

Guyana Competition and
Consumer Affairs Commission

MOTOR VEHICLE BUYING GUIDE



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About CCAC



The Competition Commission of Guyana was established under the Competition and Fair Trading Act (CFTA) of 2006. Thereafter, the Consumer Affairs Act (CAA) of 2011 was established, mandating in Section four (4) that: “The Competition Commission established by section 5 of the Competition and Fair Trading Act 2006 is renamed the Competition and Consumer Affairs Commission”.

Originally, the Agency was named Competition and Consumer Protection Commission. However, the National Competitiveness Council suggested that the Agency be renamed to Competition and Consumer Affairs Commission (CCAC), so as to encompass a broader scope and maintain regional and international standards.

In August 2009, a decision was taken by the National Competitiveness Council to merge the Competition Commission with a Consumer Affairs Commission, in keeping with international and regional best practices. This merger was completed with the passing of the Consumer Affairs Act (CAA) in September 2011.

Mission Statement

To ensure that consumer affairs and free and fair competition are evident in production, trade and commerce in Guyana.

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Table of Contents

1.1	Background	4
1.2	Introduction	5
1.3	Purpose Of This Guide	5
2.1	What Is A Reconditioned Motor Vehicle?	5
3.1	Step 1: What Should You Do Before You Start Shopping For A Motor Vehicle?	5
4.1	Step 2: Develop A Financial Plan For The Procurement Process	7
5.1	Step 3: Engage And Assess Automobile Dealers	7
5.2	Compliance With The Consumer Affairs Act No. 13 Of 2011	7
5.3	Customer Service	8
5.4	Online Reviews	8
5.5	Selection Of Variety Of Vehicles	9
5.6	Vehicle Warranty	9
5.7	Enquire About The Motor Vehicle History Report	9
6.1	Step 4: How Do I Know The Motor Vehicle Works Well?	9
7.1	Step 5: Is Everything There?	10
8.1	Step 6: Finalising The Deal	10
9.1	Important Tips When Purchasing A Reconditioned Motor Vehicle	10
10.1	Contracting The Service Of A Mechanic Or Bodywork Technician	11
10.2	Get Recommendations	11
10.3	Five Questions To Ask The Mechanic Or Bodywork Technician	12
11.1	Important Tips When Purchasing A Motor Vehicle From A Dealer Outside Of Guyana	13
12.1	Brief Overview Of Hire Purchase Act	15



Motor Vehicle Buyer's Guide

1.1 Background

Guyana has been the burgeoning hub for all sectors of business. This growth trajectory has created a new market opportunity which has seen the demand for the increased movement of human and physical resources in the transportation sector. With the increase in demand in the automobile industry, the Competition and Consumer Affairs Commission (CCAC) has seen an astronomical upward swing in the increase of complaints emanating from the automobile industry for 2022. The Competition and Consumer Affairs Commission received 410 complaints for 2022, of which 88 were aligned to the auto industry, auto repairs and auto parts. This figure represents 21% of the total complaints received for the year. The total complaints resolved were 75, representing a value of \$82,818,200, and 13 cases are ongoing. These figures were used to

measure the auto industry's health and propelled the development of the Motor Vehicle Buyer's Guide. This document was developed to create consumer awareness regarding the procurement process of motor vehicles.



1.2 Introduction

The Competition and Consumer Affairs Commission is cognizant of the astronomical volume of complaints filed by complainants with regards to the purchase of auto vehicles, auto parts and contracting the service of a bodywork technician or mechanic to execute repair works. These issues warranted additional measures to be employed by the CCAC to enhance consumer protection hence the enactment of this guide.

1.3 Purpose Of This Guide

This guide was developed to eliminate some of the issues for persons who intend to purchase a motor vehicle or contract the service of a bodywork technician or mechanic. The information documented should be used as guidance throughout the process.

2.1 What Is A Reconditioned Motor Vehicle?

A reconditioned motor vehicle is a vehicle that is not new. Another person owned the motor vehicle before you.

3.1 Step 1: What Should You Do Before You Start Shopping For A Motor Vehicle?

Decide what kind of motor vehicle you need and how you will use it.

