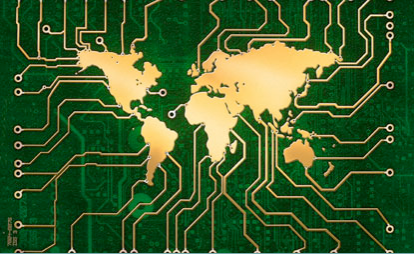


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Halal market news, commentary & analysis



## ALSO IN THIS ISSUE

### PAGE 3 ABU DHABI HALAL EXPO

Abu Dhabi hosts the UAE's first full-scale Halal expo and conference from 9-11 December. The conference boasts a full line up of international speakers. **A HalalFocus partner event**

### PAGE 4 HALAL CANADA

The recent creation of the Canadian Halal Exporters Alliance, headed by David Hunter, provides local producers with a platform to ease the entry into Halal export markets.

### PAGE 6 NEWS UPDATES

A selection of news stories from HalalFocus.com, a free market intelligence resource for Halal industry stakeholders around the world.

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Brunei taking major strides in Halal sector

## Brunei Stakes a Claim to Halal Standards & Certification Services

### Putting Brunei on the map

Brunei's International Halal Products Expo and Conference seems set to become a regular feature of the Halal industry events calendar.

For those of us who attended the inaugural event in 2006, the first thing we noticed was that this years expo was twice the size with around 150 exhibitors, with a strong overseas representation.

Just as significantly, the 2007 conference brought together a strong group of speakers from around the world. This created a kind of ad hoc Halal Industry think-tank whose comments and insights, both on and off the stage, was of benefit to the hosts and delegates alike.

There is clearly a great benefit from hosting events such as this one. Even if it does not, in its early years, generate a great deal of tangible trade, from a strategic planning and developmental perspective, bringing in some of the industry's best and brightest can only be a good idea.

While the conference sessions during the two day event provided, for the most part, consistently high quality material, the most interesting discussions and meetings, as is often the case, took place on the sidelines.

With industry specialists from the UK, USA, Canada, Malaysia, the UAE, Australia, Thailand, Philippines and more, this became an excellent opportunity for the Brunei authorities to take advantage of so much collective excellence.

And indeed they did make good use of the opportunity. At a dinner for the speakers on the final evening, attended by three senior ministers (and their loyal

team of transcribers), there was an open and frank discussion on the real issues in the Halal market, and how Brunei can best take advantage of their opportunities.

### Setting Standards

Clearly Brunei have come a long way since 2006. Without a developed food production industry, little in the way of raw materials or trade in Halal products, the Sultanate has decided that their best opportunity to play a significant role in the Halal market is through developing their Brunei Halal brand.

Given that the realm of Halal standards and certification is still something of a free-for-all, this is a strategically sound move by Brunei.

Producers are looking for reliable, transparent and professional certification services, and if Brunei can offer this they will have done the industry at large a valuable service.

With 20 overseas companies now signed up in MOU agreements with Brunei, things are seemingly on the move.

Most impressive, however, was the handsome set of six A4 booklets on Halal standards, certification, auditing procedures and accreditation that were given out at the event. Not to mention a book of food-related Fatwas from the State Mufti's Office.

These publications clearly show that the authorities in Brunei are taking this project seriously, and make them immediate contenders for setting benchmark parameters for Halal-compliance.

## Lack of Leadership

The current confusion...or shall we just call it a lack of clarity...on the subject of Halal standards and procedures is a symptom of the larger issue of the absence of real leadership in the Muslim world.

The current problems regarding a lack of leadership, from the Halal market perspective come in three flavours.

While Malaysia have laid a claim to taking a leadership role, they seem to get ensnared in their own internal domestic politics, so that the Halal issue is less about serving the needs of the market - even domestically - and more of a political football with all the players fighting for possession. Hardly the best way to score a goal as any pundit will tell you.

