

MALAYSIA ENERGISES THE GLOBAL HALAL ECOSYSTEM

The global Muslim population is growing. There are 1.8 billion Muslims around the world and by 2030; the Muslim population is expected to increase to 2.2 billion or 26.4% of the total global population. Clearly, Muslim consumers represent an important new market segment in the global economy.

For Muslims, Halal is an integral part of their lives. With the Muslim consumer market tagged as the fastest growing consumer segment in the world, there is enormous growth potential for the Halal industry, which is currently estimated to be worth USD2.3 trillion.

Although Halal is not a new concept and has been around since Prophet Muhammad, the understanding of Halal has been veiled by ignorance for centuries. All that changed at the dawn of the 21st century when Malaysia created a paradigm shift and awakened the world to this emerging new market.

Malaysia is really one of the first Muslim majority countries to recognise the importance of the Halal market. In fact, the Malaysian Government is the first to announce the development of the Halal sector as a potential growth engine for the national economy and even incorporated Halal into their long term economic planning. Malaysia is also the first country to declare its ambition to become a global hub for Halal products and services. Today, Halal is a global phenomenon and the rest of the world is mesmerised by this new market, and is full steam ahead to play a leading role in this rapidly evolving marketplace.

This sudden widening consciousness of the Halal market resulted not only due to the mandate by the government but also from the zeal of professional Muslims equipped with knowledge and expertise to promote Halal as a way of life. The government and private sector have collaborated in various key initiatives to create awareness of the Halal market globally.

One such initiative that has attracted the world's attention is the Malaysia International Halal Showcase (MIHAS). The premier trade show made its debut in 2004 and quickly became the world's largest Halal marketplace. Since its inauguration, MIHAS has congregated approximately 170,000 visitors from 70 nations, 4,000 companies from 48 countries and generated more than USD3 billion in sales. MIHAS continues to grow from strength to strength, and is recognised globally as a value-adding platform that promotes cross-border economic investments and business partnerships.

This year, the 12th edition of MIHAS was organised as part of the World Halal Summit (WHS) 2015, which is a convergence of the world's premier integrated Halal exhibition and six conferences. The intention behind WHS 2015 is to integrate the various elements of Malaysia's Halal initiatives under one unified umbrella to present a coordinated programme of activities to a global audience; and to reassert Malaysia's role as a thought leader in the Halal sector.

Held from 30th March to 4th April 2015 at the Kuala Lumpur Convention Centre, Malaysia, the World Halal Summit (WHS) 2015 was hosted by the Ministry of International Trade and Industry Malaysia (MITI), and jointly organised by the Department of Islamic Development Malaysia (JAKIM), Malaysia External Trade Development Corporation (MATRADE) and the Halal Industry Development Corporation (HDC). This inaugural event was supported by the Ministry of Tourism and Culture Malaysia and Malaysia Convention and Exhibition Bureau (MyCEB). The International Islamic University of Malaysia (IIUM), Universiti Teknologi MARA (UiTM), Zilzar.com and Maybank Islamic were WHS 2015's Strategic Partners. With MasterCard as the Strategic Payment Partner, and Malaysia Airlines as the Official Airline, WHS 2015 was co-organised and managed by Shapers Malaysia Sdn Bhd – the founder of the Malaysia International Halal Showcase (MIHAS), Halal Fiesta Malaysia (HALFEST) and now, the World Halal Summit (WHS).

As the main highlight of WHS 2015, MIHAS 2015 featured 549 local and international businesses from 20 countries. Amongst the highest participating nations to showcase their goods and services were Thailand, Indonesia, South Africa, Saudi Arabia, China and Taiwan. Exhibitors were categorised based on their range of Halal products and services in the Halal consumables; non-food products and services; Halal certified premises and Islamic investment, banking and Takaful sectors. The food and beverage sector continued to dominate the offerings at MIHAS but there were equally exciting possibilities in other areas as well, such as pharmaceuticals and Islamic banking.

MIHAS 2015 generated more than USD307 million in total sales, of which USD124.10 million were made from the one-day Incoming Buying Mission (IBM) – a programme held annually alongside MIHAS to encourage trade and investment through business matching sessions between international businesses and local companies. The four day trade show attracted 23,107 trade visitors and continues to be the 'meet-network-trade' platform for key industry stakeholders.

The six specialist forums of WHS 2015, namely the Certifiers Forum, Academics Forum, Scholars Forum, Business Forum, 6th JAKIM International Certification Bodies Convention and HDC's World Halal Conference brought together some of the leading minds in the Halal industry including prominent personnel like Abdulla Mohammed Al Awar, Executive Director, Dubai Islamic Economy Development Centre (DIEDC), Salih Yuksel, SMIIC AC Chair and Acting Head, System Accreditation Department, Turkish Accreditation Agency (TURKAK), Nabil Molla - Secretary General, GCC Standardization Organization, UAE, Rafi-uddin Shikoh, CEO of DinarStandard USA, Rushdi Siddiqui, CEO of Zilzar Technology and the Grand Mufti Emeritus Dr Mustafa Cerić from Bosnia Herzegovina. The sessions explored the evolving terrain of issues in the Halal ecosystem involving global regulatory frameworks,

new research topics, risk management, innovative crowdfunding options, e-commerce and digital marketing skills.

The global Halal ecosystem is currently fragmented with differing schools of thought, Halal standards and certifications. For the Halal market to reach its full capacity to serve and benefit Muslims and non-Muslims alike; we need to bring these differences to a common ground and harmonise the various Halal standards. WHS 2015 sought to accomplish this by creating a dynamic platform for industry experts and thought leaders to bring forth transformational knowledge and new ideas to innovate, evolve and drive the Halal ecosystem forward.

As we step into the next phase of growth in the Halal industry, there needs to be more sophistication in the Halal narrative to moderate the issues and challenges in the Halal ecosystem. All this while, Halal has been seen as transactional; now it needs to become transformational.

We are about to turn the page and embark on a new chapter in the Halal market. New awareness, new technologies and a deeper understanding will drive this market into the next phase. In many ways, the consumers are the most important and overlooked component of the Halal market. Understanding the needs and priorities of consumers, both Muslims and non-Muslims, will require more study and research; and the results will offer a new level of products and service development; and an entirely new innovative approach to marketing.

The World Halal Summit provided an integrated approach to the global audience to experience the best of both worlds-intellectual discourse and thought leadership through the WHS specialist Forums; and dynamic trade and networking opportunities via MIHAS. Many of the exhibitors and delegates at WHS 2015 described their experience as “beautiful” and even “life-changing”.

WHS 2015 presented a new beginning for the global Halal market; one that inspires us to think, innovate and evolve towards the development of the Halal ecosystem. The future for the global Halal market looks exciting and full of possibilities.

The World Halal Summit 2016 will be organised from 30th March to 2nd April 2016 at the Kuala Lumpur Convention Centre, KLCC. For more information, log on to www.halal.com.my or call +0362034433.