Good Morning

I would like to thank the Nanyang Technological University and its R&D subsidiary, the Institute of Environmental Science and Engineering, or IESE for inviting me to speak at the first World Hydrogen Technology Convention. It gives me great pleasure to note that this inaugural event is being held in Singapore. I would like to bid a warm welcome to all our international participants. Welcome to Singapore!

2. Given the current global energy supply situation coupled with the concern over climate change, I think it is timely for such a gathering of experts and specialists to take place. Hydrogen, as we know, is a clean-burning fuel. It can be burnt or used in fuel cells where hydrogen and oxygen combine to form water, generating
electricity without the emission of pollutants or greenhouse gases normally associated with the burning of fossil fuel. I understand that this convention will showcase the latest developments in hydrogen and fuel cell technology, which has long-term benefits for both our environment and the industry.

**Ongoing Initiatives in Hydrogen and Fuel Cell Technology**

3. I am particularly pleased to note that there are several ongoing projects in Singapore on developing hydrogen and fuel cell technology that are showing a lot of promise for the future.

4. Since 2001, Singapore has committed to becoming a test bed for hydrogen and fuel cell technologies under a programme called the Singapore Initiative in New Energy Technology (or SINERGY in short). Under this programme, Singapore is hosting a pilot project at Pasir Ris where fuel cell stacks are used to provide power to a residential car park. This is generating useful information and performance data for technology vendors who can then assess how the technology can be better adapted for commercial use.

5. In April this year, Rolls-Royce also tied up with a Singaporean consortium, Enertek Singapore to develop a commercially viable power system based on fuel cell technology. They will invest about US$100 million into the Rolls Royce Fuel Cell Systems and they plan to roll out a commercially viable one-megawatt power system by 2008.
6. Besides the stationary applications of fuel cell technology, Singapore is also very keen to explore its mobile applications. As I speak, there are some six hydrogen-powered fuel cell cars running on the roads in Singapore. To serve these vehicles, one hydrogen refuelling station is operating at Upper East Coast Road. I was told that a second one will be opened sometime next month at One.North. Singapore was seen as an ideal test site for the demonstration of fuel cell cars as we have a well-developed urban road system in the warmer tropics.

7. The two partners of this programme, namely DaimlerChrysler and BP, have been gathering useful data under this programme. The data will be shared and compared with other parallel test-beds in the US, Canada, Japan and Europe. So, I am glad to see that Singapore is playing a pivotal role in advancing the commercialisation of fuel cell cars. This bodes well for the development of Singapore’s environmental industry and we hope that some of these experiences will eventually benefit the region as well.

**Green Vehicle Rebates**

8. In our effort to promote the use of environmentally friendly or “green” cars, I am happy to announce that the Government will be enhancing the current Green Vehicle Rebate, or the GVR. The GVR was first introduced four years ago in January 2001 with the intention of promoting the adoption of “green” vehicles in Singapore. It is due to expire in 31 December this year. After a review by my Ministry, the Ministry of Finance and the Ministry of Transport, it has been decided that the GVR will be extended for another two years
with effect from 1 January 2006. This rebate will be doubled from the current 20% to 40% of the Open Market Value (OMV) of the green vehicle. More details on the enhanced GVR will be released later today by the National Environment Agency and the Land Transport Authority.

9. The new rebate will naturally also apply to fuel cell cars in Singapore. However, as fuel cell cars are still some way from commercial viability, we hope that the enhanced GVR will spur more potential car buyers to consider buying other green vehicles such as hybrid cars. Hybrid cars run on petrol, but are better for the environment than conventional petrol cars, because they use less fuel, and so emit less pollutants and carbon dioxide for the same distance travelled. This also means that drivers can save money on petrol, and especially at times like this when petrol prices are high, it is indeed a huge incentive!

Closing Remarks

10. In conclusion, I would like to reiterate that Singapore is committed towards looking at more sustainable energy options. Although much work still needs to be done before the wide use of hydrogen and fuel cell technology can be realised, I am confident that your efforts and good work to be presented here at this gathering will contribute in a big way in making this dream come true.

11. On this note, it is my pleasure to declare this convention open and I sincerely hope that you will have a successful and fruitful
convention. For our overseas friends, I hope that you will have an enjoyable stay in Singapore.

12. Thank you.