

# Export Market Development Guidebook

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Abalone (HS codes 030781, 030783, 030787 and 030789) in  
Thailand  
August 2021



Australian Government  
Australian Trade and Investment Commission



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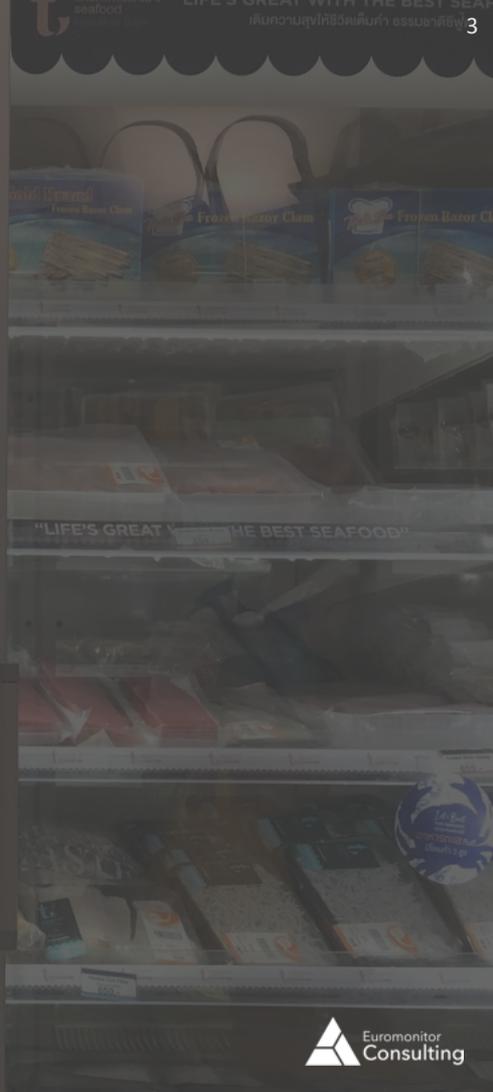
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# Introduction



# Project Background and Objectives

In December 2020, Austrade was allocated AUD42.9 million in funding to boost its support for Australian agri-food exporters after the trade sanctions imposed by China.

Austrade primarily focuses its services 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 further 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 wider implications these have on demand for Australian products
- Understanding distribution landscape in terms of key players operating within the different channels
- Understanding pricing dynamics across different channels and the impact on demand for Australian products
- Evaluating competitive environment to assess Australian products' positioning
- Assessing import and trade regulations

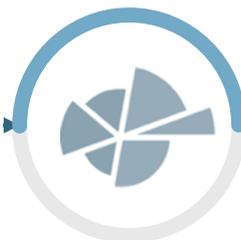
## Overview of the research methodology implemented

### PROJECT ALIGNMENT AND 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 AND 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/market

### ANALYSIS AND 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 Thailand

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 Bangkok

Home Fresh Mart & Gourmet Market, High-end supermarket

Makro Cash & Carry, Cash and carry

Thai Kawashima, Niche Japanese supermarket

Heng Shark Fin, Chinese banquet supplier/caterer

Shopee, E-commerce platform

Thonglor Nihon Ichiba, Niche Japanese supermarket



### In-depth trade interviews conducted

PJT Atlantic InterFood Company Limited, Importer

Phuket Abalone Farm, Local producer

Fisheries Department at Ministry of Agriculture and Cooperatives, Government entity

Siam Makro Public Limited Company, Importer and cash and carry

Department of Fisheries Export and Import Department at Ministry of Agriculture and Cooperatives, Government body

Food and Drinks Public Co, Importer and food processor

# Market Volumes and Dynamics

*Abalone are not popularly consumed as fresh or frozen formats via retail channels. The majority of abalone consumption (75.6% volume share in 2020) is destined for the health and beauty and food processing industries. Around 19.5% in 2020 was consumed by the foodservice sector - mainly Japanese and Chinese restaurants and Chinese catering services. Retail accounted for the remaining minor volume share (4.9% in 2020).*

## Processing captures the lion's share and is expected to see the most dynamic growth over the forecast period as well

### Abalone Consumption in Thailand 2018-2025



Source: Euromonitor International estimates as per trade interviews, store audits and desk research  
 Note: Abalone covers HS codes 030781, 030787, and 030783.



## Abalone

Total consumption:  
33.9 tonnes, 2020

- **Abalone are not a popular ingredient in Thai cuisine** and see lower demand when compared to other shellfish such as green mussels and blood cockles, which are up to 70% cheaper.
- **Processing captured the lion's share of volume consumption in 2020** (75.6%) followed by foodservice (19.5%) and retail (4.9%). **Abalone are used in health and beauty products and in food processing**, eg canned abalone, ready meals with abalone. **Phuket Abalone Farm** (which accounts for 99% of local production) **processes 85% of its in-house production into abalone collagen powder to be used for health and beauty products** (with a minor share used for food processing).
- **Abalone in foodservice are mainly used in Chinese and Japanese restaurants as well as Chinese catering services.** Thai restaurants also use abalone (to a much lesser extent). **Retail accounts for a minor share** with Chinatown being a key destination for canned abalone and Makro Cash & Carry, and premium supermarkets a key destination for frozen Jade Tiger Australian abalone.
- Processing will see the strongest CAGR followed by foodservice and then retail thanks to the popularity of beauty and health products with abalone and the growth of the food processing industry.

# Local Production Dynamics

*99% of local production (volume) derives from Phuket Abalone Farm and the remaining 1% comes from wild catch and two fishery cooperatives. 85% of Phuket Abalone Farm's production is processed in-house into health and beauty products and processed foods and drinks, and the remaining 15% is distributed mainly as live/chilled/frozen abalone to foodservice restaurants directly or through local distributors. Wild catch is mainly sold in the nearby vicinity to local restaurants.*

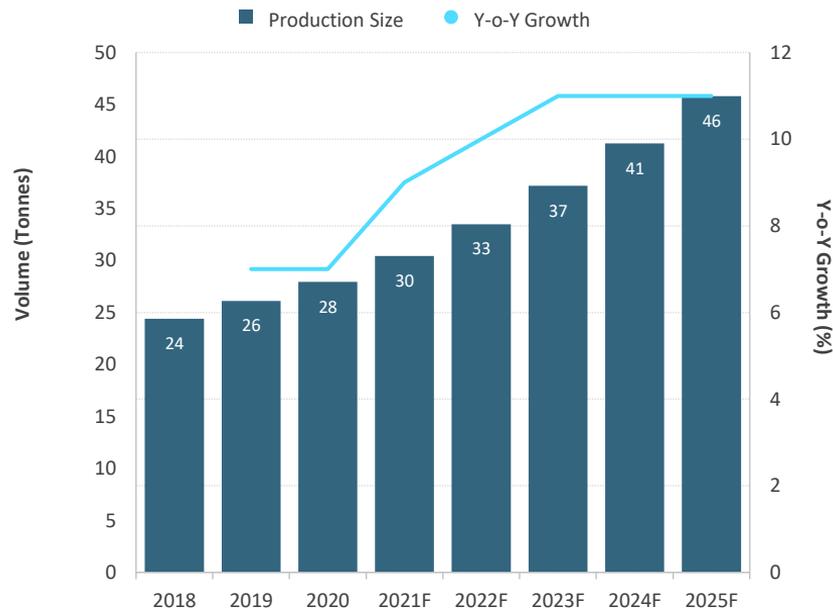
## Phuket Abalone Farm accounts for 99% of local production; 85% of its production is processed in-house mostly into health and beauty products

- **Phuket Abalone Farm** accounted for 99% of local production of abalone in 2020.
- **The remaining 1% of local production comes from wild catch and from fishery cooperatives.** As supply is small, produce is sold in the nearby vicinity mainly to local restaurants. Wild catch is concentrated in the southern provinces of Trang, Krabi and Chumporn. There are only two fishery cooperatives: Chulalongkorn Research Center on Sichang Island and Prachuap Khiri Khan Coastal Aquaculture Research And Development Center.
- **Phuket Abalone Farm** cultures the *Haliotis diversicolor* breed of abalone which originates from Okinawa Japan and is renowned for its high quality and nutritious body. Apart from abalone cultivation, the farm also has a research department. The broodstock is raised in a closed system with temperature control, a circulating water system and water disinfection and fattening by raising in a high-density condo system which allows for a high survival rate.
- Almost 85% of its total production is processed in-house into health and beauty products. The remaining 15% is distributed as live/chilled/frozen abalone to foodservice restaurants directly or through local distributors to retailers, foodservice and food manufacturers/processors.



