

# THE POSSIBILITY OF INTRODUCING HALAL SYSTEM INTO JAPAN

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## ABSTRACT

**Purpose:** The propriety is verified about the possibility of introduction of the concept of a Halal system in Japan. Simultaneously, the subject and solution in the case of introducing are explored.

**Design/methodology/approach:** The measure for Halal in Japan has just started. Based on interviews to the enterprises those who got Halal certificate recently, a trend is clarified about the measure for Halal in Japan. There is extremely little export value of the food from Japan to the Islamic area compared with other countries. If export increase of the food in the Islamic area, it is both Japanese government and enterprises wish, will be expected from now on, introduction of a Halal system will not be avoided. Introduction of Halal system is promoted also when the demand from the Islamic countries which are the countries of consumption becomes strong.

**Findings:** From now on, the demand of Halal certificate acquisition will increase in Japan. There are problems to solve to fix Halal system in Japan. The difference of the recognition to the Halal between Islamic countries, also there is a problem of unification of a Halal certificate authority or a certification standard.

**Originality/value:** In Japan, Halal correspondence has just started. The directivity of Halal of Japan was shown.

**Keywords:** Halal, Muslim, Halal certification, Halal Chain, Halal Logistics

**Paper type:** Research paper

## Introduction

Islamic population is about 1,900 million people equivalent to 27% of the world in 2011. One billion people who amount to the 60% live in Asia. The Halal market is increasingly expanded by improvement in people's income, and diversification of eating habits including Indonesia which has the greatest population in Islam. US\$3.3 trillion is said in a meaning called the Halal market. Japan is behind the West, South Korea, and China greatly by Halal correspondence.

The tourist from the Islamic area, such as Malaysia and Indonesia, increased rapidly against the background of the requirements for issuance of the visa having been eased last year. Moreover, Tokyo Olympics are planned in 2020 and it is expected that it increases in number increasingly from the Islamic area.

Against the background of such a situation, since last year, concern about Halal is increasing. Not only International Airport, such as Narita (NRT), Kansai International Airport (KIX) but also University, like Kyoto University, Ritsumeikan University, Okayama University, Kanazawa University, the University of Tokyo, Tohoku University, Nagoya University, Hokkaido University, Tokyo Institute of Technology prepare Halal menu at canteen.

Muslim correspondence is hurried in Kansai International Airport. Specifically, it is Halal correspondence of installation of a prayer room, and a meal. The catering company for the in-flight meals of an international airline who has Halal kitchen, provide Halal dishes for group tour. Also some restaurants serve Halal food in Kansai International Airport.

Export of the food and the drink for Southeast Asia from Japan is less than 1% of total exports, and there is compared with other export items extremely little. Japan thinks to lengthen export of food. The correspondence to Halal cannot be bypassed for access to Southeast Asia or the Middle East market which are the promising export destination. The correspondence to Halal is a passport of the business in the Islamic market. To access to the Islamic market where expansion will be expected from now on, Halal correspondence is indispensable. Concern about Halal is increasing against the background of such a situation even in Japan. On the other hand, in an Islamic market, a Halal

certification system is spreading centering on Malaysia. In this paper, it verified based on the interview to companies about whether a Halal certification system is introduced and established in Japan.

### The concept of Halal

What was processed in conformity with the law of the Sharia (Shari'ah) method is called Halal. The other thing is called Haram or Non-Halal. Halal shows food, cosmetics, etc. which were produced without using pork, alcohol, etc. which Islam forbids. Even if it is beef and chicken, they have to be processed according to the Islamic rule. Moreover, in the all the whole processes of materials, a production line, storage, transportation, display, and sale, in other word through supply chain, the thing of Non- Halal and physical separation are required.

In recent years, Kansai International Airport (KIX), which is concentrating into Halal correspondence, explains Halal as follows.

"Halal is Arabian of the meaning of being lawful, in Sharia, and refers to what a Muslim can eat satisfactorily about food. Generally it is required to carry out the contraindications of a pig, alcohol, and its derivative, and to be processed according to Sharia also about the other foods, and it is also forbidden that Halal food and the other food contact." (Extract from KIX News Release 2013.8.13)

There is a certification system in Halal in each country, and if certified, Halal logo can be used. A Halal certification system is the structure similar to the certification system of ISO. The ISO guarantees it a process in comparison with being the system that JAS (Japanese Agricultural Standard) and JIS (Japanese Industrial Standards) guarantee product itself. It is basics in the ISO that, as a result, guarantee a product by guaranteeing a process. The process is also important for Halal certification. Moreover, also not only in goods but the point of certificating also to service, management, etc., it is close to the way of thinking of ISO.

