

THE HALAL SERVICES MARKET IN THE ECONOMY AND ITS DEVELOPMENT PROSPECTS

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Abstract: This article examines the characteristics of the halal services market in countries around the world and provides suggestions for its development in Uzbekistan.

Keywords: Halal, halal food, halal food industry, Muslims, Sharia, Islamic countries, halal certificate, Muslim consumers.

Introduction. Given the growing number of Muslims in the world, halal products have enormous potential both in the Muslim world and in the global market. The production of halal products and services covers almost all sectors of the modern economy: tourism, fashion, finance, IT and media, and the halal lifestyle is becoming popular not only among Muslims, but also among people of other faiths.

Halal economy is the offering of products and services by enterprises and organizations of the economy to consumers that are produced in accordance with the norms, rules, and methods permitted by Sharia.

The philosophy of halal is based on the understanding that goods and services are created to create comfortable conditions for consumers, improve living conditions and do good deeds for the sake of Allah, not for personal gain. Halal is, first of all, a quality and responsible attitude towards the buyer. The values created and fair wages for work and the efforts made by the manufacturer to produce them cannot be called halal if they are associated with consumer deception, monopoly profit, speculative transactions, violation of contractual obligations and illegal production methods. Halal production refers to the values and traditions established in the culture and religion of Muslim peoples.

According to the Mastercard-Crescent Ranking Global Muslim Travel Index :

- The number of international Muslim tourists in 2022 was 110 million, accounting for 12% of all international arrivals. This is a significant increase;
- The number of travelers increased by 140 million in 2023 and returned to the pre-pandemic level of 160 million in 2024;
- The number of Muslims will reach 230 million by 2028, and the costs are estimated at 225 billion US dollars.

the halal economy grows year by year, this type of food is consumed not only by Muslims but also by non-Muslim customers. Initially, non-Muslims and some Muslims thought that halal food was safe and hygienic, so the demand for such products increased, and with its widespread acceptance, the halal food market emerged. It is no exaggeration to say that the halal food market has now become one of the largest consumer markets in the world. This is because the number of Muslims around the world who contribute to the halal food industry is increasing dramatically. Due to this, the demand for the halal food industry and services is increasing.

Analysis of the literature on the topic. Due to the diversity of tastes and interests of the Muslim population living in the world, it is shown that there is a high demand for halal food products in the food market. In this area, world scientists Mian N. Riaz, Muhammad M.

Chaudry [2], Florence Bergeaud-Blackler, John Lever, Johan Fischer [3], Wan Melissa Wan-Hassan, Khairil Wahidin Awang [4], Al Qaradawi [5]. conducted research in their scientific works. At the same time, scientists from the CIS countries Uzakov YA.M. [6]. Damir Mukhetdinov [7]. The world halal food market and the requirements for developing products for them are analyzed. In this regard, there are great opportunities in Uzbekistan, but scientific research is required.

The word "halal" is derived from the Arabic word "halal" and means "free", "unbound". It refers to actions and deeds that are permissible for Muslims in Sharia, and foods that are considered clean and pure. Therefore, halal food refers to foods that meet the laws and conditions permitted in Sharia.

For foods to be halal, they must fully comply with the following conditions:

- not contain animal products or parts that are not halal for Muslims or animal products that have not been slaughtered according to Sharia law;
- foods that do not contain najas (things that are impure according to Sharia: blood, alcohol, dog meat, pork, their milk, dead animals, etc.) according to Sharia law;
- be safe and harmless;
- according to Sharia law, it must not be prepared or manufactured using equipment contaminated with unclean materials;
- food or its ingredients do not contain human parts;
- during the processes of preparation, processing, packaging, storage or transportation of food, it must be carried out separately from other products that are not prepared in accordance with the above rules.

Research methodology. The methods of observation, comparison, experimentation, analysis, and synthesis were used in the analysis and research processes of this article .

Analysis and results. Following halal guidelines, especially in purchasing daily food products and adhering to the dietary system, is the most important condition of Islamic relations.

