

Halal Food Industry in Thailand: History, Prospects and Challenges

MOHD SAIFUL ANWAR MOHD NAWAWI
University of Malaya

CHE WAN JASIMAH WAN MOHAMED RADZI
University of Malaya

MOHD ZUFRI MAMAT
University of Malaya

MAISARAH HASBULLAH
University of Malaya

MOHD ISTAJIB MOKHTAR
University of Malaya

HASHEM SALARZADEH JENATABADI
University of Malaya

SAADAN MAN
University of Malaya

AZMAH HAJI OTHMAN
University of Malaya

SUZANA ARIFF AZIZAN
University of Malaya

NORHIDAYAH PAUZI
University of Malaya

ABSTRACT

The productions of halal food from farm to table are very challenging in our new modern world. Furthermore manufacturing in world halal food industry are also extremely competitive. Thailand has been listed as one of top rank in the world tourist destination, top medical hub for foreign patients and relative and it also has been listed as top tenth world biggest food exporting countries and exporting halal products to the world. The main objective of this paper is to study the trend of producing halal food products, prospects, and current challenging in Thailand. The data analysis is included interview with some experts in Thailand halal food industry. This paper would be very helpful for policy makers and producers of halal food industry in East of Asia countries. The main contribution of this study is to bring out that how Thailand as a non-Muslim country is successful for producing and exporting halal food production to the Middle East countries.

Keywords: Halalan Tayyiban, Hygiene, Food Safety, Shariah, Good Manufacturing Practices.

HISTORY

In Thailand, there are 4 stages of halal certification development (Pakorn Priyakorn, 2017). Firstly, Halal 1.0 that is before 1949. Halal status of products and services for Muslim consumers was judged only by opinion of Islamic scholar without authentication process and certification paper.

Secondly, Halal 2.0 showed the efforts toward the development of the industry from 1949 to 1997 when the Shiekhul Islam office issued halal certificates to the nursing centers for the first time. This is to meet the needs of Muslims in Thailand to obtain halal sacrifices amongst the majority of Thai Buddhists. In 1971, the Thai Islamic Center Committee introduced the Halal Food Standard which was the first of its kind in the world. This standard is then refined and enhanced so that it complies with Islamic law and complies with international standards until all official standards are adopted throughout Thailand (Pakorn Priyakorn, 2017).

While, Halal 3.0 began from 1997 to 2016 where Codex-based Thailand's Halal Standard Institute was launched. In 2002, the Thailand Islamic Center Committee succeeded in gaining Thailand government's confidence with strategic approval towards the establishment of a halal food hub in southern Thailand. This support was continued with the financial allocation for the development of the halal-HACCP system in 2003. In 2003 also, the Halal Science Centre, Chulalongkorn University was founded. Halal status was clarified by halal inspector supported by scientific laboratory with standardization before being judged by Islamic scholar. The center of Halal Science is the first to set up and successfully push the halal industry in Thailand. In 2009, the Committee has successfully issued Halal Management Rules and sets the level and level of quality assurance for halal products and the use of halal logo (Pakorn Priyakorn, 2017).

Fourthly, it is Halal 4.0 that begin from 2017 until now that halal logo will be the second brand for halal products, services, certification will be linked with IOT, cloud, e-commerce and others (Pakorn Priyakorn, 2017).

THE COMMUNITY RESPONSIBILITY IN HALAL CERTIFICATION

In carrying out his duties, Sheikhul Islam will be assisted by an institution known as the Thai Islamic Center Committee (Pakorn Priyakorn, 2017). This is stated in the Administration of Islamic Organizations Act (1997) that there should be a committee called the Thai Islamic Center Committee comprising Sheikhul Islam as chairman and committee member appointed by the ruler of the Regional Religious Council. The main task of the committee is to assist Sheikhul Islam in the affairs of Islamic religious affairs in Thailand. The committee is also the highest Religious body in Thailand and is under the power of Parliament. This makes the administration of affairs related to the religion of Islam be managed centrally and has its own jurisdiction. The Thailand Islamic Center Committee is chaired by Sheikh al-Islam and is assisted by 39 committee members appointed by the provincial Islamic Committee and 1/3 other committee appointed by Sheikhul Islam on the consent of the Prime Minister for a period of 6 years (Pakorn Priyakorn, 2017).

