

Export Market Development Guidebook

Abalone – HS Code (030781, 030783, 030787, 030789) in
Singapore
June 2021

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Australian Government
Australian Trade and Investment Commission



Euromonitor
Consulting

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Introduction

Project Background & Objectives

In December 2020, Austrade was allocated AUD42.9 million in funding to boost its support for Australian agri-food exporters.

Austrade focuses its services primarily on impact and reach. As part of its services, Austrade aims to increase assistance to an additional 2,000 agri-food exporters each year, as well as work with industry bodies to deliver specific advice to exporters about opportunities in existing and new markets.

Euromonitor International is collaborating with Austrade in delivering such services via the provision of enhanced market intelligence reports that help Australian exporters make informed decisions.

The key objectives of the research are as follows:

- Understanding market volume and dynamics
- Evaluating the role played by local production versus trade
- Assessing the different channel/customer preferences and the wider implications these have for demand for Australian products
- Understanding the distribution landscape in terms of the key players operating within the different channels
- Understanding pricing dynamics across different channels and their impact on demand for Australian products
- Evaluating the competitive environment to assess Australian products' positioning
- Assessing import and trade regulations

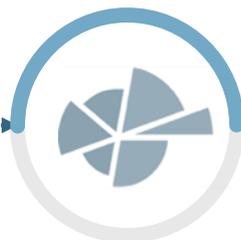
Overview of the research methodology implemented

PROJECT ALIGNMENT & KICK-OFF



- Project alignment discussion on processes, objectives, goals, communication responsibilities/frequency, reporting needs and timeline
- Knowledge transfer

TEMPLATE PRODUCTION AND DATABASE ACCESS



- Development of research templates and an initial draft reporting template
- Central sweep of publicly available sources, including **governmental and quasi-governmental sources**, as well as **trade associations, industry publications and analyst groups** tracking agricultural trade and market conditions

PRIMARY RESEARCH & TRADE DATA COLLECTION



- **Trade data extraction**
 - Retail audits to understand distribution landscape (six stores in one key city)
 - **Discussions with key players** including, but not limited to importers, distributors, retailers, and industry associations
- N = 6 interviews

ANALYSIS & REPORTING



- **Triangulation of results** to create a consensus output
- Multi-layer **quality control**
- **Delivery of the final report** (including the presentation pack, ie a highly visual executive summary of key findings)
- Austrade review, commentary, and report refinement and finalisation

List of stores audited and companies interviewed in Singapore

For the purpose of this research, Euromonitor International conducted detailed store audits in May – June 2021 and trade interviews with the following companies:



Stores Audited in Singapore

FairPrice Finest, supermarket

Sheng Siong, supermarket

FairPrice Online, supermarket (e-commerce)

Allforyou, supermarket (e-commerce)

The Seafood Company, seafood retailer (e-commerce)

Hockhua Tonic, Traditional Chinese Medicine retailer (e-commerce)



In-Depth Trade Interviews Conducted

Allswell Marketing Pte Ltd, specialised seafood distributor/importer/retailer

Evergreen Seafood Pte Ltd, specialised seafood distributor/importer/retailer

ZTP Gingseng Birdnest Pte Ltd, Traditional Chinese Medicine retailer

Hockhua Tonic Pte Ltd, Traditional Chinese Medicine retailer

Sunxion Seafood Pte Ltd, specialised seafood distributor/importer/retailer

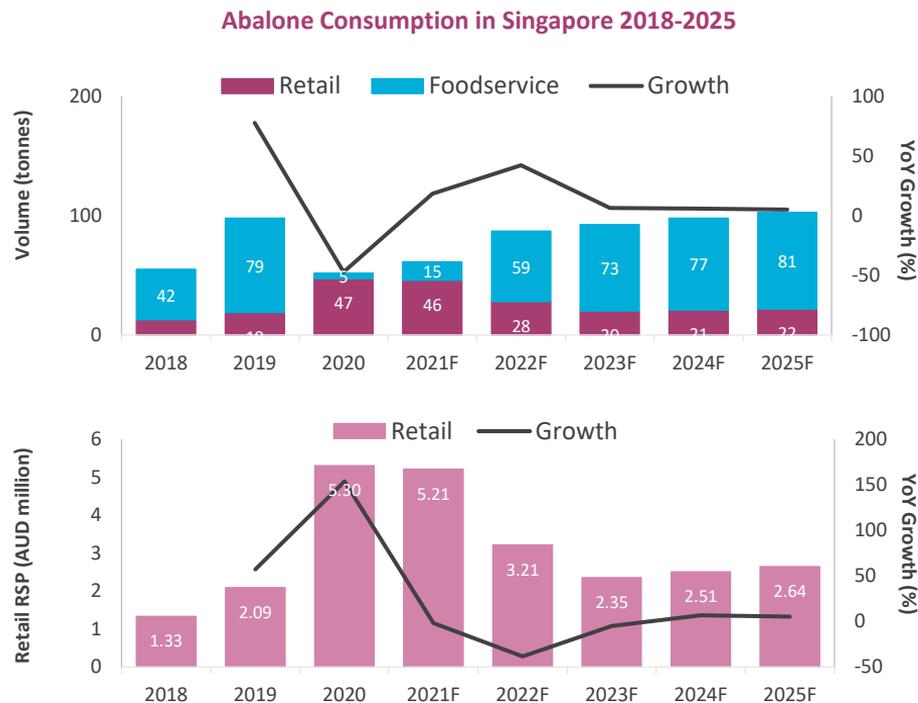
Independent Traditional Chinese Medicine retailer

Market Volumes and Dynamics

COVID-19 and government measures to fight the pandemic not only led to a significant drop in consumption in 2020, but also changed the split between retail and foodservice significantly. As a result of strict lockdown measures, dine-in restrictions and the absence of tourists from China and Hong Kong, foodservice sales plummeted.

However, retail consumption spiked, as consumers still wished to enjoy seafood at home during the lockdown, especially at family feasts and festivities.

