

Required Report: Required - Public Distribution

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Report Name: Retail Foods

Country: Singapore

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Report Highlights:

The Singapore food retail sector is highly developed and competitive. The industry is comprised of a range of large supermarkets/hypermarkets, convenience stores, “mom and pop” traditional stores and specialty retailers. According to the Singapore Department of Statistics, the country’s food retailers surpassed \$6 billion USD in sales in 2018. Industry analysts report the sector is dominated by three key players: the NTUC Fair Price Cooperative, Dairy Farm Group, and Sheng Siong Supermarket Chain. Top prospective U.S. products for the Singaporean food retail market include pork, dairy, processed vegetables, chocolate/cocoa products, wine, beer and beef.

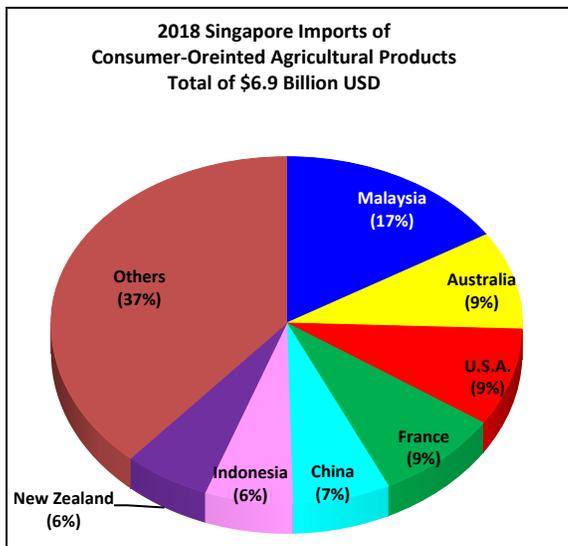
Market Fact Sheet: Singapore

Executive Summary

Singapore's highly import dependent, multi-billion-dollar food industry is driven by robust consumer spending, high disposable incomes, and intense urbanization. The country's trade and regulatory policies are focused on ensuring consistent foreign supply of safe, high quality food and agricultural products. Singapore's total agricultural product imports in 2018 reached \$9.9 billion USD, roughly nine percent of which was sourced from the United States.

Imports of U.S. Consumer-Oriented Products

In 2018, the United States was Singapore's third largest supplier of consumer-oriented food and beverage products, with total sales reaching \$608 million USD for the year. Top U.S. products in the market include dairy, fresh fruit, potatoes, poultry, and beef.



Source: Trade Data Monitor

Retail Foods

Singapore's retail foods sector is highly developed and very competitive, with total sales in 2018 reaching over \$6 billion USD. The sector is dominated by three key players: NTUC Cooperative, Dairy Farm Group, and Sheng Siong Supermarket Chain.

Food Processing Ingredients

The Singapore food processing industry is relatively small. However, almost all raw materials and ingredients used in the processing industry are imported. Total industry output value roughly \$8 billion USD.

Hotel, Restaurant and Institutional

Singapore has a highly developed and competitive hotel, restaurant and institutional (HRI) sector. Singaporeans are some of Asia's top spenders on dining out. In 2018, the country's tourist receipts topped \$27.1 billion USD, of which almost \$2 billion was derived from food and beverage sales.

Singapore's Macroeconomics

Population: 5.6 million people (2018)

(Source: www.singstat.gov)

Per Capita Income: \$64,030 USD (2018)

(Source: CEIC data)

Real GDP Growth: 3.2 percent (2018)

(Source: www.singstat.gov)

GDP Composition:

- Industry: 25%
- Services: 75%

(Source: World Fact book)

U.S. Exporter Opportunities and Challenges

| Opportunities | Challenges |
|---|---|
| <p>-The growing Singaporean Retail, Food Processing and HRI sectors are highly dependent on a broad range of imported food products and ingredients.</p> <p>-High disposable incomes drive demand for premium products.</p> | <p>-The Singapore market is highly competitive and can be very price sensitive.</p> <p>-China and other regional suppliers have gained significant market share in recent years.</p> |
| <p>-U.S. food and agricultural products are trusted and perceived to be of high quality.</p> <p>-Top U.S. brands are popular and in strong demand.</p> | <p>-Many U.S. exporters are unfamiliar with the market and are therefore sometimes unable to meet specific requirements and order sizes.</p> <p>-Time commitment for brand building can be significant.</p> |

SECTION 1. MARKET SUMMARY

The Singapore food retail sector is highly developed and competitive. The industry is comprised of a range of large supermarkets/hypermarkets, convenience stores, “mom and pop” traditional stores and specialty retailers. According to the Singapore Department of Statistics, the country’s food retailers surpassed \$6 billion USD in sales in 2018. Industry analysts report the sector is dominated by three key players: the [NTUC Fair Price Cooperative](#), [Dairy Farm Group](#), and [Sheng Siong Supermarket Chain](#).

