

**Required Report:** Required - Public Distribution

**Date:** January 31, 2022

**Report Number:** SN2021-0010

**Report Name:** Exporter Guide

**Country:** Singapore

**Post:** Singapore

**Report Category:** Exporter Guide

**Prepared By:** Alice Kwek

**Approved By:** Timothy Harrison

**Report Highlights:**

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 high-quality food and agricultural products. Singapore's total agricultural and related product imports in 2021 reached \$17.2 billion USD, with the United States capturing a nine percent market share. Top prospective U.S. food and beverage products for the Singaporean market include fresh fruit, bakery goods, cereals and pasta, beef and beef products, pork and pork products, seafood, processed fruit, and tree nuts.

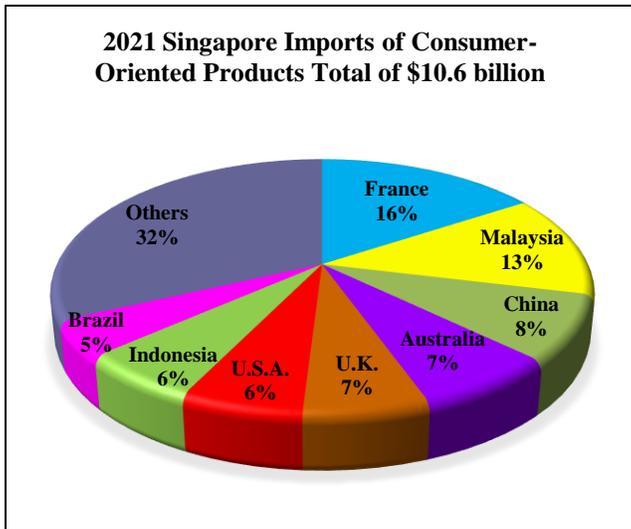
# Market Fact Sheet: Singapore

## 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 supply of safe, high-quality food and agricultural products. Singapore's total agricultural and related product imports in 2021 reached \$17.2 billion USD, with the United States capturing nine percent market share.

### Imports of U.S. Consumer-Oriented Products

In 2021, the United States was Singapore's sixth largest supplier of consumer-oriented food and beverage products, with total sales reaching \$673 million USD. Top U.S. products in the market include dairy, fresh fruit, food preparations, processed vegetables, bakery goods, tree nuts, cereals and pasta, poultry, and beef products.



Source: Trade Data Monitor

### Retail Foods

Singapore's retail foods sector is highly developed and very competitive, with total sales in 2020 reaching over \$7 billion USD (Euromonitor). The sector is dominated by three key players: NTUC Cooperative, Dairy Farm Group, and Sheng Siong Supermarket Chain.

### Food Processing Ingredients

The Singaporean food processing industry is relatively small. However, almost all raw materials or ingredients used in the processing industry are imported. Total industry output value in 2020 reached almost \$8.5 billion USD.

### Hotel, Restaurant, and Institutional

Singapore has a highly developed and competitive hotel, restaurant and institutional (HRI) sector. The sector was badly affected by the COVID-19 pandemic. Visitor arrivals fell by 85 percent to just 2.7 million, and tourism receipts fell by 78 percent to \$3.7 billion in 2020. The F&B industry saw sales pick up at the end of 2020, when restrictions eased; however, with a second wave of infections, restrictions were tightened again with a surge in both imported and locally-transmitted cases in September 2021. The sector has evolved over the course of the past year, with increased digitalization and food deliveries.

### Singapore's Macroeconomics

**Population:** 5.7 million people (2020)  
(Source: www.singstat.gov)

**Per Capita Income:** \$59,798 USD (2020)  
(Source: World bank)

**Real GDP Growth:** -5.4 percent (2020)  
(Source: Ministry of Trade and Industry)

**GDP Composition:**

- Industry: 24.8%
- Services: 75.2%

(Source: World Factbook)

### 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>- Singapore is a trendsetter and an ideal launch pad for food and beverage concepts.</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>
Strengths	Weaknesses
<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 I. MARKET SUMMARY**

### **MARKET SUMMARY**

The city-state of Singapore, with a population of 5.7 million, is a wealthy, developed, and highly urbanized country. Singapore holds top spots in all business rankings in 2020, positioning itself as an economic hub globally. The country's economy is on the recovery path with the manufacturing and services sectors driving growth. The travel, tourism, and related sectors were the hardest hit sectors during the pandemic. The pandemic also accelerated the country's "30 by 30" policy agenda, i.e., to produce at least 30 percent of its nutritional needs locally by 2030. The current level is approximately 10 percent. In Feb 2021, Singapore set aside \$45.2 million for the creation of the Agri-Food Cluster Transformation Fund to continue supporting technology adoption in the agri-food sector.