From a structural point of view, the administrative affairs of Islam in Thailand are closely related to the distribution of Muslims and the establishment of mosques in Thailand. According to statistics, the Muslim population in Thailand is now estimated to be 6 million, and it accounts for 10% of the total population of Thailand totaling 69.7 million. For areas with large Muslim populations and mosques exceeding 3, they will have a separate Regional Religious Council which will act as the administrator of Islamic religious affairs in the region (Pakorn Priyakorn, 2017).

Besides that, the mosque becomes a fundamental institution in the management of Islamic affairs in Thailand. For areas with high Islamic population distribution, more mosques are being built. From the interview, the number of mosques registered with the Thai Islamic Center Committee so far is 3780 and it is expected that more than 4,000 small mosques have yet to be registered. Thailand has 77 territories as a whole and only 39 territories have members of the Regional Islamic Committee who are representatives of the Thai Islamic Center Committee. Members of the committee will be elected as members of the Islamic Council in their respective territories by mosques in their own territory. For any territory without the Regional Islamic Committee, the Thai Islamic Center Committee shall be the responsible body (Pakorn Priyakorn, 2017).

The above explanation illustrates the structure of Islamic management in Thailand, which not only consists of a group of certain representatives but a group of Muslims from various levels of Muslim society hierarchy in Thailand. This makes the Thai Islamic Center Committee a powerful and powerful institution to carry out its functions and roles on Islamic affairs including halal certification in Thailand.

INSTITUTIONS INVOLVED IN HALAL CERTIFICATION

HALAL SCIENCE CENTRE

HSC is one of the bodies that helps CICOT in halal certification in Thailand. It is a separate body established at the Chulalongkorn University, Bangkok under the Faculty of Allied Health Sciences which acts as a support unit for 17-18 August 2017 | Sejong University, South Korea

halal certification in Thailand. HSC plays its role in advising and monitoring the early stages of raw material processing at the plant until a halal product is formed. In addition, if there is a need to do laboratory analysis of certain products related to the substance of the material, this task will be carried out by the HSC. The next procedure involves reporting to CICOT about an analysis decision by HSC. CICOT will then make decisions regarding it (Winai Dahlan, 2017).

Generally, HSC is the first and foremost driving force in halal science with a specific mission of implementing research and development related to innovation in halal science and technology, providing halal science education to organizations to assist in the socio-economic development of the country and cooperate and support for organizations involved in halal science projects or research either locally and internationally (Winai Dahlan, 2017).

In line with that role, HSC has also established a system known as the Halal Assurance and Liability Quality System (HAL-Q). It is a quality management system to ensure a halal and safe (halal and tayyib) of a product in accordance with the Halal Standard and also to ensure the operator is responsible for product defects (Winai Dahlan, 2017). The HAL-Q process involves several key procedures ie the preparation of required documents, different courses and training involving all levels (operators, managing directors and their groups and employees), consultations involving experts advising on the systems, documents and processes implemented at the plant for ensuring the halal product and the final procedure is the assessment by HSC Chief Auditor in collaboration with religious experts of The Islamic Committee of Province (ICOPs) and CICOT. HSC will also indirectly help entrepreneurs implement the Halal Standards that are applicable to their factories. This is the biggest challenge that needs to be faced and it is implemented in line with the HAL-Q system (Mohani Abdul, 2014).

HAL-Q is also supported by ICT programs to facilitate users to conduct halal status checks on a product only through hand phones by using relevant applications. In addition e-commerce also helps the halal industry as most of the entrepreneurs have no strategy and expertise in marketing the halal products that have been produced. Laboratory analysis regarding halal status verification of a product is the last resort. Through the HAL-Q system, the affected parties, HSC, will conduct audits on relevant documents through the system, conducting by calling interviews (telephone) to ensure the validity of the halal logo being used (Mohani Abdul, 2014).

