

**SPEECH BY PARLIAMENTARY SECRETARY FOR TRADE AND INDUSTRY AND
EDUCATION, MS LOW YEN LING, AT THE OFFICIAL LAUNCH DINNER OF THE
LPG ASSOCIATION (SINGAPORE) ON THURSDAY, 21 JULY 2016, 8.15PM,
SHANGRI-LA HOTEL**

Ms Jessica Ang, Chairman, LPG Association (Singapore)

Madam Cynthia Phua, Advisor, LPG Association (Singapore)

Distinguished guests

Ladies and Gentlemen

1 I am pleased to join you here this evening for the launch of the LPG Association in Singapore.

Introduction

2 Today, a significant proportion of Singapore households rely on town gas supplied via pipelines. Nonetheless, there remain areas which are not connected to the town gas network. LPG (Liquefied Petroleum Gas) serves as a reliable alternative for households in these areas, as well as commercial and industrial users who need access to gas.

3 LPG also plays an important role in supporting Singapore's energy and chemicals clusters, as it serves as an alternative energy efficient feedstock for petrochemical companies. We currently have about 1,400 companies dealing in petroleum and petroleum products – including LPG, based in Singapore.

The LPG industry needs to keep pace with technological developments

4 Last year, the world's largest LPG event – the 28th World LPG forum - was held in Singapore for the first time. The Forum is not only a reflection of the importance of the gas industry in Singapore, but also a reminder of the emerging opportunities in the gas market in Singapore and the region. The rapid urbanisation and rise of the Asian middle class, as well as the push towards cleaner alternative fuels like LPG, will drive further adoption of LPG in this region.

5 The expansion of the Panama Canal, opened last month, further presents opportunities for increased volume of LPG trade flows between the US and Asia. It can now accommodate ships large enough to carry up to 14,000 containers, compared to 5,000 previously. This is a positive development for the industry.

6 The launch of the LPG Association in Singapore is therefore timely. Business growth and transformation is crucial for the industry and the LPG Association can play an important role in helping companies build capabilities to capture these emerging opportunities, and potentially identifying industry-level transformation projects. You can also help members build business network and contacts with the bigger industry players, and create opportunities for partnerships.

7 In recent years, the local LPG industry has progressed and kept pace with technological developments. LPG companies have invested in monitoring systems to enhance the safety of their gas cylinders. For example, Unique Gas Solution (UGS), a LPG supplier, has developed computerized systems to receive and dispatch orders more efficiently, and has started using bar code systems to track the gas usage of customers to ensure that they do not use the LPG cylinder beyond the recommended period. In addition, some LPG companies are adopting international standards and certifications to build their business capabilities and uphold industry standards. These efforts will go a long way to raise the productivity levels and enhance the competitiveness of the LPG industry.

Helping businesses prepare for future challenges and opportunities

8 As Singapore positions itself for the next phase of economic development, our local businesses must continue to enhance their relevance to support the new industries that we will be looking to grow, to meet the demands of our future economy. Companies need to step up and develop new capabilities, which could include investing in product development to come up with new solutions for customers, or investing in manpower development to ensure that workers are equipped with the right skills to uplift the competitiveness of the industry.

9 The Government has in place a range of assistance schemes to help defray the costs and thereby easing the process of doing so. For instance, SPRING Singapore's Innovation and Capability Voucher (ICV) scheme provides up to eight \$5,000 vouchers that SMEs, regardless of size, can use for consultancy services or to procure packaged solutions that could help them improve their product and service offerings to customers.

Conclusion

10 In closing, I would like to call on the LPG Association to continue to champion the business interests of your members, and help them build up their business and technological capabilities to achieve continuous growth.

11 Congratulations once again on your launch. Thank you and have a pleasant evening.