The country maintains generally simplified business regulatory and taxation systems, well developed infrastructure and innovations-minded businesses, and an open trade system. Singapore's food laws, policies, and enforcement practices are focused on ensuring a consistent foreign supply of safe food and agricultural products. Singapore does not impose quotas and tariffs on most imported food and agricultural products (except tobacco and alcoholic beverages). It was announced recently that the Goods & Services Tax, currently at seven percent, will be raised to nine percent in 2022. Singapore's total agricultural and related product imports in 2021 reached \$17.2 billion USD, with the United States capturing a nine percent market share.

Singapore has concluded free trade agreements with Australia, Japan, New Zealand, and the United States and is negotiating free trade agreements with the Gulf States, Canada, Chile, China, India, South Korea, Jordan, and Sri Lanka. It recently concluded a free trade agreement with the European Union. Singapore signed the Regional Comprehensive Economic Partnership (RCEP) in 2019 which covers 30 percent of the world's GDP. The city-state is also a member of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP).

#### **Demographics**

The resident population is comprised of 74 percent ethnic Chinese, 13 percent Malay, nine percent Indian, and four percent other minorities. The major languages spoken are English, the official language, Mandarin, and Malay. Singapore has a low annual birth rate of less than one percent. Increasing cost of living and a widening income gap (according to Euromonitor, income inequality is now greater than in the United States) are major concerns of the Singaporean government. Approximately 15 percent of residents are over 65 years old, and Euromonitor expects this to increase to 25 percent by 2030.

#### **Border Reopening**

According to industry analysts, economic reopening will continue in the first quarter of 2022, with Singapore's aviation- and tourism-related sectors to recover gradually. Singapore's GDP is expected to grow three to five percent in 2022. The emergence of the Omicron variant globally will however, slow the pace of reopening as Singapore is highly reliant on global trade. In the meantime, Singapore has extended vaccinated travel lane to the following countries: Australia, Brunei Darussalam, Cambodia, Canada, Denmark, Fiji, Finland, France, Germany, India, Indonesia, Italy, Malaysia, Maldives, the Netherlands, the Republic of Korea, Spain, Sri Lanka, Sweden, Switzerland, Thailand, Turkey, the

United Kingdom, and the United States (detailed info: <https://safetravel.ica.gov.sg/vtl/requirements-and-process#countries>).

**Table 1: Advantages and Challenges Facing U.S. Exporters**

### Advantages

- Singapore is highly dependent on imports for all of its food requirements.
- Higher disposable incomes and a well-traveled and educated population drives demand for premium products.
- Preference for high quality premium, wholesome, and natural products (although the market is niche). Millennials with higher spending power are willing to purchase imported meats, premium fruits, wines, spirits and beers, and pet food.
- A large resident expatriate community helps increase the influence of Western trends and eating habits and the proliferation of western-style restaurants and fast-food chains.
- Consumers generally perceive “Made in USA” or “Imported from USA” and U.S. brands as signs of high quality food and drink products.

### Challenges

- Extremely high rental and operating costs in Singapore make promotional marketing activities more challenging.
- Competition in the Singaporean market is more intense in recent years, with countries such as France picking up significant market share.
- Imported U.S. products are slightly more expensive than other regional suppliers.
- End-users lack knowledge on use of U.S. products and their versatility.
- U.S. exporters’ inability to service Singapore importers, retailers, and end users, i.e. meeting smaller packaging and reduced pricing that fits the market and providing marketing support.

## SECTION II. EXPORTER BUSINESS TIPS

### Market Research

FAS/Singapore recommends conducting market research in areas such as:

- Export documentation and local laws governing products
- Product fit (bearing in mind the diversity of Singaporean consumers)
- Customer cultural preferences and demand in the market
- Product potential compared with competing foreign suppliers
- Market segmentation
- Pricing competitiveness
- Packaging, in terms of size and quality
- Market communications necessary to create brand support and education
- Trade statistics and import trends for similar products

Market intelligence and market sector reports on Singapore are available online at:

<https://gain.fas.usda.gov>. U.S. exporters can seek the assistance of [State and Regional Trade Groups](#) for more information on USDA-funded trade missions, trade shows, and exporter-tailored programs, or can contact the FAS Singapore office at: [agsingapore@usda.gov](mailto:agsingapore@usda.gov).

