



## EXECUTIVE SUMMARY



# HALAL INDUSTRY MASTER PLAN

2030

*Prominent, Visible and Globalised Halal Malaysia*



# INTRODUCTION

The Halal industry of today is strong and robust. There are many new and expanding opportunities for economic growth and consumers awareness on Halal products is increasing around the world. International organisations are beginning to embrace Halal values aligned with those practiced by Muslims, where the core values of Halal are consistent with the enhancement of social wellbeing, protection of the environment and ethics of business conduct.

With a comprehensive Halal ecosystem, Malaysia sets the bar globally as the reference for best practices in the development of Halal standards and business processes through nurturing growth and participation of local businesses into the global Halal market.

The **Halal Industry Master Plan 2030 (HIMP 2030)** was developed to catalyse Malaysia's strengths towards the development of its Halal industry holistically. The theme '**Prominent, Visible and Globalised Halal Malaysia**' depicts Malaysia's goal to achieve socio economic development through leading the global Halal industry.

The HIMP 2030 brings together an analysis of the Halal industry trends and projections, both global as well as in Malaysia and assesses the industry developments based on focus sectors. This Master Plan lined up developmental framework for Malaysia's Halal industry and highlights opportunities for Malaysia's socio economic growth in order to maximize potential economic return over the next decade and beyond.

# ACRONYM

AIBIM	Association of Islamic Banking Institutions Malaysia
ASM	Academy Science Malaysia
DOSM	Department of Statistics Malaysia
DSM	Department of Standards Malaysia
EDA	Economic Development Authority
FSQ	Food Safety and Quality Division
GDP	Gross domestic product
HDC	Halal Industry Development Corporation
IPA	Investment Promoting Agency
JAIN	State Islamic Religious Departments
JAKIM	Jabatan Kemajuan Islam Malaysia
JPK	Jabatan Pembangunan Kemahiran
KIHIM	Konsortium Institut Halal IPT Malaysia
KPDNHEP	Kementerian Perdagangan Dalam Negeri dan Hal Ehwal Pengguna
MAIN	State Islamic Religious Councils
MAMPU	Malaysian Administration Modernisation and Management Planning Unit
MARA	Majlis Amanah Rakyat
MATRADE	Malaysia External Trade Development Corporation
MDEC	Malaysia Digital Economy Corporation
MHC	Malaysia Halal Council
MIDA	Malaysia Investment Development Authority
MOA	Ministry of Agriculture and Agro-based Industry
MOE	Ministry of Education
MOHR	Ministry of Human Resource
MPIH	Majlis Pembangunan Industri Halal
MTA	Malaysian Takaful Association
MTDC	Malaysian Technology Development Corporation
NPRA	National Pharmaceutical Regulatory Agency
PBT	local authority (Pihak Berkuasa Tempatan)
PNS	Perbadanan Nasional Berhad
PUNB	Perbadanan Usahawan Nasional Berhad
SC	Securities Commission Malaysia
SMECORP	SME Corporation Malaysia
SSM	Suruhanjaya Syarikat Malaysia
TERAJU	Unit Peneraju Agenda Bumiputera



The Halal industry is a strong promoter of socioeconomic growth in Malaysia, and therefore efforts to improve governance, capacity building programmes, and promotion of the industry needs to be intensified.

## IMPORTANCE OF HALAL INDUSTRY

### Malaysia, Pioneer of the Halal Industry

More than 40 years of experience in the development of the Halal industry

### Increasing Domestic Demand

Malaysia is still a net importer of various products, including Halal products

### Huge Global Halal Market Potential

There is an estimated 80% gap between demand and production of global Halal products

