

'Govt needs time to finalise targeted petrol subsidy mechanism'



Datuk Seri Saifuddin Nasution Ismail (center) said we took the first two quarters (on preparations and research on the mechanism) and now we have completed them. NSTP/Rosli Ahmad

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NIBONG TEBAL: The Ministry of Domestic Trade and Consumer Affairs (KPDNHEP) has urged the public to give the government time to finalise the implementation mechanism of the targeted petrol subsidy for the lower income group or B40.

Its minister, Datuk Seri Saifuddin Nasution Ismail, said although the implementation date did not meet the set target of the second quarter of this year as announced in the 2019 Budget, he was optimistic that it could be implemented this year.

He said from January to June this year, he had held numerous meetings with stakeholders such as oil companies, petrol station operators, consumer associations, Bank Negara, Customs Department, Road Transport Department and the Secretariat who worked on the recipients' data, in efforts to find the best mechanism to implement the system.

"We took the first two quarters (on preparations and research on the mechanism) and now we have completed them.

"However, the implementation should only be carried out with the permission or consent of the Cabinet and we are now in the midst of preparing a Cabinet paper, a joint effort between KPDNHEP and the Finance Ministry.

"We are now in the second week of July and I am optimistic that we can present this Cabinet paper this month, and once we have done that, we can announce it," he said after launching the Petroleum Safety Awareness Campaign programme at BH Petrol in Jawi, here, today.

Malaysians use about 1.2 billion litres of petrol each month, with 90 per cent of it being subsidised RON95 while the rest is RON97.

In February, the government announced that the price of RON95 petrol was capped at RM2.08 for all consumers regardless of the global petrol price.

Saifuddin said the Cabinet paper comprised all planning and mechanisms of the targeted petrol subsidy system, including the timeline and the number of recipients, in detail.

He said, for now, everything was going well and his ministry did not face any problems in preparing the paper. - Bernama

