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Report Highlights:

Singapore's 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. Industry analysts report total retail food sales surpassed \$7 billion USD in 2020. 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 sector include dairy, fresh fruit, processed vegetables, bakery goods, cereals and pasta, poultry, and beef products.

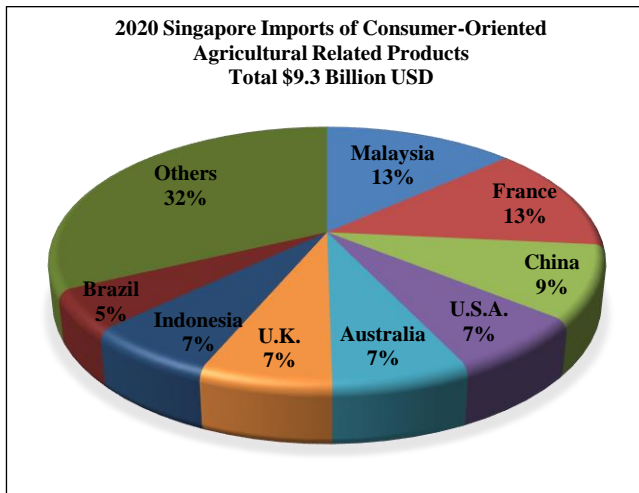
Market Fact Sheet: Singapore

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 and related product imports in 2020 reached \$14.5 billion USD, roughly 10 percent of which was sourced from the United States (Trade Data Monitor TDM).

Imports of U.S. Consumer-Oriented Products

In 2020, the United States was Singapore’s fourth largest supplier of consumer-oriented food and beverage products, with total sales reaching \$657 million USD for the year. Top U.S. products in the market include dairy, fresh fruit, processed vegetables, bakery goods, 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

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 COVID-19. Visitor arrivals fell by 85 percent to just 2.7 million and tourism receipts fell by 78 percent to \$3.3 billion in the first three quarters of 2020. The food and beverage (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 the surge in cases both imported and locally in May 2021. But 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 (2019)
(Source: www.singstat.gov)

Per Capita Income: \$65,233 USD (2019)
(Source: CEIC Data)

Real GDP Growth: 0.7 percent (2019)
(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>-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

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 industry analysts, the country’s food retailers surpassed \$7 billion USD in sales in 2020, with forecasted sales to reach \$9 billion by 2023. The sector is dominated by three key players: the [*NTUC Fair Price Cooperative*](#), [*Dairy Farm Group*](#), and [*Sheng Siong Supermarket Chain*](#).

In 2020, Singapore’s economy experienced an economic slowdown triggered by the COVID-19 pandemic, and business activity in various sectors were impacted. The pandemic and the lockdown measures prompted panic buying as consumers rushed to stockpile essential foods such as frozen meats, instant noodles, cooking ingredients as well as personal hygiene products. The retail foods sector continued to perform well, and the outlook for the sector is strong. Retailers with stronger digital presence fared better as consumers shifted their grocery shopping online. The Singapore Government provided massive economic stimulus measures and monetary aids to both businesses and individuals to mitigate economic hardship.

Table 1: Advantages and Challenges in the Singapore Retail Foods Industry

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.
- Large resident expatriate community. 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 quality suppliers of 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 China picking up significant market share.
- Imported U.S. products are priced slightly more 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.

Food Retailers in Singapore

NTUC FairPrice	<ul style="list-style-type: none">• Singapore's largest retailer (supermarkets, hypermarkets, gas marts and convenience stores)• Market share of 35 percent• Retail Format:<ul style="list-style-type: none">• -FairPrice, FairPrice Finest, FairPrice Xtra, and FairPrice Xpress supermarkets/hypermarkets• -Cheers convenience stores• Procures from consolidators, distributors, local importers, and direct from exporters
Dairy Farm International	<ul style="list-style-type: none">• Singapore's 2nd largest retailer (supermarkets, hypermarkets, gourmet stores and convenience stores)• Market share of 15 percent• Retail Format:<ul style="list-style-type: none">• -Cold Storage, Market Place, and Giant supermarkets• -7-11 convenience stores• Procures from consolidators, distributors, local importers, and direct from exporters
Sheng Siong	<ul style="list-style-type: none">• Singapore's 3rd largest retailer• Retail Format:<ul style="list-style-type: none">• -Supermarkets with "wet & dry" market experience• -Located across the island, mostly in suburban neighborhood areas• Procures from distributors, local importers, and direct from exporters

Other retailers include:

- Online grocers: [RedMart](#), [Shopee](#), and [Prime Now](#)
- [Hao Marts](#) with 45 outlets, mainly located in residential areas, offering price competitive products.
- [Prime Supermarkets](#) with 20 stores, mainly located in suburban neighborhood areas, targeting budget-conscious consumers.
- The Japanese retail stores [Meidi-Ya Singapore](#) and [Isetan Supermarket](#).
- [Mustafa Supermarket](#) in "Little India" which imports from multiple countries (including the United States) which is very popular amongst the migrant workers and tourists.
- Specialty grocers such as: [Ryan's](#), [Culina](#), [Little Farms](#), [Huber's](#), etc. retail gourmet food items and meats, as well as organic and wholesome stores such as: [Supernature](#), [Mahota](#), etc.
- Traditional "wet and dry" markets and "Mom and Pop" grocery stores.

