



# **HALAL ISSUES MONITORING: QUARTERLY UPDATE REPORT**

**AUG 2022**

# QUARTERLY UPDATES ON HALAL DEVELOPMENTS

THE “WHAT, SO WHAT, NOW WHAT”



WHAT

WHAT DO WE OBSERVE?



SO WHAT

SO, WHAT DOES THIS MEAN?



NOW WHAT

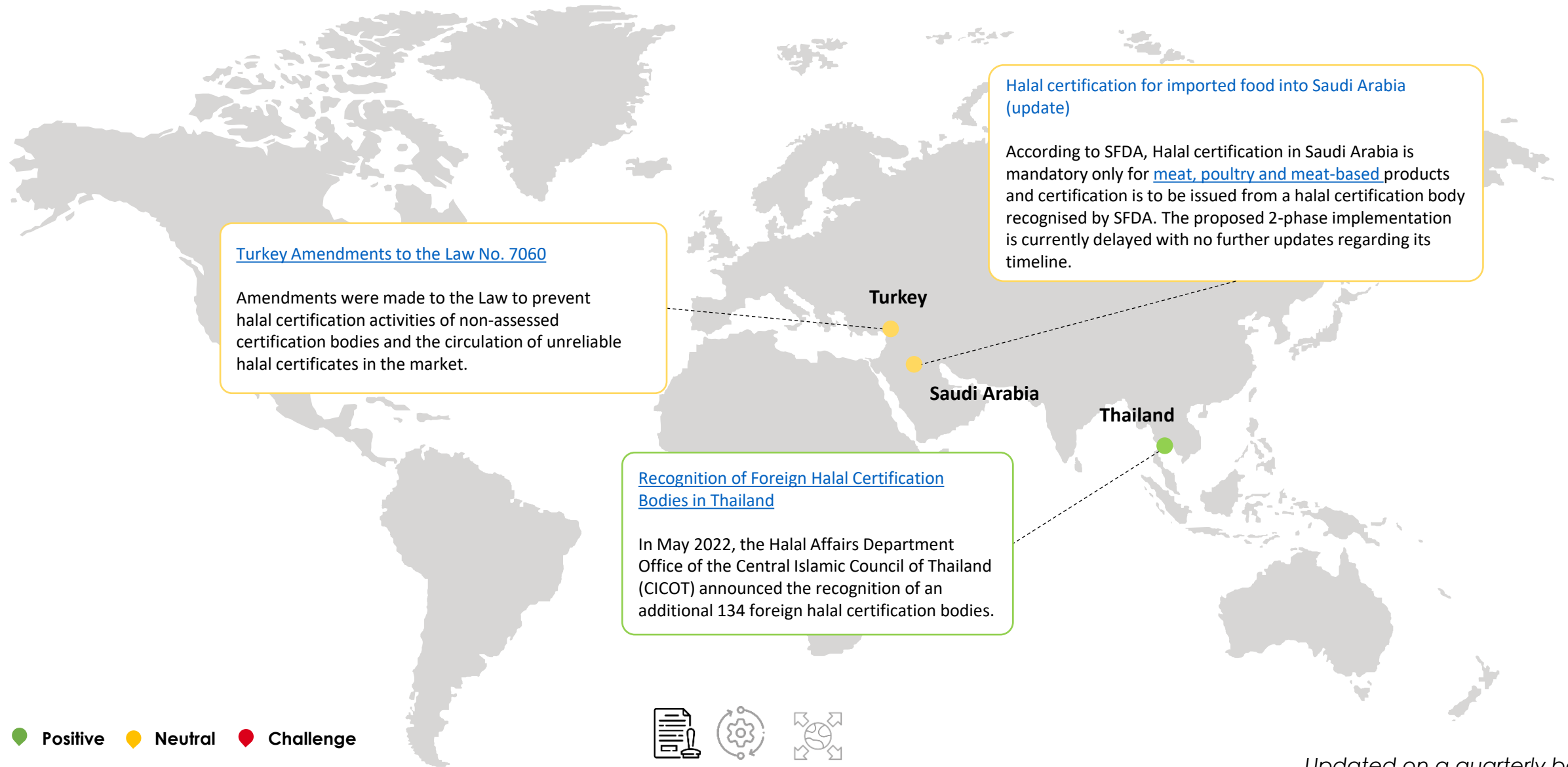
NOW, WHAT ARE THE ACTIONS?

