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HALAL
TRADE &
MARKETING
CENTER

INTRODUCTORY COURSE TO THE HALAL MARKET

CÁMARA DE COMERCIO Y SERVICIOS DEL URUGUAY

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May 4th, 2022

International Trade Department Coordinator,
Chamber of Commerce and Services of Uruguay:

After our productive conversation, we have the pleasure of presenting a proposal to develop and deliver a comprehensive and tailor-made course about the Halal market.

The Halal Trade and Marketing Centre, a global business development centre focused on the Halal economy opportunities for the industry across the world, will provide Cámara de Comercio y Servicios del Uruguay with an introductory course to the Halal market for food and beverages companies in Uruguay interested in gaining the necessary knowledge to identify trends and opportunities in this fast-growing business niche as well as to better understand the complex legal framework of this market.

Thank you very much for providing us with this opportunity to work together.

We look forward to receiving your comments and response.

Yours faithfully,



Tomás Guerrero
Director, Halal Trade and Marketing Centre

Background

The Halal market is growing so fast. In 2020 Muslims spent 1.1 trillion dollars in food and beverages. Of these 500 billion dollars approximately was destined by the Muslim population to consume Halal certified food and beverages products. It is expected that spending on Halal foods and beverages will grow to 1.3 trillion dollars in 2024, representing approximately 20% of world spending on food and beverages that year.

Among the Muslims population who devoted more resources to consume Halal food and beverages in 2020 were Indonesians, Bangladeshis, and Egyptians, with an estimated consumption of 144, 107 and 95 billion dollars respectively, followed very closely by Nigerians and Pakistanis, with a higher expenditure in the two cases to 80 billion dollars. In countries such as Russia or India, even though they are not Muslim-majority countries, they still have a significant Muslim population, Muslim consumers allocated 45 and 41 billion dollars respectively to consume Halal food and beverages. This fact denotes that the opportunities offered by this market are not limited exclusively to the member countries of the OIC. It is overflowing and offers opportunities practically in any country or region of the world.

OIC countries are net food and beverages importers. The geography in some cases, the weather conditions in others, or the sum of both factors, make it impossible or difficult to produce this kind of product. Therefore, year after year they present a negative balance in the food and beverage trade balance. In 2020 they imported food and beverage worth 200 billion dollars, approximately 18% of the food and beverage they consumed that year.

For the Uruguayan companies, the takeoff from this market has not gone unnoticed. The increase in the purchasing power of the more than 1,800 million Muslims who inhabit our world, because of the economic growth experienced by OIC countries, has stirred up the interest of the companies for this huge and fast-growing market.

GCC Opportunity

The market value of Halal food and beverages products in the GCC countries is estimated at around 50 billion dollars. It represents about 4.5 percent of the Halal food and beverage market worldwide. With a total population of approximately 57 million inhabitants, the GCC countries are among the largest importers of Halal food and beverage products worldwide.

These figures are only explained, as mentioned above, due to the agricultural limitations of the region. In fact, the GCC countries are importing almost 70 percent of the food their inhabitants, mostly Muslims, consume every year. It represents a unique opportunity for the food and beverage world powers, whose companies could fill this gap thanks to the Halal certification.

Even so, the Halal market regulation is growing increasingly complex. The absence of a single and stable regulation on Halal for the Muslim-majority countries is making it difficult and expensive for companies to access this market. The existence of different Halal standards and authorities in each country is generating great confusion in the industry, which shows how the Halal certification or the registration process for Halal products, are becoming a barrier to entry to the Muslim-majority markets.

This fact is reducing the potential of the Halal trade since some companies are avoiding going into Halal because the rules of the game are not entirely clear, generating uncertainty and insecurity in producing and marketing this type of products.

Scope

The proposal aims to develop and taught a 10-hours course about the Halal market business and regulation to help Uruguayan F&B companies to identify trends and opportunities in this fast-growing business niche as well as to better understand the complex legal framework of this market. To achieve this, the webinar will address the following topics:

Module 1: Halal Concept (2 Hours)

- Halal Vs Haram
- Halal and Tayyib
- Guarantee of Quality, Healthiness and Sustainability
- Beyond Food and Beverage
- The “Kulu Halal” Issue
- Beyond Muslims

Chapter 2: The Halal Legal Framework (2 Hours)

- Halal Regulatory Bodies
- Halal Standards and Requirements
- IHAF and SMIIC Harmonization Processes
- The Halal Certification Scheme
- The Traceability System
- Compulsory and Compatibility

Module 3: Halal Requirements for Food Companies (2 Hours)

