

# GLOBAL HALAL ECOSYSTEM ASSESSMENT

## Highlights

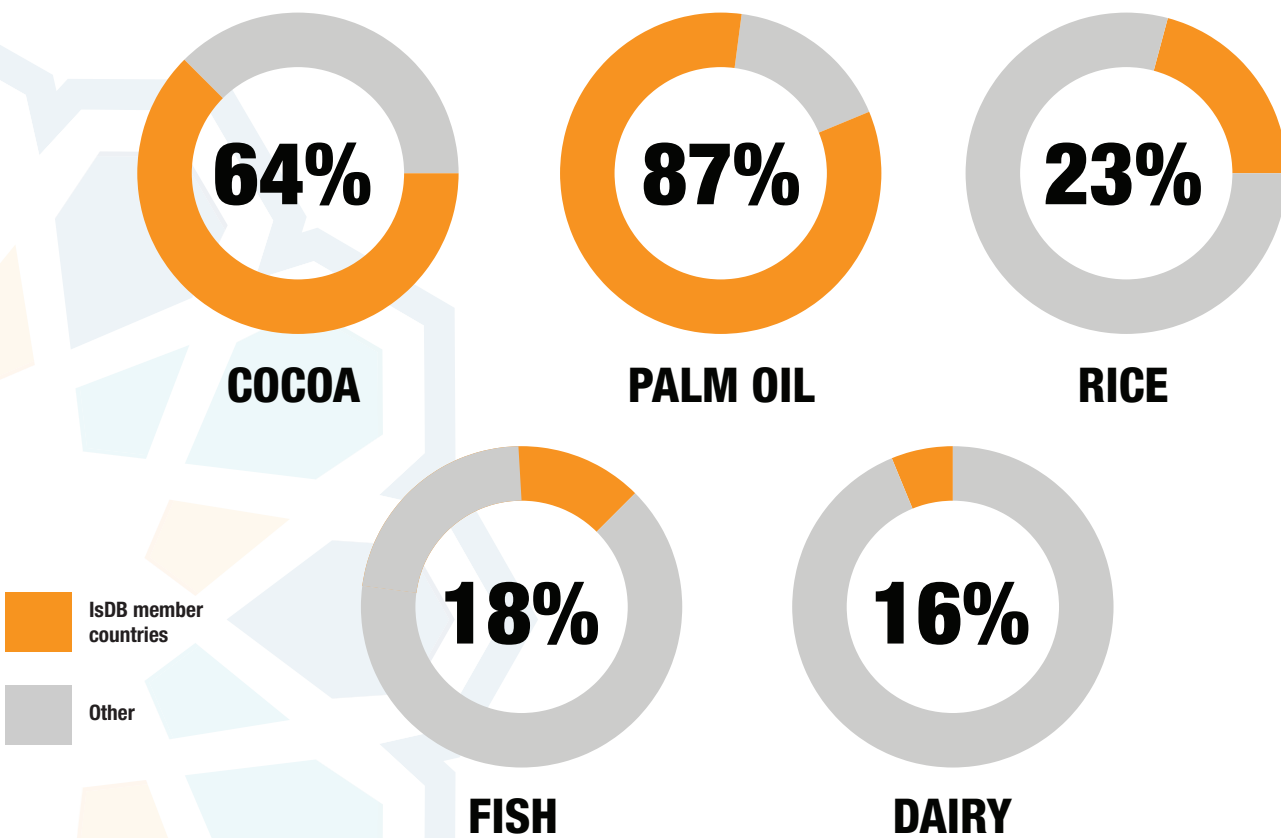


Halal Development  
Corporation



## Global Halal Ecosystem is forecasted to reach almost USD3 trillion by 2025 and IsDB Member Countries are strongly positioned in key input and commodities globally

IsDB member countries are strongly positioned in key inputs and commodities of the Global Halal Ecosystem



and include many of the fastest growing economies worldwide at long-term GDP growth rates up to 7.5%

### Development opportunities

The Global Halal Ecosystem offers opportunities to:

- 01 • **Unlock additional cross border trade**
- 02 • **Improve infrastructure across energy, ICT, water and sanitations**
- 03 • **Poverty reduction and creation of jobs**
- 04 • **Alignment of Halal Ecosystem with SDG targets**

