

Answers to Questions on Notice

The Senate Economics References Committee

Abdul Ayan

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The Senate Economics References Committee- Halal Certification

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Introduction

I am pleased to answer the questions you have put to me on notice about halal certification in Australia by email on 30 October 2015 to the best of my ability. However I would like to make a number of points by way of an introduction.

Some of the difficulties the Committee has regarding this inquiry are as follows:

- (a) The paucity of written and other information available on halal certification
- (b) The conflicting nature of the information provided to it
- (c) The limited relevance, value and scope of the information provided by various institutions and individuals, particularly in relation to the problems of mismanagement, corruption, conflict of interest and other malpractices as well as on issues of improvements that can be made.
- (d) The unwillingness of halal certifiers to contribute information and ideas on how they manage, operate and control the halal system by writing submissions to or appearing before the Senate Committee.
- (e) The widespread perceptions in the Muslim community that the inquiry was biased may have prompted them not to cooperate with it. Further, the concern that the Senate Committee chose to invite Muslims to appear before it on the holiest festival in Islam (Eid Al-Adha) only added to that perception. There was no explanation or apology which followed. The question raised by many was, would other communities have been treated this way? And that question remains unanswered.

To my knowledge my book *Accessing the global Halal market* (henceforth referred to as “*Accessing the Global*”) may be one of a very few if not the only book on halal certification for business. Chapters 2, 6 and 7 are particularly relevant to this inquiry. They answer many of the questions that you raise in your recent communication. I would also like to refer you to the investigative article titled “The High cost of Halal Labels” in the Indonesian Magazine *Tempo* of 2 March 2014 and its sequel “Other aspects of Haram-Halal” of 10 August 2014. I have provided you with copies of these documents. The articles are particularly relevant and very useful because they address issues of corruption, conflict of interest, mismanagement and abuse of market power in halal certification. The *Tempo* investigations also confirm some of the findings contained in “*Accessing the Global*”- particularly chapter 7. Another likely source of valuable information would be the Department of Agriculture (D.A) although it is not clear how much information it is prepared to divulge on mismanagement, poor management and corrupt practices. I do not know why it has not been more forthcoming than it has been when in fact it knows more than any other entity about these issues.

I now turn to your Questions. The answers below by and large correspond to the headings and numbering of the questions you have raised. In very few cases where they do not, I have tried to limit the extent of any variation I have made. On the whole the answers keep closely to your format. This means that in some cases more answers are provided than there are questions asked for the purpose of clarification and exposition. The following answers are in the form of dialogue. I do not

repeat the questions, for the most part I just answer them. The pronoun “you” is often used in plural form to address the Honourable members of the Senate Economics References Committee as a collective. *I strongly advise that the questions on notice be attached to and be read with this document for better understanding of content and context.*

The terms “non-meat products” and “bottled and packaged products” are often if not always used interchangeably.

The “committee” is often but not always a reference to the Senate Economics References Committee.

I have submitted three written documents to the Committee: a submission, written comments and answers to questions on notice. This is how they are referred to in this document.

Some of the following information may be a repetition of information I have already submitted to the Senate Economics References Committee.

Aus-Halal

1. I am the Principal of Aus-Halal Pty Ltd
2. No, Aus-Halal is not and has never been a certifier. It is by and large an independent consultancy on halal trade & commerce (see appendix 9). It started as a provider of labour hire services to Halal registered establishments around 1989/90. Among the consultancy services it performed was to assist a halal certifier (ICCA- now defunct) and Arabic Society of Victoria to hold three international conferences in Melbourne (1995, 1996 and 1999).

Number of Certifiers in Australia

1. The Number of Halal certifiers serving the domestic Australian market is unknown. It is possible that an individual or entity can claim to be a domestic certifier without having any official registration, approval, oversight or indeed any kind of control in Australia. There are as far as I know no existing Australian legal or administrative barriers to that claim being made. More than that there are also no barriers for a business to claim that it is selling halal products without official approval in Australia in so far there are no false claims that a particular certifier had certified them. I am not certain for example that food served in hospitals schools and hotels that claim to be halal are certified or properly certified. Maybe the government can do something about this at least by way of registration, and a compliance instrument including an operational program- irrespective of whether they are existing halal meat certifiers or new entrants. A simple registration will be a good start so that we know who they are and what they are expected to do. If this is done then maybe they can be listed on a website. They must however come under the oversight of an organisation that monitors and supervises their operations. I have proposed this kind of organisation in my submission and I repeat it in this text for consideration.

There are according to the Department of Agriculture’s (DA) website as of May 2015, 22 halal certifiers (see current DA list in appendix 15). Strictly speaking they are export meat certifiers only. DA classifies them as “Islamic societies” that certify halal meat but the reality is that half of them are not Islamic societies although they claim that they are. Instead they are privately owned business, most of whom are family concerns. Halal certifiers are not all only meat certifiers, some also certify packaged and bottled products. These are not officially registered for this purpose and there is no record or acknowledgement of their existence as certifiers of “processed food” or “packaged and bottled products” in the same way halal meat certifiers are. To my knowledge there is no official information available

about them anywhere. To be sure only Indonesia is involved in non-meat export certification sector and only to the extent that it allows or denies which certifiers can participate in this sector. To my knowledge it has no official certification rules governing this sector and the Australian government appear interested or involved.

The registered and accredited export halal meat certifiers operate under what are assumed to be strict approved arrangements with DA. However this apparently strict control does not manifest itself well when you look at the responses by DA to issues of corruption, mismanagement and misuse of market power by some halal certification organisations. This is all the more surprising given the fact that AQIS (now DA), chairs and operates a Halal Advisory Committee comprising all halal certifiers and Industry representatives, yet appears to have made no verifiable attempts to materially improve halal certification. The Advisory Committee's contribution cannot be shown to be of any substance. If anything the reverse because it lends credence to the notion that something positive and productive is being done when in fact or on balance that is not the case in my view. The important point to make is that DA has no such arrangement with packaged & bottled product certifiers even though this area of commerce is growing rapidly and may ultimately overtake red meat exports if left to operate without hindrance from anti-halal groups. It means that it has absolutely no control over them nor has anyone else.

If the usefulness and functions of the Advisory Committee are highly questionable then those of the Fatwa Committee are even more so. The Fatwa committee is required by most major overseas halal authorities as a key condition to accredit halal certifiers. A fatwa committee is one which is supposed to be knowledgeable and have expertise in sharia law and in science. To satisfy this condition all certifiers claim to have instituted this committee and incorporated it into their structure. But the reality is sharply different. The list appears to exist but it is believed not to be authentic in terms of the qualifications and credentials it is supposed to have. There are even claims that the list is submitted without the knowledge of those who are listed. This deception, serious as it is, is perpetrated merely to gain and maintain accreditation as a halal certifier. One is unlikely to find any record of their meetings or deliberations. The list exists more on paper than it does in reality.