Material	<ul style="list-style-type: none"> <li>- Materials including feed must be only in Halal.</li> <li>- The derivative of pork cannot be used. <ul style="list-style-type: none"> <li>Lard→ Emulsifier seasonings (dairy products, a milk beverage, etc.)</li> <li>Pig hide→ Gelatin (jelly, yogurt, etc.), Collagen (a supplement, cosmetics, etc.)</li> <li>Internal Organ→Enzyme (use by a food manufacturing process, medical supplies, etc.)</li> </ul> </li> </ul>
Processing	- The Muslim who attested performs meat production.
Transportation	- Use car exclusive for Halal Food (contamination with non-Halal food is impossible).
Cooking	<ul style="list-style-type: none"> <li>- Use Halal Kitchen, exclusive use for Halal Food only</li> <li>- Alcoholic disinfection of cookware etc. is not allowed.</li> </ul>
Sale	<ul style="list-style-type: none"> <li>- Isolate from non-Halal food and sell.</li> <li>- Distinguish a cart from non-Halal food.</li> </ul>

Table 1: The main rules for accepting as Halal

Source: Masayuki Yamauchi, Reiko Okawa, "Islam basic exercise book" Yamato Shobo (2013)

### Halal Market

It is said that there are US\$3,200 billion (about JPY320 trillion) of markets of the whole Halal. There are foods, cosmetics and medical supplies are US\$ 2,200 billion (about JPY220 trillion) in the whole. The food in which it is interested is US\$650 billion (about JPY65 trillion), and cosmetics, a personal care article, and leather goods are US\$700 billion (about JPY70 trillion). In addition, there are US\$1 trillion (about JPY100 trillion) in service industries in connection with the eating-and-drinking relation in a hotel or catering, and certification acquisition, such as consulting, finance and circulation. The 63% is a market of Asia.

	Industrial	Market Size
Product (US\$2.2 trillion )	Foods	US\$650 billion
	Medical supplies	US\$850 billion
	Other Products (Cosmetic, A personal care article, leather goods, etc.)	US\$700 billion
Service (US\$1 trillion )	Food (hotel catering), certification, consulting and training, finance, media, logistics, sightseeing	US\$1 trillion

Table 2: Halal Market Size

Source: Data created by Japan Halal Association, "Halal administrator Session" etc.

The percentage of food in the export to ASEAN countries from Japan in all the export items is less than 1%. Also in the countries in which Japanese companies including Malaysia and Indonesia, have an overwhelming share, export of food is almost nothing. For the background, it is certain that Halal is one of the major factors.

The food market in Japan is US\$342,600 million in 1991 (JPY34,260 billion) and US\$340,700 million (JPY34,070 billion) in 2012, and has been in a stagnant situation for 20 years or more. The Islamic food market is already US\$6,500-7,000 billion (JPY65-70 trillion). This is a twice as many scale as the food market in Japan. For Japan's food industry, an Islamic market is the area which has a big possibility. For the food and the drink export expansion to these areas, Halal correspondence is indispensable.

