

1st Biodiesel Project for Vopak Terminals Singapore

With soaring oil prices & growing environmental concerns, biodiesel is increasingly seen as the fuel of the future, even in this part of the world. Over the last two years, many biodiesel producers have shown strong interest to set up manufacturing facilities here.

In Singapore, the Economic Development Board is promoting a “Biodiesel Hub” on Jurong Island. Some of the key reasons for Singapore’s attractiveness include:

- Proximity to palm oil producers in Malaysia and Indonesia, which produce about 25 million tons of palm oil, accounting for about 80% of global supplies;
- Availability of land and excellent infrastructure & logistics services - tank terminals / utilities;
- Proximity to Singapore’s oil trading business and anticipated blending opportunities;
- Availability of diverse ship chartering services;
- Low investment risk;
- A transparent, efficient and effective legal system - ensuring that intellectual property rights and company laws including shareholder rights are upheld and enforceable;
- Attractive government support to obtain substantial, long-term tax incentives / exemption (tax holiday).

In August 2006, Vopak Terminals Singapore signed its first biodiesel industrial contract with Natural Fuel, for a total of 105,000 m³ storage capacity for palm oil, biodiesel & glycerine at Banyan Terminal. The project is scheduled for completion by the second half of 2007. This biodiesel project will be carried out as part of our Banyan Phase 2 development, which also includes 60,000 m³ of 3rd party chemical storage and two additional jetties.