Pitfalls opportunities and challenges in conducting Halal R&D projects:
Characterization of the Halal status of food, pharmaceuticals, cosmetics and healthcare products

Dr. Hani Mansour Al-Mazeedi
Kuwait Institute for Scientific Research

Thailand Halal Assembly
Bangkok – Thailand
28-30 December, 2014

@AzkaHalal
المطلبات وال الفرص والتحديات في تنفيذ مشاريع أبحاث الحلال:
توصيف حالة الحلال للمواد الغذائية، والدوائية، ومستحضرات التجميل، ومواد العناية بالبشرة

د. هاني منصور المزيدي
معهد الكويت للأبحاث العلمية

جمعية الحلال - تايلاند
بانكوك - تايلاند
28-30 ديسمبر 2014

Outline

• Introduction
• Pitfalls
• Opportunities
• Summary
Introduction

The Halal Industry is an industry that deals with a diverse of a spectrum of Halal oriented activities such as: procurement\(^1\), sales\(^2\), marketing\(^3\), transportation\(^4\), production\(^5\), manufacturing\(^6\) of a range of Halal products, and it also cover Halal investments\(^7\) in Halal services such as education\(^8\), tourism\(^9\), supervision\(^10\), certification\(^11\), and auditing\(^12\).

An analysis by Dubai Chamber of Commerce and Industry for the year 2013 showed that the size on the demand for Halal food is witnessing a remarkable rise in all parts of the world. Which refers to the increase in the awareness in all over the world on the principles of sustainable health in the production of halal food?
The Halal food products trade, which have been marketed in the year 2014, was estimated to about 548 billion USD *.

It is estimated that the global Halal market in year 2014 is about 2.3 trillion USD *.

The annual growth rates in the trade of Halal products are ranging between 12-15% *.

It is expected that the global Halal market in 2020 may reach 6.2-6.8 trillion USD. *

This means that there are investment opportunities around 2.9 trillion USD waiting to enter the Halal industry during the next six years, which will generate investment opportunities and jobs in various countries around the world.
Halal Trade has been targeting new markets in non-Muslim countries, due to the presence of large numbers of European Muslim communities, giving greater opportunities for Islamic countries to be the main origin of these products as they are more suitable to apply critical terms of Halal standards in Halal product.

According to the available data*, the Asian countries consume from global Halal trade about 63.3%, African countries about 23.8%, European countries consume about 10.2% of this trade, while American States consumes about 2.5% of world Halal trade.

<table>
<thead>
<tr>
<th>Continent</th>
<th>World Population 2008</th>
<th>Muslim Population</th>
<th>Muslims by (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Africa</td>
<td>967</td>
<td>462.36</td>
<td>47.81</td>
</tr>
<tr>
<td>Asia</td>
<td>4,050.6</td>
<td>1,103.75</td>
<td>27.24</td>
</tr>
<tr>
<td>Europe</td>
<td>735.2</td>
<td>51.46</td>
<td>7.0</td>
</tr>
<tr>
<td>North America</td>
<td>331.7</td>
<td>7.13</td>
<td>2.19</td>
</tr>
<tr>
<td>South America</td>
<td>576.85</td>
<td>2.41</td>
<td>0.42</td>
</tr>
<tr>
<td>Oceania</td>
<td>33.54</td>
<td>0.50</td>
<td>1.49</td>
</tr>
<tr>
<td>Total</td>
<td>6,694.89 M</td>
<td>1,627.61 M</td>
<td>24 %</td>
</tr>
</tbody>
</table>

23% of world’s population are Muslims (World Bank 2013)

Muslim Population is increasing at the rate of 1.84% (by Carnegie Endowment for International Peace). The world Muslim population in 2009 is estimated at 1.628 billion

These figures confirm that the Islamic countries is still the first consumer of Halal products while Europe and American Markets are considered to be emerging markets, and it is expected that in the coming years Halal trade will accommodate a bigger size of the market if Islamic countries showed interests in producing Halal products and invade both European and American markets.

