

Singapore Supply Chain Guide





About Seafood Industry Australia

Seafood Industry Australia (SIA) is the national peak-body representing the Australian seafood industry as a whole. With members from the wildcatch, aquaculture and post-harvest sectors of the Australian seafood industry, we are the voice of Australian seafood.

SIA provides consumers, Government and other stakeholders with confident and united representation. Our unity indicates that we love what we do, we stand by our products and that those products are the best in the world.

SIA provides services identified through a process involving member input to fill a critical gap that currently exists, to have more influence on Government decisions, to act as a national industry voice, to be a marketing and communications hub, and to remove obstacles to growth standing in the way of the Australian seafood industry.

Our vision is for the Australian seafood industry to be United, Effective and Respected.

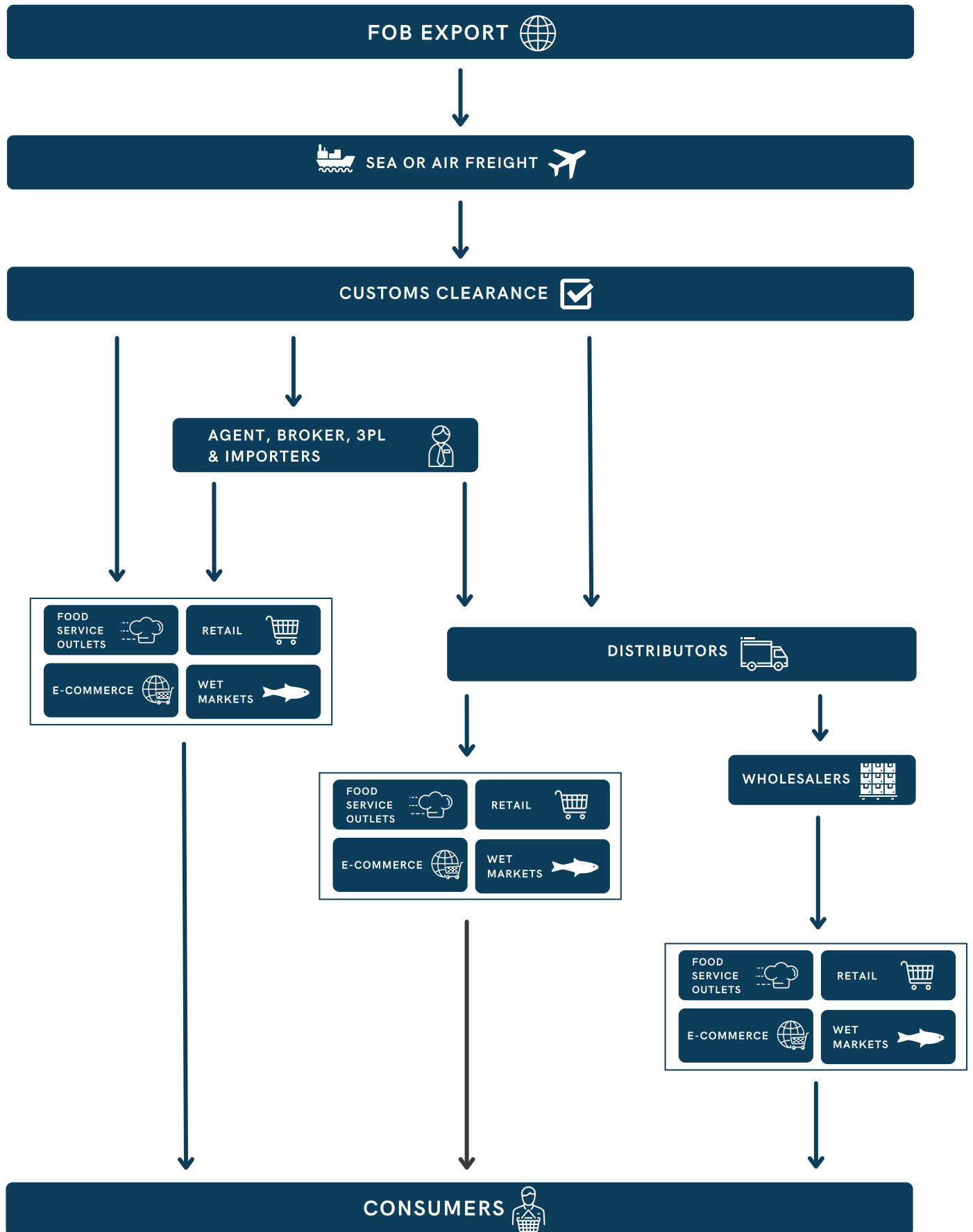
Our mission is to Promote, Protect and Develop the Australian seafood industry on the national and international level.