**Abalone**  
Production CAGR, 2021-  
2025: 10.7%

**Abalone Production in Thailand 2018-2025**



Source: Euromonitor International estimates as per trade interviews, store audits and desk research

# Trade Dynamics

*Abalone imports to Thailand are minimal (below six tonnes as of 2020). Half of imports came from frozen abalone - mainly from Australia and to a lesser extent from China - while Japanese and South Korean fresh abalone accounted for the remaining 50%. Imports are expected to grow in line with the growth of Japanese and Chinese restaurants as well as the food processing industry. No exports for the HS codes under review were reported.*

## Imports of abalone are expected to increase in line with the growth of Japanese and Chinese restaurants, while no exports were recorded



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

Notes: 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;

\*There were no official imports reported under the HS code 030787 which is for canned products, though canned products were found in the market.



## Abalone

13.2% CAGR Imports\*, 2021-2025

- 50% of imports of abalone in 2020 were frozen abalone mainly from Australia and to a much lesser extent from China, while fresh abalone mainly from Japan and South Korea accounted for the remaining 50%.
- Imports are expected to monitor a 13.2% CAGR 2021-2025 growth fuelled by the consumption of abalone in Chinese restaurants. Fresh imported abalone are mainly used in Japanese restaurants and by food processors and sold in niche Japanese supermarkets.
- There were no exports of abalone for the HS codes under review. Large food processors such as Siam Samut Warin Co Ltd and Trang Seafood Products Co export processed abalone, eg ready meals with abalone. **Health and beauty products with abalone as well as abalone collagen powder are also exported**, especially from Phuket Abalone Farm, the leading local producer.

## Frozen Australian abalone are popular in Thailand thanks to established relationships with key importers

### Australia

2 tonnes (33.3%), -18.4% CAGR 2018-2020

AUD83,000 (27.2%), -23.0% CAGR 2018-2020

- **Australia is a key exporter of frozen abalone to Thailand and benefits from a 0% preferential rate. Australian suppliers have established relationships with key importers** including Siam Makro Foodservice, which has exclusive rights to fresh/frozen Jade Tiger abalone, and Food Project Co Ltd. Fresh and canned abalone from Australia are also imported to Thailand but frozen abalone account for the majority of imports.

### Japan

2 tonnes (33.3%), 0.0% CAGR 2018-2020

AUD157,000 (51.5%), -1.3% CAGR 2018-2020

- **Japanese abalone (awabi) are mainly imported in fresh format. They are particularly popular with Japanese sushi restaurants**, while players that are under the certification programme of Japanese Food and Ingredient Supporter Stores Overseas\* are required to supply Japanese abalone. Key importers of Japanese abalone include Yamamori Trading Co Ltd and Lin Tuna Intertrade Co Ltd also active in foodservice and processing.

### South Korea

1 tonne (16.7%), 0.0% CAGR 2018-2020

AUD50,000 (16.4%), -10.2% CAGR 2018-2020

- **South Korean abalone are imported in fresh format. They are widely used in Japanese restaurants for Omasake courses** and sold in niche Japanese retailers (together with Japanese abalone).
- Key importers of South Korean abalone include YSH Food Supply, which mainly distributes to foodservice.

### China

0.5 tonnes (7.8%), -51.5% CAGR 2018-2020

AUD12,000 (3.9%), -38.8% CAGR 2018-2020

- **Chinese abalone are imported in frozen format and are renowned for their affordable pricing** (up to 150% cheaper than Australian frozen abalone). **Canned Chinese abalone** (not included in the HS codes under review) **are much more popular** and mainly sold in Chinatown. Key importers of Chinese frozen abalone include Food Project Co Ltd, while Heng Shark Fin, caterer/supplier, also imports canned Chinese abalone.

*\*This programme was designed to certify overseas restaurants, bars and retailers which carry Japanese food and beverages as official "Japanese Food Supporters" in order to promote Japanese agricultural, forestry, fishery and food products around the world.*



*“Although frozen abalone from Australian is high-priced, the demand has been stable in each year.”*

- Section Manager at Importer

*“Australian abalone is in demand because of the good reputation and attractiveness of the shell which comes in a vibrant jade colour.”*

- Marketing Manager at Retailer

Australian abalone are renowned for their high quality and full meat body. Jade Tiger Australian abalone are also distinctive for their shell which is a vibrant jade colour. The majority of abalone imported is in frozen format, but canned\* and fresh abalone are also available. Australian abalone are particularly popular with Chinese restaurants, which saw increased sales thanks to the growth of the Chinese expat community (41% between 2015 and Q3 2020\*\*).

Notes: \*Canned abalone are not officially recorded by Thailand under the HS code 030787. Therefore, there are not many official records of imports from Australia.

\*\*Source: <https://www.cbre.co.th/news>



Source: Image from Euromonitor International's store audits carried out in June 2021

# Channel and Consumer Preferences

*Canned abalone are sold through grocery shops and caterers/restaurants in Chinatown and online.*

*Fresh/Frozen abalone can be found in high-end supermarkets, Makro Cash & Carry and online.*

*Fresh/Live abalone from Japan and South Korea are sold in niche Japanese supermarkets. Local abalone are sold online and in the Rawai Seafood market in Phuket.*

*Canned and frozen abalone are popular with Chinese restaurants and catering services, while Japanese restaurants mainly use fresh Japanese and Korean abalone. Thai restaurants purchase local and canned abalone.*

*Phuket Abalone Farm holds the monopoly in health and beauty processing, while food processors use both local and imported (mainly fresh) abalone.*

## Chinese and Japanese expats are target consumers for abalone, key ingredients in traditional Chinese dishes and commonly used in sushi/Omasake courses

**Chinatown: Key destination for Chinese ingredients' purchases for Chinese expats**



*Chinatown market in Bangkok*

Chinese expats accounted for 14,640 people (13.8% of total expats in Thailand) in June 2021\*. **This group of consumers usually prefer going to Chinatown to purchase Chinese ingredients including abalone for traditional Chinese meals. Canned abalone bought from Chinatown are particularly popular with this group.** Brands such as Calmex (Mexico), Goody and Diamond (China) have sentimental value as they were among the first abalone brands to be sold in Thailand.

**Abalone demand spikes during Chinese/Lunar New Year**

Demand for abalone **spikes during the Chinese/Lunar New Year**. Braised abalone with vegetables including sea cucumber and pok choy is a traditional dish during the Chinese New Year celebrations. **Most Chinese expat families buy canned abalone from Chinatown** through Chinese grocery retailers, eg Wen Yu Kee and Chinese banquet suppliers/caterers and restaurants, eg Heng Shark Fin. Calmex premium brand from Mexico is often bought as a gift during this celebration.



*Image source: www.asiaone.com*

*Note: \*Source: Foreign Workers Administration Office  
[https://www.doe.go.th/prd/assets/upload/files/alien\\_th/945ef7c31755e7e937ecd5da4a1d24d7.pdf](https://www.doe.go.th/prd/assets/upload/files/alien_th/945ef7c31755e7e937ecd5da4a1d24d7.pdf)*

## Australian abalone are the key offering of high-end supermarkets and are also available online mainly through importer Siam Makro Foodservice

### E-Commerce

### High-End Supermarkets

### Niche Japanese Supermarkets

#### Product Offer

• **Importers** such as Siam Makro Foodservice, YSH Food Supply, Food Project, Be Koon and PJT Atlantic Inter Food sell online mainly to B2B but also directly to consumers. **Key product offerings here are fresh abalone from Japan and South Korea and frozen abalone from Australia, Japan and China sold in 1kg packs. Smaller e-tailers** sell to consumers through their Facebook or Instagram pages or through Shopee and Lazada. Other **common offerings here are canned abalone, eg from Mexico (Calmex), Goody (China) in 400-450g and some frozen abalone sold per kg, mostly from China. Local fresh abalone are also sold online.**

• **High-end supermarkets** including The Mall Group - Home Fresh Mart & Gourmet Market and EmQuartier, Central Food Retail - Central Food Hall & Tops Supermarket, and Rimping Supermarket **have a limited offering focused on 1kg Jade Tiger frozen abalone from Australia.**

• **Canned abalone brands are sometimes (but not often) available including Calmex brand (Mexico), Jade Tiger brand (Australia) and Goody brand (China) sold in 400-450g cans.**

• **Niche Japanese supermarkets** including Fuji, Thonglor Nihon Ichiba and Thai Kawashima **mainly sell live Japanese and South Korean abalone in live tanks sold per kg** (on average a piece of abalone weights 80-100g, while ultra premium Japanese Kuro Awabi abalone weight 200-350g per piece).

• **Fuji supermarket also sells Jade Tiger frozen abalone from Australia in 1kg packs.**

#### Australian Brands Positioning

• **Australian abalone have a good reputation in terms of quality and full meat body.** They are considered a premium offering and mainly sold in frozen format.

• **Australian Jade Tiger frozen abalone are the key offering here and are considered of premium quality.**

• **Australian abalone are not common here (with the exception of Fuji supermarket) as live abalone are preferred** and Australian abalone are mainly imported frozen.