Due to the lockdown, retail sales led growth in abalone consumption in 2020 and 2021, while foodservice sales are otherwise dominant



Source: Euromonitor International estimates as per trade interviews

Note: Abalone covers HS Codes 030781, 030783, 030787 and 030789. "Others" is the aggregation of consumption across the food processing sector and the institutional channel.



Abalone

Total consumption: 51.7 tonnes, 2020

- Due to the **COVID-19 pandemic**, lockdown measures were put in place by the Singapore government in 2020, **restricting dining-in for all foodservice outlets, causing some of them to close temporarily.**
- As a result, foodservice sales plummeted, while retail increased its share. As the vaccination rate in Singapore steadily increases and tourists start to return, **foodservice outlets are expected gradually to return to their full operating capacity over the forecast period, inviting more customers back.**
- **Retail sales of abalone spiked in 2020 and 2021**, as consumers still wished to enjoy seafood at home during the lockdown.
- **Especially during the Chinese (Lunar) New Year, abalone sales are considered a must and part of traditional dishes.** The increase in **varieties of canned abalone**, such as abalone in collagen broth (compared to the standard abalone in brine), has sparked consumer interest.
- Domestic consumption is expected to remain dependent on imports as there is no commercial production of abalones in Singapore.

Local Production Dynamics

Local production of abalone is essentially non-existent, as the domestic seafood industry is still in its infancy. It is unlikely that this will change in the short term, as local aquaculture farmers currently lack the expertise and technology to compete with other countries.

Abalones are unlikely to benefit from an uptake in local seafood production, as the country currently lacks the expertise to compete with other source markets

- Local production of abalone is essentially **non-existent**, as the domestic seafood industry is still in its infancy. Local marine aquaculture farms – which account for 9% of overall seafood consumption – currently lack the expertise and technology to compete with other countries, and most local consumers regard **Singaporean seafood as a low-quality option**.
- Broad government support programs under the “30 by 30” umbrella, and growing expertise is likely to strengthen the share of Singaporean seafood over the period to 2025; however, **significant uptake of local abalone production remains unlikely**.
- **Imported abalone** are sold and bought as a **premium product for special occasions, and are likely to remain dominant** unless there is a significant shift in the perception of local seafood from being inferior to being of at least equal quality to imported products.
- **Local retailers and distributors** do, however, sometimes undertake freezing or drying operations for (imported) abalones in-house.



Abalone

Production CAGR, 2021-2025:
0.0%



Image source: www.laobanniang.com.sg

Trade Dynamics

Abalone imports dropped in 2020, due to travel and foodservice restrictions reducing demand. The industry is, however, expected to recover in line with growing tourism numbers and a return to normal for the foodservice industry. Growth in demand will be met by imports.

Singapore remains an open economy and encourages trade and investment in the country, although it has stringent food import protocols



Source: Euromonitor International estimates as per UN Comtrade and Trade Map statistics, trade interviews, secondary research

Note: Abalone covers HS Codes 030781, 030783, 030787 and 030789.

Import and export forecasts are made without extensively analysing trade and non-trade barriers. The forecasts are based on historic performance and prospects for local production as gathered from trade discussions.



Abalone

13.0% CAGR Imports, 2021-2025
2.8% CAGR Exports, 2021-2025

- Abalone production in Singapore is **non-existent**, thus abalone consumption in the country is supplied by imported products. Singapore remains an **open economy and encourages foreign trade**, evidenced by the **absence of any significant trade barriers** and numerous trade agreements.
- Abalone imports **dropped in 2020**, owing to **supply chain disruption and a drop in demand of more than 45% compared to 2019**, partly due to travel (tourists are an important consumer group) and foodservice restrictions imposed by the Singapore government.
- Growth is expected to resume from 2021 onwards**, as global vaccination rates increases and borders reopen, allowing **tourists to enter Singapore** and **foodservice outlets to operate as normal**. Demand for abalone products is expected to return to pre-pandemic levels over the forecast period.

The largest producers of abalone in the world dominate exports to Singapore

China

62 tonnes (59.6%), 227.2% Growth 2018-2019

AUD1.7 million (30.8%), 62.9% Growth 2018-2019

- China has the **largest abalone farms** and is the **leading abalone producer in the world**. However, they **require a high minimum order quantity (MOQ)** which is often a deterrent for local distributors.
- China uses Singapore as a transit hub, with many **abalone imports being re-exported** rather than distributed on the local market.

Australia

14 tonnes (13.2%), -42.7% Growth 2018-2019

AUD1.5 million (26.8%), -5.8% Growth 2018-2019

- Australia is the **third leading abalone producer** in the world (behind China and South Korea) and Australian abalones continue to be **especially popular** in Singapore given their **reputation for high quality and tasty flesh**.
- Australian **wild-caught abalone continue to be in high demand** in Singapore.

South Korea

8 tonnes (7.7%), 136.4% Growth 2018-2019

AUD0.4 million (7.1%), 119.9% Growth 2018-2019

- South Korea is the **second leading abalone producer in the world**, behind China. In recent years, South Korea has gained international **recognition, as abalone farms have begun to be certified for their sustainable farming** standards by the Aquaculture Stewardship Council, an independent not-for-profit initiative of the World Wide Fund for Nature (WWF).

Japan

6 tonnes (5.5%), 9.7% Growth 2018-2019

AUD1.0 million (18.5%), -18.7% Growth 2018-2019

- Japanese abalone (also known as awabi) is a **highly sought-after product** around the world; however, the **Japanese abalone industry is shrinking due to falling supply levels owing to illegal poaching**.
- The presence of live Japanese abalone is minimal in Singapore.



“Australian abalone continue to be among the best in the market right now. Due to the Australia-China trade war, the prices of some of their seafood products, such as abalone has dropped, allowing us to purchase them and distribute them in Singapore.”

- Owner and founder of Evergreen Seafood

“Among the older generation of Chinese consumers, Australian canned abalone is still their preferred choice, due to its reputation. They still come in looking for Australian abalone, even though abalones from other countries are cheaper.”

- Store supervisor at Hockhua Tonic



Australian abalone remains one of the leading choices among consumers in Singapore. Chinese consumers remain the largest target group, and consumers in the older generations tend to prefer Australian abalone due to its long-standing reputation of being the best in the market.

