

Targeted RON95 fuel subsidy by year-end



The targeted fuel subsidy for RON95 petrol is expected to be rolled out by the end of the year, said Domestic Trade and Consumer Affairs Minister Datuk Seri Saifuddin Nasution Ismail. - NSTP/ MUHD ASYRAF SAWAL

By Mohamed Basyir - June 28, 2019 @ 7:56pm

KEPALA BATAS: The targeted fuel subsidy for RON95 petrol is expected to be rolled out by the end of the year, said Domestic Trade and Consumer Affairs Minister Datuk Seri Saifuddin Nasution Ismail.

He said a memo on the matter would be presented to the Cabinet meeting next week before an official announcement was made.

"We have to zero in on the mechanism in order for us to implement this (subsidy system). It (mechanism) may not be perfect (yet), but it can be perfected along the way.

"We will present this matter at the Cabinet meeting, and we can expect an imminent announcement," he told a press conference during the state-level Domestic Trade and Consumer Affairs Ministry (KPDNHEP) Hari Raya Aidilfitri open house event here today.

The targeted RON95 petrol subsidy is a measure outlined under the 2019 Budget to reduce the cost of living among bottom 40 per cent households (B40), which are defined as household earning less than RM3,860 per month.



Domestic Trade and Consumer Affairs Minister Datuk Seri Saifuddin Nasution Ismail. - NSTP/EIZAIRI SHAMSUDIN

Safuddin said during a recent meeting with the Finance Ministry, he had indicated that the proposed subsidy system was now ready to be presented to other ministers in order to gain feedback.

He said KPDNHEP had been in discussions with the Finance Ministry to iron out issues related to the mechanisms and formula that will be used for the subsidy.

The ministry had also engaged with oil companies, petrol dealers, Bank Negara Malaysia, Statistics Department and consumer groups.

"We have an automatic price mechanism. We have also compiled data of eligible consumers.

"We have discussed with the oil companies to provide sufficient fuel and have taken into account all aspects for a smooth implementation," he said.