## Makro Cash & Carry has exclusive distribution of fresh/frozen Jade Tiger Australian abalone sold through its physical stores and online

### Cash and Carry

### Chinatown

### Open Markets

#### Product Offer

- Makro Cash & Carry has 134 stores in Thailand and seven stores overseas. **The company has exclusive distribution of fresh/frozen Jade Tiger abalone from Australia.** Apart from its stores, it has an online site as well: [www.makroclick.com](http://www.makroclick.com)
- The company sells frozen Jade Tiger abalone from Australia in 1kg packs (60-70g/piece) and 240g packs (eight pieces).
- It also sells blanched frozen abalone through its own private label brand Cuisine Master in 240g packs (eight pieces) that come from local origin abalone or Chinese imported abalone.

- **Abalone products are sold in Chinatown through Chinese grocery retailers, eg Weng Yu Kee and Chinese banquet suppliers/caterers and restaurants, eg Heng Shark Fin.**
- **The most common product offering is canned abalone** including Calmex brand from Mexico, Goody and Sea Prince brand from Australia. **Most common packaging is 400-450g. Frozen Jade Tiger abalone are also sold here in 1kg and 240g pack sizes.** Imitation abalone including imitation of popular brands, eg Calmex, made from flavoured fish or squid are also sold here.

- Rawai Seafood Market in Phuket is the only open market that sells local abalone.
- **Live local abalone are sold in plastic bags (each bag contains on average 10 pieces) filled with sea water or per 10 pieces in buckets filled with ice to keep the products fresh.**

#### Australian Brands Positioning

- **Australian abalone are renowned for their high quality, full meat body and sweetness** (they are sweeter than local abalone). Australian Jade Tiger abalone in particular are also attractive for their shell, which is a vibrant jade colour.

- **Australian canned abalone are considered of high quality but are not common in this channel as they have low market awareness** especially when compared to popular canned brands such as Calmex, Diamond and Goody, as these brands have been long established in the market and are popular with Chinese expats - key target audience of this channel.

- Australian abalone are not present in this channel.

## Australian abalone are displayed in the imported seafood section in high-end supermarkets and Fuji premium Japanese retailer

### E-Commerce

#### Shelf spacing/Marketing

- **Importers that sell online mainly list abalone under fresh products, imported seafood**, eg YSH Food Supply. **In Shopee and Lazada, they are listed under the fish and seafood or shellfish categories**, while there is no categorisation for small sellers selling through Facebook or Instagram.
- **Discounts for canned products of up to 40%** are commonly found, especially for bulk sales, eg 100 cans.

### Procurement

- **Importers that sell online**, eg Siam Makro Foodservice, YSH Food Supply and Food Project **procure abalone directly from foreign suppliers.**
- **Local small sellers buy abalone from local/regional distributors** which in turn buy from large importers. Small sellers cannot buy directly from large importers as there is a minimum purchase limit.
- **Local abalone are mainly sold from dealers that procure it from Phuket Abalone Farm.**

### High-End Supermarkets

- **Abalone** are displayed in the imported seafood section and are **usually placed in the middle shelves that are the most eye-catching.**
- **Discounts are not common here as the nature of the product is premium.** Generous discounts of 50% are present, however, when the product is close to its expiration date (Jade Tiger Australian frozen abalone can be preserved in a freezer for up to two years).

- **Jade Tiger frozen Australian abalone are procured from Makro Cash & Carry and Siam Makro Foodservice**, which belong to the same group and have exclusive distribution of Australian fresh/frozen Jade Tiger abalone.
- **Canned imported abalone, which are rarely present in this channel, are procured from importers** including Ua Thong Charoen Limited Partnership for Calmex brand (Mexico), Sun Food Trading Co for Goody brand (China) and Choice Foods for Jade Tiger brand (Australia).

### Niche Japanese Supermarkets

- **Live abalone are displayed in large-sized water tanks.** Type and country of origin are usually clearly named, eg fresh abalone from Japan or South Korea.
- Assistance and consultation are very common here from the supermarket staff.
- **Australian frozen abalone (rarely found) are displayed on the imported seafood shelves.**

- **Live South Korean and Japanese abalone are either imported directly from the supermarkets**, eg for Thonglor Nihon Ichiba through its subsidiary J Value Company Ltd **or through importers.**
- **Jade Tiger frozen Australian abalone are procured from Makro Cash & Carry and Siam Makro Foodservice.**

## Siam Makro Foodservice acts as the importing arm of Makro Cash & Carry and also distributes to retailers, wholesalers and foodservice players

### Cash and Carry

### Chinatown

### Open Markets

#### Shelf spacing/Marketing

- **Abalone products are positioned on the same shelf as other shellfish** including mussels from New Zealand in the imported seafood section.
- The origin of Australian abalone is highlighted with the country's flag.
- **Discounts rarely take place as abalone are considered premium products.** A 50% discount however is popular when the frozen abalone reaches its expiration date (it can stay in a freezer up to two years).
- **Abalone are displayed at the entrance of Chinese banquet suppliers/caterers and restaurants and in the canned food section of Chinese grocery retailers.**
- Though **discounts are not common** here, imitation canned abalone are sold at a fraction of the cost compared to the original canned abalone brands.
- **Live local abalone are displayed on the counters of local sellers.**
- There are no discounts, however, prices are quite low.

#### Procurement

- **Siam Makro Foodservice, is the importing subsidiary of Macro Cash & Carry and supplies Makro stores with abalone.** Siam Makro Foodservice acts as an importer and sells also to other retailers, wholesalers and restaurants. Apart from the frozen abalone sold through its Cash & Carry stores, Siam Makro Foodservice also sells fresh Australian Jade Tiger abalone to its clients.
- **Jade Tiger abalone are imported in final packaging from Australia.** Cuisine Master, private label brand of Makro Cash & Carry is packed in Thailand by Siam Makro Foodservice.
- **Large Chinese banquet suppliers/caterers and restaurants** such as Heng Shark Fin **procure abalone either through importers or directly.**
- Frozen Jade Tiger abalone are sold through Siam Makro Foodservice to Chinese grocery retailers and caterers/suppliers, eg Heng Shark Fin, Entry Kitchen Shop and Tek Seng Jun. Importer Food Project also sells Australian frozen abalone to caterers/suppliers, eg Heng Shark Fin. **Smaller Chinese grocery retailers and Chinese restaurants buy canned abalone through local/regional distributors** due to low quantities used.
- **These are mainly wild-caught abalone from small fishermen who sell directly to the market.**
- The fresh abalone are transported in foam boxes filled with ice to keep the product fresh.



Frozen abalone placed on eye-level shelves sold in high-end supermarkets (EmQuartier)



Wild-caught local abalone sold in plastic bags in Rawai Seafood Market in Phuket



Premium Japanese chilled abalone (awabi) sold online



Live abalone in water tanks in niche Japanese supermarkets



Jade Tiger frozen Australian abalone in Makro Cash & Carry stores

### アワビ | Awabi

#### วัตถุดิบอื่นๆ



แป๋ซือกระป๋อง CALMEX ABALONE



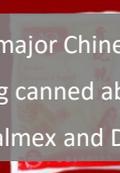
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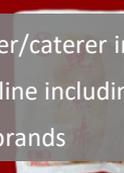
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Heng Shark Fin, major Chinese supplier/caterer in Chinatown, selling canned abalone online including popular Calmex and Diamond brands

## Abalone are a popular dish with Chinese and Japanese restaurants as well as Chinese banquet catering services

### Chinatown: Heart of Chinese restaurants in Bangkok



*Abalone braised with vegetables served in Thai-Chinese restaurants in Chinatown*

**Bangkok's Chinatown** is the biggest Chinese community in Thailand and is also an area popular with tourists. It **includes a number of Thai-Chinese or “Lhao” restaurants as well as Thai-Chinese street food vendors**. Thai-Chinese restaurants offer fancy dishes including shark fin soup or abalone braised with vegetables. A common dish for Thai-Chinese street food vendors is Fish Maw Soup with abalone offered sliced or whole sold at AUD32.5 per plate.

### High-end Japanese and Chinese restaurants benefit from rise in fine dining

**The growth of high-end Japanese and Chinese restaurants** (key consumers of abalone used in traditional Chinese dishes and Omasake courses) **is favoured by a growing middle class of young urban professionals based in Bangkok**. Examples include Chinese restaurants in hotels such “BaiYun” Banyan Tree Bangkok, “Silk Road” the Athénée Bangkok, chained Chinese restaurants such as Hong Min and high-end Japanese restaurants such as Benihana and Nami Teppanyaki Steakhouse at the JW Marriott Hotel in Bangkok.