The Fatwa Committee may have a deeper significance. It may be that it is a statement about organisational identity saying that it is in essence a halal entity as distinct from other organisational forms. That identity is given expression in the character and composition of the committee. What we are seeing is some people asserting their claim that a particular area of knowledge and expertise is theirs and they alone can decide how it is applied and rendered in the halal landscape. I am not confident that change is feasible in this area. The degree of difficulty involved would be, no less, a change of mindset. Perhaps one can approach change indirectly by maintaining the principle but not the scope. Instead of a committee it is possible to employ an individual advisor on an as "need basis" in temporary capacity. I do not know even if that is going to be acceptable. But perhaps it is worth broaching the idea. One of the major problems this kind of committee has is that if it is honestly implemented it will add considerable expense to operating halal certification organisations. Perhaps the fictitious construction of the current list with all its faults is the best option we have at the moment.

There are also serious emerging financial issues for halal certification organisations. All halal authorities are increasingly insisting on training certifiers and inviting them to attend different courses in their countries- examples of which are Malaysia, Indonesia and the UAE.

I am also informed some of them are asking certifiers to pay registration/accreditation fees to the tune of \$35,000- \$40,000 per annum. In my view they should not charge any fees except for certifiers to pay to pay for audit visits or conference expenses in Australia. Most halal certifiers can hardly afford these expenses. Government should engage overseas authorities to at least explore what can be done to address these problems. These are high costs and the industry will inevitably bear them.

Labelling – benefits

1. Should halal be more prevalent? It is not a good idea for labelling to be made more or less prevalent by fiat nor to tell companies what they can or cannot label if they are operating within a legally permitted framework. Labelling takes place and is adopted commercially on rational grounds for example supply and demand imperatives or strategic trade imperatives etc. It is not an arena in which government intervention is gladly welcome unless it is absolutely necessary. What the government can do is assist trading companies to act freely and to adopt whatever strategies that will help their overseas and domestic market operations. It can also combat the propaganda, hatred and prejudice perpetrated against halal trade, halal certification and Muslims generally. Not doing so is dangerous for Australia cohesion as a society and its multicultural ethos. It is imperative that we protect our trade and our communities. I am averse to bringing religion to this inquiry on halal certification so as not to conflate issues of certification that are essentially about trade and commerce with Islam and Muslims.
2. The objection by anti-Muslim groups is not to what halal really is, more to the point what the product contains, but what the term represents in their minds or what they imagine it to be. Halal does not contain Islamic things or ingredients etc. or a magic potion that makes people Muslim. In fact a halal product is almost always the same as that which the overwhelming majority of human beings consume including those that are not Muslim- barring for example drugs and pig meat. Often the same product that is available for consumption for non-Muslim Australians irrespective of whether it carries a halal label or not. And these days it is not only a halal label but sometimes multiple labels- Kosher, organic etc. These multiple labels are not there to limit, but attract and massively expand the number of people worldwide wanting to purchase it. The label gives the assurance and confidence to as many people as possible and as many countries as possible to consume that product. For that reason I think it is a capital idea which should be welcomed universally and supported instead of it being constantly debunked and denigrated. If the sales of Vegemite is going to increase by adopting a halal, Kosher, organic label etc. What possible reasons can there be for objecting to a halal labelled product if as is the case that the product has not changed in character or composition? The trend is that the world is increasingly embracing the halal label. We will do well to remember the sobering remarks of the Minister of Agriculture the Hon. Barnaby Joyce endorsing halal certification and his warning that it is extremely unwise to pick a fight on this issue because “the only people who will lose will be us” (see my submission p.11).
3. The biggest advantage of the halal certification system in Australia is the scope of its market coverage in that it captures both halal and non-halal markets. A meat that has been produced halal goes not only to Muslim countries but also to many other non-Muslim countries with or without necessarily having a halal certification label. Halal in this sense is a facilitator par excellence of access to international markets. Halal markets wherever they are, are dynamic and growing fast. Instead of bad-mouthing halal we should be welcoming it and using to good advantage.

Labelling – Meat

1. I pointed out in my submission that there are three types of meat certification representing different stages that the product goes through before it is exported or reaches its sales outlet. The first certification is a *stamp on carcass* which is an internal validation process. The stamp is held by the halal registered abattoir that does the kill, with the halal supervisor representing the certifier having an ill-defined but generally understood responsibility for the stamp as well. The stamp itself is a government issued stamp. It is often referred to as the MS stamp (meaning Muslim Slaughtered). See an *MS stamp* in the appendix of “Accessing the Global” (p. 191).
2. The second type is the *halal certificate* (See appendix 13) which is normally understood to be the real halal certificate. If you hear the term this is the document to which reference is being made. It is a document for outward validation. And it is the primary document on which the invoice is raised by the certifier and on which his charges are based. Not only does it validate the products that had been stamped halal in-house but importantly it aggregates and classifies them into customer specifications- such as particular cuts (See a partially completed *halal certificate* appendix 13 and, an uncompleted one in p. 175 of “Accessing the Global”. It accompanies the product to its export destination or sales outlet. As with the stamp this certificate is a government designed and issued certificate. When completed it carries a *government (DA) stamp*, an *MS stamp* and an *Islamic society (or certifier’s) stamp* together with an authorised signature of the approved senior Manager.
3. The third certificate is called the **interim/ transfer certificate** which is designed for internal management by halal certifiers (see appendix 12 and also appendix of “Accessing the Global” P.176.) It follows the movement, transfer and storage of the product in different locations before shipment. Its main purpose is to insure the integrity of the product(s) and in particular making sure that it is at all times kept separate from and is not contaminated by non-halal or haram products. This is the only certificate issued and owned by halal certifiers.
4. From the above discussion it is clear that the certifier has little effective physical control over certification instruments even though he has a decisive say over whether to grant halal certification or not within the rules, standards and procedures governing halal certification. This is mainly done for security reasons and it is certainly in my view a good and effective arrangement.
5. In answer to your first question under this heading the *Ms Stamp on carcass* and the halal certificate can come from the same halal registered abattoir. The process is therefore complete if the abattoir is also exporting the product. But if the abattoir sells the product to a boning room exporter then the product may either undergo further processing (such as customer specified cuts) or be forwarded as is to its export destination under the name of that exporter. Accordingly it is possible that a halal registered abattoir in NSW or S.A can have its halal products purchased by an exporter in Victoria who will complete the certification cycle. Both the registration numbers of the abattoir and that of the exporter will normally appear in the certificate. To sum up the certificate carries 3 stamps: *an MS stamp*, *a government stamp* and an *Islamic society stamp*. It is generated in and signed by the abattoirs whereby the abattoir aggregates the number of products classifies them as to type according to customer specification, affixes an MS stamp in the presence of a halal supervisor and government officers (where the latter also affix the government stamp). The certificate is then sent to the halal certifier for his signature and stamp which completes the process.

