

Benefit of unified halal certification in nigeria halal industry

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ABSTRACT

The first step in harmonizing, standardizing, and regulating halal practices in the nation is unification and standardization. But the halal market in Nigeria is still developing. The growing need for halal products draws businesses with or without an Islam relationship to halal certification. In the case of Nigeria, this certification is granted by both conventional and religious certifying agencies. Having an excessive number of halal certification suppliers without oversight of their operations can make it difficult to determine whose firm certification to trust. This research aims to investigate the feasibility of establishing a uniform and consistent halal certification in Nigeria, in light of the existing misunderstanding. This essay examines the significance of having uniform frameworks for halal certification. The study uses a qualitative methodology, gathering data through library research and interviews. To address the study topic, a thematic analysis of the data is conducted. Increased consumer trust, easier market access for companies, and better regulatory control are all advantages of unification. This research supports a streamlined approach to Halal certification that fosters transparency, credibility, and market integrity globally through cooperation among certifying bodies, regulatory authorities, and industry stakeholders. This article suggests that while achieving halal certification unity is feasible.

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Introduction

The halal industry has become one of the rapidly growing industry in the world economy(Fathoni, 2020). The demand for halal products has increased drastically in the global market, both in Muslim-majority and non-Muslim countries (Nasrullah, 2018.). The main factor behind this is the growing Muslim population worldwide, which reached 1.9 billion people in 2021. It is expected to continue rise, reaching 27.5 percent of the total global population by 2030. This population growth will significantly boost the demand for halal products and services in the world(Dinar Standard & Salam Gateway, 2022).

The halal industry is currently facing an increase in halal certification bodies due to the demand of halal product and services from both Muslims and non-Muslims. There are more than hundreds of halal certification and accreditation bodies in the world which consisting of government bodies, non-governmental organizations, local mosque and Islamic societies(Mahyeddin et al., 2012). Among these critical players in the halal market are the Standards and Metrological Institute of Islamic Countries (SMIIC), Majlis Ulama Islam Singapura (MUIS), Majlis Ulama Indonesia (MUI), Gulf Standardization Organization (GSO/GCC), Jabatan Kemajuan Islam Malaysia (JAKIM) and Pakistan Standards and Quality Control Authority (PSQCA), American Halal Foundation, Halal Transactions of Omaha, Halal Food Standards Alliance of America, Islamic Food & Nutrition Council of America, Halal

European Certification centre, Halal Italy authority e.t.c.

The multiple certification bodies has let to differing Halal standards not only between countries, but also within each country causing confusion, misunderstanding and even abuse in the Halal audit and Halal certification(Abdallah et al., 2021). In Nigeria, food, cosmetic and drug regulations are taken care by National Agency For Food and Drug Administration and Control (NAFDAC) and Standard Organization of Nigeria SON on the 1999 Nigerian constitution. Therefore, the halal certification in Nigeria is controlled by non-governmental bodies. Nigeria is among the countries that do not have halal standards and refer to halal standards in other countries. Halal certification bodies (HCB) in Nigeria do not have halal standards usually adopt a single halal standard or as a combination of several halal standards in their halal certification process(Lutfika et al., 2022a).

As applicable to ASEAN countries, unification can act as the benchmark in the trade of goods to Nigeria, especially in regard to mandatory product testing prior to exports and imports. Nigeria requires adequate standards to ensure the quality and eligibility of the products entering into other countries. Unification of halal certification in Nigeria is intended to facilitate and protect the export and import of goods, thus the products can compete with those of other countries(Thamrin, 2019). For Nigeria to get a share in this growing industry, the uniformity of Halal Certification in Nigeria is necessary to able to compete and not a mere spectator without obtaining any economic benefits from all the potentials of halal global trade.

Method

This study is a qualitative which involve the search, collection, evaluation, and interpretation data to gain deeper insights into the topic of interest (Syaiful Anam, 2023). In order to analyse the qualitative data gathered for the current study, thematic analysis was chosen. This methodology has been found to be useful for analyzing the data since it provides a flexible form of analysis that can be adjusted to meet the needs of various studies while taking the complexity of the data into account. The semi-structured interview question was derived from the research question to meet up with research objectives, after which it was given to professionals in halal field to vet to whether it conform with the research objectives. In total, three interviews took place, three personnel from the halal certification bodies were chosen to present a thorough picture of the study's purpose. The interview was recorded and transcribe manually. The qualitative data was analysed with the use of Atlas.ti to identify patterns, code and create themes.