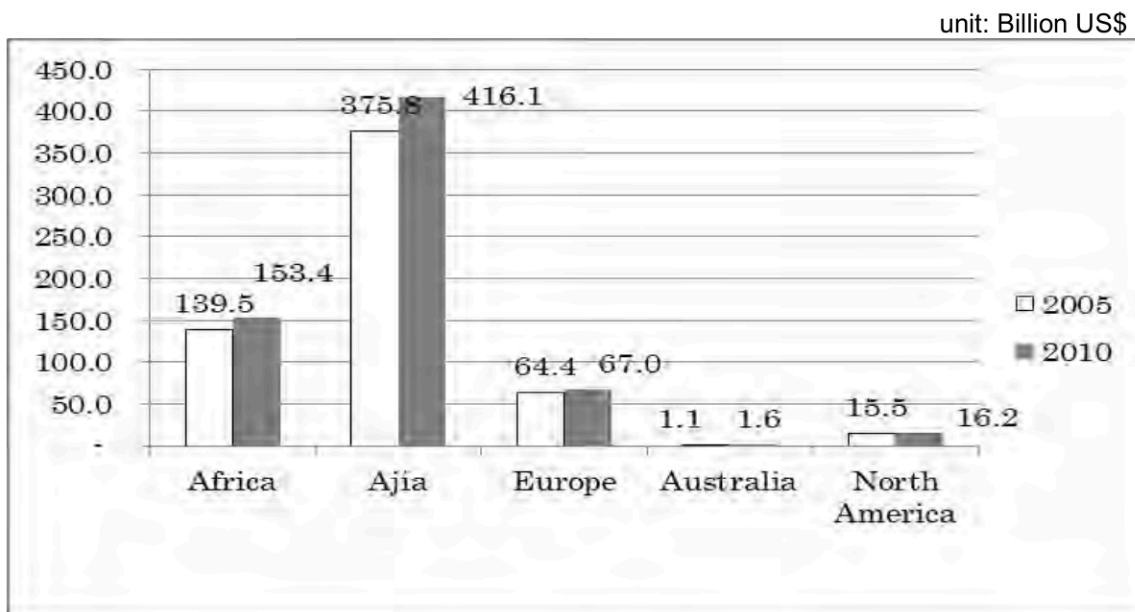


Figure 1: Halal food market in the world

Source: Executive Review of World Halal Forum Europe 2009 etc.

Unit: : million US\$

	Food/Drink		Whole Items
	Export	Share in whole items	Export
Thailand	216	0.62%	34,905
Singapore	133	0.72%	18,603
Malaysia	43	0.31%	14,129
Philippines	34	0.36%	9,458
Indonesia	31	0.20%	16,191
5 countries Total	459	0.49%	93,288

Table 3: Export of Food/Drink to ASEAN from Japan (2012)

Source : Ryoichi Namikawa, "Introduction to Halal Food Market" Japan Food Journal (2013)

### Halal Certification system

The Halal certification system is expanded led by Malaysia. JAKIM which bears Halal certification of Malaysia has tied up with 33 nations and 57 organizations. It seems that global standardization of Malaysia Halal is successful. The certification of JAKIM is stricter than that of other countries. Therefore, JAKIM is trusted from Islamic countries. Saudi Arabia is the severest country to Halal. it is said that all the meat imported is inspected by the national organization, it puts into practice. However, Halal is not stipulated as a system. That is, in Saudi Arabia, all people are Muslims and people's life is led by the premise that all the things in the country are Halal. On the other hand, a Muslim is about 60% in Malaysia. There are also people other than a Muslim and the thing of Halal, and Non- Halal is intermingled in the country. Therefore, the system where Halal food can be recognized easily is required. It has such a background that a Halal certification system is being established in the country of Asia, such as not countries in the Middle East but Malaysia and Indonesia. The strictness of Halal does not necessarily accord with the introduction and establishment of a Halal certification system. The processed food is increasing and they are imported from all the country and areas in the world today. It serves as a backdrop to the move towards a Halal certification system that it is hard to attach distinction of Halal or Non-Halal only by glancing.

Brunei was made for meat imports to impose a duty of Halal certification upon all from April, 2014. Thus, the motion which strengthens Halal certification acquisition in Islamic countries has come out. Figure2 expresses the relation between the height of the degree of demand to a Halal certification system, and the penetrance to the society of Halal according to a country. The figure shows that the high penetrance to the society of the Halal and the high demand degree of the Halal certification do not necessarily accord. Malaysia extracts a group and that of the demand in Halal certification is high. However, Muslim population is 60% of the whole country, and Halal has not necessarily permeated as a society as a whole. On the other hand, although Saudi Arabia is said to Halal as the severest country, it does not have what was codified out about a Halal certification system, and the measure for a certification system is not progressing.