## PURPOSE OF THE REPORT

- 01** IDENTIFY STRUCTURAL OR ECONOMIC ADVANTAGES AND GAPS IN THE HALAL INDUSTRY FOR ISDB MEMBER COUNTRIES AND NON-MEMBER COUNTRIES
- 02** DISCOVER & PROMOTE THE POTENTIAL OF HALAL ECOSYSTEM IN ISDB MEMBER COUNTRIES
- 03** HIGHLIGHT COLLABORATION OPPORTUNITIES
- 04** HIGHLIGHT THE WAYS IN WHICH DIGITAL TECHNOLOGY ENABLES OR SPURS GROWTH OF THE HALAL SECTOR.

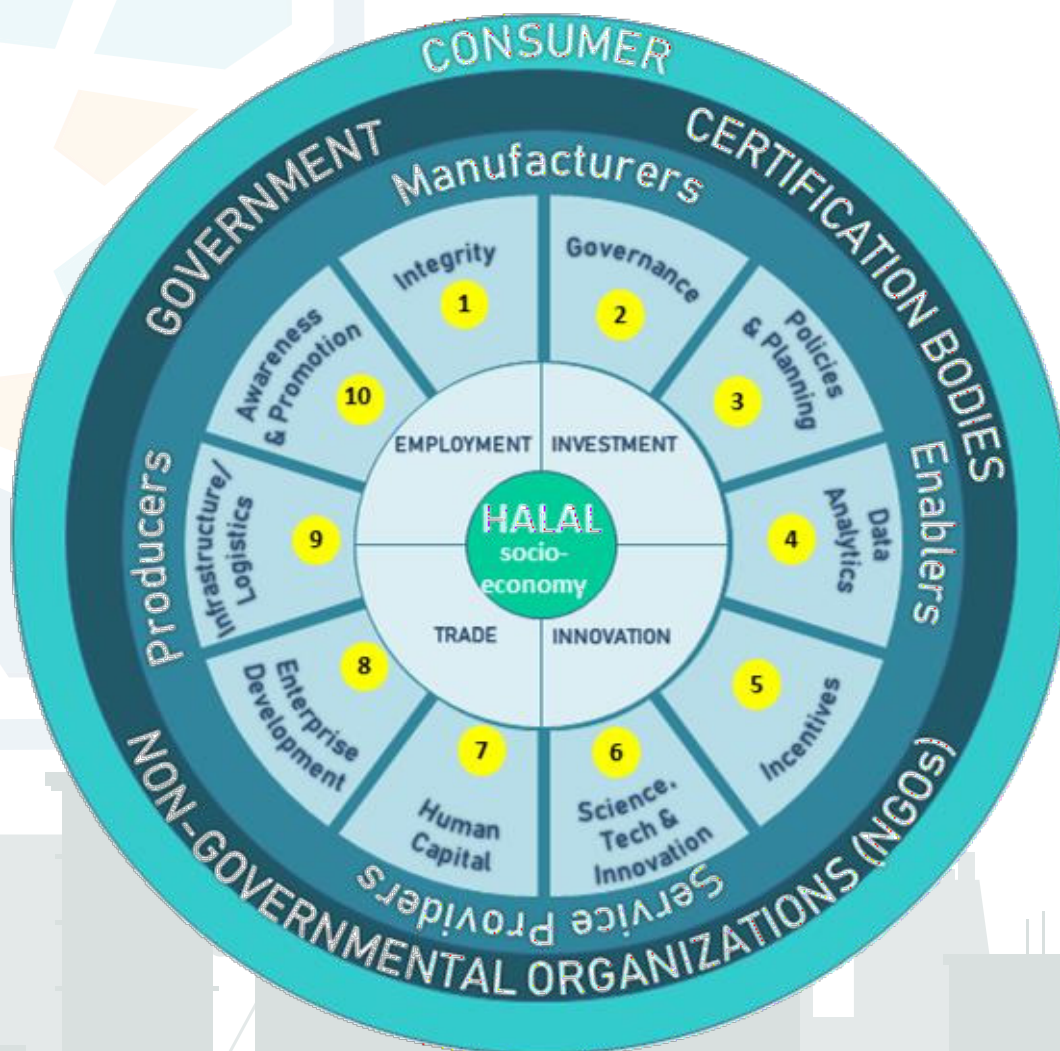


**The Global Halal Ecosystem will be an opportunity to leverage the vast potential of ISDB member countries to sustainability drive modernization and growth**