Channel and Consumer Preferences

Canned abalone is sold widely in supermarkets, neighbourhood retailers and TCM halls. Live abalone are sold throughout the year exclusively by seafood specialists in Singapore. Dried abalones can be found in selected TCM halls located in Chinatown in Singapore.

Consumer demand typically spikes during the Lunar New Year period, due to reunion dinners and celebratory feasts.

Abalone consumption in Singapore is driven by the migration of ultra-rich Chinese families, Lunar New Year reunion dinners and its health benefits

Higher demand during Lunar New Year

Image source: Darren Bloggie



Reunion dinners during Lunar New Year are not complete without an abalone dish

Demand for abalones **spikes during the Chinese/Lunar New Year**, as braised abalone with sea cucumber and poon choi is traditionally served during family reunion dinners. **Large families will often buy live abalones**, while **younger consumers prefer canned versions**, as they are easy to prepare.

Migration of wealthy Chinese families

As abalone is **seen as a symbol of luxury in Chinese culture**, like caviar or truffles in Western culture, the influx of wealthy Chinese families has increased demand for imported abalones in Singapore.

Due to the COVID-19 pandemic, many wealthy families have migrated from China to Singapore, as it is viewed as a "safe haven". This is made possible through the **Global Investor Program (GIP) by the Enterprise Development Board of Singapore (EDB)**.

Image source: The Straits Times



The Global Investor Program (GIP) opened direct pathways to residency for many wealthy Chinese families

"Four treasures of the sea"

Image source: Euromonitor International store check in May 2021



For the Chinese, **abalone is considered one of the "four treasures of the sea"** and is often seen as an ingredient that helps to **nourish the body**. It is an excellent source of many vital nutrients and is believed to relieve dry coughs, nourish the liver and promote eye health.

Many Chinese thus purchase abalone frequently for their family as a form of nourishment.

The Australian origin of abalones is usually prominently featured as a sign of quality across formats and retail channels

Supermarkets/Hypermarkets

Seafood Retailers

Traditional Chinese Medicine (TCM) Halls

Product Offer

- Abalone sold in supermarkets/hypermarkets are mostly offered in **400-460g (net weight) cans** and as **frozen varieties (plastic pouch: 250-300g)**.
- Key product types on offer include **standard, wild, baby, farmed and braised abalone (canned)** and smaller quantities of **sliced frozen** abalone. Australian products are prominently featured by **most leading brands and advertised as “Australian abalone”**.
- Private label brands** (eg NTUC FairPrice: Golden Chef) are commonly found in large outlets alongside leading brands like Skylight and New Moon.

- Seafood retailers sell mainly **live (unbranded) abalone on their premises and through online stores**. Products are **differentiated by country of origin**. The most popular offerings are **South Korean abalone**, as they offer **good quality and affordable pricing**.
- Live abalone sold through seafood specialists weigh **100-120g and are sold on a per piece basis**.
- Australian abalone is not prominently featured by seafood retailers, due to high pricing, but can be ordered on demand (minimum order quantity)**.

- Presentation, formats and brand portfolios of canned abalone** (including Australian abalone) in TCM halls are **similar to portfolios sold in supermarkets/hypermarkets**; however leading TCM chains have developed their own **private label** offer (eg Hockhua Tonic: Tiger King).
- TCM halls additionally **offer abalones as part of a gift set** with processed bird nest in a box.
- Some TCM halls also offer **dried abalone** (usually from either China or Australia).

Australian Brands' Positioning

- Australian abalones are **perceived as a higher end product** compared to abalones from South Korea or South Africa (also featuring a higher price point). Price and perception is **comparable to** products from **New Zealand**, while abalones from **Mexico are considered the most premium** and expensive.

- Australian live abalone are marketed as **premium**, and feature **very high unit prices**.
- Consumers usually have to order minimum quantities (often **specifically asking for Australian abalone for special occasions**), as retailers do not want to risk wastage through unsold stock.

- Australian abalone are the most popular variants** in this channel, as they have a **reputation of being delicious and of higher quality** among the older generation of Singaporeans (an important target group of TCM halls). A close **competitor** is abalone from **New Zealand**.

Abalones are usually displayed in a separate cabinet near the counter, underlining the premium position of the product and allowing for easy consultation

Supermarkets/Hypermarkets

Seafood Retailers

Traditional Chinese Medicine (TCM) Halls

Shelf Space/Marketing

- Canned abalones are usually **placed separately in a display cabinet** that is **close to the main checkout** or behind a customer service counter.
- **Private label products are prominently featured**, with a large number of facings compared to other brands.
- **Small discounts** on canned abalone are often offered online.

- Live abalones are placed in **large sized tanks** with circulating cold water and an oxygen pump. They are often **placed near the entrance of the store to catch the attention of customers**.
- **In-store posters** sometimes advertise special offers (eg “Jade Tiger Abalone Australia”).
- Retailer descriptions on websites, as well as sales personnel, typically **emphasise the healthy nature** of the product.

- **Canned abalones are usually displayed near the entrance** and are located **near the counter or where an employee is usually stationed to help with any enquiries**.
- **Australian and New Zealand abalone have a larger number of facings** than South Korean and Japanese abalone. **The healthy nature of the product is a major selling point**.

Procurement

- As supermarkets/hypermarkets are large enterprises, they have invested heavily in vertically integrated supply chains, allowing them to control **the entire supply chain**, from importing to retailing the canned abalones, **without the help of any third party importer/distributor**.
- **Frozen abalone** are often procured through one of the seafood retailers/distributors.

- Seafood retailers usually **import themselves and deal with overseas suppliers directly** to ensure quality and acceptable profit margins.
- Most seafood retailers procure only live abalones.
- All live abalones are **flown in through Changi airport** and displayed directly in large-sized tanks.
- Damaged content will be frozen and either sold in-store or to supermarkets/hypermarkets. Some are sold to TCM halls to be dried.

