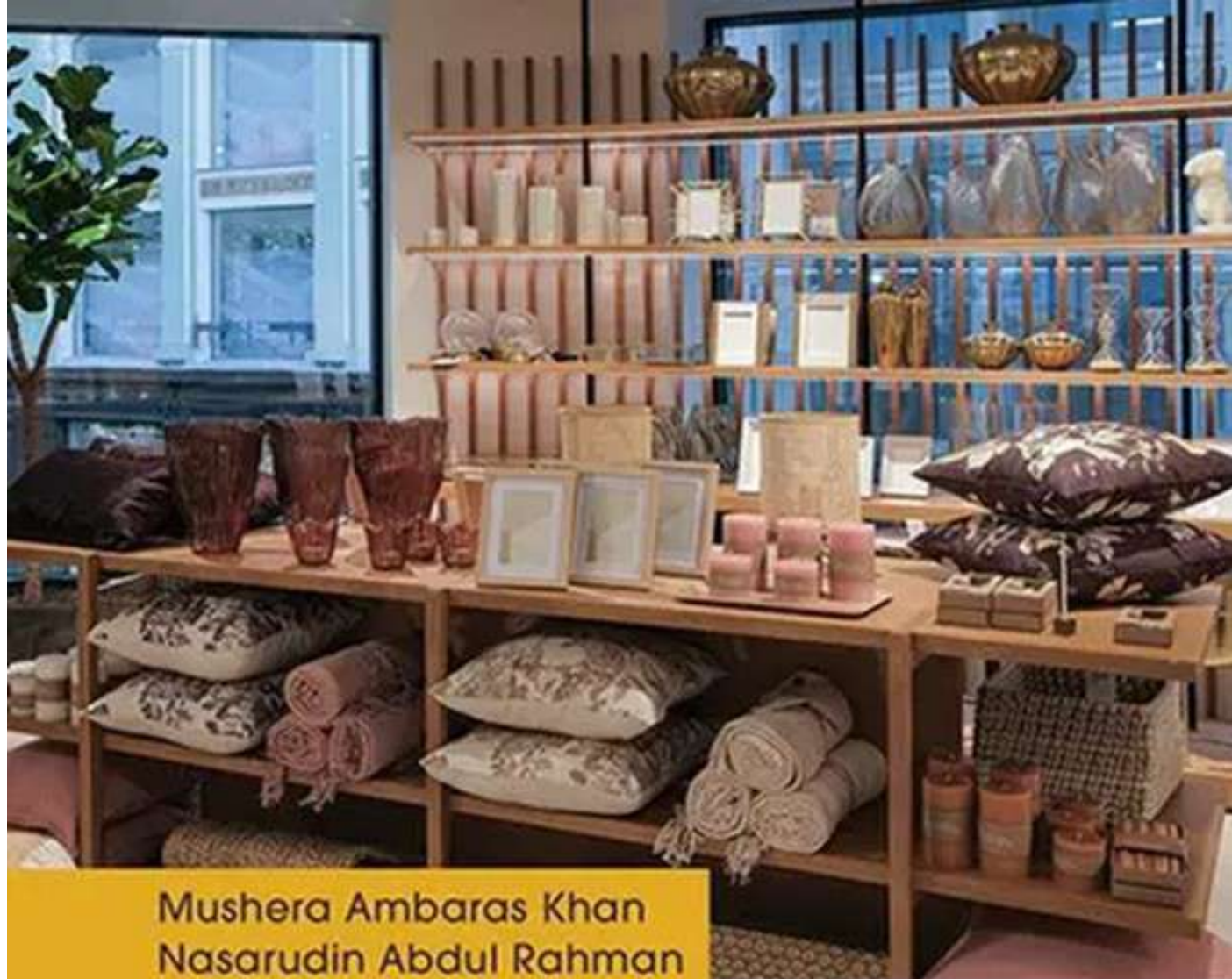




Mushera Ambaras Khan  
Nasarudin Abdul Rahman  
Azlinor Sufian  
Sonny Zulhuda

# Consumer Protection Law in Malaysia



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**SWEET & MAXWELL**

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*With deepest gratitude to my beloved parents*