6. They are not required by all importing countries, but presumably they (stamp & certificate) are both required by some of the major halal importing countries. They are nevertheless an indispensable component of the current system of halal certification as well as maintaining its integrity. There is another major certificate without which the process is incomplete and that is the *health certificate*. (To my recollection it is called the RFP).
7. No, there are no separate fees for these certifications.
8. In more recent times some certifiers have introduced charges for registering abattoirs as halal establishments and providing them with a certificate of registration. Some I am informed charge between AUS \$350-450. There is also a trend of charging them for audit and other services. I make this point so that you can understand that the fees charged by halal certifiers are not only about halal certification- in the sense of the certificate referred to above.

Labelling – Other products (packaged & bottled products)

1. How do I know that non-meat is barely controlled? Well I would go even further and say that it is not controlled at all. I don't think you would find anyone or entity (including D.A) that would claim that it is controlled in any way or by any one. This haphazard way of doing things has serious flaws and may have serious risk implications. The risk I have in mind include people, customers or government authorities finding out that the certification represented by the label is not based on any verifiable rules or procedures but that it may well be a sham perpetrated wilfully and deliberately on consumers and relevant authorities. Even the certifiers in this area some of whom are also meat certifiers would not confidently claim to have a system of rules that they follow or abide by. Nor can they claim they are answerable to a particular authority or entity that supervises, verifies or approves certification labels. Some claim they rely on laboratory testing but that is more likely to be fictitious than real. None for example can show the results of any testing they have carried out in that regard.
2. There are in my view a number of ways that this can be improved. Among them:
 - (a) Establishing an oversight halal certification organisation to oversee the operation of this and other sectors of halal certification
 - (b) Developing simple and basic rules for certification in this sector
 - (c) Developing a register of certifiers in this sector
 - (d) Developing a register of halal manufacturers in this sector (if need be temporarily made confidential in order to protect them against being targeted and attacked by anti-halal and anti-Muslim groups)

Among other things the above oversight office will consider and determine on the advice of a standing committee or reference group which products can be certified and which cannot be certified halal (for example grains, water, salt etc.).

3. No I do not think a similar label (under a supermarket shelf for example) as that which you mention can on its own be suitable for halal certification without the products themselves carrying a halal label. A combination of the two would however in my view be reasonable and acceptable to halal consumers. However I am somewhat concerned that I am being dragged into an area which is and rightly should be the preserve of business. I am strongly of the view that business can make these decisions without the interference of government and particularly where certification labels are concerned.

4. And no, I am not in favour of a supermarket shelf identification as constituting the sole method of certification for halal products. Nor do I believe that most halal consumers would accept this formulation.
5. If it is the case, as I believe it is, that certification labels have no officially written rules or procedures on which to rely upon for validation, then their absence certainly raises the question how genuine the claim to halal certification is? The claim can only be made if it can be verified and in the present circumstances it certainly cannot be. It is just that nobody seems to know what standards or rules halal certifiers in this sector follow to justify granting halal certification labels. We do not know and I doubt that the very certifiers who dispense these labels know either with any degree of certainty.
6. The rules and procedures to which I refer are obviously halal rules and procedures which in reality exist however weakly they are applied or ignored by many of the practitioners of halal certification in this country. You need to look at the system of halal certification to be cognizant of the rules and procedures of halal certification. The system is largely based on various standards of halal importing countries. In these standards there are rules on how to do things and the procedures and processes to follow. There is also the halal program and associated process and procedures which all registered halal abattoirs must have and follow in order to produce halal products and services. While the halal meat sector has sufficiently detailed rules, procedures and standards, the bottled and packed halal certified products have no such rules or procedures.
7. The certifiers I know of in this area are: (1) Islamic Council of Victoria (2) The Federation of Islamic Councils (3) Halal certification Authority-Australia (4) Australian Halal Food Services and in recent times Al-Iman Islamic Society (which curiously certifies for and on behalf of another certifier by way of an internal arrangement between the parties). There may be one, two other certifiers who I do not know about.
8. Firstly I think you would know that halal export meat certifiers are on DA website- <http://www.agriculture.gov.au/export/food/meat/elmer-3/list-islamic-halal-certification> (see also copy in appendix 15). May I refer you to my submission and to my written comments to you of 20/09/15 on what is wrong with the list- regarding the nature of the list and the numbers claimed. It is very misleading and incorrect government document. It should not be and it needs to be sorted out quickly. But the idea that there should be a list of certifiers for people to consult is a good one. The problem with that is in the current climate, of anti-halal prejudice and paranoia generated by anti-Muslim groups, it is unlikely that it will be used positively solely for consumer information. It is more likely to be used by these groups as has been the case to date to threaten and intimidate companies and to vilify Muslims. So while consumer information is on the whole is a good thing its use in this way is counterproductive and therefore should not be insisted upon while that climate prevails in Australia. The question is what is the information needed for and what likely use it is going to be put to. It is dangerous to peddle ideas and attitudes that create suspicion, hatred and conflict and I would be opposed to any measures that have as their aim to demonise, disparage or denigrate Muslims or any other community in Australia. Specifically there should be no rules that apply to halal certification solely on account of the fact that it is related to Muslims or Islam. The proper course of action in my view is that the government should not be excessively interventionist in trade and commerce. What it can do is to assist business to access and take advantage of markets wherever these markets may be. Equally importantly it must protect halal trade and commerce from the attacks of anti-halal certification groups. One could not help but observe that government did nothing to combat threats to and attacks on halal certification by anti- Muslim groups in Australia.

Labelling – not clear

1. By saying that some certification labels can be “deficient, wrong or deceptive” I mean the following. First they may not be genuine or appropriately halal certified or that they lack the characteristics of an appropriately certified halal label. In addition the way the label is presented is either incorrect or misleading or both. Firstly a label tells the customer the basic rules of halal certification have been applied to this product. But we now know that this is not often the case as I have pointed out above. Secondly in some cases it is not clear which organisation has certified the product and whether that organisation has legitimate authority to do so. Thirdly the halal inscription on the products has no resemblance to how the products should normally be certified/labelled. In my submission I have referred to a cheese product which had a halal inscription that was obscured by the cover of the package. At the same time the inscription under the cover showed simply the word halal inside a blue circle (See “Accessing the Global” pp.30-31 for discussion and p.179 for copy of photographic image). Unless one knew the brand, one could not possibly trace the product to its source. This label is not only wrong and misleading it is also deceptive. The most serious issue which gives rise to these problems is that this sector is not controlled and therefore certifiers are free to do as they wish without fear of any repercussions.
2. If the question is about bottled and packaged products then it is in my view widespread and uncontrolled as pointed out above. It is clear that there is an urgent need to do something about this in line with my proposed recommendations in this and other documents which I have submitted to the Committee.

Labelling – source of Information

1. A copy of the photograph of the cheese product I refer to above is in the appendix of “Accessing the Global”. It is important to note that this practice is not peculiar to this cheese company. However the problem is more common with companies that import to the Australian market.

