

INTERNATIONAL SEMINAR AND COMMUNITY SERVICE

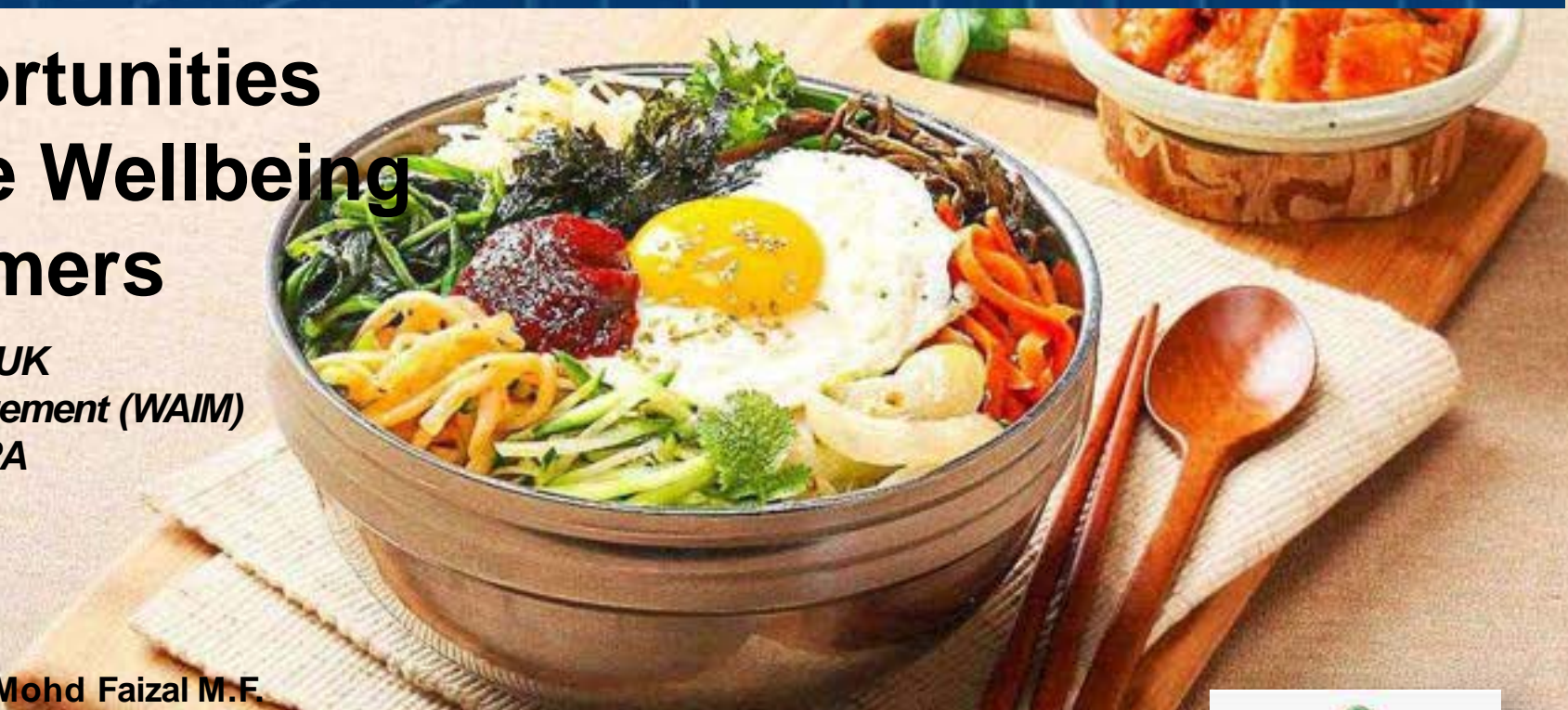
THE MACFEA-AACIM 2023

Managing New Marketing Opportunity for Enhancing Business Performance and Better Well Being of Family and Consumers

Challenges and Opportunities in Halal Sector for the Wellbeing of Family and Consumers

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Presentation Outline

1. **Halal** and Thoyyib Concept
2. Overview of Global Halal Food Industry Literature Review (LR) Matrix
3. **Research Methodology**
4. **Deep Diving Global Halal Food Industry**
5. Geographical Comparative Matrix Analysis on Global Halal Food Industry Profile
6. Current Developments of **Halal Certificate**, Food Industry post Covid-19
7. **SWOT and TOWS Matrix Analysis**
8. **Signals of Opportunities and Halal Operations**
9. Industry Challenges and Impacts post Covid-19
10. Corporate Response to Shifting Consumer Behavior and Preference (**Sustainability**)
11. **Strategic Recommendation: Way Forward (Innovation)**
12. **Conclusion and Future Research**

Research Methodology

Data Collection Method

Research sources allocated from desk study, online research, bibliographies. Expert interview, expert articles, academic and industrial research outputs to construct LR matrix, Comparative Continent Development Profiling, SWOT & TOWS Analysis

Research Method

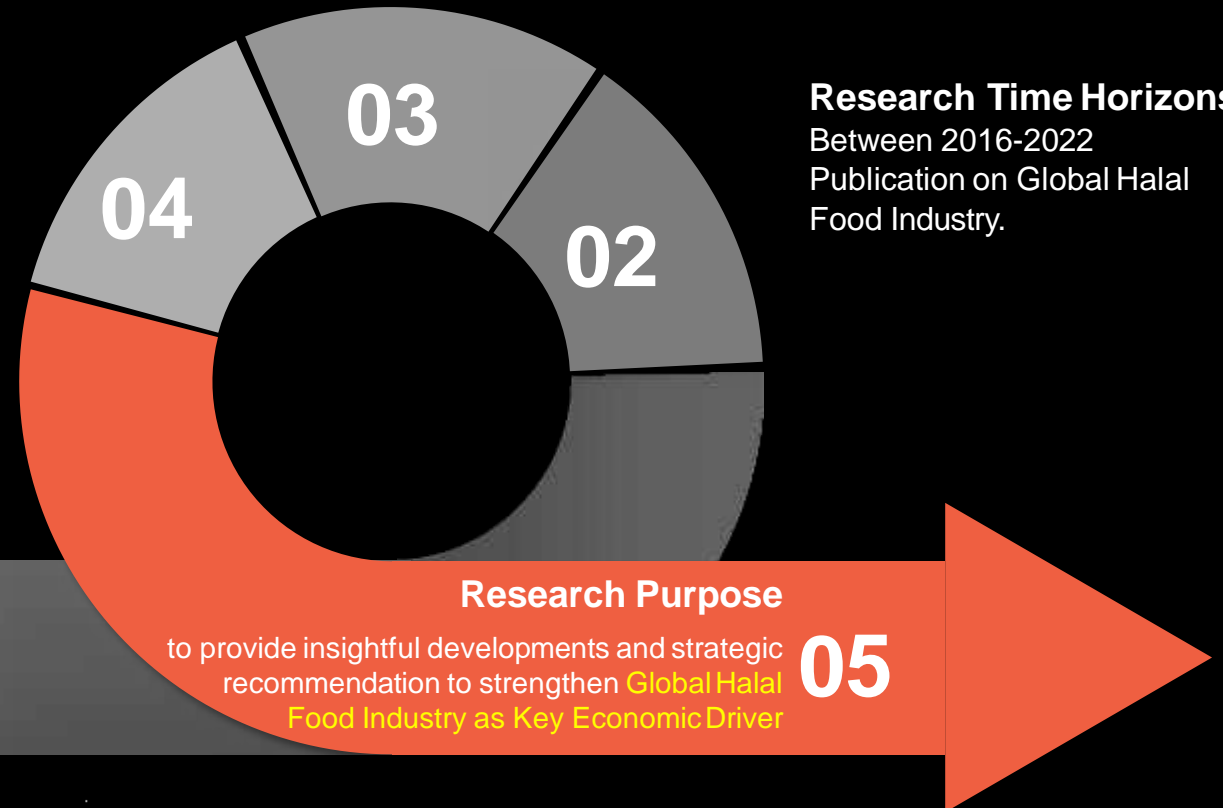
Exploratory Research Method
Policy and Strategic Recommendation Purpose to Industry Practitioners, Policymakers and Managers

Research Type

Qualitative and secondary marketing research type on Global Halal Food Industry

Research Time Horizons

Between 2016-2022
Publication on Global Halal Food Industry.



