

**OPENING SPEECH BY THE RIGHT HONOURABLE ABDUL MALIK KASSIM, STATE MINISTER FOR RELIGIOUS, DOMESTIC TRADE, AND CONSUMER AFFAIRS, STATE GOVERNMENT OF PENANG, MALAYSIA.**

*Bismillah Hirrahman Nirrahim*

*Assalamualaikum Warahmatullah Hiwabarokatuh  
and a very good morning to you.*

*Alhamdulillah Hirabbil `Alamin Wassala Tuwassala Asyrafil Ambiya Hiwarmursalin, Sayyidina  
Mohammadin Wa'ala `Alihi Wasahbihi Ajmain.*

*We are grateful to Allah Al-Mighty for blessing this occasion and giving all of us the opportunity to be here this morning.*

1. Let me first thank the Ministry of Awqaf and Islamic Affairs, State of Kuwait and Dr. Hani M. Al-Mazeedi for inviting me to deliver the opening speech at “**The Halal Industry and Halal Services Conference 2011**”. It is an honour for me to be standing here with international key players in the Halal industry and it is my earnest hope that the ideas cropped at this conference will advance the development of Halal industry to the next level.

Allow me to read a phrase from the Holy Quran.

يَا أَيُّهَا النَّاسُ كُلُوا مِمَّا فِي الْأَرْضِ حَلَالًا طَيِّبًا وَلَا تَتَّبِعُوا خُطُواتِ  
الشَّيْطَانِ إِنَّهُ لَكُمْ عَدُوٌّ مُّبِينٌ

*O mankind! Eat of that which is lawful and good (tayyib) on the earth, and follow not the footsteps of Shaitan (Satan). Verily, he is to you an open enemy. (Surah al-Baqarah: 168. From this verse it is understood that Islam sets two essential criteria for food consumption, namely *halal* (permissible by Shariah) and *tayyib* (of good quality).*

Ladies and gentleman,

2. Today, Halal is a global phenomenon no longer just associated with religion. The Halal label has become a symbol for good quality and wholesomeness. It is an emerging market force that attracts not only Muslims but is also becoming a lifestyle of choice for non-Muslims. To reflect this growing trend, increasingly everyone seems to want a slice of the Halal market. With the global Muslim population estimated at 1.8 billion in 2009 out of the 6.5 billion world population or 28% with an average annual growth rate of 1.80% per annum, the Muslim world must develop and promote Halal products and services for the Ummah rendering the halal industry as a new dynamic source of economic growth. As Muslims, we are duty bound ‘*Fardu Kifayah*’ to work towards developing alternatives and choices of Halal products and services for the Ummah.

3. The branding of Halal products and services has to be of International Standards as Halalan Toyibban means permissible and of High Standards which in turn makes the whole world our market, not confined purely to the Ummah. This will also enhance the image of Islam to being the *ad deen* or way of life and I believe that through Halal products and services, the Muslim world will be able to foster good relations and bottle the adverse portrayal of Islam today. .

Amongst the factors that contribute to Penang's and of Malaysia's role in being a strong halal global player includes;

(i) being recognized as a modern, democratic and progressive Islamic country (ii) global recognition which provides credibility and market acceptance of halal products produced or processed in Malaysia (iii) the industrial and commercial infrastructure to produce and market halal products (iv) has played a pioneering role in the establishment of " Halal Guidelines" at international levels (v) Malaysia's halal certification issued by JAKIM is recognized worldwide due to its stringent criteria and; (vi) strong government support and commitment to develop and establish Penang and Malaysia as a global halal hub.

With the ever growing value of the global Halal market (*now estimated at USD 3.1 trillion*), the State of Penang has shown a profound interest to drive the Halal market. Known as the "Silicon Valley of the East", Penang has successfully undergone an intensive industrial and technological transformation over the past 35 years. We are tapping into this existing global network to leverage the halal industry. Penang today aspires to become a "*Halal Global Centre*".

Ladies and gentleman,

4. Penang and Malaysia's aspiration to be a global halal hub is shown by the establishment of dedicated key government representatives and selected movers within the industry that includes various government agencies such as JAKIM, Standards Malaysia and Halal Development Corporation (HDC) , Small and Medium Enterprises Corporation (SME Corp), Malaysian Industrial Development Authority (MIDA) and Malaysia External Trade Development Corporation (MATRADE) that were given the task to constantly submit recommendations, re-evaluate strategies and share market intelligence on the state of the Halal industry in Malaysia and globally as well as to strengthen the credibility and integrity of Malaysian Halal Standards.