Dodgy Auditing

1. It would not be true generally to ascribe uniform views to any community including the Muslim community. But it is fair to say that except for those who benefit financially from halal certification the overwhelming majority of the Muslim community would not be unhappy with reform of halal certification and in particular getting rid of the mismanagement, corruption and poor certification services in halal certification organisations. Many Australian Muslims believe that much of the proceeds from halal certification goes into the pockets of those who run these organisations. Some Muslims believe that the government has chosen not to know for fear of what it might find out and what as a consequence it might be forced to do. Doing nothing is a safe bet. Doing anything is dangerous.
2. No, nothing is being done by the Muslim community to improve auditing and supervision aspects of halal certification and at any rate it is not their role to do so. The authorities in overseas countries have their own favourites, and sometimes one suspects considerations like this underlie the reasons for accrediting some certifiers. At other times it can be due to development or existence of personal or financial relationships or both- more or less anything other than professionalism and integrity rank high in the consideration of who becomes a certifier and who does not.

3. Could existing certifiers improve things? Not likely. The major certifiers have been in this business for more than twenty five years- some even more. The record does not show that they can. I doubt they would know how to, even if they tried. Unless miraculously reversed, the trend as I see it is towards deterioration not improvement. Firstly, they do not have the competence or capability to proceed (and may not even have much interest in doing so). Secondly, they would find it much easier and less costly to rely on corrupt and poor management practices to obtain as much money they can with little or no effort to improve auditing and supervision. If one were to rely on the ill-defined Muslim community to do something then their huge diversity and sheer difference of opinion may frustrate reaching an agreed position. The best way to do something positive and substantive is for government to institute measures that will bring about reform and development of halal certification. At the forefront of this orientation is to establish an oversight organisation that will also serve as the change agent. But an oversight office alone cannot be the panacea; other radical changes would be necessary.
4. Some of the questions in this section and sections before it show the paucity of information at your disposal. I would again refer you to "Accessing the Global", particularly the case study in chapter 7 and the two investigative reports in *Tempo* magazine. They both show how halal certification standards are circumvented and how audits that appear to have been done cannot in fact have been done properly or done at all.
5. Please read the example referred to above.

Corrupt and unethical Practices

1. This topic includes all manner of activities that can be characterised as corrupt, unethical practices and contravention of basic standards of halal certification for which halal certifiers are accredited to perform. Most of this information can be found in *Tempo* magazine and in "Accessing the Global". Some of this information is basically a repetition of statements I have already made in this document or in other written material I have sent to the committee.
 - (a) In the *Tempo* magazine one certifier who has been interviewed admitted to having, together with other certifiers, bribed a halal authority and furnishes sworn evidence to that effect (See, *High Cost of Halal*, p. 17-18)
 - (b) In the same article an Indonesian participant in a meeting in Melbourne with members of a halal certifier was shown proof of money transfers from this certifier to an executive member of the halal authority in Indonesia. The transfers were to the commonwealth bank accounts of the latter. The amounts specified were AUS \$30,000 and 10,000 with the date of transfer of the latter specified as being 27/03/13. (See *High Cost of Halal* p.16-17).
 - (c) The article also identifies conflict of interest issues such as the joint ownership of property by the certifier and the authority. In the article the certifier admits the existence of joint property ownership he has with the authority. The recent Four Corners program on halal certification identified and showed one major case of conflict of interest in the form of joint ownership of property (p.21).
 - (d) The article further details how the authority revoked the licence of a certifier on 1 April 2013 only to reinstate it indirectly by allowing it to establish a new certification business after strong representation from the certifier. The certifier ended up with dual listed certification companies one controlled by himself the other by his son (p.17). Does DA approve this kind of Dual listing; one can only presume it does because it has done nothing to stop it and furthermore listed it

as a certifier with presumably an approved arrangement. This raises the serious questions for example of how many certifiers are allowed to establish and operate dual-listed organisations. It shows how in every respect the rules governing these organisation are inscrutable and opaque. It also shows the level of influence some certifiers have with overseas authorities. Some get what they want through this influence others don't.

- (e) This certifier is also only one of two or three certifiers believed to have a close relationship with this authority. A reflection of this relationship is for example the agreement reached between the certifier and the authority in the form of a document in *Tempo* magazine whereby the former declares his willingness to contribute to the latter. It appears that no other certifier has an agreement of this nature with the authority (p.17). Copy of the contractual agreement is in *Tempo* magazine.
- (f) The authority has also given special privilege to one certifier in Australia to become its sole representative thus giving it greater power (indeed monopolistic power) in the certification business (p.21). A question which needs to be asked is what had DA done to avert or do something about these multilayered problems? How can it be that this authority can act in this way or is allowed to act in this way? What are the consequences of these kinds of actions for the Industry and for halal certification organisations?
- (g) Other equally serious problems are also widespread. They pertain to certifiers circumventing or flouting the halal certification standards they are tasked with and required to uphold. If a certifier does not do so it would clearly mean that the system for which he is responsible to operate is not working to standard at all. On these matters I refer to chapter 7 of "Accessing the Global" where you will find many more example of misconduct and mismanagement. The details in this particular chapter are confirmed, less than two years after publication of the book, by *Tempo* investigations into halal certification in Australia (p.20). These practices are so serious that they technically render the products being produced by these halal registered establishments as haram and therefore unfit for consumption by Muslims worldwide. In the event that this becomes widely known it may well have very serious consequences for Australia in terms of loss of income loss of employment and deterioration in diplomatic relations with valued trading partners.
- (h) *Tempo* magazine provides more damning details of corruption and other malpractices. I shall leave it to you to select the relevant points in *Tempo* and in "Accessing the Global" to get a good picture of what is going on in halal certification. I shall now proceed to the next topic.
- (i)

It defies
credibility that an Islamic society can act in such blatant contravention of the
rules by granting halal certification to a manifestly haram establishment.

(j)

Reporting to AQIS (now DA)

It is not uncommon that audits are poorly done, if in fact they are done at all. There are many major weaknesses in in halal certification and this one is of the most serious. It means that without good and proper audits there is be little or no compliance. This in turn means that the products produced under these circumstances may not be halal at all- some would say are not halal at all. I have not only heard about audits not being done but I have experienced how they are deceptively done. The reason for this weakness in the system is in part it due to the design of the audit form itself (based largely on tick-box method) and in part lack of effective oversight, integrity and professionalism in halal certification. We must have an audit (format and method) which gives us confidence in getting the outcomes we want to have not one which hides or obscures the weaknesses in the operation of halal certification. To demonstrate this point I would like to refer in particular again to the case of the boning room that *Tempo* has investigated in 2014 and the earlier case study in *Accessing the Global* (chapter 7) both of which show no compliance requirements being met and no proper audits being done. It is clear that in both cases the audit system could not have been done or that it was done poorly and deceptively.