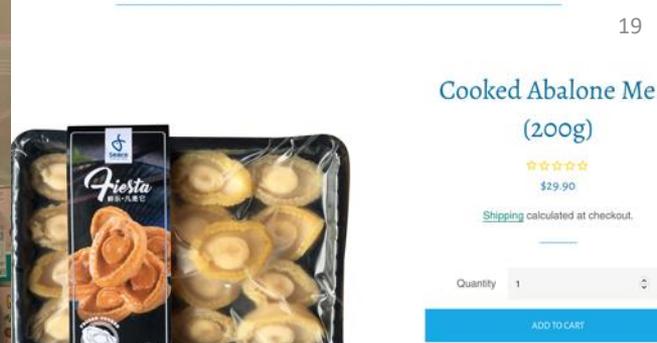
- Canned abalone are manufactured and packaged in the country of origin and then exported to Singapore.
- TCM halls **either undertake import procedures themselves** (large chains), or make use of **brand-specific distributors**.
- In rare cases, TCM halls will procure smaller quantities through the Jurong fishery port’s wholesale market.
- **Drying procedures** (declining in line with demand) are **often done centrally by TCM halls themselves**, after receiving abalones from seafood retailers.



Australian live Jade Tiger abalone are placed in a large-sized tank near the entrance of the seafood retail store.



The most common form of packaging for abalones in Singapore is tin cans, and the most common pack size is 425g (net weight).



Australian abalone can also be packaged and blast-frozen by seafood retailers and distributed to supermarkets or sold to consumers directly.



LIVE ABALONE

Live Abalone 活鲍鱼 (Premium L-size: 100-120g)

Live abalone is tender, succulent with a delicate taste. It takes on flavor making it one of the most versatile seafood to cook. It can either be steamed for a few hours at a low temperature or cooked briefly for a few mins at a high temperature.

Fresh and live abalone is a must-have delicacy during Chinese New Year. Now buy this luxury CNY seafood all year round from us!

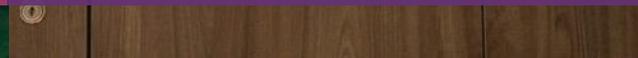
How to Cook Live Abalone

Steamed abalone (5 mins), hotpot, abalone sashimi, abalone carpaccio, abalone, Korean abalone porridge, pan roasted, braised, grilled, fried

How to Cook Live Abalone (5 mins)



On seafood retailer websites, there are often instructions provided on how to prepare and cook live abalone for consumption.



Abalone in retail stores are usually placed in display cabinets, behind the customer service counter or manned by employees.



There has been a rising trend of many varieties of canned abalone in recent years, such as Korean Abalone with Ginseng or Japanese Amidori Abalone in Collagen Broth.

Fine-dining restaurants are driving demand for abalone, due to a cultural appreciation of the product among Singaporeans and a tradition of including abalone in celebratory dinners

Chinese birthday milestones

Image source: The Straits Times



Note: Please add picture legend

The **60th birthday of a Chinese person is considered an important milestone in life** and is often accompanied by a **big celebration**. After that, a celebration is held **every 10 years**, with each bigger than the previous one.

The celebrations are **often held in hotels or restaurants**, and **usually include an abalone dish as a form of nourishment for the older guests**.

Lunar New Year exclusive menus

During the **Lunar New Year, exclusive menus will be offered by restaurants to attract diners**. Such menus can range in price from SGD238 to SGD888 for a 10 course dinner.

One of the dishes that is commonly eaten is **poon choi**, which is a **Cantonese-style “prosperity pot”**, containing abalone. Preparation can take up to three hours, thus **consumers tend to go to restaurants to enjoy such dishes rather than try to prepare them themselves**.

Image source: hk.asiatatler.com



Poon choi (also known as pen cai) is a Cantonese-style dish, with many ingredients including braised abalone

Increasing number of restaurants in Michelin Guide

Image source: Summer Palace, Regent Hotel Singapore



Summer Palace, a Michelin-starred Cantonese restaurant located in Regent Hotel Singapore

In recent years, there has been an **increase in the number of restaurants in Singapore being included in the Michelin Guide**, an iconic dining guide. Some of the restaurants have even received one Michelin star for their high-quality cooking and service.

Most of these fine dining restaurants serve **abalone dishes**, for example **Braised Premium Australian “Tang Xin” Abalone in Supreme Oyster Sauce** at Summer Palace.

Australian abalone continues to be the preferred choice among foodservice consumers, despite its premium price point

Seafood Restaurants

Product Preferences

- In seafood restaurants, both **live and canned abalone** are used, depending on the **dishes** that are offered. In general, **live abalone are used for soups** and **canned abalones are used for braised dishes**. Most restaurants have **water tanks to store all live seafood**. Some seafood restaurants purchase **farm-bred live abalones instead**. All live abalone is flown in via Changi airport.
- **Live South Korean abalone is particularly popular among seafood restaurants** in Singapore, due to its lower unit prices, while **Australian and New Zealand abalone** dominate within the **canned format**.

Australian Brands' Positioning

- Australian abalone is known to be premium by consumers in Singapore, with **some customers requesting their dishes to be cooked with Australian abalone**. However, this is highly dependent on the **purchasing power of the consumer, as Australian abalone is more expensive** than abalone from other countries.

Asian Restaurants

- **Restaurants without live tanks usually serve canned or dried abalone**, as fresh abalones are highly perishable and should be consumed the same day. Furthermore, **storing live abalone requires meticulous handling**, such as monitoring of the water quality in the tanks and ensuring adequate levels of dissolved oxygen.
- **South African abalone are highly sought after in Asian restaurants** as they offer the best **compromise between quality and price**. They are **larger** in size than other abalones and have a **distinct flavour and fragrance**. **Japanese and Australian abalone are also very popular**.

- Australian abalone is **lighter in colour and smoother in texture, while also being appreciated for their tender meat**. It is considered as **among the most premium compared to those from other countries**, owing to the pristine marine environment in the cold waters off the coast of Australia. **The most popular variants are wild-caught green, brown and black lip abalones**.