Agricultural Trade and Market Access Cooperation (ATMAC) Program

The ATMAC program is an Australian Government initiative, expanding trade in Australian agricultural, forestry and fisheries sectors into emerging export markets and/or export markets with high-growth potential. This will be achieved through support for diversification efforts that align with industry priorities.

Seafood Industry Australia's 'marketing, market access and export development for the Australian seafood industry' was funded under the ATMAC Program.

Supply Chain Overview



SINGAPORE-AUSTRALIA FTA

The Singapore-Australia Free Trade Agreement (SAFTA) is a central pillar of the economic relationship with Singapore, Australia's largest trade and investment partner in South-East Asia.

In addition to tariff elimination, the Agreement improves increased market access for Australian exporters of services, particularly education, environmental, telecommunications, and professional services

[CLICK HERE](#) for a step-by-step guide to exporting fish and fish products

USEFUL LINKS

- [Austrade Industry Directories](#)
- [Fisheries Research and Development Corporation \(FRDC\)](#)
- [Micor - Manual of Importing Country Requirements](#)

INCOTERMS®

International Commercial Terms or 'Incoterms®' are a set of 11 individual international rules for interpreting trade terms issued by the International Chamber of Commerce (ICC), which help traders in different countries understand one another. Incoterms clarify the obligations of buyers and sellers in trading internationally to avoid any confusion. These terms are updated periodically to adapt to changing trade practices. Some common examples of Incoterms for any mode of transportation include:

- EXW - Ex-Works OR Ex-Warehouse
- FCA - Free Carrier
- FOB - Free on Board
- CFR - Cost and Freight
- CIF - Cost, Insurance and Freight

See Appendix A for Incoterms Chart

Logistics

Having efficient and reliable logistics for export can give exporters a competitive advantage through better order handling and shortened product cycles. Export logistics is a crucial yet considerably complicated piece of the export puzzle that includes order handling, transportation, inventory management and handling, storage, packaging, and clearing of the export goods. Most new exporters and experienced exporters use a freight forwarder to navigate the various steps needed to get their products into international markets.

SEA FREIGHT

Ongoing sea freight disruption has caused massive problems to global logistics.

The closure of some of the world's largest ports, congestion and shortages of storage space has resulted in ships rerouting and changing their schedules at short notice. The flow-on effects have been:

- Difficulty in getting containers
- Difficulty in securing freight capacity
- The escalating cost of freight
- Longer shipping journeys due to changing schedules
- Bottlenecks at ports
- Delays in transit

Sea Freight, Full Container Load (FCL)

A container (20-foot or 40-foot) is exclusively used for a single shipment. The container is not shared with other cargo shipments, and the costs are borne by one party. It is generally used for heavy cargo (over 15 tons).

Sea Freight, Less than Container Load (LCL)

A container is shared by various cargo shipments. LCL is the preferred option when there aren't enough goods to fill up the entire container. This option allows the exporters to lower their shipping costs.