*Almarhum Haji Ambaras Khan bin Rahim Khan*

*and*

*Hajjah Zaitoon binti Mia Gul*

*Who taught me the value of perseverance and the strength of kindness*

*— Mushera Ambaras Khan*

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## Foreword

The Consumer Protection Act of 1999 (“CPA”) was long in its gestation despite the substantial presence of rights conscious consumers and groups actively advocating its enactment in this beloved country. When finally sealed with the Royal Assent, it was heralded as finally filling in gaps which some other laws were inadequate to accommodate (see for instance, Price Control Act 1946, Control of Supplies Act 1961, Hire Purchase Act 1967, Trade Descriptions Act 1972 and Direct Sales Act 1997). Consumers and businesses sensed a righting of the scales of bargain; that there was now fairness even in the aftersales.

The scope of the Act is modest but clear on its intent of protecting our rights in relation to our daily consumption of goods and services. Aligned with today’s systems of trade, trade transactions conducted through electronic means, or e-commerce, are also recognised.

A redress mechanism through the establishment of a Tribunal for Consumer Claims, brought readily accessible and cost-efficient redress and respite. Branches of these tribunals soon mushroomed around the country, testimony to the effectiveness and expediency of such a redress system; that it was finally coming down to the ground.

Over time, the CPA has undergone necessary amendments – seeing its scope expand from dealing with misleading and deceptive conduct, false representation and unfair practices; safety of goods and services; to now covering a larger range such as unfair contract terms; credit sale agreements of goods; guarantees in respect of the supply of goods and services; and product liability. Structural reforms have also been emplaced to improve the operation of the CPA. This includes the establishment of the National Consumer Advisory Council; the Committee on Advertisement; and granting improved powers related to enforcement, offences, remedies, compensation, etc.; to give more bite.

On July 23, 2019, the jurisdiction of the Tribunal for Consumer Claims was increased. The Tribunal’s hitherto power to only hear claims up to RM25,000 was increased to RM50,000. At the same time, the Tribunal was given more “bite” through an increase of the maximum penalty for non-compliance with the Tribunal’s award.

Since then, there have been more ambitious initiatives in the likes of the adoption of a National Consumer Policy, Consumer Master Plan, a promotion of social and moral responsibility to businesses through codes of practice and ethics, greater consumer education, and, generally an encouragement and development of more consumer organisations.

Against that landscape, I see Dr Mushera's efforts as a rise to the clarion call for greater consumer education. Dr Mushera acknowledges the dearth of literature that is dedicated to consumer law and worse, lacks analysis of the CPA. Together with Drs Nasarudin Abdul Rahman, Azlinor Sufian and Sonny Zulhuda who between them covered three specific areas, Dr Mushera outlined the ethos and jurisprudence of consumer law in this wonderful piece of work.

The nine chapters in the book are careful focused studies on why safety of consumer goods and services matters; what inroads have been introduced through the CPA into the law of implied guarantees, equipping consumers and suppliers with proper and greater appreciation of their respective rights and obligations. The use of tables to compare where the Malaysian consumer stands with the rest of the world, is both practical and reassuring. At Chapter 3, Dr Mushera painstakingly explains and guides the consumer through these rights, citing practical examples and making interesting comparisons with other jurisdictions, so as to not lose the consumer in the legal quagmire.

Dr Mushera has not forgotten the fundamental reasons for the CPA – to curb misleading and deceptive conduct, false representation and unfair practices, to protect the consumer as seen from its very title, a law on consumer welfare. At the same time, Malaysia's consumer protection laws are aligned with international standards such as the United Nations Guidelines for Consumer Protection.

House buyers will be heartened to learn of their rights in the special chapter written by Dr Azlinor Sufian. Likewise, those who rely on electronic commerce, who surely must be the bulk of consumers, would want to learn of how the CPA protects them in Chapter 8, written by Dr Sonny Zulhuda. The intersection of consumer interests under the CPA with competition law is well-addressed in Chapter 6 by Dr Nasarudin.