What is Halal & Thoyyib Concept?



Halal means '**allowed or permissible**' in Arabic. The word describes anything that is allowed under Islamic law.

Thoyyib means good in Arabic that promotes **nutritious, usefulness, purposive, healthy foods for body and surroundings** in complementing the Halal concept

Underlying Legal Framework for Halal and Thoyyiban Food (5:88) Eat of that which Allah hath bestowed on you as food lawful and good, and keep your duty to Allah in Whom ye are believers. (Surah Al Maidah verse 88).

Al-Qur'an prohibits Muslims from consuming pork, blood, and carrion. It also forbids Muslims from eating animals that die from being strangled, beaten, or fallen. In addition, Islam forbids its people from eating animals sacrificed at the altar.

Animal meat must be slaughtered in the name of Allah SWT. So, animals that are killed without mentioning the name of Allah SWT, are forbidden to be consumed

The Emergence of Halal and Thoyyib Concept

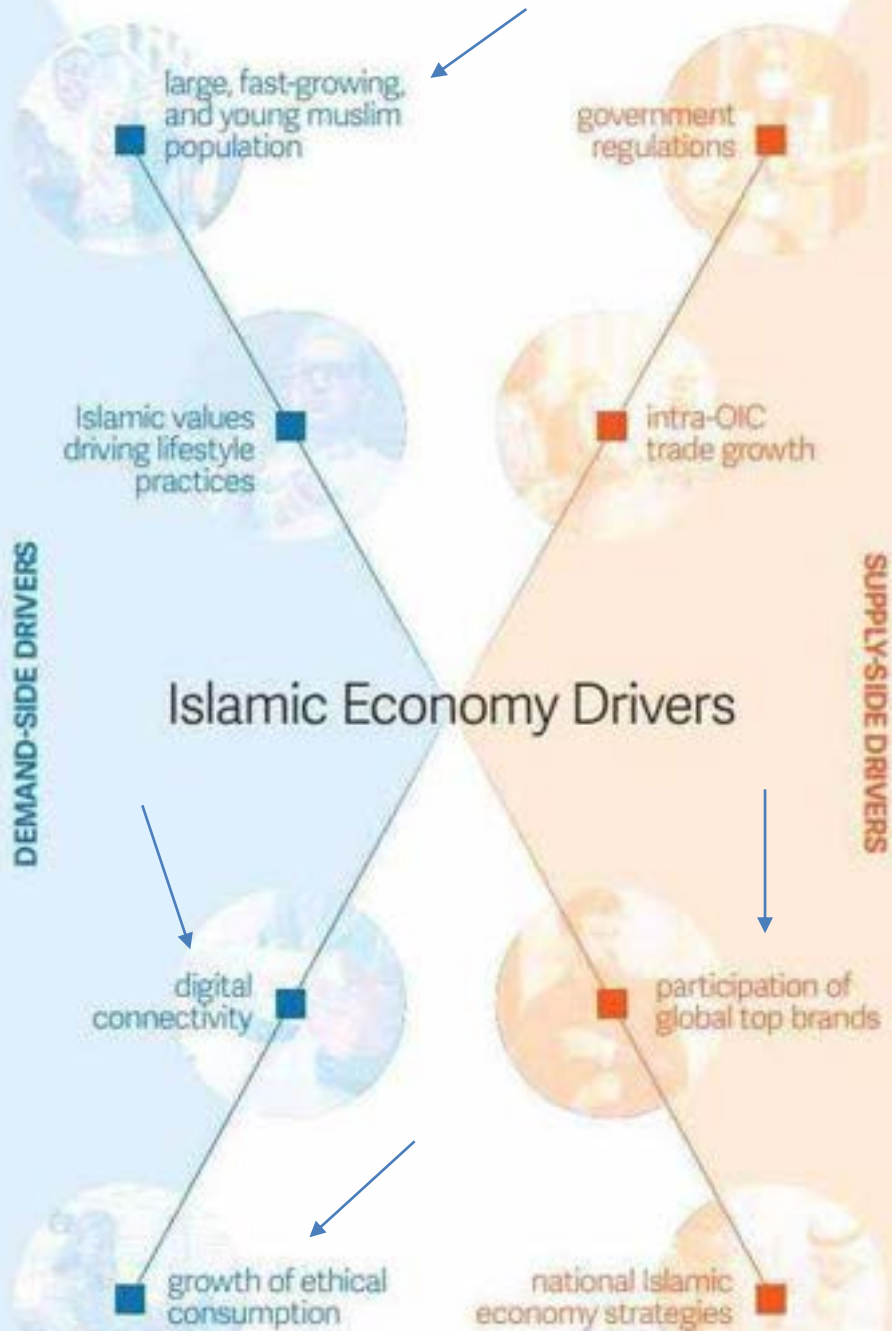
- Consuming it becomes obligatory when Allah says in sura al-Baqarah verse 168: O mankind, **eat what is lawful and good from what is on the earth**, and do not follow the footsteps of Satan.
- **Emergence of Consuming Halal & Thoyyib Food.** In everyday life, human needs food and drink that is not only tested halal must also be ensured highly **nutritious** (thayyiban) that can meet the nutritional needs of the body.
- **The criteria of Halal and Thoyyib food needs to be set as a benchmark** in determining the best food served to **every human being**.
- Many wisdoms are obtained when we always consume halal food and thoyyib. **Both in terms of physical and spiritual health.** Halal and thoyyib food will **shape a good character** to a person
- According to **Euromonitor's 2022 Lifestyles Survey**, **more than half of South East Asian consumers believe that they will be healthier in five years than they are now**, and they believe that climate change will impact them more, five years from now. It is considerations such as this **that will shape demand and opportunities for purposeful food both now and in the future.**



Source:

1. Al-Quran, Surah Al Baqarah Verse 168
2. Euromonitor 2022 Lifestyle Survey on South East Asian Consumer Behavior Study

Global Islamic Economy Indicator Report 2021/2022



Top 15 Global Islamic Economy Indicator Score Rank

1. Malaysia
2. Saudi Arabia
3. UAE
4. Indonesia
5. Jordan
6. Bahrain
7. Kuwait
8. Pakistan
9. Iran
10. Qatar
11. Oman
12. Turkey
13. Nigeria
14. Sri Lanka
15. Singapore