AIR FREIGHT

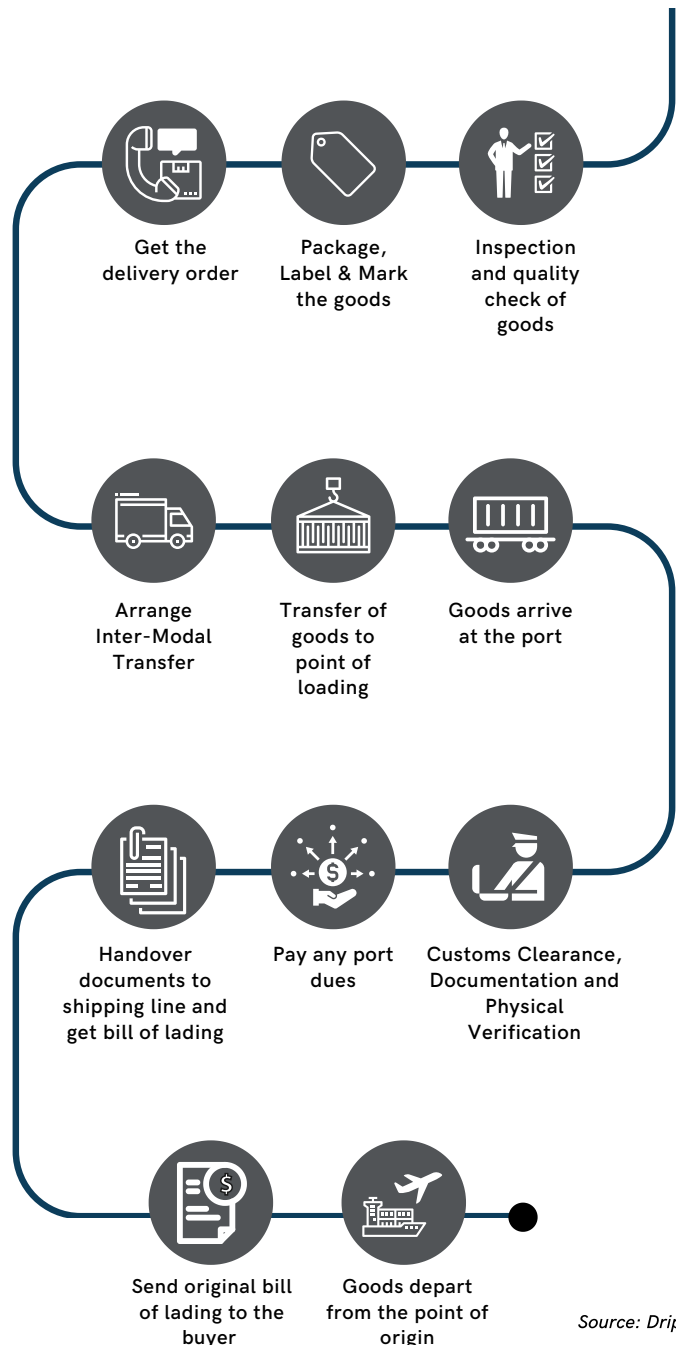
Air freight has been even more disrupted than sea freight at the onset of the pandemic and now appears to be settling into a new normal.

Most air freight is carried on passenger aircraft and with the closed border policy for international arrivals, freight has become problematic to many destinations and costs have escalated.

Government support through the International Freight Assistance Mechanism (IFAM) program has assisted to businesses to secure airfreight by keeping global air links open. The program is due to be reviewed around June-July 2022 with a replacement model being considered. More information is available through the IFAM virtual briefings and on the [IFAM](#) website.

USEFUL LINKS

- [The International Federation of Freight Forwarders Associations \(FIATA\)](#)
- Search for a customs broker or freight forwarder on the IFCBAA site:
 - [International Forwarders & Customs Brokers Association of Australia \(IFCBAA\)](#)



Source: Drip Capital

Customs & Regulatory Information

1) According to Singapore Customs, the import/export of fish and fish products is regulated by Seafood Food Agency (SFA), Licensing and Permits Group, Food Trade Department. Fish means any species of fish and includes crustacea, shellfish, echinoderm, mollusc, and the young and eggs thereof and fish product means (a) any fish or part thereof; and (b) any product or by-product of any fish, which is intended for human consumption.

2) Importers and exporters of fish & fish products are required to apply for an SFA licence for Import/Export and Transhipment of Meat Products and Fish Products. The licence fee is SGD\$84.00 per annum.

