

ECONOMY

Fuel Prices 21-27 May 2026: Diesel, Unsubsidised RON95, RON97 Prices Increased

The Star – 20 May 2026

Retail fuel prices in Peninsular Malaysia have been increased for the period 12 to 27 May 2026, with unsubsidised RON95 rising by RM0.20, RON97 by RM0.15 and diesel by RM0.10 per litre. The Finance Ministry said RON97 is now priced at RM4.85 per litre, RON95 at RM4.07 and diesel at RM4.97 per litre.

GOVERNMENT

Government Rolling Out Financial Initiatives to Cushion SMEs Against Surging Logistics Costs

The Star – 21 May 2026

Investment, Trade and Industry Ministry is introducing funding and support initiatives to help Small and Medium Enterprises (SMEs) and industries cope with logistics costs that have risen by up to 50%, said Deputy Minister, Sim Tze Tzin. The measures aim to ease cash flow pressures, support shifts to alternative supply chains and energy sources and protect exporters from global market uncertainties.

Ministry Mulls Revising Aid Eligibility to Households

The Star – 22 May 2026

Economy Ministry is developing a fairer system for determining eligibility for public aid and subsidies by considering households' net disposable income, living costs, dependants and financial commitments instead of relying only on the B40, M40 and T20 categories. Minister, Akmal Nasrullah Mohd Nasir said the approach is based on the Basic Expenditure of Decent Living (PAKW) to better reflect households' actual financial conditions amid rising global cost-of-living pressures.

KPKT Expands Rahmah Cement Scheme Under 13MP, Cuts Prices by Up to 30%

The Edge – 21 May 2026

Housing and Local Government Ministry (KPKT) will continue and expand the Rahmah Cement Scheme under the 13th Malaysia Plan (13MP), providing subsidised cement at prices up to 31.8% lower for affordable housing projects nationwide. Minister, Nga Kor Ming said the expanded scheme now includes projects managed by the Federal and State Governments as well as private developers.

LEGAL

Lifetime Ban for Developers Who Abuse Cement Subsidy

The Star – 20 May 2026

Minister of Housing and Local Government, Nga Kor Ming warned that developers and contractors who misuse or resell subsidised cement under the Rahmah Cement Initiative will be permanently blacklisted from the housing industry, including having their licences revoked and directors barred from future participation.

PROPERTY

[Only 5% of Government Projects Categorized as 'Sick'](#)

The Edge – 19 May 2026

Deputy Minister of Works, Datuk Seri Dr Ahmad Maslan said only 44 out of 851 Government projects under construction or 5.2%, are classified as sick projects. He added that most delays were caused by contractor weaknesses, especially in scheduling, planning and cash flow management.

[Sabah's Tongod District to See Major Growth with Proposed New Township](#)

The Star – 20 May 2026

The interior Sabah district of Tongod could see a major transformation under a proposed 404.8-hectare (1,000-acre) township development backed by the private sector and the State Government. Chief Minister, Datuk Seri Hajiji Noor said the plan could reshape the district and stimulate economic growth in the region.

CONSTRUCTION

[Higher Diesel Prices Raise Construction Costs by as Much as 15%](#)

The Star – 21 May 2026

Malaysian Housing Contractors Association (PKPM) said rising diesel prices have pushed building material costs up by 20% to 30%, leading to an overall increase in construction costs of about 10% to 15%. Its president, Dr Muhsin Abdul Ghani said the higher costs have made customers more cautious, with some delaying plans to build homes.

INFRASTRUCTURE

[Government to Allocate RM20 million to Upgrade Federal Highway Motorcycle Lane](#)

The Star – 21 May 2026

The Government has allocated RM20 million to upgrade the motorcycle lane along the Federal Highway (FT002) to improve safety and comfort for around 35,000 daily users. Works Minister, Alexander Nanta Linggi said the project started in 2025 and is expected to be completed by August 2026.

[Klang Valley Double Track Phase 2 \(KVDT2\) Rail Project Set for Early Completion in 2027](#)

The Star – 21 May 2026

The KVDT2 upgrading project is expected to be completed in 2027, two years earlier than planned. Keretapi Tanah Melayu Berhad (KTMB) chief operating officer, Afzar Zakariya said the project is needed to modernise ageing railway infrastructure that has been in use since KTM Komuter electric train services began in 1994.

RI - Weekly News is published by REHDA Institute

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