Top 10 Indicator Score Rank By Sector

HALAL FOOD	ISLAMIC FINANCE	MUSLIM-FRIENDLY TRAVEL
1. Malaysia	1. Malaysia	1. Malaysia
2. Singapore	2. Saudi Arabia	2. UAE
3. UAE	3. UAE	3. Turkey
4. Indonesia	4. Jordan	4. Thailand
5. Turkey	5. Bahrain	5. Tunisia
6. Iran	6. Indonesia	6. Indonesia
7. South Africa	7. Kuwait	7. Azerbaijan
8. Pakistan	8. Pakistan	8. Jordan
9. Brunei	9. Qatar	9. Singapore
10. Russia	10. Nigeria	10. Albania
MODEST FASHION	PHARMA & COSMETICS	MEDIA & RECREATION
1. UAE	1. Malaysia	1. UAE
2. Turkey	2. UAE	2. Malaysia
3. Indonesia	3. Singapore	3. Singapore
4. Malaysia	4. Iran	4. United Kingdom
5. Spain	5. Egypt	5. Indonesia
6. Italy	6. Indonesia	6. Brunei
7. Bangladesh	7. France	7. Bahrain
8. Canada	8. South Africa	8. Lebanon
9. France	9. Turkey	9. Kuwait
10. Iran	10. Tunisia	10. Netherlands



**JABATAN KEMAJUAN ISLAM MALAYSIA
(JAKIM)**

DEPARTMENT OF ISLAMIC DEVELOPMENT MALAYSIA

**THE RECOGNISED FOREIGN HALAL
CERTIFICATION BODIES &
AUTHORITIES**

As at November 1st

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**BADAN PENSIJILAN HALAL
LUAR NEGARA
YANG DIKTIKRAF JAKIM**
KEMAS KINI 1 DISEMBER 2020



<p>1. AUSTRALIA</p>	<p>2. AUSTRIA</p>	<p>3. ARGENTINA</p>	<p>4. BANGLADESH</p>	<p>5. BELGIUM</p>
<p>6. BOSNIA & HERZEGOVINA</p>	<p>7. BRAZIL</p>	<p>8. BRUNEI</p>	<p>9. CANADA</p>	<p>10. CHINA</p>
<p>11. CHILE</p>	<p>12. CROATIA</p>	<p>13. EGYPT</p>	<p>14. FRANCE</p>	<p>15. GERMANY</p>
<p>16. INDIA</p>	<p>17. INDONESIA</p>	<p>18. IRAN</p>	<p>19. IRELAND</p>	
<p>20. ITALY</p>	<p>21. JAPAN</p>	<p>22. KAZAKHSTAN</p>	<p>23. KENYA</p>	
<p>24. LITHUANIA</p>	<p>25. MALDIVES</p>	<p>26. MOROCCO</p>	<p>27. NETHERLANDS/ HOLLAND</p>	
<p>28. NEW ZEALAND</p>	<p>29. PAKISTAN</p>	<p>30. PHILIPPINES</p>		
<p>31. POLAND</p>	<p>32. PORTUGAL</p>	<p>33. SINGAPORE</p>	<p>34. SOUTH AFRICA</p>	
<p>35. SOUTH KOREA</p>	<p>36. SPAIN</p>	<p>37. SRI LANKA</p>	<p>38. SWITZERLAND</p>	
<p>39. TAIWAN</p>	<p>40. THAILAND</p>	<p>41. TUNISIA</p>	<p>42. TURKEY</p>	
<p>43. UKRAINE</p>	<p>44. UNITED KINGDOM</p>	<p>45. UNITED STATES OF AMERICA</p>	<p>46. VIETNAM</p>	





Halal food

Represented by **\$1.17 trillion** of spending by **1.9 billion** Muslims on food & beverage. (2019 est.)

COVID-19 Impact Projections

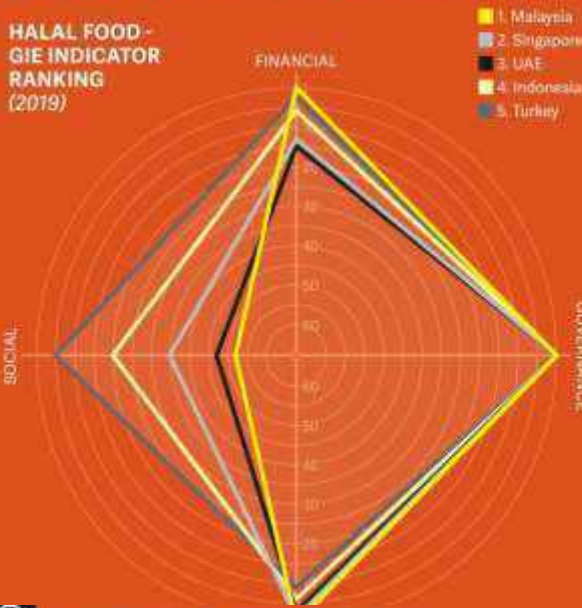
Projected 5-year CAGR of 3.5% (2019/24) reaching \$1.38 trillion by 2024

Global Muslim spend on food versus all halal products & lifestyle sectors



Government Benchmarks

HALAL FOOD-GIE INDICATOR RANKING (2019)



Source: . 'Global Islamic Economy Report by Dinar Standard and Rafiuddin Shikkoh, et al (2021/2022, United Arab Emirates)

Investments

Despite depressed global FDI, sovereign wealth fund led food security and supply-chain investments are rebuilding momentum

\$6.11 billion in halal-related food industry investments 2019/20*

Indonesia: Indofood's \$2.9 billion acquisition of Indomie noodles MENA market manufacturer Pinehill

Europe: PE firm Perwyn backed French halal products leader Isla Delice acquired Belgium's Hoca Meats