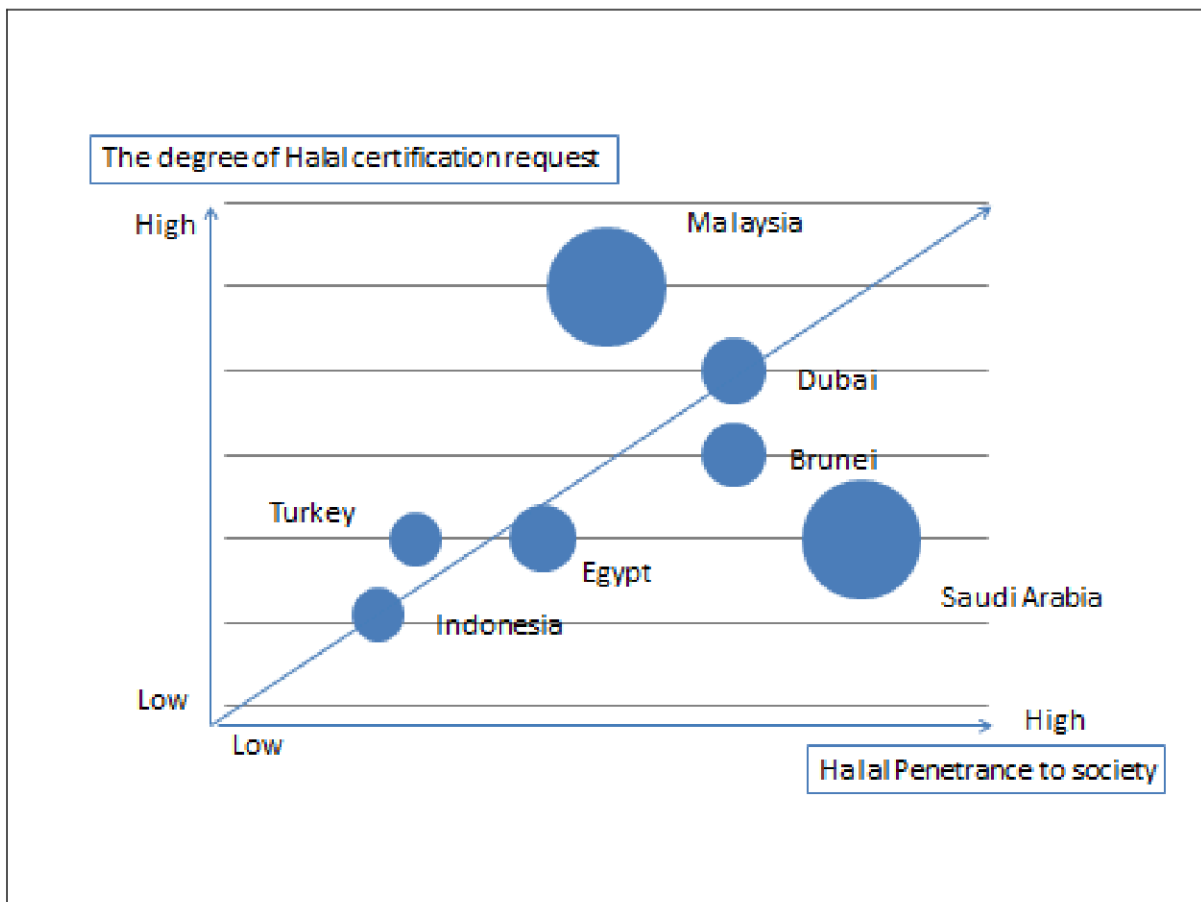


Figure 2: Height of demand of Halal certification of main Islamic nations. Note: It is based on an author's feeling. In the graph, bubble shows only a position, The size is not related.

Country	Certificate Authority/Organization
Malaysia	Jabatan Kemajuan Islam Malaysia (JAKIM)
Singapore	The Majlis Ugama Islam Singapura (MUIS)
Indonesia	Majelis Ulama Indonesia (MUI)
Thailand	CICOT (The Central Islamic Committee of Thailand )
USA	IFANCA (The Islamic Food and Nutrition Council of America )

Table 4: Halal certificate authority/Organization

### The present condition of the measure for Halal in Japan

Until now, the Japanese company corresponding to Halal was restricted very much. The major companies, such as a Kewpie, Ajinomoto, Taisho Pharmaceutical, POKKA, and Kao, were in the mainstream. The opportunity to recently see that movement toward Halal certification acquisition is reported by the newspaper etc. mainly by a food producer even in Japan increased. The point which should be noted here is that concern of small and medium-sized enterprises is increasing. It is because Halal certification is required because of export to Islamic countries. A major manufacturer starts a factory to Malaysia, Indonesia, etc. at the Islamic area, and exports to an Islamic market from there. On the other hand, small and medium-sized enterprises are trying export to the direct Islamic area for what was produced at the domestic factory in many cases.