Ask yourself:

- How many passengers will usually ride in the motor vehicle?
- Do I need extra space to carry bags, tools and other things?
- Do research on the internet on the motor vehicle you intend to purchase. This would provide you with essential information on the features,





performance, strengths and weaknesses of different models of motor vehicles. Read reviews from buyers and car experts to get a broad perspective on how the motor vehicle measures up. Reviews coming directly from motor vehicle owners are likely to be the most candid and upfront about a motor vehicle's potential issues or benefits.

- How is the fuel economy? If you want a fuel-efficient motor vehicle and you commute less than thirty miles daily, a hybrid motor vehicle is a good option. If you travel long distances regularly, opt for an economy-sized 4 cylinders motor vehicle. Having fewer cylinders means better fuel economy overall. Motor vehicles that consume diesel may be a preferred fuel-efficient option for longer distances and weight carrying as diesel is frequently cost efficient than gasoline.

Decide how much you can pay for a motor vehicle. Think about:

- Custom duty tax – (See Appendix 1 for information extracted from GRA Website)
- Motor vehicle insurance
- Fitness
- Road license
- Gas
- Maintenance costs

4.1 Step 2: Develop A Financial Plan For The Procurement Process

A motor vehicle is a significant investment, so the first thing you must do is accurately work out your budget and stick to it. If necessary, find out the best way to finance your purchase, whether through a loan from the bank, dealer finance or cash. If you would be securing a

loan from a financial institution or dealer finance, calculate how much you can put down in deposit, then calculate the monthly payments that you would be required to pay, the interest rate, the duration of the payments, and what is the total amount you would be required to pay.

5.1 Step 3: Engage And Assess Automobile Dealers

Develop a list of the dealers you intend to purchase from and engage and assess them on the following:

5.2 Compliance With The Consumer Affairs Act No. 13 Of 2011

An important factor when evaluating a business's core value of consumer centricity is its compliance with the legislative laws within that country. In Guyana, the Consumer Affairs Act No.13 of 2011 is the apex law that protects consumers from being unfairly treated by businesses and provides a legal framework that businesses can utilise to operate. One of the ambits of the Competition and Consumer Affairs Commission is the inspection of suppliers of goods and services to validate that their businesses



comply with the Consumer Affairs Act No.13 of 2011. This process is executed by an officer of the CCAC, who meticulously examines the supplier's business processes to ensure conformance with the Consumer Affairs Act No.13 of 2011. A pass or fail conformity document is issued to the supplier on completion of the process. Suppliers that pass the process are issued with a compliance certificate with a one-year validation period.

As a consumer, it is imperative when engaging a supplier to verify whether their business complies with the Consumer Affairs Act No.13 of 2011. This document provides assurance that the supplier will recognize your rights as a consumer.

5.3 Customer Service

We often think about customer service as something that happens after purchasing a vehicle. However, when choosing an automobile dealer, you want to ensure its customer service is excellent before, during, and after the sale.

First, note how you are treated during the initial shopping stage. When you called to inquire about a vehicle, were you provided with the information you needed to make an informed decision?

Next, you should note how you are treated during your visit. Finally, and arguably most importantly, you want to know how the customer service is after the purchase. If you have a question about emerging issues, you must know how it would be addressed.

5.4 Online Reviews

A great way to gauge the customer service level of an automobile dealer, primarily how they treat customers after a sale, is to read its reviews. This allows you to identify a dealer who values its customers. You can research Facebook to validate automobile dealer reviews and ratings. Fickle consumers are an excellent medium for acquiring information on an automobile dealer.



5.5 Selection Of Variety Of Vehicles

Another important criterion to consider when choosing an automobile dealer is its selection of varieties. You would have already pre-selected the motor vehicle model and manufacturer. However, it is best practice to consider your options before selecting. You should compare the features and benefits of multiple models and manufacturers to ensure you are getting the best value for your money.

When choosing an automobile dealer, ensure that they have a wide array of the following: brand, models, years, and prices.

