



Targeted petrol subsidy scheme postponed indefinitely

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PETALING JAYA: The targeted petrol subsidy programme (PSP), which was initially scheduled to roll out beginning the new year, has been shelved indefinitely.

Domestic Trade and Consumer Affairs Minister Datuk Seri Saifuddin Nasution Ismail said the move was to allow more time for eligible recipients to be registered and for the public to be informed about the mechanism.

"The Cabinet meeting on Dec 18 decided that the implementation of PSP, scheduled for January 2020, be postponed to a future date to be announced later," he said in a statement today.

"This is to give space for more briefings to be conducted to explain to the public and prepare them for the implementation of the programme.

"The postponement is also to allow the registration process for qualified M40 recipients to be carried by the Finance Ministry," he added.

Saifuddin said pending the implementation of the subsidy programme, the public would continue to enjoy petrol prices as is being practised currently.

At present, RON95 and diesel prices have been capped at RM2.08 and RM2.18 respectively, while RON97 is based on a floating price system, based on the global market.

The government had on Oct 7 announced that PSP would be introduced beginning Jan 1, 2020, in line with Pakatan Harapan's manifesto to provide targeted fuel subsidy.

Finance Minister Lim Guan Eng, in his 2020 Budget tabling, said the government would allocate RM2.4 billion for this purpose that would benefit eight million Malaysians from the B40 and M40 groups.

Under the scheme, B40 individuals who are recipients of the Cost of Living Aid will receive cash handouts of RM30 a month if they own a car and RM12 if they own a motorcycle, to be credited into their bank accounts every four months.

The M40 group, meanwhile, will receive a K95 card, which will allow them to enjoy a fuel subsidy of 30 sen per litre, up to 100 litres per month for cars or 40 litres for bikes.

The government had also said previously that when PSP rolls out, the prices of RON95 and diesel would be increased gradually at a minimal rate, until it is consistent with the global market price.

