

The Lebanese Republic
The Parliament

Consumer Protection Law

Sole Article

The draft law on Consumer Protection established by the decree No.13068 of 5 August 2004 has been approved as amended by the joint parliamentary committees and the Parliament.

This law shall come into force at the date of its publication in the Official Gazette.

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Article 1

The purpose of this law is to:

- Outline the general rules concerning the protection of consumers and the safety and quality of goods and services.
- Assert consumer rights and guarantee the transparency of economic transactions in which the consumer may engage.
- Protect consumers from fraud and misleading advertisements and prevent their exploitation.

The provisions of this Law shall not apply to relations that connect suppliers.

Article 2

For the purposes of this law:

- **“Consumer”**: shall mean a natural or legal person who buys, rents, utilizes or benefits from goods or services, for purposes other than his professional activity.
- **“Supplier”**: shall mean a natural or legal person, from the private or the public sector, engaged in the distribution, sale, or rent of goods or in the provision of services, on his behalf, or in the interest of someone else. For the purposes of this Law, “Supplier” shall also mean a person who imports goods with the aim of selling, renting or distributing such goods, within the scope of his professional activity.
- **“Manufacturer”**: shall mean a person who transforms or assembles raw or secondary materials.
- **“Goods”**: shall mean immovables and movables whether nutritional, natural transformed or manufactured.
- **“Service”**: shall mean an act consisting of a technical, handicraft, or intellectual activity, of any description as given by the supplier or the consumer.
- **“Price”**: shall mean the sale price, the rental, or the use charge.

- **“Standards”**: shall mean standards and technical regulations that define the characteristics of goods or services, or the production method and the management systems. It might also include terminology, symbols, data, packaging, marking and labeling requirements, applied to a product or to its production method, with which compliance is mandatory.
- **“Consumer Associations”**: shall mean the associations established for non-political, non-commercial or non-economic purposes. Such associations aim at promoting consumers’ education, awareness and guidance, at protecting consumers’ rights and interests and at representing consumers before all private and official authorities.
- **“Advertiser”**: shall mean a person who requests the broadcasting or the publication of an advertisement through any means whatsoever.
- **“Emergencies”**: shall mean those cases that cannot be remedied through the regular course of action, that have a major impact on national security and on human, animal and plant health and safety, and that necessitate immediate action..

Chapter Two

Consumer Rights

Article 3

The consumer shall have the following rights that shall be exercised in accordance with the provisions of this Law:

- The right to protect his health and safety when goods and services are used under proper conditions.
- The right to receive fair and non-discriminatory treatment from the supplier of goods intended for local consumption or for exportation.
- The right to receive exact, clear, and sufficient information about goods or services and about the price, description and method of use of such goods and services and the potential risk that they may pose.
- The right to exchange or repair the goods or to get a refund of the price already paid for a service if such goods or service, when used under proper conditions, do not comply with the applicable or agreed standards or with the purpose for which the goods or services are acquired.
- The right to obtain an appropriate and full compensation for damage resulting from the consumption of goods or the use of services, when used under proper conditions.

- The right to establish and adhere to Consumer Protection Associations.
- The right to sue for damages or for the assertion of his rights, on his own or through Consumer Protection Associations.

Chapter Three

Consumer Information

Article 4

Suppliers shall provide the consumers with exact, sufficient, and clear information about:

- Essential data about the goods or services and the directions for their use;
- The price and the terms of the contract including the procedures of the contract;
- The risks that goods or services may pose.

Article 5

The supplier shall:

- Conspicuously display the price in Lebanese pounds on the goods or on the shelves where such goods are displayed.
- Comply with the official weights and volumes metric system.

Article 6

Prices shall also be displayed in an easily identifiable place in service establishments, especially hotels, furnished apartments, restaurants, cafés and amusement centers.

Article 7

The information determined by the relevant administration, must be displayed on the labels attached to the goods or to the packages of such goods, depending on the goods' nature and description and in accordance with applicable standards.

The above-mentioned information may include, inter alia:

- The goods' nature, type, elements, ingredients and/or composition.

- The net weight, volume or number of the goods.
- The shelf life of the goods.
- The country of origin, or the place of origin with regard to recognized Countries Unions.
- The name and address of the manufacturer or supplier.
- The side effects and the safety instructions of the goods.

Article 8

Foodstuffs that are sold by weight in unpacked form shall be subjected to the control of the Consumer Protection Directorate.

Article 9

The information on the labels or on the packages of the goods must be displayed in principle in Arabic. In general, Arabic must be used for any act aimed at displaying goods or services.

The cases where it is permissible to use French or English as a substitute for Arabic shall be determined upon the decision of the Minister of Economy and Trade.

Article 10

When used, reconditioned, or faulty goods that do not cause any damage to consumer health and safety, are displayed, the supplier must conspicuously indicate the state of such goods on the goods and at his business location. The supplier must also indicate the state of the goods in the contract of sale or in the invoice.

Chapter Four

Misleading Advertisement

Article 11

A misleading advertisement means an advertisement which by any means includes a false representation, declaration or pretense or which contains expressions of such a nature as to mislead or deceive the consumer, either directly or indirectly.

Should be considered misleading the representation, declaration or pretense that treats, inter alia, of one of the following issues:

- The nature, composition and essential characteristics of the goods as well as the elements or the element's quantity of such goods.

- The origin, weight, volume, manufacturing method, expiry date, directions for use or safety instructions of the goods.
- The type of the service and the agreed place for the provision of such service; the safety instructions and the essential characteristics in terms of quality or benefits to be expected from such service.
- The contract terms, the total price and the method of payment.
- The advertiser's obligations.
- The identity, qualifications and description of the manufacturer or supplier.

Should also be considered a misleading advertisement:

- 1) The false declaration by the advertiser that he holds prizes, certifications, attestations or private or official medals, and the claim of scientific foundations not supported by evidence or facts.
- 2) The advertisement which include the illegal use of a logo or a trademark, or the use of an imitated or simulated mark.

Article 12

The advertiser must proof the veracity of the information announced in his advertisement and supply to the Consumer Protection Directorate or to the relevant examining court the documents that they may request.

