



Ministry of International
Trade and Industry



Halal Development
Corporation

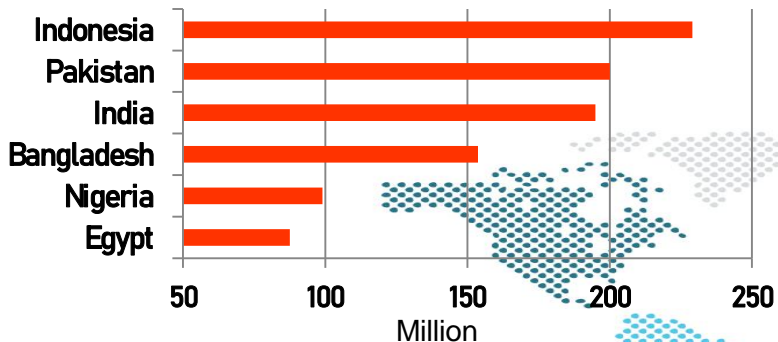
HALAL BUSINESS TRANSFORMATION THE MALAYSIA PERSPECTIVE

17th JUNE 2022

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Why Halal Industry?

Largest Muslim Population

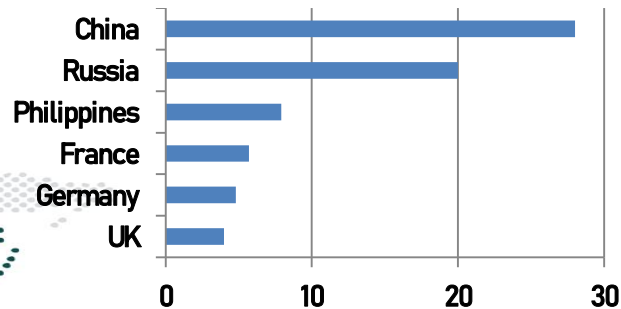


USD 3.1 Trillion

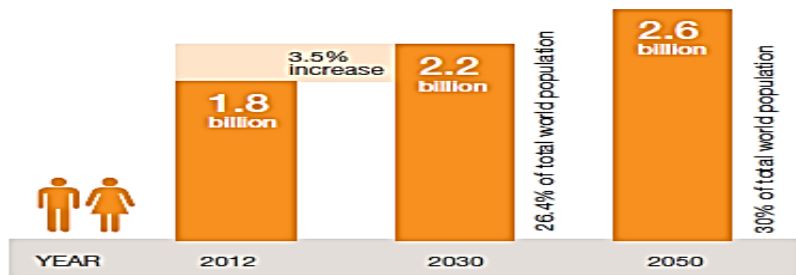
Demand vs. Supply

- Existing Market
- **Emerging Market**
- **Untapped Market**

Muslim in non-majority Muslim Country



World Muslim Population



