



**SPEECH BY MR TEO ENG CHEONG, CHIEF EXECUTIVE OFFICER,
INTERNATIONAL ENTERPRISE SINGAPORE
AT WORLD RUBBER SUMMIT 2014,
ON 20 MAY 2014, 0900 HRS
MARINA BAY SANDS EXPO & CONVENTION CENTRE**

Madam Sheela Thomas, Chairwoman of IRSG,
Dr Stephen Evans, Secretary General of IRSG,
Member Governments of IRSG,
Distinguished Guests,
Ladies and Gentlemen,

1. Good morning. I am very happy to join you at the third edition of the World Rubber Summit in Singapore. As the government agency driving Singapore's external economy, International Enterprise Singapore is honoured to partner the IRSG in this event. It is an important platform where the natural and synthetic rubber players, producers and consumers alike can come together to share your views on the industry's developments.

Investing in Sustainability

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2. This year's summit focuses on the topic of "sustainability". Today, "sustainability" has become a global endeavour that shapes the development of many sectors within the agri-commodities industry. From grains to oilseeds, and other soft commodities such as cocoa and coffee, we have seen farms and organisations embrace and implement sustainability efforts to ensure continuity and responsibility.
3. Sustainability will only become more relevant as consumption of rubber continues to grow in tandem with the rapid urbanisation rates and growing middle income

class in emerging markets. This is especially so in Asia, where the world's largest consumer market is expected to grow 3% annually. By 2050, about 3.3 billion people in Asia will live in cities. With increasing urbanisation and affluence, there will be greater demand for cars, creating the need for more tyres that consumes about 70% of rubber production today.

Singapore's Continued Relevance as Rubber Trading Hub

4. Given our proximity to both demand and supply markets, Singapore is well placed to play a key role amid such developments. We are a key trading hub across many commodity sectors, including rubber. Our complete eco-system of pro-business infrastructure, competitive capital markets, strong presence of counterparties, and large pool of skilled talent are reasons why many companies have set up bases here for their trading activities as well as corporate functions.
5. From our humble beginnings as an island port, we now have a vibrant community of rubber players across the entire value chain, including producers, distributors and consumers. For example, Austria's leading rubber goods company Semperit, as well as global tyre manufacturer Continental, set up office in Singapore last year to capture the growth in Asia. We also saw Japan's Zeon Chemicals join the ranks of Lanxess and Sumitomo in setting up synthetic rubber plants in Singapore. More recently, Zeon Chemicals further announced its intentions to invest another US\$450 million towards developing a second production plant, doubling the company's production capacity to 60,000 – 80,000 tonnes per annum.
6. The presence of these companies here is testament to Singapore's value propositions, as well as efforts to maintain our competitiveness as a vibrant marketplace for the rubber trade. We are happy to see the sector grow in breadth and depth, with more diverse players located here. We will continue to improve our trade infrastructure to support your needs, and balance commercial interests with international regulatory standards.
7. To stimulate further growth to our trade ecosystem for the rubber industry, IE Singapore will be working with SingEx Exhibition Ventures to launch the inaugural World Rubber Week in Singapore in March 2015. This initiative aims to attract a series of targeted activities and events addressing the different elements

of the rubber industry value chain. When aggregated, these create a powerful platform for industry leaders and stakeholders from the natural, synthetic and general rubber goods clusters to discuss new ideas and forge new collaboration. The World Rubber Week would be anchored by Tyrexpo Asia 2015. It would introduce and showcase new technologies and solutions for the rubber industry. We hope that this initiative will drive more interaction and discussion among stakeholders across the whole rubber industry value chain.

8. Before I end, I would also like to take this opportunity to commend the Rubber Trade Association of Singapore on commissioning a book on Singapore's rubber history. This book was launched at the pre-Summit opening yesterday. We are proud that Singapore's role in the evolvement of the rubber industry has been significantly highlighted in this book written by Mr Peter Tan, a pioneer who spent 47 years in Singapore's natural rubber industry working at Goodyear. We congratulate the Association and Mr Tan on the launch of this book and hope that it will shed light on the history of rubber trade and pioneers who have help entrench Singapore a world rubber hub.

Conclusion

9. In conclusion, I wish you a fruitful Summit over the next two days. To all our visitors who flew in for this event, I wish you a pleasant stay and hope that you will have the opportunity to take in the sights and sounds of Singapore. Thank you.

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