Article 13

The Ministry of Economy and Trade shall have the right to require the advertiser to correct or amend its advertisement, to publish a notice of the correction or amendment, or to broadcast such notice, through the same media which broadcasted or published the misleading advertisement.

In addition, the examining court may automatically order to stop the broadcasting of the misleading advertisement. The decision of the court in this regard must be immediately implemented.

The judicial authority which makes such decision shall have the right to revoke it.

Article 14

The general principles regulating the advertisement related to goods and services and the main requirements for such advertisements, shall be determined by virtue of a decree issued by the Council of Ministers, at the suggestion of the Minister of Economy and Trade.

Chapter five

Promotion of special offers

Article 15

The supplier, who advertises a special offer for the promotion of goods or services, must determine either the period of time in which such goods or services are available for sale, or the available quantity of such goods or services. The supplier shall, when necessary, announce the terms of the contract.

Where the supplier does not determine such period or quantity, the offer shall last one month after the date of the first advertisement unless the supplier has announced in the same manner and through the same media the date at which his offer will be concluded.

Article 16

Should the supplier fail to deliver the promoted goods or services exactly of the kind advertised, the consumer may choose one of the following options:

- to accept another goods or services of the kind advertised, if the supplier so offers; or
- to cancel the contract and recover any amount previously paid. The consumer shall also have the right to claim damages resulting from the use of such goods or services, which shall be no less than the difference between the price of the goods or services during the period of the offer and their actual price.

Chapter Six

Contractual Relationship

Article 17:

The provisions of this Law treating of contracts concluded between suppliers and consumers shall be enforced, without prejudice to the provisions of the laws on liberal professions, banks, and insurance companies.

Article 18

A contract shall be interpreted in the favor of a consumer. The contract's circumstances, the benefits resulting there from and the balance between the rights and obligations of both parties, should all be taken into consideration in order to determine the extent of a consumer's satisfaction.

Article 19

A contract whether prepared by a supplier or approved by official authorities or the contract that a consumer is not entitled to modify, must fulfill the following requirements:

- The contract must be drawn in simple and straightforward Arabic language. English is however permissible where parties so agree.
- The contract must not refer to texts or documents which had not been supplied to the consumer before he had entered into the contract.
- The contract must clearly determine the cost, the date of payment and the method of payment and the place and time of delivery.

Article 20

The supplier must make a copy of the contract available to the consumer, in order for the consumer to read such contract before entering into it.

Article 21

A supplier, who offers an installment plan, must provide the consumer with the following information:

- The cost, when the payment is settled at once not on credit.
- The applicable annual interest rate; the supplier must also specify whether the interest is simple or compound and determine the method of calculation of such interest and the total amount of the interest and the expenses to be paid by the consumer.
- The number and amount of each installment and the due date for payment.
- The total cost after all installments are paid, inclusive of the value of the goods or services if paid at once added to the interests and expenses.
- The rights and obligations of both a supplier and a consumer, whenever one of them breaches the contract.
- A supplier must also include the above mentioned information in the contract that the supplier enters into with a consumer.

Article 22

A supplier shall provide the consumer with a copy of the contract that the supplier had signed. This copy shall be exempted from all fees especially the stamp duty.

Article 23

A consumer may, at any time, settle all installments before maturity, provided that the due interest is deducted from the amount of such installments.

When a financial institution or a bank enters into a contract with a consumer, the procedures of the implementation of the previous paragraph, and when necessary, the due penalties must be included in such contract.

Article 24

Settled payments must not be considered a deposit, unless if the consumer has been previously informed, in writing, that he has no right to get a refund if he rescinds the contract.

Article 25

A supplier or a service provider must provide the consumer with an invoice encompassing the following data:

- The name, commercial registration number and address of the establishment;
- The identification of the product or service;
- The sale or rent unit and its price;
- The agreed quantity;
- The amount of collected taxes and fees.
- The date and the total value in LBP of the invoice.

If the product or service is not immediately delivered, the invoice must include the place, date and conditions of delivery.

Article 26

The clauses, aiming at or leading to the creation of an imbalance between the rights and obligations of a supplier and a consumer in the favor of the supplier, shall be considered abusive.

The abusive aspect of a contract shall be evaluated on the basis of the date, clauses and attachments of such contract, except for price-related clauses.

The following clauses shall be, inter alia, considered abusive:

- The clauses that exempt the supplier from his liabilities.
- The consumer's waiver of any of his rights prescribed by laws and regulations.
- The clause that places the burden of proof on the consumer, in cases other than those prescribed by the Law.
- The supplier's unilateral entitlement to modify one or all of the clauses of the contract, especially in terms of price, date and place of delivery.

- The supplier's entitlement to rescind an open-ended contract, without notifying the consumer about his desire to rescind it, within a reasonable period.
- The consumer's obligation – if he breaches any of his contractual obligations - to overcompensate the damage caused to the supplier.
- The supplier's entitlement to interpret the provisions of the contract.
- The consumer's obligation to carry out his commitments, while the supplier abstains from carrying out his commitments.
- The clause that does not allow mediation or arbitration for dispute settlement in accordance with the provisions of this Law, or the clause that burdens the consumer with the expenses due on arbitration or dispute settlement.

Abusive clauses shall be deemed completely void, while all other clauses shall remain applicable.

Article 27

The supplier or manufacturer must:

- Provide parts or pieces necessary for the use of specific goods or services;
- Provide after sale service and maintenance;

Such obligations shall be considered binding within a reasonable period of time, commensurate with the expected date of use of the goods or services, unless the consumer had received a written and express notice about a different period.

The supplier or manufacturer shall be exempted from the above mentioned obligations, when the consumer receives an express written notice stating undoubtedly, that the consumer or manufacture is not committed to any of these obligations.

Chapter Seven

Guarantees

Article 28

The supplier shall guarantee the quality of the goods or services and the availability of the description that such supplier has announced or that the consumer has requested in writing. The supplier shall also guarantee that the goods or services are delivered to the consumer without the objection of any third party.

The supplier must not include in his contracts any clause that exempts him from the obligations mentioned here above.