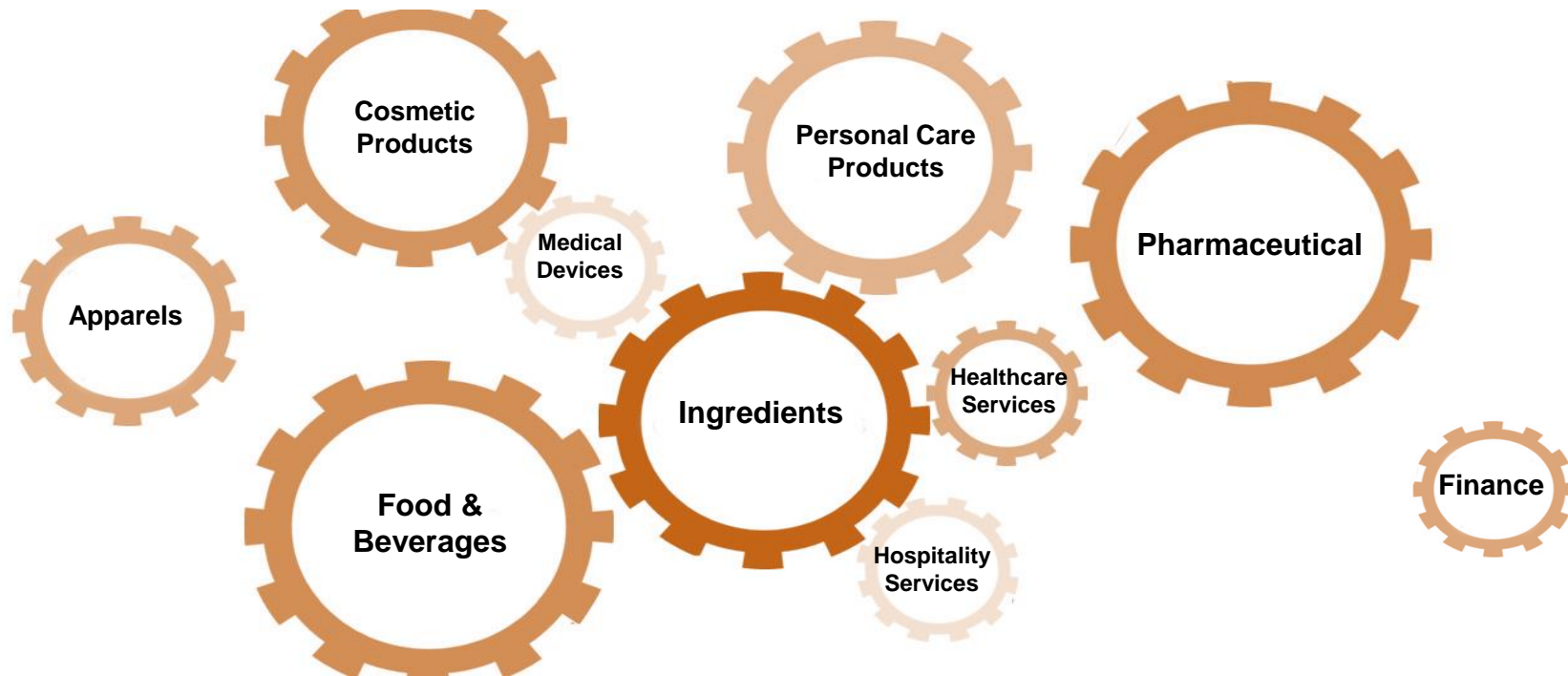
Increase in Muslim population to 2.6B by 2050

Global Industry

- Acceptance of Halal products as Premium
- International standards & guidelines
- Global Market Access (regulations / G2G)
- Market Intelligence –product competitiveness
- Digital economy

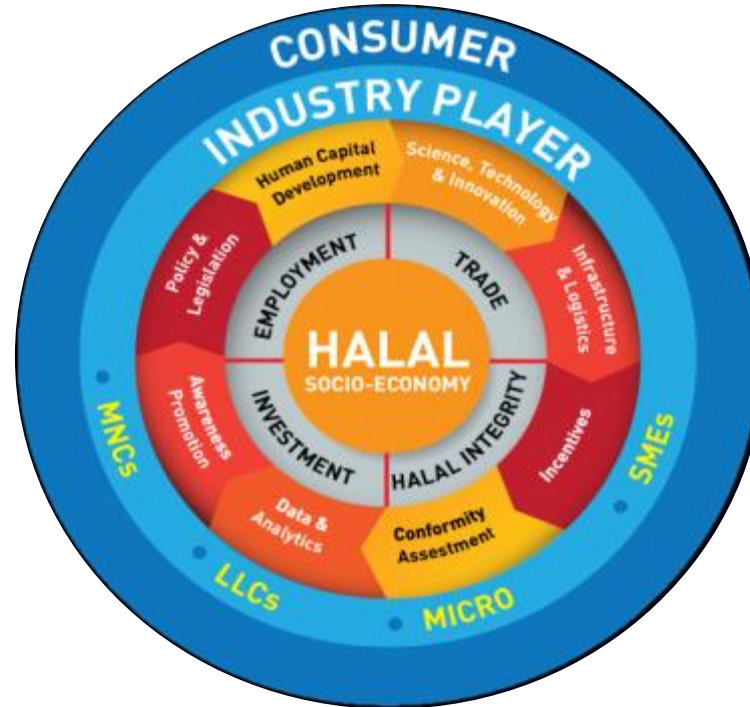
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Halal is diverse and not confined to food and beverages. Halal is a value proposition that exists within key elements of the supply chain of the intersecting industry sectors