HALAL STANDARD INSTITUTE OF THAILAND

The Halal Standard Institute of Thailand is the official agency responsible for managing the production of halal certificates and logos in Thailand. The body was established under the resolution of the cabinet on 11 August 2003 (Pakorn Priyokorn, 2017). The main purpose of the establishment of this institution is to establish standards, conduct research, training and courses related to halal affairs in Thailand. The agency will work with Thailand's Islamic Center Committee and the government to establish halal food standards that meet Islamic law and international standards and halal certification regulation in Thailand. Besides that, it also develops personal with knowledge, capabilities and skills to support the manufacturing, marketing and exports of halal products and services in accordance with the international standard. It also create credibility and trustworthily of halal products to consumers and coordinate with halal standard organization worldwide (Halal Standard Institute of Thailand, 2017).

From the administrative point of view, this Thailand Halal Standard Institute is under the administration of the Central Islamic Committee of Thailand. The Halal Standard Institute of Thailand will provide science and technology on Halal Affairs to full-time entrepreneurs. In general, the Halal Standard Institute of Thailand will be responsible for matters such as education, research, development and development of the Halal Standards to be in line with the Islamic Principles, educate and analyze problems, barriers and resolutions on the certification of Halal Standards in order to have the reliability and acceptance of producers, Consumers and organizations concerned with local or international government and local private sector sectors, developing labor force in relation to Halal Standards, to enhance knowledge, personnel capable of supporting the production and export of halal food, making follow-up actions, checking the quality of halal products as markers Level with international standards, enhancing knowledge and understanding on Halal Standards and halal certification to build accountability and acceptance from those concerned, conducting public relations activities on certification and permits for the Logo Ha Encourage and develop capacity for Halal Consultants, Special Halal Consultants, Halal Audit, Halal Supervisory Officer and Halal Slayer Supervisor, promote marketing to build credibility on Halal product standards, provide performance reports for the Halal Executive Committee every half year, carry out other work Related issues given by the Halal Executive Committee (Pakorn Priyokorn, 2017).

THE CENTRAL ISLAMIC COMMITTEE OF THAILAND (CICOT)

The Central Islamic Committee of Thailand shall be responsible for determining and announcing the use of Thai Halal Product Standard to be in accordance with Islamic Principle and international standards, which is not in conflict with Islamic Principle, approving the use of Halal Logo on Halal Product, being the Halal Accreditation Body (HAB) to accredit Halal Certification Body (HCB), coordinating and supervising the units related to Halal Affair Operation for the effective operation of Halal Product Standard.

The Provincial Islamic Committee shall be responsible for Halal Certification in the provincial level. As for any province without The Provincial Islamic Committee The Central Islamic Committee of Thailand shall be the responsible body. Entrepreneur who imports merchandises for selling and using in his own business, company or factory regardless of location shall be under the responsibility of The Central Islamic Committee of Thailand regarding Halal Product Standard and Halal Logo. As for entrepreneur who imports merchandises to use as mixture of products in such enterprise, it shall be under the responsibility of the Provincial Islamic Committee where such enterprise is located.

The Committee shall appoint a committee called "Halal Executive Committee" comprises 7 Representatives from The Central Islamic Committee of Thailand, President of Halal Affairs Department, 4 Representatives for Halal Affairs Department, 2 Islamic Religion Expert, 1 Food Science Expert, 1 Representative from Ministry of Commerce, 1 Representative from Ministry of Foreign Affairs, 1 Representative from Ministry of Agriculture and Cooperatives, 1 Representative from Ministry of Industry, 1 Representative from Food and Drug Administration, 1 Representative from Office of the National Economic and Social Development Board, 1 Representative from Office of the Consumer Protection Board, Director of the Halal Standard Institute of Thailand and other Experts under the Committee's discretion not more than 2 persons.