Pressure from certifiers on halal export establishments

1. These practices are more common with major certifiers than they are with small certifiers. It is important to note that the majority of certifiers are in the latter category. They have no power or influence over halal establishments- except in terms of that which is normal in transactional relationships. But it is very different where major halal certifiers are concerned. Some of them do not hesitate to exert, sometimes with impunity, their market power and influence to extract concessions or unfair or illegal advantages they would not otherwise have had from halal establishments. What gives them greater power and influence is not their ability or quality of services they provide. Rather it is the number of major halal importing countries they certify for and the influence they have with them- influences which in number of well-known cases are patently undeserved, unethical or illegal. Sometimes it is their monopoly position in the market that accords them considerable leverage in terms of market power. As a results a few do not hesitate to throw their weight around to get what they want from export establishments. This manifests itself sometimes in the form of threats and intimidation of halal establishments who do not cooperate to become willing clients.
2. There are a lot of examples that I know of, and probably even many more that I do not, of these practices. The ones I know of and for which I have evidence or that appear credible are as follows: (I also know that they are well known to DA).
 - (a)

This letter is dated 15 August 2001. it shows clearly how long

these anti-competitive and abuse of market power practices have been going on. (see appendix 3)

(b)

This kind of naked threat imposing exclusivity perhaps is illegal or ought to be. But despite the fact that AQIS (now DA) and ACCC were informed nothing was done to reverse it, ban it or ameliorate this conduct

This has in turn encouraged this certifier & others to act with impunity in these matters. It is indeed puzzling that DA can claim that it takes any reports of misconduct seriously and investigates them expeditiously. This has never been my experience of what DA does or has done and I cannot recall any particular matter of this kind that it has investigated or taken any action that had material impact in changing misconduct or any other malpractice in relation to these organisations.

(d) In or around November 2010 the halal registered establishment

It is not clear whether this was to soften the establishment and to make it accept an ambit claim, but the effect this had on it was to make it panic, because according to the manager at the time the establishment was threatened that its products will not be certified halal for export to Saudi Arabia if it did not comply with the demand.

. The establishment was so stunned it was forced to seek help first from another certifier to which it furnished the attached letter and second to make direct representation to the representative halal authority of in Melbourne. The upshot was that the Director of the authority became deeply concerned that is being used for base and unethical purposes in this way. He made his views known to all certifiers by writing a circular to all of them, informing them that such behaviour is unacceptable and that he would not hesitate to withdraw accreditation of any certifier that abuses

the trust that

He enlisted my help to draft the letter and I gladly did, because it was the first time I saw someone trying to do something positive about the problems that are weakening the performance and conduct of halal certification. It may well have been an idle threat. Unfortunately the Director had his own personal problems, which led to a few major certifiers cooperating to remove him from the position by making representations to . Sadly, He fell on his sword. His dismissal was swift.

- (e) There are also credible reports that similar pressures had been brought to bear on other halal registered establishments including one of the biggest halal exporters . I am informed that has discussed the pressures it brought under with other halal certifiers and that for a time had terminated its relationship with but has since gone back into the fold. I do not know whether will come forward and divulge these matters, but there is a general reluctance or unwillingness to talk about it, lest it may adversely affect business operations. However I know had declined to appear to discuss halal issues on camera with the recent Four Corners program on halal certification.
3. The question of whether an activity or practice is widespread is a difficult question to answer. In terms of threats and intimidation I do not think they are widespread. Small or weak organisations are not by definition in a position to intimidate or threaten halal establishments for any reason whatsoever. They are likely to lose even if they try. So what we are talking about here are very few certifiers who are in a position to exercise power and influence and use intimidation and/or threats as a means to an end. They determine the culture that prevails in halal certifications organisation and their conduct is a guide to what might happen if the activities are left unchallenged.
 4. At present I am not aware of any body or entity
 - (a) That reports on misconduct or oversees halal operations
 - (b) That refers or has authority to report corruption and other misconduct including threats to appropriate authorities
 - (c) That penalises or recommends penalties of serious misconduct, threats, poor performance and corruption

I suppose DA could have performed the above tasks as part of its brief but it has not done so. It is hampered in my view by not wanting be seen by halal certifiers and halal authorities as being intrusive, counter-productive, or unhelpful to halal certification. Whatever the reasons are for its inaction, it cannot have been a positive development for halal certification in Australia. There is also understandably the sensitivity generally attached to trade issues.

5. No punishments have ever been imposed that I am aware of. In serious cases of failure to properly carry out and administer certification requirements (in particular dereliction of duty) and where suspension or revocation would have been in order the record of DA is that inaction appears to have always been its only response. To my knowledge DA has never reprimanded (unless it did so very recently), suspended or withdrawn accreditation from any certifier in serious cases of misconduct or malpractice. I am not aware that it has even sent out a show-cause notice. In fact it has always been in denial that anything untoward has occurred or occurs in halal certification organisations. And in my view this is part of the problem because it encourages culprits to proceed in their merry way and commit more of the same with impunity.

6. The number of our customers and potential customers in halal markets is huge. The income and employment these markets generate in Australia are considerable. It is foolhardy to dictate to them on halal certification. But we can cooperate to achieve mutually beneficial results. There are also laws and rules pertaining to these organisations operating in the Australian jurisdiction which we can independently apply to good effect. We must appreciate our halal customers in Australia and overseas so that they show strong and growing preference for our products and buy more of them than they do other products. With Trade there is invariably a political dimension that is not always apparent; halal and halal certification are no exception. We must not directly or indirectly set out to upset our current halal certification arrangements. Instead we should show our commitment to improving them to mutual advantage. In particular we should encourage change in the direction we want by way of subtly influencing halal importing markets that the changes we propose are good and beneficial for halal trade and halal certification. These are achievable goals over time. But we need the structures, the understanding and appropriate the relationships to bring them about. A halal oversight office can be tasked to carry out this strategy.

I think Saudi Arabia and Indonesia are the only two countries that restrict the operation of each certifier it accredits to operate in a single Australian state. However I understand this arrangement is not always uniform so that in some circumstances both Saudi Arabia and Indonesia have made exceptions. It may indicate that there is some flexibility and that these countries are not necessarily locked into a rigid position of one certifier for each State. I think we should start a discussion with these countries under the banner of reform. But it is imperative to avoid taking decisions unilaterally (unless justified by jurisdictional consideration). I personally prefer that a certifier be allowed to operate in more than one State. The question is how many. I do know that some existing certifiers like Australian Federation of Islamic Councils (AFIC) do operate in more than one State. Opening up the scope of operations of a certifier to cover all states is perhaps not a good idea. But a certifier may be allowed to cover a maximum of two or three states without a mandatory requirement that he should do so.

