



MINISTRY OF DOMESTIC TRADE AND CONSUMER AFFAIRS
MALAYSIA

YB DATUK SERI SAIFUDDIN NASUTION BIN ISMAIL
MINISTER OF DOMESTIC TRADE AND CONSUMER AFFAIRS MALAYSIA

KEYNOTE SPEECH

SARAJEVO HALAL FAIR 2019

SKENDERIJA CENTRE, DOM MLADIH
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Bismillahirrahmanirrahim.

Assalamualaikum Warahmatullahi Wabarakatuh.

Good afternoon, distinguished guests, ladies, and gentlemen
(Latest salutation will be provided by the organizer)

1. I am very pleased to join all of you here today for **The Sarajevo Halal Fair (SHF) 2019** - an international halal industry exhibition that brings together representatives from every segment of the halal industry, including private companies, public listed corporations, accreditation bodies, government officials, and other halal market representatives. I would like to express my gratitude to the organizer for inviting me to speak at this event.
2. As a Muslim-majority country, the halal industry is of great significance to Malaysia. The Malaysian government has consistently embarked on various initiatives to ensure the consistent and

comprehensive development of our halal industry. This is because we recognize the huge potential of the halal industry, which is not just limited to the Malaysian market but also in the context of increasing global demands.

POTENTIAL OF THE HALAL ECONOMY

3. There are approximately **1.84 billion Muslims** in the world today, making up around **24.4%** of the world's population. By 2030, this number is expected to increase to **2.2 billion**. It is important to recognize that although Islam is one religion, the Muslim community is not one homogenous group. The worldwide Islamic community is spread over 200 countries, with an estimated one-fifth of the world's Muslim population living in non-Muslim-majority countries.
4. The growing number of Muslim populations worldwide raises the international demand for Halal products and services. The halal economy is now a truly global industry and represents an exciting opportunity for the Islamic economy. The value of the halal industry is growing at a remarkable rate: from approximately **USD 2.3 trillion in 2012**, the halal sector has reached **USD 6.4 trillion in 2018**.
5. While the halal market is usually associated with food and beverages, there are in fact a wide range of halal products and services in other areas including **healthcare and pharmaceuticals, personal care and cosmetics, travel and tourism, and financial services**.

6. According to Reuters, in 2018, the halal food industry alone is worth USD 1.6 trillion, the *halal* cosmetics industry is worth USD 39 billion, and the *halal* pharmaceutical industry is worth USD 97 billion. It is projected that the *halal* food and drinks sector may be worth as much as **USD 2.1 trillion** by 2030.

MALAYSIA'S COMMITMENT TO CONTINUE DEVELOPING THE HALAL ECONOMY

7. In Malaysia, there have been several efforts and programs, most notably, the formulation of the **Halal Industry Blueprint for 2008-2020**, aimed at achieving the country's economic objective of becoming a global leader in innovation, production and trade in the halal sectors.
8. Malaysia has an advantage over other regions when it comes to the halal sector as we are one of the leading nations in the halal industry with highly-regarded halal certification bodies.
9. Malaysia has also attracted investment in excess of RM13 billion ringgit in **HALMAS**-certified halal parks under the **Halal Industry Development Corporation (HDC)**. This is expected to grow exponentially, with the global Muslim population currently at 1.8 billion and growing.
10. Malaysia aims to achieve **USD12 Billion (RM50 billion) worth of halal export in 2020**. Extensive collaboration between countries, government agencies and private sectors including SMEs are crucial

to achieving this target. As the global halal industry grows, Malaysia continues to cement its status as a global leader in the halal industry as according to the **Global Islamic Economy Indicator (GIEI)**, for the fifth year running, Malaysia overall has the leading Islamic economy ecosystem.

11. The Halal Economy has been growing rapidly over the years. According to the 2016/2017 Global Islamic Economic Report (GIER), the Halal food industry is one of the biggest segments within the Halal Economy with an estimated USD 1.17 trillion spent on food and beverages in 2015 and revenue from Halal Certified Food and Beverage products estimated at USD 425 billion. The fact that it is driven by the growing purchasing power as well as increased awareness of halal benefits among both Muslims and non-Muslims, presents a truly exciting opportunity for Malaysian SMEs to serve the global market and ultimately position Malaysia's status as a leading global halal hub. In 2016, Malaysian SMEs contributed **USD953 Million (RM4.01 billion)** out of the **USD10 Billion (RM42 billion)** worth of total exports that were recorded.
12. In the lifestyle and fashion industry, there is an increase in international clothing brands entering the Muslim market. The Global Islamic Economic Report (GIER) estimated that Muslim consumer spending on clothing amounted to approximately USD 243 billion in 2015, which accounted for 11 percent of the total global market spending. This remarkable growth has led to more mainstream players in the fashion industry entering the 'Halal fashion' market,

with their own line of Hijab, modest garments and other fashion accessories. Similarly, in Malaysia, there is a growing demand for Muslim fashion wear. Malaysian Muslim celebrities in Malaysia like Vivy Yusof and Neelofa have been at the forefront of promoting Muslimah fashion wear with their own brands and lines.