First of all, in order to engage in the halal food industry, countries must have a halal standard and a halal food logo. There are organizations that control these halal standards and logos. They are the Organization of Islamic Cooperation (OIC, 1969) and the Standards and Metrology Institute of Islamic Countries (SMIIC, 1998). Their main tasks are to provide a strong mechanism for harmonizing standards among member countries and preparing new ones, to implement harmonized standards in member countries and to eliminate technical deficiencies. In addition, they are to establish certification and accreditation schemes in order to facilitate the exchange of materials, manufactured products and products between member countries, starting from the mutual recognition of certificates. The Organization of Islamic Cooperation (OIC) has 57 member countries and the Standards and Metrology Institute of Islamic Countries (SMIIC) has 42 member countries.

Among many countries, Malaysia was the first to attempt to establish a global halal standard and in 1974, Malaysia introduced a national halal certification. This effort was carried out by the Islamic Affairs Department Research Centre under the Prime Minister's Office. Later, in 2005, the Department of Islamic Development Malaysia (JAKIM) introduced a halal certification system. It is responsible for overseeing halal compliance in Malaysia. Malaysia's JAKIM halal certification system is the only certification system supported by the Organisation of Islamic Cooperation (OIC) as an internationally standardized logo and an approved

certification system for use by all Muslim countries. To further strengthen Malaysia's position as a leading global halal hub, the Halal Industry Development Corporation (HDC) was established in 2006. It was established to improve halal standards, promote commercial and industrial development, and strengthen branding. The Malaysian government has also implemented the Halal Industry Master Plan (2008-2020). This has positioned the country as a global leader in several halal-related sectors, including specialty processed foods, ingredients, cosmetics and personal care, pharmaceutical innovation, manufacturing and trade, livestock, services, particularly logistics, tourism and healthcare. The introduction of designated halal parks has fueled the growth of Malaysia's halal industry. There are currently 25 halal zones in Malaysia, each of which is designed to serve a specific halal industry.

A number of multinational companies (MCNs), including local food processors, have now set up their own food processing plants in Malaysia with the intention of distributing their halal products in the local and (ASEAN) Asian markets. For example, Nestle, a Swiss company that is one of the world's largest food and beverage manufacturers, established Nestlé Malaysia in Malaysia in the early 1970s and all its products are certified by JAKIM. Nestlé Malaysia currently has 8 halal food factories and several private brands, including Maggi, Nescafe and Milo. Nestlé Malaysia exports its products to over 50 countries. On the global stage, Malaysia once again achieved the highest score in the Global Economic Outlook in four out of six sectors, namely halal food, Islamic finance, Muslim-friendly travel, pharmaceuticals and cosmetics, for the eighth consecutive year.

Another country with a strong track record in the halal food industry is Singapore. Singapore has a halal certification body (Majelis Ugama Islam/MUIS) that serves the country's minority Muslim population. MUIS Halal Services was launched in 1973 and MUIS established the Halal Certification Standards Unit to regulate the Halal sector. MUIS has implemented several initiatives to continuously improve the credibility of MUIS Halal certification. These include the MUIS e-Halal System (2007), the Halal Quality Management System (HalMQ; 2008) and MUIS Halal Audits and Inspections (2009-2012). Halal certification in the food sector in Singapore is voluntary. According to MUIS, halal certification is not mandatory in Singapore, but if a business also targets Muslim consumers, it applies for halal certification. Singapore's halal industry has grown 5 times in the last 10 years. Singapore is considered a region with high potential after Malaysia and Indonesia, with a growing halal food market, tourism, and demand for halal-certified restaurants, cafes, and grocery stores. In 2015, Singapore welcomed 15.2 million tourists, including 2.73 million from Indonesia and 1.17 million from Malaysia. Singapore's halal food market is booming, with food and beverage outlets opening and halal certifications. According to the Mastercard-Crescent Rating Halal Food Lifestyle – Singapore 2021, the halal food market in 2019 was estimated at S\$1 billion, with S \$700 million spent by local Muslims. The rise of the halal food industry can be seen in the growth of halal certification. According to statistics from the Singapore Islamic Religious Council (MUIS), 53,060 products were certified halal in 2018, a 160% increase from 2013. The number of restaurants certified halal has grown at a CAGR of 9.4% since 2013. In 2019, 16% of these eateries were located in shopping malls. For the first time, Singapore has been ranked in the top 15 in the Global Islamic Economy Index, which measures the ability of leading national ecosystems to best support the development of Islamic economic entrepreneurship. This indicates the significant role and momentum of the Islamic economy for Singapore. Singapore's