Next there is the Arab heartland, where Halal is, from an industry perspective, only just appearing on the map. As a huge consumer market, the GCC countries have been slow to recognise the inherent power of the Halal market. If they were to agree on a unified set of parameters for Halal products, this would have a huge impact on the market. Free from all the inherent inefficiencies of the democratic process, the GCC countries have the potential advantage of being able to move at speed - if they decide to.

Lastly there are the Muslim minorities in the non-Muslim lands, many of whom have become active players in both production and certification of Halal products. The natural differences of culture and madhhab are subjected to the pressures of trying to do business in an often semi-hostile environment, leading usually to further division rather than a collective sense of unity.

And so where might leadership appear? While Brunei may be considered by many to be too small to make any real impact, they do have the advantage of being an Islamic Sultanate, and are therefore able to be nimble in their decision-making and implementation.

Certainly their recent set of Halal industry publications indicate they they have the desire and the potential to play an important role.

The key to success - both for Brunei and perhaps the rest of us also - is to see some strategic high-level alliances at work.



*His Majesty The Sultan of Brunei, putting Brunei on the Halal Industry map*

If Brunei was able to join forces with other entities in the Islamic world that are also under direct and legitimate rule (from an Islamic perspective), such as the Emirates and Monarchies of the Arab world, we might be able to at least put together a group of leaders who can actually make and implement decisions at a speed that will realistically serve the interests of industry.

Halal is not complicated. The food industry has become complicated and highly technical. The political decision-making processes are complicated and highly inefficient, except in those places where leaders have direct authority **and** responsibility...*at the same time.*

## Alliances Appearing

Also noteworthy in Brunei was the appearance of several Halal Industry Alliances from various parts of the world, creating both opportunity and challenge.

Canada's participation under the Canadian Halal Exporters Alliance sent a clear signal that they have an expressed intention to take this market seriously, and there seems little doubt that the Halal market holds many opportunities for Canadian beef to recover from the BSE-related problems and get back into international markets.

Similarly, the presence of the American Halal Association, led by Ahmad Adam of Crescent Foods in Chicago, offers an avenue for collective

common interest to work together in the USA.

The International Halal Integrity Alliance, or IHI, was also there in Brunei, and while this entity, as a product of the World Halal Forum, should offer a natural umbrella for the other national Associations, one gets the impression that the IHI is still trying to escape its Malaysian birth to become the global citizen that everyone is hoping for.

A week may be a long time in politics, and maybe a few months is a short time in the Halal industry - time is relative of course. But it seems clear to us that the industry as a whole is now trying to move to the next level and fulfill the aspirations that have been expressed over the last two years.

However, the overall impression that remained after the Brunei Halal event was one of optimism for the future, tinged with a slight frustration that things could be moving more quickly if only we could find the right button to push.

## Place, Time & People

At this stage, it appears that all of the ingredients are on the kitchen table, but the recipe is not yet clear. The right people with a great diversity of skills are assembled, but the roles are not yet allocated. The season seems to have arrived, but it is not quite yet time...and yet it all seems so close.

Against the backdrop of global geopolitics, the emergence of Halal as the defining parameter for a new market paradigm is a matter of real significance, for it provides a common ground, respected and desired across the divides of faith, culture and geography.

The Halal market is the ground on which an alliance of civilisations can engage in the ancient practices of production, manufacture and trade under the wisdom of the Islamic Shariah.

That this new paradigm is emerging is evident; that the Muslims must set and protect its parameters is imperative; that it will bring great benefit is clear; as for who will step into the driver's seat, it is a destiny...and we watch with interest.

*By Hajj Abdalhamid Evans. He can be contacted at [hamid@imaratconsultants.com](mailto:hamid@imaratconsultants.com)*

Advertorial

# MAJOR UAE EVENT SHOWCASES \$2.1 TRILLION HALAL INDUSTRY

**Halal World Expo will globalise quality Middle East Halal products and offer exhibitors a gateway to international markets**

Abu Dhabi, UAE: A major new event held in the UAE later this year will spotlight the booming Halal market at a time when global estimates find the industry worth an estimated US \$2.1 trillion a year and growing at US\$500 billion annually due to an ever-increasing Muslim population.