Article 29

The supplier shall guarantee invisible faults that concretely damage the goods or services or make such goods or services unsuitable for the use to which they can be put depending on their nature or on the provisions of the contract. The guarantee shall neither cover faults that slightly damage the goods or services or the use of such goods or services, nor faults customarily allowable.

The supplier must include the previous paragraph in all documents made available to the consumer.

The supplier may commit himself to additional guarantees. In this case, the additional guarantees shall be added to the guarantees laid down in this Law.

Article 30

The consumer or his successors must prove, by all means, that the invisible fault existed at the date of delivery and that such fault had either caused concrete damage to the goods or services or had made such goods or services unsuitable for the purpose for which they are intended.

Article 31

The guarantee-related legal proceedings and the procedures of mediation or dispute settlement prescribed in this Law shall be initiated within one month after the fault had been discovered, unless the disrespectability of this period is due to delaying tactics used by the supplier.

Article 32

A consumer shall have the right to request the cancellation of the contract and to recover the amount already paid if the faulty goods mentioned in Articles 28 and 29 of this Law, had not been replaced or repaired within a reasonable period of time proportionate to the nature of the goods or services. The consumer may in addition to the above be able to claim damages.

Article 33

The supplier shall, before repairing the goods, notify the consumer in writing and for free about the repair cost assessed and the duration of such repair.

The supplier shall, after the repair had been concluded, specify in the invoice furnished to the consumer the parts that they were replaced and the price of such parts and whether they are new, used or renovated.

The supplier shall guarantee the spare parts and shall be responsible for the labor cost within a period lasting for 3 months after the date of delivery of the repaired

goods. This guarantee shall not cover cases where the goods are repaired due to misuse.

Article 34

The provisions of the present chapter shall fall within the public order.

Chapter Eight

Safety of Goods and Services

Article 35

The provisions of this Law related to consumer health and safety as well as the texts of applicable laws and regulations defining the standards related to specific goods or services and the conditions for trading in such goods and services, shall all be implemented.

Article 36

The supplier shall provide to the consumer information reasonably necessary for the consumer to assess the risks linked to the use of the goods or services during the expected period of such use.

Article 37

A manufacturer or supplier shall demonstrate in writing and clearly the best method of use of the goods or services and warn the consumer of the risks that could result from the misuse of such product or service.

The above-mentioned information must be written in Arabic.

Article 38

The supplier, who places goods or services for the first time on the market, must ensure the compliance of such goods or services with the standards prescribed in the applicable laws and regulations. The supplier must also ensure that the said goods or services comply with the safety standards, if used properly and naturally.

Article 39

The Lebanese Accreditation Council established by the Law No.572 of 11 February 2004 shall specify the local and international laboratories, the accreditation agencies and the inspection and prior testing offices, whose certificates related to the safety of goods especially food safety, are recognized in Lebanon.

Article 40

The Lebanese Accreditation Council established by the Law No.572 of 11 February 2004 shall specify the conditions required to grant scientific institutions the authority to issue certificates attesting the compliance of goods and services with the adopted standards.

Article 41

The Consumer Protection Directorate located at the Ministry of Economy and Trade may request to test specific goods in accredited laboratories at the expense of the manufacturer or supplier, especially when such goods are newly launched or when doubts exist about a danger jeopardizing the health or safety of consumers.

The Director General of Economy and Trade, may, when necessary, allow the re-testing of such goods, provided that the supplier incurs the re-testing expenses, if the retesting is decided at the supplier's request.

The Minister of Economy and Trade may, at the suggestion of the Director General of Economy and trade, suspend the trading in such goods, until the results of the tests have been obtained.

Article 42

The supplier shall cease the trading in goods or services which are not in conformity with the safety-related applicable standards.

Article 43

The damaged person or his successors shall prove that the goods do not comply with the applicable safety standards that are expected from the proper use of the goods or services. The damaged shall also prove that the damage is caused in result of such incompliance and indicate the value of such damage.

Article 44

When a manufacturer or supplier finds out by experience or in the light of the information made available to him, that the goods or services that he has placed on the market contain one or more faults that might detriment consumers health or jeopardize their safety, such manufacturer or supplier must take all necessary measures to inform the public about the faults and warn of their risks, through the media.

If such is the case, the manufacturer or supplier must, in addition to the above, take the following measures:

- To refrain from trading in the goods or services,
- To withdraw the goods placed on the market.
- To recall the goods sold or rent and reimburse the money already paid.

- To exchange the goods at the supplier or manufacturer's own expense or to reimburse the money already paid if the repair of the goods is impossible.

In the cases mentioned here above, the supplier or the manufacturer shall notify the Consumer Protection Directorate located at the Ministry of Economy and Trade about the said risks and shall specify the measures to be taken.

The implementation of the above-mentioned measures shall not exempt the manufacturer or the supplier from the obligation of compensating the damages incurred by the consumer.

Article 45

When the Ministry of Economy and Trade has scientific proofs about a risk that may result from the use of given goods or services and threaten public health or safety, whether such risk had already occurred or is expected to occur, the Ministry shall inform the public about the risks and the precautionary measures to be taken. If such is the case, the Minister of Economy and Trade shall issue decisions laying down the procedures aimed at protecting public health and safety, such as:

- Prohibiting the importation or exportation of such goods in emergencies;
- Setting out specific requirements as to the importation or exportation of such goods.
- Prohibiting the trading in the goods or services.
- Withdrawing the goods from the market, at the expense of the manufacturer or supplier.
- Destroying the goods at the expense of the manufacturer or supplier, jointly and severally, if such a procedure is the only solution for the protection of public health and safety.

Such decisions shall be published through the media and sent to the Council of Ministers for approval.

In ordinary circumstances, the Council of Ministers shall give approval before the decision prohibiting the importation or exportation of the goods has been taken.

Article 46

The manufacturer and the supplier shall be responsible for the damage caused by the goods or services to public health and safety, even if the competent administration has granted any type of certificates related to such goods or services.

In such a case, and where the existence of any serious risk is not proved to have occurred at the time of the grant of the certificates, the government or the public institutions shall not be liable for such damage.