DEALS

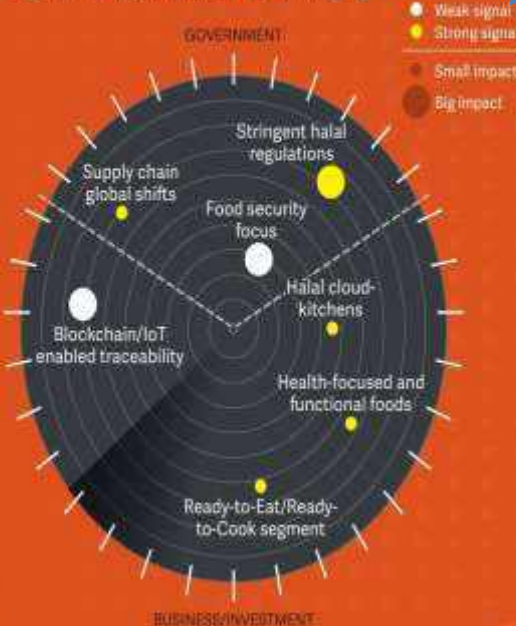
Top countries with # of related deals

Country	# of related deals
Malaysia	16
Indonesia	10
UAE	8
Others	27
TOTAL	61

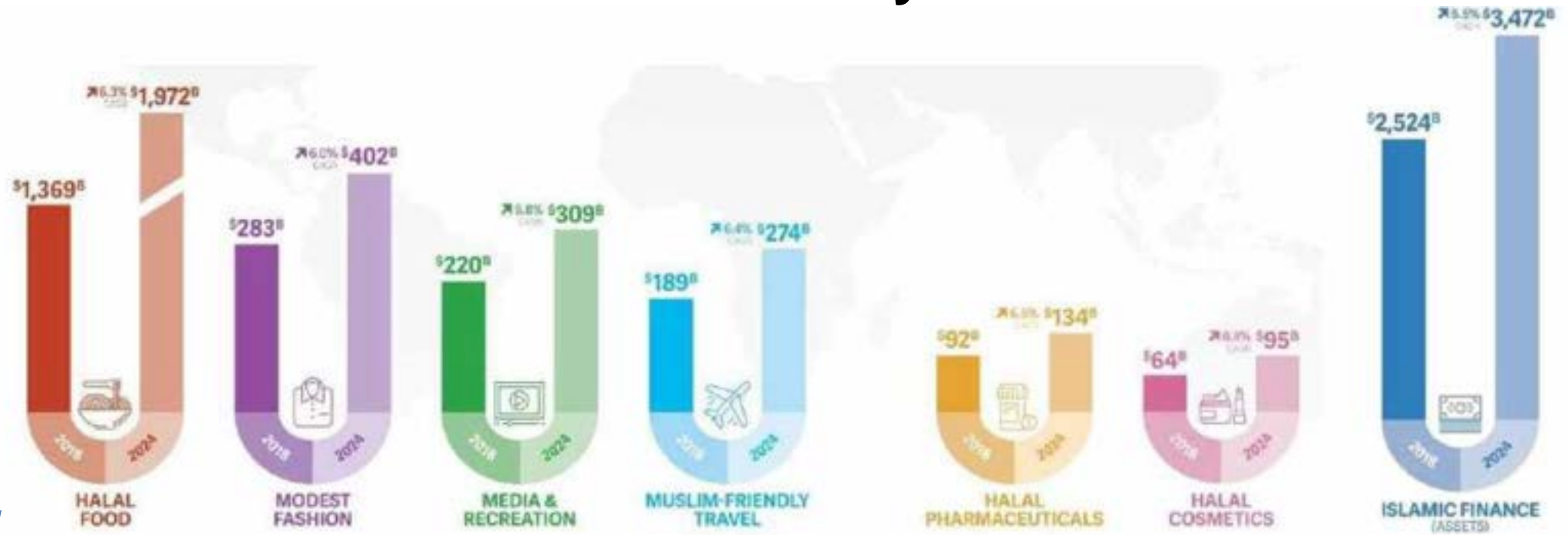
(2019/20)

Signals of Opportunities

Amidst the pandemic, multiple strong and weak signals of opportunities are emerging



Halal Food Industry is one of the least impacted sector among all Islamic Economy Sectors



Source: State of the Global Islamic Economy Report 2019/20, DinarStandard

Covid-19 impact



*This representation is based on upcoming State of the Global Islamic Economy Report



Literature Review Matrix – Global Halal Food Industry- Asia (1) 2020-2017

REGION,	AUTHOR, DATE	FOCUS TOPIC	ANALYSIS & RESULT	CONCLUSIONS
ASIA	Devi Septiani, Ahmad Ajib Ridlwan (2022)	Factor that influence Halal food product purchase intention in Indonesia	Respondents have confidence in the MUI halal certification agency in guaranteeing the halal product, respondents' religious awareness related to halal and haram that is good and respondents who intend to buy halal food products in Surabaya tend to make purchases or consumption.	Halal certification and halal awareness both partially have positive effects and influences on purchase intentions of halal food products.
ASIA	Inar Anggraini, Diah Setyawati Dewanti (2021)	Halal awareness in Indonesia and Thailand	-Respondent has a high-level awareness of halal foods in Indonesia and Thailand because there are proved with the result of descriptive statistics that showed halal food awareness has a total mean 4.04 which means the respondents have a high-level awareness. -Halal food awareness has a positive and significant impact on purchase decision for Muslims living in Indonesia because there are proved with the significant value of t-test is 0.000 with coefficients $t=10,881$ it means halal food awareness gives a positive impact towards purchase decision of halal food in Indonesia.	Respondents has a high-level awareness of halal foods in Indonesia and Thailand.
ASIA	Ruslan, A. A. A., Kamarulzaman, N. H. and Sanny, M. (2018)	Concern on Halal food fraud among Muslim consumers in Malaysia	-Most of the respondents (96.9%) in Klang Valley areas were aware of halal food fraud issues. -Gender, age, education level, and occupation had significant relationships with awareness of halal food fraud. -Three factors were classified as influential to Muslim consumers' perception towards halal food fraud: 1) halal logo, labeling and packaging 2) authorities' exposure and enforcement 3) consumer attitude.	Consumers' knowledge and awareness of halal food fraud influence their perception towards halal food fraud, thus understanding this awareness is crucial for Islamic authorities in improving services geared towards educating consumers.
ASIA	Aziz Ozturk (2017)	Marketing problem arises from rapid growth of Halal product market in Turkey	- Four elements forming in the minds of consumers at the first moment are: 1) foods that does not contain pork additivemeat products 2) meat products slaughtered according to Islamic rules 3) products manufactured by Muslims 4) lastly, the products that are more expensive compared to others. - Just as this perception is a difficulty in the development of halal product market, it also has a potential to be transformed into opportunity.	The marketers in this area should describe the concept of halal product and try to position the usability and applicability in the trade, production, quality standards with Islamic reference, and processes of doing work as symbol of a life style, in the mind of a consumers.
ASIA	Selvarajah Krishnan, Che Musa Che Omar, Irsyad Zahran, Nazreen Syazwan, Sharifah Alyaa (2017)	Awareness of Halal food on Gen Z in Middle East and Southeast Asia	-Gen Z are not aware the halal logo on the product and also halal labelled on restaurants. - There are few factor that lead to the lack of awareness 1) They are not aware halal and non-halal ingredients 2) Food labelling by non-Muslim manufacturer omit the non-Halal ingredients 3) Gen Z are more concern on social media popularity through their postings on consumption at famous brands/restaurant, without any awareness of the Halal status.	Lack of awareness of Halal and non-Halal status of Gen Z is due to lack of understanding of this issue, their attitude towards Halal status and lack of education on the importance of this aspects of life.

Literature Review Matrix – Global Halal Food Industry – Europe & Africa (2) 2020-2018

