SIGNIFICANT EVENTS AND DEVELOPMENTS

The World Halal Summit and 8th World Halal Conference 2015 (Kuala Lumpur, 1-2 April 2015)

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An inspirational event, the annual World Halal Summit held on 1-2 April, 2015, helped cement Malaysia’s reputation as a leading referral centre on Halal knowledge and technology. It comprised the International Halal Showcase exhibition, 8th World Halal Conference (WHC), and five concurrent conferences – The 6th JAKIM Halal Certification Bodies Convention, Certifiers Forum, Scholars Forum, Academics Forum and the Business Forum. WHS 2015 was a platform to provide opportunities for industry stakeholders to collaborate, network, discuss and propose viable ideas for expansion, and to overcome challenges. The halal ecosystem involves capital investment, manufacturing, distribution, training, and supervision.

YB Dato’ Sri Mustapa Mohamed, Minister of International Trade and Industry Malaysia highlighted that the global halal market is fast growing and offers great potential for players. In 2012 there was an estimated 1.8 billion Muslims worldwide, with the population rising twice as fast as non-Muslims. The rising population will ensure rapidly rising demand for halal products. Mustapa stressed “It is vital to meet the challenges of the next phase of growth of the halal ecosystem. There is an urgent need for new structures and regulatory frameworks that will further strengthen confidence amongst consumers, industry players and investors. A halal economy ultimately benefits the entire global community since the founding principles of a Sharia-compliant economy are aligned with universal values making many halal products and services equally attractive to non-Muslim consumers.” Growing interest in halal food by non-Muslims reflects consumer interest in organic agriculture and strict standards. Many non-Muslim US food producers seek halal food because they consider it to be more wholesome. The halal food industry currently satisfies only 20 percent of existing demand. Malaysia was the first nation in the 1970s to establish government halal certification, with collaboration between the Department of Islamic Development Malaysia (JAKIM) and Standards Malaysia. The Halal Industry Development Corporation (HDC), established in 2006, is the coordinating body that promotes participation and growth of Malaysian halal companies, which grew 30 percent from 2013 to 2014.
One major focus of WHC 2015 was to interlink Islamic banking & finance and the world of halal. This is fully justified and highly achievable since both draw legitimacy from Islam and are complementary partners. Each sector is growing 15 to 20 percent annually. Rushdi Siddiqui, CEO of Zilzar Technology remarked: “Halal food makes up 20 percent of global food production, and yet so little of the halal industry players actually use Islamic financing.” Badlisyah Abdul Ghani, CEO of CIMB Islamic Bank, remarked that since the halal food industry is dominated by small medium enterprises (SMEs) in Muslim countries, more niche Islamic banking facilities are needed. Zafar Khotamov, Senior Strategist at the Islamic Development Bank, said that IDB is developing ideas how to provide such financing.

The total market value of the global halal market is estimated at USD 3 trillion annually, comprising USD 1.8 trillion for Islamic banking and financing services, and USD 700 million for the halal food market as Muslims are required to eat halal food. Halal products also include chemicals, health care, cosmetics, pharmaceuticals, and leather goods. Eighty-five percent of halal food production actually occurs in non-Muslim countries. Halal vaccines, medical services and tourism have much potential. The halal vaccine market is huge: for example, two million people performing hajj annually require meningitis shots. To drive positive awareness about halal vaccines it should be stressed that immunisation complies with the objectives of Shariah (maqasid al-Shari‘ah) by protecting one’s health and the health and life of one’s family; and by contributing to the preservation of wealth. Important issues related to halal slaughtering include firstly, too many cases involved animal cruelty, and secondly, animal rights activists in the West attack the Islamic slaughtering method as ‘barbaric’ despite the fact that it actually reduces pain and distress to the animal. UK Halal Food Authority chief, Saqin Mohammed called on the Organisation of Islamic Cooperation (OIC) to conduct a global public relations campaign in support of halal slaughtering.

A big challenge facing the global halal industry is the lack of a unified and consistent standard. There are at least 500 certification agencies globally. Further, the lack of a unified standard has raised production costs for exporters as they need to follow different national regulatory standards. Thai and Malaysian representatives suggested that to obtain a quantum industry leap a supreme body is needed, probably under OIC oversight, to issue a global standard. It was suggested that halal industries first establish regional arrangements for standardisation before going global. In the South East Asian region Malaysia is working with Indonesia and Thailand to harmonise halal standards. The Gulf Cooperation Council (GCC) Standardization Organisation’s Nabil Molla highlighted the need for a single accreditation body for the halal industry and suggested that halal accreditation bodies could sign memoranda of understanding.
(MOUs) to mutually recognise each other. Others stress that unifying standards should not be imposed unilaterally but be allowed to progress naturally.

In the Scholars Forum Yusuf Patel, Chair of the South African Halal Authority, highlighted that halal is a divine brand, pure and good for the well-being of all people; it purifies the heart and mind and opens doors for acceptance of prayers. Every step in the halal food chain from ‘farm to plate’, involving slaughterhouse, transport, packaging and delivery, is critical to avoid contamination and waste. Fourier Transform Infrared (FTIR) spectroscopy allows rapid tests for porcine (pig) contamination. Scholars stressed that while applying the Shari’ah framework new concepts have appeared not previously seen in scholars’ texts. *Niyyah* (intention) in manufacture is of over-riding importance and scholars indicated there could be no halal beer or wine.

A highlight was the Ambassadors’ Panel with input from the UK, European Union, China, New Zealand and Australia. Issues addressed included the importance of CSR, sustainability, food safety and quality, and a unified certification system.

**Seminar on Shariah Courts in Malaysia**

*(Kuala Lumpur, 21 April 2015)*

*Tengku Ahmad Hazri*

Ahmad Hidayat Buang explored the historical development of, and current issues pertaining to the Shariah courts in Malaysia, to examine whether or not the courts have indeed undergone transformation over the years. For a start, the courts have indeed undergone reform, from their original constitution set-up until the constitutional amendment of 1988, which introduced the now controversial Article 121 (1A), which excludes the High Court from any jurisdiction on matters falling within the ambit of the Shariah courts. So yes, there has been a transformation, but it is not so “radical” as the legal dualism of Shariah and civil law that is still retained within the legitimate structure established by the Federal Constitution. Still, the Shariah courts themselves are moving closer towards “civilianisation,” i.e. gradually becoming like the civil courts.

Political controversies aside, the Shariah courts do offer promising features lacking in civil courts. One of these was presented as a case study by Dr Naim, namely on the role of the Family Support Division (BSK) under the Shariah courts in enforcing and implementing court orders requiring former husbands to pay maintenance to their ex-wives and children. The BSK was established in response to the startling finding that as many as 12,300 former husbands have