



**CHARTING A NEW FRONTIER:  
AVIATION CONSUMER  
PROTECTION NEEDS  
TODAY AND BEYOND**

INTERNATIONAL WEBINAR

**Nuts and Bolts of Air Travel Consumer  
Protection in Malaysia and Challenges Ahead**

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# Consumer Protection - Part 10 Section 69 & 70 Malaysian Aviation Commission Act 2015 (Act 771)

## Section 69

- **Prescribe a consumer code** - with minimum policies & practices for:
  - Reasonably meeting consumer requirements
  - Handling of complaints
  - Raising consumer awareness – information of aviation services & charges and minimum service levels and standards of performance
  - Protection of consumer information
- **Financial penalty for non-compliance to consumer code:**
  - Not exceeding RM200,000
  - Second and subsequent non-compliance – an amount 10 times imposed for the first non-compliance




## Section 70

- **Consumer Complaints**
  - Consumers may lodge complaints on any aviation related services




## Malaysian Aviation Consumer Protection Code (MACPC) 2016

- **MACPC** - came into force on **1<sup>st</sup> July 2016**

Consumers	
	<b>Protect and educate</b> consumers of their travel rights

Industry	
	Airlines and airports to be <b>responsible</b> and <b>accountable</b> for quality of service

Nation	
	Align Malaysia towards <b>global standards in</b> <b>consumer protection</b>

- **Single standard** - To accommodate both business models - full service and low cost airlines
- **Drive efficiency** - Airlines to take ownership and provide equitable resolution for service failures
- **Short term** - close monitoring and tracking
- **Long term** - self-regulation



## Agility and Responsiveness To Changes As Aviation Requirements Evolve



### Montreal Convention 1999

- *Ratified by Malaysia in 2007*
- *Provides for rights in the event of flight delays and mishandled baggage for international flights*



### MACPC 2016

- *Introduced a consumer code with minimum service level and standards, including for persons with disability*
- *Applies to both Malaysian and foreign airlines operating to/from Malaysia*
- *Full-Service and Low-Cost Carriers*
- *Provide resolution to consumers up to 30 days*
- *Covers consumers travel rights for incidents that occurs in Malaysia*



### MACPC 2019 (amendment)

- *MACPC was reviewed and amended based on feedback and gaps in code. Amended or revised MAPC further includes:*
  - *Full disclosure of air fare during publishing of airfare (all in fares) and during purchase of flight tickets.*
  - *Refunds*
  - *Notification for planned flight rescheduling & route cessation*



# Malaysian Aviation Consumer Protection Code (MACPC) 2016, Amended 2019

## Part I: Preliminary

Preliminary

- **First Schedule:** Compensation and Care
- **Second Schedule:** Assistance by Airline

## Part II: Minimum Service Level and Standards of Performance for Airlines and Aerodrome Operators

Full disclosure of air fare	Prohibition on post-purchase price increase	Prohibition on automatically adding on services	Identity of operating airline	Disclosure of key terms and conditions at the point of booking	Refund policies	Communication of changes in flight status
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## Part III: Air Passenger's Rights

Entitlement to claims	Denied boarding	Flight delay and cancellation	Compensation for lost, damaged or delayed baggage	Compensation for lost or damaged mobility equipment	Reimbursement for route cessation and flight re-scheduling	Notice to inform passengers of their rights	Conversion of monetary units
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## Part IV: Consumer Complaints

Complaint to airline and airports	Complaint to the Commission
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## Part V: Consumer Awareness

Consumer awareness	Obligations of airlines
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## Part VI: General

Reports	Penalties
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 Amended in 2019

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## Proposed Amendments And New Provisions To Further Protect Consumers

- Clarity on definitions
- Liquidation/Merger/Restructuring
- MACPC application to Travel Agent/OTA bookings
- Refunds during extraordinary circumstance
- Revocation of license
- Travel Pass/Unlimited passes



Disclaimer: The above list is non-exhaustive and subject to further review.

## Aviation Consumer Protection Needs Today and Beyond

- ICAO encourages member states, industry stakeholders to **give regard to and apply ICAO Core Principles in policymaking**, and in regulatory and operational practices.
- Lessons learned from Covid-19 pandemic - just the beginning.
- Aviation service providers to be **agile and respond to the demands**.
- **Anticipate disruptions and mobilisation of resources** to meet consumers expectations.
- **Use of digitalisation** on systemic disruptions.
- Consumer Protection is not only the role of a regulator, but it also involves **aviation stakeholders' commitment to safeguard** the travel rights of their passengers.





## Conclusion



- One of MAVCOM's key objective is the **protection of aviation consumer rights and interests**.
- MACPC was designed with **consumers in mind** and **adapted from international guidelines** such as the Montreal Convention 1999 and the International Civil Aviation Organization (ICAO)'s Core Principles on Consumer Protection.
- The COVID-19 pandemic has also taught us many lessons. There is much more to be done in **enhancing the existing code to protect consumer travel rights**.
- MAVCOM will remain to be **agile, responsive and will continue to evolve** with developments globally and during unprecedented situation.



**Thank you**



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