Source: *Euromonitor and FAS/Singapore*

Key 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. Additionally, changes are anticipated in consumer lifestyles with new norms emerging in Singapore's consumers' behavior in consumption and buying patterns because of COVID-19.

- Health and wellness trends continued to be highly prevalent in 2021, accelerated by COVID-19 as consumers pay more attention to their wellbeing. Consumers are opting for healthier food products; reduced sugar, salt, and/or fat content. More consumers are scrutinizing product nutrition labels. Singapore's Ministry of Health will implement legislative measures in 2022 to curb sugar consumption.
- Online grocery shopping will continue to flourish, largely driven by the COVID-19 pandemic. Other attributing factors include convenience, variety, and stock availability.
- Brand disloyalty or brand switching is increasing. According to the Nielsen's Insight March 2020 report, more consumers are willing to try new brands, and/or switch for "value-for-money" food and beverage products.
- Convenience is a key consideration in Singapore, especially for time-strapped working consumers. The preference is towards modern grocery retailers that offer one-stop shopping experience.
- There are an increasing number of independent specialty retail stores selling premium gourmet and/or organic and wholesome/natural food products. Premium supermarkets and independent specialty retail stores located in upscale residential areas have seen stronger growth as they cater to upper income consumers and expatriates with higher disposable income.
- 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.

SECTION II. ROAD MAP FOR MARKET ENTRY

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

Regulatory Compliance

- 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 FAS/Singapore *Food and Agricultural Import Regulations & Standards Country Report*. Maintain strong communication with local importers to ensure all certificates and import permits are valid and up to date.

Market Research

- Review the types of U.S. products that can be readily targeted in the market.
- Consider the price competitiveness of U.S. products in comparison with similar products available in Singapore.

Exporter Assistance

- USDA/FAS partners with *State and Regional Trade Associations (SRTG)* and manages a toolkit of market development programs to help U.S. exporters develop and maintain markets. U.S. exporters are encouraged to participate in regional trade shows and trade missions by tapping into the resources offered by State and Regional Trade Associations (SRTG).

Due Diligence

- Select partners/importers carefully and conduct due diligence and background checks to avoid trade conflicts and financial disputes.

Develop Links

- Develop links with local importers that target 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.

Market Promotion

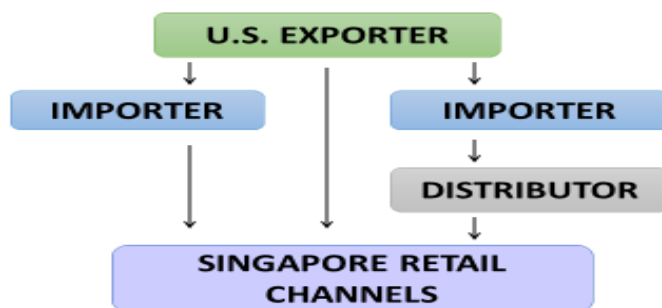
- Participate in regional trade shows and trade missions by tapping into the resources offered by State and Regional Trade Associations.
- Conduct product promotions and/or demonstrations through online platforms via social media, web-based advertising, etc. to engage with end-users. This type of marketing is particularly effective during festive and peak seasons (for example, "Great Singapore Sale", Chinese Lunar New Year, Christmas, etc.).

Distribution Channels

Food products in Singapore are generally distributed through local importers/distributors who supply them to retailers. Large retailers also procure directly for cost efficiencies, and most have their own warehousing facilities to store and to repackage goods. Distribution to wet markets, hawkers, and small neighborhood stores is usually managed by intermediary wholesalers; however, market penetration of U.S. products in these alternative channels is limited.

Singapore's distribution channels for consumer-ready foods are dominated by supermarkets and hypermarkets, and the two leading convenience store chains, [7-Eleven](#) and [Cheers](#) which are also owned and operated by the two leading supermarket operators, [NTUC FairPrice Cooperative](#) and [Dairy Farm International Holdings](#).

