



The background of the slide features a world map with a stylized, low-poly aesthetic. A prominent yellow dashed line traces a path across the map, starting from the Middle East, passing through Southeast Asia, and extending towards East Asia. Three black dots are placed along this route: one in the Middle East, one in Southeast Asia (near Indonesia), and one in East Asia (near Japan). The map is divided into vertical sections by thin white lines.

HALAL SILK ROUTE

POWERING THE HALAL VALUE CHAIN

Dato' Azman Shah Mohd Yusof
Chief Executive Officer
Northport (Malaysia) Bhd

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HALAL SILK ROUTE

THE MARKET : POPULATION

Total World Muslim Population

 **2.1 billion**

**10
million**

**55
million**

400 million

**250
million**

1.4 billion


200 million *


11 million


19 million


262 million

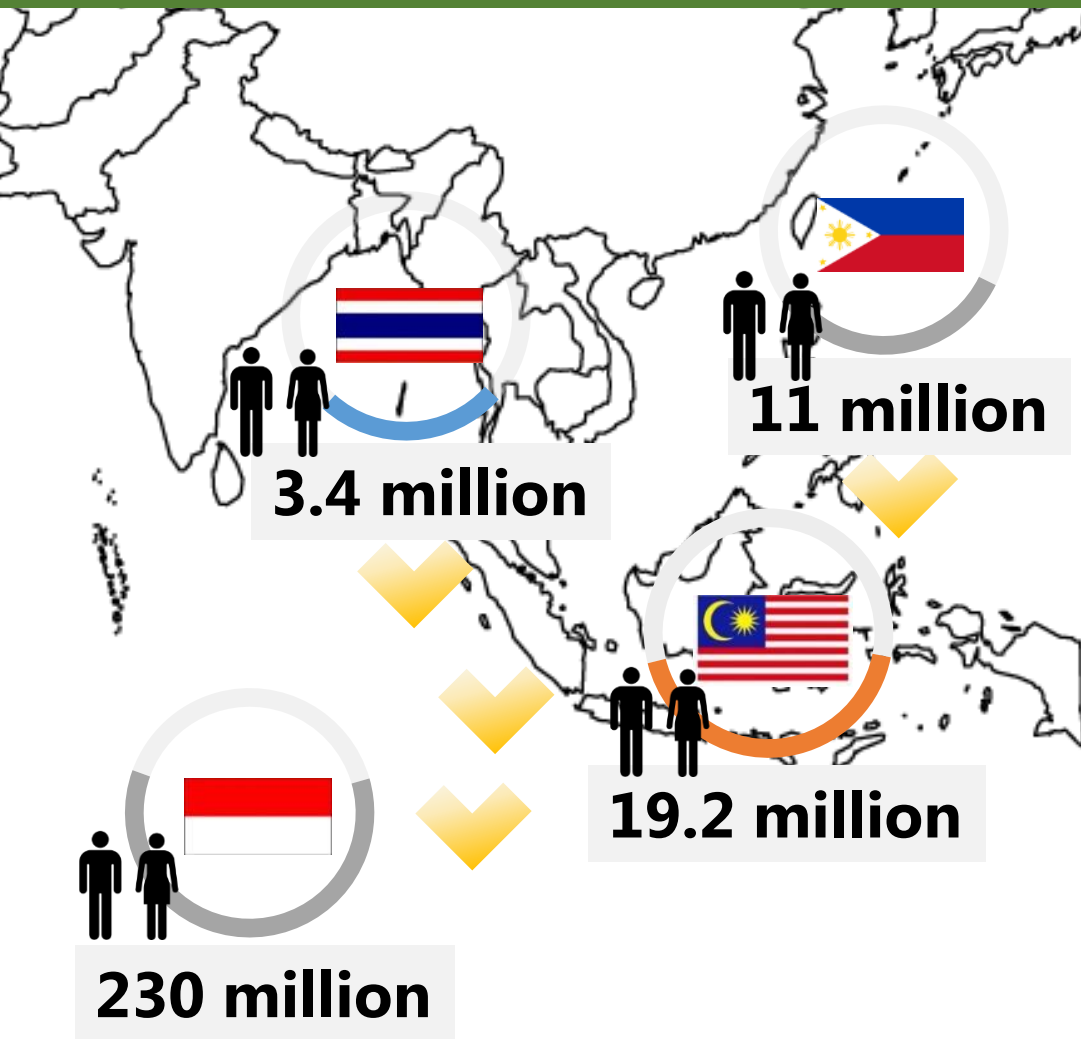
World Muslim Population
Population by percentage (%)

