

**Embargoed until after delivery**  
**Please check against delivery**

**SPEECH BY MR LIM HNG KIANG,  
MINISTER FOR TRADE AND INDUSTRY,  
AT THE GROUNDBREAKING CEREMONY OF  
SUMITOMO CHEMICAL'S NEW S-SBR PLANT,  
ON MONDAY 6 FEBRUARY 2012, 12PM, SHANGRI-LA HOTEL**

---

Your Excellency Yoichi Suzuki, Ambassador of Japan to Singapore

Mr Masakazu Tokura, President of Sumitomo Chemical Company

Distinguished guests

Ladies and Gentlemen

Good afternoon.

**Introduction**

It gives me great pleasure to join you today to celebrate the groundbreaking of Sumitomo Chemical's S-SBR<sup>1</sup> plant. This is indeed an important milestone in the development of Singapore's rubber industry. With the S-SBR plant, Singapore is now one of the largest manufacturing sites for synthetic rubber globally.

2 Singapore has had a long history in the rubber industry. Due to our proximity to rubber producing countries, Singapore is well established as a global natural rubber trading hub, with more than 80% of trade priced off the Singapore Commodity Exchange (SICOM) prices.

---

<sup>1</sup> S-SBR: Solution Styrene Butadiene Rubber, a synthetic copolymer consisting of styrene and butadiene. Its main application is in the manufacture of tyres.

## **Growing the Specialties Sector**

3 While Asia's growing middle class has created the market demand, global trends are shaping consumer choices and creating unique opportunities for businesses. For instance, rising crude oil prices and climate change concerns have increased the demand for high quality, yet environmentally-sustainable products.

4 A good example of such a product is synthetic rubber. Today, we are finding and realising new opportunities in the rubber industry as a result of Asia's growth and demand for synthetic rubber. Tyre manufacturers all over Asia such as China, India and Thailand are planning capacity expansions of high-performance, fuel-efficient tyres to respond to this demand. This has in turn created opportunities for companies like Sumitomo Chemical. Here in Singapore, apart from Sumitomo Chemical, we have also witnessed a series of other synthetic rubber investments led by Asahi Kasei, Lanxess and Zeon.

5 Singapore's ability to capture those new opportunities in synthetic rubber has only been possible because of our strong and vibrant chemicals industry. In the 1980s, the Singapore Government partnered a consortium of Japanese companies, led by Sumitomo Chemical, to establish the Petrochemical Corporation of Singapore (PCS). PCS was the first ethylene cracker in Singapore and that catalysed the growth of our chemicals industry.

6 Our partnership with Sumitomo Chemicals has since growth from strength to strength. Presently, the company's activities in Singapore encompass not only manufacturing, but also headquarter functions and talent development. With cumulative investments of over S\$3 billion, Sumitomo Chemical is the largest Japanese investor on Jurong Island. This is a testament to the company's integral role in Singapore's economic development and the success of our chemicals industry.

7 Sumitomo Chemical's S-SBR is a high value-add and know-how intensive specialties chemical product that is manufactured using its proprietary process technology. The plant will benefit from feedstock synergies on Jurong Island,

thereby enhancing its competitiveness and that of its suppliers. We are thankful for Sumitomo Chemical's confidence in our strong intellectual property protection regime and capabilities in high technology manufacturing. Along with the high-value added nature of S-SBR, Sumitomo Chemical's investment has extended Singapore's position in the specialty chemicals industry and creates quality jobs for Singapore.

### **Singapore as a Home for Talent**

8 In addition to the S-SBR plant, Sumitomo Chemical is leveraging Singapore as a base to develop its talent for the future. The Singapore Government recognises that the talent is a strategic priority for companies. We have therefore established the necessary infrastructure for Singapore to be a "Home for Talent", where companies can harness talent – locally and internationally – to drive businesses and innovation for Asia and the world.

9 To this end, I am pleased to note that Sumitomo Chemical has established its corporate training centre, "Sumitomo Chemical Training Institute" at One-North to train regional managers for its Asia Pacific operations. The training institute will be a nucleus for conducting training in corporate culture, leadership, management and IT, and a venue to hold global meetings for Sumitomo Chemical's main business sectors.

### **Conclusion**

10 In closing, I would like to extend my congratulations to the management and staff of Sumitomo Chemical for the groundbreaking of your S-SBR plant. It has been more than thirty years since the company first established its operations in Singapore. I thank you for your trust and confidence in Singapore and I look forward to many more years of partnership to come. Thank you.