Halal World Expo, the most comprehensive Middle East event to focus on the increasingly global Halal industry, will take place from **9-11<sup>th</sup> of December in Abu Dhabi at the Abu Dhabi National Exhibition Centre.**

The event is aiming to bring together worldwide industry giants in the first event of its kind in the region that covers all sectors and focus areas of the Halal market.



Exhibiting at Halal World Expo will provide producers and distributors of Halal products with the opportunity to meet industry peers and International Halal authorities, to network and create further business opportunities.

Halal World Expo will present on international platform in which this may be achieved.

As the Middle East positions itself as one of the premier users of quality Halal products with its dense concentration of Muslim consumers, there is huge potential for the Halal industry across the GCC to produce and distribute high quality, regulation certified Halal products throughout the region.

The Halal food market which is currently worth US\$150 billion a year will form a huge focus of the event with exhibitors from the areas of food production, canned products, agricultural products, dairy and meat products to name but a few participating in the exhibition.

It is often taken for granted that processed food and products available in supermarkets of an Islamic country

like the UAE are fully Halal compliant unless stated as being for 'non muslim' consumption or use. While there are currently systems in place to protect the consumer in the UAE, the fast growth pattern that is currently being experienced in the Halal consumer market means there is a growing demand for a globalised standard across all Halal products.

Halal World Expo will provide a platform for organisations to meet; debate and discuss these standards, regulations and explore options into globalising this industry which is fast growing momentum.

The exhibition will also be looking at Halal lifestyle products including Islamic fashion, cosmetics, a market worth AED 2.06 billion in the UAE alone and other health care products, as there has been a growing demand in the UAE towards items that are Halal compliant.

Islamic Finance, which is currently worth between US\$200 and \$500 billion annually and a consistently growing interest for financial market across the world, will also be a focus of the exhibition. Islamic Finance is of interest to the Halal industry as many companies involved in the Halal market will be seeking Shari'a compliant financial products and services.

Christine Weaver, Exhibition Director of Halal World Expo said: *"By focusing on globalising quality Middle East Halal products we will offer both regional and international exhibitors a gateway to penetrate the Middle East and international markets. This direct route provides a cost-effective platform for exhibitors to market their products and services to an ever increasing demand in a world-wide industry."*

Originating from the capital of the United Arab Emirates, Halal World Expo will be the most comprehensive event dedicated to the Halal marketplace. The event is featuring an international Halal Forum, [Global Halal and Islamic Business Forum](#) which will run alongside the Halal World Expo, and will take place from the 9 - 11 December 2007 at the Abu Dhabi National Exhibition Centre.

The forum will have a holistic approach and will focus on the Halal industry from a business perspective. It will enable business professionals from finance and banking, food and beverage, textile, cosmetics, pharmaceuticals, property, travel, leisure and healthcare to discover the best practice in Halal and Islamic business.

**For more information please log on to [www.halalworldexpo.com](http://www.halalworldexpo.com)**

**A HalalFocus  
Partner Event**



## HALAL CANADA

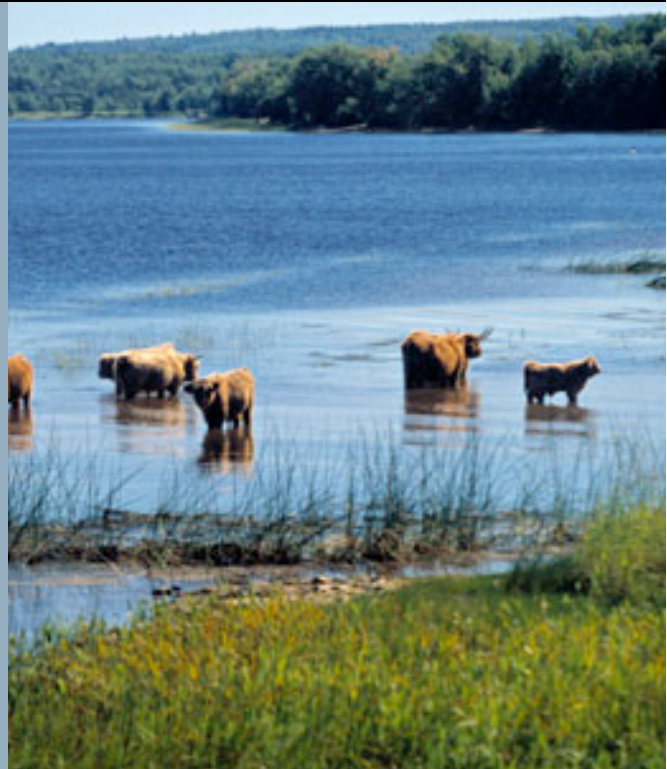
### IS CANADA ON THE MOVE?