Food Retailers in Singapore



Source: Euromonitor and FAS/Singapore

Sector Trends

- According to Euromonitor, Singapore's food retail sector continues to flourish as a result of robust demand for premium products and increased interest in home cooking.
- Health and wellness trends continue to be highly prevalent in 2019. Also, media sources report the Singapore Government is intensifying efforts to promote healthy eating and living.
- Convenience is the key consideration in Singapore, especially for time-strapped working consumers. The preference is towards modern grocery retailers that offer one-stop shopping for consumers (with some stores operating 24 hours).
- There are an increasing number of independent specialty retail stores selling premium and/or organic and natural food products.
- Singapore is experiencing high saturation in convenience stores. As many convenience stores are located near each other, competition is intense. To reduce costs, many convenience store operations are making use of cutting-edge technology to pilot unmanned stores/kiosks.

Road Map for Market Entry

U.S. exporters of food and agricultural products should consider the following when planning to enter the Singapore market:

- Analyze Singapore food laws, packaging & labeling requirements and importer criteria for entry into the Singapore market. Detailed information on Singapore regulations and requirements can be found by accessing the [FAS/Singapore Food and Agricultural Import Regulations & Standards Country Report](#).
- Review the types of U.S. products that can be readily targeted in the market. Consider the price competitiveness of U.S. products compared to similar products available in Singapore.
- Participate in regional trade shows and trade missions by tapping into the resources offered by [State and Regional Trade Associations](#).
- Develop links with local importers that target the major retailers. U.S. exporters are advised to appoint local distributors or at least a local representative to help guide them through the requirements of Singapore food regulations and local trading practices.
- After establishing links with importers, strive to educate them (in person if possible) on the qualities of your product/s and supply chain.
- After establishing trade agreements with local importers, conduct product promotions with end-users. This type of marketing event is particularly effective during festivals and peak seasons (Chinese New Year, Christmas, etc.).
- Provide technical assistance (e.g. handling techniques, chef trainings and product formulations) to end-users.
- Maintain strong communication with your local importer to ensure all certificates and import permits are valid and up to date.

SECTION II. NATIONAL FOOD STANDARDS & TRADE REGULATIONS/PROCEDURES

The Singapore Food Agency (SFA) is the national authority responsible for food security and safety matters in the country. Established in April 2019, the SFA has assumed all food-related regulatory responsibilities from its predecessor, the Agri-Food and Veterinary Authority (AVA).

Several types of food/food products entering Singapore must originate from establishments approved by SFA. Additionally, multiple types food/food products, including meat and meat products, processed eggs, fresh table eggs and live poultry, require proper accreditation and approved procedures with SFA. Overseas establishments that supply these products are required to apply for accreditation with SFA through the supplying country’s competent authorities.

For more details on export requirements to the Singapore market, please refer to the [USDA Food Safety and Inspection Service Export Library](#).