## From Halal to ‘Halalan-Toyyiban’ – Global Halal Ecosystem covers beyond the basics of rituals and focuses on safety and development

- Halalan-Toyyiban describes the divine mandate using two critical terms: “Halal” and “toyyib.”
- Due to the widespread assumption that anything Halal is also ‘Halalan-Toyyiban’ in the Halal industry, it is usual for individuals to use the words Halal and Halalan Toyyiban interchangeably.
- However, the two words have distinct definitions. The first entails adhering to basic Sharia laws, while the second extends beyond the principles to evoke improved attributes that define something as excellent, pure and healthy.

The Global Halal Ecosystem covers all the economic interactions to produce and consume Halal products. It spans from products and services, including the enabling environment to transmit the values of Halalan-Toyyiban to consumers.

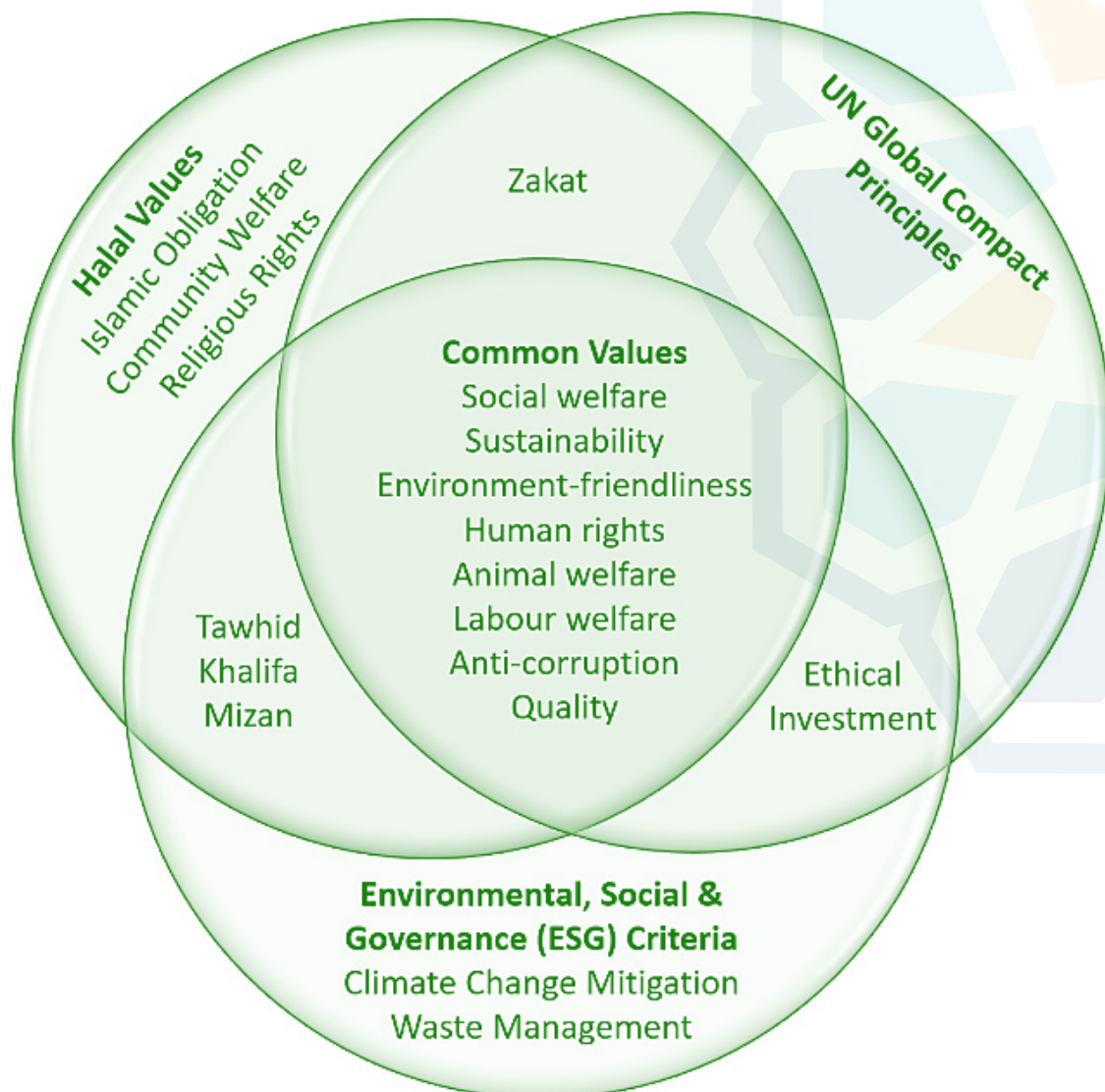


Source: Halal Development Corporation “Halal Ecosystem Concept and Indicators” 2021

## The Global Halal Ecosystem common values are aligned with SDGs and ESG criteria

The Global Halal Ecosystem offers opportunities to:

- 01 **An ecosystem approach allows multiple development opportunities along the supply chain**
- 02 **Halal Values are global values that support common well being and global agenda**
- 03 **The overlap of these common values can unlock additional resources for development**



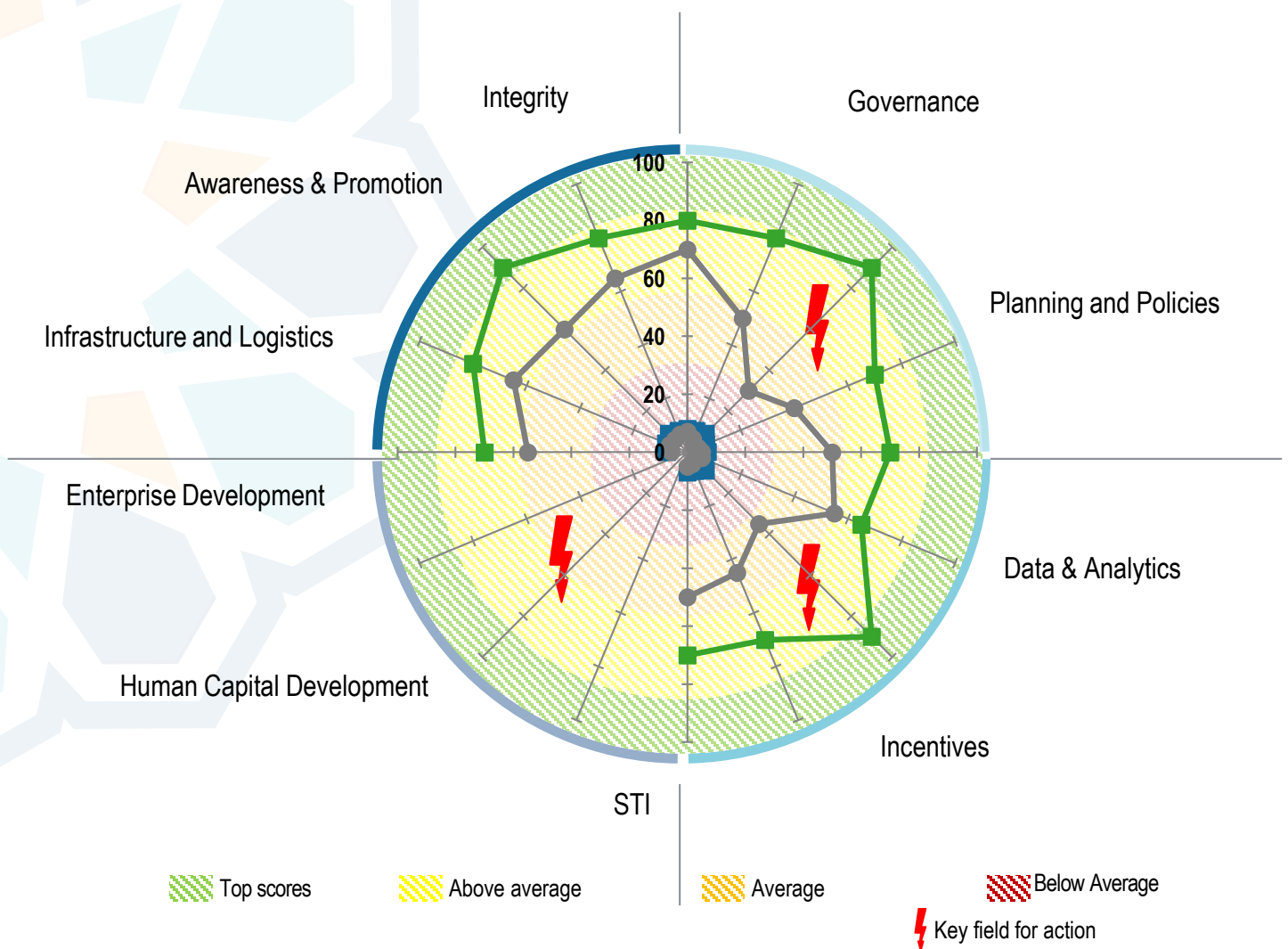
Source: Halal Development Corporation "Halal Ecosystem Concept and Indicators" 2021