REGION	AUTHOR, DATE	FOCUS TOPIC	ANALYSIS & RESULT	CONCLUSIONS
EUROPE	Nur Aini Fitriya Ardiani Aniqoh, Metta Renatie Hanastiana (2022)	The challenges and opportunities of the halal food industry in Europe	- The development of the halal food industry in Europe was triggered by the increasing demand for halal certification and quality assurance, as well as the development of the tourism sector.	The increasing demand of Halal food supply in Europe is a great opportunity for European Muslims to position themselves favorably due to increasing demand of halal food supply while the challenge is the increasing demand for halal products has not been fulfilled as a whole because of the lack of relevant halal certification institutions in the country that is fully recognized globally.
EUROPE	Awal Fuseini & Steve B. Wotton & Toby G. Knowles & Phil J. Hadley (2017)	Fraudulent activities in Halal industries in the UK	- The gaps and loopholes within Halal certification and enforcement standards have exposed Halal meat to fraudulent activities including intentional mislabelling of non-Halal meat as Halal or contamination of Halal Meat with pork and its derivatives or other non-Halal materials	Halal Certification Bodies play a pivotal role in ensuring the successful implementation and interpretation of Halal-Tayyib concept to improve animal welfare during Halal slaughter as well as eliminate the food safety risks associated with Halal food production.
AFRICA	Sheetal Bhoola (Jun 2021)	Halal food marketing & tourism, its economic benefits, relevance to the varying hospitality sectors and its socio-cultural influences in Durban, South Africa	-More than half restaurant owners from the sample support the notion for Durban as a Halal food tourism destination. -There is also increasing number of Halal compliant restaurant in Durban to accommodate both international and local Muslim tourists.	Durban has the capacity to become Halal food tourism destination as there are abundance of Halal certified restaurant in Durban with variety of cuisines and existing facilities available can support Muslim tourists in Durban, such as the many mosques and accessibility to a wide variety of halal foods. This strategy should be explored by relevant stakeholders and scholars. Other cities within South Africa and internationally have embraced this concept and have embarked on halal tourism initiatives.
AFRICA	Abdalla Mohamed Bashir (2018)	Global halal food industry has become a guarantor of quality assurance and a good lifestyle choice for the consumers around the world.	-Non-Muslim consumers in Cape Town partially understand, aware and confident with the concept of Halal products and the benefits of Halal food, and they associate Halal with hygiene and health. -Non-Muslim consumers in Cape Town have a positive awareness of halal food, including its benefits and the production processes involved in producing it.	Halal is not merely a commercial name using as a trademark in the global market, but is considered as a sign of trust, comfortable and safe food consumption in South Africa generally and in Cape Town specifically. Therefore, there is a growing demand for halal products and services in Non-Muslim countries around the world.

Signals of Global Halal Food Industry Post Covid-19 Pandemic Shift for Industry Players, Consumers & Governments



Source '15 States of Signals on Food and Beverage Industry Post Covid 19 by (Dinar Standard published on July, 2022)

Demand Side Drivers of Global Halal Food Industry



A Large, Fast Growing & Young Muslim Population

The Muslim demographic is one of the strongest demand-side drivers for the Islamic economy's growth.

According to the Pew Research Center's Forum on Religion and Public Life, the global Muslim population which reached 1.9 billion in 2021. They scientifically estimated that the Muslim population will also remain predominantly young in 2050, with 60% aged 15-59 and 24% under 15 years of age.



Islamic Values Driving Lifestyle and Practice

Globally, Muslim consumers are increasingly pushing for halal products and services, with a 2020 **Pew Research Center** finding that **Muslims widely rate religion as being 'very important' in their lives while only 54 percent of the general population shares the same opinion.** These sentiments were most strongly felt in Muslim-majority countries in the Asia-Pacific region such as Pakistan, Indonesia and Afghanistan, with more than 90 percent of the population rating religion as being 'very important'



Rapid Digital Connectivity and Transformation for Halal Food Related Products & Services

With 15 of the top 50 countries ranked according to smartphone penetration being OIC countries, the demand for practical, digital Islamic economy solutions is gaining momentum, covering various sectors from Islamic finance and halal food to Islamic lifestyle products and services. According to World Bank data, 65% of the population in the Middle East and North Africa had access to the internet in 2020, compared to 49% of the global population.



Rising Ethical Consumption

Many of the values underpinning the Islamic economy sectors are universal and appeal to ethical consumers. **A global study by Nielsen indicated that 66% of consumers are willing to pay more for ethical/sustainable products. Younger consumers were even more committed, with 73% of millennials willing to pay more.** With the rise of ethical consumerism, many halal brands have attracted both Muslim and non-Muslim consumers, from halal organic brands such as Saffron Road

Supply Side Drivers of Global Halal Food Industry

1. Stringent Government Regulation & Halal Compliance Governance

There is increasing government involvement in regulating and certifying halal products in Muslim-majority countries. In many Islamic countries, designated national bodies, such as the UAE's ESMA, Saudi Arabia's SFDA, Indonesia MUI & BPJPH and also Malaysia's JAKIM, monitor and provide accreditation to halal certification bodies. **Government involvement has raised awareness of specific halal product requirements and has led to increased compliance, leading to the growth of various sectors of the Islamic economy.**

2. Accelerated Intra OIC Countries Trade

Intra-OIC trade is continuously growing, facilitating the development of Islamic economy sectors especially on Halal FnB. In 2020, 31 OIC members reached the intra-OIC 25% trade target set in the "OIC-2025: Programme of Action." The share of intra-OIC trade in the overall foreign trade of OIC member states increased by 7% in 2020, reaching \$381.4 billion

3. Involvement and Participation of Leading Global Brands

The Islamic economy space has attracted the attention of top global brands creating **innovative** products and services across sectors. **From Deutsche Bank, HSBC, Citi, and MasterCard offering Islamic finance products to Nestle, Carrefour, Walmart, and Whole Foods providing halal retail products,** the involvement of top global brands in the Islamic economy space underlines and focuses attention on the importance of the Islamic economy space to global multinationals.

4. Focused National Economy Strategy

Searching for new economic growth areas, many countries, both Muslim-majority and otherwise, are **now seriously focusing on the Islamic economy for economic diversification.** For many of the oil-producing Muslim-majority countries, March 2020 marked the steepest one-month drop in oil prices on record. As a result, countries such as Saudi Arabia, the UAE, Nigeria, Kazakhstan, Indonesia, and Malaysia have increased their focus on the Islamic economy as well as formalize its strategy in national planning





Recent Development of on Global Halal Food Industry (2021-2022)

01

Spending and Covid-19

Muslim spend on food increased by 3.1% in 2021 to \$1.17 trillion from \$1.13 trillion in 2020. The COVID-19 crisis is not expected to result in a significant drop in Muslim spend for 2020, with a drop of 0.2%. **A CAGR of 3.5% is expected between 2020 and 2024, with Muslim spend expected to reach \$1.38 trillion by 2024.**

02

Challenges

The COVID-19 pandemic has proved to be challenging for global food production and distribution, and the halal food sector is no exception. Indeed, three out of the five largest food exporters to the OIC countries – **Brazil, India and Turkey** – were severely impacted.

03

Flurry Development on Investment, Innovation & Digitalisation

Unsurprisingly, there was a flurry of investment in food related apps during the pandemic, from the \$36 million raised for Saudi Arabian delivery startup Jahez, to a commission-free food ordering website, DeliverDXB, launched in Dubai. Investment into producers also continued despite COVID-19. **Shares in Pakistan's The Organic Meat Company's IPO were oversubscribed by 1.7 times, while Ajinomoto, a Japanese seasoning company, invested \$85 million in a halal production line in Malaysia.**

