

**EMBARGOED UNTIL DELIVERY  
PLEASE CHECK AGAINST DELIVERY**

**SPEECH BY MR LIM HNG KIANG, MINISTER FOR TRADE AND  
INDUSTRY, AT THE OPENING OF THE SHELL MONO-ETHYLENE  
GLYCOL (MEG) PLANT ON 11 DECEMBER 2009, 10.20 AM AT  
CPTC, JURONG ISLAND**

His Excellency Paul Madden, British High Commissioner to Singapore

His Excellency Johannes Wilhelmus Gunivortus Jansing, Ambassador of  
the Netherlands

Mr Ben van Beurden, Executive Vice President, Shell Chemicals

Mr Lee Tzu Yang, Chairman of Shell Companies in Singapore

Distinguished guests

Ladies and gentlemen

Good Morning.

**Introduction**

1 It is my pleasure to join you here today to celebrate the opening of Shell's Mono-Ethylene Glycol or MEG [*pronounced as 1 syllable*] plant on Jurong Island.

**Significance of the MEG plant**

2 This plant marks an important chapter for Singapore's energy and chemical industry. The MEG plant will be Shell's first plant using their proprietary OMEGA ("only MEG advantaged") process. It will also be one

***EMBARGOED UNTIL DELIVERY  
PLEASE CHECK AGAINST DELIVERY***

of the largest MEG plants in the world. MEG is a key ingredient in polyester fibres and PET resins that go into familiar items like bottles, films, liquid crystal displays, and engine coolants.

3 Compared to traditional manufacturing processes, the OMEGA process is more environmentally friendly. It not only consumes less steam, it also produces significantly less carbon dioxide and by-products. Against the backdrop of the Copenhagen Summit, such environmentally friendly processes will increasingly become a necessity – but this need not mean it must cost more. The capital cost of the OMEGA process is approximately 10% lower than other plants of the same production capacity.

4 The successful start-up of the MEG plant highlights Shell's capabilities in project delivery and operational excellence. Singapore is proud to have played a part in contributing to the completion of this plant.

**Asia remains a key growth story; Singapore as a home for business**

5 The current economic crisis has affected the world, including Asia. Nevertheless, business sentiment has improved and Asia is recovering faster than other regions. This is largely driven by the strong growth engines of Asia economies, particularly China, India, and ASEAN. With the continued growth momentum in Asia, we are seeing more companies that are keen to grow their presence in Singapore to serve as their strategic base to expand and grow in Asia, and beyond.

**EMBARGOED UNTIL DELIVERY**  
**PLEASE CHECK AGAINST DELIVERY**

6 Singapore, located right in the heart of Asia, is well-positioned to play a critical role in partnering with the energy and chemical industry to seize the opportunities presented by the region's growing energy and chemical needs. The strong industry foundations that Singapore has built up over the last decades also make us an ideal partner to companies as they pursue their next phase of growth in Asia. Shell is a great example of a company that has continued to grow from strength to strength in the region through a long history of close partnership with Singapore.

**Positioning the chemical industry for the next phase of growth**

7 The Singapore energy and chemical industry has grown significantly over the past two decades. We are committed to widening Singapore's lead as a global chemicals hub – one that aims to couple world-class competitiveness with sustainability. The success of our chemical industry has been very much anchored on a seamless integration strategy. Working closely together with the industry, we have created an ecosystem that not only achieves a high level of feedstock integration, but also integration through a full spectrum of logistics and utilities services.

8 Notwithstanding the current downturn, Singapore is pressing ahead with investments in infrastructure to further enhance the integration of our energy and chemical industry ecosystem. We will enhance the robustness of operations on Jurong Island and optimise the use of precious resources such as energy, land, and water. In addition, we will step up efforts to work even more closely with companies to support innovative solutions to address environmental challenges.

**EMBARGOED UNTIL DELIVERY  
PLEASE CHECK AGAINST DELIVERY**

9 Beyond our “plug and play” infrastructure, companies can also tap on a highly skilled workforce that is capable of managing complex and high value-added projects. This is made possible with the government’s commitment to develop a strong talent pool. We will continue to invest in manpower training institutions such as the Chemical Process Technology Centre (CPTC) and the Institute of Chemical and Engineering Sciences (ICES). Both institutes are crucial in providing the training platforms to build new capabilities and knowledge.

**The MEG plant is yet another milestone in the Shell-Singapore partnership**

10 The partnership between Shell and Singapore dates back to more than a century ago, from the first trading activities to the first oil refinery in Singapore. The opening of this world-scale MEG plant marks yet another milestone in our journey together. It is also a significant milestone in the run-up to the completion of the Shell Eastern Petrochemicals Complex (SEPC) in 2010. When completed, the complex will be Shell’s largest integrated refinery and petrochemical centre in the East.

11 Shell’s ability to successfully complete this cutting-edge plant also reflects Singapore’s capabilities to support such projects. I am happy to hear that Shell is continuously exploring further break-through innovations that would make the plant even more competitive and sustainable. Singapore would be pleased to continue working closely with Shell to achieve these new milestones.

***EMBARGOED UNTIL DELIVERY  
PLEASE CHECK AGAINST DELIVERY***

## **Conclusion**

12 In closing, allow me to extend my heartiest congratulations to the management and staff of Shell on the opening of the MEG plant. Singapore is happy and proud to have a partner like Shell, a partner who continues to take a long-term view in your investments, and to have trust and confidence in Singapore as a partner. I wish Shell every success with the new MEG plant as well as the overall execution of the SEPC project.

Thank you.