

Putrajaya: New petrol subsidy plan slated for Jan 2020 postponed until further notice

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Domestic Trade and Consumer Affairs Minister Datuk Seri Saifuddin Nasution Ismail Cabinet had on December 18 decided to postpone PSP that was supposed to start next month, and therefore the current system will continue to be in place for now. — Picture by Shafwan Zaidon

SEBERANG PERAI, Dec 30 — The new Petrol Subsidy Programme (PSP) for the bottom 40 per cent (B40) households has been postponed until further notice, the Domestic Trade and Consumer Affairs Minister Datuk Seri Saifuddin Nasution Ismail said today.

He told reporters that the Cabinet had on December 18 decided to postpone the programme that was supposed to start next month, and therefore the current system will continue to be in place for now.

"The Cabinet decided that there is still room for improvement for the PSP so that it will benefit the people and be accepted by all," he said during a press conference after handing out back-to-school items to 1,500 students at the Mydin Hypermarket here.

He said the Cabinet felt that there is a need to double the government's efforts in informing the public and explaining the PSP to the people.

"The Cabinet has left the implementation date open-ended until it makes a decision on a reasonable timeline for the implementation," he said.

He added that despite his ministry going down on the ground to brief the public on the PSP and through various mediums, there were still many misunderstandings on how it worked.

"We need to clear all misunderstandings before it can be implemented," he said.

He stressed that the ministry is fully prepared in rolling out the PSP as it already has the data of the recipients, their account numbers and the mechanism to distribute the cash subsidy to the B40 group.

Saifuddin added that his ministry had held engagement sessions with various stakeholders including consumer groups and petrol station operators in the past year.

"We have also held simulations to estimate what price range will cause negative effects on the lower income group," he said.

Now that the PSP has been postponed, he said the ministry will fine-tune the system further while continuing with its efforts to conduct more public briefing sessions on the programme.

The government had allocated RM2.4 billion for the PSP under Budget 2020 that will benefit 8 million people in both the middle 40 per cent (M40) and B40 groups.

While the full list of 2.9 million B40 recipients have been identified, Saifuddin said the Finance Ministry is in charge of identifying the M40 recipients.

