



**KEMENTERIAN PERDAGANGAN DALAM NEGERI
DAN HAL EHWAL PENGGUNA**

Launch of eAutoGen PLUS

Speech by

YB Dato Sri Alexander Nanta Linggi

Minister of Domestic Trade and Consumer Affairs

30th August 2022

Yang Berhormat Datuk Wira Louis Ng Chun Hau

Director of eAutoGen Capital Sdn Bhd

Yang Berbahagia Datuk Tony Khor Chong Boon

**President of Federation of Motor & Credit Companies
Association of Malaysia (FMCCAM)**

Dato'/Datin/Distinguished Guests

Members of the Media

Ladies & Gentlemen

A very good morning & Salam Keluarga Malaysia.

1. I would like to take this opportunity to express my appreciation to the organiser of today's prestigious event, eAutoGen Capital Sdn Bhd, who is launching their Extended Warranty Programme along with their partners from Berjaya Sompo Insurance Berhad, Malayan Bank Berhad (Maybank), PG Mall Sdn Bhd, Revenue Harvest Sdn Bhd and Carsome Malaysia.
2. It is indeed an honour to officiate an important event for the Automotive Industry, which is specifically for aged and used cars sector.

3. I understand that the Federation of Motor & Credit Companies Associations Malaysia known as FMCCAM, is in a continuous effort to grow the used-car business by instilling trust and promoting used cars, with a standard that meets consumer's expectations. In this context, I wish to congratulate eAutoGen and its partners on their success to launch the Extended Warranty Programme ("EWP").

Ladies & Gentlemen

4. The used car sector is an important component of Malaysia's automotive Industry. Over the years the used car sector has undergone major changes and it is now a significant contributor to the domestic trade. In 2021, the used car sector was valued at RM15 billion with more than 400,000 used car transactions via the dealership channel by both traditional and electronic platforms.

5. The used car sector has contributed directly and indirectly towards domestic business growth to support Malaysia's national GDP of RM1.6 trillion. This is achieved by high competitiveness of the used car sector leading to more affordable transportation for everyone. Digitalisation and e-commerce has changed the way businesses and consumers

connect and conduct business transactions including - ownership transfer, financing, inspection, maintenance and repair process in the used car sector. With strong government facilitation, private enterprises have risen to meet the demands of e-commerce.

Ladies & Gentlemen,

6. Despite such commendable achievement, the Ministry is aware of the various challenges faced by the different parties in the used car sector. One of the long-standing issues is the asymmetrical circumstance faced by consumers and buyers in the used car sector. The main concern is the poor visibility of the real condition of the used car that the buyers are unaware of. Often, buyers feel cheated when they have spent their hard-earned money or have taken a loan to buy a used car to then suffer breakdowns just after delivery of the car and hence incurring major repair cost.

7. In 2015, The National Consumer Complaints Centre (NCCC) received complaints valued at almost RM81mil in potential losses to the automobile sector. These complaints included issues pertaining to faulty vehicles, warranty problems, defective parts and misleading advertisements.

8. Section 32 (1) of the Consumer Protection Act 1999 (Implied guarantee as to acceptable quality) states that “*Where goods are supplied to a consumer there shall be implied a guarantee that the goods are of acceptable quality*”. As the custodian of this Act, the Ministry is committed towards strengthening the consumer protection in particular the used car sector and minimising the issues that have been faced by buyers of used cars.
9. The Malaysia Competition Commission (MyCC) in its 2015 market review for Motor Vehicles Warranty in Malaysia, has also recommended improvements on the warranty process in order to protect the interest of vehicle owners including the introduction of Lemon Law. On this note, a comprehensive study and research on automotive consumerism in Malaysia should be undertaken earnestly.

Ladies & Gentlemen

10. In view of this commitment, the Ministry will always continue to support and give high encouragement to any party ready to uplift the used car sector. This is where eAutoGen’s Extended Warranty Programme and its partners’ efforts are commendable.

11.The Extended Warranty Programme covers 2 key areas which is the visibility of the used-car condition through inspection and ensuring the car is maintained. Plus, the most important value-added points, the assistance to repair for the major breakdown involving transmission and engine.

12.I believe, eAutoGen has aligned the best in front for consumers and used car sector players. Here, I urge the used car sector, all players being the buyers, sellers, financiers, the insurers, mechanics, the product and services providers and technology providers, to put your best effort to make this valued proposition a success.

13.Our mission is to continue to boost domestic trade and have better consumer protection. We want to be able to increase trust, safety and confidence between buyers and sellers. A well-maintained car also provides positive contribution to the environment in terms of carbon emissions and industrial product dumping.

Ladies & Gentlemen,

14.On this note, with a great pleasure, I would like officially launch eAutoGen Capital Sdn Bhd and their Extended Warranty Programme (“EWP”) AutoGenPLUS.

Thank you.