

Extended Abstract

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Poster Title	Halal Standards and Trade: A close look at Halal beef market in ASEAN-4
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Abstract prepared for presentation at the 98th Annual Conference of The Agricultural Economics Society will be held at The University of Edinburgh, UK, 18th - 20th March 2024.

Abstract	<i>200 words max</i>
<p>Halal is a dietary requirement that prescribes what is regarded as permissible food for Muslims. Halal standards and labels are developed to inform consumers that the food is permissible to consume. In Muslim countries, compliance with Halal standards is a condition for trade. However, the distinction of the Halal standards between countries presents several challenges to trade and the availability of food supply. Focusing on the beef market, the goal of this exercise is to determine to what extent the halal standards of one country differ from another. Employing content analysis, we aim to compare and contrast the Halal regulations for importing beef in Brunei Darussalam, Indonesia, Malaysia, and Singapore. This analysis and comparison will contribute to the ongoing discussion at the ASEAN towards increased economic integration and trade facilitation through harmonisation of Halal regulations. Furthermore, this exercise will enable future studies on Halal beef market structure and supply chain coordination in Southeast Asian countries.</p>	
Keywords	Trade, Harmonisation of Standard, ASEAN, Beef Supply Chain, Halal Standard
JEL Code	Q17; F13; Q13 see: www.aeaweb.org/jel/guide/jel.php?class=Q)
Introduction	<i>100 – 250 words</i>
<p>Governmental and Religious authorities have set the Halal standards to ensure Muslim consumers can safely observe their dietary requirements. This standard is supported by the Halal monitoring process and certification mechanism, as well as the Halal label to empower consumers to identify what is compatible for consumption according to Islamic laws. In Muslim countries, conformity to Halal standards is made compulsory and a specific Halal certificate is required as a condition to trade certain food commodities such as meat. Nonetheless, the absence of harmonisation of Halal standards between Muslim countries creates significant challenges to trade and the availability of food supply. Previous studies argued that standards can result on barrier to trade, particularly if a country sets higher level of standards (Sheldon, 2011).</p> <p>At the ASEAN level, promoting harmonised Halal standards has been identified as a key goal towards higher economic integration and trade facilitation (Johan and Plana-Casado, 2023). Further, ASEAN is an important economic bloc for the global Halal</p>	

food market with more than a third of the global Muslim population living in ASEAN countries (Abimanyu and Faiz, 2023) namely in Indonesia and Malaysia. Recognising this, Indonesia and Malaysia, together with Brunei Darussalam and Singapore formed a working group to discuss the harmonisation of Halal standards. This exercise will contribute to this ongoing discussion by providing comparative study on the differences of Halal standards in these jurisdictions. Specifically, it focuses on the Halal standards and regulations to import beef. This considers the increased demand for red meat consumption in Southeast Asian countries (Mason-D’Croze et al., 2022) and the important role of external market in the supply of Halal beef to these ASEAN-4 countries.

Methodology

100 – 250 words

Employing content-analysis, this exercise draws on the regulatory, academic, and grey literatures to analyse Halal regulations and guidelines. Methodology to compare how Halal standards in Brunei Darussalam, Indonesia, Malaysia and Singapore differ from one another is also developed while benchmarking these standards with EU/UK Halal standards. Focusing on Halal beef, examples of documents that will be considered are:

- Brunei Darussalam: Halal Meat Act (Chapter 183), Halal Meat Rules (Regulation 1 of Chapter 183)
- Indonesia: Halal Law
- Malaysia: Animals Act 1953 Regulations, the Abattoir (Privatization) Act 1993, Malaysia Halal Food - Production, Preparation, Handling and Storage – General Guidelines
- Singapore: MUIS Halal Certification Standard, General Guidelines for the Handling and Processing of Halal Food, 2005
- EU/UK: UK Halal Food Authority Certification Procedures, European Certification Centre (ECC) Halal Certification Procedure

Policy documentations are summarized to understand the current level of harmonisation and distinction with regards to trading Halal beef along with other relevant literatures. We consider several factors influencing the conformity of Halal standards in these countries namely monitoring system, certification process, slaughterhouse, slaughtering method, inspection, storing, transportation, and halal label.

Results

100 – 250 words

Expected/Preliminary results from this exercise are the following:

- While halal dietary laws are guided by the same divine regulation, their implementation, technical processes, and procedures are distinct across countries.
- Halal beef cannot be traded freely between these countries unless there is some degree of harmonization in monitoring and certification.



- The difference in Halal standards poses significant challenges to supply chain agents in both these countries and other countries aiming to supply this market.
- If an ASEAN country has a more stringent Halal regulation, this may cause a barrier to trade and impact both domestic market structure and consumer welfare.
- Transparency in Halal implementation standards is crucial to support the movement for harmonised Halal standard in ASEAN.

Discussion and Conclusion

100 – 250 words

This exercise aligns with the current efforts by ASEAN, particularly the ASEAN-4 to move towards better market integration. It contributes to the ongoing discussions on Halal standards harmonisation in Southeast Asia.

Future research will need to assess the implications of harmonised Halal standard for business and consumer welfare. Moreover, research is needed to understand the implications of religious and secular standards, imposing dietary restrictions, on food security and sustainable consumption.

References

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