3) In addition, an import permit issued by SFA is required for every consignment of fish products. The cargo clearance permit approved by SFA (Seafood) in the TradeNet® system serves as SFA import/export permit.

4) A customs permit must be obtained through TradeNet before the goods arrive in/depart from Singapore. When declaring a cargo clearance permit in the TradeNet® system, the product description must be clearly indicated and the product code, product quantity and product unit of measurement must be keyed into the following relevant fields:

- i) CA/SC Product Code field - e.g. FFL0GP2R for live red Grouper
- ii) CA/SC Product Quantity field - e.g. 1.00
- iii) CA/SC Product Unit of Quantity field - e.g. TNE
- iv) CA/SC Code 1 e.g. ID99999 (establishment/prefectural code)

5) Fish & fish products may be imported from any country, subject to the following restrictions:

- The import of chilled shucked raw oyster, chilled blood cockle meat, chilled cooked prawn/shrimp and chilled crabmeat is prohibited for food safety reasons.
- Live oysters may only be imported from countries, which meet SFA's requirements for a shellfish sanitation programme. The countries currently approved for such exports are Australia, Canada, France, Ireland, Japan (Mie Prefecture), the Netherlands, New Zealand, United Kingdom and USA.

6) Each consignment of live/frozen oysters, frozen blood cockle meat, frozen cooked prawns or frozen raw/cooked crab meat, must be accompanied by a health certificate issued by the relevant authority of the exporting country, certifying the requirements as required by SFA.

7) Import of the following fish species, including their parts or derivatives, must be accompanied by a Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) permit from the importing and exporting countries because these species are listed under CITES. Please refer to www.sfa.gov.sg for more information.

8) Upon import, SFA reserves the right to inspect any imported consignment of fish and fish products. High-risk products such as frozen blood cockle meat, frozen cooked prawns, frozen raw/cooked crabmeat and frozen oysters are subject to mandatory inspections by SFA before sale. These products will be placed on a “hold and test” pending the outcome of the laboratory analysis.

USEFUL LINKS

- [Customs Singapore](#)
- [Singapore Food Manufacturers' Association](#)
- [Seafood Industry Association, Singapore](#)
- [Singapore Fish Merchants General Association](#)
- [Institution of Aquaculture Singapore](#)

- **Manual of Importing Country Requirements (Micor)** is a resource for exporters of Australian agricultural products. When exporting agricultural products from Australia, exporters must comply with the **Export Control Act 2020** and associated legislation and the importing countries' requirements.

Singapore Fishery Ports

Singapore has two fishery ports: the Jurong Fishery Port (JFP) and the Senoko Fishery Port (SFP).

JFP is an international port for foreign vessels to land their fish catch. It is also a marketing and distribution centre handling more than 50,000 tonnes of fish a year, comprised largely of fresh fish landed by foreign vessels as well as those imported by **air** and **road**.

The fish sold at JFP are imported from the following sources:

- by sea from Indonesia
- by land from Malaysia
- by air from Australia, Bangladesh, China, India, Myanmar, Taiwan and Vietnam
- frozen tuna is also transhipped through the JFP

JFP has a 9,000sqm wholesale fish market which is host to 110 market lots. There are about 103 SFA fish merchants that conduct wholesale fish business at JFP. Some 2,000 to 3,000 fish retailers, fish processors and institutional buyers shop at this market daily. The price of fish is dependent on supply and demand, type, size and freshness.

The species of fish sold are:

- Prawn
- Red Snapper
- Crab
- Grouper
- Lobster
- Threadfin
- Finfish
- Horse Mackerel
- Sea Bream
- Squid
- Spanish Mackerel
- Pomfret
- Gold-Banded Scad
- Mackerel

SFP began its operations in September 1997. A home base for local fishing fleet is comprised of 4 off-shore, 35 in-shore vessels. There are 25 SFA-licensed fish merchants based at SFP, handling 15,000 tonnes of fish a year.