Article 47

The special requirements concerning the importation or exportation of specific goods shall be determined, when necessary, by virtue of decrees issued at the suggestion of the Minister of Economy and Trade and the competent Minister, following consultation with "The National Consumer Protection Council" mentioned in Article 60 of this Law.

Chapter Nine

Prohibited Practices

Article 48

The supplier or manufacturer shall be prohibited to perform the following acts:

- Manufacturing, preparing, owning, transporting, displaying or distributing all classes of goods or services in such a manner as to hide either their nature, or their essential characteristics, or the proportion of their essential ingredients;
- Counterfeiting or attempting to counterfeit goods;
- Manufacturing goods or rendering services incompliant with the mandatory applicable standards or which jeopardize the consumer's health or safety; displaying, distributing or promoting the use or purchase of such goods or services, by any means;
- Delivering goods or services incompliant with the adopted and agreed standards, especially in terms of quantity, type, description or origin.
- Misleading the consumer, by any means, such as by concealing or neglecting information or by communicating to the consumer wrong information about the nature, type, origin, essential characteristics, composition and constituents of the goods or about the instructions for use and expiry date of such goods.

Article 49

The following acts shall be prohibited:

- The use of unchecked weighing and measuring devices and other inaccurate instruments used in the weighing, measuring or gauging of goods.
- The use of devices or instruments for fraudulent practices.

Article 50:

Taking into consideration the provisions of Article 11 of this Law, the supplier shall not be allowed:

- To rescind the contract or tie the contract up with a certain number or quantity of goods or services while the stores of such supplier are opened to sell other goods, unless such goods or services have been subjected to a special official regulation.
- To tie up the sale of certain goods or the rendering of certain services with the purchase of specific quantities or other goods or services, except for cases where the buyer is able to buy separately any goods or services object of a set offer or where such goods or services are sold in non detachable packs or units.
- To sell or rent any goods at a price exceeding the promoted price.
- To deliver to the consumer goods or services without having expressed his will to buy or rent such goods or services.
- To provide to the consumer false information with regard to the following:
 1. The date of the delivery of the goods or services.
 2. The terms of the contract and the method of payment.

Chapter Ten

Distance or Door-to-Door Trading Practices.

Article 51

The provisions of this Chapter treats of distance or door-to-door trading practices performed by the supplier, in particular the practices that take place at the residence of the consumer, by telephone, through the Internet or by any other adopted means.

The provisions of this Chapter shall apply neither to financial and bank transactions nor to auction sale and immovables-related transactions.

Article 52

In the cases prescribed in Article 51, the consumer must be provided with clear information necessary to make a decision about entering into a contract, especially concerning the following:

- The identification, name, address, number and place of registration and e-mail of the supplier, in addition to any other information necessary to identify the supplier.
- The goods or services subject of the offer, the instructions for the use of such goods and services and the risks that may result from such use.
- The length of the offer period.
- The cost of the goods or services and the adopted currency in addition to all the charges that may be added to the cost, especially fees, taxes and any type of expenses, and the method of payment.

- The guarantees offered by the supplier, and when necessary, the after sale service.
- The period of the contract relating to goods and services offered for sale on a periodic basis.
- The delivery date and place and the expenses due.
- The procedures that shall implemented to conclude the contract which shall be renewed by law at the expiration of its period.
- The period in which the consumer may rescind the contract.
- The law related to such trading practice and the relevant bodies, courts and authorities entitled to settle any contract-related dispute.
- The call cost.

Article 53

The supplier must furnish to the consumer a written document encompassing all information mentioned in Article 52.

Article 54

The information provided by the supplier must enable the consumer to clearly identify the product or the service offered for sale, and to look into a specimen of the agreed agreement. The consumer shall also be entitled to modify or correct his order. That being the case, both parties must keep a record of the whole trading practice made.

Article 55

Contrary to any other text, the consumer who enters into a contract in pursuance to the provisions of this Law may go back on the purchase or rent decision, within ten days after the goods had been supplied or the services rendered.

However, the consumer shall not be entitled to the rights mentioned in the previous paragraph in the following cases:

- Where he had benefited from the service or used the goods before the ten days period had elapsed.
- Where the contract includes custom made goods or goods manufactured according to conditions required by the consumer.
- Where the contract includes video tapes, discs, compact discs, or computer programs which had been unwrapped by the consumer.
- Where the contract includes news papers, magazines and publications, especially books.
- Where the product becomes faulty due to being misused by the consumer.

Article 56

When the consumer exercises the right prescribed in Article 57, the supplier must reimburse the consumer provided that such consumer incur the delivery charge if the contract is rescinded after the goods had been delivered.

Article 57

The method of payment must be easy and secure and the consumer must be informed about the terms of such method of payment.

Article 58

The supplier, with whom the consumer enters into a contract, must keep and conceal the information obtained, unless the consumer has given express approval. The supplier must also take all measures necessary to keep such information secret.

Article 59

The supplier who engages in indirect sale or rent practices must comply with the provisions of this Law, especially with regard to misleading advertisement, promotion of sale and public safety.

Chapter Eleven

The Role of the Government in the Protection of Consumers

Article 60

An advisory body known as the “National Consumer Protection Council” shall be established at the Ministry of Economy and Trade.

The Minister of Economy and Trade shall preside over the National Consumer Protection Council which shall include the following persons:

- The Director General of the Ministry of Economy and Trade.
- The Director General of the Ministry of Industry.
- The Director General of the Ministry of Agriculture.
- The Director General of the Ministry of Public Health.
- The Director General of the Ministry of Environment.
- The Director General of the Ministry of Tourism.
- The Director General of the Ministry of Telecommunications.

- The Director General of the Ministry of Information.
- The Director General of the Ministry of Education.
- The Chairman of the Lebanese Institution for Standards and Metrology.
- Two representatives of the Federation of the Lebanese Chambers of Commerce, Industry and Agriculture (FCCIAB), one representing the Traders and the other representing the Agronomists, appointed by the Minister of Economy and Trade, at the suggestion of the FCCIAB.
- A representative of Industrialists, appointed by the Minister of Economy and Trade, at the suggestion of the Lebanese Industrialists Association.
- A representative of the Syndicate of the Advertising Agencies operating in Lebanon, appointed by the Minister of Economy and Trade, at the suggestion of the Syndicate of the Advertising Agencies and Companies operating in Lebanon.
- Two representatives of the Consumer Protection Associations, appointed by the Minister of Economy and Trade, at the suggestion of the Consumer Associations duly registered.