Dr Mushera herself closes the examination of the CPA by turning her lenses to the redress mechanism itself – the Tribunal for Consumer Claims. Here, she takes a potential consumer complainant through the process but alerts of the heady supervision of the Tribunal by the courts of justice through principles of administrative law. She, however, leaves

them with options for other avenues of redress, depending on the nature of the goods or services.

Like the CPA, Dr Mushera's work fills a void; and I believe this contribution of hers and those of her co-authors will be very much welcomed in the community and industry. The teachers and students of the law of obligations must incorporate this aspect of consumer law into their learnings. Similarly, the policy makers and implementors of such social legislation will welcome this work, as an important guide and a valuable repository. I congratulate and thank Drs Mushera Ambaras Khan, Nasarudin Abdul Rahman, Azlinor Sufian and Sonny Zulhuda for their dedication in making our Malaysian corpus all the much richer by their writings on this subject.

Dato' Mary Lim Thiam Suan  
Director, Asian International Arbitration Centre (AIAC)  
Judge of the Federal Court of Malaysia (Retired)

August 2025

## Preface

*In the name of Allah, The Merciful The Compassionate*

All praises be to Allah, The Merciful The Compassionate. May blessings and peace be upon the beloved messenger, Muhammad (peace be upon him).

Navigating life as a consumer in today's complex marketplace presents significant challenges. We are continually confronted with the need for goods and services, some of which are familiar, while others are novel yet rapidly become essential to modern living. In this context, consumer empowerment through knowledge is critical. An informed consumer understands their rights and knows the appropriate avenues for seeking redress when those rights are violated. A wide range of formal and informal mechanisms exist to educate individuals about consumer protection laws and available remedies. This awareness is vital, given that consumer products and services permeate virtually every facet of our personal and professional lives.

The primary objective of this text is to provide an accessible reference on the Consumer Protection Act 1999 CPA ("CPA 1999"), which remains the cornerstone of consumer rights in Malaysia. While there are scattered resources on consumer law, there exists a noticeable gap in literature that focuses specifically and in-depth on the CPA 1999 and its practical application. This book does not cover certain topics, such as unfair contract terms, consumer credit, and product liability. The late Professor Naemah Amin (Allah's mercy and blessings on her) had authored a book on product liability which continues to be a valuable reference. While the field has evolved significantly, particularly in Europe, her contribution remains foundational in Malaysia. Professor Naemah was a pioneer in introducing consumer protection law as an academic course in Ahmad Ibrahim Kulliyah of Laws, International Islamic University Malaysia and I am proud to continue her legacy through this work. The regulation of consumer credit in Malaysia remains fragmented, with relevant provisions dispersed across various statutes administered by different ministries and regulatory bodies. While the CPA 1999 includes a section addressing consumer credit transactions, it is insufficient to address the complexities of the modern credit landscape, particularly in light of emerging financial instruments such as "Buy Now, Pay Later" schemes. In this regard, the Consumer Credit Bill 2025 represents a

welcome and timely development. The next edition of this book will incorporate a dedicated discussion on consumer credit transactions, following the enactment of the new law.

In addition to the CPA 1999, this book also examines related legal frameworks that significantly impact consumers, namely, housing law, e-commerce regulations, and competition law. Although these areas fall outside the direct scope of the CPA 1999, they are nonetheless critical to ensuring consumer protection in an evolving marketplace. The CPA 1999 is not the sole piece of legislation safeguarding consumer rights. Numerous other legal frameworks contribute to consumer protection, including those governing healthcare services, food safety, and various commercial transactions. Scholarly works have been dedicated to these areas, such as the law relating to contract, the sale of goods and hire purchase agreements. Accordingly, this book focuses specifically on the provisions and implications of the CPA 1999.

Laws from other jurisdictions, particularly New Zealand, the United Kingdom, and Australia, are frequently referenced in discussions of the CPA 1999, as the Act draws heavily from legal frameworks established in these countries. Among them, the New Zealand model bears the closest resemblance to Malaysia's. The textbook on *Consumer Law in New Zealand*, by Kate Tokeley & Victoria Stance (editors), has served as a significant source of inspiration in the development of this work. Additionally, attending the National Consumer Congress organised by the Australian Competition and Consumer Commission further motivated me to explore these critical areas, which impact all of us as consumers.