13. Malaysia will continue to place great importance on the development of the Halal industry. I believe that all governments should facilitate the trade of Halal goods in the market to ensure that a wide selection of Halal products is available to consumers. To achieve this, it is vital for all parties to mutually recognize each other's Halal certifications.
14. The Malaysian Government, through the Department of Islamic Development Malaysia or 'JAKIM', which is the competent authority for Halal certification in Malaysia, is always open to facilitating the recognition of Foreign Halal Certification Bodies if relevant procedures are met. It would be beneficial to all parties if Halal products can be imported and exported without excessive red tape and hindrance. This would certainly contribute significantly towards the development of the global Halal industry.
15. It is evident that the Halal Economy is not just limited to the Muslim world. The Halal Economy is a global phenomenon and should no longer be merely associated with religion. The Halal label, for example, has become a symbol of good quality and serves as an identifier for consumers, be it Muslim or non-Muslim, to make more informed decisions.

16. The Halal Economy is an emerging market that not only attracts Muslims but is also becoming a lifestyle choice for non-Muslims as they are grounded in ethics, values and good norms which will ultimately benefit the global community. Hence, developing the potential within the Halal Economy, and increasing value for products and services based on Islamic principles will enhance the competitiveness of businesses in the world market.
17. It is clear that there is significant growth in demand for Halal products and services and great opportunities for investment. In fact, the Halal trade is thriving in non-Muslim countries such as Brazil, India, United States, China, and France. Countries such as the United Kingdom, Japan, Thailand, and the Philippines have also started offering Halal tourism facilities to attract Muslim tourists. International airports in non-Muslim countries are also increasingly catering to the religious needs of Muslim travellers by providing prayer rooms.
18. It cannot be denied that the opportunities in the Halal Economy are enormous for both Muslim and Non-Muslim countries. There is an urgent need to meaningfully explore the Halal Economy to unleash opportunities that can further contribute to the global economy.

MALAYSIA-BOSNIA TRADE RELATIONS

19. I am pleased to note that the trade relations between Malaysia and Bosnia and Herzegovina have been robust and promising.

20. In 2017, Malaysia's total trade with Bosnia and Herzegovina amounted to **USD1.7 Million (RM7 million)** with a tremendous total **growth rate of 179.9%** compared to 2016. Malaysia's exports to Bosnia and Herzegovina were valued at **USD881,373.00 (RM3.7 million)** in the same year while imports totalled **USD786,214.00 (RM3.3 million)**.
21. For the period of January to December 2018, Malaysia's trade with Bosnia and Herzegovina was valued at **USD2.62 Million (RM11 million)** with exports valued at **USD1.07 Million (RM4.5 million)** and imports at **USD1.57 Million (RM6.6 million)**.
22. Among Malaysia's main exports to Bosnia and Herzegovina are electrical and electronic products, processed food, rubber products, and optical & scientific equipment. Major imports from Bosnia and Herzegovina include chemicals & chemical products, wood products, textiles, apparel & footwear, and electrical & electronic products.
23. There are also various potential areas of collaboration for Malaysian and Bosnian companies to venture into, such as food products (especially halal food), rubber products, electrical and electronic products, hospitality as well as pharmaceuticals, cosmetics, finance, tourism, e-commerce, logistics and other services.
24. I am confident that SHF 2019 will expose consumers and business representatives to a wide range of offers in the halal market across Eastern Europe and provide a conducive platform for SMEs and

businesses to meet producers, manufacturers, traders and investors in order to establish partnerships during B2B meetings.

25. With a strategic geographical location in the Balkan region and a 3.8 million-strong population, Bosnia and Herzegovina can be perceived as a prime gateway into other Balkan countries and Europe especially Turkey and Russia.
26. I would like to urge all of you here today to pay a visit to the Malaysian Pavilion specially designed for SHF 2019 and meet our friendly and energetic entrepreneurs to explore potential market access and business collaborations for mutual benefit.
27. As the Minister of Domestic Trade and Consumer Affairs of Malaysia, my Ministry has been tasked to lead the 'Buy Malaysian Products' campaign to promote Malaysian products and services locally and internationally. It is my hope that this event will be another platform to create economic cooperation between countries and businesses.
28. Before I end my speech, I wish to thank the organizers of **SHF 2019** for their great efforts in ensuring this event's success. Let us continue to foster the halal economy and bring it to its full potential as it will bring massive economic benefits to the world. Thank you.