Canned and live abalone are sourced from trusted local importers and distributors in Singapore

Seafood Restaurants

Procurement

- Seafood restaurants often purchase their seafood from **trusted seafood retailers (which also function as distributors) in Singapore**. However, some of the **larger seafood restaurant chains**, such as JUMBO, have **vertically integrated their supply chains and removed intermediaries from them**.
- **Canned abalones** are purchased from **trusted distributors, such as Goh Joo Hin Pte Ltd (New Moon) and Kwang Yeow Heng Pte Ltd (Skylight)**

Asian Restaurants

- **Most Asian restaurants purchase canned abalones from trusted distributors, such as Goh Joo Hin Pte Ltd (New Moon) or Kwang Yeow Heng Pte Ltd (Skylight)**. The leading countries of origin for canned abalone include South Africa, South Korea, Australia and New Zealand.
- **Some higher end Asian restaurants purchase live abalone, depending on availability, and if the restaurant possesses adequate equipment to store live abalones**. Live abalones are **procured from local importers and distributors**.

Distribution

Singapore is home to many large supermarket chains, which account for the majority of canned abalone sales



FairPrice

(NTUC FairPrice Co-operative Pte Ltd)

Supermarket/hypermarket
(including e-commerce)

Contact:

1 Joo Koon Circle
#13-01
FairPrice Hub
Singapore 629117

Tel: (+65) 6888 1888
Fax: (+65) 6397 4001

Sheng Siong

(Sheng Siong Group Ltd)

Supermarket/hypermarket
(including e-commerce)

Contact:

6 Mandai Link
Singapore 728652

Tel: (+65) 6895 1888
Fax: (+65) 6269 8265

Cold Storage

(Cold Storage Singapore Pte Ltd)
(Dairy Farm International Holdings Ltd)

Supermarket/hypermarket
(including e-commerce)

Contact:

21 Tampines North Drive 2
#03-01
Singapore 528765

Tel: (+65) 6891 8000
Fax: (+65) 6784 3623

Haomart

(Hao Mart Pte Ltd)

Supermarket/hypermarket
(including e-commerce)

Contact:

25 Changi South Street 1
SB Building
Singapore 486059

Tel: (+65) 6238 8882

Traditional retailers remain the go-to place for the older generation, as they are more trusted than supermarkets



ZTP

(ZTP Ginseng Birdnest Pte Ltd)

Traditional Chinese Medicine

Contact:

28 Tuas Avenue 12
Singapore 639043

Tel: (+65) 6316 1215
Fax: (+65) 6569 7682

Hockhua Tonic

(Hockhua Group Pte Ltd)

Traditional Chinese Medicine

Contact:

6 Ang Mo Kio Industrial Park 2
Singapore 569499

Tel: (+65) 6482 6006
Fax: (+65) 6672 5818

Sunxion Seafood

(Sunxion Seafood Pte Ltd)

Specialised seafood retailer

Contact:

24 Seletar West Farmway 2
Singapore 798101

Tel: (+65) 9181 5882

Evergreen Seafood

(Evergreen Seafood Pte Ltd)

Specialised seafood retailer

Contact:

94E Jalan Senang
Singapore 418472

Tel: (+65) 6582 0111

Seafood restaurant chains remain the largest foodservice buyers for both live and canned abalone



JUMBO Seafood

(JUMBO Group Pte Ltd)

Foodservice restaurant chain

Contact:

4 Kaki Bukit Avenue 1
#03-08
Kaki Bukit Industrial Estate
Singapore 417939

Tel: (+65) 6265 8626
Fax: (+65) 6749 4955

Tung Lok Seafood

(Tung Lok Group Pte Ltd)

Foodservice restaurant chain

Contact:

26 Tai Seng Street
#02-01
Singapore 534057

Tel: (+65) 6270 7998
Fax: (+65) 6272 7120

Long Beach Seafood

(Long Beach Seafood Pte Ltd)

Foodservice restaurant chain

Contact:

60 Paya Lebar Road
#06-29
Paya Lebar Square
Singapore 409051

Tel: (+65) 6338 9398
Fax: (+65) 6338 6398

No Signboard Seafood

(No Signboard Holdings Ltd)

Foodservice restaurant chain

Contact:

10 Ubi Crescent
#03-02
Ubi Techpark, Lobby A
Singapore 408564

Tel: (+65) 6749 9959

Goh Joo Hin Pte Ltd owns the leading abalone brand in Singapore – New Moon

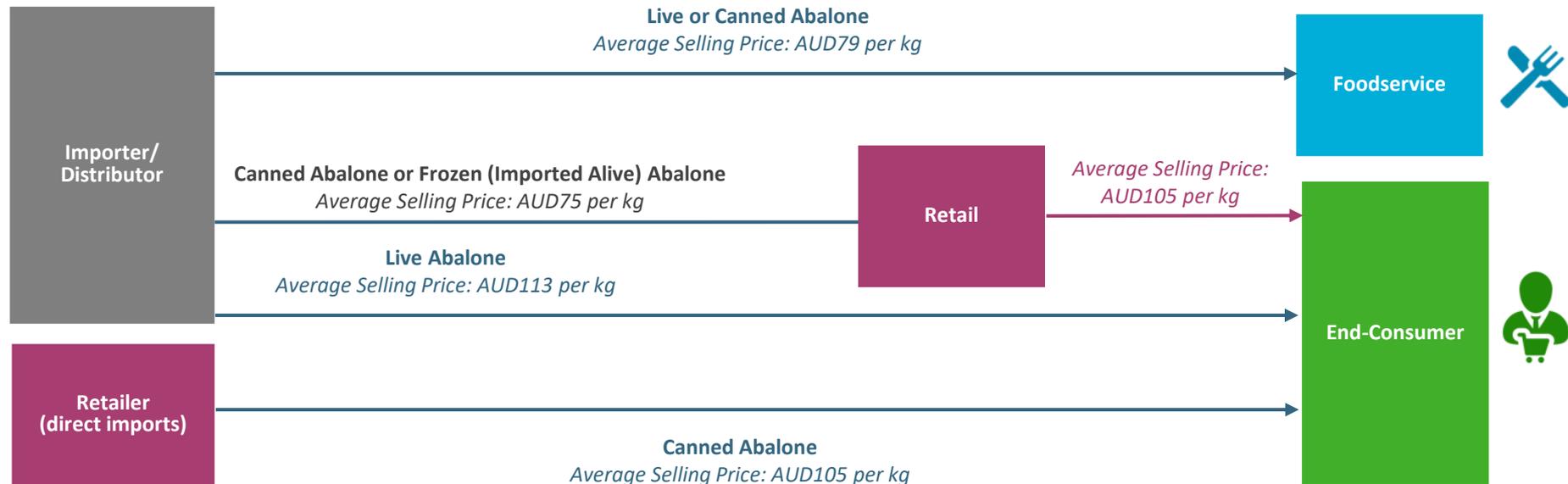
Company	Type	Contact Details	Website
Goh Joo Hin Pte Ltd (New Moon)	Importer and distributor	8 Gul Avenue, Singapore 629652 Tel: +65 6479 1900	http://www.gjh.com.sg/main.aspx
Sin Ocean Pte Ltd	Importer and distributor	Victoria Wholesale Centre, #01-05/06 101 Kallang Avenue, Singapore 339508 Tel: +65 6299 4303	https://www.sinoceanpteltd.com.sg/
Allswell Marketing Pte Ltd (The Ocean Mart)	Importer, distributor and retailer	670 Geylang Road, Singapore 389597 Tel: +65 6745 1123	http://www.allswell.sg/index.asp https://theoceanmart.com/
Evergreen Seafood Pte Ltd	Importer, distributor and retailer	94E Jalan Senang, Singapore 418472 Tel: +65 6582 0111	https://www.evergreenseafood.com.sg/

