

PRESS RELEASE

30 June 2010

STATEMENT FROM EMA ON LIQUEFIED NATURAL GAS SUPPLY CONTRACTS FOR SINGAPORE

1. Media reports on 30 June quoted Minister Mentor Lee Kuan Yew as saying that Singapore will be building a liquefied natural gas (LNG) terminal to buy gas from Qatar and store it. EMA has received several queries from the industry on this matter, and would like to clarify the context in which these remarks were made.
2. The Government is indeed developing an LNG terminal that will enhance our energy security through diversification of our gas supply sources. EMA has set up a new subsidiary, the Singapore LNG Corporation or SLNG, to own the LNG terminal and oversee its development. With such a facility, Singapore will be plugged in to the global gas market, and will be able to bring in gas from countries all over the world, including Qatar.
3. Currently, Singapore has no contracts for LNG supply from Qatar. LNG will be imported by BG Singapore Gas Marketing Pte Limited (BG), a subsidiary of BG Group, which was appointed by EMA following a competitive tender process to be the LNG Aggregator for Singapore. BG has an exclusive licence to import up to 3 million tonnes per annum (mtpa) of LNG or until 2023, whichever is earlier. The supply of LNG from BG will come from a diversified portfolio of sources, including Egypt, Trinidad & Tobago and Australia.
4. As Singapore's gas needs increase over time, we will naturally have to source for new supplies of LNG beyond the BG franchise. We remain open to importing LNG from other suppliers, including Qatar, for our future gas needs.

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Smart Energy, Sustainable Future

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About the Energy Market Authority

The Energy Market Authority (EMA) is a statutory board under the Ministry of Trade and Industry. The EMA's main goals are to promote effective competition in the energy market, ensure a reliable and secure energy supply, and develop a dynamic energy sector in Singapore. Through its work, the EMA seeks to forge a progressive energy landscape for sustained growth.

For more information on the EMA, please visit www.ema.gov.sg.