On Question 5 there are three issues the question addresses or points to. At the outset it is important to point out that only Indonesia and Saudi Arabia specify the Australian State in which a certifier can operate. In my view it is important to widen the number of States one certifier can cover for a particular country. Another determinant of why a particular certifier operates or provide services in any given State is that an exporting company has chosen it whatever the reasons for that choice might be. A third determinant is the influence that a certifier is able to exert on a company to choose it in preference to other competitors. This influence is only available to certifiers who can and are able to use their power to achieve the results they want. While it is not always the case that certifiers are the dominant players in game of who certifies for a particular company, stronger certifiers are better able to get more favourable outcomes than small ones. Increase in the number of certifiers may appear to be a panacea for increased in competition. But by itself I believe that it is not. We now have 22 certifiers. That in my view is too many. Their contribution is simply a crowded landscape. They have achieved nothing in the way of healthy competition. Far more important is the calibre, capacity and professionalism of organisations operating in the market, not just how many of them there are.

Importing country restrictions to certify in one state

1. No I do not know of any firm support within the halal certification Industry for my proposal to remove limiting certifiers to one state. The limit as pointed out above is only imposed by Indonesia and Saudi Arabia. Other Muslim Halal importing countries normally accept certification by any certifier in Australia. But they are not the major halal importing countries like Saudi Arabia, UAE, Indonesia and Malaysia whose standards and systems are relied upon by other Muslim countries.
2. I believe however that there is widespread support for, and certainly no strong objection to, removing this restriction from both business and from halal certifiers. The question is, is it acceptable to the countries that apply this restriction. As pointed out above it would be inadvisable to act unilaterally on this matter. Far more important than this issue at present is the calibre and competence of halal certifiers which can only be described as woeful. It is also equally important to have the oversight organisation I have proposed to have reserve powers that enable it to become a certifier of last resort so that business do not find themselves totally dependent on one certifier in the event that that certifier is unable or unwilling to provide halal certification services. The last resort provisions can be applied in circumstances where need arises including in urgent conditions or where overseas halal authorities overtime show preference for this organisation compared to existing certifiers. It would be a good idea to keep this strategy in mind if we want the oversight organisation to develop into a fully-fledged certifier. But at this point in time we should not speculate on what might be and get ahead of ourselves.

Multiple standards

1. The halal standard constitutes the rules, values and principles that form the bases of halal certification. The term halal is defined in Islam as that which is good, wholesome and pure. Underlying the halal standard is the principle of permissibility which states that everything is permitted for human consumption except for few specified products. But the preoccupation of halal in terms of a system is not so much the things that are permitted but the few products that are prohibited. The purpose of halal certification is not in fact halal itself but the validating the absence of haram in the composition of the products that are offered for sale or consumption.
2. While it has a religious foundation halal certification is about international trade. The halal standard is and ought to be a universal and uniform standard. However national standards have developed to obscure and overtake the uniformity of that standard. For this reason the different halal standards do not have strong foundations in Islam. For discussion of this issue and the paramountcy of the halal standard see *Accessing the Global* (pp.124-127). For the most part the current nationally based standards while not uniform are not radically different. That is why I would urge the Australian government to engage the major halal importing countries and influence them to move towards the adoption of a uniform halal standard. This is by no means an easy task but it is doable. We need to take the initiative to encourage these countries towards this initiative. One of the barriers to moving towards this objective is the psychological barrier regarding perception about cultural difference which puts such initiative in “the-too-hard-basket”. The main standards that are currently in operation in Australia are: the Indonesian halal standard, the Malaysian halal standard, the

Saudi halal standard, the UAE halal standard and the Singapore halal standard. Some of these are well developed others are not. While it is admittedly difficult to bring about a uniform halal standard, it is in the realm of possibility to cooperate on devising a uniform standard for UAE and Saudi Arabia Halal which covers all Gulf Cooperation council States and the rest of Arab Middle East. A separate one can be developed for Asia- which probably is more difficult to achieve. In the long term the objective is to bring about a universal halal standard. It is exclusively the prerogative of Muslim countries to develop the standard. The idea of a uniform and universal halal standard has strong foundations in Islamic tradition and law. By contrast a national halal standard has no such foundations. A uniform halal standard if agreed to would not be a new document. It would be for the most part integrating the content of different standards into one with allowance for national specific variation (see Accessing the Global pp. 124-127 and 140-142).

3. I am not aware that national specific standards substantially or onerously increase red tape but it is nonetheless difficult to juggle different standards and do things that are subject to their differing requirements. They are inefficient in that sense and in other senses. That the standards are not markedly different and have often identical provisions helps provide a certain degree of facility & manageability compared to standards that are based on different principles and rules. What it would like would be the same as for example the Malaysian Halal Standard of 2009 which you can find by following this link. <https://firatozel.files.wordpress.com/2011/08/halal-food-malaysian-standard.pdf>. I am sure there are more up-to-date versions of this. But it will be a good point of reference to get an idea of what it might look like.
4. As with current standards the document would be approved by all major halal authorities (Saudi Arabia, Indonesia, Malaysia and UAE) and in this sense they will jointly own it. They will rely on it as the foundation of the certification system and it will apply not only in Australia but also globally. The initiative will also require some funding but if this result if achieved it will be worth more, indeed much more, than any cost incurred in the process. As with the current standards, the universal standard will be overseen by DA, the halal authorities, the oversight office if established and implemented and by halal certifiers and complied with by halal business establishments.
5. The answer to this question is included above.

Transparency/ Accountability

1. How many are not transparent and/or accountable? Probably most if not all. This problem goes to the very nature and structure and operation of these organisations. I believe a much higher order of importance is attached to transparency accountability as well as to management and operation in privately owned halal organisations than in “Islamic societies”. Whereas the Muslim community normally expects Islamic organisation to be highly representative and accountable this in reality is rarely the case. Similarly while professionalism is highly valued in Islam in practice behaviour of Muslims in these organisations it is markedly different. The biggest halal certification organisation for example has two people at the helm (chairman and head of halal services) who are barely literate. It is difficult to expect organisations with this type of educational and professional profile to provide high quality halal certification services or be transparent or accountable. One of them is also the Chief Executive officer of an Islamic college. Credentials mean little or nothing in this landscape.
2. Many of these organisation do not hold regular meetings, they do not report to members of their community. They say they provide finances for community programs when in fact they

do not. It is difficult to find out how decisions are made who makes them and towards what end. It is imperative to have regular meetings in organisation because that is where decisions whether financial, technical service provision etc. are made or ought to be made. You would be hard pressed to find a meeting where the affairs of the organisation are discussed and recorded. One of the very few meeting held is the annual General meeting and this is done for no purpose other than to satisfy the conditions of the Act under which the organisation is registered as a business or community organisation.