Distribution of Consumer-Ready Food and Drinks in Singapore



SECTION III. 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, 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 food/food products, including meat and meat products, processed eggs, fresh table eggs, and 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 IV. COMPETITION

Table 1: Top Ten Supplying Countries to Singapore and their Market Share

Singapore Total Imports of Consumer Oriented Products in 2020:
\$9.3 billion USD

- **Market Share**
- Malaysia: 13%
- France: 13%
- China: 9%
- **United States: 7%**
- Australia: 6.8%
- United Kingdom: 6.6%
- Indonesia: 6.5%
- Brazil: 5%
- Thailand: 4.8%
- New Zealand: 4.4%

Table 2: Competition in the Major Consumer-Oriented Product Categories

Product Category (2020)	Major Supply Sources (2020)	Foreign Supplier Situation	Local Supplier Situation
Beef and Beef Products Net Imports: \$270 million	<ol style="list-style-type: none"> 1. Brazil: 34% 2. Australia: 33% 3. United States: 12% 4. New Zealand: 7% 	<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: \$377 million	<ol style="list-style-type: none"> 1. Brazil: 38% 2. Australia: 13% 3. Netherlands: 10% 4. Spain: 10% 5. China: 9% 6. Germany: 5% 7. 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. Most of the locally slaughtered meat is sold at wet/traditional markets and supermarkets.
Poultry Meat and Products Net Imports: \$400 million	<ol style="list-style-type: none"> 1. Brazil: 53% 2. Thailand: 25% 3. United States: 8% 4. Malaysia: 6% 	Brazilian poultry is currently price competitive in the Singaporean market.	Malaysian live chickens are imported and processed in-country.
Seafood Products Net Imports: \$994 million	<ol style="list-style-type: none"> 1. Malaysia: 15% 2. China: 13% 3. Vietnam: 12% 4. Indonesia: 10% 	ASEAN countries and China dominate the market. Fresh/chilled prawns, live crabs,	90% of seafood is imported. The remainder is supplied by sea-based

	5. Norway: 7%	frozen cuttlefish, and squid are key products.	Singaporean aquaculture operations.
Fresh Fruit Net Imports: \$548 million	1. United States: 14% 2. China: 12% 3. Malaysia: 12% 4. Australia: 11%	Top U.S. fresh fruits in the Singapore market include grapes, oranges, strawberries, and apples.	Singapore produces very little fresh fruit.
Processed Fruit Net Imports: \$137 million	1. China: 20% 2. Indonesia: 13% 3. United States: 11% 4. Malaysia: 11%	U.S. processed fruits are very popular; some are repacked and sold as private local brands.	Singapore is not a significant producer of processed fruit.
Tree Nuts Net Imports: \$165 million	1. Indonesia: 36% 2. Malaysia: 18% 3. United States: 13% 4. China: 7%	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: \$703 million	1. France: 53% 2. Australia: 11% 3. China: 6% 4. Italy: 4% 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 (APB), Singapore's largest beer manufacturer, dominates the beer market.

Source: Trade Data Monitor

SECTION IV. BEST PROSPECTIVE U.S. PRODUCTS FOR THE SINGAPORE FOOD RETAIL MARKET

U.S. Products	2020 Singapore Total Import Value (million USD)	2020 Total Import Value from the United States (million USD)
Food Preparations	\$673	\$123
Dairy Products	\$1,037	\$89
Fresh Fruit	\$548	\$78
Processed Vegetables	\$319	\$66
Bakery Goods, Cereals & Pasta	\$504	\$32

Beef & Beef Products	\$270	\$31
Poultry Meat & Products	\$400	\$31
Chocolate & Cocoa Products	\$296	\$24
Tree Nuts	\$165	\$22

Source: Trade Data Monitor

SECTION V. 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
Email: AgSingapore@fas.usda.gov

B) U.S. Dairy Export Council

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

C) U.S. Grains Council

50 Jalan Dungun Damansara Heights
Kuala Lumpur, Malaysia
Tel: (60) 3 2093 6826
Contact: Manuel Sanchez, Regional Director-South & Southeast Asia
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D) U.S. Meat Export Federation

627 A Aljunied Road
#04-04 Biztech Centre
Singapore
Tel: (65) 6733 4255
Contact: Sabrina Yin, Regional Director
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E) USA Poultry and Egg Export Council

541 Orchard Road
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Tel: (65) 6737 1726
Contact: Margaret Say, Regional Director
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F) Raisin Administrative Committee, Food Export-Midwest, Food Export-Northeast and the Western United States Agricultural Trade Association

48 Toh Guan Road East
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Tel: (65) 6515 6113
Contact: Richard Lieu and Chuah Siew Keat
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G) U.S. Soybean Export Council

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H) U.S. Wheat Associates

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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