

**WELCOME ADDRESS BY MRS LIM HWEE HUA,  
MINISTER OF STATE FOR FINANCE AND TRANSPORT,  
AT THE SIGNING OF THE MEMORANDUMS OF AGREEMENT FOR THE  
SETTING UP OF THE LLOYD'S REGISTER PROFESSORSHIP AND  
MARITIME TECHNOLOGY PROFESSORSHIP IN THE  
NATIONAL UNIVERSITY OF SINGAPORE (NUS)  
16 DECEMBER 2005, 1430HRS, AT ENGINEERING AUDITORIUM, NUS**

His Excellency Alan Collins, British High Commissioner to Singapore

Mr John Stansfeld, Director for Asia, Lloyd's Register

Prof Shih Choon Fong, President, National University of Singapore

Distinguished Guests,

Ladies and Gentlemen,

I am very pleased to be here today to witness the signing of the Memorandums of Understanding for the setting up of the Lloyd's Register Professorship and the Maritime Technology Professorship in the National University of Singapore, NUS. The two Professorships mark an important step in our efforts to create a dynamic maritime research and development cluster in Singapore.

2. At the signing of an MOU on maritime R&D between NUS and the Maritime and Port Authority of Singapore (MPA) last November, the MPA announced its plans to set up a Maritime Technology Professorship, or MTP, in NUS. Among other objectives, the MTP aims to encourage NUS to actively seek industry contributions towards the setting up of research professorships to support maritime R&D and undertake joint R&D with NUS.

3. I would like to congratulate the NUS for rising to this challenge and for successfully collaborating with Lloyd's Register to establish the Lloyd's Register Professorship in NUS. The decision by Lloyd's Register to set up this professorship in Singapore, its first ever outside of the United Kingdom, demonstrates its confidence in the R&D capabilities of our academia and its support to Singapore's efforts to promote maritime R&D. I would like to express

my thanks to the management of Lloyd's Register for its strong support. Besides your financial contribution of \$3 million to strengthen our R&D capabilities, Lloyd's Register's in-depth experience and technical expertise as one of the world's leading international classification societies would provide invaluable business, operational and industry insights to our academia.

## **IMPORTANCE OF MARITIME R&D**

4. The establishment of these research professorships today fits in with Singapore's focus on research and innovation which will be critical drivers to transform the Singapore economy in the next 10 to 20 years. Over the next 5 years, the public sector budget for R&D will double to almost S\$12 billion. Already, we are beginning to see the benefits and returns from our past efforts to invest heavily in R&D. For instance, the 2004 National Survey of R&D conducted by the Agency for Science, Technology and Research (A\*STAR) revealed that revenues from commercialised products, processes and licensing attributed to R&D performed and technologies developed in Singapore was about S\$15 billion.

5. For the maritime sector, the MPA is committed to developing and promoting maritime R&D and innovation. Maritime R&D will help Singapore to be at the forefront of new maritime technologies and give Singapore a leading edge. Maritime technological products and systems also have strong commercial potential and high market value due to the global nature of the maritime business, and this will generate new business opportunities for Singapore.

6. MPA actively encourages both local and foreign maritime companies based in Singapore to invest more in R&D and develop new products and services to enhance their competitiveness. One of the major initiatives to support this was the establishment of the S\$100 million Maritime Innovation and Technology or MINT Fund in 2003. The MINT Fund, available for a period of 10 years, offers extensive R&D-related programmes that cater to the full range of activities for the R&D value chain, including the contribution of \$3 million to support maritime R&D projects

under the Maritime Technology Professorship programme to match Lloyd's Register's funding.

## **RIDING ON GLOBAL TRENDS**

7. Today, the world is experiencing robust growth in energy needs. The increase in energy demand in Asia, particularly China and India, has led to unprecedented high oil prices in this decade. More recently and as a result of the aftermath of Hurricanes Katrina and Rita, high oil prices have sharpened the need to explore alternative sources of fuel. Two broad trends are discernable – gas to replace oil as the primary source of energy, and the need to explore and produce oil and gas in very deepwater regions.

8. Such trends and demand in the global energy market present new opportunities for R&D as countries embark on offshore research and study innovative technologies to harness oil and gas supplies. Singapore is well-positioned to contribute to and benefit from these trends and developments. Already, it has global leadership positions in the marine engineering and offshore sector.

9. Our shipyards currently command about 80% of the world's jack-up rig orders, 70% of the market share in the conversion of Floating Production Storage and Offloading units, and close to 20% of the world's ship repair market. In Asia, Singapore's offshore oil and gas equipment sector contributes about 50% of Asia's production volume. While many of our offshore and marine companies are frontrunners in R&D and technology, it is important that they consolidate their leadership position by continuing to invest in R&D and collaborating with tertiary and research institutions in R&D projects.

10. The Lloyd's Register Professorship and MTP will therefore have a strong focus on offshore research. This is an area that is extremely relevant to the maritime industry in Singapore and will provide a strong impetus for offshore R&D.

11. Besides the marine engineering and offshore sector, I also encourage the other maritime sectors to leverage on both Professorships and the current strong performance of the maritime industry to come up with flagship research programmes to develop the next generation of maritime technologies. The combination of being a major hub port and a thriving International Maritime Centre provides an excellent backdrop for Singapore's development as a maritime R&D centre. Singapore also has in place the legal framework for intellectual property protection to safeguard R&D efforts. The key ingredients are therefore in place to make Singapore a premier centre for maritime R&D.

## **CONCLUSION**

12. Ladies and gentlemen, it is indeed my pleasure to witness the signing of the MOUs between Lloyd's Register, NUS and MPA this afternoon. I am confident that this industry-government collaboration will enable Singapore's maritime industry to scale even greater heights in technological advancement. I wish you all a fruitful partnership.

Thank you.