## The Global Halal Ecosystem Assessment Report uses innovative methodology with ground surveys in 40 countries

- Definition of relevant KPIs for value creation potential along the identified framework
- Data aggregation through institutional indices as well as expert interviews
- The report resulted in unique data accumulation on key fields of actions and recommendations that are targeted for the Global Halal Ecosystem

## Global Halal Ecosystem Assessment Framework



## KEY RECOMMENDATIONS OF THE REPORT (1/2)



### Expanding the Role of IsDB Member Countries in the Halal Value Chain

- Control of Supply – Increase the role in production and trade of Halal agriculture commodities, ingredients and additives by OIC countries
- Branding Halal – A Halal logo should be used on all exported agriculture commodities, ingredients and additives by OIC countries
- Halal Production Clusters – To boost Halal production new clusters in OIC countries should be created linked by a Halal Cluster Network



### Halal Green Lanes

- Customs Priority Lanes – Simplified clearance for imports and exports of Halal-certified products
- Official OIC Halal Green Lanes – A Halal green lane is an agreement between customs organisations from OIC countries initiated by the OIC, so automatic systems can be created for genuine Halal certified products
- Proof of Concept – A pilot Halal Green Lane could be tested first within OIC countries in ASEAN



### OIC/SMIIC Halal Standards Development: Halal Logistics

- Halal Process Standard – Change the Halal supply chain management system standard, from a management standard into a process standard
- Halal Control Points – Provide Halal control points and control measures in transportation, warehousing and retailing within this standard
- Halal Coding – Introduce a 'Halal supply chain' coding on freight documents, freight labels and IT for all Halal cargo transports



### OIC/SMIIC Halal Standards Development: Halal Recycling

- Provide guidelines for the production of Halal-certified (recycled) primary packaging
- Provide guidelines for the production of Halal-certified (recycled) secondary packaging
- Provide guidelines for the production of Halal-certified (recycled)



## KEY RECOMMENDATIONS OF THE REPORT (2/2)



### Halal Ecosystem Enhancements: Halal Logistics

- OIC and member countries to introduce a 'Halal' Harmonised System (HS) code for imports and export to and from OIC countries
- OIC and member countries to propose a 'Halal supply chain' (e.g. "HAL") code to IATA (airfreight)
- OIC and member countries to propose a 'Halal supply chain' code to IMO (sea freight)

### Halal Logistics – Strategic Plans

- Customs Priority Lanes – Simplified clearance for imports and exports of Halal-certified products
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### Halal STI

- Sustained funding for Halal STI – All countries with existing STI and Halal STI capabilities need to ensure sustained funding for STI in the aftermath of the COVID-19 pandemic
- Consolidation of Halal STI and R&D – Countries with existing Halal STI and STI governing institutions should consider assessing and consolidating STI and R&D projects in the pipeline with similar work streams
- Collaborative Halal STI Ecosystem
- Promoting the use of new technology and incentivizing transparency and traceability

### Halal Products and Muslim Companies

- Education in logistics of Halal industry
- Support warehouse operators and logistic services providers
- Education on Halal retailing
- Establish Halal e-commerce centres near the capital of OIC countries
- Promotion of Halal Certification of retail outlets



# Notes



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