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THE GLOBAL HALAL MEAT MARKET: PROSPECTS FOR PAKISTAN

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He [Allah] has only forbidden to you dead animals, blood, the flesh of swine, and that which has been dedicated to other than Allah. – Quran

The term Halal refers to food, especially meat, that is prepared keeping in view the Islamic dietary practices. As per reports, in 2022, the global Halal market occupied a share of US\$ 2,221.3 billion, and this is projected to reach US\$ 4,177.3 billion by 2028.¹ Due to the country's close geographical proximity to the Middle East, the Halal meat industry presents a major opportunity for exports and the country's overall economic security but is unfortunately marred by challenges. Non-Muslim countries, Brazil, Australia and India are the top exporters of global Halal meat, whereas, despite being a Muslim country, Pakistan ranks 19th in the list having a market share of only 0.4%.² Despite necessary steps, the sector still lags, and much of its potential remains unexplored.³ Figures suggest that the majority of Pakistan's Halal meat is exported to UAE, Saudi Arabia, Uzbekistan and Kuwait, with beef holding a share of more than 80%. In a bid to explore the economic prospects, the government has reentered the Malaysian meat market as part of its pivot to geo-economics policy.

The challenges to our bovine meat industry can be broadly divided into two phases, i.e., pre-slaughter and post-slaughter phases. In the pre-slaughter phase, the yield of meat per animal remains low. The difference in the volume of meat between the animals from Pakistan and that from Brazil, the US and Australia is a staggering 35%. This is largely because cattle and buffaloes are still sold and purchased in the market with the intention to produce milk and not obtain meat. Prevalent diseases in livestock like Foot and Mouth Disease (FMD), Peste des Petitis Ruminants (PPR) and Highly Pathogenic Avian Influenza (HPAI) are present in Pakistan due to which our meat often faces ban by other countries.⁴



In the post-slaughter phase, the lack of modern meat processing units poses a major impediment as traditional slaughterhouses still continue to function. The country's largest and most technologically advanced unit has been installed by Fauji Meat Limited near Port Qasim, Karachi (functioning at 40% of its capacity). As per reports, there are 37 modern registered abattoirs in Pakistan, with 21 in the North and 16 in the South of the country, all operating much under capacity.⁵ The distance between these abattoirs and rural areas is great, which proves to be counterproductive for the farmers, so they opt not to use these facilities. The traditional slaughterhouses are not equipped with freezers; as a result of which, Pakistan has been unable to meet the demands of the local and international community, due to which countries like China, the US and Indonesia have banned our meat.⁶ To make matters worse, our beef industry faces a price challenge with Indian meat, which has a higher market capacity, low internal consumption and an established framework to support exports. The lack of regulatory prices and aforementioned challenges combined lead to low or zero incentives for the farmers to rear cattle for meat output, thus affecting the country's overall meat exports. One can therefore conclude that the poor performance of the country's meat industry can be attributed to the irregular functioning of the industry.

The stakeholders have been long complaining about the government not being supportive enough towards them. To address these challenges, the government approved its first-ever policy in 2022 for the development of the livestock industry with the aim to increase halal meat exports. The policy is yet to be implemented and focuses on allocating more funds for research in the sector, establishing modern laboratory systems, developing model meat production farms and prioritising livestock trade.⁷

Given the state of the country's economy, it has become significant that the government diversifies its economic outreach. For this, the Halal meat market presents a tremendous opening. Pakistan can also tap avenues in seafood, ostrich, mutton and poultry farming to enhance its export turnover.

Whilst it would be unfair to expect the government to micromanage all the challenges the Halal meat industry faces, however, certain steps must be taken by the authorities to regulate its functioning. These are:

- To enhance the yield of the meat, the government already has 46446 calves registered under its feedlot fattening program.⁸ In this, the cattle are reared/fattened for 90-100 days with a low-grain feed until it reaches a desired weight for slaughtering. Electronic and print media channels must be fully utilised for wider dissemination and awareness of the concept.
- Periodic mass vaccination drives in collaboration with private companies should be carried out to control disease in livestock.

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⁶ Comments received from Hashim Raza, Former CEO of Fauji Meat.

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⁸ Moeen. (2021, June 24). Calf Feedlot Fattening in Pakistan. Ministry of National Food Security & Research. <https://mnfsr.trancemedia.pk/2021/06/24/calf-feedlot-fattening-in-pakistan/>

⁹ "Frozen Bovine Meat | OEC." n.d. OEC - the Observatory of Economic Complexity. <https://oec.world/en/profile/hs/frozen-bovine-meat>.

- To encourage private investors, there is a need to designate special Halal meat zones which are exempted from tax for at least ten years.
- To ensure the traceability of disease in animals, a record of its health covering animal identification, movement and disease control must be maintained.
- It is worth mentioning that the niche of frozen bovine meat is expanding. In 2021, it was the world's 140th most traded product, holding a total share of \$32.8B.⁹ This is because frozen beef is less expensive and has a greater shelf life, thus making it a more viable investment. The country's modern processing units need to be equipped with blast freezers and to ensure its implementation, tax subsidies of up to 3% must be granted to units equipped with freezers.
- In addition, technologically advanced abattoirs need to be installed at central locations so that the travel costs of farmers can be curtailed and these plants become easily accessible to those hailing from far-flung areas.
- In order to compete internationally, the herding capacity of farms should be increased, and for this, there is a need to designate the vast desert plains of Cholistan and Thar to interested individuals/corporate companies for the rearing of improved breeds of cattle.

There lies a massive economic opening in the shape of Halal meat exports. Pakistan can encash its status as a "Muslim country" to build greater credibility to market its products around the globe. In addition to beef, it must tap avenues in seafood, ostrich, mutton and poultry farming to enhance its export turnover. The sector will not only diversify our economic outreach but also add to the country's overall food security.