This book would not have been possible without the guidance and strength granted by the Almighty. Despite the demands of a busy schedule, I was able to remain focused and committed to completing this work, an enduring blessing for which I am profoundly grateful. I extend my heartfelt appreciation to my colleagues and friends whose encouragement, understanding, and moral support provided continuous motivation throughout the writing process. In particular, I wish to acknowledge the unwavering support of my family and my esteemed colleagues, Associate Prof Dr Farheen Baig, Prof Dr Sharifah Zubaidah and Madam Amiroh Ahmad, whose belief in this project has been instrumental to its completion. I also express my deepest gratitude to the contributing authors, Assoc Prof Dr Nasarudin Abdul Rahman, Assoc Prof Dr Azlinor Sufian and Assoc Prof Dr Sonny Zulhuda who have generously shared their expertise by writing chapters in their respective areas of specialisation. Each contributor has enriched this book by offering valuable insights and presenting complex legal topics

in a clear and accessible manner. A special note of thanks is due to the team at Thomson Reuters Malaysia, whose support and professionalism have been invaluable. In particular, I am deeply and sincerely grateful to Rachel Jaques, Kevin Ooi and Raihan Deris for their unwavering support and genuine interest in the publication of this book. I am also thankful to Kaushik Dhar for the thorough editing of this work.

My heartfelt appreciation and sincere thanks go to Dato' Mary Lim Thiam Suan for graciously dedicating her valuable time to preparing the Foreword for this book. Her calibre and eloquence have always been a source of admiration for me. Having her write the Foreword to my book is both an honour and a deeply personal privilege.

It is my hope, and that of the contributing authors, that this book will serve not only as a valuable academic resource, but also as a practical guide for individuals involved in the enforcement, interpretation, or study of consumer law in Malaysia. It is equally intended for members of the public who wish to better understand their rights as consumers.

The applicable laws and developments stated in this book stand as of July 2025.

Prof Dr Mushera Ambaras Khan

July 2025

## About the Authors

**Mushera Ambaras Khan (Dr)** is a professor at the Civil Law Department, Ahmad Ibrahim Kulliyah of Laws, International Islamic University Malaysia (IIUM), having served as an academic staff since 1993. She earned her doctorate from Bond University, Australia, in 2001. Her areas of expertise lie primarily in consumer law and corporate law, with a research interest in the regulation and protection of consumer rights. Over the years, Mushera has taught a variety of subjects, including law of contract, consumer law, law of negligence and corporate law. As part of her academic engagements, she has also been appointed as a visiting scholar at Victoria University (Melbourne) and Durham Law School (United Kingdom).

Her recent research includes a collaborative project with academics in Universitas Sumatera Utara, exploring the legal dimensions of “Buy Now, Pay Later” schemes, a growing area of interest in global consumer law. She has also participated in the Australasian Consumer Law Roundtable and attended the National Consumer Congress organised by ACCC (Australia). She has authored and co-authored numerous publications, both locally and internationally.

Alongside her academic duties, Mushera serves on the University Publication Committee (IIUM) and holds accreditation as a certified mediator from Accord Australia. She is a member of several organisations including the Malaysian Consumer and Family Economics Association, the Australasian Law Academics Association, among others. At IIUM, she currently teaches consumer law, law of torts, and takeovers and mergers law. (mushera@iium.edu.my)

**Nasarudin Abdul Rahman (Dr)** is an Associate Professor at the Ahmad Ibrahim Kulliyah of Laws, International Islamic University Malaysia (IIUM). He graduated with Bachelor of Laws (LLB (Hons)) and Master of Comparative Laws (MCL) from IIUM, and Doctor of Philosophy (PhD) from School of Law, Macquarie University. He was admitted to the Malaysian Bar as an advocate and solicitor by the High Court in Malaya in 2002. His areas of interest include competition law, company law, and Islamic banking and finance. Nasarudin was appointed as a member of the Malaysia Competition Commission (MyCC) from 2017 to 2023. He has authored several books and published numerous articles both in local and international journals/reports in the area of competition

law. Furthermore, he has presented at various international and local conferences in the area of competition law. (nasarudin@iium.edu.my)