90-100%
80-90%
70-80%
60-70%
50-60%
40-50%
30-40%
20-30%
10-20%
0-10%

HALAL SILK ROUTE THE MARKET : SOUTH EAST ASIA

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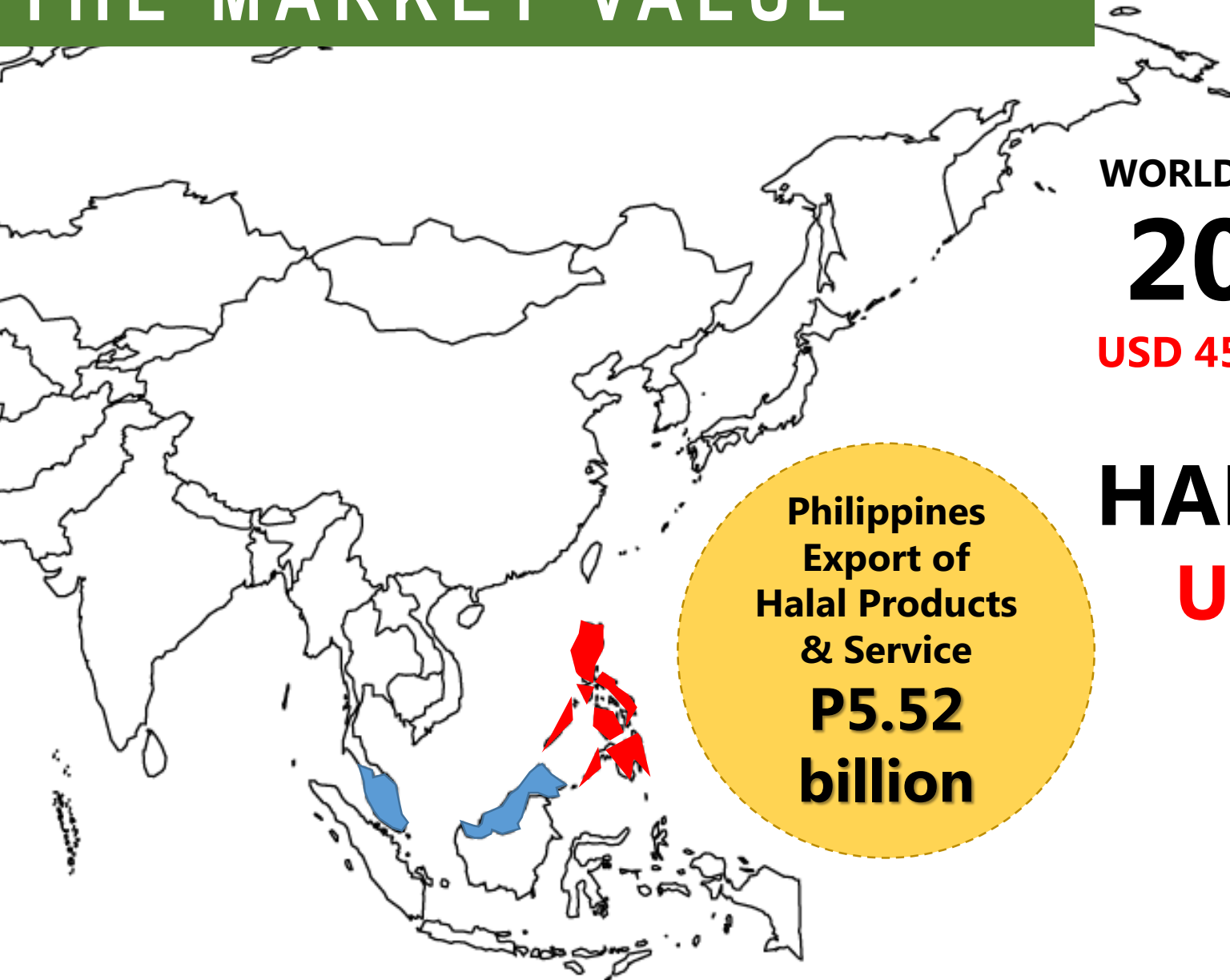
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MUSLIM POPULATION
262 million

MUSLIM PURCHASING POWER
RM1.1 trillion by 2030

HALAL SILK ROUTE THE MARKET VALUE



WORLDWIDE HALAL PRODUCT MARKET VALUE

2016  **2020**
USD 45.3 billion **USD 58.3 billion**

HALAL FOOD MARKET

USD2.6 trillion by 2023

Philippines
Export of
Halal Products
& Service
**P5.52
billion**



TOTAL HALAL EXPORT 2017 :

