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Law No. 15 Of The Year 2004 Regulating Electronic Signature (E-Signature) And Establishing The Information Technology (IT) Industry Development Authority

In the Name of the People,

The President of the Republic,

The People's Assembly passed the following bill and we hereby promulgate it into Law:

Article: 1

In applying the provisions of the present Law, the following terms shall denote the meanings indicated next to each of them:

a) <u>Electronic Writing (E-writing):</u>

All letters, numbers, characters or any other signs that are fixed on an electronic, digital, or light support or any other similar method, which provide a perceptible connotation.

b) Electronic Document (E-document):

A data message comprising information originated, merged, stored, sent or received, wholly or partially, by an electronic, digital, or light method, or any other similar means.

c) <u>Electronic Signature (E-signature):</u>

What is put on an e-document and takes the shape of letters, numbers, characters, signs or others, besides having a unique nature that allows identifying the signing person, and distinguishes him from others.

d) <u>Electronic Medium (E-medium):</u>

Instrument(s) or systems of originating the e-signature.

e) <u>Signer:</u>

A person possessing the data of signature origination who signs for himself, for whoever delegates him, or for whom he represents legally.

f) <u>Electronic Ratification (E-ratification) Certificate:</u>

The certificate issued from the quarter authorized for ratification and proves the correlation between the signer and the signature originating data.

g) <u>The Authority:</u>

Information Technology (IT) Industry Development Authority.

h) The Concerned Ministry:

The ministry concerned with telecommunications and information affairs.

i) The Concerned Minister:

The minister concerned with telecommunications and information affairs.

Article: 2

A General Authority entitled 'Information Technology (IT) Industry Development Authority' shall be established and have a public juridical personality. It shall be attached to the concerned minister and its head office shall be seated in Giza governorate. It may also establish branches all over the Arab Republic of Egypt.

The Authority shall aim at realizing the following purposes:

- a) Encouraging and developing the Communication and Information Technology Industry;
- b) Transferring the advanced information technology and actualizing the benefit from it;
- c) Increasing the chances of exporting the telecommunications and information technology services, and their products;
- d) Contributing to the promotion and development of the quarters operating in the field of communication and information technology;
- e) Orienting, encouraging, and developing investment in the field of communication and information technology industry;
- f) Sponsoring the common interests of information technology activities;
- g) Supporting the researches and studies in the field of communication and information technology and encouraging the benefit from their results;
- h) Encouraging and supporting small and medium projects in the field of using and employing electronic dealings mechanisms;
- i) Regulating the activity of e-signature services, and other activities in the field of electronic dealings and information technology industry.

The Authority shall assume the powers necessary for realizing its purposes and may in particular exercise the following:

- a) Issue and renew the licenses necessary for exercising the esignature services activities and other activities in the field of electronic dealings and information technology industry according to the provisions of the Laws and their regulating statutes;
- b) Determine the e-signature system norms in a way that leads to adjusting its technical specifications;
- c) Receiving the complaints connected with electronic signature, electronic dealings, and information technology activities, and taking the necessary steps in their respect;
- d) Evaluating the quarters working in the field of information technology activities and determining their technical levels according to the results of such evaluation;
- e) Giving technical consultation concerning the disputes arising between the parties concerned with the activities of electronic signature, electronic dealings, and information technology;
- f) Giving technical consultation to the quarters working in the field of information technology activities, and training their workers;
- g) Holding exhibitions, conferences and seminars specialized in the field of communication and information technology internally and abroad;
- h) Establishing or contributing to the companies that help in developing the communication and information technology industry;

i) Depositing, recording and registering the original copies of the computer software and databases presented by the quarters or individuals publishing, copying or producing them for reservation of the intellectual property rights as well as other rights.

Article: 5

A duty at the rate of (1%) from the revenues of services and works extended by the establishments working in the field of communication and information technology shall be imposed on and undertaken by these establishments in favor of the authority. this duty shall be deposited in a special account for contributing to the development of communication and information technology industry. a decision of the board of the authority shall be issued determining these services and works.

Issuing and renewing the licenses prescribed in article-4, item-1 of the present Law shall be against a charge whose rates as well as the rules and procedures of its collection shall be determined by a decision of the board of the Authority.

Article: 6

The Authority's resources and finance sources shall be formed of the following:

- a) The appropriations allocated for it by the state;
- b) The duty prescribed in article-5, clause-1 of the present Law;
- c) The charge prescribed in clause-2 of article-5, item-C of article-9, and articles (19, 22) of the present Law;
- d) The charge for the other services extended by the Authority;
- e) The donations, gifts, and aids to be accepted by the board of the Authority;
- f) The loans and grants concluded in favor of the Authority;
- g) The yield of investing the Authority's funds.

The Authority shall have an independent budget to be prepared according to the rules of preparing the budgets of the economic authorities. The Authority's fiscal year shall begin with the start of the state's fiscal year and end with it. The Authority shall have a special account with the Central Bank of Egypt in which its resources are deposited. An account may be opened for the Authority with one of the banks after the Finance Minister's approval.

