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## RESEARCH ARTICLE

Section: *Digital Humanities*

## The adequacy of the UAE Commercial Law in 2023 in regulating artificial intelligence as a subject of the contract

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### ABSTRACT

The study aims to identify the adequacy of the UAE Commercial Law in 2023 in regulating artificial intelligence as a subject of the contract, This will be done by searching for the way in which the UAE legislator intervened to control the good and effective use of artificial intelligence, whether it was able to reconcile between protecting the interests of the parties to the transaction and encouraging technological development and investment in artificial intelligence to achieve the goals of the National Strategy for Artificial Intelligence. Then, the cases of using artificial intelligence as a subject for commercial transactions will be highlighted, because artificial intelligence is considered one of the funds and products that can be the subject of commercial transactions between professional traders, which remain subject to the applicable legislation, even those that link the trader to the consumer due to the availability of the elements of the consumer process in this type of transaction, which is concerned with protecting the consumer because the consumer transaction must be carried out with transparency and responsibility. However, as a result of the privacy of such transactions, the current legislation does not appear sufficient, but rather work must be done to establish legislative provisions to control dealings in artificial intelligence at the local and international levels to govern artificial intelligence.

**KEYWORDS:** Artificial Intelligence, commercial transactions, consumer, professional, smart product

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## 1. Introduction

Artificial intelligence was first defined in 1956 by Marvin L. MINSKY as “the construction of computer programs that currently participate in tasks that are more satisfactorily performed by humans, because they require higher-level mental processes such as perceptual learning, memory organization, and critical reasoning”. The International Organization for Standardization-ISO 2382-28 defined it as “the ability of a functional unit to perform functions generally associated with human intelligence such as thinking and learning”. In simpler terms, it is the automation of activities that are usually associated with human thinking such as decision-making, problem-solving, teaching and learning..., it is a branch of computer science that enables machines to imitate human intelligence. The Oxford Dictionary defines it as “a concept based on the development of computer systems capable of performing tasks and functions that usually require human intelligence: such as visual perception, speech recognition, decision-making, and translation between languages...”

Considering commercial transactions, agreements and relationships between two or more parties to provide services or supply certain goods and commodities, described as local or international in view of the presence of a foreign element within them, unilateral or multilateral for the obligations arising from them, they may be ordinary, electronic, or digital depending on the technology of their conclusion. Their two parties may be merchants; they may link the professional, practitioner, or supplier to the consumer as a weak party. They are of various types and rapidly developing in line with the characteristics of the business field. They were not far from being affected by this technological development that the means of communication have known, as they moved from traditional transactions to electronic transactions with the emergence of e-commerce. They are now moving rapidly towards smart transactions based on artificial intelligence and the technologies of the Fourth Industrial Revolution.

The subject of the study is concerned with identifying “**The adequacy of the UAE Commercial Law in 2023 in regulating artificial intelligence as a subject of the contract**”, by searching for the way in which the UAE legislator intervened to control the good and effective use of artificial intelligence. This is a topic of **practical** importance due to the continuous increase in the uses of artificial intelligence and the transactions related to it that bring together commercial professionals or link the merchant to the consumer, and a **legal** importance that appears through the law’s control of the use of artificial intelligence in transactions as a subject of the transaction or a party thereto.

## Problem

Artificial intelligence, which has intervened in many fields (industry, health, transportation, financial transactions, justice, education - and even inside our homes, sharing our daily lives), has had a clear impact on the transactions that are currently being concluded, especially commercial ones. How has the UAE legislation regulated the use of artificial intelligence in commercial transactions, and has it been able to reconcile protecting the interests of the parties to the transaction with encouraging technological development and investment in artificial intelligence to achieve the goals of the National Strategy for Artificial Intelligence?