**Quick facts (2018): Market size of USD 3.1 trillion;
1.8 billion consumer; CAGR 7% - 8%**

The Halal Malaysia is not just a logo that represent high quality standard but it actually represents Malaysia's philosophy and best approaches in developing a sustainable and robust halal ecosystem



Malaysia's Halal Ecosystem

Emerging Halal Sectors

Traditional



Processed food and beverages



Organic and non-organic ingredients



Logistics services

Emerging



Cosmetics, personal care and healthcare products



Tourism services



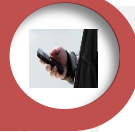
Modest Fashion

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Promoting Muslim Friendly Travel (MFT)



Travel industry – inflight catering, travel itinerary, online booking



Understanding the principles
- Tour guide, tour package



Infra & amenities – prayer room at airport & public area, hotel room facilities,



Hospitality services offerings – restaurants, cafes



The Muslim outbound tourism expenditure was recorded at USD142 billion in 2014, 11% of the global tourism industry, an increase of 6.3% and third largest source of travel compared to China and USA.

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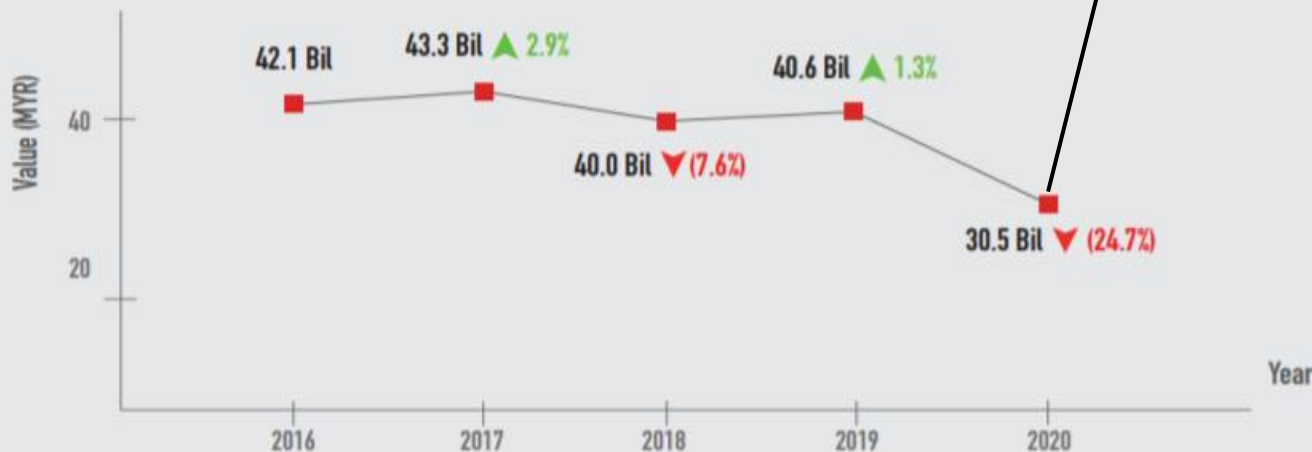
A large grid of 60 various Halal certification logos from different countries and organizations, including Malaysia, Indonesia, India, and others.

