

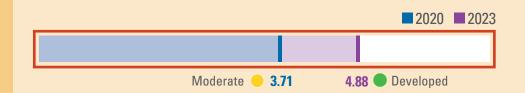


ARAB BUSINESS LEGISLATIVE FRAMEWORKS

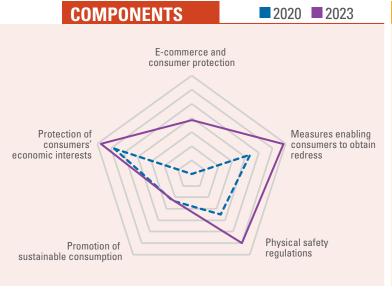




CONSUMER PROTECTION









In 2012, Bahrain has adopted its Consumer Protection Law No. <u>35/2012</u>. Also, in 2014, Bahrain adopted the executive regulation (No. <u>66/2014</u>) for the consumer protection law. The law emphasized product safety, enabled consumers to obtain redress, and established a strong sanction regime for deterrence. Work is underway to develop the first law covering e-commerce in Bahrain.



Physical safety regulations

Pursuant to article 3 of the consumer protection law, it is required from suppliers to comply with the criteria and technical conditions for products and to guarantee product safety and suitability for use. Article 11 lists the functions of the consumer protection department. For instance, the department has the power to enforce public policy for consumer protection, receive complaints from consumers and investigate them, take appropriate measures to prevent fraud, and develop programmes to raise consumer awareness regarding their duties and rights. It is noteworthy that the law does not specify any exemption. On the contrary, article 10 deems any contract clause that exempts suppliers from their duties null and void.

Bahrain had also ratified and issued the executive regulation for the Unified Law for Combating Commercial

Fraud in the Gulf Cooperation Council (GCC) countries No. <u>20/2019</u>. According to article 3 of the Unified Law, and articles 2, 5, and 6 of its Executive Regulation, the suppliers should notify competent authorities of any contaminated or spoiled goods upon discovery or knowledge of them. The supplier is also required to stop selling or dealing with contaminated commodities and must immediately initiate procedures for withdrawing the commodities and warning publicly against its use. Article 13 of the Unified Law states that the court should rule for the withdrawal of contaminated goods and publish its ruling in two daily newspapers at the expense of the supplier if no corrective measures were taken by the latter. Bahrain coordinates with other GCC countries under the umbrella of the GCC Secretariat General, which is represented by the GCC Standardization Organization.



Protection of consumers' economic interests

Article 2 of the consumer protection law lists consumer rights, which include the right to health and safety during regular use of products, the right to accurate information on products, and the right to living in a healthy environment, etc.

Articles 4 to 10 cover different commitments and duties incumbent on suppliers, such as ensuring the post-sale services within the timeframe specified by the Minister of Economy and providing information on products and their prices, etc.

Article 17 empowers the officers appointed by the minister to enter stores to ensure the enforcement of the provisions of the law. Infringements are to be reported and referred to the competent court. Finally, articles 18 to 22 provide

a categorized sanction regime (including fines and imprisonment) for those infringements.

It is worth noting that a number of ministerial decisions have been issued based on the Consumer Protection Law and its executive regulations in order to enhance the protection of consumers' interests, including Resolution No. 109 of 2015 regarding the prohibition of imposing additional amounts when purchasing products with a credit card, Resolution No. 64 of 2016 regarding the prohibition of imposing additional amounts on the consumer when providing food services and drinks in non-tourist restaurants and cafes, and Resolution No. 2 of 2015 regarding the prohibition of advertising products through pyramid or network marketing.



Measures enabling consumers to obtain redress

Article 8 guarantees the right of consumers to obtain redress. The article also makes it incumbent on suppliers

to replace defective products or to take it with a full refund. In case a dispute arises due to these duties, the council studies the case to issue the appropriate decision. Also, according to article 9, the supplier has a duty to provide spare parts and maintenance services for a reasonable period, according to the nature of the product.

Article 11 includes a provision allowing consumers to present complaints to the consumer protection authority

regarding infringements and granting the authority the power to investigate these complaints.

Finally, in order to further the protection, according to article 11(2) of the consumer protection law and article 19 of its executive regulation organizations are empowered to defend and protect consumers as well as to file complaints on behalf of consumers.



Promotion of sustainable consumption

The only article that targets the sustainable consumption subject is article 2 which guarantees, among other things, consumer right to live in a healthy environment.

Also, a ministry concerned with sustainable development has been created under the name of the Ministry of Sustainable Development.



E-commerce and consumer protection

Few provisions in the consumer protection law treat e-commerce. For instance, the prohibition of misinformation practices also covers business activities on a digital platform. Several other laws cover certain aspects of e-commerce, such as Law No. 30/2018 on the protection of personal data that guarantees protection for consumer data while doing transactions online.

Decree-Law No. 54 of 2018 on electronic communications and transactions and Law No. 60 of 2014 regarding information technology crimes also cover aspects of e-commerce.

Bahrain is working on the development of its first law fully dedicated to e-commerce.

RECOMMENDATIONS

- To strengthen coordination mechanisms between the national consumer protection authority and other administrative authorities such as the competition, public health, customs, trade, and environmental authorities.
- To endow the national consumer protection authority with the power to revise/propose draft laws or policies regarding consumer protection as well as the power to impose sanctions.
- To develop more policies and legal provisions that tackle sustainable consumption, including consumer activities, duties on manufacturers, and a specific sanction regime.
- >>> To further develop e-commerce practices and the protection of consumers in the digital market through a separate chapter in the law.
- To strengthen coordination and the establishment of agreements with regional and global consumer protection authorities to deter cross-border unfair practices that may be harmful to consumers.