## Methodology adopted in the study

The methods adopted to study this topic are the inductive method and the analytical method. The **inductive method** is by tracing the legislation applied to commercial transactions in which artificial intelligence is the subject (commercial transactions, investment, electronic transactions, consumer protection...) and the amendments it has known, and investigating the appropriate provisions for this situation. As for the **analytical method**, it is to find a legal framework governing the good use of artificial intelligence in transactions by analyzing the legal texts in force and trying to apply them to the new situations related to artificial intelligence.

## Study plan

The answer to this problem will be by searching in the legislative texts in force regulating commercial transactions and related in one way or another to artificial intelligence. This will be to identify the extent of their suitability with the transformations based on artificial intelligence and its algorithms that simulate intelligent behavior, giving it the ability to learn and make decisions by imitating human behavior, which will either be the subject of the contract, or one of the parties to the contract. This study will be limited to the first case in which artificial

intelligence is the subject of commercial transactions by studying the following points:

- **UAE's position on artificial intelligence and investment in it**, by considering: 1. Legislative interest in projects active in the field of artificial intelligence 2. Legislator's regulation of some activities based on artificial intelligence.
- **Cases of using artificial intelligence as a place for commercial transactions**. It is divided into 1. Artificial intelligence as a place for commercial transactions that connect professional traders 2. Artificial intelligence as a place for commercial transactions that connect the merchant and the consumer

## **2. UAE's position on artificial intelligence and investment in it.**

The United Arab Emirates is considered one of the first Arab countries to be interested in artificial intelligence, which will ensure a smooth and rapid transition to the post-administration or smart government stage. It is a fundamental pillar of its future strategy linked to the UAE Centennial 2071, to be the best in the world in all fields, and it is currently crossing the 50-year gate with artificial intelligence. It is the first strategy of its kind in the region and the world. Therefore, we find that the state aims to accelerate the implementation of development programs and projects to reach the future to rely on artificial intelligence in services and data analysis at a rate of 100% by 2031, while creating a promising new market linked to artificial intelligence in the region. This is evident through the legislative interest in projects active in the field of artificial intelligence.

### **2.1 Interest of the UAE legislator in projects active in the field of artificial intelligence**

Despite the absence of legislation regulating the direct use of artificial intelligence and its various uses, the UAE legislator - local or federal - intervened in drafting some texts related to this technological activity: such as drones(2020). This is also with an attempt to encompass the future effects of its use on the legislation in force through the forward-looking dimension of the legislation regulating projects of a future nature (2018 and 2019), or by expanding the scope of application of the Electronic Transactions Law and linking it to trust services. This intervention included a series of amendments that affected many legislations and laws related to commercial companies and industrial and commercial property rights issued during the year 2021. All of this is in order for the legislative environment to be suitable for such developments.

The interest of the UAE legislator in this new type of project is evident by its regulation of future projects. These projects are related to modern technologies and artificial intelligence under Federal Decree-Law No. 25 of 2018 regarding future projects and Cabinet Resolution No. 14 of 2019 regarding the regulation of issuing temporary licenses for innovative projects with a future nature. It was not only concerned with the method of granting licenses to practice their activity, but also with their impact on the applicable legislation through the intervention of the Legislation Laboratory.

This above Resolution defines an innovative project as: "Any project implemented using modern technologies of a future nature or using artificial intelligence tools, there is no legislation regulating it in the country." This text clearly indicates investment in the field of artificial intelligence, which attracts emerging institutions, especially with the programs and incentives provided by the country. An example of this is the future project that emerged during the quarantine period due to Covid-19, which enables the notary public to use blockchain, which has affected the form of official transactions pursuant to UAE Cabinet Resolution No. (18) of 2020. This Resolution granted a temporary license to a project that uses digital transaction technologies and related matters in the work of the notary public without requiring personal attendance and physical presence, which later resulted in amending the provisions of the Civil Procedures Law.