5.6 Vehicle Warranty

One of the most important factors to consider when selecting an automobile dealer is the quality of their vehicles. Because the motor vehicle is not new, you need to be sure that you will not have any major issues in the future. A great way to gauge this is by the auto dealer's warranty. Ensure you inquire about the warranty period and what components are covered.

5.7 Enquire About The Motor Vehicle History Report

A motor vehicle history report provides information on the history of the motor vehicle. It will give information on the following:

- The mileage.
- If it has been involved in any accidents.
- If registered, the previous owners.

6.1 Step 4: How Do I Know The Motor Vehicle Works Well?

When you find a motor vehicle you are interested in:

- Review the service records. Did previous owners do the scheduled maintenance on time?
- Test drive the motor vehicle in your typical driving situations. Do you usually drive in heavy traffic? If yes, test drive the motor vehicle in heavy traffic. Also, it is important that during this process, you ensure the car starts easily and listen for any unusual sounds emanating from the engine or brakes.

- Procure the service of a mechanic you trust and who is knowledgeable of the manufacturer and model of the motor vehicle you intend to purchase to execute a detailed inspection. The mechanic will tell you what repairs the motor vehicle needs and how much they will cost. If the motor vehicle needs repairs, the dealer might reduce the price or pay for those repairs before selling the motor vehicle to you.

7.1 Step 5: Is Everything There?

Check under the boot floor to see if the spare wheel and jack are in place. Check the glove box for the vehicle handbook and ask the dealer

if spare keys are present. If any of these are missing, inquire if they would be provided since they can be costly to replace.

8.1 Step 6: Finalising The Deal

You have performed the above steps and have agreed on the final price, and will make the purchase. Ensure all terms are agreed upon in writing, with a receipt both parties can sign and keep a copy. It should show vehicle details, price, terms of sale date, and the seller's and buyer's name and address. If the purchase would be executed through a hire purchase agreement, ensure you read the contract criteria thoroughly before signing the agreement. Legal advice should be sought if the language in the contract is unclear. Be attentive to secret language like "AS IS".

9.1 Important Tips When Purchasing A Reconditioned Motor Vehicle

Get financing before you start exploring.

Look around at several auto dealers and the variety of motor vehicles they have for sale.

Check the ratings of the automobile dealers.





Scrutinize the interior of the motor vehicle.
Look for evidence of flood damage. This can be verified by lifting the interior carpet and looking for evidence of water stains or rust.
Inspect the motor vehicle thoroughly for rust.
Listen for unexpected sounds.
Look for leakages and ensure you examine under the motor vehicle carefully.
Check for glass chips to fractures.
Check whether the motor vehicle was recalled for safety issues or does not meet safety standards.
Execute a meticulous inspection of the paint job on the motor vehicle.
Test everything.
Be cautious of promotions being

offered by auto dealers.
Contract the service of a mechanic, auto mechanic and bodywork technician you trust to inspect the motor vehicle.

10.1 Contracting The Service Of A Mechanic Or Bodywork Technician

10.2 Get Recommendations

One of the best ways to find a mechanic or bodywork technician you can trust is to inquire from family members and friends where they take their motor vehicles. Seek recommendations from persons who have the same model of vehicle as yours.

10.3 Five Questions To Ask The Mechanic Or Bodywork Technician

Have you worked on my vehicle's make and model before?

Some auto repair and bodywork shops specialize in specific types of motor vehicles. Ensure your mechanic or bodywork technician has experience with your specific make and model. Expertise matters.

Do I need to pay for an estimate?

Some auto repair and bodywork shops provide a free estimate, or the estimate is included in the final cost of the repair. Ensure you understand the process and how you will be billed for services.

What are my repair options?

It is always a good idea to be informed about what your motor vehicle needs and why. They are

the experts and are here to help you make the best decision for your motor vehicle repair, maintenance or bodywork. Ask questions to clarify any areas of uncertainty.

What kind of warranties do you offer?

Warranties can vary from shop to shop, so ensure you inquire about their warranty options before they start working on your vehicle.

Can you provide the scope of work, schedule duration and cost for the tasks to be executed in writing?