### Malaysian Welfare

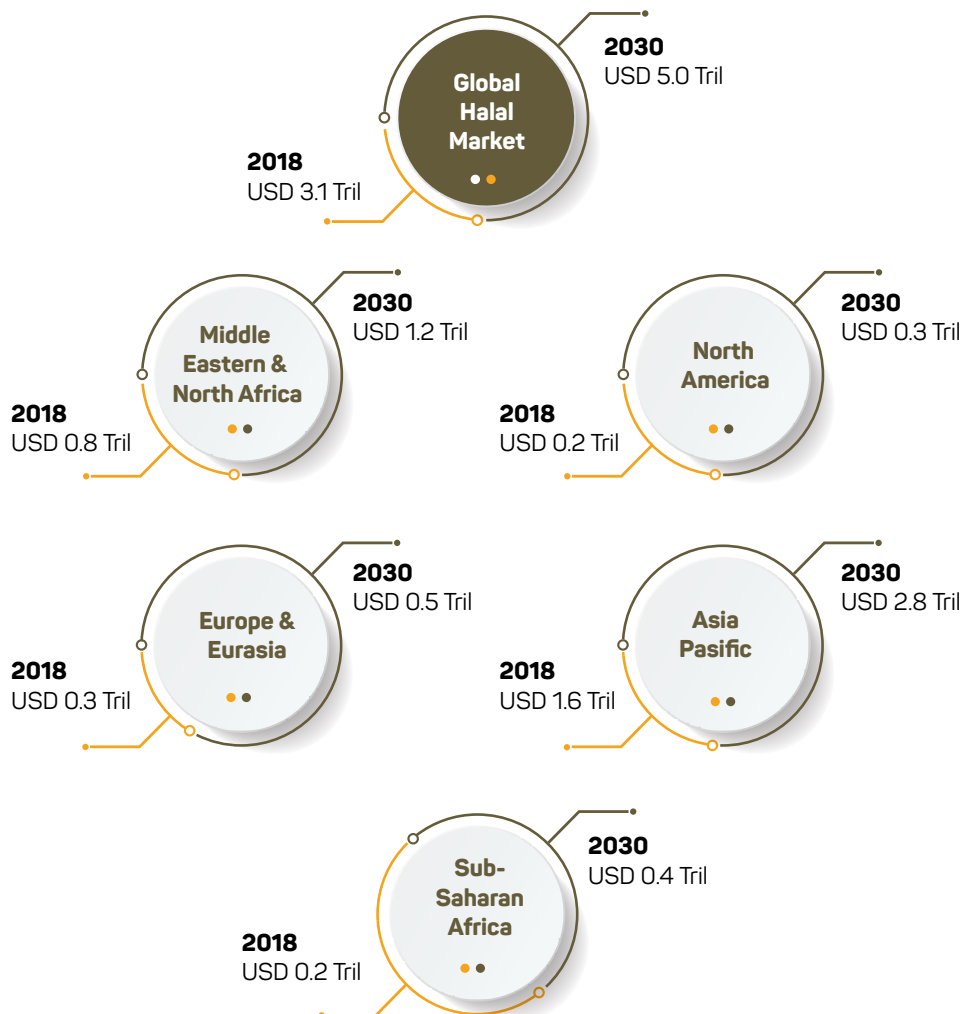
The Halal industry provides broader job opportunities and increases the safety of products

### Economic Welfare

Halal gives added value, promotes trade and investment

By 2030, the global Halal market is expected to grow to USD 5.0 trillion, while domestic growth is estimated to reach USD 113.2 billion. With a comprehensive Halal ecosystem, Malaysia is endowed with a competitive advantage to fully capitalise this timely opportunity.