**Azlinor Sufian (Dr)** began her academic career in 1993 at the International Islamic University Malaysia (IIUM), serving at the Ahmad Ibrahim Kulliyah of Laws until her early retirement in 2018. During her tenure, she was also on sabbatical leave between 2013 and 2017, attached to the College of Law, Prince Sultan University (PSU), Saudi Arabia. Following her stint in the Sultanate of Oman, she rejoined PSU in 2020 and continues to serve there until today. Her areas of specialisation include property law, housing, construction, commercial law, and consumer protection. Dr Azlinor has presented papers at both local and international conferences and has published several journal articles and book chapters. She is an advocate and solicitor of the High Court in Malaya (non-practising) and holds academic fellowship with the Higher Education Academy of the United Kingdom.

**Sonny Zulhuda (Dr)** is an Associate Professor at the Ahmad Ibrahim Kulliyah of Laws, International Islamic University Malaysia (IIUM) with an accumulated 20 years of cyber law teaching experience at both undergraduate and postgraduate levels. He helped the Malaysian government in the drafting of the Cyber Security Act 2024 and the Data Sharing Act 2025, and also advised on several areas of the amendment to the Personal Data Protection Act 2010. Between 2021 and 2024, Dr Sonny was a member of the Personal Data Protection Appeal Tribunal appointed by the Minister of Communications and Multimedia, Malaysia. Internationally, Dr Sonny is a member of ISACA, the Internet Society, ICANN Fellowship, the International Association of Privacy Professionals (IAPP) and the Global Internet Governance Academic Network (GigaNet).

Dr Sonny's latest work *Cyber Law in Malaysia: Principles and Practices* was published by Sweet & Maxwell Asia in 2024, co-authored by Dr Ridoan Karim of Monash University Malaysia.

# List of Abbreviations

|             |                                                                                                          |
|-------------|----------------------------------------------------------------------------------------------------------|
| ACCP        | ASEAN Committee on Consumer Protection                                                                   |
| ACFEA       | Asian Consumer and Family Economics Association                                                          |
| ADM         | Algorithmic Decision-Making                                                                              |
| ADR         | Alternative Dispute Resolution                                                                           |
| AEC         | ASEAN Economic Community                                                                                 |
| AI          | Artificial Intelligence                                                                                  |
| APLAC       | Asia Pacific Laboratory Accreditation Cooperation                                                        |
| ASEAN       | Association of Southeast Asian Nations                                                                   |
| ASWARA      | Akademik Seni Budaya dan Warisan Kebangsaan (National Academy of Arts, Culture and Heritage of Malaysia) |
| BNPL        | Buy-Now-Pay-Later                                                                                        |
| CA          | Collaborative Agreement                                                                                  |
| CA 2010     | Competition Act 2010                                                                                     |
| CAP         | Consumers Association of Penang                                                                          |
| CAT         | Competition Appeal Tribunal                                                                              |
| CGA 1993    | Consumer Guarantees Act 1993                                                                             |
| CHFA        | Cameron Highland Floriculturist Association                                                              |
| CMA 1998    | Communications and Multimedia Act 1998                                                                   |
| CPA 1999    | Consumer Protection Act 1999                                                                             |
| CPETTR 2024 | Consumer Protection (Electronic Trade Transactions) Regulations 2024                                     |
| CSA 1961    | Control of Supplies Act 1961                                                                             |
| DOSM        | Department of Statistics of Malaysia                                                                     |
| DVS         | Department of Veterinary Service                                                                         |
| ECA 2006    | Electronic Commerce Act 2006                                                                             |
| ECJ         | European Court of Justice                                                                                |
| ECOSOC      | Economic and Social Council                                                                              |
| EU          | European Union                                                                                           |
| FMB         | Financial Mediation Bureau                                                                               |
| FOMCA       | Federation of Malaysian Consumers Associations                                                           |
| FSC         | Full-Service Premium Carrier                                                                             |
| FTA 1986    | Fair Trading Act 1986                                                                                    |
| GHL         | Ground Handling Licence                                                                                  |
| GSR         | General Safety Regulation                                                                                |