

MINISTER'S OPENING REMARKS INTERNATIONAL MARITIME ORGANIZATION- SINGAPORE, FUTURE OF SHIPPING WEBINAR ON DECARBONISATION, 17 SEP 2020, 5PM

1. Very happy to join everyone at this webinar today.
2. I was appointed Singapore's Minister for Transport only in July, about two months ago, amidst an unprecedented global crisis. Maritime is quite new to me as a sector, and I have spent the last two months getting to know the sector, speaking to industry leaders, and dealing with some urgent issues.
3. One of the urgent issues is crew change. It is not just an economic issue, but a humanitarian one. Singapore has set up a dedicated facility at our Tanjong Pagar Terminal, we use floating accommodation to hold crew members. The numbers we can handle safely are steadily going up, and we hope this will provide much needed relief to seafarers and also shipping lines. To support crew change efforts on the international stage, the Maritime and Port Authority of Singapore, the Singapore Shipping Association and local seafarer unions established a Fund – called the Singapore Shipping Tripartite Alliance Resilience Fund, or SG-STAR Fund. We can use the fund to support setting up of COVID-19 testing facilities in countries such as India or the Philippines. The International Transport Workers' Federation, International Maritime Employers' Council and International Chamber of Shipping have come onboard this Fund – so that is very encouraging.

Importance of IMO

4. Despite my unfamiliarity with the sector, a couple of fundamentals are clear to me.

5. First, maritime is the lifeblood of Singapore. As a nation we are young – 55 years old – but as a regional and global economic entity we have survived over 700 years. Throughout this, we built a rich maritime history, because this is a geographical fact for us.

6. Today, the narrow Straits of Malacca and Singapore continues to funnel through one-third of world trade. The dynamism and energy of a growing Asia and a globalised world converges here. It is like a laser beam, that converges here. Capture that energy and Singapore will continue to prosper and bring good jobs and opportunities for our people.

7. Second, if we are a small city state and our hinterland is the region and the world, then it naturally follows that we cannot do without the international rule of law and a strong system of global governance.

8. Whether it is the United Nations, the WTO , ICAO, or the IMO, they are all an integral and indispensable part of this system. The IMO in particular, amongst its many functions, sets the agenda for the maritime world, brings stakeholders together, and puts in place regulations and standards that makes everything work in the maritime world.

9. Because of the IMO's importance, since 1993, Singapore sought election to the IMO Council. Very thankfully, we enjoy the support of many of our friends and partners. As a result, we are very privileged to be able

to serve in the IMO Council all these years, watching first-hand and contributing continuously to the evolution and development of this global industry.

10. We take our responsibility very seriously. One area which we can contribute, and have been contributing, is training and assistance, especially in the area of safe navigation and environmental protection. Over the years, we provided training and assistance to over 2,500 individuals from 126 IMO Member States through the Singapore-IMO Third Country Training Programme and the MPA Academy.

11. Being so dependent on the maritime economy as a city state, port State, flag State and coastal State, we are also in a unique position to speak our minds, contribute in a pragmatic and balanced manner at various IMO bodies, to move discussions forward.

12. One important agenda item that we are deeply involved in, is today's theme, which is decarbonisation.

Decarbonisation as a Priority

13. Decarbonisation is a major plank of the sustainable development and climate change agenda. As a small, low-lying city-state, Singapore is particularly vulnerable to the effects of climate change, and tackling it is a matter of national priority.

14. To give you a sense of the gravity of the situation that we face, by year 2100, mean sea level around us is expected to rise by up to one metre because of melting of the two poles. At high tides, the water can

rise as high as two metres above mean sea level. And if we take into account storms and tide surges, sea levels could rise even further. We may become an Amsterdam of the equator.

15. So climate change is a problem we cannot solve alone, especially when Singapore accounts for only 0.1% of global carbon emissions. Even if there is zero emission by Singapore, we still cannot move the global climate change needle. But what we can do here can be a useful reference for the rest of the international community, and that makes us a potential catalyst for change.

16. Indeed, we have been a pioneer in some areas of sustainable development. Today, to the best of my knowledge, Singapore is the only country where we control the growth of private vehicles and motorcycles population at zero percent.

17. We are alternative energy disadvantaged, but we did the next best thing. Since the early 2000s, we have progressively switched fuel for electricity generation from oil to natural gas, which is the cleanest form of fossil fuel. Notwithstanding our urban constraints, we are building up renewable energy sources, by installing floating large-scale solar panels in our reservoirs and in the sea off our shorelines.

18. We are also the first country in Southeast Asia to implement a carbon tax, applied economy-wide with no exceptions. Despite being, and perhaps because we are, a city state with limited land, we set aside extensive space for nature reserves and public parks. We implement extensive forest and mangrove restoration plans, as a buffer to incoming tides. Today, nearly half of all our land is covered in green.

Sustainability in Shipping

19. Equivalent efforts need to be replicated in the area of shipping by the maritime community. Here, we have relevant and important capabilities.

20. First, we are developing sustainable port infrastructure. The Tuas Port, which will be completed in the 2040s, will be the world's largest fully automated terminal, and it will be here in Singapore. Its capacity is almost twice the number of TEUs we handle today, but at about half the carbon emissions intensity, compared to 2005 levels.

21. The new Tuas Port will have a fleet of full-electric automated guided vehicles, to transport containers within the port premises. They will replace the conventional diesel-operated prime movers. We are actively encouraging vessels which call at our ports to use cleaner fuels such as LNG, by providing them with port dues concessions, and co-funding building of LNG-fuelled bunker tankers. We are also exploring the electrification of our harbour craft.

22. Second, we will leverage our offshore and marine manufacturing capabilities. Over the past two decades, our offshore and marine companies produced about 60% of the world's Floating Production Storage and Offloading (FPSO) conversions, and 30% of the world's jack-up rigs. As the global energy mix shifts, the capabilities can be re-applied to green solutions, such as dual-fuel LNG carriers, fabrication of wind turbine foundations and substations.

23. The third area we need to continue to work on decarbonisation solutions. Singapore has set up the Maritime GreenFuture Fund to support the industry in R&D, test-bedding, and adoption of green fuels and technologies. We are working with universities and activating the resources of Venture Capital partners.

24. Fourth, as a maritime centre, we will bring together key players - shipowners, operators, brokers, insurers, legal and arbitration professionals, technology players - to develop sustainable solutions for the sector. Recently, we established an International Advisory Panel on maritime decarbonisation to propose policies and solutions.

25. We cannot leave this historic human endeavour to a patchwork of individual efforts. The IMO's leadership is needed, to harness the collective will of the maritime community. It has spearheaded some critical initiatives, such as the first set of regulations for a global sector on CO2 emissions standards for new ships, setting collective ambition to halve greenhouse gas emissions from international shipping by 2050 from 2008 levels, and phase them out within this century.

Conclusion

26. None of us will be spared the effects of climate change. It is an existential threat to mankind. While the world deals with the COVID-19 crisis, it must keep up with the fight against climate change. No one can do this alone. It is a global ambition, to be accomplished by the international maritime community. But we all have capabilities, expertise, and resources to contribute to this endeavour. And Singapore will do our part, and we look forward to the maritime community coming together,

under the leadership of the IMO, to redouble our efforts and build a better and a greener world.