	Regulatory	To monitor halal regulatory developments in the region in order <b>to identify the regulatory hotspots.</b>
	Mutual recognition & Trade	To monitor developments of mutual recognition between halal certifying bodies <b>to identify the potential opportunities or challenges</b> that would impact the import and export of halal products.
	Supply chain	To monitor halal developments related to the certification beyond finished products which <b>expand to other parts of the supply chain.</b>

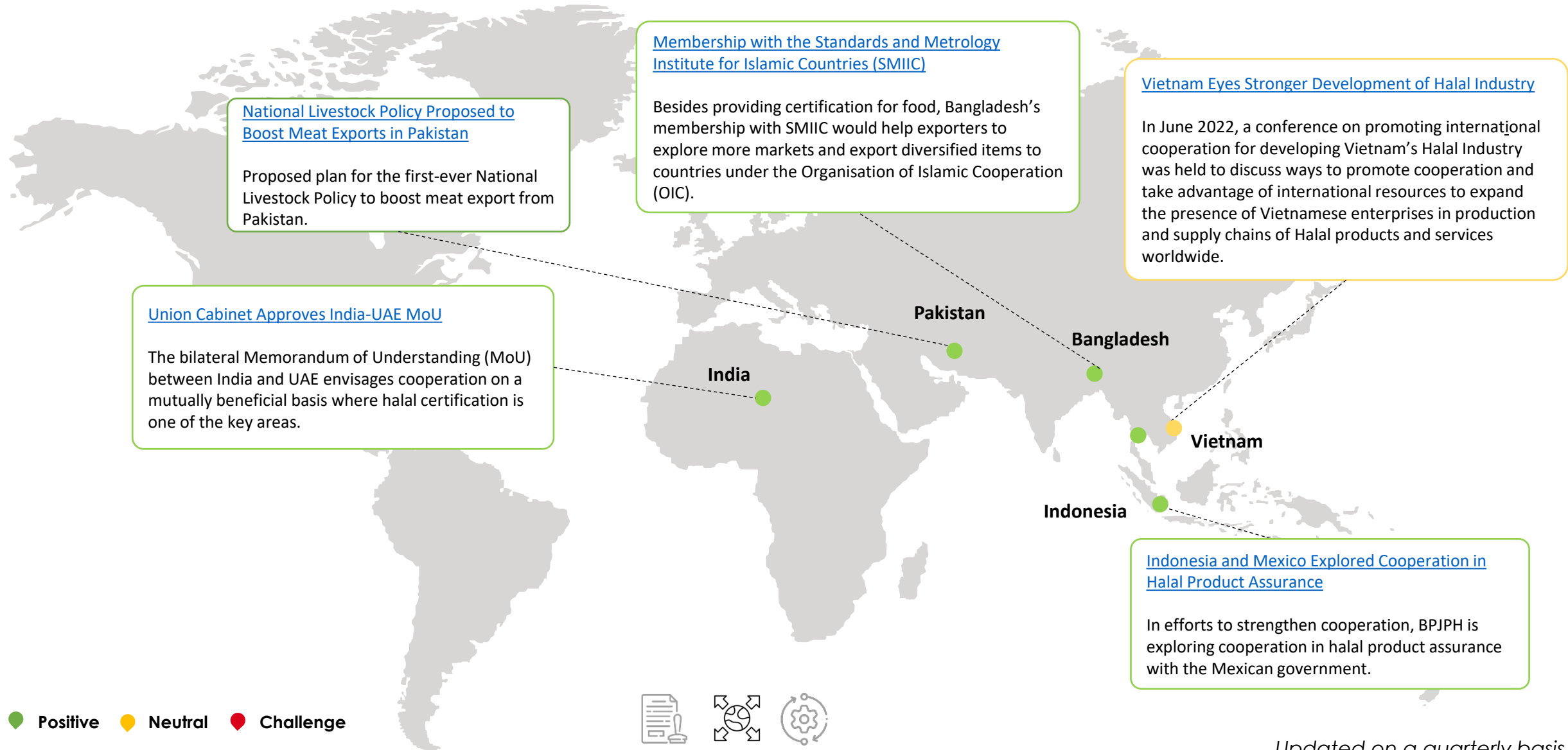
● Positive ● Neutral ● Challenge

Updated on a quarterly basis

# REGULATORY



# MUTUAL RECOGNITION & TRADE



# SUPPLY CHAIN



[Indonesia Encouraged to Become World Leader in Halal Tourism and Production Sector](#)

The International Halal Congress provided strategic objectives to realise Indonesia's aspiration to become the world's Halal Center in 2024, with a focus on halal products and halal tourism.

