

Market Overview

Singapore's strategic location makes this small nation a major trading hub in Southeast Asia. It is ranked as one of the world's most open economies, and one of the financial capitals of the world alongside with Hong Kong, New York and London. Singapore has one of the highest GDPs per capita (\$58,497 USD); however, the cost of living is also very high. International trade plays a vital role in Singapore; it is the 14th largest exporter and 15th largest importer in the world. Singapore's 5.5 million inhabitants rely on food imports since the country's agricultural capacity cannot satisfy the level of demand. Singapore has no trade barriers (except for tobacco and alcohol); nevertheless, there is a Goods and Service Tax (GST) of 7% plus the customs value or last selling price of the goods.

In 2014, the U.S. was the fourth largest supplier of agricultural, fish and forestry products; additionally, U.S. consumer-oriented exports to Singapore reached a record \$738 million USD the same year. In spite of intense competition from other nations like Australia, sales are expected to grow by 10% in 2015. Between 2012 and 2014 the U.S. averaged a market share of 9-11% for the consumer-oriented foods category. Food exports from the SUSTA region to Singapore have increased steadily each year, rising from approximately \$135 million USD in 2013 to \$158 million USD in 2014. SUSTA promotes fruits, dairy products, snack foods, nuts, fruit juices, vegetables, Halal products, and value-added products from all over the Southern United States. U.S. exporters must meet a series of stringent sanitary conditions, especially when exporting pork and beef products.

Singapore also acts as a major re-exporter, it is estimated that up to 75% of food imports are re-exported to neighboring countries. Singapore has been closely involved in the negotiations for the Trans-Pacific Partnership (TPP) alongside with other nations like Australia, the U.S., Malaysia, and Vietnam. This partnership will advance the already thriving business environment in Singapore.

Opportunities and Advantages

- Large numbers of resident expatriate population familiar with western type foods.
- High proliferation of western family-style restaurants and fast food chains.
- Fast growing incomes and highly educated population.

Market Challenges

- High costs of entry into major supermarket chains.
- Inadequate knowledge on use of U.S. products.

SUSTA Sponsored Events in Singapore:
Food Hotel Asia

http://gain.fas.usda.gov/Recent%20GAIN%20Publications/Exports%20Guide_Singapore_Singapore_2-26-2016.pdf

Euromonitor, Passport Site-Country Profile: Singapore

Funding for SUSTA's
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