Pricing

In 2020, the average selling price through retail stood at AUD107, while prices were 10-15% lower for foodservice outlets when ordered in bulk.

Most abalone are imported directly by retailers, with leading seafood specialists usually functioning as the retail arm of larger distributors/importers

Imported Products Supply Chain



Source: Euromonitor International estimates as per trade interviews

Note: Please note that average selling prices includes tariffs and local taxes like retail taxes.

Australian abalone are generally priced slightly higher than the average retail prices of products from other countries

Supermarkets/Hypermarkets

Seafood Retailers

Traditional Chinese Medicine (TCM) Halls

Price Competition

- The retail prices of abalone in supermarkets, depending on brand and country of origin, are between **AUD38 and AUD396 per kg**, with most in the range **AUD105-110 per kg**.
- **Mexican abalone under the Calmex brand** is the most premium abalone on the market, and prices can be as high as **AUD396 per kg**.

- The retail price of abalone (mostly live and unbranded) among seafood retailers depends solely on the country of origin, and ranges between **AUD51 and AUD165 per kg**, with an average of around **AUD105-110 per kg**.
- As Mexican live abalone are not widely sold by seafood retailers, **frozen Australian abalone sold by Seaco are priced the highest, at AUD165 per kg**.

- The retail prices of abalone (mostly canned) in TCM halls are more affordable than in other channels, as they are mostly private label brands ranging between **AUD23 and AUD185 per kg**, with an average of around **AUD75 per kg**.
- In some TCM halls, **dried abalone from Australia is priced at AUD707 per kg**, making it the most expensive abalone sold through this retail channel.

Australian Brands' Price Positioning

- Australian abalone are **slightly higher priced** than the average retail price of other variants, excluding some high-priced Mexican variants.

- Australian abalone is **priced slightly higher** than the average retail price of other variants.

- Removing dried abalone from this positioning, **Australian abalone is priced slightly higher** than the average retail price of other variants, at **AUD108 per kg**.

Competitive Environment

A major competitor to Australian abalone is New Zealand abalone, due to its wide availability and value for money, which is appreciated by consumers in Singapore. It is often seen as an equal to Australian abalone.

New Moon is the leading canned abalone brand in Singapore and is exclusively distributed by Goh Joo Hin Pte Ltd

Supplier	Total Value Share 2020	Unique Value Proposition
Goh Joo Hin Pte Ltd (New Moon Brand)	28.2% (non-alive)	<ul style="list-style-type: none"> • Distributor of the leading canned abalone brand in Singapore (New Moon). • A consumer favourite, with broad distribution and visibility across retail channels. • Good balance between price and quality.
Sin Ocean Pte Ltd (Calmex Brand, Crown Brand)	22.4% (non-alive)	<ul style="list-style-type: none"> • One of the leading importers of canned abalones in Singapore, offering the Calmex brand from Mexico and the Crown brand from China. • Premium price point for Calmex abalone.
Kwang Yeow Heng Pte Ltd (Skylight Pte Ltd)	15.7% (non-alive)	<ul style="list-style-type: none"> • Seen mostly in TCM halls and used by foodservice outlets, rarely distributed in supermarkets. • Supplies the second most popular canned abalone brand (Skylight). • Good balance between price and quality.
Hock Seng Foods Pte Ltd (Fortune Brand)	7.7% (non-alive)	<ul style="list-style-type: none"> • Supplies Fortune, an affordably priced brand for everyday consumers. • Offers a wide range of low-end to high-end canned abalones. • Rarely seen in physical stores of modern retailers.
The Seafood Company Pte Ltd (Seaco Brand)	4.6% (non-alive)	<ul style="list-style-type: none"> • Specialised seafood retailer that predominantly sells online. • Frozen Australian abalone can be found in selected supermarkets.

Source: Euromonitor International estimates as per trade interviews

Sunxion Seafood is the leading specialist seafood retailer (with integrated import and distribution operations), which also sells live abalone in Singapore

Supplier	Total Value Share 2020	Unique Value Proposition
Sunxion Seafood Pte Ltd	20.0% (live abalone)	<ul style="list-style-type: none"> • Leading seafood retailer (which also operates as a distributor and importer) in Singapore, with celebrity endorsements. • Most of the live abalone are from South Africa, with some from South Korea. • Abalone placed in live tanks.
Allswell Marketing Pte Ltd (The Ocean Mart)	15.0% (live abalone)	<ul style="list-style-type: none"> • Retailer, distributor and importer selling through its own store, while also supplying many high-end restaurants. • Most of the live abalone are from Jade Tiger Abalone (Australia), with some from South Korea. • Displayed in a live tank at the entrance of the store.
Evergreen Seafood Pte Ltd	15.0% (live abalone)	<ul style="list-style-type: none"> • Walk-in warehouse with display tanks of live abalone and reliable distribution and supplier operations for foodservice outlets throughout the country. • Most of the live abalone are from South Korea, with some from Australia.
GER Trading Pte Ltd	15.0% (live abalone)	<ul style="list-style-type: none"> • Most of the live abalone are from South Korea. • No walk-in retail, largely distributes its products to foodservice outlets.
The Seafood Company Pte Ltd (Two Oceans Abalone)	10.0% (live abalone)	<ul style="list-style-type: none"> • Specialises in Australian wild-caught and farm-bred green lipped abalone. • Retailers predominantly directly to end-consumers online.

