

# PM: Targeted subsidy <sup>The</sup> mechanism <sup>sun</sup> in pipeline <sup>2017/2022</sup> <sub>pg. 2</sub>

**KUALA LUMPUR:** A suitable mechanism for the implementation of targeted subsidies is being formulated to ensure that assistance provided by the government will be received by deserving groups, said Prime Minister Datuk Seri Ismail Sabri Yaakob.

He added that various aspects of the mechanism needed to be fine tuned so that the allocation set aside by the government to help people in the country did not end up being enjoyed by irresponsible parties, including foreigners.

"Yes, the government has suffered massive losses due to untargeted subsidies as all quarters were enjoying subsidies that were meant for a more deserving group, which is the poor," he said during question time at the Dewan Rakyat yesterday.

He was replying to Datuk Seri Anwar Ibrahim (PH-Port Dickson), who wanted to know the government's move to address the leakage in subsidies being enjoyed by the rich and foreigners.

Ismail Sabri said the government was also in the midst of combating smuggling activities involving subsidised items, such as cooking oil, at the industrial level and at borders.

He said authorities would also conduct audits on manufacturers and get detailed information on their buyers.

"The easiest misappropriation (of the subsidies) would be at the repackers level as they were allowed to repack, for example, a tonne of cooking oil, but where was the oil sent and who were the recipients? These are details we want to get from the factories," he said.

Ismail Sabri added that in order to help Malaysian families cope with the rising cost of living, the government allocated subsidies of over RM77 billion, compared with an original allocation of RM31 billion for 2022.

This includes the subsidy for cooking oil amounting to RM4 billion, RM40 million for wheat, RM2.6 billion for liquefied petroleum gas, RM7.5 billion for diesel and RM27 billion for RON95 petrol.

He said apart from the subsidies, the government had also given cash assistance through Bantuan Keluarga Malaysia, with those in the B40 group receiving a maximum of RM2,600 per year.