These agencies (JAKIM, Standards Malaysia) are now in the midst of drafting a Halal Act and establishing enforcement guidelines to enable JAKIM to carry out enforcement on Halal certificates and logos. The compulsory appointment of halal auditors in manufacturing companies (i.e food, pharmaceuticals, etc) will help to perform Halal audit functions internally within companies in the halal business and to continuously monitor and inspect the premises , with the aim to ensure Halal standards are not compromised.

Realising the seriousness of the Halal issue, some industry players even have their own internal Halal audit mechanisms. Companies like Carrefour, Nestle and KFC have their own internal audit mechanisms because they are aware how sensitive and important this is; because they cannot afford a major blow-out on any Halal issue as it will impact their business interest. The Halal auditors would in turn curb future abuses and prevent businesses from taking advantage of the gaps within the Halal certification process.

Ladies and gentleman,

5. While we recognise that there are significant opportunities in the Halal market, there are still many hurdles to overcome to realise the full potential of this sector. One of the reasons why the Halal industry cannot grow faster, despite rising demands for Halal products worldwide, **is because there is no consensus on a Halal standard** that is acceptable to all Muslim communities. Each country establishes her own certification body and sets differing standards with regards to slaughtering methods, animal feeds, packaging and other related issues. To add to the confusion, there even exist various halal authorities and private certification bodies within some countries. In the United Kingdom, for example, there are at least 20 halal certification bodies in operation, each with their own rulings. With so many different standards coming from differing authorities, producers are often at a lost on where to start to get their products certified for the right market.

Therefore, **uniformity of Halal Standards** that meet international best practices will ensure that the Islamic community would feel safe and convinced that the food and products they consume are Halal. Currently, Malaysia is leading the path to unify halal standards, as JAKIM (Malaysia Islamic Development Department) recognises only 15% of the halal certificates issued by 300 bodies across the globe.

With the joint effort of JAKIM, Standards Malaysia and various international stakeholders, four modules of Global Halal Standard were published in 2010 to standardise the certification process in accordance with international benchmarking and best practices. By the end of next year, to further strengthens the certification, Malaysia targets to formulate a Halal Act to outlaw private certification companies and overcome falsifying of halal certificates to promote the integrity and growth of the halal industry. Only JAKIM and JAIN (State Islamic Religious Department) have the authority to issue halal certification in Malaysia.

Ladies and gentleman,

6. The challenge for Penang and Malaysia in becoming a global halal hub does not end here. Given the increasing involvement of other countries in the halal industry, measures will be undertaken to enable Malaysia to remain competitive in terms of standards and manufacturing infrastructure. As

the halal industry is viewed as a '*sunrise industry*', its potential growth is exponential. The world is our market. We should complement each other towards the development of halal industry. Having said that, Halal Penang is willing to collaborate and cooperate with anyone to develop this exponential growing sector in the world recognised by the Muslim world as well as non-Muslims worldwide.

Ladies and gentleman,

7. Another challenge we face is the mentality of Muslim consumers themselves, towards halal products. The perception of Muslim products and Muslim food outlets being automatically halal by consumers should be altered, as Halal is not being just "*pork and alcohol-free*" but *it also comprises the toyyiban*. (wholesomeness, hygiene and safety) aspects. The enforcement authorities of JAKIM are continuously trying to overcome the Halal logo scams by food outlets and roadside hawker stalls. For example, certain eateries employ workers wearing headscarfs and display the Halal logo without authorisation along with the rampant display of Quranic verses to indirectly signal that the premise is operated by Muslims, to entice Muslim customers. To broaden the awareness on halal issues amongst consumers, the Malaysian government is continuously educating the public on their rights through forums, seminars and expositions and the certified halal logo plays a role in purchase decisions by Muslim consumers in particular.

Ladies and gentleman,

8. As a Muslim leader, I am reaching out to the Muslim world, to join us in this initiative to realize the dream of creating choices for the Ummah and the full potential of the halal industry. I commend the main organizers; the Ministry of Awqaf and Islamic Affairs of Kuwait, Kuwait Institute for Scientific Research and GCC Standardization Organization and our brother Dr. Hani M. Al-Mazeedi who have brought Government and Private sectors throughout the world to discuss issues affecting our Ummah globally. The State of Government of Penang in Malaysia will continue to support this Halal initiative.
9. I take this opportunity once again to thank the organisers for inviting me and I pray for Allah's grace and blessings for a productive and successful conference. Thank you.