RM 43.4 billion

HALAL F&B VALUE :

RM 20.1 billion

HALAL SILK ROUTE THE MALAYSIAN ADVANTAGE



JAKIM Certification
- Worldwide acceptance



Government Incentives and Initiatives

- ❖ RM100 million grant for the Halal Industries for SMEs
- ❖ Tax incentives for SMEs
- ❖ Shariah-compliant SME Financing Scheme
- ❖ SME Technology Transformation Fund
- ❖ Malaysia Halal Academy
- ❖ Halal Industry Master Plan
- ❖ Halal Innovation and Technology Centre

Middle East
& Europe

Strategic Location

Located at Straits of Malacca

China

In the middle of **OBOR** trade route

Centre to global Muslim population
(Middle East - Malaysia - China)

HALAL SILK ROUTE THE EXPORTERS' ISSUES

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Why do businesses **fail** to penetrate Halal export market ?



HALAL SILK ROUTE THE SOLUTION



HALAL SILK ROUTE THE SOLUTION



We provide you :

- End-to-end logistics services
- Integrated Halal value-added services
- Hassle free documentation processes
- Competitive transportation cost
- Halalan Toyayiban services

HALAL SILK ROUTE THE WEIFANG EXPERIENCE

Northport sets up sister port relationship with China's Weifang Port



(From left) Northport CEO Datuk Azman Shah Mohd Yusof, MMC Port Holdings Sdn Bhd group CEO Ian James, Che Khalib Najib, Mohd Bakke, Weifang Sime Darby Port chairman Timothy Lee Chi Tim, chief financial officer Alan Tong Yong Han and head of marketing and logistics Lai Ah Chek at the exchange ceremony of agreement and MoU in Beijing on Sunday.

BY SULHI AZMAN

KUALA LUMPUR: Northport (Malaysia) Bhd, an indirect wholly-owned subsidiary of MMC Corp Bhd, has signed a memorandum of understanding (MoU) with Weifang Sime Darby Port Co Ltd, a China-based subsidiary of Sime Darby Bhd, to establish a sister port relationship.

Under the MoU, the two ports will co-operate in port management and facilitate halal trade shipment between Malaysia and China. Weifang Sime Darby Port operates Weifang Port in Shandong, China.

"The cooperation and collaboration for the establishment of a sister port relationship is aimed at boosting the roles of both ports in conjunction with the 21st Century Maritime Silk Road and the One Belt, One Road initiatives," said Northport chairman Datuk Seri Che Khalib Mohamad Noh in a joint statement yesterday.

The exchange ceremony was witnessed by Prime Minister Datuk Seri Najib Razak in Beijing on Sunday.

Weifang Sime Darby Port and Northport said both ports will share experiences, capabilities and resources in the fields of port management and related activities. They will also carry out joint commercial and promotional activities and establish the necessary facilities to attract companies in the shipping and related industries in Malaysia and China.

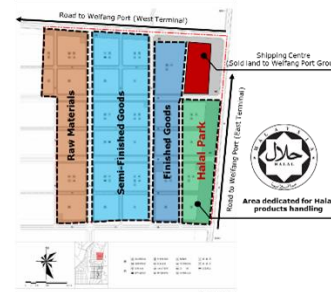
Sime Darby president and group chief executive officer (CEO) Tan Sri Mohd Bakke Salleh said the partnership has great potential to capture a slice of the fast growing halal market. "Halal is big business and this partnership aims to capture a market that is growing by 10% a year. Weifang Port is strategically located in the prime region of the Bohai Sea economic belt, offering a major access into China's hinterland."



潍坊森达美港有限公司
Weifang Sime Darby Port Co., Ltd



- Involved in Ports & Logistics and Water Management in the province of Shandong, in the Eastern China region
- Established Weifang's first halal park to create value in China's halal market in FY2016
- Target to increase total capacity of Weifang Port from 26mn MT to 82mn MT by 2018 and develop a full range of facilities to be a leader in the ports business in the region



