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**KUALA LUMPUR:** Malaysia, as a leading nation in the Muslim world, has much to offer in best practices, trade and innovation, said caretaker Minister in the Prime Minister's Department (Economy) Datuk Seri Mustapa Mohamed.

He said the country is a role model for the halal economy, and has positioned itself as a prime mover of the global halal economy.

He added that based on the Global Islamic Economy Indicator score, Malaysia has been ranked number one for nine years consecutively.

Mustapa said the halal economy contributed about 7.5% to the country's gross domestic product (GDP).

He was speaking yesterday at the virtual Global Muslim Business Forum 2022.

He added that the nation currently leads in Islamic finance, halal food, Muslim-friendly travel as well as media and recreation sectors.

"The largest component of the halal economy is the food sector, contributing an estimated US\$31 billion (RM146.32 billion).

"Malaysia is a pioneer in Islamic finance and the industry is quite

► 'Based on Global Islamic Economy Indicator score, nation ranked number one for nine years consecutively'

developed and well-regulated in our country. We are one of the top five countries with the biggest Islamic finance assets, with over US\$619.7 billion in 2021."

He said the nation continues to lead with innovation and last year, it issued the world's first sovereign US dollar-denominated Islamic finance sustainability-related commercial notes.

"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."

He also said the government continues to emphasise the importance of the halal economy.

Mustapa added that under 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.

He said the target is to further increase the contribution of the halal economy to GDP to 8.1%, and generate over US\$12 billion in export revenue by 2025.

On the forum's theme "The Rise of the Global Islamic Economy: Refocusing, Resetting and Recovering in the Post-Pandemic Era", Mustapa said it is consistent with the immense business potential of 1.9 billion Muslim consumers worldwide.

Global Muslim spending reached US\$2 trillion in 2021 across various sectors, such as food, fashion and finance, and this is coupled with US\$3.6 trillion of Islamic finance assets, such as *sukuk* and Islamic bonds.

Citing the latest State of the

Global Islamic Economy Report by DinarStandard, he said consumer spending levels for all sectors of the global Islamic economy, except for travel, had returned to pre-pandemic levels as of the end of last year.

"The outlook for the global Islamic economy is good. Demand for halal goods and services is expected to rise with global spending forecast to hit US\$2.8 trillion by 2025.

"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 three billion Muslims by 2060, which will represent one-third of the global population, according to the Pew Research Centre."

Mustapa also highlighted the important role of digital connectivity in the Muslim world, *Bernama* reported.

Citing Newzoo data, he said 15 of the 50 countries with the highest smartphone penetration rate are from the Organisation of Islamic Cooperation and the demand for Muslim-friendly digital products, from Islamic finance to lifestyle products, will only grow.