for each period and the value of each installment
- .Total cost of selling by installments

The amount of money that should be paid in advance or recently (if any

Penalty clauses that sign if the consumer breached to pay premiums

:(Article (17

Prohibiting the publication of any declaration that can mislead the consumer about the good or service, and the advertising is considered misleading if it is relating to the following

The nature and the components of the product or its fundamental qualities or elements that they are consisting of and the amount of these elements

The source of the good, its weight, size, method of manufacture , expiration date, terms of use or the caveats of such use

The type of the service or the agreed place for its submission, the caveats of its use, and the fundamental qualities both in terms of their quality or validity for its main aim

The contracting conditions and the total amount of the price and the way of paying

.The advertiser's obligations

The identity and qualifications of the service supplier if the identity and qualifications are relevant during contracting

Using a trade name, trademark or a drawing or a model similar to the trade name, trademark or a drawing or industrial model of the others or similar to them to the extent that they will mislead the consumer

Prohibiting any advertising for a prohibited or unauthorized activity
.for prohibited or anonymous goods or services

Prohibiting the advertising and promotional campaigns for goods
.that may harm the health or safety of the consumer

Prohibiting the advertising or promotion of a commodity by any
means of advertising except after proving its suitability for
.consumption

:(Article (18

The advertiser must prove the correctness of the information
contained in the announcement and he is responsible for providing
the judicial authorities and the relevant authorities with the
.documents that may be requested

:(Article (19

The competent authority is entitled to demand from the advertiser
to correct or modify his advertising and republish the correction or
modification, or broadcast it through the media, that is used for
broadcasting or publishing the deceptive advertising, and the
court, which consider the case, may decide to stop broadcasting
the deceptive ad and the taken decision should be implemented as
soon as possible. It may also change its decision if it is proved that
..the advertising is not harmful

:(Article (20

The regulations of this system should specify the main conditions
and principles that should be taken into account in the ads
promoting the goods and services so as to ensure the protection of
.consumers' rights

:(Article (21

The producer, importer or supplier or service provider, who resort
to announce a special offer in order to promote good or service,
must determine how long this good or service will be available or

its available quantity, and he has to announce the conditions of
.the contract when required

If the time or quantity is not specified, the promotion will be valid
for one month from the date of the first announcement, unless the
supplier announced, using the same mean, about the end date of
.the promotion

:(Article (22

If the producer, importer or supplier is unable to secure the
promoted good or service in accordance with the terms advertised,
:the consumer has the right to either
To accept a commodity or service that is equal to the commodity
.or service advertised if the supplier or seller suggested that

Cancel the contract and recover any amount may have been paid
to the supplier. In addition, claim compensation for the harm that
happened to him, that should not be less than the different amount
between the price of the good or service during the promotion and
.its price after that

The Contractual Relationship

:(Article (23

The contracts must be interpreted, because it is involved to the interest of the consumer. It also should be taken into account, to determine the availability extent of the consumer satisfaction, the conditions of the contract and benefits granted to it by the contract .and the balance between the rights and obligations of the parties

:(Article (24

In the standard contracts, prepared by the producer, importer or supplier to contract with an indefinite multiple parties, or which the public administrations have agreed to adopt, or which does not allow the consumer to modify its provisions, the following - : conditions should be met

Be formulated in Arabic and in clear and understandable terms and it is allowed, by the agreement of the contractors, to make a .contract in a foreign language

Do not indicate or transmit to the texts or documents that have not .placed under the conduct of the consumer before signing

To identify in an explicit and clear way the price, the date and how .to pay it, as well as the date and place of delivery

Taking into account the provisions of the regulations in force in the Kingdom, the National Center for monitoring wage goods and services has to constitute a committee of experienced and competent and relevant authorities to examine the standard contracts traded in various consumption areas and make .recommendations on the unfair conditions to the consumer

Publishing the Committee's recommendations and this is according to the decision of the President of the National Center and reporting the relevant authorities in order to modify the standard contracts formats in a way that will preserve the rights of the contractual relationship parties and protect the rights of the consumers.