*Benihana Japanese Restaurant*

### Chinese banquet catering services are popular with Chinese expats as well as Thai people



*Chinese table in Hua Seng Hong restaurant in Chinatown*

**Chinese table and banquet services is a common tradition in Thailand for special events** such as weddings or New Year celebrations. **Abalone are popular ingredients in dishes served during these events**. Chinese tables have a wide price range starting from AUD153 (per table of 10 people) in caterers/restaurants in Chinatown, eg Hua Seng Hong restaurants to AUD878 per table in Chinese restaurants within hotels, eg Hilton. The higher the price, the higher the quality of abalone (mainly canned) served, with Mexican and Australian abalone considered of premium quality.

# Australian abalone, mostly in frozen formats, are more commonly used in Chinese restaurants

## Chinese/Japanese Restaurants

### Product Preferences

- **Low-end Chinese restaurants in Chinatown use canned abalone (mainly from China)**, while **high-end Chinese restaurants**, eg in hotels such as “BaiYun” Banyan Tree Bangkok, “Silk Road” the Athénée Bangkok and chained Chinese restaurants such as Hong Min use **frozen/fresh abalone from Australia, frozen abalone from China or premium brands of canned abalone, eg Calmex. The majority of high-end Japanese restaurants use fresh and live imported abalone from Japan and South Korea and to a lesser extent fresh/frozen Australian and local abalone.** For sashimi and sushi dishes, fresh/chilled abalone are a prerequisite as the flesh of frozen or canned abalone does not yield satisfactory taste. Many high-end Japanese restaurants are under the certification programme of Japanese Food and Ingredient Supporter Stores Overseas\*, which means they must use products imported from Japan.

### Australian Brands Positioning

- **Australian abalone are considered of premium quality competing with the quality of Japanese abalone.** Frozen Australian abalone are more popular with Chinese restaurants, as Japanese restaurants under the FIS program are required to import Japanese ingredients with a preference towards fresh and live abalone formats.

*Note: \*This programme was designed to certify overseas restaurants, bars and retailers which carry Japanese food and beverages as official “Japanese Food Supporters” in order to promote Japanese agricultural, forestry, fishery and food products around the world.*

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## Catering Services

- **On-premise and off-premise catering services are very popular for special occasions**, eg weddings, monk ordinations, New Year celebrations, etc. Catering services include banquet services and the setting up of Chinese tables (each table usually seats 10 people).
  - The most common dish during such events is whole abalone with gravy or cut in pieces in broth.
  - **Canned imported abalone are mainly used for such events.** Depending on the pricing, the caterer will use higher (Mexico, Australia) or lower (China) quality of canned abalone.
  - **Certain high-end Chinese banquet catering services such as Noi Pochana use frozen Jade Tiger abalone** (though this is not common).
- Australian abalone are not common in catering services. **Australian canned abalone are considered of premium quality but have low market awareness** compared to, for example, Calmex premium Mexican brand, which is widely popular thanks to its long-standing market presence.

## Thai restaurants mostly use imported canned abalone or local abalone

### Thai Restaurants

#### Product Preferences

- **Abalone are rarely used in Thai restaurants unless they offer Chinese meals on the menu.** Most common dish is salt-chili stir-fried abalone.
- **Thai restaurants located in coastal towns**, eg Phuket and Chonburi (Pataya district), **use local wild-caught abalone.**
- **High-end Thai restaurants** such as Kan Eang **purchase local abalone from Phuket Abalone Farm.**
- **The majority of Thai restaurants**, however, **serve seasoning sauces made from abalone or sliced abalone pieces from canned abalone.**
- Chinese canned abalone, which can be up to four times cheaper than premium canned abalone, eg Calmex (Mexico), are mainly preferred in this channel.

#### Australian Brands Positioning

- **Australian abalone are not present in this channel.**

## Fresh (Japan and South Korea) and frozen (Australia) abalone are procured from importers, while canned abalone are mainly bought from Chinatown

### Chinese or Japanese Restaurants

### Catering Services

#### Procurement

- **Chinese restaurants will procure canned imported abalone from Chinese grocery retailers, eg Weng Yu Kee and Chinese banquet suppliers/caterers and restaurants, eg Heng Shark Fin from Chinatown as well as importers.**
  - **Frozen Jade Tiger Australian abalone are procured from Makro Cash & Carry and Siam Makro Foodservice** that belong to the same group. Importer Food Project also sells Australian frozen abalone.
  - **Importer Theodoré International supplies Chinese restaurants in 5-star hotels** including Hilton, Novotel, Centara, Sofitel and Marriott **with fresh abalone from Australia.** Quantities, however, are minor.
  - **Fresh Japanese and South Korean abalone and frozen Chinese abalone are procured from importers** such as Yamamori Trading (fresh/frozen Japanese abalone), Food Project (fresh Japanese abalone, frozen Chinese abalone), Be Koon (Japanese fresh abalone), Nishihara Shokai Co (Japanese fresh abalone) and YSH Food Supply (fresh abalone from South Korea). Some chained restaurants act as importers and supply the abalone directly from foreign suppliers. For example, Tuna Icbian Japanese restaurant group procures fresh Japanese abalone directly from Japan through its subsidiary Lin Tuna Intertrade Co Ltd.
  - **Local abalone are supplied directly from Phuket Abalone Farm to a few select restaurants, eg SHUN Japanese restaurant, or most likely through the company's dealers.**
- The production cycle of abalone is 230 days from October to May. Purchases of both local and imported abalone take place during these months.
  - **Large caterers** such as Heng Shark Fin **import directly canned abalone from foreign suppliers and also buy through large importers.**
  - **Restaurants in Chinatown** offering catering services **procure canned abalone from Chinese grocery retailers and Chinese banquet suppliers/caterers.**
  - **High-end restaurants in hotels** offering catering services **procure canned abalone from large caterers** in Chinatown such as Heng Shark Fin **as well as importers.**
  - **Australian canned abalone are mainly used in this channel though it has lower demand compared to Chinese brands and the premium Calmex brand which have been long established in the market. Importers of Australian canned abalone brands** include Choice Foods for Jade Tiger brand, Sri Chockchai Supermarket for Dover and Sea Gift brands, Food Project for Sea Prince brand and Charoenwattana Co Ltd for Victoria brand.
  - **Jade Tiger frozen Australian abalone are procured from Makro Cash & Carry and Siam Makro Foodservice,** which belong to the same group and have exclusive distribution of Australian fresh/frozen Jade Tiger abalone.

Local abalone are procured from fishermen and dealers from Phuket Abalone Farm, while canned abalone are bought from Chinatown

## Thai Restaurants

### Procurement

- **The production cycle of local abalone is 230 days from October to May** and this is when purchases take place.
- **Wild-caught local abalone are directly bought from local fishermen.**
- **Local abalone from Phuket Abalone Farm are procured** either directly from the farm (for selected restaurants, eg Kan Eang) or most likely **through the company's dealers.**
- **Canned imported abalone are procured from Chinese grocery retailers and Chinese banquet suppliers/caterers and restaurants,** eg Heng Shark Fin from Chinatown.

## Abalone used in processed food and health and beauty products have seen strong growth due to the categories' increased sales

### Processed food with abalone saw increased sales inline with the food and beverage industry's growth



Abalone used in food processing

The food and beverage industry is among the fastest growing industries in Thailand and is the country's third largest industry, contributing 21% to the country's GDP (2021)\*. Benefiting from this growth, large seafood processors, including Siam Samut Warin Co Ltd and Trang Seafood Products Co Ltd, have seen increased sales of processed food with abalone including ready meals with abalone and canned abalone destined for local consumption and exports.

### Phuket Abalone Farm processes locally-cultured abalone to make health and beauty products

Phuket Abalone Farm uses locally-produced abalones to **extract abalone collagen and other substances to be used in supplements** or as **medical ingredients** (mainly as an anti-ageing ingredient or an ingredient to support vital skin). The company's latest launch includes a **cold-pressed abalone collagen**.

Its brands are **SIRAE** and **AOVA** focused on collagen drinks, skin care products such as day and night creams, face masks, facial essence collagen water and dietary supplements.



Abalone collagen powder

### Health and beauty products using abalone as an active ingredient enjoy high demand



Image source: [www.aovashop.com](http://www.aovashop.com)

Sales of health and beauty products skyrocketed after the pandemic as consumers are more than ever interested in their wellbeing. Raising awareness on the benefits of abalone collagen powder used in health and beauty products from various brands including Phuket Abalone Farm through its SIRAE and AOVA brands **increased consumption of such products**. Phuket Abalone Farm uses social media influencers and Thai celebrities to market the benefits of abalone collagen powder. For example, the company uses Vill Wannarot, a famous Thai actress, as the public face for its AOVA brand.