04

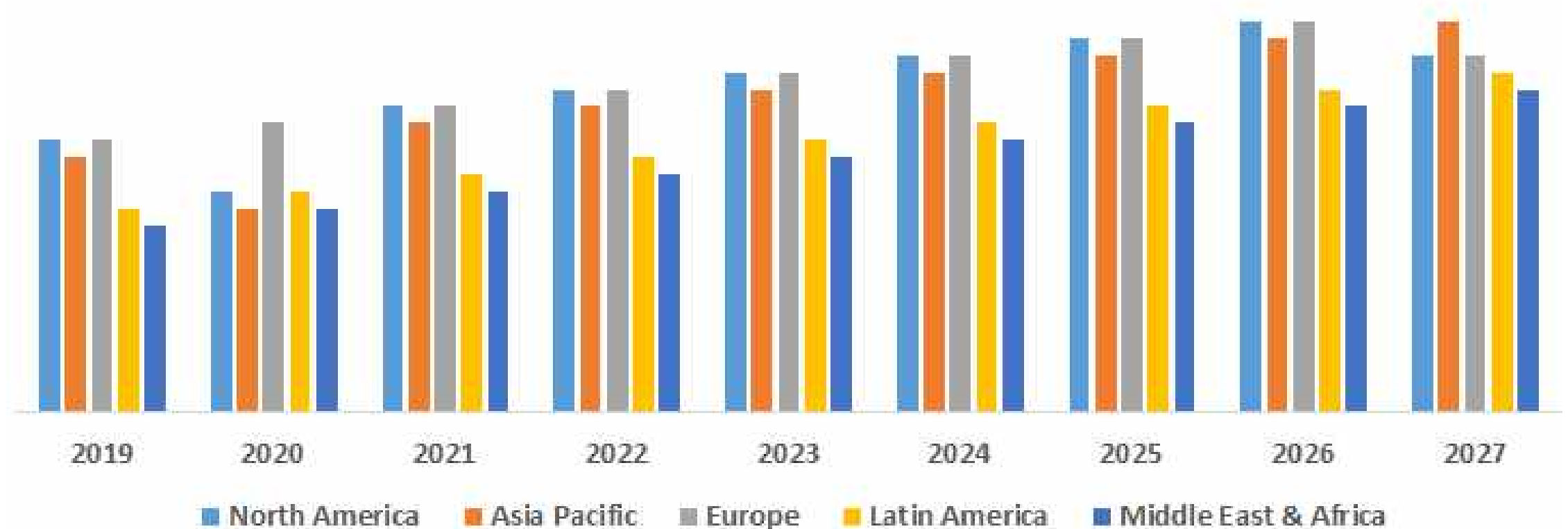
Main Driver of Islamic Economy

Halal trade has expanded in 2021, with multiple agreements linked with key food producers, and non-OIC countries partnering with Muslim-majority countries, such as Brazil and the UAE, to tap the burgeoning halal market **With the demand for traceability – from farm to fork – on the rise, and more customers seeking out halal certified products, the halal food sector is set to continue being the driver of the Islamic economy**

Global Halal Food Market 2020-2027, by Region



Global Halal Food Market, by Region 2020-2027



Continental Comparative Development Matrix on Global Halal Food Industry (Asia)

Continents	Key Characteristics (Strengths)	Differences/Opportunities	Development of Halal Food Industry (key leading markets)
ASIA (including Asia Pacific, Middle East & Central Asia)	Strong presence of halal food ecosystem in Muslim countries e.g. OIC countries, Malaysia, Indonesia & Brunei.	<ol style="list-style-type: none"> For non Muslim countries, the strength of halal food ecosystem depends on size of Muslim populations, which Singapore leads the way in strengthening its halal food ecosystem. Opportunity for ASEAN Collaboration to be world leader in Halal Branding and create a strong presence of quality Halal brand in ASEAN. Excellent opportunity to expand the halal travel offerings in Thailand, Japan and Korea particularly for visitors from its Muslim-majority neighbors. 	<ol style="list-style-type: none"> Malaysia: offers a complete Halal ecosystem. The country has also developed world-class regulation, driving new initiatives to accredit halal certifiers worldwide. Indonesia: undertook important step of launching its Halal Economy Masterplan 2019- 2024 through its recently established National Shariah Finance Activity. UAE: positioning itself as a central hub in the trade of Islamic economy products, agreement with China to create a \$1 billion food manufacturing and processing facility in Dubai, establishment of a dedicated global Halal Trade and Marketing Center being hosted at Dubai Airport Freezone Authority (DAFZA)¹. Pakistan: important investment activity from Cargill, a global leader in halal manufacturing, committing to a \$200 million investment (2019)¹.

Current Operational Development of Global Halal Food Industry : Halal Certification, Digitalisation, Value Chain and Traceability (2020-2022)

Source: Developed by researcher with reference to Global Islamic Economy Report 2020/2021 by Dinar Standard Consulting Firm & Other Industrial Report



Indonesian poultry company PT Belfoods is working with McDonald's Indonesia to introduce blockchain-based halal food traceability tools in the fast-food giants chain

Malaysia's Halal Development Corporation (HDC) launched its online holistic marketplace, the Halal Integrated Platform in December 2020. HIP will help domestic companies become export-ready and bring industry stakeholders together to solve commercial issues

France has begun digitizing the entire French food chain, including its halal food production, certification and exports in a four-stage \$3.3 million program, Num-Alim, from 2020 to 2023.30

South Korea's largest telecom firm, KT, along with blockchain developer B-square, in the midst to digitally systemize and simplify halal certification and authentication in Korea

United States-based halal certifying body, IFANCA, resorted to virtual halal audits due to lockdown restrictions on a case-by-case basis.

Flourishing Food-Tech Innovation and Manufacturing Alliance Expansion of Global Halal Food Industry (2021-2022)



SANICHI Japan-ASEAN

Sanichi Technology is developing ASEAN's first halal gelatin plant and industrial park with a gross development value of \$300 million in the middle 2020



SYMRISE Germany-Egypt

German-based flavors giant, Symrise, inaugurated a new facility in Egypt to develop customized products for the African and Middle Eastern markets



Arla Europe-Bahrain

Arla Foods invested \$55 million in setting up a Halal cheese production facility in Bahrain that will double as a strategic hub to cater to the MENA region



Michroma, Argentina

An Argentinian startup, Michroma, engineered filamentous fungi to create novel but natural food colors that are vegetarian and halal-friendly



JSC, Russia

Russia's Space Food Laboratory, JSC, created the first halal food in space using unique packaging and completely natural ingredients for a UAE astronaut.¹⁹



Frankie F, UK

UK-based Frankie's Farm launched Streaky Lamb Macon, a pork-free bacon alternative to be sold at Asda, which will be available in its halal/chilled aisles

Corporate Response on Shifting of Consumer Behaviors on Global Halal Food Industry in 2021-2022



Signal of Opportunities for Global Halal Food Industry Post Covid- 19 Pandemic



01

Scaling Up Investment & Production to Cater Supply Side

COVID-19-related supply chain disruptions have demonstrated the need for larger investments in local and regional production.

02

Acceleration of Halal Food Digital Transformation

The digital transformation of the global halal food industry is accelerating due to COVID-19.

03

Leveraging Role of Islamic Finance to Drive Halal Food Growth

Islamic financial institutions can expand their SME proposition by enabling halal trade and connectivity.

04

Halal & Healthy Are a 'Must'

Consumers are on the hunt for halal and healthy yet convenient food that can be delivered.

05

Potential for Halal to be more pure, nutritious, healthier food type.

Lifestyle diseases and, more recently, COVID-19 are driving demand for healthier options — functional, organic, clean-label, plant-based, low-fat, and low-sugar foods.

06

OIC Collaboration to Global Ecosystem

Strategic trade partnerships between OIC countries can strengthen their halal industries and economic growth in these turbulent times



Limited Robust Data Basis for Global Halal Industry

Challenge 1: Without detailed, concrete data to create an accurate picture of halal food manufacturing and consumption, any plans for improvement are only half measures



Halal Food SME Industry are in tough situation

Challenge 2: SMEs are in dire need of support to survive the crisis. The pandemic has harmed businesses and forced many into losses, with SMEs bearing the brunt of the impact. However, high financing costs, raw material import duties, and high certification and compliance costs were an obstacle even before the pandemic.