Result and Discussion

Three interviewees Two halal certification bodies actively involve in halal certification and halal awareness participated in the study. Eleven preliminary codes that required further refinement emerged from the initial data analysis. Three themes emerged upon collation of the codes: Uniform guide, Acceptability, and credibility of product.

Uniform Guide

The benefit of having unified halal certification cannot be overemphasized, with the presence of UHC, halal certification process will have a structure that would prevent it from corruption. A well regularised halal certification process can assist in stabilizing the halal industry in Nigeria. Also having a uniform guide could develop a traceability system which will prevent mediocrity in the industry(Halal Certification Service, 2023). it will also ease the process as supported by Participant B

"There will be a 'systematic way of enhancement', this will enhance ease in implementation, because there will be a uniform guideline for everyone to follow also ensures that the halal processing is continuously monitored over time".

Participant C indicated that:

"... it would make life easier in terms of guiding us in terms of uniformity to guide whatever we are going to do. But be that as it may, we have other international standards we always refer to, it guides us as well..."

Participant A supported it with the following statement.

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"...This is why we need to have a uniform one. If we don't have the uniform one, the market will be open to anyone, and they'll come to the industry and do what they like. Those are the implications of not having a uniform certification in Nigeria..."

Acceptability

Also, the enhancement of bilateral relationship which will affect ease of trade was mentioned by the respondent as part of the benefit of having unified Halal certification. Thus, there will be acceptance of Nigeria product in the global market, thereby boosting their economy.

Speaker B said

"Nigerian industry will be able to play in international community and mingle with others in the global arena, and recognize as a bonafide and potential; credibility, sustainable and prudent in terms of development of the economy of this country." Speaker C said

"... In a country like Nigeria, the more products or services that are certified halal, the more they must be accepted worldwide. One good thing here is that for whatever standard we are using in here or even if we are using foreign, original or international standards, it helps a lot in the ease of trade."

Speaker A

"The importance cannot be overemphasized just like we have number one; the acceptability of the product outside Nigeria. Once your products are accepted outside like in Australia, New Zealand, and Malaysia it will boost the economy by increasing the GDP"

Speaker A buttress his point by giving an instance of Malaysia halal certification in the global halal market

"Let me give an example, In Malaysia once your products are certified in Malaysia, your products can go anywhere in the world. This is what we plan on achieving as well. Once the producers see the uniform Halal standard and are able to adopt it for production, the government expand their bilateral by letting other countries be aware. The government has to show commitment because it is going to be government-to-government so they have to let other countries know that Nigeria functions with the Halal standard"

Credibility of Product

Credibility and integrity of the product certified halal is agreed to be one of the benefit of having Uniform halal certification both within Nigeria and outside for both the consumers and Companies that are interested in halal. UHC can also assist the integrity of halal certification in Nigeria.

Participant B said;

"it will help to develop the industry and build kind of trust and dignity to the industry and product produce in Nigeria as we have many international standard through the ISO, I think if Nigeria can also have unified halal certification where all the sectors we have to follow this guidelines from the regulators, that will give credibility to product certified in Nigeria and it will the international consumer to respect".

Participant C inditated

"One good thing here is that for whatever standard we are using in here or even if we are using foreign, original or international standards, it helps a lot in the ease of trade. If it is certified, it will not be rejected by other countries. There would be more acceptability for the product once you have them. because at the end of the day it will increase the of goods and services from whichever part of the country the goods are coming from. These are some of the strategies which are the certification in going through those areas."

And Participant A buttressed the point by stating that the Certification body will earn integrity and be more recognized.

"...The third benefit is the global Halal industry, those that will accept our material outside the country will take us very seriously. It will increase the recognition of the Halal industry. The certification bodies within Nigeria will have more integrity they will be more recognized because they are using the uniform standard"

Participant A corroborated it;

"The first benefit is that we will boost consumer confidence. The consumers will start taking us seriously also the companies that patronize the certification will also have more confidence in the industry which will show that we mean business when the uniformed one is available. I mentioned two things, the first is the consumer and the second is the companies."

Halal industry is a growing industry that is been explored in different countries all over the world and it has proven to boost the economic status of businesses and countries. The need for certifications has birth about hundreds of Certification bodies around the world with Four certification bodies in Nigeria inclusive. Due to the numerous bodies, it has led to the clamor for globalized halal certification and standards. The benefit of having a unified halal certification can be over-emphasized as it contributes largely to the growth of the economy. The unification of Halal standards refers to the process of establishing a single set of guidelines and regulations for the production, processing, and certification of Halal products and services that are universally recognized and accepted by Muslims worldwide. The objective of such unification is to ensure that the Halal products and services comply with Islamic laws and regulations and meet the needs and expectations of Muslim consumers (Lutfika et al., 2022b).