For that purpose, it is necessary to acquire Halal certification in Japan. Hikari Miso which developed the bean paste not using alcohol, the Global Field which aims at export of the native chicken "Aomori Syamorock" of the Aomori brand, etc. are mentioned. Moreover, Nishio Milling and Shiono Koryo are mentioned as a company which acquires Halal certification at the request from an importer also in the company which is already exporting. Nishio Milling is exporting wheat to Singapore. Nishio Milling was asked for Halal certification acquisition by Importer for the market expansion to Malaysia etc. Shiono Koryo supplies spice materials to the joint corporation in Taiwan. It is exported to the Islamic area via Singapore from Taiwan. Therefore, an importer asked for Halal certification to Shiono Koryo which is a vendor of materials.

When the income in Islamic countries, such as Malaysia, improved, the demand of Japanese products, such as spice and high-quality wheat, is increasing, and the business opportunity has swollen for the Japanese food-related company. The cases where Halal certification acquisition is requested from a market by expanding from an import side are increasing. Furthermore, not only a product but the thing been under pressure also to logistics companies, such as transportation and storage, in the future can be imagined easily. Although there is also an example which is beginning to move by Malaysia concretely towards Halal certification acquisition like Nippon Express in a Japanese logistics company, it is still exceptional. However, although it does not appear in concrete action, interest is shown in Halal, and there are few logistics companies of having begun research. Halal certification cannot be bypassed in business with Islamic countries. And it is the problems of all the companies in connection with the whole supply chain including not only Manufacturing industry but a logistics company.

Name of company (Place)	Certified organization (Certified year)	Remarks
Hikari Bean paste (Nagano)	Japan Halal Association ( 2012)	The bean paste which is not using Alcohol is developed. The first certification acquisition in the bean paste industry. It exports to Southeast Asia.
Nansatsu Shokucho (Kagoshima)	Japan Asia Halal Association (2011)	Export of the chicken for Islamic markets.
Kato Confectionery (Aichi)	Japan Asia Halal Association (2013)	Certified Confectionery sells Takashimaya in Singapore.
Nishio Milling (Aichi)	Japan Halal Association ( 2012)	Flour is exported to Singapore. It exports to Malaysia via Singapore.
Shiono Spice (Osaka)	Japan Halal Association ( 2013)	Spice materials are exported to Singapore through the joint corporation in Taiwan.

Global Field (Aomori)	Sendai Islam Culture Center (2010) 、 Japan Islam Culture Center (2013)	Cerification 2010, chicken. 2013 meat and vegetable dumplings, a cheesecake, a peach, a gizzard, and smoked chicken. For domestic Muslims and export are also put into a view. For domestic Muslims and export are also put into a view.
Inoue Spice Kogyo (saitama)	Japan Asia Halal Association	Sale of the curry roux corresponding to halal.
Ninomiya(Tokyo)	Japan Muslim Association	Halal special food trading company. Import of the foods of ASEAN countries. Manufacture of the bread corresponding to the halal in a captive factory. Processing of frozen meat. Halal lunch, the catering service for parties, etc.
Osama Seika(Tokyo)	Japan Asia Halal Association	Hail Confectionery(Red pepper, dried seaweed)
Zenkai Meat(Kumamoto)	MUI(2011)	Exporting beef to Indonesia

Table 5: Samples of companies who got Halal certification in Japan  
Source: Data created based on the various report and web site etc.

The financial institution also shows the posture which supports a Halal certification acquiring companies so that it may be seen by Mitsubishi UFJ Bank (Nikkei newspaper 2014.2.24). To the company which deals with the product suitable for Sharia, or service The extracted "Halal fund" is born (Nikkei newspaper 2014.4.11).