- Slaughterhouses
- Processed Food Companies
- Stunning, Non-Stunning and Animal Welfare
- Dairy Products and Flavours
- Vinegar and Juices
- The Istihala Process

Chapter 4: Drivers of the Halal Market (2 Hours)

- Demographic Dividend
- Generation M: Muslim Millennials
- Rebalancing of the Nations’ Wealth
- Dynamic Emerging Muslim-Majority Markets
- Fast Growing Middle Classes
- Increasing Demand from the Consumers and Regulators

Chapter 5: The Halal F&B Market in Figures (2 Hours)

- Current Landscape
- Main Trends: Size, Expenditure and Key Markets
- OIC Food Dependency
- Meat and Poultry Lifeline
- Opportunities and Challenges
- Success Cases

The execution of the course has been divided into well-differentiated phases, always guaranteeing an evolution of the same according to a logical sequence, in order to be able to respond to the premises, concerns and objectives of Cámara de Comercio y Servicios del Uruguay.

Methodology

The course has been crafted by the expert designates for this purpose as a practical tailor-made introductory course to the Halal market based on the Uruguayan F&B companies' needs and lasting 10 hours. The learning process is a progressive immersion in the world of the Halal market covering the business and regulation sides. During this process, the Uruguayan F&B companies' representatives will receive rigorous theoretical training and simultaneously undergo a practical and experiential course that will immerse them in the reality of the analysis and resolution of real cases.

Team

The webinar will be taught by an expert of reputed prestige in the field:

- Tomás Guerrero, Director, Halal Trade and Marketing Centre

Mr. Guerrero was born in Spain and has resided in Madrid for the better part of his life. Passionate about the Islamic Economy and Emerging Markets, he has dedicated himself to the Halal industry and sovereign wealth funds (SWFs).

He began his career working as a researcher at ESADE Business School's economic intelligence unit (ESADEgeo) for Mr. Javier Solana, former NATO Secretary General, and Mr. Javier Santiso, former OECD Development Center Director and Chief Economist. During his years at ESADEgeo, he organized events on entrepreneurship and emerging markets, such as "Start-Up Spain" or the "Globalization Labs", and he also contributed to the development of the first four editions of the KPMG-ICEX Sovereign Wealth Funds Report. This experience led him to discover the global potential of the Islamic Economy and to start researching about the Halal Market, enabling him to join the Halal Institute in Spain.

Mr. Guerrero has been working at Instituto Halal as Head of Madrid Office and International Relations Director for five years. He has decisively contributed to modernization and internationalization of the Instituto Halal, reaching more than 400 certified companies, helping them start their operations in Latin American countries such as Mexico and Argentina and also becoming one of the largest Halal certification bodies in the world. He has also been a key contributor to develop projects like the First International Halal Congress of Spain, the Cordoba Halal Cluster and the Halal Academy. In addition, Mr. Guerrero has worked as a Consultant on SWFs at Inter-American Development Bank, advising countries in Latin America to set up SWFs, as Director of Strategy Consulting and Cultural Intelligence at Horwath HTL, leading projects on Halal tourism, and as a researcher on SWFs at IE Business School in Spain

He has been a known speaker in numerous international events, such as the Global Islamic Economy Summit, UAE; the World Islamic Economic Forum, Malaysia; the Mediterranean Leaders Week, Spain; Mexico Alimentaria, Mexico; the Thailand Halal Assembly to name a few. Mr. Guerrero has also been ranked in the top 50 Leaders who contribute to the Islamic Economy by "IsFin-Forbes Middle East" in 2020 and appointed as Young Fellow by the World Islamic Economic Forum.

Mr. Guerrero has published several articles and working papers on Halal industry, sovereign wealth funds and emerging markets in publications like Thomson Reuters (Canada), The World Financial Review (UK), Fedesarrollo (Colombia), Política Exterior (Spain), Alternative Emerging Investor (USA) and Clear Path Analysis (UK). He has also published numerous opinion pieces on the similar topics in newspapers such as Financial Times (UK) Cinco Días (Spain) and Exame (Portugal).

Mr. Guerrero holds a MSc. in Economic Development and Growth from University Carlos III de Madrid. He also holds a B.A in Economics and B.A in Law from the same university and he is fluent in Spanish and English

Timeline

The course described in this proposal will last 10 hours and be taught in Spanish on dates agreed with Cámara de Comercio y Servicios del Uruguay. The start time of the lessons will be set by Cámara de Comercio y Servicios del Uruguay. It will also be responsible for ensuring that the platform and systems are available for the course. The agreed schedule with Cámara de Comercio y Servicios del Uruguay will be subject to HTMC receiving this proposal signed.

Confidentiality

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