With the increased attention recently on Halal consumer markets in non-Muslim majority countries, Canada looks like it is gearing up to get into the picture at home and abroad.

With an abundance of clean air, unpolluted wide open spaces, the Canadian meat and poultry industries would seem to have everything to gain from accessing the global Halal markets.

With the BSE problems largely behind them, can Canada compete with the rest and take a strong position as a supplier of high quality Halal products?

*Salama Evans*



## Time for Canada to Look into Halal Branding

Though Canada has not yet taken the bull by the horns, so to speak, and made a national stand on certifying their beef Halal for the international market, in the way the countries like Australia and New Zealand have, I think that they are realising it is something they are going to have to consider very soon if they want to get into new markets with the bans now being lifted off their beef.

The Halal market is on the move. One of the indications of this is the number of the international food exhibitions which are now allocating dedicated sections for Halal certified traders in their shows and speaker slots in their Conference programmes. Some shows, such as the Malaysian International Halal Showcase held annually during May in Kuala Lumpur, are fully Halal. Other food exhibitions held in places like Thailand and Singapore allocate a section dedicated to Halal. But some of the larger shows, like Food & Hotel Malaysia, have decided that the Halal exhibitors would prefer to be mixed in with everyone else and they have done what they call a 'Halal Trail', enabling buyers to search out these Halal certified companies throughout the exhibition easily.

Canadian companies participating in the Canada section of the 2007 Gulfood Show in Dubai last February got a taste of the size of this potential market, with some of them getting local contracts for their Halal products. They are already preparing for their next trip to this huge food show held annually in February, after their successful participation this year. Dubai are now start looking into the monitoring of Halal products coming into the country, and will begin going out periodically to review the procedures of Halal certifiers overseas. This will be something that Canadian producers will have to keep in mind if this is a target market for them.

New Halal shows are also going to start popping up, like the World Halal Expo being held for the first time 9-11 December 2007 in Abu Dhabi. This event will be accompanied by a 2 day World

Halal and Islamic Business Forum with an impressive line up of speakers. This is proof that Halal is moving beyond being categorised as 'ethnic food' into a mainstream marketplace with an increasing demand for supermarket giants to have Halal products on their shelves. In turn, this is forcing the manufacturers to look at Halal certification to be able to compete for a place on their shelves.

With everyone from supermarket giants and fast-food chains through to small and medium-sized players wanting to get their share of the pie, what strategies can give Halal industry stakeholders a leading edge?

### Knowing the Market

There is no substitute for research. Markets are not stationary objects, they are in a continual state of change and fluctuation, and studies have shown that the companies that have the greatest success with new products and markets are those that make a concerted effort to gain in-depth knowledge of relevant market trends. You have to understand the market.

As an example, let us take a look at the Western European Halal market where 15 million Muslims command a collective annual spending power of an estimated 25 billion Euros on food alone. The Halal sector is a subsector of the overall food and beverage market, so the underlying food retailing trends will have an impact on how the Halal food sector develops.

In both the EU and the UK, food retailing has changed significantly in the past 25 years. In France, the neighbourhood convenience stores have seen their market share drop from over 30% in 1980 to under 5% in 2004, while the giant hypermarkets have moved from 30% to over 50% in the same period. And while the regular supermarket share has remained at around 31% during this time, the new 'hard discount' stores have seen an 80% growth in the last decade to take a 10% share in 2004, posing a serious threat to everyone.