### **Local Business Practices and Customs**

- Singapore is a cosmopolitan country and follows standard international business practices. Singapore's laws are patterned after the British legal system. English is the main working language and business etiquette is largely relationship-based.
- Letters of credit are widely used, with payment terms of up to 60 days only when a long history of business relationship is established. In some cases, U.S. exporters may request that buyers pay for airfreight and handling costs of samples if they become prohibitive.
- U.S. exporters are advised to appoint local distributors, or at least a local representative, to help navigate the government requirements and local trading practices. As in all business relationships, U.S. exporters are advised to do due diligence, conduct company background checks, and select agents who are knowledgeable and have proven track records and experience in their products.
- Financial and credit arrangements are not the same as in the United States. With few exceptions, supermarket chains, restaurants, and other retail customers expect suppliers to provide credit terms of up to 60 to 90 days.
- Note that a Singapore importer/company must have a trader's license and be registered with the Singapore regulatory body, Singapore Food Agency (SFA) and Accounting and Corporate Regulatory Authority (ACRA), before they are allowed to import food products into Singapore.

### **Trends**

- Singaporeans are affluent and well-traveled, and relatively high levels of disposable income drive Singapore's demand for premium quality food and beverage products. Due to COVID-19 related travel restrictions, Singaporeans have turned to local staycations and dining out.
- Third-party food delivery services such as Deliveroo, GrabFood, and Food Panda are very popular. Even traditional hawkers have expanded their presence in third-party delivery platforms.
- The pandemic has accelerated the adoption of digitalization as consumers are embracing e-commerce to meet their retail shopping therapy through third-party platforms on Shopee and Lazada. There is a rise in co-branding and/or brand collaborations, as well as a rise of "Live" malls on Facebook offering a wide range of food products including luxury branded leather bags online.
- Health and wellness trends continue to gain traction amid the pandemic. Consumers continue to seek healthier food options, such as reduced sugar beverages, confectionery and dairy products. Organic packaged food and beverages demand remains niche as they are priced much higher than conventional food products. Note that Singapore's Ministry of Health will introduce several measures restricting some types of pre-packaged, sugar-sweetened beverages (SSB). These regulations are expected to take effect end of 2022 and will have some impact on the sale of SSB.

- Convenient food products such as recipe-specific cooking sauces and dry sauces that shorten meal preparation times, ready-to-eat Asian meals and soups, shelf-stable, chilled or frozen are gaining popularity as time-strapped Singaporeans seek convenience in meal preparations.
- Plant-based and novel foods continue to grow. The “meatless” meat and seafood or plant-based meat are making its way to supermarkets and e-commerce platforms and are gaining popularity, including in the foodservice sector. Localized plant-based foods such as dim sum, luncheon meats, and frozen ready meals are now available in the marketplace. These novel foods appeal to vegans/flexitarians and/or those seeking healthier option in their diets.
- The logistical disruptions for global brands, including manufacturing plants’ closures and labor shortages because of the pandemic and restrictions, have greatly impacted the supply chain. Additionally, high raw material and energy costs, as well as port congestions and shortage of shipping capacity are driving up costs and causing shipment delays.

### **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 and labeling requirements, and importer criteria for entry into the Singapore market. Detailed information on Singapore regulations and requirements can be found by accessing the latest [Food and Agricultural Import Regulations and Standards Country Report](#).
- 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 resources offered by [State and Regional Trade Groups](#).
- Develop links with local importers that target major retailers, hotels, restaurants, and processors. As noted above, U.S. exporters are advised to appoint local distributors.
- 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 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, product formulation and application) to end-users.
- Maintain strong communication with your local importer to ensure all certificates and import permits are valid and up-to-date.

### **SECTION III. IMPORT FOOD STANDARDS & REGULATIONS/IMPORT PROCEDURES**

The Singapore Food Agency (SFA) is the national authority responsible for food security and food 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.

Several types of foods entering Singapore must originate from establishments approved by SFA. In addition, multiple 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.