In certain nations, such as Malaysia, the national government certifies halal food, but in other nations, one or more private Islamic organizations support the certification. HCBs adhere to a halal standard that is accepted as compliant with Islamic dietary regulations. However, different Islamic agencies and HCBs certify distinct halal standards, which are based on differing interpretations of Islamic dietary regulations and serve as a basis of judgment for handling day-to-day halal activities. Standards for halal have been devised and approved by law in multiple countries. (e.g., The Standards and Metrology Institute for the Islamic Countries (SMIIC) and GCC Standardization Organization (GSO)) or by governmental agencies (e.g., Department of Islamic Development Malaysia (JAKIM), Islamic Religious Council of Singapore (Muis), Majelis Ulama Indonesia (MUI), and the Central Islamic Committee of Thailand (CICT))

The are multiple Halal certification bodies and standards worldwide, which can create confusion and lack of clarity for consumers and businesses also (Abdallah et al., 2021; Al-Mahmood & Fraser, 2023; Qasim et al., 2021). The unification of Halal standards can help to address these issues and promote greater transparency and consistency in the production and distribution of Halal products and services. In addition, another consequence of the multiplicity of halal standards is that producers from either non-Muslim countries, or from Muslim countries where a different standard is recognized, are required to obtain additional halal certifications according to each geographic area where they intend to export. Therefore, a global halal standard would be very much welcomed by the food industry (Abdallah et al., 2021).

The lack of a unified halal standard due to different Islamic schools of thought has led to different interpretations and application of Islamic dietary law(Jalil et al., 2018). For example, three Islamic schools of thought (i.e., Imam Abu Hanifah, Imam Malik, Imam Ahmed) require the invocation of the Tasmiya at the time of slaughter whereas this is not required by Imam Al-Shafi another school of thought. Halal standards also vary among countries and sometimes within a country (Mahyeddin et al., 2012). Issues associated with the lack of one universal halal standard include no global benchmark, higher production costs because of a mix of national halal standards, and risk of using a permissible method of slaughtering by one halal standard that may not be accepted by other halal standards (e.g., mechanical slaughter and animal stunning) (Grudgings & Leong, 2014).

Several Studies has examined the need to have a uniformed halal certification both within countries and globally(Abdallah et al., 2021; Lutfika et al., 2022; Mahyeddin et al., 2012; Qasim et al., 2021). Efforts towards the unification of Halal standards have been ongoing for several years, with various initiatives at the national, regional, and international levels. One such initiative is the establishment of the World Halal Council, which seeks to promote the harmonization and recognition of Halal standards among its members (World Halal Council).

However, achieving full unification of Halal standards is a complex process that requires collaboration and cooperation among various stakeholders, including governments, regulatory bodies, certification agencies, industry players, and consumers. It also involves addressing

issues such as differences in the interpretation of Islamic laws and regulations, cultural and linguistic differences, and variations in production methods and practices. The differences in the national and international laws are the main concerns for international trade and according to the agreement on technical barrier to trade (TBT), all these issues should be resolved by unanimous debate and uniform laws to facilitate and encourage international trade of foods without destroying or undermining the Halal food systems(Qasim et al., 2021).

A study by(Yuanitasari et al., 2023) suggested that though the requirements and registration process of halal certification in each country are varied, however, the fundamental requirements are similar since the main regulation is Quran and Sunnah, thus, it can be used as the primary condition. Overall, the unification of Halal standards is a critical issue for the global Halal industry, and efforts towards achieving this objective should continue to be pursued to promote greater standardization, transparency, and consumer confidence in Halal products and service.

In Nigeria, currently, halal certification activities have increased in Nigeria (Jaiyeoba et al., 2020). The chairman of the Halal certification Authority (HCA), Dr Oreagba reported that over 20 as at 2021 companies have been certified in food and beverages, making up the largest halal industry sector (Salam Gateway, 2021). Halal Compliance and Food Safety Limited (HaCFoS) and Jaiz International Halal Certification Limited are taking the lead in the industry by offering awareness, consultancy, training, and product content analysis, as well as providing halal certification. These organizations partner with SON (Standard Organization of Nigeria) and NAFDAC (Nigeria Agency for Food and Drug Administration Control). Halal Certification Authority has signed a memorandum of understanding with Standard Organization of Nigeria and Nigeria Agency for Food and Drug Administration Control).