### **2. 2 Regulating some activities based on artificial intelligence.**

Before the UAE legislator intervened to consider dealing in artificial intelligence and its related products, such as creating, selling, renting and managing platforms, websites, smart applications, data and artificial intelligence, as a commercial activity when done professionally under Federal Decree-Law No (50) of 2022, which includes the Commercial Transactions Law, some of these activities were regulated and considered regulated economic activities that require a license or permit to practice them, as follows:

-Whether it is related to physically embodied smart products: such as unmanned aircraft from artificial

intelligence applications (machine-learning technology appears). The Dubai Emirate legislator regulated them by Law No. 04 of 2020, which aims to make the Emirate of Dubai a center for the drone industry, smart transportation and innovation in the field of air transportation, while creating an environment that stimulates investment in this sector. This is provided that practicing commercial activities related to them, whether manufacturing or importing and selling, is only after obtaining a permit from the Authority. The legislator “prohibits any person from designing, manufacturing, assembling, modifying, maintaining or inspecting drones and their systems, developing their simulation systems or training to fly them before obtaining a permit from the Authority”. It also “prohibits any person from importing, entering or selling drones or any of their parts or systems in the emirate, before obtaining a permit from the Authority”.

- Or producing a smart robot, which means an electronic program that is created or modified for the purpose of operating automated tasks efficiently and quickly.

- Or practicing activities related to crypto assets as financial products based on artificial intelligence. The Emirate of Dubai seeks to attract and encourage investments and innovations in the financial sector. It issued the first integrated legal framework regulating it by Law No. 4 of 2022 as a digital representation of the value that can be digitally traded, transferred or used as a tool for exchange, payment or for investment purposes. It includes virtual tokens and any digital representation of any other value determined by the Authority in this regard. It established an authority to regulate it. The Securities and Commodities Authority has also been interested in it since 2020 and considered them “a record within an electronic network or a distribution database that acts as a medium of exchange, a store of value, a unit of account, a representation of ownership, economic rights, the right to access or benefit of any kind. They can be transferred electronically from one person to another by running a computer program or algorithms that regulate its use. The investor in it may be either qualified or ordinary according to his financial capabilities and the extent to which the legally specified conditions are met. The activities related to it (offering, issuing or promoting crypto-assets, practicing the service of safekeeping crypto-assets, operating a crypto-finance collection platform, or operating a crypto-asset market) cannot be practiced except after the approval of the Authority.

### **3. Artificial intelligence subject of commercial transactions that link professional traders**

It is worth noting at the outset the limited legal provisions that regulate the relationship between projects (economic entities). This makes the will of the parties the controller of these transactions, unlike their relationship with the consumer. Where do we find the legislator setting provisions to protect it as a weak party that is considered of a civil nature due to the connection of the transaction to its personal purposes, unlike the relationship between economic dealers that is always of a commercial nature? Considering artificial intelligence as the best investment field currently, it is expected that professionals will increasingly deal with it or with one of its technical elements.

#### **3.1 Extent to which artificial intelligence can be considered the subject of commercial contracts**

According to the general provisions of contracts, the UAE legislator permits the contract to be related to anything that is not prohibited by law or contrary to public order or morals. The thing is any existing thing that can be possessed materially or morally and used in a legitimate manner and does not go beyond dealing by its nature or by virtue of the law as well as is the subject of financial rights. It may be consumable or usable and used several times while remaining in kind, it may be a stable property in its fixed space and cannot be moved without damage or changing its form or a movable property that can be moved without changing its characteristics. So, under which category can artificial intelligence be included?

Money is any object or right that has a financial value in a transaction. It is a financial right, whether it is a personal right (its subject to performing an act or refraining from an act) or in kind or moral. As for the thing, it is everything that can be the subject of this financial right. This means that money has a broader concept than the thing that is the subject of the in kind right. To answer the question, it will be recalled that artificial intelligence may be material, such as a robot that has a tangible existence, or it may be moral, such as smart applications and algorithms that people can be provided with to use in their smart devices (phone, computer, home appliances, etc.). In the absence of an independent legal regulation specific to artificial intelligence, its

legal nature will be sought by referring to general provisions with a focus on the general theory of the subject of the right by excluding the possibility of granting it an electronic personality. This electronic personality that some seek to cling to in order to hold artificial intelligence responsible for the damages it has caused, due to the difficulty of including it within the theory of persons. Even the European Recommendation that grants robots electronic personality has witnessed conflict and jurisprudential disagreement regarding it, as it tends to classify things rather than legal personality. By linking the information mentioned above, the following follows:

- **As for the physical type of artificial intelligence:** which has a tangible physical presence such as a robot (an industrial tool or machine that simulates a human being and is equipped with a computer, respects several conditions and is necessarily composed of a physical machine that has the ability to act and deal according to reality, with awareness of its environment and making decisions that are appropriate to its surroundings), and the aircraft and smart devices..., are considered a tangible movable subject to the general provisions for dealing with movables. Ownership is transferred by concluding the contract, with the obligation to create a special register to record it for its privacy to include the data related to it, the specifications of the program and the methods of its use. This will ensure the transparency of the transaction and determine the person responsible for the damages and the guarantor, as is the case with the aircraft and the self-driving car. The legislator of the Emirate of Dubai confirms this by regulating the self-driving drone by the authority creating a special register for drones that contains data and information specific to them, their owners and operators and every right that applies to them. Therefore, the owner of the aircraft is required to register it with the authority before operating it or conducting operational tests or canceling its registration.

- **As for the intangible type of artificial intelligence:** smart applications, blockchain, programs..., they are intangible transfers that have no tangible existence, which can be dealt with. The legislator does not distinguish in his definition of things between tangible and intangible ones, so that they can be dealt with in legal ways. The legislator also does not distinguish between the rights that apply to a tangible and intangible thing. However, the rights that apply to intangible things are moral rights regulated by special laws such as those related to intellectual property. This is related to Law No. (38) of 2021 regarding copyright and related rights... which describes smart applications (artificial intelligence programs), computer programs and databases as protected by intellectual property laws if they are attacked as works covered by legal protection provided that they are innovative and have a creative nature that imbues them with originality and seriousness.

Artificial intelligence in this concept is considered to have the elements of a product in accordance with UAE law. It is intended for use or consumer use, even if it is within the framework of providing services, provided within the framework of a commercial transaction (which is the subject of the study) or professional, for a fee or without. Although some jurisprudence emphasizes the non-material nature of artificial intelligence even if it has a physical structure that embodies it, because the basis of it is not the physical support but the mind that runs it, which is the algorithms and software. This characteristic is what makes it a modern, advanced and atypical technical product whose actions are difficult to anticipate and predict.

### **3.2 Commercial transactions between professionals conducted transparently and in a lawful manner.**

One of the obligations of both parties to the transaction according to the general rules of the contract is that the transaction is conducted with respect for the principle of good faith, by preventing fraudulent practices, especially with the presence of the obligation to inform. This is a principle adopted by jurisprudence as a legal basis for the idea of governance. Commercial activity must be carried out on the basis of trust, honesty and strict adherence to the rules of the law, to protect the dealers and their interests. As a result of the absence of special provisions for artificial intelligence, reference will be made to the general provisions of contracting, whether in civil law or legislation related to commercial transactions. The UAE legislator explicitly considered the practice of business related to artificial intelligence and all the creation, rental and management of smart websites and applications as a commercial act according to the profession. The professional of these activities is supposed to be a merchant whose business is subject to commercial law.



### **3.2.1 Dealing between professionals in artificial intelligence in accordance with legal procedures.**

This dealing is subject, on the one hand, to the general provisions of sale, and to those provisions specific to the disposal and dealing of intangible assets that the UAE legislator has been interested in regulating. In the absence of specific texts, it is necessary to carry out the adaptation process to determine the applicable legal provisions. In the context of producing a robot or an application of artificial intelligence, there are many contracts concluded between projects (each party involved in the manufacturing process, production, installation, supply ...). The final product (robot or smart application) often goes through a long and complex commercial distribution chain in which several economic operators intervene, during which it is impossible to manage each stage separately. Several contracts are concluded: commercial agency, waiver of the franchise, franchise, commission, agency or representation, waiver by sale. This is known in the UAE law as the supply chain “all the stages that the product goes through after its production until it reaches the consumer, including import, storage, wholesale, installment, delivery, and any other related operations.”

