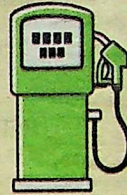


Fuel subsidy to be adjusted if oil price spikes

KUALA LUMPUR: The government will adjust the targeted fuel subsidy rate and even consider subsidising the price of RON95 petrol if the global crude oil price shoots up.

Domestic Trade and Consumer Affairs Minister Datuk Seri Saifuddin Nasution Ismail said the current targeted fuel subsidy was based on a forecast global oil price of US\$50 to US\$60 per barrel over the next five years. (Last week, the price of Brent crude was at US\$59.46 per barrel.)



“Our decision is based on this indicator, and we decided that the best time to introduce the subsidy is January 2020,” he told the Dewan Rakyat yesterday.

However, he said if there was a shift in the global political climate that cause the price of crude oil to rise above expectations, the government would make the necessary adjustments.

Saifuddin was responding to a question from Kelvin Yii (PH-Bandar Kuching) on measures to be taken should the price of crude oil increases.

When tabling Budget 2020 last Friday, Finance Minister Lim Guan Eng announced that the subsidy programme would see eligible Bantuan Sara Hidup vehicle owners receiving a monthly petrol cash aid of RM30 (car) and RM12 (motorcycle).