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Halal leadership is not just about putting up a logo on packaging

At its core, halal status is about trust, consumer protection, market access and Malaysia's long-term economic positioning, not administrative paperwork.

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DEPUTY Prime Minister Datuk Seri Dr Ahmad Zahid Hamidi's proposal for companies holding Jakim halal certification to appoint full-time halal executives has drawn predictable resistance, particularly from micro, small and medium enterprises (MSMEs) already grappling with rising wages, higher utility costs, and squeezed margins.

Those concerns deserve a fair hearing, and any new requirement must be introduced with proportionality and genuine support. But the debate cannot stop at cost alone.

At its core, halal status is about trust, consumer protection, market access and Malaysia's long-term economic positioning, not administrative paperwork.

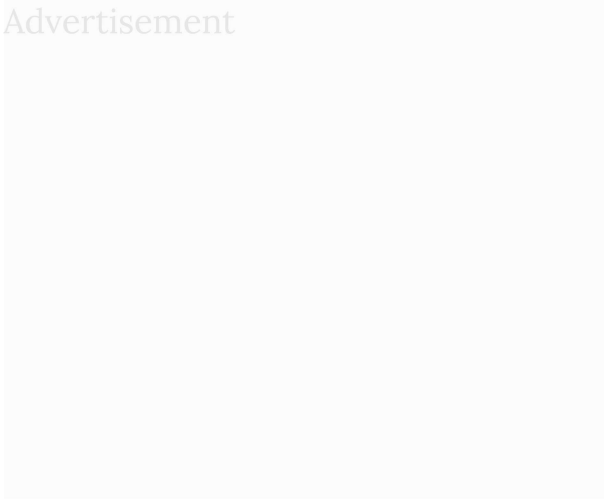
Halal is a system of trust

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Halal is too often treated as though it begins and ends with a logo on packaging or a certificate behind a counter.

In reality, it is a system of trust spanning the entire value chain, from sourcing, handling, and storage to processing, marketing, and consumer communication.

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When that trust is broken through a breakdown in halal supply chain integrity, from mislabelled ingredients to weak documentation, the damage extends far beyond any single company.

It erodes public confidence in halal certification itself and, over time, undermines Malaysia's standing in a global halal economy too consequential to treat casually.

The world's Muslim population stands at approximately 2 billion, with spending across food, pharmaceuticals, cosmetics, fashion and travel running into the trillions.

Malaysia has spent decades positioning its halal standard as a global benchmark. But a gold standard cannot survive on reputation alone.

It must be actively protected through robust governance and professional discipline.

The lesson from Islamic finance

Much of the resistance to this proposal assumes that end-to-end halal assurance is something new or excessive. It is neither.

Malaysia has applied a comparable principle for decades in Islamic finance, where Shariah governance is embedded through independent reviews, audit mechanisms, and rigorous oversight from Shariah committees, all the way to the regulatory level, including the Shariah Advisory Councils of Bank Negara Malaysia and the Securities Commission.

There have been instances where Islamic financial institutions were required to “purify” income following operational lapses in applying Shariah rulings. Rather than signalling failure, this demonstrates that a functioning assurance framework can detect problems, correct them, and prevent them from compounding.

The same logic should apply to the halal industry.

Jakim’s Malaysian Halal Management System already places continuing compliance obligations on certificate holders.

A dedicated halal executive is therefore not a concept suddenly imposed on business. It is a logical extension of a governance philosophy Malaysia has long accepted in other sectors.

Revoking a certificate after a violation may be necessary, but by then consumer confidence has already been damaged.

A credible system must prevent breaches and enable timely corrective action, rather than merely responding after trust has been lost.

Cost must be weighed against opportunity

Critics are right that additional regulatory requirements carry costs, and those costs will not fall evenly.

MSMEs will feel the pressure more acutely than large manufacturers or global exporters, which is precisely why implementation must be phased, proportionate, and supported by meaningful capacity building, including training, clear guidelines, and transitional arrangements.

But focusing exclusively on cost is a strategic blind spot. Malaysia is not competing in a static environment where halal certification is a domestic religious requirement.

We are competing in a high-stakes global economy where halal is tied to international trade, premium branding and food security.

The urgency becomes clear when we examine what our neighbours are doing. Thailand, despite a Muslim population of just 4.3 per cent, has successfully branded itself the “Halal Kitchen of the World”.

In 2024, its halal food exports exceeded RM23.59 billion, backed by over 160,000 certified products.

China is moving with even greater industrial force; its domestic halal market is projected to reach RM337.91 billion by 2025, and it has already emerged as the leading exporter of halal goods to OIC member states, with trade exceeding RM157.26 billion.

These figures represent a direct challenge to Malaysia’s historical dominance.

We currently hold a prestigious position, having ranked first in the Global Islamic Economy Indicator for 11 consecutive years, with halal exports reaching RM68.52 billion in 2025.

That success rests on strong foundations: Jakim’s international credibility, a deeply engaged domestic consumer base and decades of governance experience.

But as competitors leverage massive scale and state-driven investment, reputation alone is no longer sufficient.

If Malaysia’s strengths are properly organised through a professionalised halal control and oversight system, halal assurance ceases to be a cost centre and becomes a genuine competitive advantage.

By institutionalising this expertise, Malaysia can move beyond producing certified goods to exporting halal intelligence, covering audit methodology, assurance standards, and risk management.

This path mirrors our success in Islamic finance, where Malaysian professionals now shape Islamic financial sectors across the Gulf, Europe, Africa, and Central Asia. Our halal executives can do the same for the world.

Halal governance should be inclusive

This proposal should not be framed as a burden placed on non-Muslim businesses. In fact, 67 per cent of halal-certified products in the Malaysian market are produced by non-Muslim entrepreneurs, reflecting that Malaysia's halal economy has always been commercially inclusive.

The religion of the business owner is thus irrelevant.

The real question is whether a business has the structure and discipline to protect halal integrity from sourcing to marketing. Islamic finance offers a useful precedent here: many control functions, including audit, risk, and compliance, do not require practitioners to issue religious rulings.

They require process discipline and the judgment to escalate uncertainty to qualified authorities.

Similarly, while religious oversight must remain with Islamic authorities, process reviews and supplier documentation can be performed by trained professionals of any background, provided their roles are clearly defined.

A practical path forward

The call for halal audit functions to extend to advertising and digital platforms is timely.

Terms such as "Muslim-friendly" and "no pork no lard" are increasingly used as proxies for halal status, creating

ambiguity that, in a trust-based system, is a genuine liability.

A full-time halal executive requirement should be introduced in phases, beginning with large manufacturers, export-oriented industries, and high-risk sectors.

Smaller operators should receive adequate transition periods, affordable training, access to shared-service compliance arrangements and where appropriate, government support and incentives.

Malaysia should also consider establishing a dedicated Halal Industry Commission with a clear mandate for enforcement coordination and professional standards, not to replace Jakim's certification role, but to provide the institutional architecture a maturing, globally competitive halal industry requires.

The proposal needs refinement, but rejecting it solely on cost grounds is a short-sighted response to a long-term opportunity.

Malaysia can remain a country that issues halal certificates, or it can become the nation that defines the global standard for halal assurance and exports that expertise to the world.

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