## GLOBAL HALAL MARKET

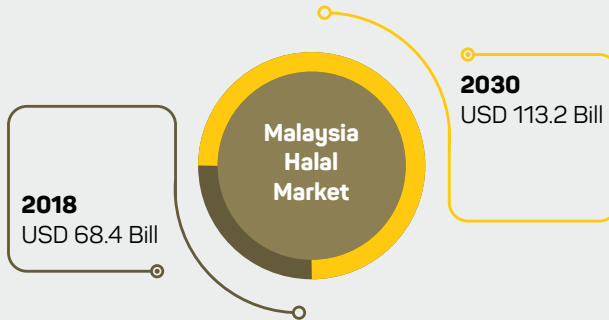


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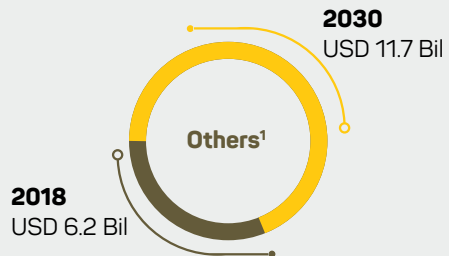
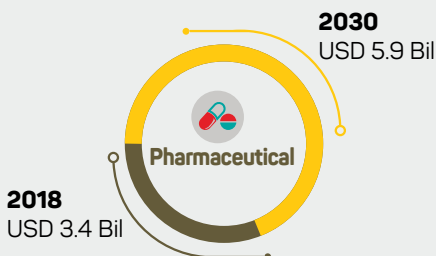
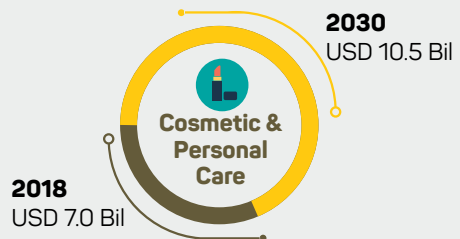
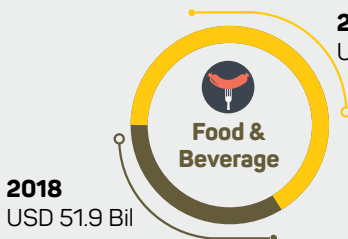
Based on the proportion consumption of the total Halal market by the Muslim population



# MALAYSIAN HALAL MARKET



## CORE SECTORS



Notes:

Based on the proportion consumption of the total Halal market by the Muslim population

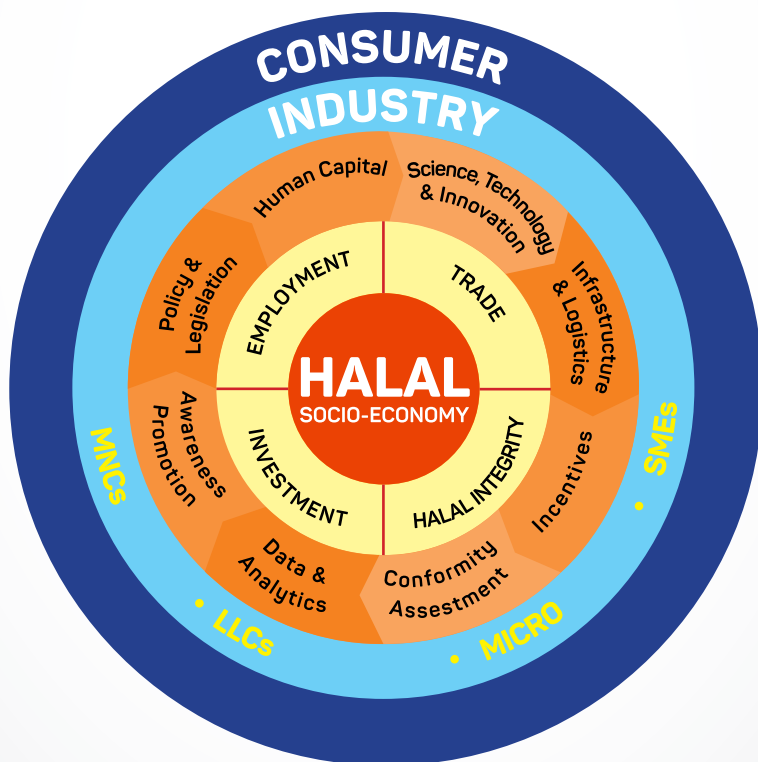
<sup>1</sup> Includes relevant/ emerging sectors (e.g. modest fashion, medical devices, medical tourism)

The HIMP 2030 focuses on strengthening and internationalising Halal ecosystem in Malaysia by re-evaluating and improving existing initiatives, as well as introducing high impact initiatives in line with the Government's direction.

## MALAYSIA's HALAL ECOSYSTEM



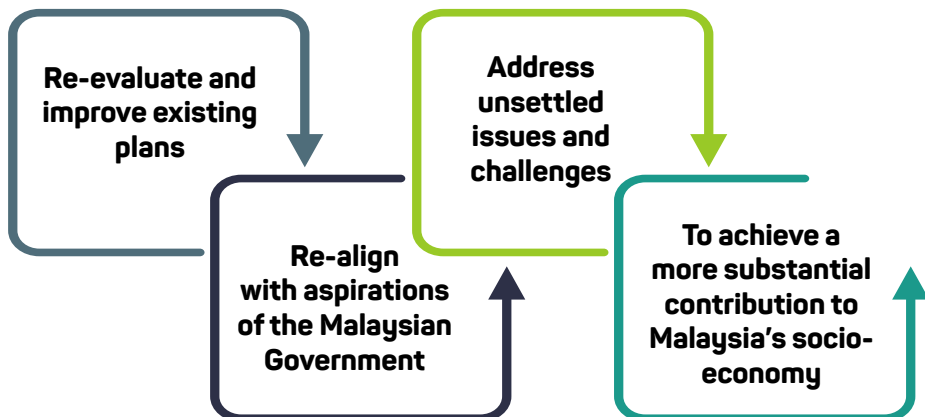
The Halal Ecosystem is a network of components involved in growth cycle and delivery of Halal products or services contributing to the overall socio-economic development. Each component in the ecosystem has its own unique activities that are interrelated with each other, creating a constant evolving relationship towards sustainability.



