



Organic Products in Singaporean Market

1. Background

Singaporean market is a free tradetype. The small cultivated area in Singapore could not produce agricultural products to support the domestic consumption. So all products imported from countries over the world such as (1) sea food, most of them imported from mostly Malaysia, then Indonesia, Vietnam and Thai respectively, (2) egg is imported from firstly Malaysia, then New Zealand, Australia, Japan and America respectively. Thailand did not have a permission to export egg to Singapore, (3) fresh vegetable imported firstly from Malaysia, then China, Indonesia, Australia, Thailand (in 2008 exported 11,781 tons), Vietnam, and America respectively, and (4) meat imported mostly from Brazil, then Malaysia, Australia, America, and Indonesia respectively. Thailand was not given permission to export this product.

In Singapore organic products have been known and interested by consumers for 10 years ago because Singaporeans are more aware of taking care health and know clearly the usefulness of organic food to supporting body stronger and also having immunity of diseases especially protection from cancer. The most organic consumers are the middle and high class because at first the most organic products imported from foreign countries in accordance with a few producers. In this case the organic products are not only difficult to buy but also the price is very high. Later the organic products business extended though the business is running slowly but it is moving forwards smoothly and constantly. Recently the number of organic products consumers is increasingly in Singaporean market as well as the increasing of organic producers so the quality of organic products can supply the organic consumers sufficiently. Therefore the price of organic products is cheaper than ever and it is easy to buy in general supermarkets.

2. Production

In Singapore there is average of cultivated area 3% of all 701 square kilometers. Therefore the food production is not supply the quantity of consumers in the country. Those products are such as respectively sea food average 4 %, egg average 23%, and fresh vegetables average 7% of total quantity of domestic consumers.

Organic products in Singapore valued around SGD 6 to 10 million per year. Most of the products are sea food and fresh vegetables as follows:

- For sea food products, there are 62 farms settled in Changi and Lim Kang that the output of products about 5,141 tons in 2008 such as Seabass, Grouper, Mild Fish, Muller, Trevally, Mussel, Crab, Oyster, Snakehead, and Tilapia.





- For fresh vegetables, the output of organic vegetables are less, there are 10 organic farms of 67 agricultural farms, most of them used the Hydroponic cultivation system settled at Agrotechnology Park in the land of 718 rai (about 283.87 acres), green vegetables and bean sprouts coming out from here.

Moreover there are other farms in the country such as (1) Floriculture, the land of 1,950 rai (about 770.96 acres) can produce orchid selected to exporting to 30 foreign countries cost SGD 45 million per year, the important importing countries are respectively Japan (60%), Australia, America, Greece, and Nederland, (2) there are 63 ornamental fish farms on the land of 826 rai (about 326.57 acres) can produce the products ,average 30% of the world market, to exporting to the main countries following as respectively America, European union, and Japan, cost SGD 72 million per year. Singapore is given the antonomasia “Ornamental Fish Capital of the World”.

3. The Regulations of Production

An organization of Agri-Food & Veterinary Authority of Singapore (AVA) has the roles concerning with agriculture and detecting food products for healthiness of consumers.

Singapore did not have any specific regulation for importing organic products from foreign countries so the same regulation of the old products is still used. Therefore AVA focused mainly on the safety food. Thus consumers can trust the standard of the strict regulation to guarantee safe products that the domestic consumers consume.

For the label attached on the package AVA did not make label clause in specification sticking for the organic label but descriptions of the organic products must be clear though the products are original organic or hydroponic products or others. It is because AVA opined that the tendency of organic consumption in Singapore will be available in the future and Singaporeans prefer to consume the organic products increasingly and constantly because a main reason of taking care of Singaporeans’ health is more considerable. However organic markets in Singapore started from the demand and the main factor directly from Singaporean consumers.

The General Rules: Conclusion of Planting & Production of Organic Products as follows:

- (1) For organic vegetables and fruits, before planting them, the plant land has to be prepared for 3 years for being without chemicals and also synthetic Substance, artificial substances such as pesticides, herbicides and genetically modified organisms (GMOS). The plant land should be perfect and full of natural nutrients and fertilizers. In the present there are 67 plantations in Singapore, 10 of them are the organic farms, in each of them average 6.25 to 12.5 rai. However in July





2008 Fair Price Supermarket opened the new high class supermarket named “Fair Price Finest”, the additional products are organic products imported from Thailand under the name “Pasar” produced by PPP Organic Farm Company that transported by PhongthepFruitveg Ltd., Part. The product items are as follows: baby corn, sweet corn, tomato, cucumber, sweet pepper, kale, Chinese mustard green, coriander, pumpkin, asparagus, etc.