It is important for the supplier to provide a scope of work, schedule duration and cost for the tasks to be executed. This provides the consumer with comprehensive information on the work to be executed, the time it will take to complete and the cost. More so,



these elements form a contractual obligation between the consumer and supplier and represent a legal relationship that is subject to remedy in court if either party fails to fulfil their contractual obligation.

11.1 Important Tips When Purchasing A Motor Vehicle From A Dealer Outside Of Guyana

Purchasing outside the country's jurisdiction is particularly risky because of the considerable difficulties of enforcing consumer legal rights. Therefore, it is paramount as a consumer to follow these steps to avoid issues during the procurement process.

Check the motor vehicle importation regulations. This information is available on the Guyana Revenue Authority website, or you can contact the Guyana Revenue

Authority for additional information. Research the dealership, company or website you intend to purchase the motor vehicle from. When purchasing a motor vehicle online, purchasing from a reputable supplier is imperative. This means it is a good idea to research the dealership and get an opinion of what they are like. The Internet offers an information-rich environment. This provides a means to overcome information asymmetry, for instance, by enabling consumers to share quality information through social networks so that consumers can access information from the experiences of other consumers. Website reviews and enquiring from your local bank about the dealer. These methods can be employed to gauge a supplier's authenticity, customer service and after-sales service, which would enhance



consumer confidence.

Search for the motor vehicle you intend to purchase. You can filter your search by your desired motor vehicle make, model, year, mileage, exterior colour, right or left-hand drive, fuel type, engine capacity and, notably, your price range. Remember to be attentive to the cost, insurance and freight (CIF) price since this reflects the final amount you would pay for the motor vehicle.

You have identified the motor vehicle you are going to purchase, and you have checked the photos the supplier sent you. Inquire about the motor vehicle grade and get a vehicle history report. The vehicle history report provides information on accident history, title history, previous owners, mileage, service history, recalls and other damage. Once you are satisfied with the information you received from the supplier regarding the motor vehicle and decide to finalize the purchase, the supplier will send

you a proforma invoice to make the payment. You can visit the commercial bank to execute the payment process. An officer from the bank would advise you on how to execute this process. Once the payment is made, the supplier will start arranging for shipment. It is essential to inquire from the supplier about the estimated arrival time for the motor vehicle factoring logistics constraints.

The motor vehicle has departed from the country of purchase. You can procure the service of a customs broker to assist you with preparing the documents to have the motor vehicle clear from your country port when the same arrives. The supplier would mail the relevant documents, including the bill of lading, payment receipt, original invoice, inspection certificate and original manufacturer or salvage certificate.



12.1 Brief Overview Of Hire Purchase Act

The Hire-Purchase Act No. 23 of 2022 (hereinafter “Hire-Purchase Act”) was enacted by the Parliament of Guyana in December 2022.

The purpose of the Hire Purchase Act was to make provision for the regulation of hire-purchase, credit sale and conditional sale agreements, and for related purposes.

The Hire-Purchase Act:

Sets out the requirements for hire-purchase agreements, credit sale and conditional sale agreements in order for the agreements to be enforced;
Gives the hirer or buyer the right to determine hire-purchase or conditional sale agreements;
Voids any unfair terms in the agreements that may put the hirer or buyer at a disadvantage and the owner or seller at an advantage;
Places a duty on the owner and seller to supply specific documents and information to the hirer or buyer;

Places a duty on the hirer or buyer, who has a duty to keep the goods in his possession, to give information as to the location of the goods upon request by the owner or seller;
Allows for conditions and warranties to be implied in the agreements;
Makes provisions for a notice of cancellation of the agreements;
Makes provisions for the registration of hire-purchase, conditional sale or credit sale agreements;
Makes provisions for the re-possession of goods by the owner or seller and other remedies

If you purchase a car on hire-purchase, credit sale or conditional sale, the Hire-Purchase Act will govern the transaction. The Hire-Purchase Act will also apply retroactively to hire-purchase, credit sale and conditional sale agreements as it relates to the recovery of possession of goods and the appropriation of payments.





Do not make such a costly investment on intuition.

Let the CCAC Compass guide you to your destination.



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