Before the establishment of the halal certification bodies in Nigeria, the National Agency for Food and Drug Administration and Control (NAFDAC) was the only food and drug administration agency in Nigeria. It was purposely established to monitor food and cosmetics, and counterfeit medicines, control the importation and exportation of medical devices as well as distribution of these products. As a national agency in a multi-religious nation, NAFDAC does not issue halal certification or mandate manufacturers to comply with halal certification standards; though it advised that products consume, or used should not be potentially lifethreatening (Jaiyeoba et al., 2020).

With government support, the Minister of State for Industry, Trade, and Investment, AMB. Mariam Y. Katagum, reported at the third International Halal Seminar and Exhibition held on Monday, August 8th, 2022, that a committee had been formed consisting of carefully selected members from key Ministries, Departments, and Agencies (MDAs) and the Organized Private Sector (OPS) involved in the Halal Value-chain. The committee includes the following government MDAs: Federal Ministry of Industry, Trade, and Investment (FMITI); Federal Ministry of Agriculture and Rural Development (FMARD); Standard Organization of Nigeria (SON); Nigerian Export Promotion Council (NEPC); Small and Medium Enterprises Development Agency of Nigeria (SMEDAN); and National Agency for Food and Drug Administration and Control (NAFDAC). Additionally, selected private organizations have been included to address the challenges. The committee is expected to study successful halal models used in other countries and develop a tailor-made Strategic Plan and Operational Framework for halal in Nigeria(allAfrica, 2022; The Daily Trust, 2022).

In addition, to create awareness in the country, Halal Certification Authority hosted the first international halal training session in 2019. Halal Expo Nigeria 2020 was organized for the first time in the country as an international halal fair. These initiatives are under the leadership of the Abuja Chamber of Commerce and Industry (ACCI). In fact, ACCI president, Dr Al-Mujtaba Abubakar, expressed optimism about attracting \$150 billion in halal industry investment from the Middle East to Nigeria (The Guardian, 2021).

Nigeria as the world's fifth-largest Muslim population can increase its governance and awareness while also addressing export opportunities to OIC (Organization of Islamic Cooperation) countries from Africa (State of the Global Islamic Economy Report 2020/21, 2020). It is encouraging that some state in Nigeria has taken a step towards the growth of the

halal industry in the country. (Jakada, B.A., & Gambo, 2014) reported that Kano state with over 9 million Muslims which is 90% of the Muslim population in Nigeria has the potential of a halal meat market than South Africa, German, the UK, Italy, Brazil, and Canada. This problem prompted the state government to enter a partnership with Bovine Master, an Egyptian company, to build a halal meat factory in Kano state.

According to the present Kano state governor, Dr Abdullahi Umar Ganduje, he stated that the project will provide a fully certified halal meat brand for domestic as well as key halal export markets in North Africa and the GCC countries. "In addition, the project in collaboration with relevant agencies aims to establish a halal food certifying body in the state," he stressed. The governor explained that the project would create more value and GDP (Gross Domestic Product) growth for Kano by distributing and exporting finished products as opposed to the Pre livestock-to-end-user markets approach in the country(Halal Focus, 2018).

It has been revealed from several research, however, that in most developing countries including Nigeria, the lack of Uniform Halal certification has hindered the growth of halal industry. Halal Certification bodies in Nigeria are playing a vital role by promoting halal certification and growing the halal market to assist the economy.

The benefit of having unified halal certification as stated above are Uniform guide, Credibility and Integrity, Enhancement of Bilateral Relationship and it influences on ease of trade and acceptance of Nigerian products in the global market and Enhance of Innovation. This benefit agrees with following study(Al-Mahmood & Fraser, 2023; Ghazali et al., 2023; Halal Certification Service, 2023; Halim & Salleh, 2012). Although, the benefit of unified halal certification stated in these finding was address to the need for global halal standards. Moreover, the researcher suggests that this benefit can be peculiar to countries that has several halal certification bodies with several halal standards.

Conclusion

The growing demand for halal products motivates manufacturers to comply with halal standards, in view of potential benefits. Halal certifications, however, are released by several bodies in Nigeria which may differ in the requirements imposed. Therefore, a specific halal certification and Standard is not recognized in Nigeria. The implementation of a harmonized monitoring system and establishment of a unified halal certification and standard would facilitate trade and increase the confidence of both producers and consumers. This study evidence that attempt have been made to come up with a framework to harmonize the existing halal standards. However, no unification has been achieved so far, and further efforts by Standard of Nigeria (SON) and Ministry of Trade, Investment and are still needed to overcome this challenge. Only close collaboration between authorities from these agencies coupled with Halal legislation with support from the government can lead to a homogeneous regulatory framework with unified certification and accreditation procedures.

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