The principle of the authority of will (contracting between the two parties) remains the one that governs the relationship between professionals, while respecting the general provisions of the contract (in the Civil Code).

On the other hand, the supplier is the manufacturer of the product if he resides in the country, or any person who presents his identity as a manufacturer of the product by naming the product by his name or any relevant commercial description, or any person who renews the product, or the manufacturer’s agent in the country if the manufacturer resides outside the country, or the importer if he does not have a representative in the country, and every professional from the supply chain whose activity may have an impact on the safety characteristics of the product. The customer becomes obligated to respect the provisions recently established by the UAE law to control some transactions, especially those related to the protection of intellectual property, considering that smart applications, computer programs and their applications, databases and the like are works whose owners benefit from protection from any attack when the conditions of their affiliation with them are respected. Dealing with it is governed by two rules:

- It is always required to obtain a license to exploit the work in any way copying, downloading, storing, publishing, and making it available via computers, information or communication networks, and other means under penalty of criminal penalties. The owner of the digital or smart work can also rent his work, which will inevitably fall on the application or program as the primary place for rental. Dealing with it, either by transferring it or licensing some financial rights to others, can only be done in writing, specifying the right subject to the disposition, its purpose, the duration and place of use. The owner of the work is obligated not to obstruct or disrupt the exploitation of the right subject to the disposition. Also, due to its privacy, it is impossible to withdraw these works from circulation even if there are serious reasons.
- Also, licensing the financial rights of smart application works, computer programs and their applications, or databases, is subject to the contractual provisions contained in or affixed to the program. These provisions may appear on the medium carrying the program or when downloading or storing the program on a computer screen, smart phones or other technical device on which the program was downloaded or stored. The purchaser or user of the program shall be bound by the terms contained in the aforementioned contractual provisions.

### **3.2.2 Commitment of the professional supplier to inform the customer of the smart product.**

The seller is obligated to provide accurate information about the advantages and risks of the product, its composition and accessories. This information must be correct and clear, not incorrect or false about the product, which leads to misleading the contractor and pushing him to contract. It also requires that in dealings involving artificial intelligence (device or application), the contracting party be informed of the functions and risks of artificial intelligence (as is the case with unmanned aircraft) to demonstrate the important role played by the product identification card, its technical controls and specifications in written, printed, drawn or engraved data. Any information related to the independence of the information system used will have an impact on the satisfaction of the contracting party, and its lack, according to the general rules, will lead to the contract being considered defective, which can be claimed as invalid.

### **3.2.3 Commitment to warranty**

On the third hand, the seller is obligated to:

- Provide a safe product, suitable for introduction in the country under normal conditions or possible conditions of use, including the period of use, installation and maintenance. It does not result in risks, and is at the minimum level of risk in line with the use of the product, provided that it is acceptable and achieves the maximum level of protection of health and safety for people.
- That the dealing is not based on the existence of commercial fraud, which the UAE legislator has been interested in combating and punishing. It is considered as deceiving one of the dealers by any means by changing or altering the nature of the goods, their quantity, type, price, essential characteristics, origin, source, powers or any other matter related to them, or providing incorrect or misleading commercial data about the promoted products. It also includes fraud, imitation and service fraud after it is in accordance with the laws in force in the country or it contains false or misleading data or the use of fraudulent means, verbal or actual, by one of the contracting parties to induce the other party to contract or the intentional silence of one of the contracting parties about a fact, circumstance or defect in the goods if it is proven that the other party would not have concluded the contract had he known about it.