Malaysia's Halal Export Performance from 2016 to 2020

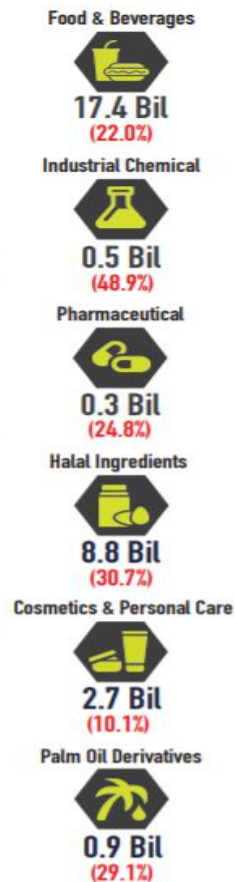
- The pandemic **COVID-19** outbreak in the **mid-last year** has **alarmed the global economy** with unexpected conflicts despite positive momentum shown in the previous year and the 1st half of the last year's performance.
- Resembling Malaysia's export performance, halal export which contributed 3.1% of the total export has exhibited a **contraction by 24.7%** from MYR 40.6 billion in 2019 to MYR 30.5 billion in 2020.

Halal Export contributed 3.1% from the total Malaysia's Export

Halal Export Value (MYR) 2016 - 2020



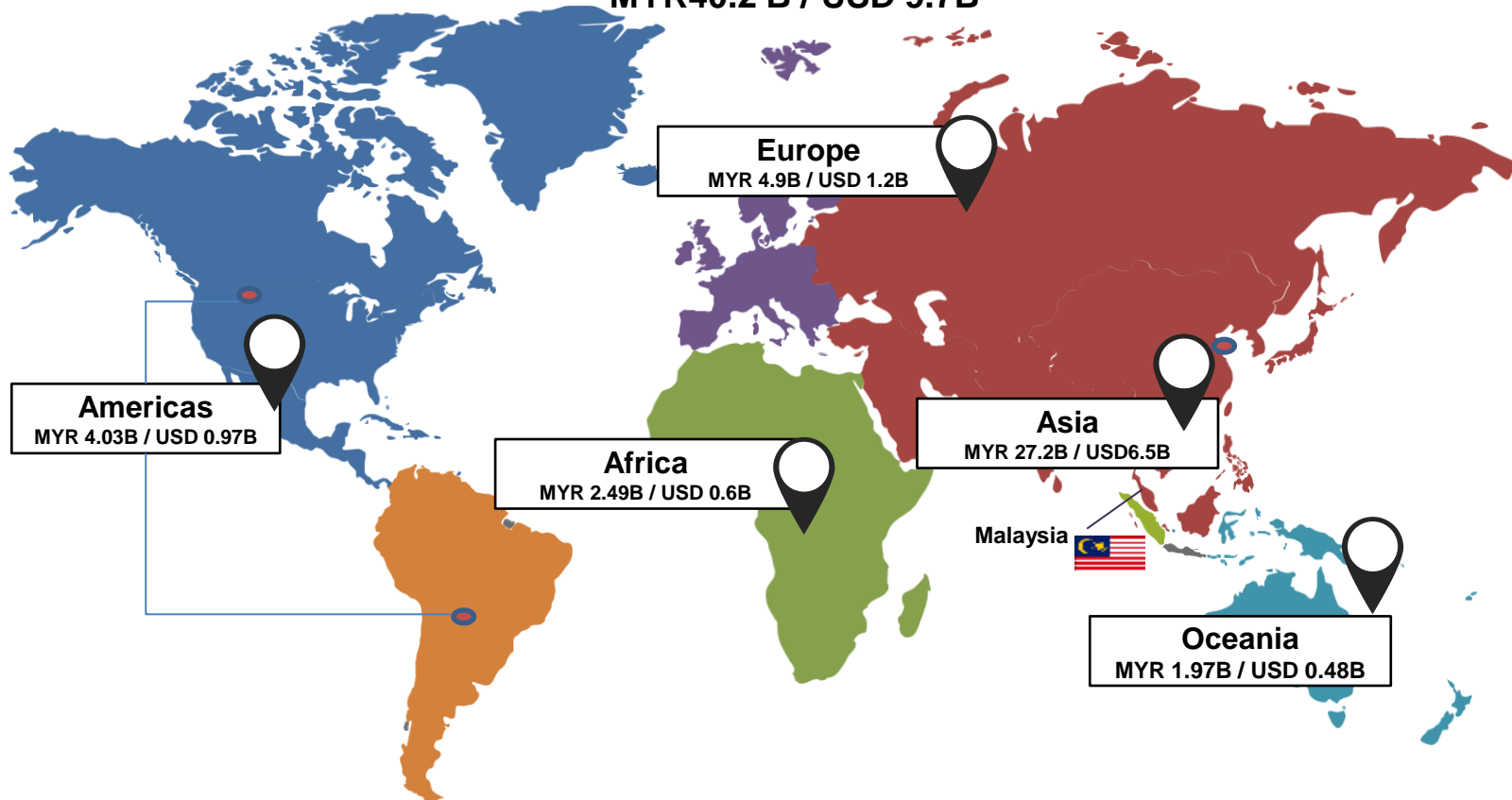
Halal Export Value (MYR) by Product Category



