

Halal Meat Export Potential in Pakistan



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June 2023

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1. INTRODUCTION TO SMEDA

The Small and Medium Enterprises Development Authority (SMEDA) was established in October 1998 with an objective to provide fresh impetus to the economy through development of Small and Medium Enterprises (SMEs).

With a mission "to assist in employment generation and value addition to the national income, through development of the SME sector, by helping increase the number, scale and competitiveness of SMEs", SMEDA has carried out 'sectoral research' to identify policy, access to finance, business development services, strategic initiatives and institutional collaboration and networking initiatives.

2. DISCLAIMER

This information memorandum is to introduce the subject matter and provide a general idea and information on the said matter. Although, the material included in this document is based on data/information gathered from various reliable sources; however, it is based upon certain assumptions, which may differ from case to case. The information has been provided on as is where is basis without any warranties or assertions as to the correctness or soundness thereof. Although, due care and diligence has been taken to compile this document, the contained information may vary due to any change in any of the concerned factors, and the actual results may differ substantially from the presented information. SMEDA, its employees or agents do not assume any liability for any financial or other loss resulting from this memorandum in consequence of undertaking this activity. The contained information does not preclude any further professional advice. The prospective user of this memorandum is encouraged to carry out additional diligence and gather any information which is necessary for making an informed decision; including taking professional advice from a qualified consultant/technical expert before taking any decision to act upon the information.

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3. DOCUMENTS OBJECTIVE:

- To review Halal Meat export strength, opportunity, threats, weakness
- To explain existing opportunity for investors in this sector.



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- To Provide brief introduction regarding Halal Meat Export and its Process flow
- To provide a road map in identification of area and capacity

4. MARKET OVERVIEW:

- **Market Expansion:** The key aim of exporting halal meat from Balochistan, Pakistan, is to capitalize on the rising worldwide demand for halal products. Balochistan intends to broaden its market outreach beyond the domestic sector and establish a foothold in global markets that have substantial Muslim populations and a growing recognition of halal commodities.
- **Revenue Generation:** Exporting halal meat presents an opportunity for Pakistan to generate foreign exchange earnings and boost its economy. By capitalizing on its abundant livestock resources and competitive advantages, Pakistan aims to increase its export revenues and contribute to the country's overall economic growth.
- **Employment Opportunities:** The halal meat export industry has the potential to create employment opportunities throughout the value chain. From livestock farming and processing to logistics and marketing, the industry can provide jobs and income for a wide range of individuals, including farmers, butchers, technicians, and professionals in various related sectors.
- **Enhancing Livestock Industry:** Promoting halal meat exports can lead to the development and improvement of Pakistan's livestock industry. Investments in modern farming practices, animal nutrition, disease control, and genetic improvement can enhance the quality of livestock, increase productivity, and ensure compliance with international standards. This, in turn, benefits both the export industry and the domestic market.
- **Strengthening Halal Integrity:** Exporting halal meat is an opportunity for Pakistan to showcase its commitment to halal integrity and adherence to Islamic dietary laws. By ensuring strict halal certification and compliance, Pakistan aims to build trust and reputation in the global halal market. This strengthens the country's position as a reliable source of halal meat products and attracts discerning consumers.

In the context of Balochistan, Pakistan, the objectives of halal meat export encompass a range of factors that contribute to the region's development. These include expanding market presence,



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generating revenue, creating employment opportunities, fostering industry growth, upholding halal integrity, promoting sustainable agriculture practices, diversifying the economy, engaging in cultural diplomacy, and advancing technological capabilities. Collectively, these objectives aim to position Balochistan as a competitive participant in the global halal meat market, driving economic growth and facilitating societal progress in the region

5. CONCEPT OF HALAL MEAT EXPORT.

Pakistan has a significant potential for halal meat exports due to its large population of Muslims and a strong livestock industry. Halal meat refers to meat that is prepared and processed according to Islamic dietary laws. The country possesses favorable conditions such as abundant livestock resources, favorable climatic conditions, and a growing awareness of halal products in the international market. The following cluster profile highlights the key aspects of Pakistan's halal meat export potential.

5.1 Livestock Resources:

Balochistan, the largest province in Pakistan, is endowed with significant livestock resources. The region's vast and diverse landscape, which includes mountains, deserts, and plains, provides favorable conditions for livestock farming.

5.2 Halal Certification and Compliance:

Halal certification is essential for exporting meat products to Muslim-majority countries and other markets with a significant Muslim consumer base. Pakistan has a well-established system of halal certification and compliance, ensuring that its meat products meet the required standards. Compliance with halal certification requirements enhances the country's export potential.

5.3 Quality Control and Food Safety:

To succeed in the halal meat export market, ensuring high-quality standards and food safety is crucial. Implementing strict quality control measures, such as adhering to hygiene standards, implementing traceability systems, and conducting regular inspections, helps maintain consumer confidence and fosters long-term relationships with importers.



5.4 Processing and Packaging Facilities:

Investments in modern processing and packaging facilities are necessary to enhance the value and marketability of halal meat products. Establishing state-of-the-art abattoirs, storage facilities, and packaging units that meet international standards will help improve product quality and shelf life, facilitating exports.

