



马来西亚二手车机件商会

Persatuan Peniaga Alat-alat Ganti Terpakai Kenderaan Malaysia
Malaysia Used Vehicle Autoparts Traders Association (MUVATA)

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Media Statement by Heng Kim Siang, President of MUVATA on the 6th of January 2022

It is estimated that as many as 50,000 cars were damaged in the recent floods in Selangor and Pahang.¹ This figure would have increased because of the flooding last week in parts of Melaka, Negeri Sembilan and Johor. MUVATA's members have received many calls from our customers who need used vehicle parts to repair their damaged vehicles. During such occasions, the role of used vehicle parts are especially important because they provide a more affordable alternative to car owners who have to spend money not only for their car repairs but also to replace damaged furniture and electrical appliances in their homes. Not every car owner, especially those who do not have flood insurance coverage, can afford to buy new spare parts to replace the damaged parts for their vehicles. MUVATA's members are glad to be able to provide this sort of service and replacement option to our customers in the areas affected by the recent floods.

At the same time, we want to do more to help the flood victims who need affordable spare parts for their damaged vehicles. **Firstly**, we are currently reaching out to some of our main suppliers to provide discounts for our used spare parts for customers who are flood victims, especially those from the B40 community. We will be announcing the amount of the discounts for the type of used vehicle parts on our Facebook page² and also on our website³ as soon as we have confirmation from our suppliers.

Secondly, we want to work with the Persatuan Insurans Am Malaysia (PIAM) or the General Insurance Association of Malaysia to help their customers with flood insurance coverage to decrease their repair expenses. This is especially relevant to those with flood insurance and vehicles which are more than 5 years old. If the auto workshop uses new parts for these vehicles, customers will have to pay anywhere between 15% to 40% on the cost of these new parts as a result of this "betterment" policy.⁴ For example, if the new spare parts cost RM5000, a 20% "betterment" charge will cost the insured RM1000. We hope that PIAM will make it easy for customers with cars older than 5 years to buy used parts so that they do not have to pay the additional "betterment" related costs. We want to play our part to add value to flood relief assistance already announced by PIAM.⁵

"The Malaysia Used Vehicle Autoparts Traders Association (MUVATA) is a non-profit organizing started in 2011 which promotes the use of recycled auto parts in Malaysia. Our objective is to help the industry to improve and upgrade their business models to meet the latest consumers demands and be in accordance with the latest government policies. We believe that by reusing recycled auto parts is an environmentally responsible way to reduce energy use and raw material consumption in the automotive ecosystem. Our members are committed to providing high quality and safe recycled auto parts with a 30-day warranty, in accordance to the standards set by Malaysian Standards."

¹ <https://www.msn.com/en-my/news/national/50000-cars-damaged-by-floods-but-95percent-of-owners-wont-get-insurance-compensation/ar-AA3a3ye>

² <https://www.facebook.com/muvata/>

³ <http://www.muvata.org.my/>

⁴ <https://piam.org.my/blog/2019/09/20/piam-explains-the-betterment-factor/>

⁵ <https://piam.org.my/blog/2021/12/28/up-to-rm3-billion-payout-for-flood-related-insurance-claims-and-general-insurance-industry-pledges-additional-rm2-4-million-csr-initiative/>