Detailed information on Singapore regulations and requirements can be found by accessing the latest [Food and Agricultural Import Regulations and Standards Country Report](#). Information on meat product exports are also available in the [USDA Food Safety and Inspection Service Export Library](#).

## **SECTION IV. MARKET DYNAMICS AND TRENDS**

### **Food Industry Breakdown**

Singapore's retail food sector is highly developed and competitive. Total sales for the sector in 2020 reached \$7 billion USD. Retail food sales in the country are dominated by three key players: the NTUC FairPrice Cooperative; Dairy Farm International Holdings; and Sheng Siong Supermarket. Please refer to the [Singapore Retail Food Annual 2021 GAIN Report](#) for more details on the sector.

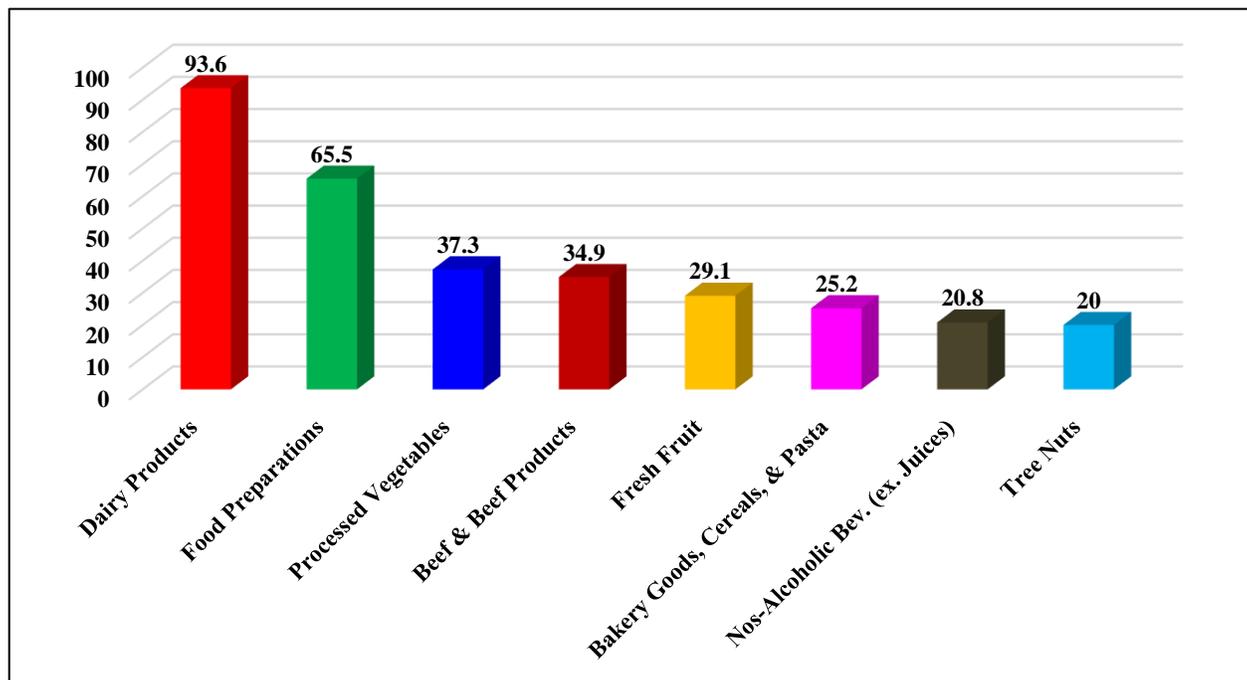
The country's hotel, restaurant, and institutional (HRI) sector is also highly developed and competitive. According to Euromonitor, Singapore's food service sector (which includes hotels, restaurants, casual dining, fast food outlets, and local food stalls) has grown steadily over the past five years and was valued at nearly \$6.6 billion USD in 2019. However, due to the global COVID-19 pandemic and ensuing travel/movement restrictions, the Singaporean HRI sector has contracted in 2021. For more details on the HRI sector, please refer to the [Singapore HRI Annual 2021 GAIN Report](#).

Although Singapore's food processing sector is relatively small, almost all raw materials and ingredients for further processing are imported. According to the Singapore Department of Statistics, the country's food processing sector had a total value of \$8.5 billion USD in 2020. Local food manufacturing spans over 17 sub-sectors, including flavors, local sauces and condiments, ready-to-eat meals, noodles, deli items, confectionary, chocolates, snack products, beverages (including beer), and seafood processing. For more details on the food processing sector, please refer to the [Singapore Food Processing Industry Annual 2021 GAIN Report](#).