:(Article (25

The service or good provider has to deliver the consumer a copy of the adopted contract to see the contents before signing it, and should extradite him a copy of the contract signed by him

:Chapter Five

The National Center for monitoring wages, goods and services

:(Article (26

Establishing a national center to monitor the prices, wages and services so as to protect the rights of the consumer and it should have a financial and administrative independence and allocate a budget evenly within the budget of the Ministry of Trade and Industry and the Ministry of Municipal Affairs and Rural and it should be based in Riyadh and has to set up branches in other regions of the Kingdom if it is needed

:The Center shall have a Board consisting of

- The Undersecretary of the Ministry of Trade and Industry -
- Undersecretary of the Ministry of Municipal and Rural Affairs -
- A representative of the following entities and should not be below -
- :the rank of eleventh or its equivalent
- Ministry of Interior -
- Ministry of Information -

- The Ministry of Communications and Information - Technology
- Ministry of Justice -
- Ministry of Transport -
- Customs -
- .Standards and Metrology -
- .Tourism Authority -
- .Food and Drug Administration -
- .SAMA -
- General Organization of Ports -
- A representative of the Saudi Arabian Airlines -
- .A representative of the Chambers of Commerce -
- A representative of the Society for Consumer - Protection
- A representative of civil society organizations - .licensed
- Two academic experts or specialists in the field of - consumption

:(Article (27

The Board of the Centre, in coordination with the official and private authorities, will have the following duties and responsibilities

- Controlling the prices, wages, services and their movement, and verifying the quality and safety of goods and services provided to the consumers

Taking care of the consumer affairs and his interests and preserving his rights by putting the necessary conditions to defend them and preparing the related regulations and adopting them in a way that does not violate the provisions of this system

Adoption of the public policy for the consumer protection in coordination with various authorities that are concerned with the consumer awareness and education

Adopting the consumer's issues in the public and private authorities and working on protecting the consumers from all types of fraud and counterfeiting, and deception in all goods and services and the exaggeration in raising their prices
Developing an appropriate mechanism to control prices, wages and services

Adoption of the necessary controls for settling the disputes relating to prices, wages and services

Following-up the control practices that contradicts with the provisions of this system by the competent authorities

Expressing an opinion and submitting proposals in the consumer protection field

Developing the consumer's level of information, awareness and education

Coordinating with the relevant authorities in order to -10
.improve the quality of goods and services

Preparing an annual report on its work and on its most -11
important activities carried out in the area of the consumer awareness, education and protection in the Kingdom, and submit it
.to the Prime Minister and publishing it in the media

Considering the approval of the request regarding -12
increasing the prices of goods and services and wages by more
.than 50% from the price a year if it is needed

Preparing the necessary recommendations for taking care of -13
the consumers and protecting their interests and sending them if
.necessary to the higher authorities

:(Article (28

The president of the National Center for control of prices, wages and services should be appointed on the excellent rank by a .decision of the Prime Minister and should be directly linked to him

The Center should meet, by the invitation of the President or his representative in his absence, once a month or when needed. It should be a regular meeting by the presence of at least two-thirds of its members including the President or his representative, and the center shall take its decisions by the majority of the attendance. When the votes are equal, the part that the chairman . of the meeting has voted for it will be taken

The head of the center will hold the management of the Center and the supervision of its staff and has to work on conducting its work in accordance with its terms of reference and its duties and :accordingly he has to take the following

Supervising the preparation of the administrative and financial regulations which are followed by the center in order to prepare .for its submission to the Board of the Centre for approval

The Appointment of the Center's staff and the adoption of the financial procedures according to the rules and regulations .prescribed in this regard

Overseeing the function of the center through the adopted .regulations

Overseeing the preparation of the annual report concerning the work of the center, and the control of the prices, wages and services in the Kingdom in order to prepare for its submission to .the Board of the Centre

Supervising the preparation of the draft of the annual budget for the center, and its final account, in order to be submitted to the
.Board of the center

Representing the center in the governmental agencies, judicial institutions and other relevant authorities, inside and outside the
.Kingdom

The head of the center has the right to invite whoever he sees appropriate to participate in the Center's meetings without having
.the right to vote on its decisions

The Centre shall have a secretary in order to organize its meetings and shall identify the lecture limitations and records-keeping and
.follow up the implementation of its decisions

The Centre's Board may authorize the head of the center in some
.of his powers that require urgent intervention