Halal Export Value from Malaysia to Global Market Y2019

HDC

MYR40.2 B / USD 9.7B



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Exchange Rate base on MYR1 = USD 0.24 (June 2021)

Map compliment of SlideModel.com

Source: HDC Halal Knowledge Centre & Dept. of Statistics Malaysia (DOSM)

Halal Development Corporation Berhad (HDC)

HDC



Our Vision

Make Halal the first choice in business ventures.

Our Mission

We provide solutions for businesses to excel in the halal market spaces.

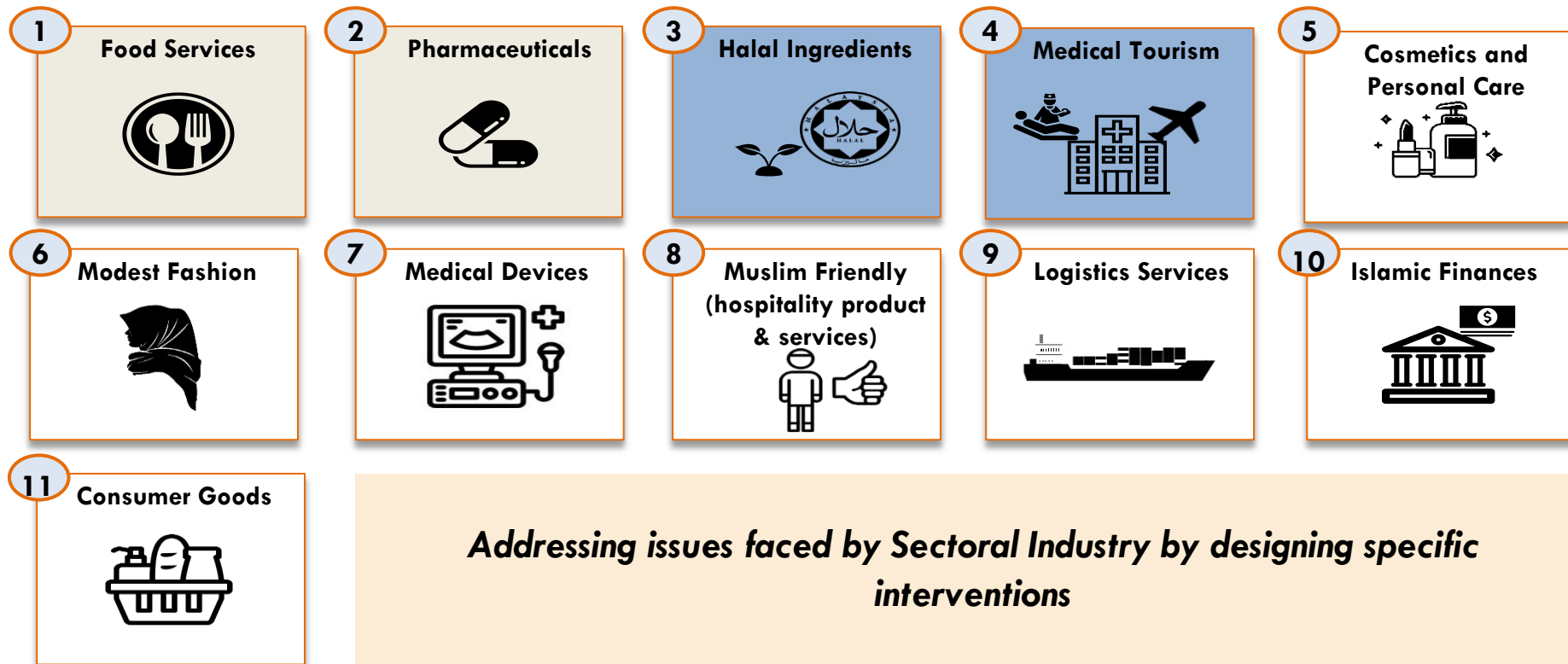
Our Role