Source: Euromonitor International estimates as per trade interviews

Singaporean consumers look for products that are from a trusted and reliable brand offering value for money

New Moon New Zealand Abalone Sold by Goh Joo Hin Pte Ltd



Stunning pink packaging

The best-selling product from New Moon, Singapore's leading canned abalone brand, is the **Premium Grade New Zealand Abalone**, which offers a balance **between quality and price**. It comes in a tin can with a net weight of 425g and is **stocked at most supermarkets**. **Wide availability** combined with **value for money** is appreciated among consumers

Image source: New Moon, Goh Joo Hin

Jade Tiger Abalone Sold by The Ocean Mart



Green shell with vibrant tiger stripes

Jade Tiger Abalone is a unique abalone, with a green shell with tiger stripes, nurtured by the cold, oxygenated and nutrient-rich waters of Australia. Each abalone weighs 80-100g and they are sold by weight at The Ocean Mart. The product has an **excellent reputation**, and **many consumers specifically ask for it**.

Image source: Jade Tiger Abalone Australia

Seaco Frozen Cooked Abalone Meat Sold by The Seafood Company



Airtight seal-wrapped in a tray

The best-selling product from Seaco is its **frozen cooked Australian abalone meat**, at an **affordable price**, with 10 pieces per pack weighing about 250g. It benefits from **wide availability**, as the product is sold on e-commerce platforms like Redmart, Seaco's website and in selected supermarkets.

Image source: Seaco Online

Import and Trade Regulatory Landscape

Being a trade-dependent economy and a leading trading hub in Asia, it is unsurprising that Singapore features outstanding infrastructure, as well as clear and transparent import, packaging and labelling regulations in line with international standards.

Abalone under the regulatory scope of the Singapore Food Agency (SFA), and standard import, packaging and labelling regulations apply.

The port of Singapore is the main entry point for products with a long shelf life, while fresh abalone usually enter Singapore as air cargo.

Limited and clear labelling regulations and an absence of abalone-specific packaging regulations make packaging and labelling an easy task for importers



Packaging Requirements

Very limited packaging regulations allow for a wide variety of options

- There are no specific guidelines for abalones or other seafood; however, **IATA guidelines for packaging of live products are usually followed**, as required by many air cargo carriers.
- General packaging requirements (not only for abalones) are also limited, with a clear **focus on avoidance of potential contamination**:
- The **Food Regulation section of the Sale of Food Act forbids food packaging (“container”) containing/yielding or likely to yield toxic levels of vinyl chloride monomer (>1 ppm) or any other “compounds known to be carcinogenic, mutagenic or teratogenic or any other poisonous or injurious substance” (Food Regulation 37. -1).**
- The regulation also **forbids packaging “capable of imparting lead, antimony, arsenic, cadmium or any other toxic substance” (Food Regulation 37. -1).**
- Singapore **does not have any additional regulations regarding container sizes or technical specifications** in place.

Source: Euromonitor International as per official SFA documents, EU Market Entry Handbook, official government websites (eg IRAS and customs websites)



Labelling Requirements

Responsibility for compliance lies with the trader, as registration/pre-approval for labels is not required.

- Food traders are **responsible for compliance with all labelling requirements** as laid out in the **food regulation** section of the **Sale of Food Act**. The SFA does not require a registration and does not provide label vetting services.
- The SFA has published **“A Guide to Food Labelling and Advertisements”**, containing clear **labelling instructions for all prepacked food products** (including packaged abalones). The website also features a **list of appointed food labelling consultants** that can give traders professional advice for a consultation fee.
- Key labelling requirements include the following information in English: **Name or description of food, statement of ingredients, net quantity of food in package (metric units), name and address of local food business, country of origin (all in printed letters: minimum 1.5 mm).**
- **Canned abalone in brine** must feature a **drained weight declaration (metric units).**
- Labelling requirements **only apply to abalones sold to end-consumers through retail outlets**. Products sold to foodservice or food processing are exempt, but might include the information on a **voluntary basis on non-retail containers**. **Abalones do not have to be halal certified.**

Singapore features excellent transportation infrastructure and efficient customs procedures at the different entry points



Transportation Requirements

Different formats require different means of transportation, with live abalones being particularly time-sensitive

- Lead times between Australia and Singapore (centre to centre) through **maritime routes are around 4-8 weeks to arrive at the port and 3-5 days for customs clearance.**
- Air cargo offers a significantly faster way to reach the Singaporean market and is a must for live or chilled abalones.
- While Singapore offers **excellent transportation infrastructure, the costs of owning and operating vehicles are extremely high**, making transportation within Singapore very costly. (Vehicle owners must have a Certificate of Entitlement – COE – which often costs more than the car itself.)

Source: Euromonitor International as per official SFA documents, EU Market Entry Handbook, official government websites (eg IRAS and customs websites)



Documentation and Customs Processes

Transparent import procedures in line with global standards make imports of abalones a smooth process

- All imported Abalones have to comply with the **Wholesome Meat and Fish Act** as well as the **Sale of Food Act**, and must follow the country's **standardised import procedures and requirements**. Abalones also fall under the **regulatory scope of the Singapore Food Agency (SFA)**, responsible for food safety in the country.
- The SFA requires all importers of abalones to obtain a **valid SFA licence (annual: SGD84)** and a **cargo clearance permit** (which also serves as an import permit) from the **TradeNet System (per consignment: SGD 3)**. Every cargo clearance permit must contain the **product description, quantity, unit of measure and product code** (a full list can be found on the SFA website under Resources).
- Other key steps and required documents follow **common import procedures**. In Singapore, this includes **registration for a Unique Entity number (UEN)** to activate a customs account, and the opening of an **Inter-Bank GIRO (IBG)** with the customs agency for potential payments (any fees, security deposits)
- The **SFA has the right (and often exercises it) to inspect** abalone imports, which **can include sampling** for laboratory analysis.

