



## Questions floating over fuel subsidy scheme

Targetted fuel subsidies for an estimated 2.9 million deserving Malaysians will start in January. The price of RON95 will be floated based on market prices then in the peninsula while the price is fixed at RM2.08 in Sabah, Sarawak and Labuan. But questions are being asked about the impact on other consumers and the still vague mechanism of the float system.

> See reports on page 5  
by JOSEPH KAOS JR and  
ALLISON LAI

# RON95 price to be floated

Govt to give subsidies only for BSH recipients from next year

By JOSEPH KAOS Jr  
joekaosjr@thestar.com.my

**PUTRAJAYA:** The price of RON95 will float according to the market once the targeted fuel subsidy scheme kicks off in January next year. Under the scheme announced by Domestic Trade and Consumer Affairs Minister Datuk Seri Saifuddin Nasution Ismail yesterday, only recipients of the Bantuan Sara Hidup (BSH) who are based in Peninsular Malaysia are entitled.

"This fulfills Pakatan Harapan's 14th General Election pledge which is to provide fuel subsidy only for the needy," Saifuddin told a special press briefing at his ministry here yesterday.

Car owners who are entitled to the scheme will receive RM120 every four months; and RM48 every four months for motorcycle owners.

The recipients will get their payment via cash transferred into their bank accounts, with the first payment scheduled for April 2020.

BSH recipients who have up to two cars and two motorcycles registered with the Road Transport Department (JPJ) under their names will be eligible for the scheme.

This means that those who own three cars under their name will not be eligible.

The subsidy will only be given to BSH recipients who owned cars with 1,600cc engine and below, as well as cars that are 1,600cc and above which are at least 10 years old.

Qualified motorcycles are those that are 150cc and below, or 150cc and above if they are seven years old.

With the price of RON95 no longer controlled, Saifuddin said the government promised that it would not allow a sudden increase, should global prices shoot up.

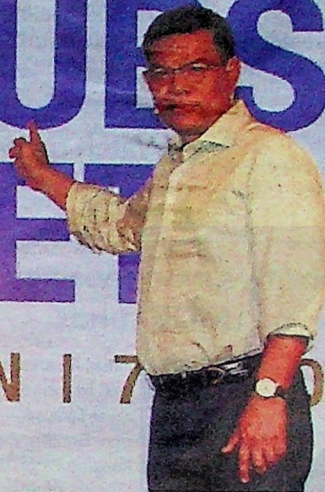
"The government is committed to ensuring that any price increase will be a gradual one so that it will not burden the rakyat," said Saifuddin.

He added that the ministry will also beef up enforcement to ensure that traders do not use any fuel price increase as justification to hike up the price of goods.

As only BSH recipients in Peninsular Malaysia are eligible for

KEMENTERIAN PERDAGANGAN DALAM NEGERI  
DAN HAL EHWAL PENGGUNA

# PROGRAM SUBSIDI PETROL



ISNIN | 7 OKTOBER 2019

**Best way forward:** Saifuddin launching the targeted petrol fuel subsidy programme for consumers at the Domestic Trade and Consumer Affairs Ministry in Putrajaya.

the subsidy scheme, the price of RON95 petrol in Sabah, Sarawak and Labuan will continue to be subsidised and fixed at RM2.08.

Saifuddin said this is because it does not cost so much for the government to subsidise RON95 in East Malaysia, adding that there are many more diesel car users there.

The targeted fuel subsidy scheme was announced during the tabling of Budget 2019 by Finance Minister Lim Guan Eng.

Based on BSH and JPJ records, about 2.9 million people are eligible for the scheme.

At present, the price of RON95 is fixed at RM2.08 while the price of the higher grade RON97 is controlled by a floating mechanism.

The system, however, has its weaknesses – as the subsidy can be enjoyed by all car owners, even those with high income.

Watch the video  
[thestartv.com](http://thestartv.com)



## Subsidies for BSH recipients



**RM120**

for car owners every four months

Max engines, or cars over 10 years for engines above

**1600cc**



**RM48**

for motorcycle owners every four months

**150cc**

max engines, or machines over seven years for engines above 150cc



## Price of RON95 petrol

- Price of RON95 petrol to be floated
- No subsidy scheme for Sabah, Sarawak and Labuan but price of RON95 petrol to be capped at RM2.08

## RON95 price to be floated

Tuesday, 08 Oct 2019

By JOSEPH KAOS Jr

**PUTRAJAYA:** The price of RON95 will float according to the market once the targeted fuel subsidy scheme kicks off in January next year. Under the scheme announced by Domestic Trade and Consumer Affairs Minister Datuk Seri Saifuddin Nasution Ismail yesterday, only recipients of the Bantuan Sara Hidup (BSH) who are based in Peninsular Malaysia are entitled.

"This fulfills Pakatan Harapan's 14th General Election pledge which is to provide fuel subsidy only for the needy," Saifuddin told a special press briefing at his ministry here yesterday.

Car owners who are entitled to the scheme will receive RM120 every four months; and RM48 every four months for motorcycle owners.

### Subsidies for BSH recipients



**RM120**  
for car  
owners every  
four months

Max engines, or cars over 10  
years for engines above

**1600cc**



**RM48**  
for motorcycle  
owners every  
four months

**150cc**

max engines, or machines  
over seven years for engines  
above 150cc



#### Price of RON95 petrol

- Price of RON95 petrol to be floated
- No subsidy scheme for Sabah, Sarawak and Labuan but price of RON95 petrol to be capped at RM2.08

The recipients will get their payment via cash transferred into their bank accounts, with the first payment scheduled for April 2020.

BSH recipients who have up to two cars and two motorcycles registered with the Road Transport Department (JPJ) under their names will be eligible for the scheme.

This means that those who own three cars under their name will not be eligible.

The subsidy will only be given to BSH recipients who owned cars with 1,600cc engine and below, as well as cars that are 1,600cc and above which are at least 10 years old.

Qualified motorcycles are those that are 150cc and below, or 150cc and above if they are seven years old.

With the price of RON95 no longer controlled, Saifuddin said the government promised that it would not allow a sudden increase, should global prices shoot up.

"The government is committed to ensuring that any price increase will be a gradual one so that it will not burden the rakyat," said Saifuddin.

He added that the ministry will also beef up enforcement to ensure that traders do not use any fuel price increase as justification to hike up the price of goods.

As only BSH recipients in Peninsular Malaysia are eligible for the subsidy scheme, the price of RON95 petrol in Sabah, Sarawak and Labuan will continue to be subsidised and fixed at RM2.08.

Saifuddin said this is because it does not cost so much for the government to subsidise RON95 in East Malaysia, adding that there are many more diesel car users there.

The targeted fuel subsidy scheme was announced during the tabling of Budget 2019 by Finance Minister Lim Guan Eng.

Based on BSH and JPJ records, about 2.9 million people are eligible for the scheme.

At present, the price of RON95 is fixed at RM2.08 while the price of the higher grade RON97 is controlled by a floating mechanism.

The system, however, has its weaknesses – as the subsidy can be enjoyed by all car owners, even those with high income.

Read more at <https://www.thestar.com.my/news/nation/2019/10/08/ron95-price-to-be-floated#UlldCKfyI5C17wfr.99>