strong performance in Halal Food (2nd place), Pharmaceuticals and Cosmetics (3rd place), Media and Recreation (3rd place) and Muslim-Friendly Travel (9th place) are positive signs of the role of the Islamic economy in the post-pandemic economic recovery. It is worth noting that Singapore's share of the global halal trade of over \$255 billion per year is significant, indicating that there is huge potential and opportunity for growth in halal trade.

Indonesia, a country that can compete in the global market in several sectors of the halal industry - halal is a country that aims to become a major player in the market and is currently the world's largest consumer of halal products. With more than 207 million Muslims (about 87% of the population), Indonesia is home to the world's largest Muslim community. The demand for halal-certified products has become a huge business opportunity for this Southeast Asian country. Let's take a closer look at how the halal industry is developing in Indonesia. In 2014, the Ministry of Tourism focused on developing halal tourism to attract more Muslim travelers. The concept offers a range of services designed to comply with Islamic law, from halal-certified food to Muslim-friendly hotels. According to the Global Muslim Travel Index, Indonesia ranked first in the world for halal tourism in 2019.

The consumption and sale of alcoholic beverages is strictly regulated by the Indonesian government. Advertising of alcoholic beverages in the media is strictly prohibited.

Until 2019, the Indonesian Ulema Council and the Indonesian Ulema Council's Food and Drug Evaluation Body (LPPOM MUI) were recognized as the only halal certification bodies in the country. LPPOM MUI evaluates technical components and the MUI (fatwa council) makes the Halal decision. Then, the Indonesian Halal Law, effective from October 17, 2019, requires many consumer products and related services in the country to be Halal certified. Businesses that need Halal certification will now need to apply to the newly established Halal Product Certification Agency (BPJPH). The Halal Law regulates the processing, materials, and certification of halal products, in addition to establishing cooperation with international Halal agencies. According to the Global Islamic Economic Outlook 2020-2021, Indonesia's halal food industry ranks 4th, halal tourism industry ranks 6th in the world, Muslim fashion industry ranks 3rd, and Islamic finance industry ranks 6th. Here are some statistics showing the spending of Muslim consumers in Indonesia on halal lifestyle products and services in 2017 and the forecast for 2025. In 2017, Muslim consumers in Indonesia spent an estimated US\$170.2 billion on halal food and beverages. This figure is expected to reach US\$247.8 billion in 2025.

Uzbekistan is also implementing a number of measures to enter and achieve high results in the developing halal industry. Free economic zones are a key tool for Uzbekistan to quickly develop a strong halal ecosystem and attract leading transnational companies with developed internal halal processes.

According to world tourism organizations, 300-330 million tourists visit the world's most important religious sites every year.

Conclusions and suggestions. From our research work, we can conclude that there are advantages to implementing the "Halal" standard in our country and that manufacturing enterprises, including food manufacturers, will have the following opportunities by adopting this standard:

- Firstly, by exporting all halal products produced in Uzbekistan to Muslim countries, it contributes to the growth of the national economy;

- secondly, improving national infrastructure and receiving recommendations from international experts, and on this basis, entering this industry and gaining a strong position;
- Third, an important step for the country to tap into broader export opportunities is to work with key global certification and accreditation bodies to develop robust certification capabilities;
- Fourth, it will provide an opportunity to develop pilgrimage tourism in Uzbekistan and provide visiting Muslim tourists with halal food and other halal products.

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