

## **Dubai Islamic Economy Development Centre (DIEDC)**

### **Speech – Global Halal Industry Platform**

**Attributed to: Abdulla Mohammed Al Awar, CEO of DIEDC**

**Your Excellencies,**

**Distinguished guests,**

**Ladies and gentlemen,**

**Good morning!**

I take this opportunity to extend my sincere appreciation to Emirates Authority for Standardization and Metrology, a strategic partner of Dubai Islamic Economy Development Centre, for organising this platform that promotes the halal industry as a means of achieving sustainable economic growth.

The halal industry framework is a key Economic Pillar within the strategy of “Dubai The Capital of Islamic Economy”, which was launched by His Highness Sheikh Mohammed bin Rashid Al Maktoum, UAE Vice President, Prime Minister, and Ruler of Dubai. The Halal Industry pillar itself spans across five main sectors that make up this interesting industry, which I would like to touch upon highlighting each of the sectors’ challenges and opportunities.

Let us start with the largest of these sectors, the halal food sector, and what better time to talk about this than during one of the largest food exhibitions around the world, Gulfood. According to the State of the Global Islamic Economy Report for 2018, the sector is expected to grow by 6.1 per cent to reach US\$1.863 billion by 2023.

The large size of the halal food sector is due to the shift in food consumption patterns in general, especially as the number of Muslims in the world has now reached 1.8 billion, making companies in Muslim and non-Muslim countries compete to benefit from the myriad emerging opportunities. The current growth is driven by significant trade and notable investments that amount to US\$667 million.

The most pressing issue for the halal food sector is that the industry continues to come up short in terms of implementing best practices. There are over 300 officially recognised certifiers globally. However, limited supervision by accreditation bodies remains the norm, leaving much room for ambiguity. This is why the Centre, along with its strategic stakeholders have launched initiatives that bridge this gap. Initiatives such as the International Halal Accreditation Forum launched in collaboration with ESMA, and yet another initiative, the Emirates International Accreditation Centre, launched in collaboration with Dubai Municipality. Today, there is an urgent need for a unified global regulatory framework that clearly defines the sharia-compliance of each food product and stipulates when the product can be considered halal. The absence of such a framework within the food production chain today results in considerable costs and time consumption, as well as the existence of multiple sharia-compliant products that are not halal-certified due to differences in standards, and the initiatives highlighted earlier will certainly help achieve this.

The modest fashion sector has attracted investments of US\$23 million and has the potential to receive a boost from customers interested in sustainable fashion, which promises to increase the market size to US\$100 billion.

On the halal media and recreation front, the market size is expected to reach US\$288 billion by 2023. The audience, mainly Muslims, makes up a quarter of the world's population, and 54 per cent of them will be under the age of 30 in 2030. Therefore, programmes that are culturally suitable for the entertainment of Muslim children and youth will be a major source of revenue and growth.

As for halal pharmaceuticals, they meet the needs of Muslim and non-Muslim consumers concerned about medicines containing animal derivatives. Despite the potential, only three per cent of halal gelatine in the market is halal-certified, so there is ample room for expansion within Dubai government's initiative to grant halal certificates to all products that merit them.

In halal cosmetics, a dedicated brand has yet to emerge, and there is considerable competition with the producers of natural, organic and herbal cosmetics. However, this competition is not between halal and non-halal products. It is competition between certified and non-certified halal products that results from the low awareness of the opportunities that halal certification has to offer.

**Ladies and gentlemen,**

The Islamic economy has come a long way, and the halal industry is no longer nascent. In our journey of growing and developing the Islamic economy and its diverse sectors, we continue to uncover new challenges and transform them into opportunities. I am confident that we can leverage these opportunities to find the right solutions for each sector.

**Thank you for your time, and I wish you a productive participation in this event.**