Rapid Development of Food and Agritech with limited Halal Food Scientist

Challenge 3: Rapid development of food technology, engineering and modification which supercedes existing knowledge and practice of Science-based Halal Auditing and Compliance



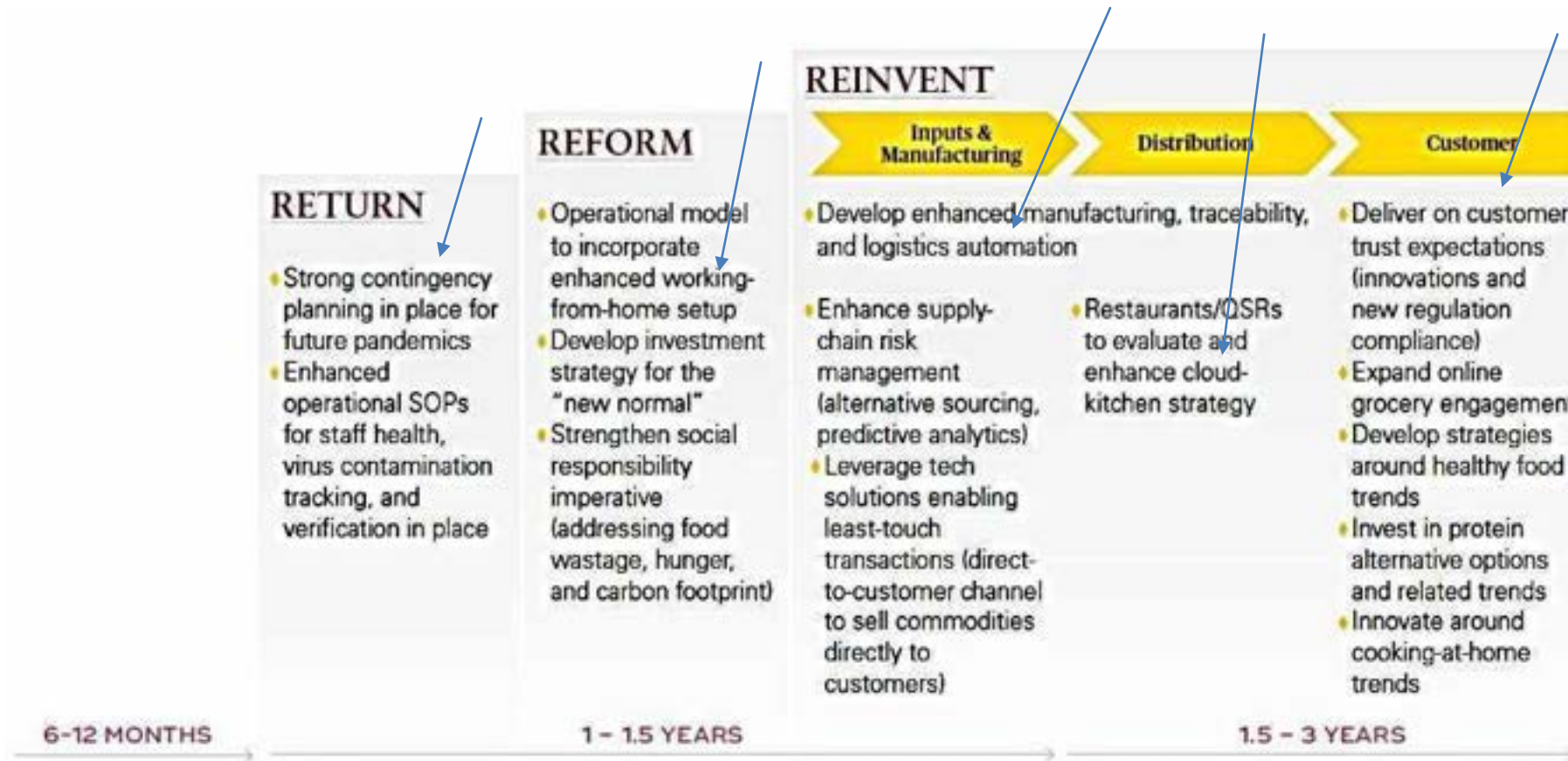
Challenges of Global Halal Food Industry

Food Insecurity and **Sustainability** remains as the biggest challenge in OIC Countries toward its Halal Food Industry Development

Food insecurity and Sustainability is threatening the lives of millions across the world and more so in the OIC countries. We urge halal food producers to address gaps from food trade disruptions. Islamic finance must play a crucial role in building halal food supply chains in these countries."

H.E. YERLAN BAIDAULET, DIRECTOR GENERAL, ISLAMIC ORGANIZATION FOR FOOD SECURITY (IOFS)

Low Hanging Fruit Action Plan to Accelerate and Strengthen Global Halal Food Industry Post-Covid 19 Pandemic



22. Recommendation for Halal Food Industry Players, Investors & Consumers

Silver linings remain despite COVID-19's detrimental impact on the halal food industry.

1. DEVELOP HALAL TRACEABILITY & LEAN SUPPLY CHAIN.

Leverage on supply side digital solutions to enhance Halal food manufacturing, traceability and logistic information and ensure transparency in Halal food supply chain

2. BUSINESS MODEL REINVENTION

Reinventing the Halal Food Business Model on Demand Side by engaging more with online grocery engagements food delivery and e-commerce model to cope up with rising digital demands

3. TRANSFORMING INTO CLOUD KITCHEN & QRS

Diversifying and transforming halal food business brick and mortar restaurants into Cloud Kitchen based business model with full-fledge halal traceability system partnering with online delivery platforms and e-commerce business