Fresh and chilled abalones enter Singapore via air cargo, while PSA* operated port terminals constitute the most important entry point for canned and dried products

Singapore's Ports of Entry



Port of Singapore (PSA operated terminals), Singapore

PSA Singapore currently operates five container terminals, in Tanjong Pagar, Keppel, Brani and Pasir Panjang (two terminals). These terminals (functioning as one undivided unit) feature 67 quay berths and one of the largest warehouse parks globally. However, storage facilities are spread over the different terminals, making time-consuming inter-terminal haulage often necessary. The port serves as the main entry point for preserved abalone products (canned, dried).

Changi Airport, Singapore

Live and chilled abalone usually reach Singapore via air freight. The airport is serviced by two ground handlers: SATS Coolport and Dnata Coolchain. SATS specifically offers priority loading for cold-chain cargo, temperature controlled facilities to handle temperature-sensitive cargo and temperature controlled truck docks, and claims expertise in seafood handling. Some abalone imports through Changi airport are taken to Jurong wholesale market for further distribution.

Jurong Fishery Port, Singapore

This is an international fishing port (docking and bunkering base for foreign vessels). It also acts as a marketing and distribution centre and as the main wholesale market for seafood (imported by land, sea and air). While abalone rarely enter through this port, they are sometimes distributed through the Jurong wholesale market.



About one third of all abalones on the Singaporean market are estimated to be sold live or chilled. As a result a similar share enters the market via air freight through Changi airport.

Canned or dried abalone, on the other hand, are usually imported via sea and arrive in Singapore through the port.

While 2020 saw a drop in live abalone (and thus a drop in imports through Changi airport), the overall split is expected to return to normal levels over the forecast period.

* PSA Corporation Ltd is one of two port operators in Singapore.

The Tuas Mega Port is scheduled to take over all container shipping operations by 2040, with the first two berths expected to open in 2021

Singapore's Future Ports of Entry



Tuas Mega Port, Singapore

Tuas Mega Port will replace the old PSA operated port (all operations will cease by 2040 at the latest) and consolidate Singapore's container port activities in one single terminal (expected to be the largest port infrastructure globally). The port will feature state-of-the-art technology, including automation and intelligent control systems, as well as sustainable technologies. Furthermore, the Maritime and Port Authority of Singapore (MPA) has plans to develop an undivided infrastructure of storage facilities and commercial amenities, including warehouse and distribution centres in Tuas (currently spread between the five different terminals in Singapore), to cut the additional time and costs of inter-terminal haulage. All port activities in Tanjong Pagar, Keppel and Brani are scheduled to cease in 2027, while shipments to Pasir Panjang will stop in 2040.

Consolidation of Jurong and Senoko Fishery Port (not PSA operated port)

The Singapore Food Agency (SFA) announced in June 2020 that the two fishery ports – Jurong (for international vessels) and Senoko (domestic vessels) – will be consolidated in Jurong by 2023, to further centralise seafood wholesaling in Singapore. Expansion and renovations of Jurong will start in 2022 to make sure the wholesale market can accommodate merchants from Senoko. While Senoko is not relevant for abalones, this consolidation will increase the general importance of Jurong fishery port.

Abalones are exempt from duty payments, but the 7% Goods & Services Tax (GST) applies

Singapore's Tariffs & Quotas



Abalone (HS codes 030781; 030783; 030787; 030789)

0%

Standard Tariff Rate

0%

Preferential Rate (FTAs) for Australia and Others

Source: Euromonitor International as per Singapore customs website, IRAS website



Goods & Services Tax

Singapore's free and fair trade policy allows for **duty-free imports** of nearly all goods, including infant formula. **Only a Goods & Services Tax of 7%** has to be paid (an increase to 9% has been announced and is expected to be implemented between 2022 and 2025).

GST is levied on all imported and domestically produced goods intended for local consumption. The base for the 7% GST on imported goods is the **CIF value** and any additional charges that might apply. If abalones are imported and further processed inside Singapore, the responsibility for GST payment lies with the domestic company undertaking the processing.

Conclusion

Retail and foodservice consumption of abalone will continue to be consistent all year round due to the large number of Chinese consumers in Singapore, who are fond of consuming abalone.

Australian exporters should consider differentiating themselves further from their competitors through competitive pricing strategies and marketing.



OPPORTUNITIES

Increasing number of Chinese consumers in Singapore will provide consistent demand for abalone

- Abalone will continue to see a **spike in demand during the Lunar New Year period** (January-February) in Singapore, as it is an ingredient that is **always part of festivities and celebratory feasts**. This is a **good time to enter the market and introduce new products**.
- With the **migration of more Chinese families** to Singapore, as well as the **high proportion of Chinese** consumers in Singapore (74% of the total population in 2020), the large customer base will provide consistent demand for abalones in Singapore all year round.
- Australian abalone is considered to **“nourish” the body** of consumers owing to its nutrient-rich flesh, driving consumption from **health-conscious consumers**, with health consciousness being a rising trend in Singapore. Healthy eating is also encouraged by the Health Promotion Board, a government agency in Singapore.



CHALLENGES

Australian abalone has a reputation for being premium, but a lack of differentiation, and more competitive pricing from other products pose significant barriers to entry

- **The COVID-19** pandemic caused **unexpected disruption** in the foodservice industry, with lockdown measures **imposing restrictions on dining in and causing a sharp drop in tourism**. As a result, foodservice consumption of live and canned abalones has dropped dramatically. However, demand from foodservice is **expected to return to pre-pandemic levels over the forecast period**.
- With the number of **brands and variants increasing in the market**, there is a greater need for Australian products to differentiate themselves more prominently from their competitors (such as South African abalone in foodservice or abalone from New Zealand in retail).

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Thank you

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