



INDONESIA HALAL PRODUCTS IN THE GLOBAL MARKET COMPETITION

Jakarta, 13 November 2019

**KADIN, Permanent Committee
on The Middle East & OIC Countries**

INHALIFE 2019

MARKET POTENTIAL OF GLOBAL HALAL PRODUCTS

1. TANGIBLE MARKET- 3 TRILLIONS USD PER YEAR

- Food & Beverages - 1.66 trillions USD per year
- Pharmaceutical - 506 billions USD per year
- Cosmetics - 230 billions USD per year
- Others - 600 billions USD per year

2. INTANGIBLE MARKET : Culture, brand

3. POTENTIAL HALAL PRODUCTS

- 89 % of available food products are naturally halal
- Trend of usage of halal products among non-muslim consumers worldwide is increasing

MARKET POTENTIAL OF GLOBAL HALAL PRODUCTS

4. POTENTIAL CONSUMERS OF HALAL PRODUCT

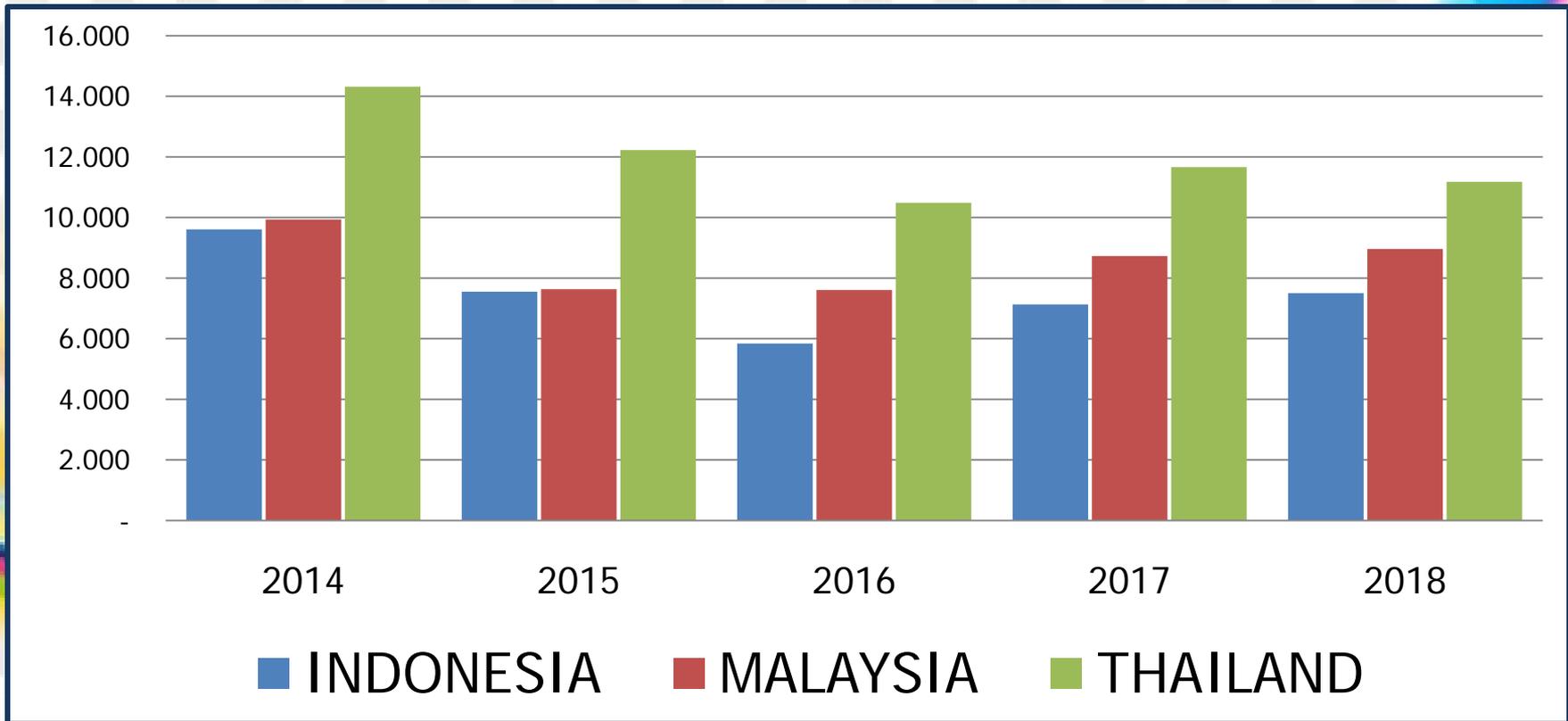
- World Population : 7.6 billions
- Muslim Population in the world : 1.83 billions (24 %)
- Population in OIC countries (Muslim) : 1.45 billions (83 %)
- Muslim Population in the Non-Muslim Countries : +/- 250 millions