The height of the measure to Halal and an interest level has a big difference by a type of industry in Japan. In the manufacturing industries, such as food, concern is high. One of the features of the company which actually acquired Halal certification has a case of the request from an importer like Nishio Milling or Shiono Koryo. Next, there are service industries, such as an airport, a hotel, and a restaurant, as a high type of industry of concern. It is what the increase in the tourists from the Islamic area is expected for. The logistics industry including a track is the less interested.

The answer that it was uninterested about Halal and there was no knowledge as a result of the interview to the manager of about ten logistics companies about the interest level of Halal was more than half. Even when saying that it knows about Halal, there is no action and will to Halal. It is the greatest reason that cost starts too much. It is Nippon Express that is doing the uniquely concrete measure by the Japanese logistics company. The overseas subsidiary of Malaysia is during the application of the Halal certification to JAKIM, and Nippon Express is soon called certification acquisition hope. It seems that Nippon Express considered Halal certification in the air cargo at Narita Airport. However, according to Japan Halal Association, which has tied up with JAKIM, at a present stage, environment is not ready so that the Halal certification acquisition in Japan in a transportation section is difficult. Although there was no plan, NYK logistics, started research about the Halal certification system for the time being.

For the moment, the example of the Halal certification about a logistics does not still have one affair in Japan, either.



Figure 1: The Muslim employee who works at a GLOBAL FIELD processing plant  
Photo by Author



Figure 2: It is kept in the materials complement place in the charge factory of, and the place classified only into Halal (Shiono spice).Photo by Author

### **The possibility and its subject of the Halal system introduction in Japan**

Four are mentioned as a subject about Halal.

The first, Halal is religion, so it is not forced, and should eventually be left to an individual, and there is a difference also in the correspondence by a country. For example, drinking Alcohol is common in Turkey. Ko Nakata, Islamic scholar, had said, "I think that it is a major offense equal to taking the real power of God to force to prove Halal." (Uchida/ Nakata, " Monotheism and a state", Shuueisha , 2014).

The Second, the degree of demand of Halal has a big difference by a country. JAKIM of Malaysia is in charge of certification, in very severe. Through all the process including transportation and storage, it is demanding complete separation with Non-Halal, etc. The correspondence like as Malaysia is difficult for Japan in which Muslim population about only 100,000. If such talks are made the manager of a track company, the reply "unreasonableness" will actually come on the contrary immediately. Realistic correspondence is a subject.

The Third, Many organizations have issued certification, and the screening criterion is not unified, it is ambiguous in Japan. Even if a screening criterion is too severe, it is not realistic, but even if too loose, there is a risk of trust being lost internationally. In case a state organization attests like Malaysia, and public institutions, such as NPO, may play the role. Generally, there are many latter examples. In the case where a government organization and a public institution attest, one organization generalizes certification like JAKIM in Malaysia, MUI in Singapore, MUIS in Indonesia. In Japan, if an organization which generalizes a certificate authority is not made, this problem is not solved. For that purpose, a

method only has that the government plays the role of adjustment. However, there are no signs that concern moves the government thinly about Halal now.

The fourth, there is a peculiar problem of Japan that Muslim population is small. The Muslims who live in Japan now are about 100,000. Even if it includes a tourist, the demand to Halal is small, and the big cost for Halal correspondence starts.

### **Conclusion**

Halal products, such as food, and cosmetics, etc. to Islamic countries, are expected increased. The Halal certification system currently promoted by Malaysia is becoming common in the Islamic area, and is becoming the global standard. Against the background of such a situation, it is thought that the movement toward Halal certification acquisition is accelerated in Japan. There was much contrary of the spot in the introductory early stages of the system of ISO. Now, it became natural to carry out certification acquisition of ISO. It is thought that a Halal certification system will also become a thing indispensable to dealings with the Islamic area in the future. However, for the moment, as for the movement toward Halal certification, the manufacturing industries such as food, and a hotel and a restaurant are restricted in part. There is almost no motion in the logistics field. Thus, the Halal certification system in Japan has just started now. The range is still food and a narrow range restricted to the service industry in part.

In Japan, time is still required for a Halal certification system to spread. In the following case, a possibility that the measure for Halal will be quickly expanded in the logistics field in Japan will be restricted.

It is a case where there is a strong request to logistics contractor from the manufacturing industry which having a pressure from the importer side, and a shipper.

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