With a foundation built on the strength of Malaysia's Halal ecosystem, the goals of the HIMP 2030 are both realistic and achievable.



## WHY HIMP 2030 ?



## Achievements to Date

as of December 2018



Contribution towards Gross Domestic Output



Halal Export Value



Number of SME Halal Exporters



Number of Jobs Created



Investments Value in Halal Parks





7 Strategic Thrusts of HIMP 2030 aim to encourage quality, innovative and competitive Halal industry offerings; develop high –performing home grown enterprises; and spur sustainable, balanced and inclusive socio-economic growth.

## HIMP 2030 STRATEGIC FRAMEWORK



## EMERGING SECTORS

Emerging opportunities in the Halal industry include new economic sectors which are increasingly embracing Halal values in their operations.



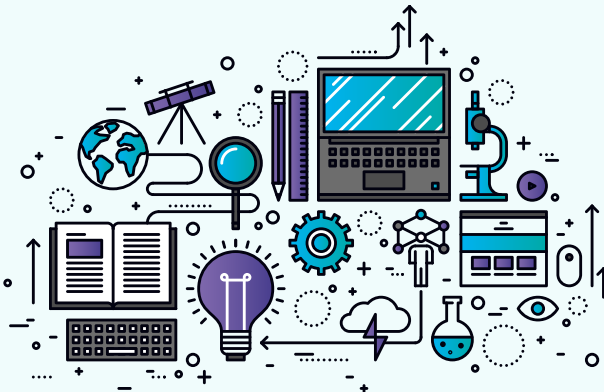
## Modest Fashion



## Medical Tourism



## Medical Devices



Key enablers are put in place to support smooth implementation of HIMP 2030



## KEY ENABLERS



### **Halal Traceability Services**

Strong focus of encouraging Halal innovation through the technological advancement of IR 4.0, IoT, Blockchain, FinTech and Big Data to ensure Halal products go through an entirely verified supply chain



### **Talent Development / Upskilling Services**

Competent Halal professionals and Halal experts to support comprehensive and future developments of the Halal ecosystem through the alignment of the Halal occupational framework



### **Standards, Accreditation and Certification Services**

Robust standards, accreditation and certification services ensuring the integrity of the Halal supply chain, in addition to ensuring global trust in Malaysia's accreditation and compatibility with Halal emerging markets



### **Islamic Finance**

Accessibility to financial support for players in the Halal supply chain encouraging and supporting participation growth in the Halal industry through the innovation and promotion of a hybrid Islamic financing structure