The president of the Council may summon any administration or institution involved with any of the items on the agenda to attend the work sessions or call for the help of any people having expertise.

Article 61

The “National Consumer Protection Council” shall propose suggestions aimed at realizing the following goals:

- To promote the role of the consumer in the national economy.
- To safeguard the consumer safety and health and protect his rights.
- To ensure the safety of goods and services and improve their quality.
- To inform and educate the consumer and to encourage him to adopt permanent consumption methods and to use environment friendly products.
- To suggest the definition of the procedures of implementation of the provisions of this Law.

Article 62:

The functions of the “National Consumer Protection Council” shall be determined by a Council of Ministers' decree at the suggestion of the Minister of Economy and Trade.

Article 63:

A Consumer Protection Directorate shall be established at the General Directorate of Economy and Trade, and the Consumer Protection Department prescribed in Article 4 of the Law implemented by the Decree No.6821, of 28th December 1973 (Positions and Functions of the Employees of the Ministry of Economy and Trade) shall be deemed void.

Article 64

1) The text of Article 8 of the Law implemented by the Decree No.6821 of 28th December 1973 (Positions and Functions of the Employees of the Ministry of Economy and Trade), shall be deemed void and substituted by the following Article:

Article 8 (New):

First: The Consumer Protection Directorate shall, in cooperation with the official and private authorities, implement consumer protection-related laws and regulations, especially as regards the following:

- Ascertaining the quality and safety of goods and services especially foodstuffs and performing necessary tests on foodstuffs.
- Controlling prices and prices movements.
- Preparing documents and publications related to consumer education and awareness.
- Conducting researches about the abovementioned subjects.

Secondly: The Consumer Protection Directorate shall be composed of:

- 1- A Department of Studies and Awareness, tasked with providing information about the laws and regulations related to consumer protection. Such Department shall also be responsible for the preparation of studies and suggestions and for the launch of awareness campaigns, in collaboration with official and private authorities.
- 2- A Department of Control which shall be tasked with receiving and investigating complaints and with implementing the laws and regulations related to consumer protection.

2) The table No. (1) attached to the Law implemented by the decree No.6821 of 28th December 1973 (Positions and Functions of the Employees of the Ministry of Economy and Trade) and shall be substituted by the table No.(1) attached to this Law.

3) The Table No. (2) attached to this law shall specify the conditions required for an employee to be placed on the books of the Consumer Protection Directorate.

Article 65

The regional Departments shall represent the Central Administration in the governorates (Mohafazat), each within the scope of its activities. Such Departments shall, investigate complaints, repress fraud, control price, ensure the quality and safety of goods and services and implement the food safety policy. Subject to the provisions of the legislative decree No.116 of 12 June 1959 (Administrative Organization), the Regional Directorates shall relate, in terms of functions, to the relevant unit at the Central Administration.

Article 66

The term “Consumer Protection Department” shall be replaced by the term “Consumer Protection Directorate” in all legislative and regulatory texts.

Chapter Twelve

Consumer Protection Associations

Article 67

The aim of the Consumer Protection Associations is to:

- Defend consumers' rights and interests.
- Represent consumers collectively and free of charge, before official bodies and administrations and suppliers, and to institute legal proceedings in order to safeguard consumer rights.
- Gather and disseminate data, analyses, tests and comparisons related to goods and services and to the instructions for their use.
- Lead consumer awareness and consciousness-raising campaigns, release magazines, bulletins and publications and prepare radio-TV programs to be broadcasted or published through the media, in pursuance with applicable laws.
- Offer consultations.

Article 68

Consumers Protection Associations shall comply with the legal texts related to Associations and with the provisions laid down in this Law.

Article 69

A special register for the Consumer Protection Associations shall be established at the Ministry of Economy and Trade. The method of keeping such register and determining the effectiveness of its limitations shall be determined by virtue of a Council of Ministers' decree proposed by the Minister of Economy and Trade.

Article 70

Each Consumer Association must notify the Ministry of Economy and Trade about the completion of the procedures of its establishment, before the activities of such association had been initiated.

Each of the said Associations must also:

- 1- Inform the Ministry of Economy and Trade about any modification introduced either to its by-laws or to the bodies that are in charge of its administration.
- 2- Submit, every year, a copy of its budget and a report about its funding resources to the Ministry of Economy and Trade.

Chapter Thirteen

Examination of Violations

Article 71

The employees of the Consumer Protection Directorate and of the Regional Departments appointed in writing in due form of Law, shall control the implementation of the provisions of this Law.

The implementation of the provisions of this Law shall also be controlled by the following persons, each within the scope of its authority:

- A) The judicial police officers officially commissioned,
- B) Competent employees from the Ministry of Agriculture, the Ministry of Public Health, the Ministry of Tourism and the Ministry of Interior as well as competent employees from the Customs Administration and the Municipalities, under written mandates.

Article 72

The employees mentioned in Article 71 shall, under written mandates, and in pursuance with the laws and regulations related to their functions, exercise the powers vested in them at any business location of the supplier or manufacturer. Such employees may also exercise their duties while the goods are being transported.

The said employees may not enter to other locations unless the supplier has given express approval or unless a prior written approval has been given by the competent Office of the Attorney General.

In any one case, the said employees may, if necessary, ask for the assistance of the Internal Security Forces to carry out their tasks, after the competent Office of the Attorney General has given approval

Article 73

First: The employees mentioned in Article 71, may require the person concerned to submit any document, file or record evidencing the validity of the information given by such person, and may request copies of the said documents and files, and ensure their veracity by any legal means.

Secondly: The person concerned may, after reading the provisions of Article 107 of this Law, specify the data that he wishes to keep secret.

Third: The person concerned shall have the right to specify the documents and information that he wishes to keep confidential, after the provisions of Article 85 of this Law are brought to his knowledge.