## Imported and local abalone are used by food processors, while Phuket Abalone Farm accounts for the lion's share in the health and beauty industry

### Health and Beauty Products

#### Product Preferences

- **Abalone are converted into abalone collagen concentrates and used in health and beauty products. The only local processing company is Phuket Abalone Farm, which uses its own locally-cultivated abalone.** The processing plant converts abalone into cold-pressed collagen, stem cells and mucus with a complete molecular structure of Active Abalone Collagen (Triple Helix Collagen). The company's main brands are AOVA and SIRAE. It also manufactures health and beauty products with abalone collagen for the below brands: Giffarine, Pranprin, Viin, ASTEM 128 and JU.
- **Other local health and beauty companies use local or imported collagen powder, eg Real Elixir uses imported abalone collagen powder from France and Japan, while newcomer Nutrition Profess uses abalone collagen powder from Japan and the Netherlands.**

#### Australian Brands Positioning

- **No Australian abalone are used in the process of health and beauty products.**

### Processed Food

- **Manufacturing companies that process abalone either use local or imported abalone.** Phuket Abalone Farm uses its own cultivated abalone to produce canned abalone and seasoning/sauces that are then exported to Taiwan, South Korea and China. Major Thai frozen seafood manufacturer, Siam Samut Warin Co Ltd, imports fresh abalone from Japan to produce frozen and semi-prepared foods for clients in Thailand and for exports. Another major processed seafood manufacturer, Trang Seafood Products Co Ltd, imports Californian Red Abalone (*Haliotis rufescens*) to de-shell, sliced and freeze for clients in Thailand and overseas. Food and beverage manufacturer Food and Drinks Public Co Ltd uses local abalone and imported braised/boiled abalone (HS code 16055710) to produce chilled and frozen ready meals that are then exported to its clients' premises in Taiwan and Japan.

- **No Australian abalone are used in processed food and drinks.**

## Local abalone are procured from agents of Phuket Abalone Farm, while food processors rely on foreign suppliers

### Health and Beauty Products

### Processed Food

#### Procurement

- The production cycle of abalone is 230 days from October to May. Demand for health and beauty products containing abalone collagen spikes around New Year and Song Kran Festival (Thai New Year) as they are a popular gift during this time.
- **Phuket Abalone Farm uses its own cultivated abalone and converts them into abalone collagen concentrates for its own brands and also to produce OEM abalone collagen beauty and health products for clients such as Giffarine, Pranprin, Viin, ASTEM 128 and JU.**
- **Other local health and beauty companies either use local abalone collagen powder that they procure through agents of Phuket Abalone Farm or buy imported abalone collagen powder from importers.**
- **A key importer of freeze dried abalone powder (Haliotis iris) is Solution Creation Co Ltd, which imports the abalone powder from New Zealand (Haliotis iris is the only farmed species of paua found in New Zealand).**

- **Phuket Abalone Farm uses its own locally-cultivated abalone** for processing into packaged frozen abalone, canned abalone and seasoning/sauces with abalone.
- **Food and Drinks Public Co Ltd procures braised/boiled abalone (HS code 16055710) directly from its clients. The company also sources local fresh/frozen abalone through the agents of Phuket Abalone Farm.**
- **All other food processors import directly abalone from foreign suppliers.** For example, Siam Samut Warin Co Ltd and Trang Seafood Products Co Ltd, which also act as importers, import fresh abalone directly from foreign suppliers.

# Distribution



High-end supermarkets and Makro Cash & Carry focus sales on frozen Jade Tiger Australian abalone, while niche Japanese supermarkets sell live Japanese and Korean abalone



**makro**



### The Mall Group

High-end supermarket

**Contact:**

144 Ramkhamhang Rd, Hua Mak,  
Bangkapi, Bangkok 10240

Tel: +66 2 310 1000

### Siam Makro

Cash and carry

**Contact:**

1468 Phatthanakan Road,  
Khwaeng Phatthanakan, Khet  
Suan Luang, Bangkok 10250

Tel: +66 2 067 8999

### Thai Kawashima

Japanese niche supermarket

**Contact:**

14/8, Charoen Rat, Khlong Ton Sai,  
Khlong San, Bangkok 10600

Tel: +66 2 134 5789

### Thonglor Nihon Ichiba

Japanese niche supermarket

**Contact:**

Nihonmura mall, Thonglor soi 13,  
Sukhumvit 55 Road, Klongtan-Nua,  
Wattana, Bangkok

Tel: +66 2 059 2616

Chinese grocery retailers/wholesalers and suppliers/caterers in Chinatown are a key destination for canned abalone purchases for Chinese expats



Weng Yu Kee

Chinese grocery  
retailer/wholesaler in Chinatown

**Contact:**

100-102 Charoen Krung 16 Road,  
Bangkok

Tel: +66 92 254 3663/+66 2 221  
4666/+ 66 2 222 5480



Heng Shark Fin

Chinese banquet supplier/caterer  
and restaurant

**Contact:**

454-456 Pubplachai Road,  
Pomprab Sattthuprai, Bangkok  
10100

Tel: +66 81 488 7248

Fresh and frozen imported abalone are the main offering of importers selling online, while smaller sellers (selling through Shopee or Lazada) focus on canned abalone



### Food Project (Siam) Co Ltd

E-commerce (importer selling directly to consumers)

**Contact:**

99/1 Industrial Ring Rd, Khwaeng Chong Nonsi, Khet Yan Nawa, Krung Thep Maha Nakhon 10120

Ms Bang-oen

Tel: +66 91 890 1567

### Shopee

E-commerce

**Contact:**

89 AIA Capital Center, 24th Floor, Ratchadaphisek Road, Dindaeng Sub-District, Dindaeng District, Bangkok 10400

Tel: +66 2118 9195

### Lazada

E-commerce

**Contact:**

140 Sukhumvit Rd. (One Pacific Place, 8th Fl.) Khlong Toei, Bangkok 10110

Tel: +66 2 695 0600

### Be Koon Thailand

E-commerce (importer selling directly to consumers)

**Contact :**

120 Passana 2 Sukhumvit Rd. 63, Phra Khanong Nuea, Wattana, Bangkok

<https://www.bekoon.co.th/>

Ms Suay

Tel: +66 88 252 5135

High-end Chinese restaurants use premium canned brands or imported Australian/Chinese abalone, while Japanese restaurants use fresh Japanese/South Korean abalone



### Nan Bei Restaurant

Fine-dining Chinese restaurants

**Contact:**

1041, 38 Phloen Chit Rd,  
Lumphini, Pathum Wan District,  
Bangkok 10330

Tel: +66 2 080 0080



### Chef Pom Chinese Cuisine by Todd

Fine-dining Chinese restaurants

**Contact:**

662 52 Rama III Rd, Bang Phong  
Phang, Yan Nawa, Krung Thep  
Maha Nakhon 10120

Tel: +66 2 080 0080



### Ah Yat Restaurants

Fine-dining Chinese restaurants

**Contact:**

Maenam Hotel, 2nd Floor, 2074  
Charoen Krung Rd, Wat Phraya  
Krai, Bang Kho Laem, Bangkok  
10120

Tel: +66 2 291 7781



### Sushi Masato

Fine-dining Japanese restaurants

**Contact:**

Soi Sukhumvit 31 (Soi Sawasdee),  
Klongtoei Nua, Wattana,  
Bangkok 10110

Tel: +66 9 7234 1370

Canned imported abalone are popular with catering services and local restaurants, while high-end catering services also use frozen Australian abalone



### Hua Seng Hong

Chinese restaurant and catering service

**Contact:**

41 Soi Supapong 3, 5-2, Nong Bon, Prawet, Bangkok

Tel: +66 2 441-0490



### Heng Shark Fin

Chinese banquet suppliers/ caterers and restaurant

**Contact:**

454-456 Pubplachai Road, Pomprab Satthuprai, Bangkok, 10100

Tel: +66 81 488 7248



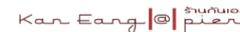
### Noi Pochana

Chinese banquet catering service

**Contact:**

70-191 Serm-Siri Village, Soi Pray Surain30-2, Bangchan, Klong Sam Wa, Bangkok

Tel: +66 64 989 0051/+66 85 182 8067



### Kan Eang

Local high-end seafood restaurant

**Contact:**

44/1 Viset Road Moo 5 T.Rawai A.Muang Phuket 83130

Tel: +66 83 173 1187

## Most food manufacturers/processors import directly fresh/frozen abalone from foreign suppliers

### Phuket Abalone Farm

Manufacturer/Processor

**Contact:**

35/4 Moo1 Theppratharn Road,  
Tumbon Russada, Amphur Muang  
Phuket, Phuket 83000

