

Halal Certification Bodies

Challenges ahead



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Halal Certification Bodies

towards professionalization

- Halal Certification Bodies have experienced tremendous changes in the last few years.
- More than 15 years ago, most of the halal certificates in many countries, particularly outside the OIC, were issued by imams or individuals connected with Islamic communities. No knowledge of food production methods was involved.
- Nowadays, the increasing regulation in destination markets has forced the transformation of HCBs in proper professional organizations, with trained staff, working at a global level. Knowledge of current production methods is a must.
- The lack of regulation in many non-OIC countries, however, continues to pose several challenges for HCBs established in producing countries (remember, more than 80% halal products are produced outside the OIC)

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towards more regulations

- The current trend is that OIC (and neighbouring) countries will introduce more regulations regarding halal, which can take two paths:
 - Greater harmonization promoted by OIC, under the SMIC (Standards and Metrology Institute for Islamic Countries) – currently adopted by 19 countries.
 - Greater diversity of schemes, based on diverging criteria, which increases the cost of accreditation / recognition procedures, hence increasing the cost of certification – currently in place in 6 countries.
- Neighbouring countries such as Thailand or South Korea are implementing halal schemes based on existing or new regulations.

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Between two concepts

- **Most HCBs operate in non-OIC countries where:**
 - Halal is deregulated or opposed (e.g. legislation against non-stunned meat, against halal menus in public facilities, etc).
 - Religion is not even considered at the public level, hence there is no official contact person for issues related to halal (e.g. the European Commission).
 - Most producers have little knowledge of islam or halal, and often there are misconceptions and prejudices.
 - The muslim population does not represent the potential halal markets (e.g. immigration in Europe creates an image far from the emerging Muslim Asian middle-classes)
 - The chances of involving highly qualified and trained staff are limited.
 - There are issues such as misuse of halal logo, forging halal certificates, use of pretentious titles (such as “doctor” or “mufti”), exaggerations and misleading information.

- **But they must obtain recognition in OIC countries where:**
 - Halal is normally regulated or sanctioned by a religious Islamic authority plus a technical authority.
 - Sometimes this authority is governmental (e.g. Malaysia), sometimes it is not (e.g. Singapore).
 - Sometimes there is abuse of a position of power (e.g. abusive clauses for travelling and lodging, “extra” fees, opaque policies, etc).
 - Often there is no mutual recognition between OIC countries (e.g. if you are a HCB recognized by Oman, that does not grant you recognition in Kuwait)
 - Often there is no mutual recognition between HCBs (due to a number of reasons, mainly that there are still many dubious or unreliable HCBs operating)
 - Occasionally changes in the halal schemes occur with little or no reaction time (e.g. Pakistan SRO 237), affecting cargo *en route*.
 - Political rivalries of OIC countries often have an impact on halal issues.
 - They are questioned because they apply shariah in non-muslim majority contexts.

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- How HCBs are **evaluated** by accreditation bodies or authorities involved in recognition?
 - They must have proper infrastructure
 - They must have highly qualified personnel
 - Staff involved in halal Certification / auditing must be muslim
 - HCB must be related to a muslim community
- But sometimes other requirements are not possible, at least in some EU countries:
 - That the HCB is recognized by their governments ???
 - Approve by the religious authority ???

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- The **costs** HCBs must face:
 - Operational costs in halal certification are high.
 - There is unfair competition.
 - We have detected that some HCBs that have no accreditation or only one accreditation have some strategies in place that compromise the halal status of the product:
 - Case: During slaughtering typically two people are involved: slaughter person and supervisor. HCB X certifies only batches of product, in some cases without supervisor. If you engage only one... yes, that is half the cost.
 - Case: A company wants to certify some lamb cured legs. The product was certified without actually ensuring that the slaughtering was halal ... yes, why not?
 - In both cases, we refused to carry out certification, yet some days later we found these products with another HCB's logo, in the market.
 - How are accreditation bodies going to control this bad practice?

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- The **costs** HCBs must face:
 - Accreditation / Recognition costs in halal certification are high.
 - The team is typically two – three people.
 - They fly business, they sleep in five-star hotels, they require an accompanying person all the time, insurance, etc.
 - Plus the official fee...
 - **Average cost per accreditation is ca. 50,000 Euro.**
 - Case: To get some particular scopes, one authority involved in recognition requested 50,000 Eur “on the side”.
 - Case: A HCB sent a disproportionate amount of “major non-conformities” many of them did not even relate to the reference standard. In case of disagreement, to whom may we appeal?
 - Case: A national authority we requested recognition from for one poultry slaughterhouse demanded: 25,000 USD fee, a week of covered expenses for a 5 auditor team, business tickets, luxury hotels plus per diem. This is a holiday!!!

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- What happens with the costs of accreditation / recognition:
 - They are charged to the producers -
 - They are charged to the products -
 - They are charged to the customers.
- The excess of divergent standards and lack of mutual recognition is penalising the halal consumer.
- It discourages producers.
- It creates confusion and mistrust in the halal logos.
- It questions the need for halal certification.

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In short, it would be good for halal certification in the global world if we:

- aim for greater **standard harmonization** at OIC level (even if this move opposes some nationalist aspirations to leadership).
- aim for a global framework for **mutual recognition** (there are already three in place at international level, which some gaps).
- establish a **worldwide HCB association** to agree on issues such as mutual recognition (such as the forthcoming AHAC)
- have the governments and authorities requesting halal accreditation or recognition to:
 - Accept **existing** standards and accreditations.
 - **Cover** part or all of the costs of the procedure.
 - Make the schemes **transparent, impartial and professional**.
 - Establish **appeal** mechanisms.
 - Consider halal certification from a **global** (not national) **perspective**.

Thank you



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