USEFUL LINKS

- [Singapore Food Agency -Fishery Port Services](#)

Distributor

ROLES & RESPONSIBILITIES

DISTRIBUTOR

- Purchases product from exporter
- May organise ocean transportation & insurance
- Clears customs and pays any duties applicable
- Warehouses, stores and dispatches stock
- Getting paid: payment terms & deductions
- Sales and marketing services
- Can specialise in foodservice or retail

KEY DISTRIBUTORS

Note these distributors may not specialise in seafood



MARGIN STRUCTURE



It is important that exporters take the adjacent indicative margins as a guide only. There are many conditions attached to trading terms and because they can be a crucial element of success, they need to be strategically negotiated.

The Retail Channel

OVERVIEW

- According to the Seafish Association's Singapore Export Guide, the retail channel in Singapore's context comprises of supermarkets, wet markets, specialty stores, mini-marts and petrol kiosks, as well as online delivery.
- Major Singaporean retailers buy their seafood products from local importers/distributors.
- Larger retailers and hypermarkets also procure directly from wholesalers.
- Many retailers also have their own warehousing facilities to handle a wide range of perishables.
- Intermediary wholesalers distribute to wet markets, hawkers and small neighbourhood stores.
- Singaporeans typically purchase their fresh/chilled and frozen fish from supermarkets or wet markets. Wet markets are generally the choice for older consumers whilst supermarkets are popular amongst the young and middle-aged Singaporeans.

RETAIL MARGIN STRUCTURE



The margin structure of the various supply chain partners is highly dependent on many factors including, but not limited to, the level of service offered and if freight is included.

Margins also vary based on some of the following:

- Chilled and frozen carry bigger margins, chilled the highest
- The value and uniqueness of the product (the margin % is less for higher-value products)
- The size of the order
- The size of the customer
- The retailer trading terms
- The level of marketing support

KEY PLAYERS



FISH & SEAFOOD CATEGORY TRENDS

- Singaporeans are a major consumer of seafood, consuming some 22kg per capita yearly; this is higher than the average global consumption of 20kg. Seafood is also widely available in the Singapore food scene.
- Consumers in Singapore have become increasingly health-conscious over the review period (2016- '21); across fish and seafood, Singaporeans are noted to prefer fresh seafood owing to its natural taste and absence of preservatives and additives.
- Processed seafood players are expected to invest heavily in new product development over the forecast period (2021 - '26) in order to set themselves apart from their fresh counterparts.
- For many consumers, the key driver for purchasing processed seafood is the convenience of knowing that the fish has already been cleaned and/or gutted. For most processed seafood market players, reinforcing this convenience factor will be a key growth factor.
- Dried, salted and smoked fish and seafood are widely available through a range of channels from high-end outlets to low-end food stalls.

The E-Commerce Channel

E-COMMERCE TRENDS

- Marketplace platforms such as Lazada, Shopee, and Qoo10 are seeing significant growth as consumers and business owners see the benefits of e-commerce marketplaces. As a result, these platforms are increasingly establishing partnerships with larger brands.
- In recent years, more and more brands have tried to transition to purely online retailing due to low costs and convenience. However, Singaporean consumers still prefer to view their products physically before deciding whether or not to purchase.
- Heightened interest in foreign goods has e-commerce retailers responding to demand by increasing products imported from neighbouring countries. Shopee has set up a dedicated Chinese marketplace while Ryan's Grocery and Little Farms primarily sell Australian products to customers looking for high-quality food and beverage products.
- Lazada RedMart and Shopee S-Mart dominate as the most popular food and beverage e-tailers in Singapore, finding particular success via their app platforms. RedMart has experienced significant growth since its emergence as Singapore's first online supermarket in 2011.
- Post-pandemic, most retailers have adopted e-commerce strategies, especially since the pandemic has highlighted the importance of an omnichannel experience for consumers.

