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**SPEECH BY MR MICHAEL CHIA, CHAIRMAN, SINGAPORE MARITIME
FOUNDATION AT THE SMF NEW YEAR COCKTAIL RECEPTION 2014,
HELD AT REGENT SINGAPORE ON TUESDAY, 7 JANUARY 2014, 7.30PM**

Mr Lui Tuck Yew
Minister for Transport

Mr Pang Kin Keong
Permanent Secretary for Ministry of Transport

Mr Lucien Wong
Chairman of the Maritime and Port Authority of Singapore

Distinguished guests

Ladies and gentlemen

1. Good evening and a very warm welcome to this year's Singapore Maritime Foundation (SMF)'s New Year Cocktail Reception. (As you all know)...this is an annual event that SMF organises to thank partners like yourselves for your ardent support throughout the year, and I am happy to see many familiar faces here tonight.
2. As you would have noted from the invitations to tonight's event, our theme this year is "Colourful Celebration". And it is nice to see that many of you have come dressed in keeping with the theme, as evident from the sea of lively colours. But we have also chosen this theme for other reasons.

3. Firstly, SMF turns 10 this year, and we want to celebrate the progress made since the Foundation started on 27 January 2004 with the aim of forging a strong partnership between the public and private sectors, and to support the government's objective of promoting Singapore as an International Maritime Centre, or IMC. Over the past decade, SMF has helped to initiate ideas and drive proposals to boost the development of Maritime Singapore, and it is timely during this occasion to highlight some of the key ones.
4. The Sea Asia conference and exhibition, started in 2007, which goes into its fifth run next year, is a good example of how SMF together with our event co-organiser Seatrade, has been able to play a vital role in creating an iconic show to put Singapore on the global maritime scene. By drawing on SMF's strong links with the various sectors in the maritime industry, we have sought to collectively and consistently put forward a solid line-up for this event.
5. Other examples over the years include the reconstitution of the Singapore Chamber of Maritime Arbitration in 2009, the launch of the Singapore Ship Sale Form in 2011, as well as the work leading up to the choice of Singapore to represent the Asia region as the seat for maritime arbitration for the BIMCO Standard Dispute Resolution Clause 2013. Many of you are familiar with what I have just cited, as many of you have helped to make these initiatives a success by providing your valuable insights and continuous support.
6. And, that brings us to the second reason for our choice behind tonight's theme. We want to celebrate the Partnerships that have made all these possible. Singapore is perhaps one of the few countries in the world that has benefitted greatly from the strong partnership between the government, the maritime industry and industry organisations like the SMF, the Singapore Shipping Association, and the Association for Singapore Marine Industries. This has allowed us to be very close knit, to tap directly on the maritime community for new ideas and initiatives, and to move things along faster than it might have been otherwise. This is a unique strength of Maritime Singapore and I would like to take this opportunity to say a big Thank You to all of you. Your help and support as invaluable partners to SMF have made it possible to synergise efforts to spearhead so many initiatives for the benefit of Maritime Singapore.

7. Last but not least, I feel that the theme of “Colourful Celebrations” is also befitting tonight, as the industry as a whole appears to be seeing the light at the end of the tunnel. Apart from the marine and offshore engineering sector that has continued to do well over the last few years, the shipping sector had since 2010 been plagued by falling freight rates. The shipping guys have seen challenging times and it is only their persistent optimism that keep them going. Well, if we are to take the cue from a number of recent media reports, then it may be said that such optimism may be well placed this time round. In spite of the over-capacity issue, as raised in an article in today’s Straits Times, by and large, it appears that there could still be something to cheer about in the coming months.
8. Quoting from Morgan Stanley’s report last month (13 December 2013) - shipping is at the start of a two-year rally, led by advancing rates to haul coal, iron ore and grains, as fleet growth slows and China’s strengthening economy boosts cargoes. Similar sentiments were echoed by Bloomberg’s report (16 December 2013) that the Baltic Dry Index, (a measure of costs to transport commodities by sea,) is poised for its best quarter since 2011. So it has been noticed that there is overall confidence in the shipping industry and this seems to be the highest in over the last three years, an optimism fueled by encouraging freight rates. So as we welcome in the New Year, we all hope that these favorable indicators do pan out to better fortunes for our shipping sector.
9. Against this backdrop, it is certainly heartening to announce this evening the renewal of the SMF Board. This year, two of our board members will be leaving (the board) and four new members will join the board.
10. Firstly, I would also like to express my gratitude to the two outgoing SMF Board Members, Mr Erik Borgen and Mr Lam Yi Young. Thank you, Erik and Yi Young, for your dedication and guidance to SMF all these years.

11. I would like to welcome the four maritime leaders into the SMF Board:

- Mr Andrew Tan, Chief Executive of the Maritime and Port Authority of Singapore;
- Mr Andreas Sohmen-Pao, Chief Executive Officer of BW Maritime Pte Ltd;
- Mr Tan Puay Hin, Regional CEO, Southeast Asia, PSA International Pte Ltd; and
- Lee Keng Mun, Head of Shipping Asia, HSH Nordbank AG.

12. Looking ahead, 2014 promises to be an eventful one. The inaugural Sea Asia Offshore Marine Forum would be held from 28th to 29th May at Marina Bay Sands Singapore. This is a new addition to the Sea Asia branding that we are working with Seatrade on. While we are starting small, we hope to grow the event over time, and this offshore feature is expected to alternate with the anchor Sea Asia exhibition and conference.

13. In June, SMF and the Association of Singapore Marine Industries will lead a contingent of maritime companies as part of the Singapore Pavilion to participate in *Posidonia* in Greece.

14. On the developmental front, SMF is also working with BIMCO and the Association of Ship Brokers and Agents, or ASBA, to revise the NYPE Form – the industry's most widely used standard form of dry cargo time charter party, to reflect changes in commercial practice and recent legal decisions. The acceptance and recognition from BIMCO and ASBA of SMF's role in providing the Asian perspective for this revision process, is something that we are proud of. And it is also testament of how far Singapore has come in establishing itself as a dependable and credible representative for this part of the world.

15. On top of all these, SMF's work in outreach and promotion on maritime education and careers, as well as various partnership initiatives, continues in 2014 so there is much that you can look forward to from us in this coming year.

16. In closing, I would like firstly to thank Minister Lui for his presence here this evening. We are always honoured by the support that Minister gives to the Maritime industry. And once again thank you all for your continued support of SMF and our work. We deeply appreciate your valuable inputs, and we look forward to working alongside you on initiatives to continue developing Singapore as a leading IMC.

17. Thank you.