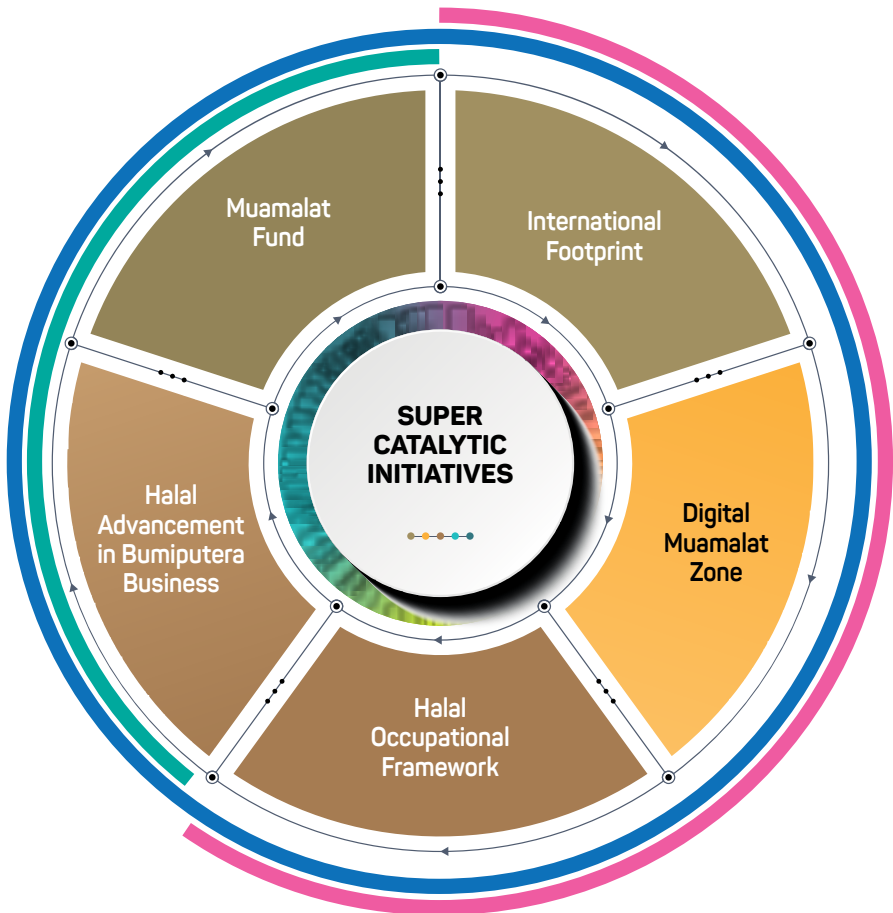


### **Logistics Services**

Dedicated logistics services, from sourcing of raw materials to reaching the consumer (i.e., farm to fork), to avoid cross-contamination thus ensuring the safety and quality of Halal certified products

Out of the 42 initiatives formulated, 5 were identified as Super Catalytic-large-scale transformative initiatives benefiting industry players at all level aimed at shifting the trajectory of the Halal industry's growth, and significantly advancing a broad cross-section of the industry.

## HIMP 2030 SUPER CATALYTIC INITIATIVES



Targeted Beneficiaries :