KEY PLAYERS



The Foodservice Channel

OVERVIEW

Food & beverage services comprise establishments engaged in the sale of prepared food and drinks for immediate consumption. The various types of food and beverage services in Singapore are:

- Restaurants
- Fast food restaurants
- Food caterers
- Ship chandlers
- Airport catering
- Armed forces
- Others
- Cafes, coffee houses and snack bars

FOODSERVICE TRENDS

- Singapore's foodservice sector is facing unprecedented uncertainty on the back of the coronavirus pandemic and changing consumer preferences. Over the forecast period, this situation is expected to shift positively.
- Due to its focus on providing convenient and value-for-money meals while traditionally being more focused on delivery and less reliant on dine-in operations, limited-service restaurants have remained the most resilient foodservice industry.
- Fine dining establishments, which were among the most impacted, were fast to reinvent themselves and develop takeaway and delivery models, bringing fine dining experiences to consumers' homes.
- Full-service restaurant chains in Singapore, such as the TungLok Group and Din Tai Fung, have responded by providing frozen versions of their most popular dishes for home consumption. Consumers can order frozen food online or at the relevant brand's restaurant outlets across the island, depending on the brand. Even when the economy recovers in the near to medium term, such products are expected to be popular among customers.
- Seafood is widely available within the Singapore food scene, through food courts, restaurants, stalls and international dining establishments.
- Through food service, there is a demand for live, fresh/chilled, and frozen seafood. Premium outlets prefer live, fresh/chilled fish and shellfish. Western fine dining restaurants aim to offer fresh/chilled seafood as much as possible. Mid-range foodservice outlets tend to offer frozen products.

- Fish, prawns and crab are amongst the most popular seafood varieties in Singapore. Salmon, lobsters and abalone are also well-liked but tend to be consumed more at high-end and premium restaurants.

FULL-SERVICE RESTAURANTS



Appendix

APPENDIX A - INCOTERMS CHART

Types of Transport	Any Mode or Modes of Transport		Sea and Inland Waterway Only				Any Mode or Modes of Transport				
INCOTERMS 2020	EXW	FCA	FAS	FOB	CFR	CIF	CPT	CIP	DAP	DPU	DDP
Transfer of Risk	At Buyer's Disposal	On Buyer's Transport	Alongside Ship	On Board Vessel	On Board Vessel	On Board Vessel	At Carrier	At Carrier	At Named Place	At Named Place Unloaded	At Named Place
Responsibilities & Charges											
Export Packaging	SELLER	SELLER	SELLER	SELLER	SELLER	SELLER	SELLER	SELLER	SELLER	SELLER	SELLER
Loading Charges	BUYER	SELLER	SELLER	SELLER	SELLER	SELLER	SELLER	SELLER	SELLER	SELLER	SELLER
Delivery to Port/Place	BUYER	SELLER	SELLER	SELLER	SELLER	SELLER	SELLER	SELLER	SELLER	SELLER	SELLER
Export Duty, Taxes & Customs Clearance	BUYER	SELLER	SELLER	SELLER	SELLER	SELLER	SELLER	SELLER	SELLER	SELLER	SELLER
Origin Terminal Handling Charges	BUYER	BUYER	SELLER	SELLER	SELLER	SELLER	SELLER	SELLER	SELLER	SELLER	SELLER
Loading on Carriage	BUYER	BUYER	BUYER	SELLER	SELLER	SELLER	SELLER	SELLER	SELLER	SELLER	SELLER
Freight Charges	BUYER	BUYER	BUYER	BUYER	SELLER	SELLER	SELLER	SELLER	SELLER	SELLER	SELLER
Insurance	Negotiable	Negotiable	Negotiable	Negotiable	Negotiable	SELLER	Negotiable	SELLER	Negotiable	Negotiable	Negotiable
Destination Terminal Handling Charges	BUYER	BUYER	BUYER	BUYER	BUYER	BUYER	SELLER	SELLER	SELLER	SELLER	SELLER
Delivery to Destination	BUYER	BUYER	BUYER	BUYER	BUYER	BUYER	BUYER	BUYER	SELLER	SELLER	SELLER
Unloading at Destination	BUYER	BUYER	BUYER	BUYER	BUYER	BUYER	BUYER	BUYER	BUYER	SELLER	BUYER
Import Duty, Taxes & Customs Clearance	BUYER	BUYER	BUYER	BUYER	BUYER	BUYER	BUYER	BUYER	BUYER	BUYER	SELLER

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