



KEMENTERIAN
PERDAGANGAN ANTARABANGSA DAN INDUSTRI

KEYNOTE ADDRESS

BY

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ON

HALAL DIGITAL FORUM 2021

**THEME: DRIVING THE FORCE IN MAKING MALAYSIA
THE GLOBAL HUB**

24 FEBRUARY 2021 (WEDNESDAY)

8.15AM

*[Recording session on 19 February 2021 (Friday),
12.30pm in MITI]*

Ladies and gentlemen,

Assalamualaikum warahmatullahi wabarakatuh and a very good morning to all of you.

1. First and foremost, I wish to extend my appreciation and a very warm welcome to all online guests and participants who have made the time to be with us on virtual platform today. May your commitment and contributions in expanding and developing the halal economy be rewarded dearly by Allah SWT.
2. I believe this Halal Digital Forum will benefit businesses and enable them to be more competitive in the global halal market. This initiative is certainly appropriate in view of the current global economic outlook and increasing demand for halal products and services. It also reaffirms the Malaysian Government's commitment to enhance halal industry economic returns while reinforcing our multilateral relations with other countries. The strong presence of more than 100 international delegates will pave the way towards greater solidarity and harmony among Muslim and non-Muslim nations.
3. With rapid technological advances and the increase in the number of digital platforms in international trade in recent years and as a consequence of the COVID-19 pandemic, the traditional way of doing business and conducting trade has undergone major and massive transformation.
4. In this regard, just last Friday, the Prime Minister Tan Sri Muhyiddin Yassin launched the Malaysia Digital Economy Blueprint (MyDigital) which is a whole of nation approach

towards propelling the country as a fully digitalised economy by 2030. This initiative will thrust Malaysia to be among the first in the region to build an effective and comprehensive digital ecosystem.

5. Fully utilising 5G, among other things, this will generate a multitude of benefits including fostering greater innovation in products and services. I strongly believe that this Digital Blueprint will be a compelling driving force in making Malaysia a global hub for the halal industry.

Ladies and gentlemen,

6. Halal home brands are emerging as the preferred choice for consumers, thanks to branding and innovative marketing strategies that position halal products as an attractive value proposition and a compelling alternative to more conventional products. Additionally, these strategies will also connect Muslim technology communities, start-ups, venture capitals, and the development of the regulatory framework to gain the confidence of the international community.
7. With the advent of the Fourth Industrial Revolution and the greater use of digital technology, consumer behaviour is being revolutionised through enhanced traceability and transparency on product sourcing and origin.
8. Nevertheless, we recognise that there are problems that are inherent in halal supply chains which, apart from traceability, also include end-to-end chain integrity, different halal systems and interpretations of different markets as well as the lack of integration of information

technology systems.

9. Thus, a holistic approach is needed in order to bring about a comprehensive solution, founded on a high-tech, digitally advanced paradigm. In this regard, there is a view for the advocacy of halal blockchains built on the foundation of a highly sophisticated digital ledger system for all halal supply chain transactions.
10. I believe that the adoption of this technology will foster greater trust and authenticity, enhancing halal branding and halal certification system. Perhaps even more significantly, as the globalisation of the halal industry gains increasing momentum, the harmonisation of halal supply chain standards across the multiplicity of jurisdictions is imperative. This can only be achieved if halal stakeholders collectively embrace this crucial dimension of IR 4.0.
11. I urge MSMEs to fully digitalise their businesses and maximise the potential that e-Commerce platforms provide as well as use their best efforts at creative digital innovation. The Government is ready to actively engage a broad and diverse range of stakeholders, invest in foresight and horizon scanning, initiate regulatory impact assessments early and carry out regular post implementation reviews.
12. The Ministry of International Trade and Industry is leading the Economy Cluster under the National Digital Economy and Fourth Industrial Revolution Council that ensures a higher level of coordination among regulators and provide an enabling environment for MSMEs to fully engage in e-Commerce and digitalisation activities. MITI and its

agencies will continue to implement initiatives which can further drive our competitiveness in the global halal market. It is also our hope that halal stakeholders will continue to participate and contribute in terms of enhancing trade and investment through strategic collaborations.

13. In this regard, international regulatory cooperation is needed to avoid abusive arbitraging activities and to protect consumer rights and promote interoperability across multiple regulatory frameworks. Considerable efforts have been made in this area at the ASEAN level, through the introduction of guidelines for ASEAN Data Management Framework and ASEAN Cross Border Data Flows Mechanism.

Ladies and gentlemen,

14. Many countries are now looking at the halal industry as an emerging market force and an important value proposition capable of contributing towards their national economies. The introduction of the Halal Integrated Platform (HIP) by Halal Development Corporation Berhad on 6 October 2020 connecting members to key stakeholders under a single platform will link more than 200,000 local halal industries to global halal players and facilitate companies looking to grow their business capability and capacity backed by Malaysian halal certification.
15. Malaysia has achieved its global position in the halal industry and its current industry size through substantial efforts in developing its halal ecosystem. The Government has been successful in developing a robust and comprehensive ecosystem by integrating policy and

legislation, human capital, science, technology and innovation, infrastructure and logistics. To complement this ecosystem, the Islamic Digital Economy Guide by the Malaysia Digital Economy Corporation serves as a reference for start-ups, venture capital firms and supporting ecosystem players that are keen to explore and embark on Shariah compliant or halal certified businesses.

16. This helps to provide a conducive environment for industry growth and contribute to employment, trade, increase in investment and compliance towards halal integrity. Indeed, the Malaysian Government is committed towards this end, in line with the strategic objectives of fully developing the halal sector and intensifying high valued-added activities within the industry.
17. In closing, I wish to thank the organiser for their commitment in providing a comprehensive platform on the digitalisation of the halal industry. I wish all participants a constructive and engaging discourse in this forum as we navigate through and explore the multitude of possibilities and opportunities in the growth of the global halal industry.

Thank you.