



OPENING ADDRESS

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MINISTER IN THE PRIME MINISTER'S DEPARTMENT (ECONOMY)

GLOBAL MUSLIM BUSINESS FORUM (GMBF) 2022

19 October 2022 (Wednesday), 9.45 a.m.

Assalamualaikum Warahmatullahi Wabarakatuh dan Salam Keluarga Malaysia.

Distinguished Guests;

Ladies and Gentlemen,

1. Let me begin by thanking the organisers for inviting me to speak at the 2022 Global Muslim Business Forum. I am pleased that Malaysia is playing

host to this Forum. As a leading nation in the Muslim world, we have much to offer in best practices, trade and innovation.

2. I was informed that this Forum will discuss a range of important topics, such as the post-pandemic recovery, Islamic finance, sustainability and of course, the Halal economy. This conference will also feature a diverse selection of speakers from international organisations, the private sector, and civil society.

Ladies and Gentlemen,

3. The theme of today's Forum is "The Rise of the Global Islamic Economy: Refocusing, Resetting and Recovering in the Post-Pandemic Era". This is consistent with the immense business potential of 1.9 billion Muslim consumers worldwide.

4. Global Muslim spending reached 2 trillion U.S. dollars in the year 2021 across various sectors, such as food, fashion and finance. This is coupled with 3.6 trillion U.S. dollars of Islamic finance assets, such as sukuk and Islamic bonds.

5. According to the latest State of the Global Islamic Economy Report by DinarStandard, consumer spending for all sectors of the global Islamic economy, except for travel, have returned to pre-pandemic levels as of the end of last year.

6. The outlook for the global Islamic economy is good. Demand for Halal goods and services is expected to rise with global spending forecasted to hit 2.8 trillion U.S. dollars by the year 2025.

7. The global Muslim population reached 1.9 billion in 2019 and is predicted to grow twice as fast as the overall world population. There will be at least 3 billion Muslims by 2060, which will represent one-third of the global population, according to the Pew Research Center.

8. Another key factor is the important role of digital connectivity in the Muslim world. Based on data from the research firm Newzoo, 15 of the 50 countries with the highest smartphone penetration rate are from the Organisation of Islamic Cooperation (OIC). The demand for Muslim-friendly digital products, from Islamic finance to lifestyle products, will only grow.

9. Businesses and investors must be cognisant of the massive potential in the global Islamic economy. There is a clear shift towards Muslim-friendly goods and services, underpinned by the notion of Halal, within the Muslim world and even beyond.

10. Forums such as this are the perfect avenue for policymakers and businesses to improve the business environment, enhance supply chains and bridge funding gaps.

Ladies and Gentlemen,

11. Malaysia is a role model for the Halal economy. As many of you may know, Malaysia has positioned itself as a prime mover of the global Halal economy. Based on the Global Islamic Economy Indicator (GIEI) Score, Malaysia has been ranked number one, for 9 years consecutively.

12. The Halal economy contributed about 7.5% to Malaysia's GDP. Malaysia currently leads in Islamic finance, halal food, Muslim-friendly travel, and media and recreation sectors. The largest component of the Halal economy is the food sector, contributing an estimated 31 billion U.S. dollars.

13. Malaysia is a pioneer in Islamic finance. The industry is quite developed and well-regulated in our country. We are one of the top 5 countries with the biggest Islamic finance assets with over 619.7 billion U.S. dollars in 2021. And we continue to lead with innovation. Last year, Malaysia issued the world's first sovereign U.S. dollar-denominated Islamic finance sustainability-related commercial notes.

14. I would be remiss not to mention Malaysia's halal certification which is globally recognised. The signature Malaysia halal stamp of authenticity helps avoid 'halal washing', and builds trust, particularly in international trade.

15. The Malaysian Government has continued to emphasise on the importance of the Halal economy. In the 12th Malaysia Plan, a key strategy is to position Malaysia as a global hub by boosting development of halal talent, introducing halal professional recognition, stimulating industry development, and enhancing product competitiveness. The target is to

further increase the contribution of the Halal economy to GDP to 8.1% and generate over 12 billion U.S. dollars in export revenues by 2025.

Ladies and Gentlemen,

16. The post-pandemic era presents new challenges such as food insecurity, climate risks and social inequality. The global Islamic economy can play an important role in presenting solutions to create a better and more equitable world. The Muslim economy is not only good for the Muslim community but for all of humanity. I do hope this Forum can provide insights for policymakers, businesses, and investors to steer a clearer direction in an increasingly uncertain world.

17. To the organisers, once again, thank you for inviting me. I wish all of you a fruitful Forum!

Walaikumsalam Warahmatullahi Wabarakatuh. Terima kasih. Thank you.