

EMBARGOED UNTIL AFTER DELIVERY

SPEECH BY MR GOH CHEE WEE,
MINISTER OF STATE FOR TRADE & INDUSTRY AND LABOUR
FOR THE OPENING OF VAN OMMEREN'S FACILITY ON PULAU SAKRA
ON FRIDAY, 29 APRIL 1994 AT 3:30 PM

HE Ambassador C Maxime van Hanswijck de Jonge;

Mr Carl van den Driest,
Chairman of the Board of Management, Royal Van Ommeren N.V;

Distinguished Guests;
Ladies and gentlemen;

Good afternoon

1. I am pleased to join you this afternoon for the opening of Van Ommeren's \$60 million facility on Pulau Sakra.

COMPANY BACKGROUND

2. Van Ommeren established its first oil storage and terminalling facility on Pulau Sebarok in 1983. The company has since expanded to become one of the largest independent storage and terminal operators in Singapore. This second facility on Pulau Sakra for the storage and handling of bulk chemicals marks yet another milestone in the company's developments in Singapore. I am told that the new facility on Pulau Sakra will be highly automated,

and will also incorporate environmentally friendly features like ground water and vapour emission protection.

PETROCHEMICAL AND CHEMICALS INDUSTRIES

3. In the booming economies of Asia, demand for both oil products and chemicals is growing rapidly. This will increase trade and offer tremendous business opportunities for independent tank storage operators. In Singapore, independent tank storage capacity has increased by more than 2 million cubic metres since the early 1980s. Singapore will continue to play an important role in the trans-shipment and storage of these products.

PETROCHEMICAL AND CHEMICAL INDUSTRIES HUB ON JURONG ISLAND

4. Van Ommersen's second facility well supports Singapore's economic development objective of becoming a world-scale integrated hub for the petrochemical and chemical industries. The Singapore Government has given the go-ahead for the development of Jurong Island, through the amalgamation of seven islands south of Jurong. Jurong Island will support the growth of the petroleum, petrochemical and chemical industries. More than 1700 Ha of land

will be reclaimed altogether, with phase one of the reclamation already underway. Van Ommersen's facility on Pulau Sakra will provide storage, marine and logistics support to existing and future chemical process companies on the amalgamated Jurong Island. The facility will also provide the necessary infrastructure to enable chemical companies on Jurong Island to operate more competitively.

5. Let me illustrate with a simple example. DuPont's S\$400 million adipic acid plant on Pulau Sakra is in its final stages of completion. I understand that Van Ommersen is providing DuPont with a complete logistical package which includes marine infrastructure. Van Ommersen and DuPont's partnership illustrates a new trend in the industry. Chemical manufacturers are focusing on their core businesses and outsourcing supporting services, such as logistics, from external specialists. We expect this trend to continue, offering more business opportunities to independent operators like Van Ommersen.

PARTNERSHIP WITH LOCAL COMPANIES

6. At the same time, I am also pleased to note that Van Ommersen has engaged a local construction firm to manage and

construct its tank farm. This partnership between multinationals and local enterprises will help Singapore companies to grow and progress.

7. I congratulate the management and staff of Van Ommersen and wish them success in their endeavours. It gives me great pleasure to declare Van Ommersen's storage and terminalling facility on Pulau Sakra officially open.

Thank you.