The surplus in the Authority's budget shall be carried forward from one year to another, and a portion of the surplus may devolve to the public treasury of the state, by virtue of a decree of the Prime Minister, upon a proposition of the concerned minister and after consultation with the Minister of Finance.

Article: 8

The management of the Authority shall be assumed by a board to be formed by decree of the Prime Minister under the chairmanship of the concerned minister with the membership of each of:

- a) The Authority's chief executive officer;
- b) A counselor from the state council to be elected by the head of the state council:
- c) A representative of the Ministry of Defense to be elected by the Minister of Defense;
- d) A representative of the Ministry of Interior to be elected by the Minister of Interior;
- e) A representative of the Ministry of Finance to be elected by the Minister of Finance;
- f) A representative of the Republic Presidency Agency to be elected by the head of the presidential cabinet;
- g) A representative of the General Intelligence Agency (GIA) to be elected by the head of (GIA);

h) Seven experienced members to be elected by the concerned minister.

The board membership term shall be for three renewable years. A decree of the Prime Minister shall be issued determining the membership remuneration.

The board may form among its members one or more committees and entrust certain tasks to them temporarily. It may also delegate some of its powers to the board chairman or chief executive officer of the Authority..

Article: 9

The board of the Authority shall be the authority in charge of its affairs and management of its matters. It shall exercise its powers as indicated in the present Law, and may take whatever decisions it considers necessary toward realizing the purposes for which the Authority is established. It may particularly assume the following:

- A) Set the systems and rules of the electronic signature and electronic dealings according to the provisions of the Laws and their regulating statutes;
- B) Set the technical, administrative, and financial rules, and the guarantees concerning the issue of necessary licenses for exercising the activities of electronic signature services and other activities in the field of electronic dealings and information technology;
- C) Determine the services extended by the Authority to third parties in the field of Communication and Information Technology, and the fees charged for extending these services;
- D) Set the rules whereby to ensure observing the conventions of the profession in the field of electronic dealings as well as Communication and Information Technology;
- E) Set the internal regulations connected with the technical, financial and administrative affairs, the purchases and warehouses regulations, and other regulations connected with re-organizing the Authority's activity without being restricted by the state's rules and systems;

- F) Approve the Authority's annual draft budget;
- G) Set the Authority's personnel affairs statute regulating their appointment, and determining their salaries, allowances, remuneration, promotions, punishment, termination of their services, and their other functional affairs, along with observing the rules of productive efficiency and equilibrium of the Authority's economies, in consultation with the related trade union organization, without being restricted by the state's civil servants rules and systems;
- H) Set plans and programs of training and qualification in the information technology industry.

The regulations and systems prescribed in this article shall be issued by decree of the concerned minister.

Article: 10

The board members shall meet at the invitation of its chairman at least once every month and whenever necessary. Its meeting shall be valid with the attendance of the majority of its members. Its decisions shall be issued with the majority of votes of attending members. In case of equal voting, the chairman shall have the casting vote.

The board may invite to its sessions whoever it deems appropriate to make use of their experience without having a counted vote in deliberations.

Article: 11

The Authority shall have a chief executive officer for whom a decree concerning his appointment and determining his financial treatment shall be issued by the Prime Minister upon the proposition of the concerned minister.

The chief executive officer shall represent the Authority before the judiciary and in its relations with third parties. He shall be responsible before the board for the progress of the Authority's works technically, administratively, and financially, and shall be concerned with the following:

- a) Executing the board's decisions;
- b) Managing the Authority, disposing of its affairs, and supervising the progress of work therein;
- c) Submitting to the board periodical reports on the Authority's activity, the progress of work therein, and the works accomplished according to the set plans and programs, along with determining the impediments to performance, and the solutions proposed for avoiding them;
- d) Carrying out any works or tasks commissioned to him by the board;
- e) Other powers as determined in the internal regulations of the Authority.

Article: 12

The chief executive officer shall substitute the board chairman of the Authority in case of his/her absence.

Article: 13

All quarters and companies operating in the field of electronic dealings and information technology shall provide the Authority with the reports, statistics, or information it requires in connection with its activity.

The electronic signature - within the purview of civil, commercial, and administrative dealings - shall have the very conclusiveness prescribed for signatures in the provisions of Evidence Law in civil and commercial matters, if the conditions prescribed in the present Law as well as the technical and technological regulators to be determined in the executive regulations of the present Law are observed in its origination and completion.

Article: 15

The electronic writing and electronic documents - within the purview of civil, commercial, and administrative dealings - shall have the very conclusiveness prescribed for official and private writing and documents in the provisions of Evidence Law in civil and commercial matters, if they fulfill the conditions prescribed in the present Law according to the technical and technological regulators to be determined in the executive regulations of the present Law.

Article: 16

The copy transcribed on paper from the official electronic document shall be a conclusive argument vis-à-vis all, to the extent it is conformable to the original of that document as long as the official electronic document and the electronic signature are existing on the electronic support.

Article: 17

The provisions prescribed in the Evidence Law in civil and commercial maters shall apply in respect of establishing the validity of the official and private electronic documents, the electronic signature, and the electronic writing, where no other provision is prescribed in the present Law or in its executive regulations.