6. HALAL MEAT MARKET.

The halal meat market internationally has experienced significant growth in recent years, driven by the increasing demand for halal products from Muslim consumers as well as non-Muslim consumers seeking high-quality and ethically produced meat. Here are some key aspects of the halal meat market on an international scale:

- **Market Size and Growth:** The global halal meat market has witnessed robust growth and is projected to continue expanding. According to various reports, the market size is estimated to reach several billion dollars by 2026. The increasing Muslim population, especially in countries such as Indonesia, Pakistan, Malaysia, and the Middle East, has been a major driving force behind the market's growth.
- **Muslim Consumer Base:** The primary consumers of halal meat are Muslims who adhere to Islamic dietary laws. The global Muslim population, which is estimated to be around 1.9 billion people, represents a significant consumer base for halal products. Furthermore, the increasing affluence and purchasing power of Muslim consumers have contributed to the growing demand for high-quality halal meat products.
- **Non-Muslim Market:** The halal meat market is not limited to Muslim consumers alone. Non-Muslim consumers, including those seeking ethical and sustainable food options, are also showing a growing interest in halal products. This trend is driven by factors such as increased awareness of halal standards, perceived quality and hygiene of halal meat, and a desire for transparent and traceable food sources.
- **Export Opportunities:** Countries with well-established halal meat industries, such as Australia, Brazil, New Zealand, and Pakistan, have been actively exporting their products to various international markets. The Middle East, Southeast Asia, North America, and Europe are among the key importers of halal meat. These countries often rely on imports

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to meet the demand for halal products due to limited domestic production capabilities or specific consumer preferences.

- **Halal Certification and Standards:** Halal certification plays a crucial role in facilitating international trade in halal meat. Importing countries often require halal certification to ensure compliance with Islamic dietary laws. Organizations and certification bodies, such as the Halal Food Authority (HFA) and the Halal Certification Services (HCS), work to certify halal products and maintain standards in accordance with Islamic principles.
- **Food Safety and Quality Assurance:** Food safety and quality assurance are of paramount importance in the halal meat market. Importing countries and consumers demand strict adherence to hygiene standards, traceability, and quality control measures. Exporting countries invest in modern processing facilities, cold chain logistics, and quality management systems to ensure the integrity and safety of halal meat products.
- **Market Competition and Branding:** The global halal meat market is competitive, with both traditional halal meat exporters and new entrants vying for market share. Establishing a strong brand identity, emphasizing halal integrity, and differentiating products based on factors such as breed, farming practices, and sustainability are important strategies to capture consumer attention and gain a competitive edge.
- **Regulatory Framework:** Governments in many countries have established regulations and guidelines to govern the production, import, and export of halal meat. These regulations aim to ensure compliance with halal standards, maintain food safety, and protect consumer interests. Harmonization of halal standards and certification procedures across countries is an ongoing effort to facilitate trade and eliminate barriers.

Overall, the international halal meat market presents significant opportunities for exporters, driven by the growing Muslim population, increasing awareness of halal products among non-Muslim consumers, and the demand for high-quality, ethically produced meat. By meeting the halal standards, ensuring food safety, and embracing market trends, exporters can tap into this growing market and establish themselves as reliable suppliers of halal meat products.

7. PROCESS FLOW OF HALAL MEAT.

The process flow of halal meat involves several stages from the rearing of animals to the final packaging of meat products. Here is a general overview of the typical process flow:



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- **Animal Rearing:**

Livestock farmers raise animals, such as cattle, sheep, goats, or poultry, using ethical and humane practices.

Animals are provided with proper nutrition, access to clean water, and appropriate living conditions.

- **Slaughtering:**

The halal slaughter process begins with the recitation of the name of Allah (God) before each animal is slaughtered.

A trained Muslim slaughterer (halal-certified) performs the slaughter by swiftly cutting the throat, windpipe, and blood vessels of the animal with a sharp knife, ensuring a quick and humane death.

The animal should be alive and healthy at the time of slaughter, and the use of stunning methods that cause the animal's death is not permitted in halal slaughter.

- **Bleeding and Removal of Non-Halal Parts:**

After the slaughter, the animal is left to bleed out, allowing the removal of blood from the carcass.

Non-halal parts, such as certain organs (e.g., reproductive organs) or specific glands, are removed from the carcass.

- **Carcass Dressing:**

The carcass undergoes dressing, which involves removing the skin, excess fat, and other unwanted parts.

The carcass is inspected for any abnormalities or defects, ensuring that only healthy and suitable meat is further processed.

- **Meat Processing:**

The processed meat is divided into different cuts and portions according to market demand.

The meat may undergo additional processing steps, such as deboning, trimming, and portioning, to meet specific product requirements.

- **Packaging and Storage:**

The halal meat is packaged in suitable materials that maintain product freshness, quality, and hygiene.

Proper labeling, including halal certification information, is applied to the packaging.



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The packaged meat is stored in temperature-controlled environments, such as refrigerators or freezers, to preserve its freshness and extend shelf life.

- **Quality Control and Inspection:**

Throughout the process, quality control measures are implemented to ensure compliance with halal standards, food safety regulations, and hygiene practices.

Regular inspections are conducted by authorities and halal certification bodies to verify compliance and maintain product integrity.

- **Distribution and Export:**

Halal meat products are distributed to local markets or exported to international destinations.

Proper documentation, including halal certification and compliance certificates, is prepared for export consignments.

Cold chain logistics, including transportation and storage, are maintained to preserve the quality and freshness of the meat during transit.

- **Retail and Consumer Consumption:**

Halal meat products are made available in retail outlets, supermarkets, butcheries, and restaurants for consumers to purchase.

Consumers ensure the proper storage, handling, and preparation

8. CONCLUSION:

Balochistan, holds considerable potential for halal meat exports. By prioritizing factors such as market analysis, leveraging livestock resources, obtaining halal certification, ensuring quality control measures, developing infrastructure, and implementing effective branding strategies, Balochistan can strengthen its position in the global halal meat market. Sustained growth in this sector can be achieved through ongoing investments, strategic partnerships, and collaborations that are specifically tailored to the region's unique advantages and opportunities.