Route to Europe & Middle East



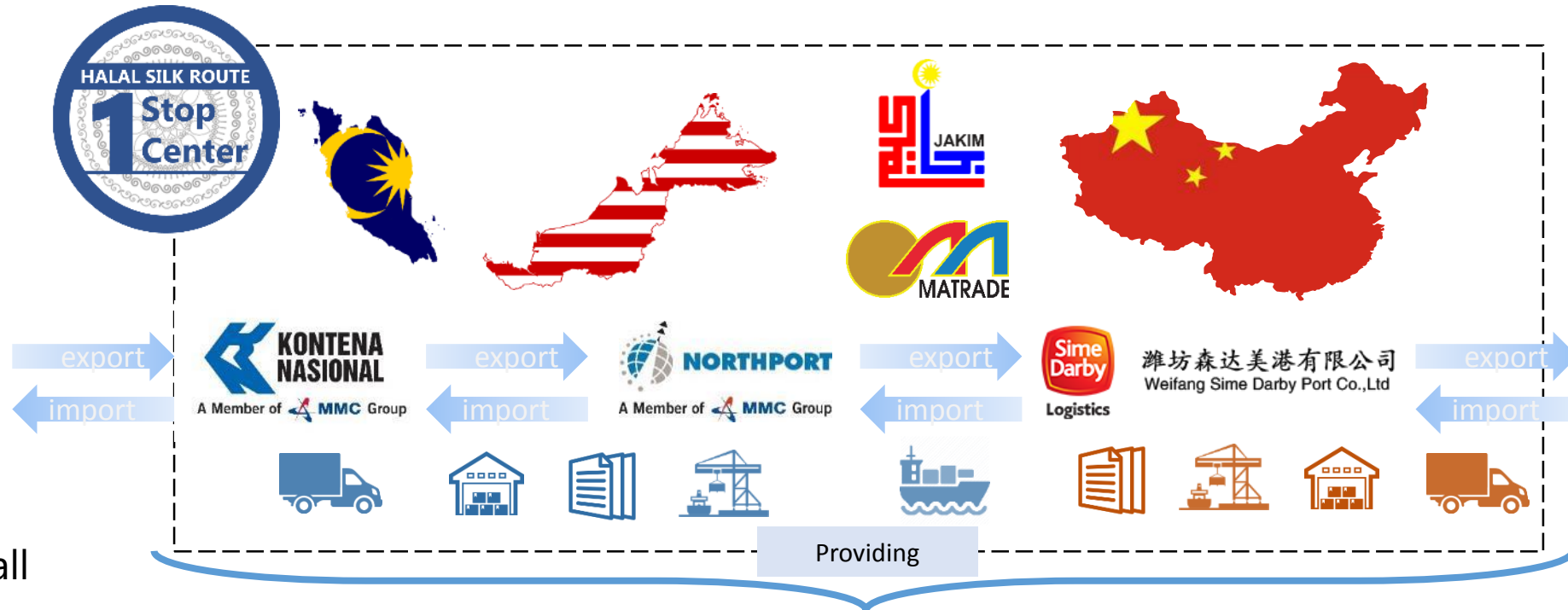
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One Phone Call
One Price
One Stop Center



All In
28
days

Logistical Services

Halal Services

Clearance Handling

- CIQ Clearance
- CIQ Examination
- CIQ Labelling Application
- Custom Clearance
- Custom Examination

HALAL Verification and Registration in China

Container Handling

- Stuffing/ Un-stuffing
- Empty Container (Request/ Return)
- Container Cleaning
- Repair and Maintenance
- Lab Testing

"Sertu"/ Green Islamic Cleaning

Value-Added Services

- Warehouse Storage
- Inventory Management
- Repackaging
- Palletising

Labelling in Chinese

Delivery/ Distribution

- Haulage service



HALAL SILK ROUTE THE WEIFANG EXPERIENCE

Powering the Halal Silk Route

The active collaboration between Northport, Kontena Nasional and Weifang Sime Darby Port is set to change the logistics landscape between Malaysia and China

by HABHAJAN SINGH

ONE phone call, one price and one stop centre to send halal goods from Malaysia to China.

That is the deal cobbled together by a consortium of logistics players with a keen eye to expand their presence in the China halal market. And they are willing to put their money where their mouth is.

"Our pricing is lower than the usual pricing. We will see profit in the volume to come. If we go for quick profits, there will be no repeat customers," Northport (M) Bhd CEO Datuk Azman Shah Mohd Yusoff tells a group of businessmen gathered at a recent trade talk in Kuala Lumpur.

He was making a pitch that would see Malaysia sit at the centre of what they are calling the Halal Silk Route initiative. The initiative has been badged as the missing link that will complete the halal trade value chain globally.