Against this background trend of market share moving from the convenience store to the supermarket, and then on to the discount store, we can turn to look at the trends in the Halal sub-sector.

## The Halal Opportunity

The retail giants, having had success in recent years with the ethnic food sector, have recognised that Halal overlaps and encompasses the ethnic sector in many respects, and represents a new homogenous market sector with increasing spending power.

Up until very recently most people only thought in terms of meat when they thought about Halal; chilled and frozen beef, chicken, lamb or mutton. What they are fast realising is that the Halal sector includes an ever-widening spectrum of other foods – convenience foods, ready-cooked meals, sweet and savoury snacks, drinks – as well as non-food items such as toiletries, cosmetics, and health products.

These retail giants do not like to take chances. Judging by the recent decisions by Carrefour and Auchan in Europe, and Tesco in the UK to take advantage of the growing demand for Halal food, we can be fairly certain that these moves are likely to represent long-term trends.

**Halal has been growing larger and larger in Canada to a point where we started asking ourselves, 'What is the next opportunity?'**

## Canadian Opportunities in Halal

This has also been seen in Canada with retail giants like Loblaws offering a selection of Halal meats in their fridges. Maple Lodge Farms, based in Ontario, was one of the first to take advantage of this new Halal market in 1990 producing Halal chicken, and then in 2003 developed their own Zabihah Halal branding in order to stand out from their other Maple Lodge non-Halal poultry range on the shelves in the supermarkets. They did extensive research into this new branding before proceeding, right down to the green and gold colours used for the packaging.

The advantages are not only for those supplying to supermarkets, but the restaurant industry has also seen the benefits of having Halal certified outlets in areas where they know there are regular Muslim customers. A Canadian franchise called Villa Madina took advantage of the Halal opportunity in Ontario by opening six Villa Madina outlets offering Mediterranean Cuisine. They place their Halal certificate for their meat in each outlet to reassure their Muslim customers, but it also prompts interest from all the other customers as well. Some look to it as a quality assurance for the meat.

The first outlet was launched at Square One in the heart of Mississauga where the franchise proved to be a success and expanded from there. There is no stopping them now and they are even contemplating going international with it.

The main obstacle for Villa Madina in the beginning was sourcing their Halal meat. They have now overcome this problem, but this is one that many Halal producers face. It is essential to have a consistent supply of Halal ingredients with both the quality and quantity needed to meet the large orders that come through from big companies. It is one thing supplying the neighbourhood corner shop, but when you have to come up with the volume and consistent quality required to be in the supermarket chains, then you have to have reliable suppliers.

## Halal Canada Brand Values?

Halal consumers around the world can expect to see a lot more Canadian products on the shelves within the next few years now the federal government have expressed their interest to support the newly created Canadian Halal Exporters Alliance (CHEA) - a national non profit organisation representing local Halal producers and exporters across Canada.

Speaking from the sidelines of the recent Brunei Halal Conference and Expo, David Hunter, executive director of CHEA, said that the confirmation of support from the Ministry of Agriculture and Agri-Food Canada is not only timely, but also crucial for the industry to push for penetration of Canadian Halal products into the lucrative global Halal markets.

Aside from financial assistance, Agriculture and Agri-Food Canada has also agreed to share with CHEA their research and intelligence findings compiled over many years. These include competitive information of other nations in terms of size, distribution and consumption; even shipping information into many markets around the world.

“Now they are opening up those books to us and sharing all that information,” said Mr. Hunter. He also mentioned the assistance to train their own CHEA members, to fully understand the Halal markets worldwide. The final assistance, he reckons, is from a marketing perspective.

“Once we’re there, they will assist us in becoming more established in those markets. Our first focus will be the Asian markets, and we’ll expand from there,” he said. “But it is still early days. Right now, we’re still in the planning stages and then we’ll slowly move into those markets, with their assistance.”

“Halal has been growing larger and larger in Canada to a point where we started asking ourselves, ‘What is the next opportunity?’ With a little look at the international community, we realised there’s a whole big market internationally,” he said.