Pitfalls

Constraints issues borne in mind when working with Halal R&D projects
General constraints

✓ Lack of proper enforcements of Halal laws in importing countries
✓ Lack of competent Halal certifications bodies and common halal standards
✓ Traceability and confirmation of the true status of Halal products on the shelves has become complex
✓ Lack of mutual recognition on trade matters among the OIC country members

Issues that must be borne in mind when working with Halal

Constraints with regard to misconceptions in Halal

✓ A survey was conducted on a wide cross-section of society of Muslims and non-Muslims in both Muslim minority and majority countries: “What does Halal mean to you?”

- Muslim food
- Ethnic food
- Kebab
- Food that has been blessed by an Imam
- Slaughtered meat
- Food that is exclusively for Muslims
Issues that must be borne in mind when working with Halal

Constraints with regard to the advantages of Halal
Many are unaware that Halal is a holistic life manner

- Clean, safe to eat
- Food that is permissible for Muslims
- Food to be consumed by Muslims and non-Muslims alike

“..Oh Mankind, eat what is Halal and Tayyib (wholesome) from the earth…” (2:168)

- A way of life...

Issues that must be borne in mind when working with Halal

Constraints with regards to the presence of Haram in many products

The “Universe” of consumer goods

Most of consumer goods are Halal and little is Haram, but that little has spread in almost most of Halal consumer’s good
All clean and wholesome foods are permitted for consumption by Muslims except the following categories, including any products derived from them or contaminated with them:

- Carrion or dead animals – **comes via stunned-to-death animals**
- Flowing or congealed blood – **comes via poor stunning of animals**
- Swine, including all its by-products – **comes via contamination**
- Animals slaughtered without pronouncing the name of God on them
- Animals **killed** in a manner that prevents their blood from being fully drained from their bodies
- Animals slaughtered while pronouncing a name other than God
- Intoxicants of all types, including alcohol and drugs – **via use of alcohol as diluent**
- Carnivorous animals with fangs, such as lions, dogs, wolves, or tigers
- Birds with sharp claws (birds of prey), such as falcons, eagles, owls, or vultures
- Certain land animals such as frogs and snakes

In almost all countries, Halal is a religious issue. Hence, the state will not intervene;

At most, Halal is regulated under the labeling law;

Halal certification, therefore, is conducted by many agencies/ associations/ councils/ federations, etc.;

No unified Halal standard and its associated logo.
Constraints with regard to diverse international standardization of Halal

Issues that must be borne in mind when working with Halal

Constraints with regard to Halal perception
Issues that must be borne in mind when working with Halal

**Constraints with regard to Evolution of Fatwas**

- **Divinely Revealed Scripture**
  - Sahih Al-Bukhari
  - Sahih Muslim
  - Sunan Abu Dawud
  - Sunan Ibn Majah
  - Sunan Al-Nasai

- **Hadith (Traditions)**
  - Sunni
  - Shia

- **Madhabs (Schools of Thought)**
  - Hanafi
  - Maliki
  - Shafi'i
  - Hanbali

- **Ijtihad (Interpretations)**
  - Qiyas
  - Fiqh
  - Others (Yusuf Al-Qaradawi)

- **Fatwa**
  - International Islamic Fiqh Academy
  - Malaysian National Fatwa Council
  - Indonesia Ulema Council
  - Rabita (Muslim World League)
  - The Fiqh Council of North America

**Constraints when working with international standardization organizations**

The International Organization for Standardization is the obvious choice, however ISO will not develop any standards based on religious requirements.

Codex Alimentarius Commission have guidelines for the use of the Term “Halal” but stays clear of the most contentious issues.

The World Halal Council is an association of Halal Certification Bodies from around the world predominantly from food exporting countries. WHC has now split into 2.

COMCEC was developing an OIC Halal Standard, through participation of member countries. This effort is now continuing under Standards & Metrology Institute for Islamic Countries (SMIIC).
Fundamental differences and variances in interpretation of Halal across member states resulting in unresolved issues

✓ Varying levels of development of Halal standards, certification & regulation across member states (most have none)

✓ Are member states willing to ratify the standard at the national level?