Indonesia

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Regulatory



## Regulatory

- **Turkey:** Amendments to Law No. 7060 Certain Regulations Regarding Halal Accreditation Agency
- **Thailand:** Recognition of foreign Halal Certification Bodies

Mutual recognition & trade



## Mutual recognition & Trade

- **Vietnam:** Eyes stronger development in halal industry
- **Indonesia:** BPJPH exploring cooperation in halal product assurance with Mexico
- **Pakistan:** 1<sup>st</sup> National Livestock Policy
- **Bangladesh:** Country has become a member of SMIC

Supply chain



## Supply Chain

- **Indonesia:** Poised to become world leader in Halal and production sector

\* Click on country's name to access slides

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# TURKEY



● Positive ● Neutral ● Challenge

## “WHAT”

Amendments to Law to boost halal certification and compliance assurance

### 9 May 2022:

- In efforts to prevent and minimise the risk of false information for halal products and services certified for “compliance with halal products,” the amendment seeks to **prevent** the following:
  - halal certification activities of non-assessed certification bodies
  - circulation of unreliable halal certificates in the market
- Administrative fines will be issued to organisations that are found providing halal conformity assessment services without accreditation.
- The amendments will come into force on **9 May 2023**.

## “SO WHAT”

- In light of the envisaged arrangements, Turkey still aims to **maintain the voluntary basis** for halal certification and halal standards compliance.
- The administrative fines which shall be imposed could serve as a deterrence to the number of halal certification activities from non-assessed certification bodies and if well regulated, could help mitigate the proliferation of false or misleading information.

## “NOW WHAT”

- With about 9 months remaining until the amendments come into effect, it should provide industries sufficient time to ensure that halal certified products are accredited. FIA will also look to monitor the developments surrounding the assurance of halal certification.

## “WHAT”

Recognition of foreign halal certification bodies

### 12 May 2022:

- The Halal Affairs Department Office of the Central Islamic Council of Thailand (CICOT) announced the recognition of additional **134** foreign halal certification bodies (FHCBs).
- List of FHCBs can be found [here](#).
- The list of FHCBs include several countries. Countries originating from **Southeast Asia** include:
  - Philippines (several halal organisations)
  - Indonesia (MUI & BPJPH)
  - Malaysia (JAKIM)
  - Vietnam (HCA)

## “SO WHAT”

- The approval of FHCBs beyond the ASEAN region could see an increase in the number of halal materials being imported into Thailand and diversification of the supply of halal materials.
- With the recent recognition, there is now **mutual recognition** with Indonesia (MUI & BPJPH), Malaysia (JAKIM) and Singapore (MUIS).

## “NOW WHAT”

- The recognition of FHCBs is likely to stimulate further trade within the ASEAN region which could expand the halal market and FIA will continue to keep track of any developments.



# VIETNAM

Mutual recognition & trade

● Positive ● Neutral ● Challenge

## “WHAT”

Vietnam eyes stronger development in halal industry

**28 June 2022:**

- A conference on promoting international cooperation for developing Vietnam's Halal industry discussed ways to **promote cooperation and leverage** on international resources to expand the presence of Vietnamese enterprises in production and supply chains of Halal products.
- In his speech, the Deputy Foreign Minister affirmed the focus that the Vietnamese government has placed to support local businesses to join the halal market.
- On the contrary, representatives from localities and businesses shared about the difficulties faced by Vietnamese businesses in producing and exporting halal products due to lack of information about the market, halal standards and high cost for production lines.

## “SO WHAT”

- With the numerous challenges and the absence of a trade promotion mechanism for halal products, international attendees and experts highlighted the need for the country to make the most of **international cooperation** and resources especially with **Muslim and ASEAN countries**.

## “NOW WHAT”

- While the main priority is to strengthen and develop a halal industry, it remains to be seen how the challenges may be addressed. Hence, FIA will continue to pay close attention to how the further collaboration between ASEAN countries may help with the progress of the halal industry in Vietnam.

Source: [Vietnamplus](#)



# INDONESIA

Mutual recognition & trade



Positive



Neutral



Challenge

## “WHAT”

Halal cooperation in halal product assurance

### 7 June 2022:

- The Halal Product Assurance Agency (BPJPH) is exploring a halal cooperation in the halal product assurance (JPH) with the Mexican Government.
- Based on the regulations, international cooperation would need to be under a government-to-government cooperation between both countries.