Facilitating the onboarding of industry players onto the halal economy to increase Malaysia's halal exports and direct investment into halal industrial parks

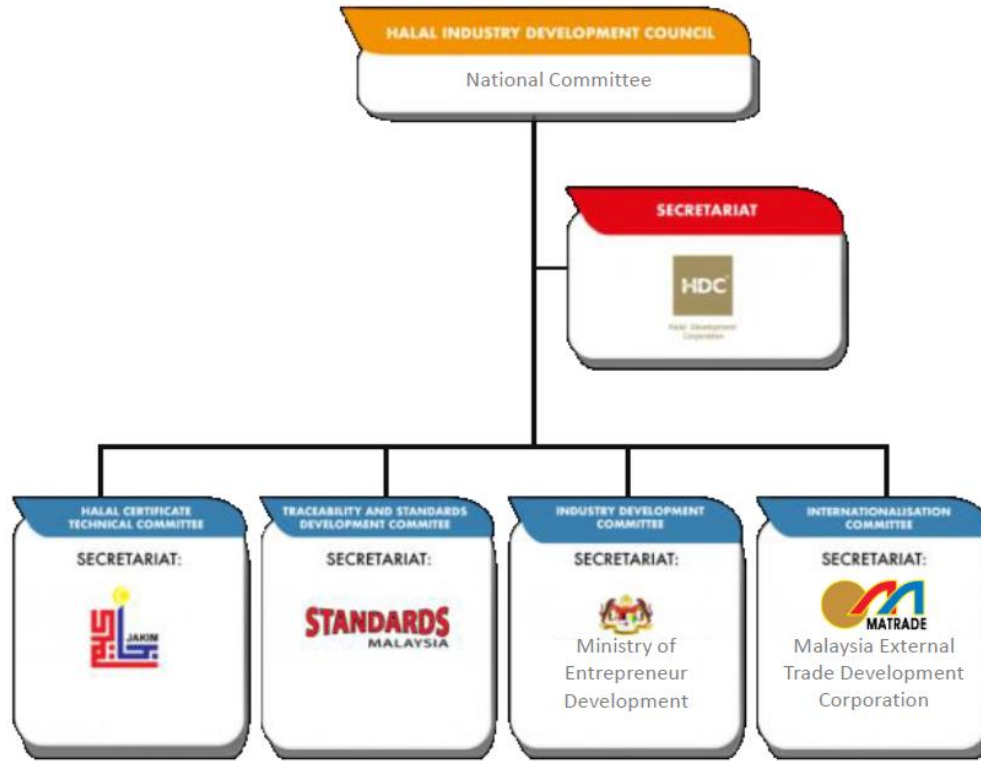
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HDC has identified 11 sectors as potential Halal industry growth drivers in Malaysia until 2025

- 11 Halal Promoted Sectors



HDC as the Secretariat of Malaysia's Halal Industry Development Council



ACCOLADES



Why investors should choose Malaysia as the destination to expand their (halal) businesses?