4. ROBUST HALAL FOOD DATABASE.

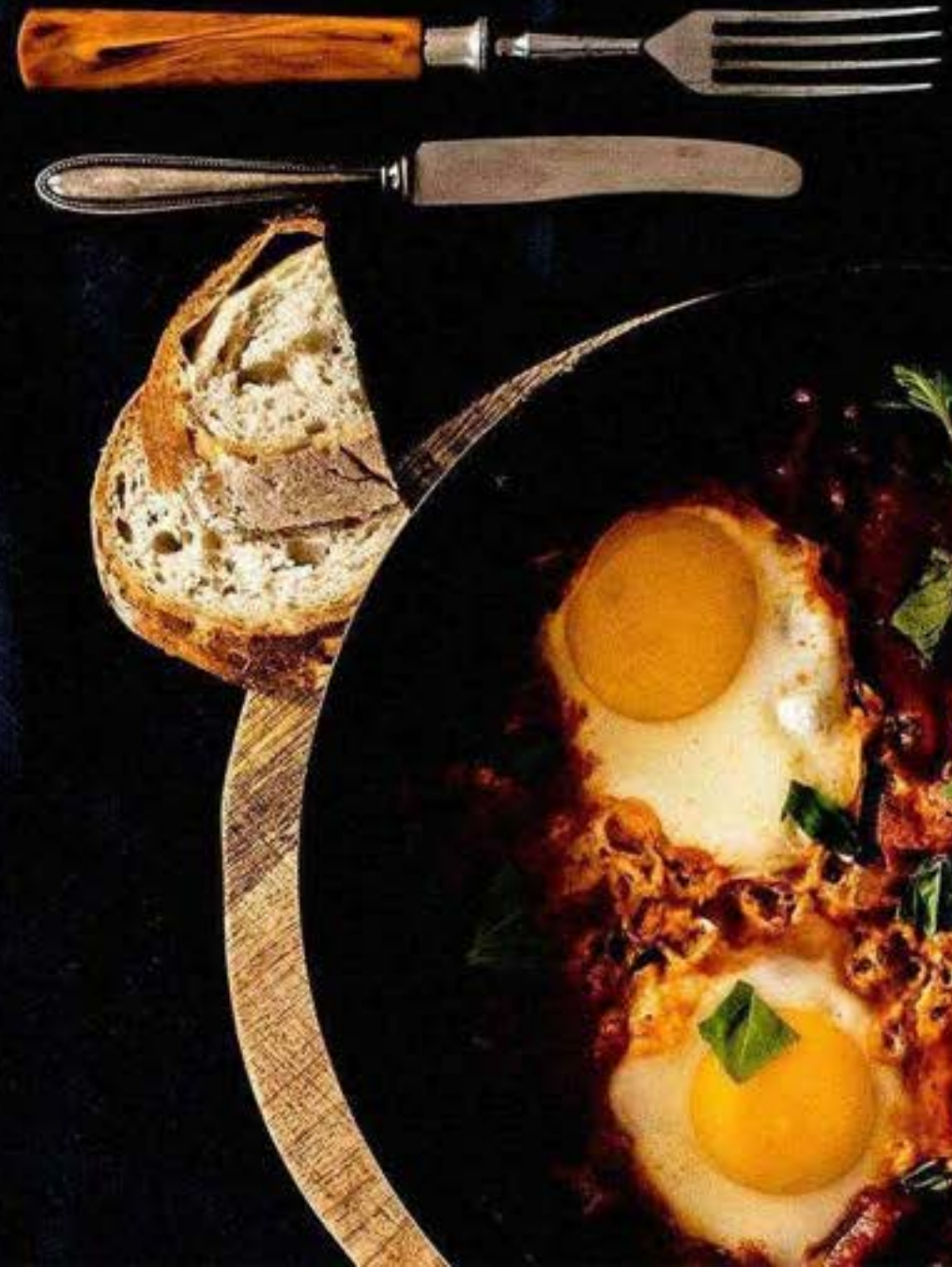
Construct a global Halal Industry digital database ecosystem on related on Halal-compliance related information that is easily accessible and updated real time

5. HALAL FOOD INNOVATION & EMBRACING HEALTHIER VALUE

Championing Halal Food Innovation through ethical, purposeful, healthy and nutritious foods in relation in supporting environmental and sustainability standards and advanced health practice

6. HALAL ASSURANCE APPS SYSTEM

Create a digital phone application to detect fraudulent Halal logo and non-Halal food substance e.g. emulsifier code



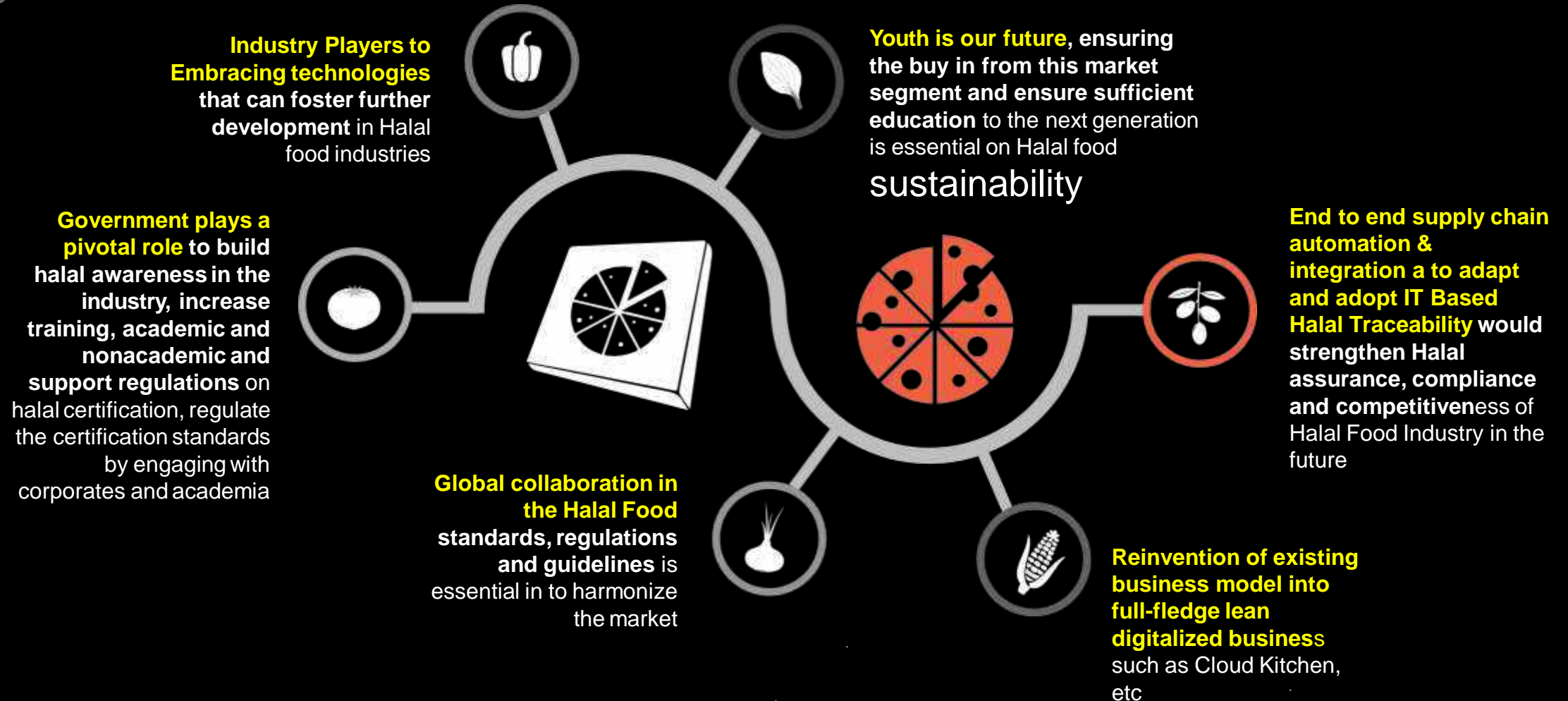


Recommendation for Governments & Halal Food Industry Governing Bodies

Competition in the halal industry is on the rise, and national halal industries can play a significant role only if backed by government support and robust policy.

1. Local government and enforcement agency to implement and **enforce mandatory law on Halal Assurance System and panelty** on Halal food compliance to prevent fraud
2. Governing bodies of Halal to **provide free halal certification process (incentive) and make an ease process but still stringent for SME and micro Halal Food entrepreneurs**
3. **Implement ethical and fair business practices e.g.: fair price, unexcessive profit, fake Halal logo prevention- especially when dealing in Halal food product to maintain good perception on Halal food products and on Islam as a whole.**
4. **Wider global collaboration among local and global Halal authorities to create a standardized Halal logo, labelling and packaging to combat against fraudulent logo by manufacturer (across continents)**
5. **Formalizing Halal Food Industry Strategy into Core National Strategic Planning**
6. **Enforcement toward embracing toward OIC/ SMIC unified halal standards, OIC members countries now hold the power to take the halal industry to the next level**

Conclusion, Future Research & Way Forward





Thank You & QnA

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