## **4. Dealing in artificial intelligence between the merchant and the consumer**

The Consumer Protection Law is the applicable duty in the relationship between the supplier or professional and the consumer. Its scope of application extends to include even the operations carried out by the supplier, advertiser or commercial agent and those carried out via electronic commerce, provided that the supplier is registered within the Emirates, without prejudice to the international treaties and agreements to which the state is a party. To identify the extent to which its provisions can be applied to those transactions that link the supplier to artificial intelligence (robot, smart application or smart service...), the availability of the elements of the consumer process in such transactions will first be identified, and then the effects thereof.

### **4.1 Availability of the elements of the consumer process in the transaction whose subject is artificial intelligence and links the merchant to the consumer**

The most important element in the consumer process is the subject of the transaction or its subject, which is the commodity and service, in addition to the personal element represented by the professional or supplier and the weak party in the transaction, which is the consumer.

#### **4. 1.1 Parties to the consumer relationship**

The UAE law defines the consumer as any natural or legal person who obtains a good or service - for a fee or without a fee - to satisfy his needs or the needs of others, or with whom a transaction or contract is made regarding it". This is the same definition adopted under the previous Consumer Protection Law that was repealed, with the addition of a paragraph "or with whom a transaction or contract is made regarding it". The acquirer and user of artificial intelligence devices and related services is identical to the concept of the consumer defined previously, whether he uses artificial intelligence and its applications (autonomous vehicles, smart home devices, automated devices used in factories, blockchain services and cloud computing...). It is considered a natural or legal person for his needs (daily use or for care or entertainment or accompaniment for the assistant robot...) or for the needs of others (such as smart home devices or applications on smart phones that benefit the elderly or people with disabilities or children to care for them or monitor their movements... such as if the project or administrative interest uses it to relieve its workers or employees) or a contract has been concluded linking him to the producer, seller or supplier.

As for the supplier, According to the 2020 law, "any legal person who provides a service, manufactures, distributes, trades, sells, supplies, exports, imports, or intervenes in its production, circulation, or storage, with the aim of providing it to the consumer or dealer or contracting with him regarding it". The legislator has now limited its concept to the legal person after it had previously combined, under the 2006 law (repealed), the natural and legal person. It has also expanded its scope to include the importer and those who intervene in the storage of the commodity. What is important in all of this is that the goal of his work is to provide the service

or commodity to the consumer, dealer, or contracted party regarding it. This expansion will provide greater protection for the consumer. Referring to the subject of the study, dealing with artificial intelligence has the main feature of the multiplicity of stakeholders in the process. This broad concept will make everyone who has an input in all stages of production, storage, supply, and circulation, reaching the consumer or contracting party, legally responsible for protecting the consumer and adhering to the obligations specified by law.

#### **4. 1. 2 Consumer product subject of the process**

The product consists of the commodity and the service provided. The UAE legislator has defined each term separately:

- The commodity, according to the Federal Law of 2020, has become a broad concept. It includes “Every natural substance or industrial, agricultural, animal, transformational, intellectual or technical product, including the raw materials and components that go into the product” after it was limited to industrial, agricultural, animal or transformational products and the raw materials and those that make up the product under the repealed law.
- The service, it is everything that is provided to the consumer, whether for a fee or without a fee.

What is noteworthy is that the legislator has addressed the deficiency that most Arab legislations know in their definition of the commodity by making it also include intellectual or technical products and included within it the raw materials and components that go into the product. This is his certainty that the products are currently characterized by technology and the use of modern technologies, which reflects their danger, and the harms that may be caused by either the commodity as an integrated product or even its components. This can be applied to smart devices that are physical structures in which automated programs are integrated that make them smart, consisting of an industrial product and another intellectual technical product (artificial intelligence).

#### **4.2 Conclusion of the consumer transaction done with transparency and responsibility**

The focus will be on two main effects, namely the commitment to inform first, and the commitment to guarantee second, as follows:

##### **4.2.1 Commitment to inform confirms the principle of transparency and disclosure in commercial transactions**

Since 2006, the Emirate has been interested in protecting the consumer through the Ministry of Economy by working to provide a healthy environment free of risks by issuing a special law on consumer protection No. 24 of 2006 (repealed). Before that, the provisions regulating transactions (civil or commercial law) were applied. Currently, the legislator has explicitly enshrined the right to inform under the Consumer Protection Law of 2020.