Article 74

The employees mentioned in Article 71 of this Law may, while exercising their duties, take any of the following measures:

- Seize the papers prescribed in Article 71 which proof the existence of the violation or which allow to reveal the identity of all persons who took part in the violation. That being the case, the employees must give a receipt to the person concerned.
- To seize the goods proved to be counterfeited, poisonous or unsuitable for consumption or those proved to be incompliant with adopted standards or to jeopardize consumer safety and health.

In such a case, the goods seized shall remain in the custody of their owners, until the results of examinations and analysis have been issued, but for no longer than 45 days.

Article 75

Upon a written authorization from the competent Office of the Attorney General, the employees mentioned in Article 71 of this Law, must seize any material, machine and equipment used for the manufacturing, assembling and packaging of fraudulent goods, goods incompliant with adopted standards or goods posing risk on consumer health and safety.

The above-mentioned materials, machines and equipments must remain deposited with their owner and in their custody, unless moved to a place specified by the employees who have issued the report of violation.

Article 76

The goods proved to be counterfeited, poisonous or unsuitable for consumption may be destroyed, at the expense of the person concerned, after the relevant Office of the Attorney General has given written approval.

When necessary, the destruction requirements and procedures must be determined upon the decision of the Minister of Economy and Trade.

Article 77

The employees mentioned in Article 71 of this Law, may take samples in accordance with the international applicable standards and measures and with the provisions of Article 79 of this Law.

The samples taken shall be analyzed in any of the laboratories specified by the National Accreditation Council.

However, laboratory analyses may not be carried out if the fraud or the counterfeiting is flagrant and if the goods are obviously unsuitable for consumption or incompliant with applicable standards.

Article 78

The owner of the institution from which samples are taken, shall be given a receipt listing the type, quantity, and sale price of the sampled goods. The receipt number must be registered in the report of sampling. However, the person concerned may submit a written objection to the Director of the Consumer Protection Directorate located at the Ministry of Economy and Trade, about such procedure and about the size, quantity and number of the sample. He may also send a copy of his objection to the Central Inspection Office.

Article 79

The Minister of Economy and Trade and the competent Minister shall, in collaboration with accredited laboratories and in accordance with applicable standards, issue a decision determining the quantity to be sampled from each type of goods, the method to be applied in order to obtain homogenous samples and the precautionary measures for the transportation and preservation of such samples. Such decision must also specify the goods that should not be sampled.

Article 80

Where the analysis shows the non existence of fraud or counterfeiting or proves the suitability of goods for consumption or their compliance with adopted standards and measures, the relevant administration must notify the person concerned in writing, within three days from date of receipt of the laboratory report. The supplier may in such case dispose of the goods

If, however, the analysis shows that the goods are fraudulent, counterfeited, unsuitable for consumption or incompliant with adopted standards and measures, the administration must enclose the laboratory report with the report of seizure and the documents attached to it and refer them to the Consumer Protection Directorate, within one week from date of receipt of the laboratory report.

Article 81

All employees mentioned in Article 71 of this Law must submit all reports and related documents and files to the Consumer Protection Directorate, who shall refer them back to the Office of the General Attorney or conduct further investigation or analysis at the request of the Minister of Economy and Trade or of the person concerned, within thirty day after the Minister of Economy and Trade had given approval.

Chapter Fourteen

Dispute Settlement

Article 82

The disputes of the value of no more than LBP 3 Million, which arise between a consumer and a supplier or manufacturer and result from the implementation of this Law, must be settled by mediation procedure in order to conciliate between the parties to the dispute.

The dispute shall be submitted to the Dispute Settlement Committee mentioned in Article 97 of this Law, whenever the value of the dispute exceeds LBP 3 million, or whenever the mediation does not reach a partial or a complete agreement even though the value of the dispute is less than the said amount.

First

Mediation

Article 83

A Mediator shall be an employee of the third grade or above, at the Ministry of Economy and Trade. Such mediator shall be appointed by the Minister of Economy and Trade, at the suggestion of the Director General of Economy and Trade and shall not be a party to the dispute, object of mediation.

Article 84

The mediator shall hold his meetings at the locations determined by the Director General of Economy and Trade.

Article 85

The dispute must be addressed to the mediator by the consumer or the supplier by virtue of a petition presented against a receipt in which the dispute must be explained. An LBP 10 000 stamp shall be imposed on such application.

Article 86

The mediator shall, within 3 days after the date of submission of the petition, summon the parties to attend a meeting. The date and place of the meeting and the subject-matter must be mentioned in the summons.

Article 87

The parties to the dispute may examine all papers documents and summons which are available with the mediator.

Article 88

If one of the parties to the dispute, after being duly notified about the date of a meeting, fails to attend such meeting, the mediator shall set a date for another meeting. Should the same party, after being duly summoned, fail to attend the second meeting, the mediation phase must be concluded and the mediator must submit the file to the Dispute Settlement Committee mentioned in Article 97 of this Law.

Article 89

Each party to the dispute must be present or represented during all phases of mediation.

Article 90

Each party to the dispute may submit all notes and documents to the mediator who must send copies of such documents and notes to the other party, within three days from date of receipt.

Article 91

The mediator shall have the right to seek the assistance of any person having relevant expertise to help him in carrying out his tasks. Each party to the dispute must submit all documents and information required by the mediator and the experts.

Article 92

The mediation phase must be concluded within fifteen days from the date of the first meeting held. This time period may be extended by mutual agreement of both parties or at the request of the mediator.

Article 93

The mediator shall propose his suggestions, in light of the stand point of both parties to the dispute and of submitted documents and notes.

The mediator shall grant the parties to the dispute a two-day delay to decide on the suggested solutions.

If the parties agree on a total or partial solution, the arrangement shall be mentioned in the report of mediation and shall be signed by the mediator and the parties, and shall be considered a binding agreement.

Where the parties do not reach a partial arrangement, the unsettled disputes must be addressed to the Dispute Settlement Committee mentioned in Article 97 of this Law.

Article 94

Each party to the dispute shall have the right to obtain a true certified copy of the reports of mediation, against the payment of a lump fee amounting to LBP 10.000 cashed against a receipt.