Tel: +66 76 252 799

### Trang Seafood Products Co Ltd

Food manufacturer/processor

**Contact:**

29 Moo.6, Kantang Rd., T.Khuan  
Pring, A.Muang, Trang 92000

Tel: +66 75 582 134 5

### Siamsamut Warin Co Ltd

Food manufacturer/processor

**Contact:**

275/1 Pracha-U-Thit Road,  
Tungkru, Tungkru, Bangkok 10140

Tel: +66 2 871 8890 2

### Food and Drinks Public Co Ltd

Food manufacturer/processor

**Contact:**

4/F, B.B. Bldg. 54 Sukhumvit 21  
Rd. Khlongtoei-Nua, Vadhana  
Bangkok 10110

Tel: +66 2 664 1501

Large importers often act as retailers (Makro Cash & Carry) or foodservice operators (Tune Iciban), while some are also food processors (Nishihara Shokai, Yamamori Trading)

Company	Type	Contact Details	Website
<b>Siam Makro Public Limited Company</b>	Importer and distributor subsidiary of Makro Cash & Carry	1468 Pattanakarn Rd, Suan Luang, Suang Luang, Bangkok Tel: +66 2 067 8999	<a href="https://www.siammakro.co.th">https://www.siammakro.co.th</a>
<b>Nishihara Shokai (Thailand) Co Ltd</b>	Importer and distributor	41/34 Chotitanawat Cargo and Factory 2 M. 6 Bangna-Trad Rd, Bang Chalong, Bang Phli, Samut Prakarn Tel: +66 23 496 599	<a href="https://www.ajinomotofoodservicethailand.com/distributor/nishihara-shokai-thailand-co-ltd/">https://www.ajinomotofoodservicethailand.com/distributor/nishihara-shokai-thailand-co-ltd/</a>
<b>Lin Tuna Intertrade Co Ltd</b>	Importer, distributor and operator of Tuna Iciban Japanese restaurants	1473/9, Phatthanakan, Suan Lang, Suan Luang, Bangkok 10250 Tel: +66 2 050 2532	<a href="https://web.facebook.com/lintunabkk">https://web.facebook.com/lintunabkk</a>
<b>Yamamori Trading Co</b>	Importer and distributor	518/5 Maneeya Center Building 17(P) FL. Ploenchit Road, Pathumwan, Bangkok 10330  Tel: +66 238 955 956/+66 2 652 0561-2	<a href="https://www.yamamoritrading.com/">https://www.yamamoritrading.com/</a>

# Pricing Analysis

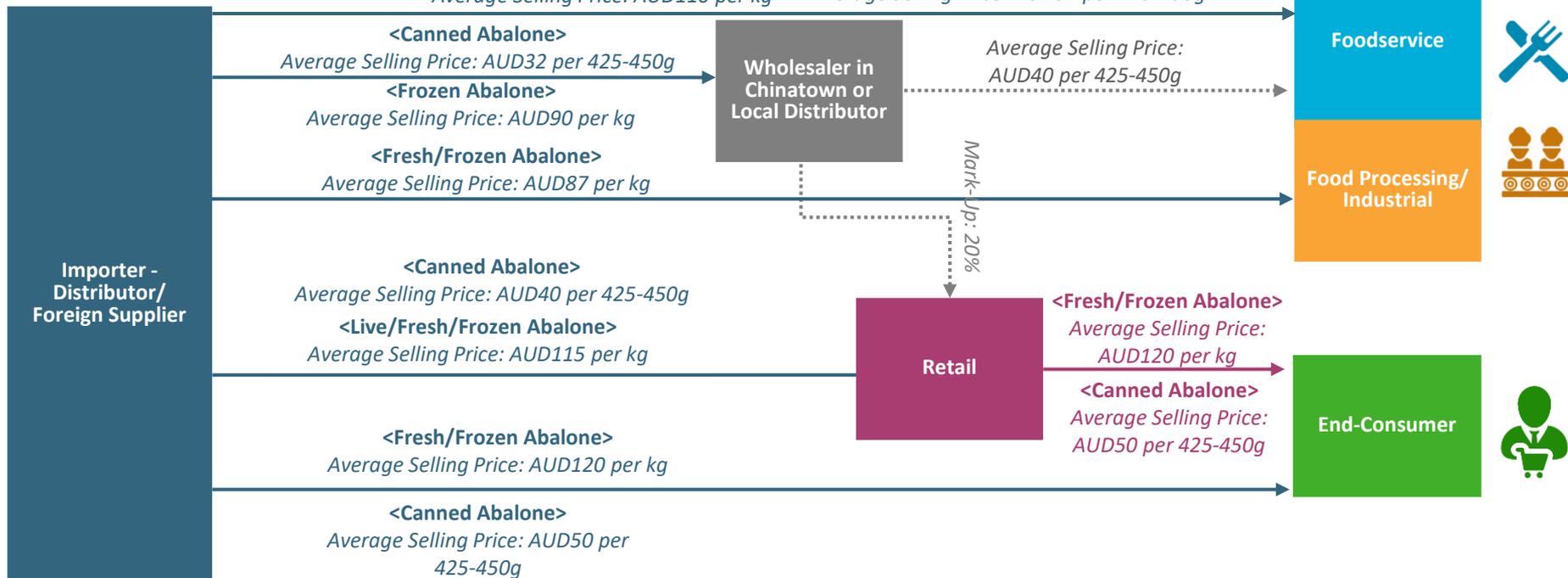
*Live Japanese and South Korean abalone sold in tanks in niche Japanese stores are the most expensive abalone and prices can go up to AUD460 per kg. Fresh abalone from Japan and South Korea are the second most expensive abalone, priced per kg at AUD180 and AUD140, respectively.*

*Pricing per kg for frozen abalone ranges from the more expensive Japanese and Australia (AUD121 and AUD115, respectively) to the much cheaper Chinese abalone at AUD46 per kg.*

*Canned abalone have a wide price range from AUD102 per 454g (Calmex Mexican brand) to AUD18 per 425g (Goody Chinese brand).*

# Live and fresh abalone are the most expensive formats followed by frozen and canned abalone

## Imported Products Supply Chain

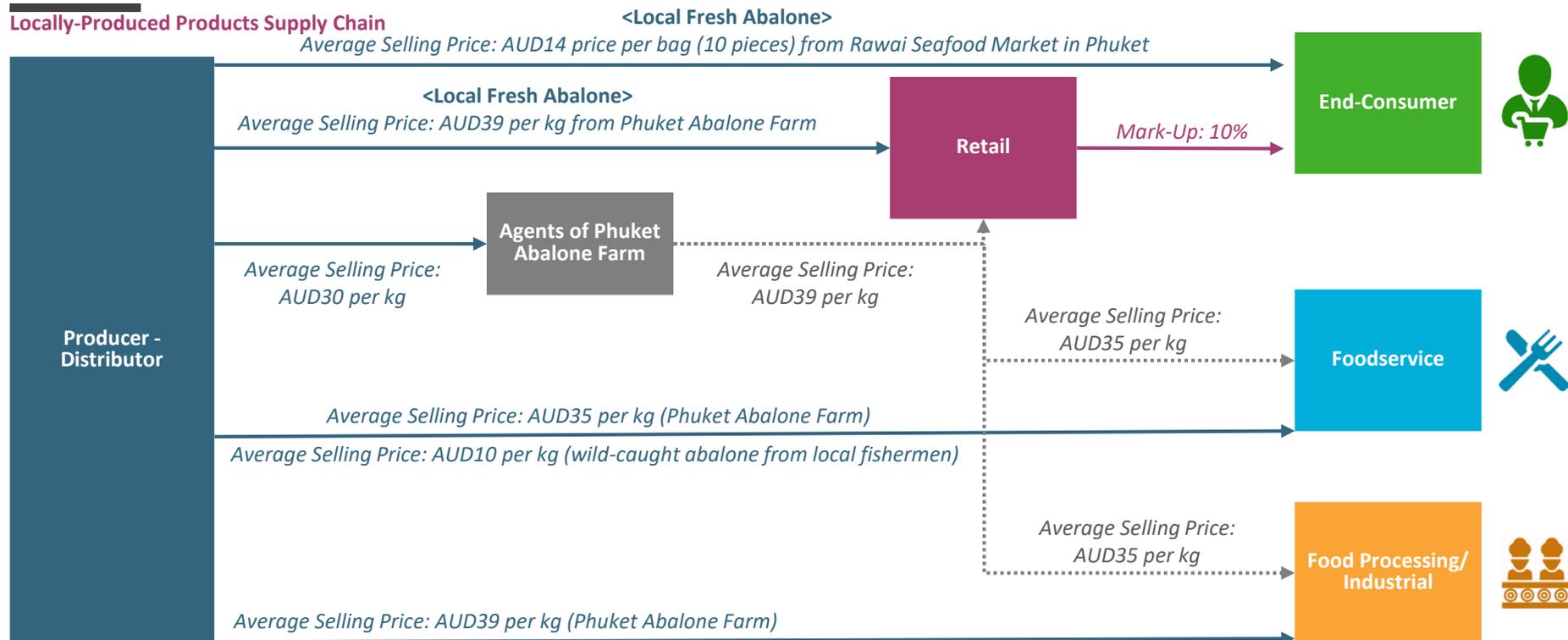


Source: Euromonitor International estimates as per store audits, trade interviews and desk research

Note: Average selling price includes tariffs and local taxes such as retail taxes (ie VAT).

