

Govt studying need for support measures in M&OE sector

Iswaran says govt will aim to provide appropriate assistance so that the industry does not lose key capabilities

By Kelly Tay

kellytay@sph.com.sg
@KellyTayBT

Singapore

THE Singapore government is deciding whether there is a need to support the beleaguered marine & offshore engineering (M&OE) industry, confirmed Minister for Trade and Industry (Industry) S Iswaran on Monday.

“The government is studying, in consultation with the M&OE industry and financial institutions, the need for measures for the sector,” said Mr Iswaran at the launch ceremony of the Technology Centre for Offshore and Marine Singapore (TCOMS).

The announcement comes at a time when funding for new projects has ground to a halt, especially amid a growing number of defaults among cash-strapped oil and gas firms.

The Business Times had earlier reported that IE Singapore is working with local banks to provide funding for new projects, quoting industry

sources as saying that a proposal has been tabled for the government to absorb up to 80 per cent of the risk associated with each project loan.

Although Mr Iswaran did not give specific details on the measures being studied, he said that the government will aim to provide assistance “where appropriate”. This is so that the industry – while in this transition process – does not lose key capabilities that have been developed over the years.

He stressed, however, that government assistance “cannot be a panacea”. “It is critical that companies and financial institutions take appropriate measures in their own long term interests – to ensure that good businesses survive, respond to the industry’s challenges and build capabilities for future growth,” added Mr Iswaran.

Alongside efforts to ensure that Singapore is ready for the next up-cycle, the government will be investing close to S\$107 million into in-

frastructure, as part of the development of TCOMS.

A joint venture between the Agency for Science, Technology and Research (A*Star) and the National University of Singapore (NUS), TCOMS is Singapore’s first national Research & Development (R&D) centre to advance the M&OE industry.

The centre – which is also supported by the Singapore Economic Development Board (EDB) and the Maritime and Port Authority of Singapore (MPA) – will expand Singapore’s research capabilities into areas such as renewable energy and marine robotics.

One of its anchor research facilities is a next generation deepwater ocean basin, scheduled for completion in 2019. Equipped with state-of-the-art wave and current generation systems, the basin will be able to simulate harsh ocean environments – including those in ultra-deep waters – to support R&D around emerging concepts such as remote operations for offshore platforms.



Mr Iswaran says govt help “cannot be a panacea”, urging businesses to take appropriate measures in their own long-term interests.