HALAL SUPPLY CHAIN

1. Consumables
2. Hotel and tourism
3. Hospital
4. Halal Industrial Zone

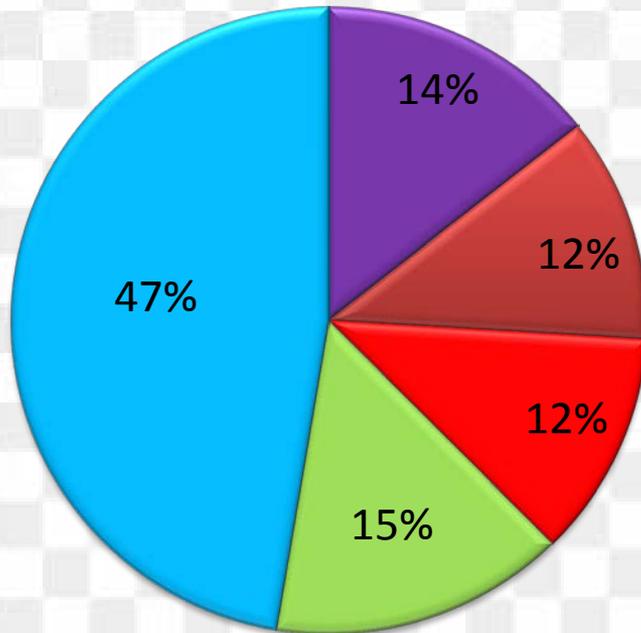
ASEAN – 3 EXPORT TO MIDDLE EAST (US MILION)

COUNTRY	2014	2015	2016	2017	2018
INDONESIA	9.607	7.556	5.840	7.131	7.501
MALAYSIA	9.937	7.632	7.611	8.725	8.963
THAILAND	14.314	12.226	10.486	11.665	11.176



Source : UN Comtrade, ITC Database

INDONESIA EXPORT NON – MIGAS



Major Exports to OIC	Major Imports from OIC
Palm Oil	Petroleum Oil & Gas
Coal, briquettes	Cocoa Beans
Motor cars	Polymers of Ethylene
Paper & Paperboard	Powered Aircraft
Copper	Unwrought Aluminum

■ OIC ■ USA ■ Japan ■ China ■ Others

Source: UN Comtrade, International Trade Center, diolah Pusdatin KT3-TIMUR TENGAH

GROWING MARKET : POPULATION AND AVERAGE OF GDP PERCAPITA (AVERAGE)

Regions	Population	GDP Per Capita
Africa	1 billion	US\$ 2,114
Southeast Asia	611 million	US\$ 3,880
Midle East	426 million	US\$ 20,000
Latin America & Caribbean	609.8 million	US\$ 9,881

Source: SESRIC OIC, UN Stats

INDONESIA HALAL INDUSTRIAL ZONE

1. Initiated by Ministry of Industry, Kadin (Middle East Committee), LPPOM MUI in 2014
2. Conducted a joint study with Malaysia Halal Industrial Zones
3. Supported by Bank Indonesia, Pelindo, Association of Indonesia Industrial Zone, local authority (governor)
4. Being prepared the decree of the Ministry of Industry

CONSTRAINTS AND RECOMMENDATIONS

- LIMITED UNDERSTANDING OF SME BUSINESSMEN ABOUT THE POTENTIAL, OPPORTUNITIES AND COMPETITION FOR THE EXPORT OF HALAL PRODUCTS. FOR THIS REASON, IT IS NECESSARY TO APPLY THE LITERACY PROGRAM TO SME BUSINESSMEN, HOW TO GIVE THEM A BETTER UNDERSTANDING, CHARACTER AND ETHOS OF COMPETITIVENESS, IN ORDER FOR THEM TO UNDERSTAND THAT HALAL PRODUCTS CAN ENHANCE AND STRENGTHEN THE GROWTH OF THEIR BUSINESSES.
- LEGAL CONFIRMATION IS NEEDED TO REGULATE THE EXPORT OF HALAL PRODUCTS, BECAUSE NEITHER THE LAW, GOVERNMENT REGULATIONS NOR MINISTERIAL REGULATIONS REGARDING THE GUARANTEE OF HALAL PRODUCTS HAVE YET TO REGULATE THE EXPORT OF HALAL PRODUCTS.

CONSTRAINTS

- STRENGTHENING DIPLOMATIC REPRESENTATIVES (KBRI AND KJRI) AND ITPC ON UNDERSTANDING INDONESIAN HALAL PRODUCTS IN ORDER TO BE ABLE TO PENETRATE AND DISSEMINATE INFORMATION TO BUSINESSMEN (IMPORTERS) IN THE DESTINATION COUNTRY.
- THE HALAL INDUSTRY CANNOT BE SEPARATED FROM THE TECHNOLOGY THAT HAS NOW MOVED TOWARDS INDUSTRY 4.0. ALTHOUGH FOOD TECHNOLOGY (FOOD SCIENCE) IN INDONESIA HAS DEVELOPED, BUT TO STRENGTHEN GLOBAL FOOD TECHNOLOGY COMPETITION, A NATIONAL HALAL PRODUCT STUDY CENTER IS NEEDED BY INVOLVING UNIVERSITIES AND ACADEMICS. MOST DOMESTIC UNIVERSITIES ALREADY HAVE HALAL PRODUCT RESEARCH FACILITIES AND PROGRAMS.

The image features a vibrant blue background with a central, dark blue diamond shape. Inside this diamond, the words "THANK YOU" are written in a bold, white, sans-serif font. The diamond is surrounded by a pattern of lighter blue and white geometric shapes, including squares and triangles, which are slightly offset and layered, creating a sense of depth and movement. The overall composition is clean and modern.

THANK YOU