# Local fresh abalone sold from Phuket Abalone Farm can be up to 250% more expensive than local wild-caught abalone

## Locally-Produced Products Supply Chain



Source: Euromonitor International estimates as per store audits, trade interviews and desk research

Note: Average selling prices includes tariffs and local taxes such as retail taxes (ie VAT).

## Australian frozen abalone are slightly cheaper than Japanese frozen abalone but significantly more expensive than Chinese frozen abalone

### E-Commerce

### High-End Supermarkets

### Niche Japanese Supermarkets

#### Price Competition

- **Frozen Jade Tiger abalone from Australia are priced at AUD115 per 1kg pack (60-70g/piece)**, frozen abalone from Japan are sold at AUD121 per kg and from China much cheaper at AUD46 per kg. Fresh abalone from Japan are sold at AUD180 per kg and from South Korea at AUD140 per 1kg.
- **Pricing for canned abalone ranges** from AUD102 per 454g can (Calmex premium Mexican brand) to only AUD21 per 400g (Diamond Chinese brand).
- **Local fresh abalone are sold at AUD43 per 1kg.**

- Offering here is limited to **frozen Jade Tiger abalone from Australia priced at AUD115 per 1kg pack (60-70g/piece)**.
- **Canned abalone are rarely sold here and have a wide price range** from the more premium Calmex brand (AUD102 per 454g) to value for money Chinese brands including Diamond brand sold at AUD21 per 400g and Goody brand priced at AUD18 per 425g.

- **Niche Japanese supermarkets sell live abalone from Japan and South Korea per kg.**
- 1kg normally corresponds to 10 abalone pieces with an average weight of 80-100g per abalone piece.
- **South Korean live abalone are priced at AUD153 per kg, while pricing for Japanese abalone is higher at AUD195 per kg.**
- Ultra premium Japanese Kuro Awabi abalone are priced at AUD460 per kg as each abalone piece weighs 200-350g.

#### Australian Brands Price Positioning

- **Australian frozen abalone are 5.2% cheaper than Japanese frozen abalone but are 150% more expensive than Chinese frozen abalone.** They are, however, 57% cheaper than fresh Japanese abalone and 22% cheaper than fresh South Korean abalone.

- **Australian frozen abalone hold a premium price positioning.** As they are the only offering here there is no price competition from other brands (apart from canned abalone brands that are rarely present in this channel).

- Australian abalone are not common here with the only exception being Fuji supermarket, which sells Jade Tiger frozen abalone from Australia in 1kg packs at AUD115. **Live abalone from South Korea and Japan are respectively 33% and 70% more expensive on average than Australian frozen abalone per kg.**

## Australian frozen and canned abalone have a premium price up to three times higher than the private label frozen brand of Makro and Chinese canned brands

### Cash and Carry

### Chinatown

### Open Markets

#### Price Competition

- **Frozen Jade Tiger abalone from Australia are priced at AUD115 per 1kg pack (60-70g/piece) and AUD27 per 240g pack (eight pieces).**
- Cuisine Master (private label brand of Makro) blanched frozen abalone from either local abalone or abalone imported from China are priced much cheaper at AUD9 per 240g pack (eight pieces).

- **Canned abalone brands come in a wide price range** including the more premium Calmex Mexican brand (AUD102 per 454g) and Australian Sea Prince brand (AUD84 per 425g) to the value for money Chinese brands such as Diamond sold at AUD21 per 400g and Goody priced at AUD18 per 425g. The abalone size in premium brands is much larger, eg Calmex brand only contains two abalone per can, while Diamond and Goody brands contain six abalone per can. Pricing for frozen Australian Jade Tiger is the same as per Makro Cash & Carry.

- Rawai Seafood Market in Phuket sells local wild-caught abalone from local fishermen.
- **Price per bag or per 10 pieces is as low at AUD14.**

#### Australian Brands Price Positioning

- **Jade Tiger abalone from Australia are priced three times higher than abalone sold through the company's private label brand.** This is because Australian abalone are considered premium products of higher quality compared to local and Chinese abalone.

- **Australian canned abalone attract premium pricing as they are considered of premium quality.** Pricing is up to 300% higher compared to Chinese brands. Sea Prince brand is, however, 22% cheaper compared to Calmex brand.
- Frozen Australian Jade Tiger abalone have premium pricing and are considered of premium quality.

- Australian abalone are not present in this channel.

# Competitive Environment

*The key players in the abalone supply chain include local producer Phuket Abalone Farm, Heng Shark Fin, one of the key suppliers of canned abalone located in Chinatown, as well as key importers such as Food Project and Siam Samut Warin.*

## Phuket Abalone Farm, leading local producer, is the biggest supplier of abalone in Thailand

Supplier	Ranking	Unique Value Proposition
Phuket Abalone Farm Co Ltd	1	<ul style="list-style-type: none"> <li><b>Phuket Abalone Farm accounts for 99% of total local production.</b> 85% is processed in-house into health and beauty products, food and drinks and the remaining 15% is sold to retail, foodservice and food processing. <b>The company produces abalone extracts that can be used in cosmetics/supplements</b> and has developed its own cosmetics line with abalone collagen.</li> </ul>
Siam Makro Public Co Ltd	2	<ul style="list-style-type: none"> <li><b>The leading supplier of imported frozen abalone to the foodservice channel.</b> Its product portfolio of abalone covers mainly frozen abalone from Australia (Jade Tiger). <b>The company also has 134 Makro Cash &amp; Carry stores in Thailand.</b> Makro produces its own frozen abalone brand, Cuisine Master, in Thailand by its subsidiary Siam Makro Foodservice, which is 200% cheaper than imported Australian frozen abalone.</li> </ul>
Heng Shark Fin	3	<ul style="list-style-type: none"> <li><b>Heng Shark Fin</b>, located in Chinatown, is a key supplier of traditional Chinese food ingredients to Chinese restaurants and caterers. The company <b>has a variety of canned and frozen abalone products</b> (including Australian frozen abalone). <b>It is also one of the leading sellers of imported canned abalone</b> including premium brands Calmex (Mexico) and Sea Prince (Australia) as well as affordable Chinese brands (Diamond and Goody).</li> </ul>
Food Project Co Ltd	4	<ul style="list-style-type: none"> <li><b>Food Project targets sales to the foodservice channel including hotel restaurants.</b> <b>The company imports a wide range of abalone</b> including fresh Japanese abalone, frozen Australian and Chinese abalone, flavoured Taiwanese abalone (HS code excluded from project's scope) as well as local abalone from Phuket Abalone Farm.</li> </ul>
Siam Samut Warin Co Ltd	5	<ul style="list-style-type: none"> <li><b>The company is the leading processor of frozen abalone in Thailand, procuring live/fresh abalone</b> (HS code 030781) <b>mainly from Japan and South Korea</b> to produce frozen and semi-prepared abalone for clients in Thailand and for exports.</li> </ul>

Source: Euromonitor International estimates as per trade interviews, store audits and desk research

Note: Ranking is based on total volume sales.

# Calmex is a premium abalone brand widely sold in Chinatown that has sentimental value for Chinese expats

## Fresh Japanese abalone imported by Food Project Co Ltd



*Fresh Japanese abalone's key clients are Japanese restaurants*

**Fresh Japanese abalone (Awabi) come in two types: Ezo and Kuroi. They are considered of premium quality and come with premium pricing as well.** Average pricing is AUD195 per kg, while ultra premium Japanese Kuro Awabi abalone are priced at AUD460 per kg as each abalone piece weighs 200-350g (compared to average fresh Japanese abalone that weigh 100g per piece).

Image source: Food Project Co Ltd

## Jade Tiger Abalone by Siam Makro Public Ltd Co



*Frozen Australian Jade Tiger abalone displayed in Makro Cash & Carry stores*

**Frozen Australian Jade Tiger abalone** are exclusively distributed by Siam Makro Public Ltd Co. **They are renowned for their high quality, full meat body and sweetness, while their shell has a distinctive vibrant jade colour.** They can be stored in a freezer for up to two years and are popular with Chinese high-end restaurants. They are sold in Makro Cash & Carry stores and through high-end supermarkets as well as online.

Image source: Store audits

## Calmex brand by Heng Shark Fin in Chinatown



*Widely used in Chinese restaurants and catering services*

**Calmex is a premium canned abalone brand from Mexico that is widely sold in Chinatown.** Cans contain only two abalone pieces (in contrast to an average can that fits six pieces) as the abalone are particularly large in size. The brand is premium priced at AUD102 per 454g (426% more expensive than Chinese brands) and has sentimental value for Chinese expats as it was one of the first brands to be sold in Thailand.