3. It is important to look at the context in which these terms were used in my submission. At the outset I state that certifiers have a lot of problems to be sorted out. These problems relate to how they manage, control and render halal in the marketplace. Everything about them appears to be obscure, ill-defined and opaque. This statement is made with a view to understanding what kind of organisations they are. We immediately find out that they are not what they appear to be. They say and the government tells us that they are Islamic societies only to find out that most of them in reality are not. Instead about half of them are privately owned organisations. Look at how these disguises are presented to us. The government tells us there are actually 22 of them yet we find this count is misleading and that there are less because among them are dual listed companies. Then some of the certifiers claim they are halal authorities, but this is deceptive because that is not what they are in reality. However they confuse us by claiming to be both. It is difficult what sense to make out of this but it is no doubt extremely confusing, deceptive and misleading. And that is not all they tell us they have *fatwa* committees comprising scientists and Islamic law experts. But this simply is yet another likely deception on the part of the majority of certifiers. I doubt very much they can produce deliberations or meeting of such committees nor can they provide evidence of the qualification their committee members claim to have. All this exists only in the realm of the imaginary; the reality is sharply different. (please see my written comments submitted to you on 21/09/2015 pp.1-2)
4. This understanding is based on a number of factors. For most halal certifiers
 - (a) Their communication capabilities are poor and, so too are their professional and educational profiles
 - (b) The English language skills of some is perhaps even poorer
 - (c) They are not sufficiently capable of managing an organisation whose clients have sophisticated & complex needs
 - (d) They do not seem to have abilities and skills to contribute to halal development
5. What enables many of them to function with these minimal capabilities is that many certifiers rely largely on the halal establishments to do as they will, which can cause serious problem for halal registered establishment- especially when visiting overseas halal authorities come to investigate. The wheel therefore turns without the certifiers deficiencies being overly exposed. In part it suits halal establishment that they are not under what even remotely can be called strict supervision. A large part of the audit work requires good communication but is dispensed with quickly or is kept to a minimum. For much of their relationship certifiers and establishments remain apart free from active and effective communication. Sometimes this may not be seen as unhelpful by halal establishments because when the box ticking is over the audit comes to a successful conclusion and so it goes on. Everything is then back to normal unencumbered by audits and standards to be observed.
6. I suppose extensive reform is the answer. I doubt however this can be achieved to the extent that many of us would want. Maybe we have to come to terms that change maybe instituted more gradually than probably we would like unless we have the full cooperation

of overseas authorities. The underlying problems are issues of organisational competence, structure and values and this is unlikely to occur without a bold and sweeping reform. We need in effect to professionalise halal certification as much as we can.

7. I do not know and indeed could not know how often communication takes place nor the value of that communication. All I know is it is very limited in scope and extent.

Slaughtermen

1. I believe the current system for registering halal slaughtermen is reasonably good and adequate for purpose. I do not know whether certificates or testimonials should be introduced to allow portability of skills and employability of slaughtermen and halal supervisors. But I think this is an idea to be considered.
2. The abattoirs generally provides in-house training for new halal slaughtermen and supervisors. A halal certifier rarely involves in training a prospective slaughterman or supervisor beyond nominating him for employment. There are few cases however where the certifier provides in induction as to what is expected of him as slaughterman or supervisor. Halal establishments normally take care of that and they do complain about registration or training. I suppose in a way it suits them. I would be disinclined to upset this arrangement.
3. Yes, a halal supervisor is a male practising Muslim of sound mind and body.
4. The current system for training of slaughtermen is adequate and fit for purpose in that halal establishments take care of it. There are no apparent problems with it now and therefore no need to interfere in its operation.

Fees

1. I cannot provide you with any information about fees charged by halal certifiers because it is dated. Since I am not a certifier I would have been reluctant to do so even if I had it because that kind of information is normally commercially in confidence between the parties concerned.
2. I do not know what is meant by whether fees charged are adequate. But if it means reasonable then that in itself is highly subjective and can be open to various interpretations. But from my point of view I would say yes, they are generally reasonable but with very few exceptions which I have referred to elsewhere and given that there have been no serious complaints about them. There may be a few exception such as that to which I have referred to in my submission and above.
3. The reference I have made in my submission to the high increases in registration fees by an Industry organisation was simply a point of comparison with fees charged by halal certifiers. It was not a criticism of the former. It was a comparison of like with like with the conclusion that, if looked at this way, then the fees are not high. I particularly underlined the point that the fees charged by halal certifiers have remained low over the past 20 years or more. It is a different question if you consider the quality and volume and services they provide-including the level and quality of communication between them. And if you ask the question then, are the charges commensurate with services? Then the answer is that most probably not.
4. I have absolutely no knowledge why registration fees have gone up. I am in no way critical of the rise of fees as the industry will absorb that which it can bear and it seems there are no issues to my knowledge that have been raised regarding this matter. I am sorry I cannot offer an explanation on this.

Too many certifiers

1. Let's first find out how many certifiers we actually have. The government's figure of 22 may not be correct. We need to resolve if there are dual listed companies and whether it is acceptable to have them. If they are, what are the grounds for having two certifiers that are in fact, if not for a technicality, the same? Does this have implications for certifiers satisfying the "fit and proper person" tests and having approved arrangements with DA.? There is the all too important question of legal identity & nomenclature: Are "Islamic Societies" halal authorities or simply halal certifiers or are they both or allowed to be both? There are some who claim to be both but I do not think that is credible. After determining these issues, it is possible to say more accurately how many halal certifiers there are. But we cannot just simply accept the figure of 22 Islamic societies given by DA as reliable.
2. If we assume that there are actually 22 certifiers, Yes, I believe having that number is unnecessarily too many. They do not contribute to better services or to good or healthy competition. If anything the opposite. They overcrowd the certification landscape. Because they have difficulty breaking into the market they are often forced to make short cuts and take unviable decisions in terms of pricing and provision of service as pointed out in my submission. They therefore remain on the fringe, when the big certifiers with muscle exert their power to have it all. A more appropriate number than the one we currently have may be about half that number (maybe 12 or thirteen). A few years ago the number was close to the proposed number.

Oversight office (lack of regulation)

1. Please see attached a set of proposed recommendations the principal one of which is establishing an oversight office. My conception of this office is that it be an " independent" or "semi-independent" organisation presided over by a committee with a chairman. Members may include senior members of the Muslim Community, a senior representative of DA, one or two business representatives and 2 or 3 certifiers with revolving membership. The idea is to give this organisation a status at par with that of an authority in major halal importing countries. For some of the functions of the organisation see attached document.

Categories of certifiers

There is considerable overlap in the categories of halal certifiers. Almost one half are privately owned enterprises. That however does not stop some of them claiming also to be Islamic societies. Conversely some Islamic societies are in fact run and owned by families usually father and son. This is not to argue in favour of a particular category but to point to the lack of clarity to the kind of organisations we actually have. I have indeed no objection to a particular certifier being a privately owned enterprise or an Islamic society or any other. What is important is whether it can operate effectively as a halal certifier and has good service provision credentials.

