

Inaugural launch of Sinopec lubricant products in Asia Pacific from Singapore

June 06, 2007

Speech by Mr Chua Taik Him, Assistant Managing Director, Economic Development Board at inaugural launch of Sinopec lubricant products in Asia Pacific on 6 June 2007 at 10am, Marina Mandarin

Minister Counsellor, Mr Li Ming Lin
Mr Song Yun Chang, GM, Sinopec Lubricant Company
Ladies and Gentlemen,

Inaugural launch of Sinopec lubricant products in Asia Pacific from Singapore

1. I am pleased to join you today in the official launch of Sinopec's first launch of its lubricant products in Asia Pacific from Singapore. Sinopec is China's largest lubricant producer, and the fourth largest in the world. Its lubricants are sold in over 20 countries in Asia, Africa, Europe and the Americas. Singapore is indeed honoured to be chosen by Sinopec for the launch of its new line of lubricant products and for branding programme for the international markets. Singapore's operation is also significant as it is the first offshore manufacturing base for Sinopec. We are proud that this range of Sinopec global products is Made-In-Singapore.
2. Sinopec is a global Chinese company. Sinopec has steadily increased its presence in Singapore over the years. Singapore's operation was first established to handle its trading function in the 1980s. It has subsequently developed into an international marketing outpost leveraging on Singapore's extensive international network. And now, Singapore will be Sinopec's base to develop and build brand equity and manufacture its products. Singapore benefits from Sinopec's progress, and Singapore constantly upgrades and enhances itself to be relevant to the growth of Singapore-based companies.

Singapore as an effective base for internationalisation

3. Sinopec's progress in Singapore illustrates the advantages Singapore offers to international investors. Let me highlight some of them :
 - **First, Singapore is a trusted hub with transparent policies, efficient infrastructure and reliable workforce.**
 - **Second, it is an effective base to develop and build intellectual assets like brand equity and to gain access to international markets. Singapore provides robust legal regime to protect and develop intellectual properties, reliable logistics and distribution channels, established financial infrastructure and availability of relevant talents.**
 - **Third, it serves as a knowledge hub with established community of oil producers, traders and users.**
4. We will continue to strengthen our competitive advantages to stay relevant to global companies.

Singapore offers manufacturing capabilities

5. It is noteworthy that Sinopec will be using Italsing and AP Oil, both are Singapore companies with established manufacturing capabilities to produce its branded lubricant products. Manufacturing capabilities is a core strength of Singapore. We are glad that global companies like Sinopec is taking advantage of our core strengths. As Singapore continues to upgrade its capabilities with the emphasis on R&D, it should be able to provide a wide range of business solutions to international investors. Sinopec's project will create more meaningful jobs for Singapore and add tangible value to our industries.

Potential for future growth

6. Moving forward, we encourage Sinopec to consider setting up their regional headquarters, manufacturing and R&D activities. With more than 2300 Chinese companies now based in Singapore, there will be economy of scale to broaden the business value chain and synergies amongst the multinational companies based here. We look forward to continue exploring new opportunities together with investors and facilitate the necessary execution. On this note, EDB congratulates the management and the staff of Sinopec on the inaugural launch of its product in Asia Pacific, and wish you all great success. Thank you.