

Prepared by the New Zealand High Commission in Kuala Lumpur

Summary

- Malaysia's population of 19 million Muslims and middle-income status means it is a growing market for halal products. This report defines halal, describes how businesses can access Malaysia's halal market, and provides a list of resources and contacts with additional information on the topic

Report

What is the market opportunity?

- There are an estimated 1.9 billion Muslims in the world, making up roughly 26% of the global population. Based on a [State of the Global Islamic Economy Report 2021](#), spending by Muslim consumers is growing, and is expected to reach NZD\$3.57 trillion by 2024. Food spending alone is likely to account for over NZD\$1.49 trillion of the total figure.
- Malaysia's population includes 19 million Muslim consumers. As an increasingly wealthy country looking to progress to upper-income status in the next few years, it is a growing market opportunity for businesses that are able to meet its specific halal requirements.

What is halal?

- Halal is a term that means 'good' or 'permissible' in Muslim culture and is used to describe goods and services which are allowed or permitted for Muslim consumers by Shariah Law. The [Halal Malaysia Official Portal](#) explains its usage in a Malaysian context.
- An increasingly wide range of products can be halal certified - from food and drink, to cosmetics, pharmaceuticals, and even less well-known areas like finance and logistics. Muslim consumers increasingly look out for halal certification logos, particularly as these logos appear on a growing range of products.
- Halal has implications for the entire supply chain of a consumer product. Key aspects of food and beverage manufacturing – such as ingredient sourcing, slaughtering, and food packing – need to adhere to Islamic practices if the end-product is to be certified as halal.

How can businesses access Malaysia's halal market?

- A product must be certified as halal through a proper process in order to meet Malaysia's rigorous halal standards. [The Department of Islamic Development](#) (JAKIM) is Malaysia's halal regulatory body that determines the standards companies and halal organisations must meet.
- For New Zealand exporters, JAKIM has accredited two foreign halal certification bodies (FHCb) that are permitted to certify products for export to Malaysia. These FHCbs are:
 - [New Zealand Islamic Development Trust](#) (NZIDT); and
 - [Federation of Islamic Associations of New Zealand](#) (FIANZ).
 - Please note the New Zealand Government only regulates halal certification for meat and dairy products under the Animal Products Act 1999.
 - For queries relating to the certification of any products and services (including services outside of the

food and beverage sector), please contact either NZIDT or FIANZ directly. Please note that these certification providers provide their services on a commercial basis and have different areas of focus and expertise.

- Although other halal certification bodies may operate in New Zealand, at the date of publication only FIANZ and NZIDT are accredited by the Malaysian authorities and can certify into this market.

Things worth considering?

- Malaysia's halal standards are very rigorous. However, there is an opportunity for exporters willing to meet these high standards to access a growing and profitable opportunity, and carve out market share. The high halal standards present both a risk and opportunity.

Helpful resources

- The [Malaysian Halal Development Corporation](#) (HDC) supports Malaysia's halal ecosystem. The HDC is a promotion agency that sits under Malaysia's Trade Ministry and supports the growth of halal businesses by facilitating trade and investment. The agency also offers training and advisory services to equip stakeholders with halal-related information.
- Malaysia has an annual [Halal Conference](#), which is the largest of its kind in the region. The conference presents a unique opportunity for exporters to better understand the halal ecosystem and what Malaysia has to offer. The Malaysia International Halal Showcase will be held around September 2022, bringing together government entities, business leaders and scholars from around the world. Organised by the HDC, New Zealand businesses interested in participating in the global halal economy are encouraged to join the virtual conference.
- The New Zealand Ministry of Primary Industries' (MPI) page [Exporting halal animal products](#) contains links to export requirements and advice specific to Malaysia and other halal markets, for meat and dairy products.

Need further assistance

- Because of the growing interest in halal products and services in Muslim markets, the regulatory landscape for halal is a rapidly-moving one. MPI regularly engages export sectors on issues of interest, including changes to regulations.
 - If you have a question about selling halal meat and dairy products to Malaysia, MPI's [Export Regulatory Advice Service](#) can provide assistance.
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