- (2) For organic meat products, animals must be fed by feeds without chemicals, antibiotics, hormones or growth stimulants. Animal feeds must be guaranteed by 100% of Certified Organic Feed and the Organic Grass Certificate. However Singapore does not raise animals for meat purpose.
- (3) For Dairy Products-Organic, the farm must have the certificate to guarantee the organic products namely milk, cheese, yogurt, butter, cottage cheese, sour cream, and ice cream that Singapore imported them for consumption.
- (4) Organic fish has to be fed only organic feeds.
- (5) However the import of organic products to Singapore, importers have to submit permission license from Agri-Food and Veterinary Authority (AVA) and the importing products have to come from the farms or the producers guaranteed from the Certified Organic from accepted institutes in their own country and AVA as well.

4. Import and Export

Singapore imported the organic products from Australia, New Zealand, America, Europe, and Thailand that the statistic of importing organic products from these countries was not recorded. Thus it can estimate from the cost of products imported by Singapore about SGD 6 to 10 million per year.

Most of imported organic products to Singapore can repack. Thus importers have to get Organic Importer License from Certified Bodies of foreign countries such as America, Australia etc. in order to import organic products and repack them before those repacked products are sent to stores or supermarkets.

5. Market Channel

At first in Singapore it was not easy to buy the organic products, they were available in organic retail shops and health supplementary food shops in some department stores only. Recently an important market channel is the distribution in Health Organic Supplement especially L’ Organic Company that originated an open market firstly in Singapore in 2005 at empty space on the Dempsey Road 2 days per week (Wednesday and Saturday) to sell organic markets such as vegetables, fruits, meat, and other products by importing them from





Australia, Europe and India and they are guaranteed as the world standard or Well-known/World Recognized Certification.

Besides distribution in general supermarkets

- Fair Price Supermarket opened the Fair Price Finest as “high-end” for 2 branches that sells the good quality products and almost organic products from over the world.
- There are 34 branches of Cold Stage Supermarket but only there are 18 of them that sell the organic products by placing organic products along with the same kinds of general products to make consumers see differences of them and can decide to buy products by themselves.
- Market Place Super Nature Supermarket at Paragon and Tanglin department stores that sell organic products and health organic supplement along with general products.

Other market channels as follows:

- A company is the member of import and export association as the center of trade in all types of vegetables and fruits including organic vegetables and fruits. According to 10 of 60 members imported organic vegetables and fruits opined that the quantity of organic consumption of Singaporeans is increasing constantly by average 10 to 20 % per year. However most of Singaporean consumers mainly want to buy them in cheaper price so public relations about organic information should be more promoted to Singaporean consumers. Moreover some importers pay more an attention to Frozen Organic Products because in each import of the products, the quantity of them has to be worth and accordance with the transportation. Therefore the frozen organic products such as carrot and apple may have the potential.
- Organic restaurant mostly offering French and Italy menus.
- Coffee shop offering beverages and organic bean.
- The new market channel by direct sell to hotels and famous restaurants.

The demand of Singaporean importers is to search sources of new organic products in order to import them more to Singapore. They thought that the multi products should be interested by customers and the sufficient products can be available continually. The general agricultural products adulterated with organic products are the main concern because of difficult detection so when the organic products sold will be affected to the customers' trust. Thus Singaporean importers expected Thailand having the believable standard, based on USDA Europe and Australia rather than others, of organic products was the main factor of customers to buy more those products. Therefore Singapore wants to import the following items: fruits and green vegetables. However Thai products as bulk such as rice, vegetables, and fruits that are better than other sources of productions because of close transportation and well-known Thai products by consumers. Thus Thai producers should have their own





Logistics and Supply Chain system to response the demand of importers and do marketing with importers and contributors to extend Thai organic market increasingly and constantly to Singapore.

6. Organic price is quite more expensive than general products average 330 to 50 % that depend on the type of products. Thetop ten of popular items and organic products as follows:

- Origins Premium Oat Bran (500g) S\$5.10
- Origin Organic Soy Bean (500g) S\$3.40
- Organic Psyllium Husk (150g) S\$6.30
- Organic Resource Almond Powder (600g) S\$18.00
- Organic Resource Sesame Powder (500g) S\$ 12.00
- Braggs Apple Cider Vinegar (946 ml) S\$10.50
- Woodlands Organic Manuka Honey Active 15 (500g) S\$54.50
- R.W. Knudsen Cranberry Juice (946 ml) S\$15.80
- R.W. Knudsen Prune Juice (946 ml) S\$ 10.50
- Eden Organic Blurberries (113 g)

Thai organic products sell in Singapore namely vegetables, fruits, fish meat, Dairy Products, Health Organic Food/Products, Organic Infant Formula, Thai Organic Rice, Organic Brown Rice, Almond Powder, Organic Grain Millet, Cereals, Beans, Juices, Snacks, Oat & Oat Bran etc.



Organic products from PPP Organic Farm Company namely lettuce, salad greens, sweet coin, baby coin, tomato, cucumber, sweet pepper, Chinese kale, Chinese mustard green, coriander, pumpkin, asparagus etc.





Soithong Sriurai (the second from right) PPP Organic Farm and staffs of Fair Price finest



Organic Vegetables and Fruits Zone.



Another Organic Products such as Rice, Noodle, Pasta and Pasta Sauces

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