Image source: Heng Shark Fin

# Import and Trade Regulatory Landscape

*The main body responsible for food packaging, labelling and customs processes is the Division of the Thai Food and Drug Administration (FDA), which is part of the Ministry of Public Health. Abalone destined for retail use must be labelled in the Thai language. In addition to the FDA, the Department of Fisheries (DOF) regulates imports of live aquatic animals and fisheries products.*

*Imports of abalone require lengthy documentation and certificates that must be supplied to various government departments. Australian abalone enjoy a preferential rate of 0%.*

## Canned fish and seafood products for retail use must bear standardised labels that provide consumer information in Thai language



### Packaging Requirements in Thailand

#### No abalone-specific packaging requirements

- **There are no specific guidelines for abalone or other seafood.** However, IATA guidelines for packaging of live products are usually followed as they are required by many air cargo carriers.
- Packaging of processed abalone, including frozen abalone and abalone packaged in sealed containers, falls under processed food, and is according to regulation No. 92, B.E. 2528 (1985) and No. 295, B.E. 2548 (2005). The main body responsible for packaging requirements of processed food is the Thai FDA (Food and Drug Administration). **There are no abalone-specific packaging regulations in place including additional regulations regarding container sizes or technical specifications in place.**
- General guidelines focus on **cleanliness, avoidance of contamination and prohibition of misleading packaging.**
  - Food labels, claims, declarations, characters, pictures or trademarks should match the product content and not be misleading.
  - The packaging should contain less than 100ppm of lead, mercury, cadmium, Cr+6 (each one alone or combined).



### Labelling Requirements in Thailand

#### Canned fish and seafood destined for retail use must be labelled in Thai language

- **The Ministry of Public Health sets out the labelling requirements for food items.** Labels on food may be checked by the authorities prior to entry. Products must bear standardised labels that provide consumer information. Labels should not mislead and the text on labels must be prominent and legible.
- Labels must include the name of the food, serial number, name and address of importers or head office, name and country of the manufacturer, metric system contents of food, percentage by weight of main ingredients in descending order, the expiration date: “to consume by” or “expiration date”, followed by day, month and year (in that order) for products with a shelf life of under 90 days, or month and year for products with a shelf life over 90 days, while warnings and storage instructions are also required.
- **For foods packed in sealed containers, nutritional labelling and GDA guidance are also required. Canned fish and seafood products destined for retail consumption must be labelled and marked in the Thai language** showing the product common name, establishment registration number, name and address of manufacturer, date of manufacturing, net weight of content, and any additives used.

Source: Euromonitor International as per Thai Customs

## Imports of abalone require lengthy documentation and certificates supplied to various government departments



### Transportation Requirements

**Live/Fresh abalone require air cargo as ship cargo is lengthier**

- There are **no specific regulations for abalone transports** in Thailand.
- Lead times between Australia and Thailand are **around 20-25 days and 2.5-3 days for customs clearance**, making it impossible to use ship cargo for live/fresh abalone.
- **Air cargo offers a significantly faster way** (1-3 days on average) and is **therefore preferred for live/fresh abalone**.
- **Logistics, including cold chain logistics, is fairly well developed in Thailand with many domestic and global players operating in the country.** Land transport is a major domestic freight mode of transport. It is estimated that more than 80% of total domestic transport is carried out by road freight.
- Major cold chain logistics operators are capable of storing, handling and transporting all kinds of cold/frozen products nationwide.

Source: Euromonitor International as per Thai Customs



### Documentation and Customs Processes

Apart from the standard documentation, abalone exporters should also provide certificates of origin and hygiene

- **The main body responsible for food safety in Thailand is the Food Division of the Thai Food and Drug Administration (FDA)**, itself part of the Ministry of Public Health. The Food Act of B.E.2522 (1979) is the main piece of legislation in Thailand that regulates food, including abalone.
- **Only registered companies can import abalone. Apart from the standard documentation** including Bill of Lading (B/L) or Air Way bill, Invoice, Packing List and Import Licence, **abalone exporters must also provide a Certificate of Origin (CFIA/ACIA 5003)**. It is important for importers to obtain a permit in advance, before shipment arrival from the Department of Fisheries (DOF). Permits are shipment-specific, and some products must be accompanied with an animal health certificate issued by DAWE (eg shrimp from aquaculture, live crab).
- In order to obtain a Certificate of Origin, an application form for pre-exportation verification of origin for agricultural products is required and needs to be submitted to the Bureau of Foreign Trade Services at the same time as the application for the Certificate of Origin. Once both applications are approved, the exporter needs to apply via the electronic system of the DFT (Department of Foreign Trade).
- The exporter also needs to apply to the Fisheries Single Window System, which is an electronic system for supporting licences and certificates for seafood imports via the Department of Fisheries. Last but not least the Certificate of Hygiene is supplied from the FDA.

## Live/Fresh abalone enter via Suvarnabhumi Airport, while canned and frozen abalone products enter through Laem Chabang and Mahachai ports

### Thailand Ports of Entry



#### Suvarnabhumi Airport, Samutprakran

Suvarnabhumi Airport is the main entry point for fresh seafood, including live/fresh abalone. All seafood products must pass the fisheries product checkpoint through the quarantine station at Suvarnabhumi Airport.

#### Laem Chabang Port, Laem Chabang

Laem Chabang is the country's main deep water seaport. It consists of several separate ports and occupies over 10 sq km. Laem Chabang can handle about 6.9 million containers a year and the depth of the port is 12 metres. **Imported canned abalone often enter Thailand through this port.**

#### Mahachai Port, Samut Sakorn

Mahachai Port is located in Mahachai, Samut Sakorn, and is connected to a major seafood market. **Imports through Mahachai Port often include frozen abalone.**



*Live/Fresh abalone are usually imported via air cargo due to the limited shelf life, while frozen and canned abalone products enter via ship cargo through Laem Chaban and Mahachai ports.*

## Abalone from Australia and ASEAN countries are exempt from duty payments, while WTO member states pay 5%

### Thailand's Tariffs and Quotas



HS codes **03078** , **030787** and **030783**

**5.0%** Standard Tariff Rate for Fish Crustaceans Molluscs

**0.0%** Preferential Rate (FTAs) for ASEAN members and separate free trade agreements with Australia, China, Japan, New Zealand and South Korea

*All ASEAN countries can import abalone tariff-free, while **Thailand applies 5% import duties for all fishery products** from WTO member countries.*

***VAT is levied on all imported and domestically-produced goods intended for local consumption.** The base for the 7% VAT on imported goods is the CIF value and any additional charges that might occur. In case abalone are imported and further processed inside Thailand, the responsibility for VAT payment lies with the domestic company undertaking the processing.*

Source: Euromonitor International as per Thai Customs

# Opportunities and Challenges

*Australian abalone are renowned for their high quality and will benefit from the increased consumption in Chinese restaurants especially during Chinese New Year thanks to a growing Chinese expat community. On the other hand, there is competition from cheaper Chinese brands and local production that covers the lion's share in processing (which accounts for 75.6% of total consumption volume).*



## OPPORTUNITIES

*Consumption of abalone benefits from growth in number of Chinese expats*

- **The growth in number of Chinese expats** (41% between 2015 and Q3 2020\*) is likely to **benefit sales of abalone** as they are a key ingredient used in traditional Chinese cuisine. Chinese expats are also a key consumer group for Chinese restaurants and catering services that commonly use abalone in their dishes. **Consumption is expected to spike during the Chinese/Lunar New Year as abalone are key ingredients used in dishes during this festivity.** During this time, Chinese restaurants and Chinese catering services experience increased consumption of abalone.

Note: \*Source: <https://www.cbre.co.th/news/chinese-and-filipino-expatriates-in-thailand-increase>



## CHALLENGES

*Competition from local abalone, Chinese imports and overall limited consumption restrict growth opportunities*

- **Imported abalone are unlikely to be able to capitalise on the growth of the processing sector**, which accounted for 75.6% of total volume consumption in 2020. **There is increased competition from Phuket Abalone Farm (accounting for the majority of local production), which is heavily investing in the health and beauty sector** through its own brands made from collagen extracts, private label for other brands as well as supply of collagen powder to local producers.
- **Abalone are not popular ingredients in Thai cuisine especially when compared to other shellfish such as green mussels and blood cockles** (up to 70% cheaper). Furthermore, typical Thai seafood dishes such as Stir-Fried Yellow Crab Curry or Roasted Prawns with Glass Noodles do not include abalone.
- **Price competition with Chinese products is expected to remain a challenge for Australian imports.** Specifically, Chinese canned abalone products are up to 300% cheaper than Australian canned abalone, while Chinese frozen abalone are up to 150% cheaper than Australian frozen abalone.

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# Thank you

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