

# **Global Insight: Opportunities & Challenges For Halal & Tayyib Manufacture and Trade**

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# Domains of Various Halal & Tayyib Products

- Food & Beverages
- Agriculture
- Medicines & Pharmaceuticals
- Vitamins and Supplements
- Cosmetics
- Personal Care products
- Apparel and Fashion
- Travel and Hospitality
- Finance
- Housing
- Games & Sports
- Entertainment

# Naturally HALAL Food Products

- Grains, Cereals, and Pulses
- Fruits & Vegetables
- Nuts
- Dairy, Eggs, and Honey
- Plant (vegetable) Oil, and Waxes
- Sugar, Confectionary, and Cocoa
- Traditionally the above products are Halal but due to expansion and diversification of food industry and complexities of product supply chain, halal certification is needed to penetrate Muslim market



# **This Presentation will Focus on**

- Halal and Tayyib Food  
Manufacture and  
Tarde

# Opportunities for Halal & Tayyib Manufacture and Trade

## ➤ **Global Muslim Population**

- A Colossal Consumer Base

## ➤ **Global Muslim Market**

- A Dynamic ever growing Global Demand

# Global Muslim Societies

- **World Muslim Population is 1.7 Billion.**
  - About 27 % of the total world population
- **Muslims Living in Muslim Majority Countries. Total 1.1 Billion** – 60% are under the age of 30 years.
  - **Muslims Living as Minorities in non-Muslim Countries. (Total 600 Million)**
  - **By the year 2030, The Total World Muslim Population is estimated to be 2.2 Billion**
    - Projected to be 31% .

# Global Muslim Market

## (Food & Beverage Sector)

- **US \$ 1.37 Trillion** (Thompson Reuters & Dinar Standards - 2014)
  - Represents 18.2% of the total F&B market
  - Growing at the annual rate of more than 7 %
  - Muslim F&B consumption is greater than:

❖ China	857 Billion
❖ USA	768 Billion
❖ Japan	445 Billion
❖ India	434 Billion
- Global Muslim societies are generating an increasing number of the middle class with growing purchasing power

# Growth of Halal & Tayyib Products on Global Level

## A General Survey

- Muslim Food Market
- Unprocessed Meat & Poultry Products
- Meat & Live Animals
- Growth of Imports



# Top 10 Food Markets in the OIC Countries (2013)

#	Country	Size (Billion)
1	Indonesia	190
2	Turkey	168
3	Pakistan	108
4	Iran	97
5	Egypt	95
6	Bangladesh	60
7	Saudi Arabia	53
8	Nigeria	38
9	Iraq	35
10	Algeria	35

# Unprocessed Meat & Poultry Products Imported in OIC Countries (in 2014)

#	Country	US \$
1	Saudi Arabia	2.5 Billion
2	Egypt	1.7 Billion
3	UAE	1.4 Billion
4	Indonesia	1.2 Billion
5	Malaysia	950 Million
6	Iraq	790 Million
7	Kuwait	680 Million
8	Jordan	610 Million
9	Lebanon	540 Million
10	Oman	510 Million

# Top Ten Countries Exporting Meat & Live Animals to the OIC Countries (in 2013)

#	Country	US \$
1	Brazil	4.7 Billion
2	India	2.1 Billion
3	Australia	1.6 Billion
4	USA	1.2 Billion
5	France	800 Million
6	Turkey	500 Million
7	New Zealand	500 Million
8	Netherland	200 Million
9	Pakistan	200 Million
10	Germany	200 Million

# Growth of Imports into OIC Countries (in 2014)

- OIC Import of Unprocessed Halal Meat & Poultry reached US\$ 15.3 Billion
  - GCC region showed a 150% increase in these imports over the past decade
- OIC import of Processed Poultry Products reached US\$ 2.9 Billion
  - OIC countries showed a 125% increase in these imports over the past decade
- Thailand exported processed food worth of US\$791 Million, followed by China (US\$341 Million)

# Challenges of Halal & Tayyib Manufacture and Trade

- (1) **Halal:** Definition and Standards
- (2) **Farm to Fork:** Process and Integrity
- (3) **Ethical Values:** Manufacturing and Marketing
- (4) **Regulatory Framework:** Evolving



# Halal:

## Definition and Standards

- **There is no**
- Global Ijma (Consensus of opinion of the ulema)
- On the definition of Halal and universal Halal standards

# Halal is a “Farm to Fork” Process

- **Meat and Poultry**

- Halal Species
- Raising of the animal/bird
- Halal Feed
- Handling – animal welfare
- Islamic method of slaughtering
- Meat processing

# Halal is a “Farm to Fork” Process

- **Food, Beverages and Consumables**
- Halal raw material/ingredients/additives/process aid-ingredients
- Cleaning and sanitization (free from najis-filth/dirt)
- Manufacturing and processing – Dedicated
- Halal packaging material(s)
- Labeling – Truth in labeling
- Storage and warehousing
- Transportation (track and trace technologies)
- Wholesale and retail
- Customer relations



# Ethical Values

- Absolutely no Haram (prohibited) and/or non-halal products/ingredients at any stage of the supply chain
- Absolutely no tolerance for contamination and/or cross contamination with haram/non-halal material(s)
- Use of Tayyib (Pure, wholesome, safe, nutritious, healthy) material(s) and product(s)
- Environmentally sustainable
- Non-exploitative transactions
- Equitable and beneficial for all the parties

# Regulatory Framework

- **Standards** — Evolving standards of the importing countries
- **Halal Certification** — Want of trustworthiness, competence, and professionalism
- **Halal Assurance** — Inadequate guidelines in Auditing; Inspection; Monitoring
- **Accreditation** — Poor coordination at National, regional, and international levels

# Regulatory Framework

- **Definition:** Specific Guidelines
- **Standards** - Specific standards of the importing countries
- **Halal Certification** – Trustworthy, competent, and professional
- **Halal Assurance** – Audit; inspection; monitoring
- **Accreditation** - National, regional, and international levels

# Proposals to Meet The Challenges

- **Farm to Fork** (continued)

- **Halal Species:** No cloning
- **Raising of the animal/bird:** Natural; Humane rearing; Antibiotic and hormone free; Free range;...
- **Halal Feed:** Vegetarian Feed; ....
- **Islamic method of slaughtering:** No stunning; hand slaughter; Research proving it as the most humane

# Proposals to Meet The Challenges

- **Farm to Fork** (continued )
- **Processing and Manufacturing:** Integrated supply chain; Halal ingredients; reduced additives; possible dedicated production lines; no contamination/cross contamination
- **Ingredients:** Issues pertaining to Alcohol; Gelatin (istihala?); Tayyib aspect of additives, colorants, flavors
- **Labelling:** Truth in labelling; Labelling guidelines;
  - Haram sounding halal product labels
  - (Eg: non-alcoholic beer)

# Proposals to Meet The Challenges

- **Farm to Fork** (continued )
- **Logistics:** Halal logistic standards; Dedicated transport/Storage; Track and trace technology
- **Marketing:** Halal focused marketing campaign; informed research; halal branding; Digital innovation;
- **Wholesale & Retail:** Sourcing halal quality products; Dedicated stores/sections; Promotion
- **Consumer:** Awareness; Knowledge; Consumer power; brand loyalty

# Proposals to Meet The Challenges

- **Farm to Fork** (continued )

- **Consumer:** Awareness; Knowledge; Consumer power; brand loyalty
- **Fork/Hand:** Islamic etiquettes; Table manners; Eating in moderation



# Thank You

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