SECTION III. COMPETITION

| Product Category (2018) | Major Supply Sources (2018) | Foreign Supplier Situation | Local Supplier Situation |
|---|--|---|--|
| Beef and Beef Products Net Imports: \$253 million | <ol style="list-style-type: none"> 1. Australia: 33% 2. Brazil: 30% 3. United States: 12% 4. New Zealand: 8% | <p>Australia & New Zealand are traditional suppliers.</p> <p>Brazil competes in the frozen beef segment.</p> | Singapore does not produce beef. |
| Pork and Pork Products Net Imports: \$323 million | <ol style="list-style-type: none"> 1. Brazil: 31% 2. Australia: 19% 3. Netherlands: 16% 4. China: 9% 5. Spain: 8% 6. United States: 4% | <p>Brazil dominates the frozen segment.</p> <p>Australian pork dominates the fresh/chilled market.</p> <p>U.S. processed pork is growing in popularity.</p> | Live pigs from Indonesia are imported and slaughtered. The majority of locally slaughtered meat is sold at wet/traditional markets and supermarkets. |
| Poultry Meat and Products Net Imports: \$353 million | <ol style="list-style-type: none"> 1. Brazil: 52% 2. Thailand: 23% 3. United States: 8% 4. Malaysia: 7% | Brazilian poultry is currently price competitive in the Singaporean market. | Malaysian live chickens are imported and processed in-country. |
| Seafood Products Net Imports: \$1.15 billion | <ol style="list-style-type: none"> 1. China: 13% 2. Malaysia: 12% 3. Vietnam: 10% 4. Indonesia: 10% 5. Norway: 7% | ASEAN countries and China dominate the market. Fresh/chilled prawns, live crabs, frozen cuttlefish, and squid are key products. | 90% of seafood is imported. The remainder is supplied by sea-based Singaporean aquaculture operations. |
| Fresh Fruit Net Imports: | <ol style="list-style-type: none"> 1. Malaysia: 14% 2. United States: 13% | Top U.S. fresh fruits in the Singapore market | Singapore produces very little fresh fruit. |

| | | | |
|---|--|---|--|
| \$528 million | 3. China: 12% 4. Australia: 11% | include grapes, oranges, strawberries and apples. | |
| Processed Fruit Net Imports: \$128 million | 1. China: 22% 2. United States: 13% 3. Malaysia: 12% | U.S. processed fruits are highly popular; some are repacked and sold as private local brands. | Singapore is not a significant producer of processed fruit. |
| Tree Nuts Net Imports: \$220 million | 1. Indonesia: 48% 2. Malaysia: 15% 3. United States: 10% 4. India: 6% | Along with cashews from neighboring countries, U.S. nuts are very popular. Some U.S. nuts are repacked and sold under local brands. | Singapore is not a major producer of edible nuts. |
| Wine and Beer Net Imports: \$812 million | 1. France: 59% 2. Australia: 9% 3. Italy: 3% 4. United States: 3% | France dominates the premium wine market. U.S. wines are growing in popularity. | Singapore does not produce wine. Asia Pacific Breweries (APB), Singapore's largest beer manufacturer, dominates the beer market. |

Source: Trade Data Monitor

Best Prospective U.S. Products for the Singaporean Food Retail Market

| U.S. Products | 2018 Import Value (January - July) (million USD) | 2019 Import Value (January - July) (million USD) | Growth |
|------------------------------|--|--|--------|
| Pork and Pork Products | \$7 | \$8.5 | 20% |
| Dairy Products | \$36 | \$48 | 35% |
| Processed Vegetables | \$20 | \$23 | 14% |
| Chocolate and Cocoa Products | \$14 | \$16 | 14% |
| Wine & Beer | \$10 | \$12 | 20% |
| Beef | \$15 | \$16 | 7% |

SECTION IV. KEY CONTACTS AND FURTHER INFORMATION

A) USDA Foreign Agricultural Service Singapore

Office of Agricultural Affairs
American Embassy Singapore

27 Napier Road
Singapore 258508
Tel: (65) 6476-9120
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B) U.S. Dairy Export Council

20 Martin Road
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Tel: (65) 6230 8550
Fax: (65) 6235 5142
Contacts: Dalilah Ghazalay, Regional Director, SEA Marketing & Operations
Email: dali@dairyconnect.biz

C) U.S. Grains Council

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Tel: (60) 3 2093 6826
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Contact: Manuel Sanchez, Regional Director—South & Southeast Asia
Email: usgckl@usgc.com.my

D) U.S. Meat Export Federation

627 A Aljunied Road
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Singapore
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Fax: (65) 6732 1977
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E) USA Poultry and Egg Export Council

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F) Raisin Administrative Committee, Food Export-Midwest, Food Export-Northeast and the Western United States Agricultural Trade Association

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G) U.S. Soybean Export Council

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H) U.S. Wheat Associates

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Email: InfoSingapore@uswheat.org

I) Singapore Government Websites:

Singapore Food Agency: www.sfa.gov.sg
Department of Statistics: www.singstat.gov.sg
Singapore Government: www.gov.sg

Attachments:

No Attachments