### **U.S. Food and Beverage Products in the Singapore Market**

According to Trade Data Monitor, the United States was Singapore's sixth largest supplier of consumer-oriented food and beverage (F&B) products in 2021. Total U.S. F&B export sales for the year reached \$673 million USD.

**Table 1: Top U.S. Consumer-Oriented Food and Beverage Exports to Singapore in Jan-Nov 2021 (million USD)**



Source: U.S. Census Bureau Trade Data (updated Jan. 21, 2022)

**Table 2: Competition in the Consumer-Oriented Product Sector**

Product Category (2021)	Major Supply Sources (2021)	Foreign Supplier Situation	Local Supplier Situation
<b>Beef and Beef Products</b> <b>Net Imports:</b> <b>\$341million</b>	<ol style="list-style-type: none"> <li>1. Brazil: 36%</li> <li>2. Australia: 30%</li> <li>3. United States: 12%</li> <li>4. Japan: 8%</li> </ol>	Australia & Brazil are traditional suppliers. Brazil competes in the frozen beef segment.	Singapore does not produce beef.
<b>Pork and Pork Products</b> <b>Net Imports:</b> <b>\$368 million</b>	<ol style="list-style-type: none"> <li>1. Brazil: 39%</li> <li>2. Australia: 16%</li> <li>3. Germany: 10%</li> <li>5. Spain: 9%</li> <li>6. Netherlands: 6%</li> <li>7. China: 6%</li> <li>8. United States: 4%</li> </ol>	Brazil dominates the frozen segment. Australian pork dominates the fresh/chilled market. U.S. processed pork is growing in popularity.	Live pigs from Indonesia are imported and slaughtered. Most of the locally slaughtered meat is sold at wet/traditional markets and supermarkets.
<b>Poultry Meat and Products</b> <b>Net Imports:</b> <b>\$397 million</b>	<ol style="list-style-type: none"> <li>1. Brazil: 50%</li> <li>2. Thailand: 28%</li> <li>3. United States: 6%</li> <li>4. Malaysia: 5%</li> </ol>	Brazilian poultry is currently price competitive in the Singaporean market.	Malaysian live chickens are imported and processed in-country.

<b>Seafood Products Net Imports: \$1.1 billion</b>	1. Malaysia: 16% 2. China: 14% 3. Vietnam: 10% 4. Indonesia: 9% 5. Japan: 8% 15. United States: 1.4%	ASEAN countries and China dominate the market. Fresh/chilled prawns, live crabs, frozen cuttlefish, and squid are key products.	90 percent of seafood is imported. The remainder is supplied by sea-based Singaporean aquaculture operations.
<b>Fresh Fruit Net Imports: \$569 million</b>	1. China: 14% 2. Malaysia: 14% 3. United States: 12% 4. Australia: 12%	Top U.S. fruits in the market include grapes, oranges, strawberries, and apples.	Singapore produces very little fresh fruit.
<b>Processed Fruit Net Imports: \$149 million</b>	1. China: 20% 2. Indonesia: 15% 3. Malaysia: 11% 4. United States: 10%	U.S. processed fruits are highly popular; some are repacked as private local brands.	Singapore is not a significant producer of processed fruit.
<b>Tree Nuts Net Imports: \$185 million</b>	1. Indonesia: 29% 2. Malaysia: 20% 3. United States: 11% 4. Thailand: 8%	Along with cashews from neighboring countries, U.S. nuts are very popular. Some U.S. nuts are repacked under local brands.	Singapore is not a major producer of edible nuts.
<b>Wine and Beer Net Imports: \$996 million</b>	1. France: 58% 2. Australia: 15% 3. Italy: 3% 4. Japan: 3% 5. United States: 3%	France dominates the premium wine market. U.S. wines are growing in popularity.	Singapore does not produce wine. Asia Pacific Breweries, Singapore's largest beer manufacturer, dominates the beer market.