The legislator in Law No. 24 of 2006 referred indirectly to the obligation to inform, which means that the consumer obtains all information and data related to the product or service in all honesty, in accordance with the requirements of good faith in contracts, while providing advice, guidance and warning in all stages preceding, following and implementing the contract. Its executive regulations for 2007 also confirmed the consumer’s right to be provided with facts that help him to purchase and consume properly, with the right to education and to acquire the knowledge and skills required to exercise informed choices between goods and services. It also confirmed his right to be aware of his basic rights and responsibilities and how to use them through sustainable awareness programs. He has the right to live in a healthy environment. The legislator obliged the supplier to inform directly regarding used, refurbished or defective goods that do not cause harm to the consumer’s health and safety by announcing their condition in a visible manner on the goods themselves and the place where he practices his activity and indicating this in the contract he concludes or the invoice he issues. In any case, the label or data card related to the product remains the most important obligation on the supplier, through which the product, its source and how to use it are identified in Arabic.

But the position of the legislator has changed and become clearer, especially after the issuance of Federal Law No. (15) of 2020 regarding consumer protection and repealing the previous consumer protection



law, regarding the obligation to inform that it is considered one of the consumer's rights. Through it, the consumer obtains correct information about the goods he buys, uses or consumes or the service he receives, while providing an appropriate and safe environment when purchasing the product or receiving the service. The supplier is obligated, when offering the product for sale, to place the explanatory data on its cover or package or in the place where it is displayed in a clear and legible manner. He must also explain how to install and use it in accordance with the legislation in force in the country related to standard specifications. If the use of the product involves a risk, he is obligated to warn about this clearly. In return, the supplier and commercial agent are prohibited from describing the product or service with incorrect data or advertising it in a misleading manner, which is punishable by law with imprisonment or a fine.

As a result of the privacy of electronic commerce, the legislator requires the supplier to provide the consumer and the competent authorities with information related to their identity and legal status and comprehensive information in Arabic about the product or service provided, its specifications, contracting terms, payment and warranty, with an emphasis on the necessity for the practitioner of this trade to be licensed to do so. Accordingly, the contractor must be informed of the defects in the manufacture of aircraft, cars and self-driving vehicles and the risks that may result from them that threaten human lives and safety, especially in light of the complexity of such vehicles, machines and smart equipment. This requires technical and legal means of protection from these risks resulting from artificial intelligence.

#### **4. 2.2 Commitment to warranty reflects the principle of accountability in the transaction**

Under the repealed Consumer Protection Law (Law 24 of 2006), the supplier guaranteed the quality of the goods and services and the availability of the specifications he specified or those that the consumer stipulated in writing. It also guarantees hidden defects that reduce the value of the goods or services or make them unfit for use in the purpose for which they were prepared according to their nature or the provisions of the contract concluded between the supplier and the consumer. However, the legislator currently, under Federal Law No. (15) of 2020, has become obligated to implement the warranties with the provision of the required spare parts, maintenance, replacement or refund of the cash value of the goods. Also, under this law, he must commit to after-sales service within a specific period of time, while guaranteeing the service provided and its freedom from defects and faults during the period. Otherwise, he is obligated to return the amount paid to the consumer or perform the service again in the correct manner. When the supplier discovers a defect or danger in the goods or services that may harm the consumer when using and benefiting from them, he informs the relevant authorities of those potential damages and the method of preventing them and retrieves them from the market. The required warranty is a written or implied acknowledgment issued by the supplier or his representative that the product or service subject to the warranty is free from defects or faults and conforms to standard specifications and his pledge to repair any defect or fault that occurs in the product or to re-perform the service or replace the product within a specified period.

Such obligations are not borne by the supplier alone, but the commercial agent and distributor are each obligated to implement all guarantees provided by the producer or principal for the product and service provided. The agent is also bound by the supplier's obligations when the service or product is provided through him.