A gateway for a bigger halal market

Access to competent halal knowledge personnel

Halal Malaysia as a business value proposition / a brand



A focal point agency



Access to halal ingredients / raw materials

Access to supporting industry / SMEs / OEMs



Access to technology / R&D support from universities / RIs



Transforming Knowledge & Know-How into Business



Halal Development Corporation



hkc.hdcglobal.com

Pre-Certification

Outreach

- Awareness program towards certification application readiness @ HDC platform with government agencies, state agencies

Industry Training Courses

- Work force knowledge & professional programs

Consultancy & Advisory

- Start up
- Blue print



**Malaysia Standards



Post-Certification

Halal Business Transformation

- Facilitation – access to hypermarket
- Facilitation – access to financial institutions
- Product development packaging
- Innovation program i.e. Nano Technology
- SME Internationalisation
- SME mentoring program with MNCs; best practices
- Digital platform
- Talent development

Industry

Halal Sectoral Roadmap

- Food Services & Pharmaceutical
- Medical Tourism, Halal Ingredients

HDC Products and Services

HDC



Human Capital Upskilling / Reskilling



Business and Governance Transformation



Knowledge/intelligence-based Platform



Investment Promotion



A B2B and B2C Trading Platform



Halal Products & Services in 3D Platform



Thought Leadership Platform



Halal SME Internationalization



Halal Assessment Tool

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MALAYSIA – THE GATEWAY TO GLOBAL HALAL ECONOMY



Strategic Geographical
Location



Political Stability



Business Friendly
Government



Skilled and Productive Halal
Workforce



Attractive Halal Industry
Tax Incentives and Other
Assistance



Provision of One Stop
Service for Investor



Easy Accessibility to
Raw Materials
Especially Halal-
Sourced Ingredients



Hub for Processing and
Distribution for Halal Products
Linking to the Middle East
and Far East Region



Green Lane Status – for
Manufacturers of Halal
Product Located within
HALMAS Halal Park Applying
for Halal Malaysia
Certification



World-Class Infrastructure &
Seamless Connectivity

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HALMAS HALAL PARKS



200,000 acres



35 MNC/ 212
local SMEs



7 airports with cargo
facilities



7 modern international
ports



Integrated highways and cargo rails
for international logistics

HALMAS Incentives

Industry Players



Full income tax exemption on qualifying capital expenditure for a period of 10 years; or income tax exemption on export sales for a period of 5 years



Exemption on import duty on raw materials used for the development and production of halal promoted products.



Double deduction on expenses incurred in obtaining international quality standards such as HACCP, GMP, Codex Alimentarius (food standard guidelines of FAO and WHO), Sanitation Standards Operating Procedures and regulations on export markets compliance.