✓ What happens to those member countries who already have established national Halal standards?

✓ Will the rest of the world i.e. non-OIC countries adopt such standards if they were not involved in the development process?

Constraints on challenges of OIC standard

Constraints when an attempt to achieve a global Halal standard?

Option 1: Harmonise

• This has been attempted

Problem is:

Harmonize = Compromise

• It is unlikely that Muslim countries or organizations would be readily willing to withdraw from a pre-conceived position.
Option 2: Universally accepted standard by all Muslims

- No stunning
- No mechanical slaughter knife
- Hand slaughter by a Muslim
- Recitation of “Tasmiyyah” on individual animals
- Animal must face direction of Makkah

Best Choice

Option 3: “Live and let live”

- Allow for diversity
- Accommodate “acceptable differences”
- Consolidate to a few standards only
- Grouping possibly to be based on trade blocs (driven perhaps by regional Free Trade Agreements)
Opportunities

Benefits borne in mind when working with Halal R&D projects

✓ Setting up an effective import control system for Halal food and non-food products to stimulate the Halal industry supply chain

✓ Ascertain the gaps in the Halal supply chain which allows traceability or detection of non-Halal contamination in the halal products supply chain
✓ Qualitative and quantitatively develop and compile a baseline data on Halal food and non-food products imported or locally produced in the country under study.

✓ Evaluate and identify the Halal status of Halal food and non-food products in the country under study based on the data compilation.

✓ Qualitative and quantitatively develop and compile a baseline data on Halal Certification Bodies (HCB).

✓ Design, plan and implement an import control system for Halal food and non-food products imported into the country under study to achieve the best international Halal compliance system.

✓ Publication of scientific papers.
Challenges to Halal R&D projects

✓ The biggest challenge to Halal R&D projects is like any research project is getting the fund.

✓ Another challenge is that the project should be carried out using mainly well documented and validated sampling and statistical methods.

✓ To have a control over Halal certifications in the country under study, HCBs must be visited worldwide to evaluate and monitor their integrity: function, competency, practice, as well as knowledge on Halal supply chain as a whole and to establish Co-ordination between HCB.

✓ It's advisable to develop intelligent systems to follow up with Halal certification documents such as the use of GPS.

✓ In order to develop a Halal Quality Assurance a proper training to relevant stake-holders* and industries** is a must.

---

*Ministry of Awqaf, Municipally & MOH laboratories, Standardization etc.
** Food Industry, Pharmaceutical industry, Cosmetic industry, etc.,
✓ The big challenge to Halal R&D projects is *Halal awareness* on the importance of consuming, producing, marketing Halal products. This can be a ¹seminar or ²show case about Halal products and practices.

---

**Summary**

✓ There are many constraints issues that must be borne in mind when working with Halal R&D projects, these are the pitfalls.

✓ A major opportunity when working with Halal R&D projects on products available to consumers is ¹getting a comprehensive information and database on the Halal status on products imported or produced locally into the country under study.

✓ Working with Halal R&D ²will enable the development of a synergetic Halal management system among other Muslim countries.

✓ The most difficult challenge with Halal R&D is how to ³increase awareness of the industries, governmental surveillance agencies and consumers on the Halal status of the current imported products and to have better understanding of the halal compliance system.
References

6. Darhim Dali Hashim, INTERNATIONAL LIFESTYLE HALAL & VEGETARIAN SUMMIT MAX ATRIA, GARNET ROOM, SINGAPORE EXPOSINGAPORE, 1 NOVEMBER 2014, International Halal Integrity Alliance, Malaysia

 شكراً لاستماعكم

سيحنك اللهم وبحمده أشهد أن لا إله

مافكَكَ أنت، أستغفرك وأتوب إليك

mazeedi@hotmail.com
0096597498500

د. هاني منصور المزيدي
مع الأخ أمجد محبوب في أستراليا سنة 1981

Dr. Hani Mansour Al-Mazeedi
With brother Amjad Mahboob in Australia in 1981