Jurisprudence has previously called for the necessity of legislative intervention to address the shortcomings of the consumer protection texts, especially with regard to the obligation to inform to provide security and safety from artificial intelligence and its various applications and potential risks. In addition, the lack of the necessary technical protection to avoid attacks on privacy and data confidentiality and the lack of control over human data in light of the electronic challenge and electronic attacks and future concerns about the ability to hack information systems and attack money and control self-driving aircraft and cars. There is an urgent need to issue special legislation that gives control of thinking and decision-making to humans over machines, not the other way around, and to address all the necessary legal and technical aspects to achieve full protection and harness artificial intelligence for the benefit of humans, not to eliminate them.

## 5. Conclusion

Artificial intelligence is the new industry that will attract investors from owners of large projects and also pioneering start-ups. This will achieve high added value as a result of its widespread use. As a result of the uniqueness of the UAE, it is expected to rank first in terms of its contribution to the growth of its economy. As a result of these effects, it has issued or amended much effective legislation to regulate the use of modern technology, including artificial intelligence, in a way that keeps pace with this rapid development. This is what the current study showed, which addressed the most important legislations that govern and control artificial intelligence technology as a subject of contracting between merchants or between the merchant and the consumer, which showed the following results:

- The studied legislations show the future vision of the UAE legislator when regulating digital transactions and the use of technology. Thus, the UAE is considered the first to adopt legislations concerned with artificial intelligence as an investment activity and as a subject of contracting, such as the case of virtual assets and drones.
- Despite the absence of specific legislation that directly regulates artificial intelligence and dealing with it, the current legislations remain in effect, considering that the transactions that occur on it are considered commercial transactions. The UAE legislator has previously intervened to regulate it, whether it is related to relations between professional traders for commercial work or between them and the consumer, the weak party in the relationship, whom the legislator sought to protect.

However, despite this, the field of using artificial intelligence in transactions remains a broad field that tends towards the dominance of mathematical algorithms and the economic dimension of the artificial intelligence industry. This may lead to the preference of encouraging innovation, entrepreneurship and technological development over achieving legal security due to the lack of provisions that control some behaviors or negatives. This is what prompts the presentation of some proposals so that this technology is not outside the scope of the law:

-Considering that the UAE will become an open laboratory for innovation and a global platform for entrepreneurship, it intends to develop its legislation to be flexible and enhance the environment of entrepreneurship and innovation. It appears useful to think seriously about establishing a legal system that regulates artificial intelligence and its uses, especially those related to transactions, in a way that achieves security and legal certainty without curbing the technological development that projects and their transactions are experiencing.

-Technology will constitute a new value for the formation of the core of the legal basis, which requires the cooperation of the lawyer with the mathematical and information engineer to establish legislative controls that provide legal security and do not hinder the wheel of technological development.

-Legislative provisions must be established for the intervention of artificial intelligence in transactions as a subject, by further strengthening the principle of transparency in dealing and concluding the contract to ensure the freedom of the parties to contract.

-To establish a legal system that regulates the use of artificial intelligence and the resulting harms due to its privacy as a technology and the multiplicity of those involved in it as an industry that feeds on data and information that may be personal and require protection (responsibility and guarantee). Legislative efforts must be combined not only at the local level but also at the international level. Its organization and governance require a comprehensive global legal document to respect the rule of law in the digital world and is similar to the UNCITRAL Law on Electronic Commerce, which local legislation has adopted in its organization of electronic commerce and electronic transactions.

### **Authors' contributions**

The authors contributed to the idea and development of this research. *Adel Allouzi* contributed to writing the introduction, research methodology, results, recommendations, and the first chapter of the research. *Karima Krim* is the owner of the main idea of the research, developing the research literature, reviewing the results, recommendations, and references. *Mohammad AlKhamaiseh* contributed to writing the second chapter of the research and writing the results and recommendations.

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