The electronic signature, electronic writing, and electronic documents shall enjoy their conclusiveness in providing evidence in case they fulfill the following conditions:

- a) Linkage of the electronic signature exclusively with the signer;
- b) Control of the signer exclusively on the electronic medium;
- c) The possibility of uncovering any modification or replacement in the data of the electronic document or electronic signature;

The executive regulations of the present Law shall determine the technical and technological regulators necessary therefor.

Article: 19

Exercising the activity of issuing the electronic ratification certificates shall only be with a license from the Authority, in return for a charge to be determined by its board of directors according to the procedures, rules and guarantees to be determined in the executive regulations of the present Law, and without being restricted by the provisions of Law No. 29 for the year 1947 concerning Public Facilities Obligations, and subject to the following:

- a) Electing the licensee shall take place within a context of competition and publicity;
- b) The board of the Authority shall determine the license validity period providing it shall not exceed ninety nine years;
- c) Determining the means of technical and financial supervision and monitoring that ensures the good progress of the facility regularly and progressively.

Exercising the licensed activity shall not be interrupted, nor shall the activity be merged with another quarter, or the license be relinquished to third parties except after obtaining a prior written approval from the Authority.

Article: 20

The executive regulations of the present Law shall determine the data that should be comprised in the electronic ratification certificate.

Article: 21

The data of the electronic signature, electronic mediums, and information given to the quarter authorized to issue the electronic ratification certificates shall be confidential. Those to whom the data are given, or who have access to them by virtue of their work shall not divulge them to third parties or use them for other than the purpose they are given for.

Article: 22

The Authority shall be concerned with accrediting the foreign quarters concerned with issuing the electronic ratification certificates in return for the charge to be determined by the board of the Authority. In this case, the certificates issued by these quarters shall have the same conclusiveness of evidence as prescribed for analogous certificates issued by similar quarters internally, in accordance with the rules, procedures and guarantees to be determined in the executive regulations of the present Law.

Article: 23

Subject to any stricter penalty prescribed in the Penal Code or in any other Law, a penalty of imprisonment and a fine of not less than ten thousand Egyptian pounds and not exceeding one hundred thousand Egyptian pounds or either penalty shall be inflicted on:

a) Whoever issues an electronic ratification certificate without obtaining a license for exercising the activity from the Authority;

- b) Whoever damages or vitiates an electronic signature, a medium, or an electronic document, or fakes something of that by fabrication, modification, alteration or in any other way;
- c) Whoever uses a vitiated or faked electronic signature, medium, or electronic document while being aware of this;
- d) Whoever violates any of the provisions of articles (19, 21) of the present Law;
- e) Whoever manages by any method to obtain without due right an electronic signature, a medium, or an electronic document, or penetrates that medium, obstructs it, or inactivates the performance of its function;

Whoever Violates article (13) of the present Law shall be liable to a fine penalty of not less than five thousand pounds and not exceeding fifty thousand pounds.

In case of recidivism, the penalty prescribed for these crimes shall be doubled in its minimum and maximum limits.

In all cases, the court shall rule the publishing of the conviction sentence in two daily widespread newspapers and on the open electronic information networks at the expense of the convict.

Article: 24

The officer in charge of actual management of the violator juridical person shall be liable to the same penalties prescribed for the deeds committed in violation of the provisions of the present Law, if his default on the duties imposed on him by such management has contributed to the occurrence of the crime, while being aware of this.

The juridical person shall be jointly responsible for executing the financial penalties and compensations awarded by the court, if the violation has been committed by one its workers in the name and the interest of the juridical person.

The workers at the Authority who shall be determined by a decree to be issued by the Minister of Justice in agreement with the concerned minister shall have the quality of Law officers with regard to the crimes committed within their competence in violation of the provisions of the present Law.

Article: 26

Subject to the provisions of article (23) of the present Law, if the quarter licensed to issue electronic ratification certificates violates the license conditions or any of the provisions of article (19) of the present Law, the Authority shall have the right to cancel the license. It may also suspend its validity until the causes of the violation are removed, according to the rules and procedures to be determined by the executive regulations of the present Law.

Article: 27

Whoever exercises the activity of issuing the electronic ratification certificates before the date of enforcing the present Law, shall harmonize his situations according to its provisions within a period not exceeding six months from the date of issuing its executive regulations, in accordance with the rules and procedures to be prescribed in these regulations.

Article: 28

The provisions of article (13) of the present Law shall not apply to the agencies of the Presidency of the Republic, the Armed Forces, the Ministry of Interior, the General Intelligence Agency, and the Administrative Control Authority.

The concerned minister shall issue the executive regulations of the present Law within six months from the date of its publication.

Article: 30

The present Law shall be published in the Official Journal, and shall come into force effective the day following the date of its publication.

The present Law shall be stamped with the seal of the state, and shall be enforced as one of its Laws.

Issued at the Presidency of the Republic on 1st of Rabe'i I, 1425 (Islamic Calendar), corresponding to 21st of April, 2004 (Gregorian Calendar).

Hosni Mubarak