

MEF Supports Fuel Rationalization; Calls for Pragmatic, Phased and Sector-Sensitive Implementation

PETALING JAYA: MEF expresses its support for the Government’s fuel rationalization measures announced by the Prime Minister in response to ongoing global uncertainties arising from the Middle East conflict.

MEF recognizes that the current situation constitutes a global energy challenge with far-reaching implications for fuel prices, supply chains, and overall business operating costs. In this context, MEF emphasizes that all segments of society, the rakyat, private sector, and public sector, must play a proactive and responsible role in conserving fuel and ensuring sustainable energy usage during this challenging period.

MEF President, Datuk Dr Syed Hussain Syed Husman, said the evolving geopolitical developments have heightened volatility in global energy markets. “Malaysia cannot remain insulated from these external pressures. MEF supports the Government’s fuel rationalization efforts and calls on all stakeholders to act decisively and responsibly in managing fuel consumption,” Datuk Dr Syed Hussain said.

Datuk Dr Syed Hussain stressed that businesses must adopt practical and immediate measures to reduce fuel usage without compromising on productivity or operational continuity.

“For the private sector, this includes implementing work-from-home arrangements for non-critical roles where feasible, encouraging carpooling initiatives, and promoting greater use of public transportation. These measures can significantly reduce daily fuel consumption while maintaining business continuity,” he added.

Datuk Dr Syed Hussain also urged employers to reassess operational practices, particularly in logistics and business travel.

“Employers should optimize logistics planning through better route management, improved load efficiency, and minimization of unnecessary trips. At the same time, the use of virtual meeting platforms should be intensified to reduce the need for physical travel,” he said.

Looking ahead, MEF encourages businesses to accelerate their transition towards sustainable practices and alternative energy solutions.

“Employers should begin investing in renewable energy, including solar solutions, and explore the gradual adoption of electric vehicles where feasible. Establishing internal task forces to identify fuel-saving strategies across operations will also be critical,” he noted.

Datuk Dr Syed Hussain further highlighted the importance of fostering a culture of energy conservation within organizations.

“Beyond policies and operational measures, there must be a shift in mindset. Employers should actively educate and engage employees to instill responsible energy usage as a shared organizational value”.

Datuk Dr Syed Hussain commended the Prime Minister for his timely intervention and for maintaining targeted subsidies to cushion the impact on the rakyat and businesses.

“This demonstrates the Government’s commitment to balancing fiscal responsibility with social protection during a period of uncertainty,” he said.

While supporting the overall policy direction, Datuk Dr Syed Hussain emphasized that implementation must be pragmatic, phased, and sensitive to sectoral realities.

“A one-size-fits-all approach is not practical. Different industries face varying operational constraints, and businesses must be given the flexibility to adopt measures that best suit their respective needs”

MEF notes that rising operational costs, particularly in logistics, transport, and manufacturing, remain a key concern, as fuel constitutes a significant component of business expenditure. Abrupt policy shifts could lead to increased production costs, supply chain disruptions, and inflationary pressures that ultimately impact consumers.

MEF highlights that MSMEs face greater constraints in absorbing cost increases and investing in green technologies. As such, MEF calls for:

- Targeted support measures, including tax incentives and grants for energy-efficient investments
- Phased implementation timelines to allow businesses to adjust progressively
- Clear, consistent, and transparent policy communication to enhance planning certainty

Datuk Dr Syed Hussain reiterates that fuel rationalization must be approached as a shared national responsibility.

“This is not a challenge for the Government alone. It requires a whole-of-nation approach, where policymakers provide clear direction and support, businesses drive efficiency and innovation, and the rakyat embrace more responsible consumption habits,” Datuk Dr Syed Hussain said.

MEF remains committed to working closely with the Government to ensure that fuel rationalization measures are implemented in a manner that balances economic sustainability, business continuity, and national resilience.

For further information, please contact the MEF Secretariat at 03-7498 7200 or email mef-hq@mef.org.my.

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