
MARKET ACCESS

DISTRIBUTION

Because of Singapore's high population density within such a small land area, Singapore is basically a country within a city. Importation of seafood products into Singapore is usually done through established trading firms with branches located in Singapore. Typical firms provide sales, after-sales servicing, and other related assistance. In Singapore, after-sales support is extremely important in gaining the confidence of Singapore importers who may feel apprehensive about dealing with a distant exporter. Therefore, Canadian seafood exporters should exercise care when selecting an appropriate agent for their marketing needs. Singapore trading companies generally market products to both wholesalers and retailers. Singapore agents and distributors will also appoint sub-agents or distributors in neighbouring markets to help effectively market products to other regions.

Canadian seafood exporters may find it advantageous to open a branch office in Singapore to cater to the local market, or use Singapore as a regional marketing and sales support base. "Operational Headquarters (OHQ)" status in Singapore provides various tax incentives to foreign companies. OHQ is defined as an entity incorporated in Singapore for the purpose of providing management services to subsidiaries and associates. Post-office box operations and companies without some substance would not qualify as an OHQ.

WHOLESALE MARKETS

Singapore has approximately 16,000 firms which are engaged in the wholesale and retail of goods in the Singapore market. Operations range from highly modern warehouses, advanced department stores, Western style retail outlets, and small owner-operated corner shops. Singapore has very few large wholesalers largely due to the small size of the country. Smaller wholesalers in the Singapore market will often supply credit to their retail customers who stock their products. The larger trading companies handle wholesaling and the trading companies maintain large warehouse complexes. These companies also supply retailers from the large complexes, and because Singapore is a large regional distribution center, the large trading companies often serve a much larger market within the region.

Singapore has six Free Trade Zones (FTZ), five for seaborne cargo and one for air cargo. The FTZs were established in Singapore in 1969 and provide facilities and services for the storage and re-export of dutiable and controlled goods. The Principal features of the FTZs for seaborne cargo are free seventy-two hour storage for import conventional cargo, twenty-eight day storage for transshipment/re-export cargo, and seven day storage for export containerized cargo.

WAREHOUSING

Singapore has more than adequate storage facilities and acts as a major transshipment port and a warehousing and distribution center. The warehouse capacity of Singapore is over two million square meters and includes multi-storey, automated, refrigerated, air-conditioned, and transit warehouses at the ports. Goods delivered within three days of completion of discharge of vessels are not subject to storage charges in public warehouses. After three days, the charges are based on a sliding scale of rates which change weekly. Free storage is allowed up to twenty-eight days for transshipment cargo, after which a sliding scale of rates is levied. Many of the larger trading companies own and maintain extensive warehouse facilities.