

By : YAB. DATO' SRI MOHD NAJIB BIN TUN HAJI ABDUL RAZAK, PERDANA MENTERI
MALAYSIA

Venue : Plenary Hall, Level 1, KLCC

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Title : WORLD HALAL SUMMIT (WHS 2015)

Bismillahirrahmanirrahim.

Assalamualaikum Warahmatullahi Wabarakatuh and a very good afternoon to all of you.

Yang Berhormat Senator Tan Sri Abu Zahar Ujang;

Yang Dipertua Dewan Negara,

Yang Berhormat Dato' Sri Mustapa Mohamedang;

Minister, International Trade and Industry,

Yang Berhormat Datuk Ir. Haji Hamim Samuri;

Deputy Minister International Trade and Industry I,

Yang Berhormat Dato' Lee Chee Leong;

Deputy Minister International Trade and Industry II,

His Excellency Nurettin Canikli;

Minister of Custom and Trade Turkey,

His Excellency Dr. Rashid Ahmed Mohamed Bin Fahad;

Minister of Environment and Water United Arab Emirates,

Her Excellency Mrs. Apiradi Tantraporn;

Deputy Minister of Commerce Thailand,

Your Excellencies,

Distinguished Guests,

Ladies and Gentlemen,

1. I am delighted to be here today to open the World Halal Summit 2015, and I would like to congratulate the Ministry of International Trade and Industry for hosting this important event. I would also like to thank Malaysia External Trade Development Corporation (MATRADE), the Department of Islamic Development Malaysia (JAKIM), Halal Industry Development Corporation (HDC), and Shapers Malaysia for jointly organizing this trade fair and the six subject-focused forums that have brought businessmen, government officials and scholars from around the world to our capital, Kuala Lumpur.
2. Minister Dato' Sri Mustapa Mohamed has already spoken about the huge potential of the Halal industry. Indeed, the Halal economy is currently estimated to be worth \$2.3 trillion, of which Halal food makes up \$700 billion. That is today, when 1.6 billion Muslims comprise 23 percent of the global population. But by 2030, that percentage is

expected to rise to 26 percent. In 15 years' time, there will be 2.2 billion Muslims on the planet. Clearly, the opportunities for growth are enormous.

3. The Middle East, North Africa and Asia - regions with the greatest concentrations of Muslims - will remain the strongest Halal markets. But North America, with 3.5 million Muslims, and Europe, with 44 million, are the new emerging markets. They offer great prospects for the Halal industry and all those involved in the sector.

4. Halal as a growing industry is particularly relevant for us in ASEAN, situated as we are in the Asia Pacific, which is home to 62 percent of the world's Muslims. As the Chair of ASEAN for 2015, Malaysia is keen to encourage the promotion and development of the Halal industry in the region. With the establishment of the ASEAN Economic Community by the end of the year, there is no reason why ASEAN should not become a major Halal trading hub, serving both home markets and those around the globe.

Ladies and Gentlemen,

5. Malaysia is happy to share our experience and expertise in Halal with our friends and neighbours. Malaysia's involvement in promoting the growth of the Halal industry goes back decades. Indeed, it was in 1974 that the Research Center of the Islamic Affairs Division of the Prime Minister's Office started to issue Halal certification letters for products that met the criteria. We have come a long way since then, and have made great strides in seeking to achieve our ambition of making Malaysia the Global Halal Hub.

6. The necessary policy framework, institutional support and infrastructure facilities for Halal industry are already in place. In terms of implementation, we are now entering the final phase of the Halal Industry Master Plan. In 2012, the Global Halal

Support Centre was launched, with the aim of making Malaysia the global reference centre on Halal integrity, know-how, and problem sharing. Malaysia is also proud to be at the forefront of innovation, production and trade in Halal products and services.

7. For instance, Malaysia's Halal Certification and logo are now universally recognised and accepted. We have also developed 13 Malaysian standards for the Halal industry that meet international benchmarks. A significant milestone was the adoption of Malaysia's MS1500:2004 as the international Halal standard by the Codex Alimentarius Commission of the United Nations. This standard is the only Halal reference under the World Trade Organization, which provides internationally recognised guidelines on labeling food products.

Ladies and Gentlemen,

8. As you may be aware, Malaysia's new Goods and Services Tax, or GST, comes into force today. This is a key part of the biggest series of tax reforms in the history of our country, the aim of which is to make the taxation system more efficient, effective, transparent and business friendly, and also so that it can contribute to ensuring that Malaysia reaches high income status by 2020.
9. Implementation of GST in Malaysia has gone through rigorous and detailed study. As a result of that study, we have decided that the new tax will be structured differently to similar taxes in other countries. Our GST will exempt many goods and services, such as water and basic foodstuffs. This is good news for the halal industry, since most of the ingredients - fish, meat, poultry, vegetables and the like - will incur zero GST.
10. It will be good for halal traders in other ways, too. No GST will be applied on exported goods and services, and Malaysian firms will benefit from a lower cost of doing business by recovering any input taxes.

Ladies and Gentlemen,

11. While the food and beverage sector still dominates the Halal industry, the potential in other areas is vast. The pharmaceutical sector is one example. Here in Malaysia, the Al Jomaih Group from the Kingdom of Saudi Arabia has invested in a facility in Nilai, which is close to Kuala Lumpur. The project involves Al Jomaih working closely with HDC under a public-private sector collaboration for the development of Halal vaccines.
12. Equally exciting are the possibilities in the services sector. Take Islamic finance, which over the last decade has steadily increased its share of the global financial marketplace. There are currently at least 700 Islamic financial institutions operating across more than 70 countries.
13. The availability of Syariah compliant financing completes the operational integrity and unlocks new sources of ethical and economically viable funding for the Halal industry. These include corporate financial solutions in the form of trade financing, liquidity management, and risk management and hedging products. The sukuk market, in which Malaysia is a leader, offers a credible, convenient and Syariah-compliant alternative to conventional financing needs.
14. Another area of Islamic finance that offers great promise is Syariah-compliant micro-credit. Not only is the available market huge, but the need is pressing. Islamic micro-credit offers hope for tens of millions of Muslims in developing countries who currently lack access to conventional banking. It provides an ethical Islamic means for them to realize their dreams and fulfills our scriptural obligations to care for our fellow members of the Ummah.

Ladies and Gentlemen,

15. The commercial revenue, employment opportunities and global connectivity of the Ummah through participation in the Halal industry contribute significantly to the economies of many Muslim nations. For our brothers and sisters in less developed countries, they also help knit together a tapestry of hope for those toiling in the margins.

16. Just as important is the fact that the Halal industry's contribution to the global economy in these challenging times is a positive example of how Islam informs our lives. It is an achievement of Muslims today, just as the scientific discoveries under the Abbasids were one thousand years ago.

17. For all these reasons, I hope that everyone here today will find much that will be useful, interesting and enlightening. A vast array of subjects will be discussed and can be explored by all who visit - from growing sustainable Halal businesses and ensuring they contribute to an inclusive vision for our communities, to the patenting of genetically modified seeds; from travel, media and cosmetics, to new efforts to link Halal ventures with Islamic banks. All of this can help the continued growth of a global Halal eco-system and Islamic economy for the benefit of all, Muslims and non-Muslims alike.

On that note, and with the recitation of “Bismillahirrahmanirrahim”, it is my pleasure to declare the World Halal Summit 2015 open.

Thank you.

Wabillahitaufik Walhidayah Wassalamualaikum Warahmatullahi Wabarakatuh.