Article 95

If the mediator finds out that the acts of one of the parties are punishable by the Law, he must submit a copy of the entire document to the Director General of Economy and Trade, who must submit it, if necessary, to the competent Office of the Attorney General, subject to the provisions of Article 81 of this Law.

Article 96

The mediator must prepare a quarterly report according to a model form set out at the decision of the Minister of Economy and Trade. The mediator must submit such report to the Director General of Economy and Trade and send a copy to the Consumer Protection Directorate.

The said report must include a list of all cases that had been addressed to the mediator along with the arrangements arrived at by the mediator, the obstacles that he had faced while exercising his tasks and the solutions that he proposes.

Secondly

Dispute Settlement Committee

Article 97

One or more dispute settlement committee shall be established, for the purpose of examining the disputes mentioned in Article 98 of this Law.

Such committees shall consist of an honorary judge or a judge of the 4th grade or above acting as president, and of a representative of the Chambers of Commerce, Industry and Agriculture, and a representative of the Consumer Protection Associations, acting as members.

Within a transitional time period not exceeding six months, and until the above mentioned Committees have been formed, the disputes shall be examined by an honorary judge or a judge of the 4th grade or above, appointed by a decree issued at the suggestion of the Minister of Justice with consent of the Higher Judicial Council.

The judges shall appoint the presidents of the Committees, by decrees issued at the suggestion of the Minister of Justice with consent of the Higher Judicial Council. The Committees' members shall be appointed by decrees issued by the Council of Ministers at the suggestion of the Minister of Economy and Trade.

Article 98

The disputes arising between a supplier and a consumer or a manufacturer and resulting from the implementation of the provisions of this Law shall fall exclusively within the jurisdiction of the Dispute Settlement Committee, whatever the value of the dispute, except for penal pursuits which shall remain under the jurisdiction of the competent Penal Courts.

If the Dispute Settlement Committee finds out that the acts of one of the parties to the dispute is punishable by the Law, the Committee must submit a copy of the entire file to the Director General of Economy and Trade, who shall submit it, where necessary, and upon the approval of the Minister of Economy and Trade, to the competent Office of the Attorney General, subject to the Provisions of Article 81 of this Law.

Lawsuits treating of disputes of less than LBP 3 million shall not be submitted to the Dispute Settlement Committee before the mediation phase prescribed in Article 81 and what follows, had elapsed.

Article 99

The lump fee imposed on lawsuits shall be collected against the disputes submitted to the Dispute Settlement Committee.

Article 100

It shall be permissible to appear before the Dispute Settlement Committee without having recourse to a lawyer.

Article 101

The rules and procedures prescribed in the Code of Civil Procedure must be applied before the Dispute Settlement Committee.

Article 102

The judgments pronounced by the Dispute Settlement Committee's must be justified. Such judgments cannot be reviewed for any reason whatsoever, except when objection or third party objection are raised, or when a material error is to be corrected, or when an appeal is lodged before the Civil Court of Appeal. The said judgments shall be implemented by the relevant execution department.

Article 103

Should a convicted person refuse to execute the final judgment pronounced against him, ten days after the judgment's notice had been communicated to him, he shall incur, by law, a mandatory fine amounting to 3% for each month or a part of the total amounts imposed.

Third

Various Provisions

Article 104

As of the date of the formation of the Dispute Settlement Committee or committees mentioned in Article 101, the provisions of this Chapter may become applicable to the disputes which had aroused before that date, if the parties to the dispute so agree and if such disputes had not been submitted to the courts.

Chapter Fifteen

Sanctions

Article 105

Shall be punished by imprisonment from one to three months and by a fine varying from LBP 10 to 50 million or by both such fine and imprisonment whoever commits the acts prescribed in Article 11 of this Law.

Whoever publishes or broadcasts a misleading advertisement shall be regarded as a perpetrator.

Article 106

Taking into account the provisions of Articles 564 and 565 of the Penal Code, a manufacturer or supplier shall be deemed responsible for the damage resulting from the proper use of the goods or services supplied by such supplier or manufacturer.

Article 107

The persons mentioned in Article 71 of this Law shall act in strict secrecy while exercising their functions.

The results of tests and analysis performed on goods shall not be considered confidential.

Shall be punished by imprisonment from ten days to six months and by a fine varying from LBP 4 million to 15 million, whoever discloses the content of the documents or information brought to his knowledge despite the concerned person's wish to keep such information undisclosed.

Article 108

Shall be punished by imprisonment from three months to one year and by a fine varying from LBP 20 to 75 million:

- 1- Whoever, by any means, circulates goods and services which are incompliant with the safety-related adopted standards or whoever displays, distributes or promotes the use of such goods and services, while the incompliance has been brought to his knowledge or was supposed to be brought to his knowledge.
- 2- Whoever manufactures goods which are incompliant with the safety-related adopted standards.
- 3- Whoever abstains from the implementation of the provisions of Article 44 of this Law.

Article 109

Shall be punished by imprisonment from three months to one year and by a fine varying from LBP 25 to 50 million, whoever knowingly commits the following acts:

- To adulterate ingredients of human and animal foods, or pharmaceuticals products, or drinks or industrial, agricultural or natural products.
- To trade in or circulate spoiled, polluted or expired foodstuffs.
- To possess products or foodstuffs of the kind prescribed in the above clauses.
- To instigate the use of any product mentioned in this Article, by the means prescribed in Clauses 2 and 3 of the Penal Code.

Article 110

The acts prescribed in the abovementioned Article shall be punished by imprisonment from one year to three years and by a fine varying from LBP 50 million to 75 million if they lead to the poisoning of a consumer or cause illness that makes a consumer unemployed for no less than ten days.

Such acts shall be punished by imprisonment from three years to ten years and by a fine varying from LBP 75 million to 150 million if they lead to the widespread of an epidemic or to the death of a human being.

Such sanctions shall be imposed even if the buyer is informed about the harmful adulteration and putrefaction.

Article 111

Shall be punished by imprisonment from one month to one year and by a fine varying from LBP 30 million to 50 million any supplier or manufacturer who deceives the consumer in terms of either the nature of the goods and services or their essential characteristics or composition or the quantity of beneficial elements contained in such goods or services or their type or origin, whenever the type or origin are considered by virtue of agreement and as custom has it the main reason for sale. The same punishment shall apply when the consumer or manufacturer cheat with regard to the suitability of goods or services for the purpose for which they are intended.