"Disguised certifiers"

It is possible that about eight or nine- or say a third of current certifiers- may not be considered to be Islamic societies. For these certifiers it is just a means of getting accreditation from overseas authorities who insist on this as the key or perhaps the only condition to qualify for accreditation as a halal certifier. I am personally of the view that the current "Islamic society" model is not particularly appealing as a good organisational model. This is not because it is an Islamic society

but because it has little to commend it as a professional, efficient or ethical model. It's largely deceptive claim to being an Islamic society when in many instances it is not makes it even more unappealing. A far better model can be devised which combines Islamic and professional characteristics (see Accessing the Global Ch. 6).

Meat in Australia

No. I do not know.

Conclusion

In conclusion it is important to emphasise that the so called approved Islamic societies that certify halal food represent and are practically the agents of overseas halal authorities. These authorities choose and accredit them to ensure that products exported to their countries satisfy prescribed halal standards. But they operate under Australian jurisdiction and are therefore subject to its laws and regulations. There are many areas in the operation of halal certification organisation that Australia can act independently to bring about major positive changes. There are also circumstances in which we need to cooperate & consult with above authorities to bring about some of these changes. Because of the dual nature of controls under which certifiers operate we should be cognizant of the need for cooperation whenever necessary- but certainly not in all matters. We need in particular to independently professionalise the provision of services to industry and subject halal certification organisations to an integrity test in their operation and management in the same way other business institutions are required to do. We should not be in denial about the many problems in halal certification organisations. We should acknowledge them, identify them and take appropriate action to remedy them. We must nurture, develop and support Halal certification and halal trade because it is important for Australia's economy and diplomatic relations. We would be remiss if we do otherwise.

Despite my strong disagreement with the way it was brought about, I am glad to say that I have been of service to the Senate inquiry on halal certification through my submission, written comments, appearance before it and answering questions on notice. I value the work you do and hope that this inquiry will be productive and beneficial for Australia's trade and commerce in halal products and services. I thank you for the opportunity to contribute and to appear before you.

I propose a set of recommendations below based on the written material which I have submitted to the Senate Economics References Committee including the above answers to your questions on notice. Some of the recommendations require cooperation and endorsement of overseas authorities to adopt, the others can be adopted independently without reference to them. They also involve varying degrees of difficulty in adopting them and making them operational.

Proposed Recommendations

I propose the following recommendations:

1. That the number of halal certification organisations be reduced from 22 to no more than 15
2. That the official name of the organisations that certify halal food be changed from “Islamic societies” to halal certification organisations (or halal certifiers)
3. That henceforth the term “halal authority” should only be reserved for and be a reference to organisations that control or have supervisory functions over or in relation to halal certification organisations
4. That halal certification organisations be approved subject to the condition, among other conditions, that they satisfy both professional standards and Islamic credentials
5. That the exclusivity of “Islamic Societies” to certify halal products be removed and expanded to include privately owned professional organisations (as indeed appears to be implicit but not openly acknowledged in current arrangements)
6. That halal certifiers of non-meat products for export or for domestic consumption be registered and required to have a simple and brief approved halal program
7. That manufacturers of non-meat halal products be registered and be required to have a simple approved halal program
8. That halal certification labels be required to bear the name of the issuer of the label and the manufacturer of the product so that in both cases they can be traceable to source.
9. That an existing halal certifier be prohibited from owning and operating another certification entity without prior approval from the government or its appointed representative
10. That the supervision and auditing (including method of auditing) of halal registered establishments be revised and strengthened to ensure that they are done properly so that they reflect accurately how the halal system is operating and the level of compliance of the said establishments with the halal standard(s).
11. That Australian halal certifiers be prohibited from selling the same products they certify in competition with Australian businesses in overseas or domestic markets (refer to my comments before hearing p.2)

12. That halal authorities together with the DA develop a set of open and transparent credentials for accreditation of halal certification organisations that include professional qualifications and competence and that this be available publicly or on demand
13. That halal certification organisations provide details of any funds they contribute to Muslim community programs and projects, how that money is distributed to whom and on what criteria.
14. That the limitation placed on a halal certifiers to operate in only one State in Australia be removed and instead that 2 or 3 certifiers be allowed to operate in most States.
15. That the government in cooperation with halal authorities (particularly in the GCC countries) work towards the development of a uniform halal standard
16. That penalties be imposed for deliberate contravention of halal regulations by halal certifiers both regarding legal requirements in Australia and in respect of specific misconduct relevant to halal certification operations
17. That “Fit and Proper Person” conditions for accreditation of halal certifiers be retained, strengthened and rigorously enforced and that the current laissez faire approach to enforcing this test be abandoned.
18. That sanctions be developed to prevent halal certifiers from falsely claiming to be” Islamic Societies” or “halal authorities” when they are clearly not
19. That the government establish an Independent Oversight Office to among other things:
 - (a) Supervise and help improve performance & conduct of halal certification organisations
 - (b) Initiate, develop & implement reform measures
 - (c) Stage information sessions seminars and International halal conferences
 - (d) Promote & engender confidence in halal trade and commerce
 - (e) Work closely with Government and Industry on halal certification
 - (f) Work closely with the halal community on Halal certification
 - (g) Act as reserve or back up certifier in the event of certifier(s) unwilling or unable to provide certification services or whenever circumstances demand it
 - (h) Ensure appropriate halal standards, procedures & processes are followed
 - (i) Ensure that halal certification and labelling are legitimate, clear and traceable to source
 - (j) Improve the accountability and transparency of halal certification organisations
 - (k) Maintain and strengthen Australia’s relationship with overseas halal authorities
20. That the independent halal office in cooperation with Government further
 - (a) Help develop a simple transparent compliance system for certification & labelling of packaged and bottled products that are closely aligned with existing certification system of red meat
 - (b) Set out appropriate boundaries for halal certification of non-meat processed products in line with halal principles in consultation with halal authorities & certifiers
 - (c) Work towards the development of a uniform halal standard
 - (d) Work towards the development of a transparent and strict criteria for the selection of halal certifiers based on professionalism, integrity and competence

21. That halal certifiers must not do things or act in ways that are contrary to their role as providers of halal certification or bring the system into disrepute and in particular:
- (a) Refuse to certify or threaten to withdraw certification from halal registered businesses without a clear and justifiable reason (for example, deliberately failing to comply with halal standards, programs and processes)
 - (b) Seek or obtain agreement from a registered business for advance payment of fees and charges prior to providing the relevant services to that business.
 - (c) Unfairly discriminate between halal registered businesses in the provision of halal certification services.
 - (d) Claim or seek to obtain sole representation of an overseas authority in Australia or a State in Australia unless endorsed by the government
 - (e) Own property or a business jointly with a halal authority or give or offer financial inducements to a halal authority to gain advantage or obtain accreditation or renewal of licence as a halal certification organisation

The above proposed recommendations are neither thorough nor comprehensive. They are intended as pointers to the issues raised in this document that might be addressed and how to address them. They appear in no particular order in reference to this document or other written material submitted to the Senate Economics Reference Committee. It is possible to extract more recommendations from my written material but because of time constraints I was not able to do it.