Halal Parks Operators



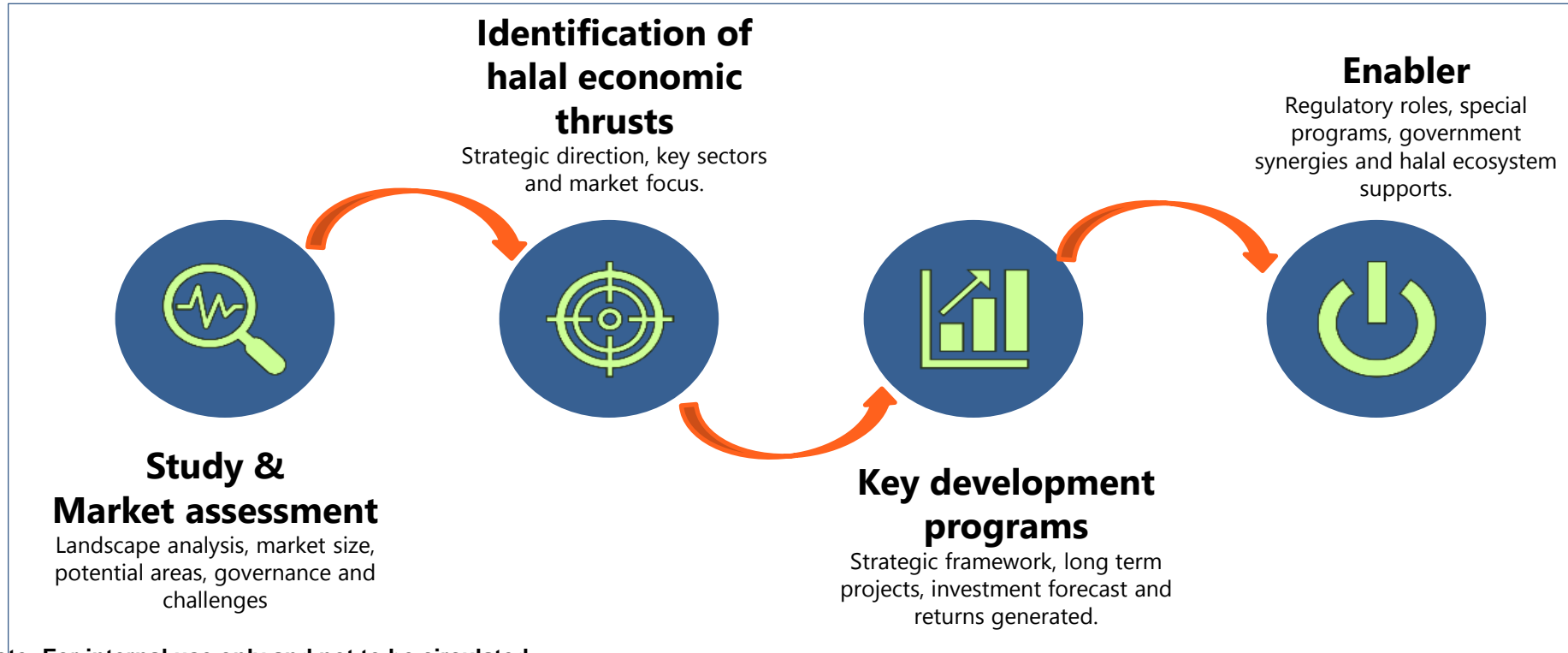
Full income tax exemption for a period of 10 years; or 100% income tax exemption on capital expenditure for a period of 5 years.



Exemption from import duty and sales tax on equipment, components and machinery used directly in the Cold Room Operations in accordance to prevailing policies.

Halal Constancy and Advisory Services

HDC offers a one-stop professional services to businesses and organizations on the inner and outer workings of the Halal ecosystem. Focusing on end-to-end solutions, we integrate Halal requirements when working with our partners as they solidify their halal business journey.



Halal Training Services and Achievements



Value Proposition

- **60,000 Halal Knowledge Personnel** since 2007
- **80% of Certified Halal Executives** job secured, salary increment & promotion
- **Premiere in Halal Training** since 2008
- **5 Star Rating Training Provider** awarded by HRDF
- **Industry Lead Body for Halal industry** awarded by Jabatan Pembangunan Kemahiran (JPK-MOHR)
- **High Performance Halal Training Provider** recognised by JAKIM
- **Benchmarked Halal Training Provider** Agency of MITI



**HALAL
INTEGRATED
PLATFORM** (HIP)
Powered by HDC



HALAL INTEGRATED PLATFORM

An integrated platform that connects industry players globally, equipping your business with the competitive edge to tap into the ever-growing halal economy.

Other Opportunities

- **Awareness Programs** – i.e. more than 200 events globally



- **Education, media, publication etc.**



Training Programs

YouTube A Feature on Halal Food Certification in Cambodia





MINISTRY OF
INTERNATIONAL TRADE AND INDUSTRY



Halal Development
Corporation

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