Northport and Kontena Nasional Bhd, both subsidiaries of MMC Port Holdings Sdn Bhd, Malaysia's largest port operators, are leading the charge for the ground-breaking initiative, together with Weifang Sime Darby Port Co Ltd.

They promise customers port-to-port delivery in 28 days, with goods shipped from Northport in Port Klang to Weifang Port, which is one of the most direct routes to the Muslim-majority China regions of Shaanxi, Ningxia, Qinghai, Gansu and Xinjiang.

"We are convinced that this collaboration is the first step towards linking the approximately 2.1 billion global Muslim population through the trade of halal products," Azman Shah said when the maiden shipment arrived at Weifang Port in early May this year.



Seruni Commerce CEO Anisah Shari (left) exchanging MoU documents with Azman Shah on Aug 27, 2018, to create a seamless and integrated logistics system. At the back, from left: Northport corporate services head Asman Mohamed, International Halal Foundation council member Datuk Dr Hafiz Hashim, Jakim halal hub division director Datuk Dr Syazuddin Suhaimi, GLE Resources Sdn Bhd chairman Datuk Subhi Dr Isyuddin, Malaysia Venture Capital Management Bhd CEO Jamaudin Bujang and Axiata Digital Innovation Fund partner Amin Shahe



Northport and Liege Port Authority exchanging an MoU on April 5, 2018, to establish a sister port relationship to boost the trade link and increase the freight flow of halal products between Malaysia and Belgium. From left: Logistics in Wallonia Gil Bernard Platte, Selangor Menteri Besar Amirudin Shari, Belgium Ambassador to Malaysia Daniel Derpemt and Azman Shah

Weifang Sime Darby Port is operated by Sime Darby Logistics, a subsidiary of Sime Darby Bhd. Located in Shandong, it is said to be the largest modernised multi-purpose and comprehensive port in the Yellow River Delta, and an impor-

tant feeder port within the Bohai Rim, according to information at its website.

The port is also a major transit port for bauxite and a key distribution centre for iron ore in central and western Shandong. It is also

the importance of these steps, which can delay shipments.

Building Blocks

The building blocks to the dream began with a memorandum of understanding (MoU) signed in May 2017 during the One Belt One Road Forum in Beijing, China.

The agreement paved the way for Northport and Weifang Port to cooperate in port management and facilitate halal trade shipment between Malaysia and China.

Going by the projected numbers, the Halal Silk Route holds great potential.

By 2030, the Asean Muslim population is estimated to reach 262 million, with a potential purchasing power worth US\$278.5 billion (RM1.35 trillion). For China, its annual halal food consumption is estimated at US\$21.2 billion, of which Malaysia accounts for US\$1.4 billion, which makes up only a fraction of China's overall halal consumption. The global halal food market itself is projected to hit US\$481.1 billion by 2021.

"These estimated numbers provide strong evidence that the Halal Silk Route, which we are working hard to create, will provide great, exciting opportunities for all," said Azman Shah.

Northport had also signed a similar MoU with Liege Port in Belgium earlier this year and negotiations are under way for similar agreements with ports in the Middle East and East Asia countries.

On Aug 27, 2018, Northport signed an MoU with Seruni Commerce Sdn Bhd, a global halal data pool developer which helps SMEs to trade their products to companies abroad and has developed the "Verify Halal" app with the Malaysian Islamic Development Department (Jakim) to enable consumers to check the halal status of a product.

The MoU enables Northport to tap on Seruni Commerce's extensive database and together, the two parties intend to create an integrated logistics system with the objective of turning Malaysia into a global hub for halal trade.

Step by step, the Halal Silk Route linking the global Muslim population seems to be taking shape.