Article 112

The imprisonment prescribed in the previous Article shall be increased to two years and the fine shall be doubled if the crime is committed:

- through maneuvers and conspiracies aimed at thwarting the analysis of the goods by modifying their composition, weight and volume.
- Through the use of fraudulent data aimed at convincing the contractor that the goods are identical to goods already analyzed and proved to be safe.

Article 113

Shall be punished by imprisonment from three months to two years and by a fine varying from LBP 30 million to 50 million whoever knowingly uses fraudulent or unchecked weighing and measuring devices with the purpose of cheating in terms of the quantity of the delivered goods.

The same sanction shall be imposed on any fraudulent act related to the quantity and description of the delivered goods, if such description constitutes the main reason of the transaction.

Article 114

Shall be punished by imprisonment from three months to three years and by a fine varying from LBP 40 million to 75 million whoever knowingly deceives the buyer through the following acts:

- 1- By affixing a counterfeited trademark to his products or commercial items.
- 2- By selling or displaying products bearing a counterfeited or imitated mark.

Article 115

Shall be punished by imprisonment from ten days to one month and by a fine varying from LBP 4 million to 10 million whoever stores or uses, in his warehouse, kiosk or any other business location, measuring and calibration devices or other weighing or measuring instruments different from the ones prescribed in the Law.

Article 116

Shall be punished by imprisonment from ten days to one month and by a fine varying from LBP 4 million to 10 million whoever owns in the locations mentioned in the previous Article, unchecked and fraudulent weighing, measuring or calibration devices.

Article 117

One of the sanctions prescribed in each of the previous Articles shall be imposed if the damage resulting from the violation is slight or if the damage is completely removed before the lawsuit is addressed to the court. However, if the damage is removed before the judgment is pronounced each sanction shall be reduced by quarter.

Article 118

Shall be punished by a fine varying from LBP 30 million to 50 million the following persons:

Whoever refrains from displaying the information determined by the competent administrations in accordance with the Provisions of Article 7 of this Law, on the label of the goods or the labels affixed to the packages of the goods.

Whoever refrains from providing to the consumer the essential information that enables him to assess the potential risk that may result from the use of specific goods or services within the prescribed period of their use.

Whoever refrains from specifying in writing the best method of use of specific goods or services and the risks that may result from a deferred use.

Whoever violates the provisions of Articles 50 and 58 of this Law.

Article 119

Whoever violates the provisions of Articles 10, 25, 52, 53 and 54 of this Law, shall be punished by a fine varying from LBP 15 million to 30 million.

Article 120

Whoever violates the provisions of Articles 4, 5, 6, 7, 19, 20 and 25 of this Law, shall be punished by a fine varying from LBP 5 million to 20 million.

General Provisions

Article 121

The sanctions prescribed in this Law must be doubled, if violations are repeated.

Article 122

The relevant court shall order to publish the judgment in full or partially in the news papers designated by such court at the expense of the convicted person. The court shall also order to affix the judgment clearly and legibly to the doors of the business locations of the supplier or manufacturer.

Article 123

The Court may order to put the convicted person out of business permanently or for no less than five years, even if such business does not require a certificate or a government's authorization. In such a case, the Court may decide to close the business location of the convicted person, temporarily or permanently.

Article 124

The Court may order to cease the trade in the goods or services which are object of the violation temporarily and until the final judgment has been rendered. That being the case, the Court's decision must carry immediate execution.

Article 125

In addition to the sanctions prescribed in this Law, the Court may order to confiscate and destroy counterfeited goods and inexact and falsified weighting, measuring and calibration instruments.

Article 126

If the court orders to confiscate goods administratively seized, the relevant administration shall have the right to distribute such goods, if consumable, to public interest associations.

Article 127

If the court does not order to confiscate the goods administratively seized, and if the owner of such goods does not request to restitute them within six months after the final judgment had been rendered, the Treasury shall benefit from such goods.

Article 128

Contrary to any other text, the inflicted fines and the money collected against vilating goods shall be distributed as follows:

a- 60% shall be deposited in the Treasury.

b- 20% distributed by equal shares to the Judge's Mutual Aid Fund and the Judicial Assistants' Mutual Aid fund.

c-20% shall be deposited in a common fund established at the Consumer Protection Directorate. The revenues of such fund shall be distributed as follows:

- 45% distributed by individual shares for competent inspectors who are not commissioned or who are assigned to carry out tasks and functions independently from their functions.

Such shares shall be distributed as follows:

- o 3 shares to the inspector who issues the report of seizure and whose right shall abate three years after his term of office had expired.
- o 2 shares to the competent inspector whose right shall abate three years after his term of office had expired.
- o One share to the employees of the Department whose rights shall abate three years after their terms of office had expired.

- 45% to the heads and employees of the Consumer Protection Directorate, upon a decision made by the Minister of Economy and trade, at the suggestion of the Director General of Economy and Trade. This right shall abate six months after the employee's term of office had expired.
- 10% for the Consumer Protection Associations operating in Lebanon.

Chapter Sixteen

Final Provisions

Article 129

The legislative decree No.54, of 29 July 1983 (The Fraud Squad), the Articles of the legislative decree No.71 of 9 September 1983 (Safety of all Classes of Foods) which are inconsistent with the provisions of this Law and the Articles of the Legislative decree No.73 of 9 September 1983 (Possession of and Trade in Goods, Products and Crops) shall all be cancelled. The legal judgments, decrees and resolutions which are inconsistent with this Law or incompatible with its content shall also be cancelled.

Article 130

The Minister of Economy and Trade shall carry out the functions prescribed in Articles 39 and 49 of this Law until the Lebanese Accreditation Council established by the Law No.572 of 11 February 2004 has come into office.

Article 131

The details of the implementation of the present Law shall be determined, when necessary, by virtue of decrees issued by the Council of Ministers, at the suggestion of the Minister of Economy and Trade.

Article 132

The present Law shall be published and shall come into force three months after its publication in the Official Gazette.

