

We only produce the oil, Putrajaya sets price, says Petronas chairman
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Petronas denies controlling the price of petrol in the country, saying the government is the only party responsible.

Speaking to media at a corporate social responsibility (CSR) event in Kuching last night, Petronas chairman Tan Sri Sidek Hassan said Putrajaya determines the price for RON95 and RON97 from the market price for crude oil, the Borneo Post reported.

"It has been agreed that petrol pump prices is based on the government's decision, and is tagged to the market. So when the market moves up then it will go up and vice versa.

"That is the process and it will even out in the long run following market prices," he said, adding that Petronas's role was only to produce oil.

Sidek was asked to comment on the price hike of 10 sen a litre for RON95 petrol and 20 sen for RON97 petrol effective yesterday.

"In June last year, the crude oil price was at US\$115 per barrel and now it's hovering around US\$62 to US\$64 per barrel. So the price is almost half and that does impact us.

"But it has stabilised and it's not dropping much further. So we hope it will go up again which will be good for Petronas and the nation," the Borneo Post quoted him as saying.

He said any further increase in the price of petrol in the country would be dependent on the market.

"The movement and changes depends on the (crude oil) market and that is beyond our control."

Also present were Sarawak Chief Minister Tan Sri Adenan Satem and Deputy Chief Minister Datuk Patinggi Tan Sri Alfred Jabu Numpang.

Sidek also said that Petronas will increase its educational sponsorship for students in Sarawak.

"This year, some 37 students in the state were awarded Petronas sponsorships to pursue their tertiary education locally and overseas," he said, according to Borneo Post.

Petronas's 11 additional CSR projects in the state include the conservation of coral reefs at the 12,200ha Sibuti Reef Complex located within the 186,930ha Miri-Sibuti Marine National Park; building of community centres; setting up of Petrosains Playsmart Centre; sponsorship of Sarawak Regatta; contribution to deserving local NGOs; and the implementation of disaster relief support programmes. – July 2, 2015.

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