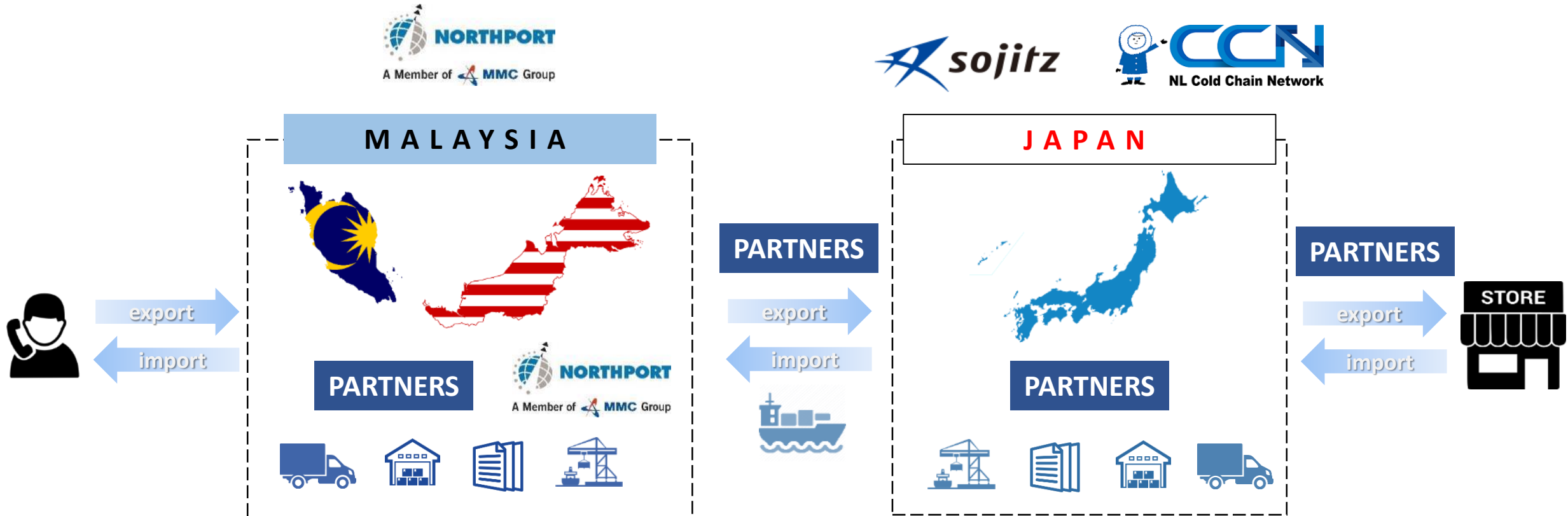


Azman Shah (second fourth from left) and the Malaysian delegation at the launch of the Malaysia-China Halal Silk Route Showcase on May 14, 2018

HALAL SILK ROUTE THE JAPAN MoU

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**Northport, Sojitz and NLCCN will be partners
creating the Halal value chain between
Malaysia and Japan**

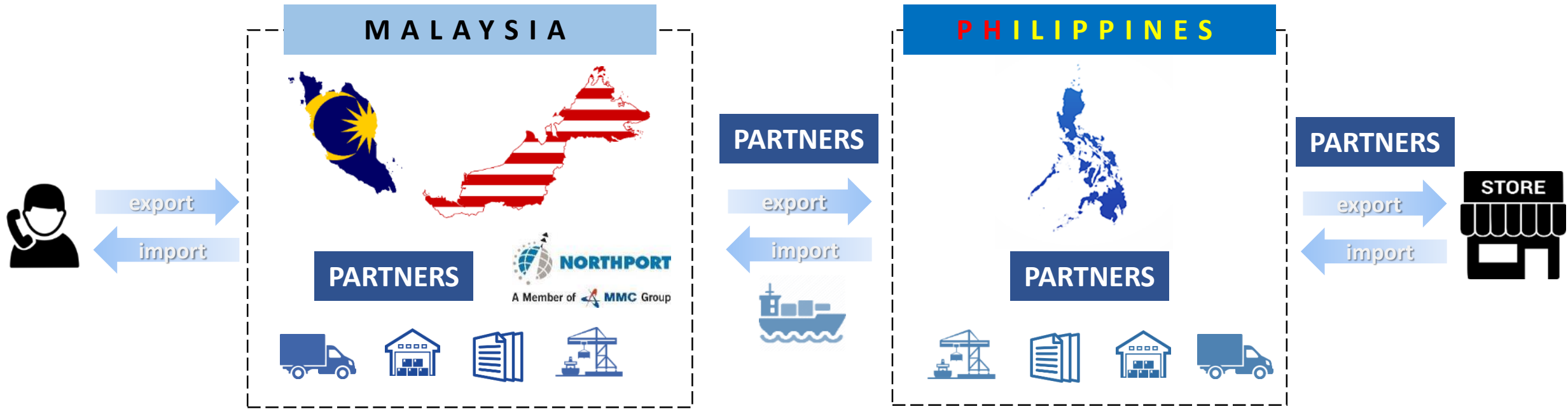
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HALAL SILK ROUTE THE NEXT STEP : PHILIPPINES



**We need to identify the role players and
create the value chain linking Philippines to
expand the Halal Silk Route**

MALAYSIA JAPAN HALAL VALUE CHAIN THE FUTURE OF HALAL TRADE

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Thank You

