

# Malaysian halal food set to penetrate Britain

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**IPOH:** Malaysia will enter the British halal food industry in a big way over the next five years with a RM1 billion deal involving 50 Tesco outlets in Muslim-majority areas.

From April next year, Tesco Stores (Malaysia) Sdn Bhd will distribute a range of goods to outlets in central and north London, including Liverpool.

Tesco made this commitment to Prime Minister Datuk Seri Abdullah Ahmad Badawi at the signing of two memoranda of understanding yesterday.

The first MoU saw the company entering into an agreement with the Perak Government for the es-

tablishment of a RM100 million agricultural programme.

The second MoU, involving Meranti Tiga Sdn Bhd, is for the development of a RM50 million fresh food distribution centre in Simpang Pulai.

Abdullah, on a working visit here since Thursday, was pleased with the prospective entry of Malaysian halal products into the British market.

He said Malaysian products must be of high quality and meet international halal standards to gain credibility.

This should include packaging, hygiene and security.

"Malaysian products have the potential to penetrate the global market, but they must meet the re-

quirements.

"Local food producers, companies and those involved in the food chain must provide only the best to consumers," he said.

Abdullah said the Tesco initiative could serve as a catalyst to the development of the halal industry in the country besides enabling Malaysian halal products to penetrate the global market.

Between 2003 and 2004, Tesco exported RM223 million worth of Malaysian products.

Abdullah urged those involved in the agriculture and food chain to help open up avenues to encourage small and medium industries and enterprises.

He commended Tesco for its joint venture with the State Gov-

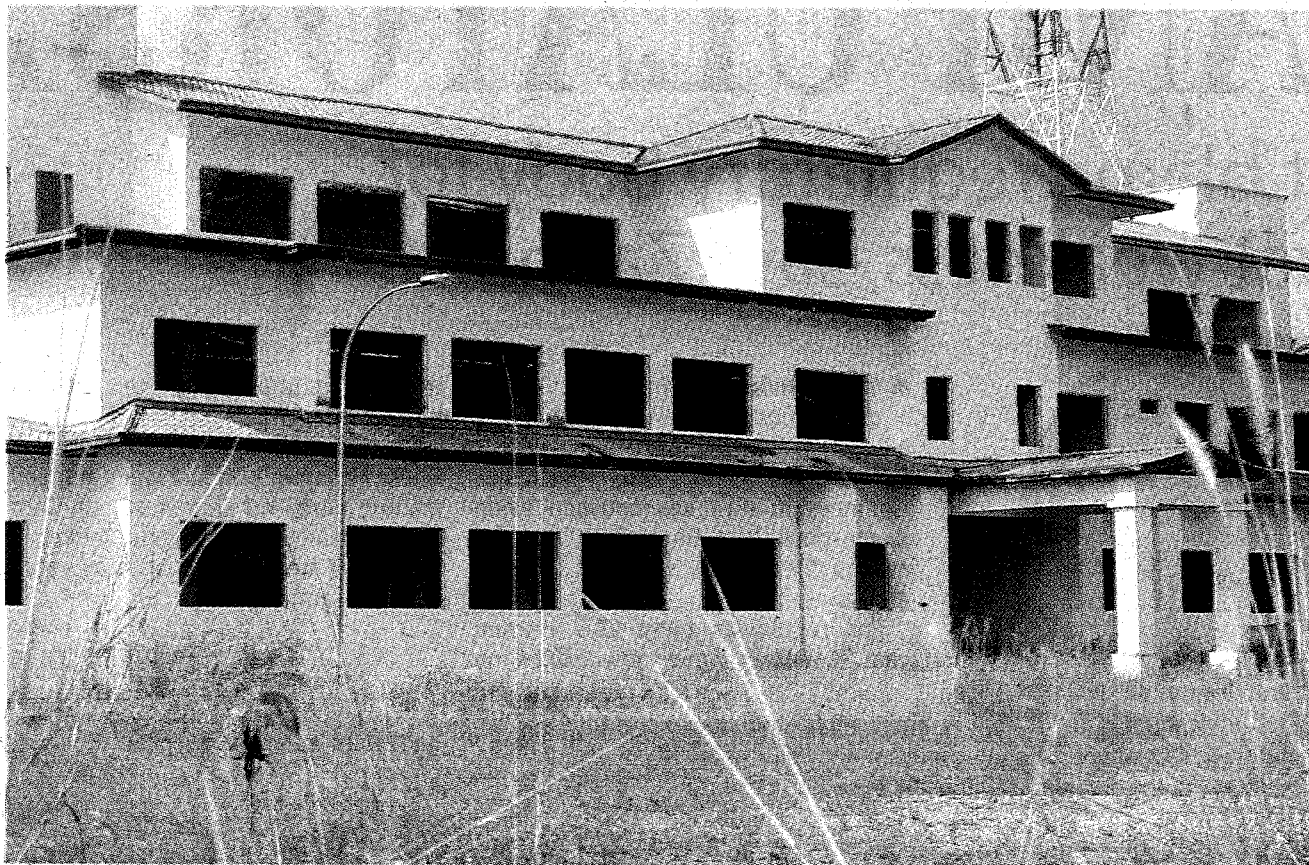
ernment which could boost Perak's economic development.

Speaking later, Tesco chief executive officer James McCann said the RM1 billion commitment would help expedite Malaysia's growth into a regional halal hub.

He said Tesco had identified areas where it would be able to offer local companies access to export markets.

On the fresh food distribution centre in Simpang Pulai, he said the middleman could be done away with in the food chain distribution.

"Farmers and fishermen will sell their produce to Tesco and we will deliver it to the consumers. The cost is lower as there are fewer people involved," he said.



The police headquarters project needs a major make-over. — NST picture by Jamah Nasri