Based on this realisation, CHEA was conceptualised to provide a vehicle for Canadian Halal exporters to collectively penetrate the international market. As an alliance of industry members and players, it can also double up as a vehicle for the government to channel information and knowledge to local Canadian Halal producers.

Hunter added, “We have industry associations focused on different sectors but for those companies wanting to be involved in Halal, there is no place for them to get the relevant information and support.” And the relationship is mutual, with the government also needing an organisation to feed and obtain industry information from.

With the recent confirmation of Agri-Food’s support, Hunter reckons that the Canadian government now fully recognises the growing global Halal market. Although Canada is regarded as one of the world’s biggest exporters of food, the government realises that they have not realised their potential for Halal certified products. If the CHEA has its way, that potential will be realised.

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# News Updates

selected from HalalFocus.com

## **Mideast visitors to Hong Kong up 27pc**

South East Asian countries continue to target Middle Eastern tourists. Hong Kong has realised the importance of attracting GCC citizens to get away during the hot summer months, with increases of 25% in 2006 and 27% in 2007. Providing Halal food is an essential part of any tourism promotion, and this trend will no doubt have a stimulating effect on the domestic Halal food industry. [See Full Story](#)

## **Western retailers make inroads into China**

Carrefour's expansion into rural China also translates, in many places, into a drive to supply Halal foods. China's Muslim population is - in our view - underestimated, and as the economic development of China continues, we are going to see Halal products come more under the spotlight, driven by local consumer preferences. [See Full Story](#)

## **Abu Dhabi's Australian red meat imports set new record**

This year, Australian lamb exports to Abu Dhabi demonstrated a massive 91 per cent increase compared with 2006. The total volumes of Australian lamb imports to the UAE for the same period nearly doubled from 7,351 tons to 13,335 tons, according to official figures released by Meat and Livestock Australia (MLA) [See Full Story](#)

## **Turkey gearing up to conquer halal food market**

The Turkish Standards Institute (TSE) has stepped up initiatives to meet the increasing global demand for halal food -- food prepared in accordance with Islamic teachings -- in both Islamic nations and countries with a Muslim minority. Given Turkey's proximity - and sometime entry into - the EU, their approach to Halal certification will be an important step in expanding the market. [See Full Story](#)

## **Farming for the Soul**

This article gives a view on 'faith based' food, and is an interesting look at the world of 'religious food' in general with a slant to the health conscious consumer. There is also a reference to Dakota Halal, one of the very few organic Halal producers in the US. We have also posted an article on the [Dakota Halal](#) for

further information on the Halal aspect of this topic. [See Full Story](#)

## **Nestle Seeks Excellence In Developing Halal Products**

Food giant Nestlé confirms its commitment to the Halal market, lead by Nestlé Malaysia. There is no doubt that other food giants are looking at Nestlé's success in this area and will be looking to follow in their footsteps. [See Full Story](#)

## **Mindanao traders gain Saudi support in Halal export drive**

Mindanao businessmen have gained support from the Saudi Arabian government in trying to promote the island's Halal industry. It is interesting that this has been the result of a failure of the BIMP-EAGA to do anything more than talk...a problem that may well be the case with other similar regional growth triangle groups. It is always hard to get competitors to really collaborate. It is proof also that Arab money is looking for new places to go to work. [See Full Story](#)

## **Dubai's Al Islami Foods has record year with 59% increase in sales**

Al Islami foods, Dubai, continue to expand, and have clearly had an excellent start to 2007. AS well as a 25% share in the local UAE markets, they have also set their sights on overseas markets. [See Full Story](#)

## **KFC brings Halal to Cambodia**

Malaysia's QSR Brands rolls out four Halal KFC franchises in Cambodia. This strategic use of the franchise system to expand the Halal restaurant footprint is an option that will find increasing popularity worldwide. See this Subway story as further proof of this 'halalisation' of the fast-food chains. [See Full Story](#)

## **Roll over hot dogs, the shawarma has arrived**

Halal street vendors have been around in New York for years...and now they are making moves on Washington DC. Hot dogs, make way for the future...the shawarma has landed. [See Full Story](#)