## “SO WHAT”

- The potential cooperation comes after 4 countries (i.e., Chile, Argentina, Hungary and Belarus) which had signed a international cooperation agreement with Indonesia.
- Besides the expansion of the halal market in Indonesia, the cooperation is also part of Indonesia's efforts to encourage economic recovery through industry and trade in halal products.
- The Indonesia-Mexico cooperation will also provide benefits for both countries and contribute to strengthen the value of national trade.

## “NOW WHAT”

- Noting Indonesia's growing position in the halal sector within Southeast Asia, FIA will continue to monitor for any further or potential cooperation with other countries.

Source: [Jakartadaily](https://www.jakartadaily.com)



# BANGLADESH

Mutual recognition & trade



Positive



Neutral



Challenge

## “WHAT”

Member of the Standards and Metrology Institute for Islamic Countries (SMIIC)

### 30 July 2022:

- The Bangladesh Standards and Testing Institution recently became a member of SMIIC to start its services as the country exports different food and non-food items to the Organisation of Islamic Cooperation ([OIC](#)) member countries.

*\*OIC member countries: Alliance of 56 countries which Islam plays a significant role. (Located primarily in North Africa, the Near East & South Asia.)*

*\*SMIIC: Competent body of OIC for developing standards and achieving uniformity in metrology, laboratory testing and standardisation activities among member states.*

## “SO WHAT”

- With the membership providing halal certification for food, this would help to diversify the exports of items especially to OIC countries that would require halal certification on products.

## “NOW WHAT”

- A growth in halal exports and trade is expected to be seen as a result of Bangladesh's membership with SMIIC. On this note, FIA will continue to monitor the status of SMIIC and its involvement in halal certification across different markets.

Source: [Newsage](#)

# PAKISTAN

Mutual recognition & trade

Positive Neutral Challenge

## “WHAT”

First National Livestock Policy

### 12 July 2022:

- The National Livestock Policy was announced by the Vice President of the Pakistan Business Forum (PBF).
- Prepared by the Ministry of National Food Security and Research, the intention of the policy is to support and boost Halal meat export from Pakistan.
- The policy was first drafted in March 2022 and the proposed policy is still under progress.

## “SO WHAT”

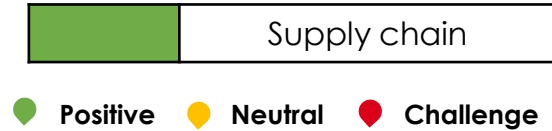
- The intended deliverable of this policy is to help support and boost Halal meat exports from Pakistan.
- Besides this, food security, poverty reduction and the increase in national income as well as the intention to double digit growth in the livestock sector by 2025 are some of the key targets of the proposed policy.

## “NOW WHAT”

- With the proposed policy still in its development stages, FIA will continue to monitor the developments of the proposed policies.

Source: Urdu

# INDONESIA



## “WHAT”

Indonesia encouraged to become world leader in halal production market

### 15 June 2022:

- The 2022 International Halal Congress was attended by participants and speakers from 40 countries.
- Indonesia's Ulema Council (MUI) Sharia and Halal Economics Head mentioned that the congress became an important momentum for activists and halal industry players to formulate policies related to halal products.
- The Deputy Chairman of MUI had earlier invited all levels of society to increase availability of halal products and services in Indonesia with the government's goal of making the country the center of the world's [halal production by 2024](#).

## “SO WHAT”

- The recent conclusion of the congress are indicators of Indonesia's aspiration to become the world's leading halal production center in 2024.
- The 9 halal resolutions highlighted during the congress include:
  1. Increase development of halal industry and tourism
  2. Realise professional halal certification
  3. Joint movement between government and community
  4. Improve competence of human resources
  5. Encourage the strengthening of collaboration and synergy between supply elements in halal ecosystem
  6. Encourage innovation and growth of creative economy sector
  7. Encourage adequate incentives for halal industry
  8. Encourage acceleration of development of halal tourism
  9. Encourage the MUI fatwa as reference for global halal standards

## “NOW WHAT”

- With Indonesia seeking to become a world leader for halal production, FIA will pay close attention to how the 9 halal resolutions are being met and how it would help drive the progress of the halal market.

Source: Antara & [halalfocus](#)