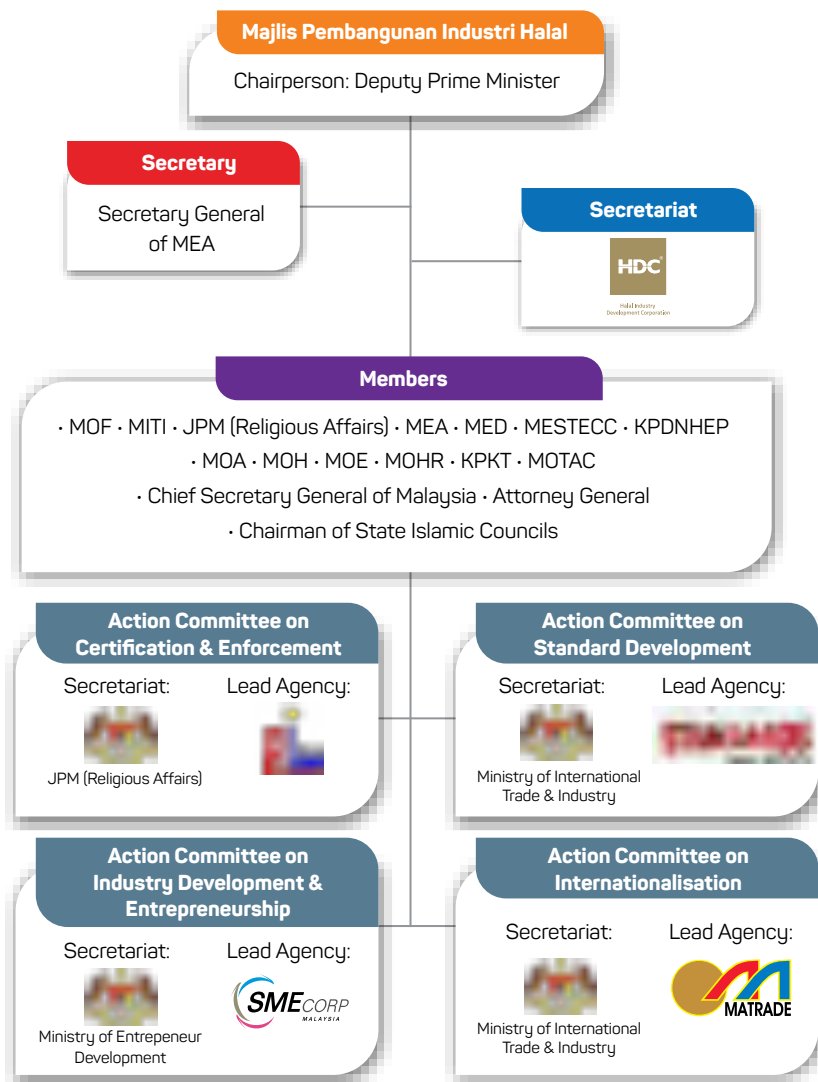
LLC/MNC

SME

MICRO ENTERPRISES

Majlis Pembangunan Industri Halal (MPIH) plays a role to improve governance structure in the development of the Halal industry by focusing on four key success areas. 1 : Formulate Strategic Policy and Monitoring; 2 : Certification Enhancement and Enforcement; 3 : Standard Development and Traceability; 4 : Industry Development and Entrepreneurial Culture.

# MAJLIS PEMBANGUNAN INDUSTRI HALAL



The HIMP 2030 targets 4 major outcomes: a robust and diversified domestic Halal industry; ease of doing business; competitive business participation and internationalisation of the Halal Malaysia brand.

# HIMP 2030 PERFORMANCE INDICATOR

The Halal Industry's contribution towards overall GDP

2018



~7.4%  
GDP  
(RM 107 bil)

2030



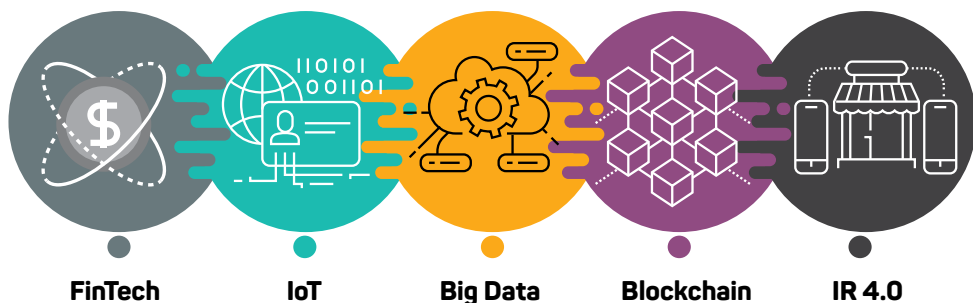
~11%  
GDP  
(RM 266 bil)

GDP Indicators		2018	2020	2025	2030
	<b>Cumulative HALMAS Investment</b>		Phase 1a	Phase 1b	Phase 2
		RM 13.9 bil	RM 15.3 bil	RM 19.6 bil	RM 25.0 bil
	<b>Value Add</b> Value to consumers (Gross output less inputs, "economic profit")		Phase 1a	Phase 1b	Phase 2
		RM 59.7 bil	RM 76.0 bil	RM 126 bil	RM 171 bil
	<b>Halal Export</b> Value of exports		Phase 1a	Phase 1b	Phase 2
		RM 40 bil	RM 46 bil	RM 56 bil	RM 70 bil

Productivity Indicators		2018	2020	2025	2030
	<b>Revenue</b> "Gross output" (industry revenue) earned by Halal businesses		Phase 1a	Phase 1b	Phase 2
		RM 275 bil	RM 335 bil	RM 497 bil	RM 684 bil
	<b>Employees</b> Number of employees in the industry		Phase 1a	Phase 1b	Phase 2
		0.35 mil	0.41 mil	0.56 mil	0.71 mil

The vast number of upcoming technology such as Financial Technology (Fintech), Internet of Things (IoT), Big Data, Blockchain and Industry 4.0 have huge potential to further improve Malaysia's Halal Industry

## EMBRACING MEGATRENDS FOR BRIGHTER FUTURE



### Benefits to Malaysia's Halal Industry

Improved traceability, authenticity, and transparency of Halal products, services and processes throughout the supply chain

Better hazard and contamination management

Optimised and faster mass production

Quicker adaptation from rapidly changing consumers behaviour

Improved supply chain integration for faster products and raw materials delivery



**Ministry of Economic Affairs**

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Halal Industry  
Development Corporation

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