The Halal Executive Committee shall be responsible for the followings such performing according to the Committee's policy regarding Halal affair, suggesting and giving comments on Halal standard development to the committee, setting and supervising the Halal Affairs Department and the Halal Standard Institute of Thailand to be in line with Islamic Principle and the Committee's Regulation, promoting the administration with both government sector and private sector to develop Thailand Halal affair to meet international standards, and cooperating with local and international Halal Organizations, and International Halal Certification Body, in order to build credit and acceptance of Thailand Halal Standard, consider and propose the Committee to appoint Halal Affairs Department staff, Halal Standard Institute of Thailand staff, Working Group, Halal Consultant, Special Halal Consultant, Halal Slaughtering Supervisor, in the number as appropriate for the scope of work and authority to perform the job as assigned and perform other work as assigned by the committee.

CHALLENGES

Thailand has shown great potential in the halal product market as it has managed to position itself in fifth place in global market halal products in 2009. This helped to the process of empowering halal certification and industry in Thailand and indirectly fulfilling government's aspirations Thailand to promote and make its country a "*kitchen of the world*" (Halal Standard Institute of Thailand, 2017). Besides denying the existence of an efficient and effective agency network between CICOT, The Halal Standard Institute of Thailand and the Halal Science Center, the University of Chulalongkorn will accelerate its realization.

Accordingly, in the Act 340-Administration of Islamic Organizations (1997) provides for CICOT's management to be chaired by Sheikhu Islam and assisted by 39 Board Members appointed by the regional Islamic committee and other Board appointed by Sheikhu Islam for a term of 6 years . This Act clearly makes the Sheikhu Islam office an independent and responsible official institution in the affairs of Islamic administration in Thailand. The Sheikhu Islam post was appointed with the consent of the Thai King on the advice of the Prime Minister. Thailand has 77 territories and only 39 regions are represented by their respective committee members in CICOT. The committee members will be elected as members of the Islamic Council in their respective territories to represent their territories at CICOT (Pakorn Priyakorn, 2017).

However, according to John Walsh in his paper raises issues regarding the extent to which CICOT can speed up the halal certification process for a product when an application is submitted. This is because CICOT does not have a complete (technical) development and research unit, capable of processing the application immediately. The fact is that CICOT needs to get third party assistance to conduct laboratory tests and analysis as well as check on premises and so on. Usually these third parties consist of nutrition technology experts, chemists and experts from the university. All these procedures are assisted by the Halal Science Center, University of Chulalongkorn. Here are the

procedures for halal logos and audit applications implemented by CICOT (Halal Standard Institute of Thailand, 2017) as Table 1 below:

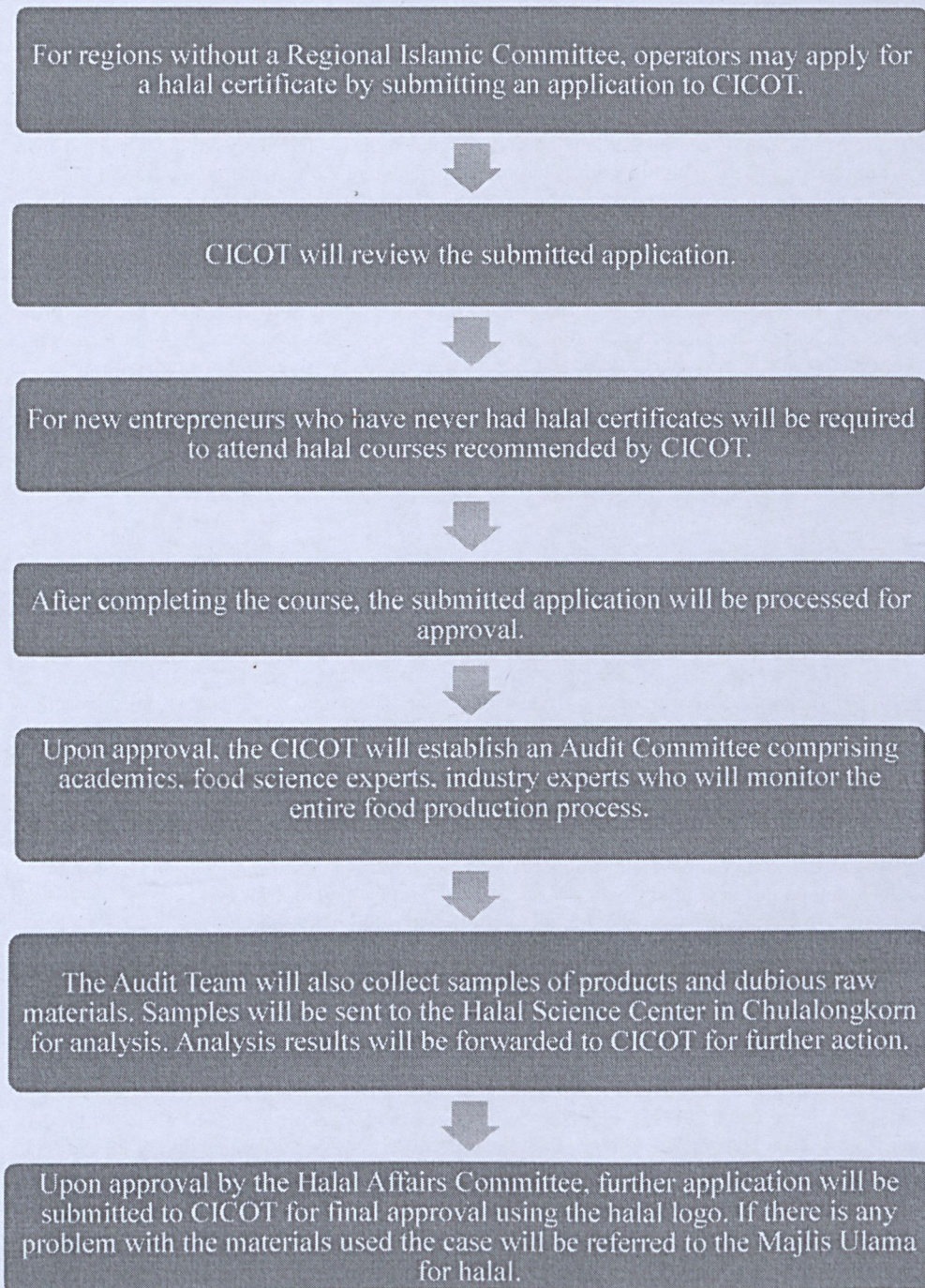


Table 1: Procedures For Halal Logos and Audit Applications Implemented by CICOT

PROSPECTS

To address the problems faced by the lack of staff in halal certification, the proposed solution is to introduce a Bachelor Program or a Diploma of specialization in a halal field of specialization provided by UiTM. To expose them to this prospect and field. The results of this halal specialization graduates provide human capital in the development

of halal industry especially in Thailand by appointing them as halal exkutfiers in halal certified companies so that they can increase the trust of customers to the company in particular. In addition, it will also assist in the development of the workforce in relation to Halal Standards to support the demands of the Halal industry, conduct public relations activities, promote and develop capacity for Halal Consultants, Special Halal Consultants, Halal Audit, Halal Supervisor and Supervisor Halal slaughter.

CONCLUSION

The development of the halal industry in Thailand is impressive and demonstrates a positive development towards realizing the country's aspiration to become a major country in offering halal products to the world. Effective collaboration and network of CICOT, The Halal Standard Institute of Thailand and Halal Science Center, University of Chulalongkorn will accelerate the Thailand government's desire to promote and transform its country as a "kitchen of the world". As the industry has grown for so long, so there are opportunities and advantages that can be catalysts as well as issues and challenges that need to be handled comprehensively.

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