Source: Trade Data Monitor

## SECTION V. AGRICULTURAL AND FOOD IMPORTS

**Table 3: U.S. Exports to Singapore (thousand USD)**

	2017	2018	2019	2020	Jan-Nov 2020	Jan-Nov 2021	Jan-Nov 2021/2020
Product	Value	Value	Value	Value	Value	Value	Period/Period % Change
Intermediate Total	381,248	358,852	449,380	565,217	491,228	667,177	36
Consumer Oriented Total	488,338	511,496	535,831	491,028	451,082	464,911	3
Bulk Total	22,958	30,141	33,869	33,923	32,566	37,599	16
Agricultural Related Products	43,141	26,694	28,755	18,538	16,085	18,683	16
<b>Grand Total</b>	<b>935,685</b>	<b>927,183</b>	<b>1,047,835</b>	<b>1,108,706</b>	<b>990,961</b>	<b>1,188,370</b>	<b>20</b>

Source: Trade Data Monitor

**Table 4: Best Prospective U.S. Products for the Singaporean Market (million USD)**

<b>U.S. Product</b>	<b>2021 Singapore Total Import Value</b>	<b>2021 Total Import Value from the United States</b>
Fresh Fruit	\$569	\$70
Beef & Beef Products	\$341	\$41
Bakery Goods, Cereals & Pasta	\$547	\$28
Tree Nuts	\$185	\$21
Seafood	\$1,118	\$16
Pork & Pork Products	\$368	\$15
Processed Fruit	\$149	\$15

Source: Trade Data Monitor

## **SECTION VI. 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 Fax: (65) 6476-9517  
Email: [AgSingapore@fas.usda.gov](mailto:AgSingapore@fas.usda.gov)

B) U.S. Dairy Export Council  
20 Martin Road  
Seng Kee Building, #08-01  
Singapore 239070  
Tel: (65) 6230 8550 Fax: (65) 6235 5142  
Contacts: Dalilah Ghazalay, Regional Director, SEA Marketing & Operations  
Email: [dali@dairyconnect.biz](mailto:dali@dairyconnect.biz)

C) U.S. Grains Council  
50 Jalan Dungun Damansara Heights  
Kuala Lumpur, Malaysia  
Tel: (60) 3 2093 6826 Fax: (60) 3 2273 2052  
Contact: Caleb Wurth, Regional Director- South & Southeast Asia  
Email: [usgckl@usgc.com.my](mailto:usgckl@usgc.com.my)

D) U.S. Meat Export Federation  
627 Aljunied Road, #04-04 Biztech Centre  
Singapore  
Tel: (65) 6733 4255 Fax: (65) 6732 1977  
Contact: Sabrina Yin, Regional Director  
Email: [singapore@usmef.com.sg](mailto:singapore@usmef.com.sg)

E) USA Poultry and Egg Export Council  
541 Orchard Road, #15-04 Liat Towers  
Singapore  
Tel: (65) 6737 1726 Fax: (65) 6737 1727  
Contact: Margaret Say, Regional Director  
Email: [usapeec\\_sing@pacific.net.sg](mailto:usapeec_sing@pacific.net.sg)

F) Raisin Administrative Committee, Food Export-Midwest, Food Export-Northeast and the  
Western United States Agricultural Trade Association  
48 Toh Guan Road East, #02-129 Enterprise Hub  
Singapore  
Tel: (65) 6515 6113 Fax: (65) 6278 4372  
Contact: Richard Lieu and Chuah Siew Keat  
Emails: [richardlieu@lieumktg.com.sg](mailto:richardlieu@lieumktg.com.sg); [siewkeat@lieumktg.com.sg](mailto:siewkeat@lieumktg.com.sg)

G) U.S. Soybean Export Council  
541 Orchard Road, #11-03 Liat Towers  
Singapore  
Tel: (65) 6737 6233 Fax: (65) 67375849  
Contact: Timothy Loh, Director  
Email: [TLoh@ct.ussec.org](mailto:TLoh@ct.ussec.org)

H) U.S. Wheat Associates  
541 Orchard Road, #15-02 Liat Towers  
Singapore  
Tel: (65) 6737 4311 Fax: (65) 6733 9359  
Contact: Joe Sowers, Regional Vice President for South Asia  
Email: [InfoSingapore@uswheat.org](mailto:InfoSingapore@uswheat.org)

I) Singapore Government Websites:

Singapore Food Agency: [www.sfa.gov.sg](http://www.sfa.gov.sg)  
Department of Statistics: [www.singstat.gov.sg](http://www.singstat.gov.sg)  
Singapore Government: [www.gov.sg](http://www.gov.sg)

**Attachments:**

No Attachments