



MINISTRY OF DOMESTIC TRADE AND CONSUMER AFFAIRS

**GUIDE BOOK ON  
ENTRY OF SME HALAL  
PRODUCTS  
INTO  
FOREIGN  
AND  
LOCAL HYPERMARKETS  
IN MALAYSIA**

In collaboration with



Halal Industry  
Development Corporation





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## WELCOMING REMARKS BY MINISTER OF DOMESTIC TRADE AND CONSUMER AFFAIRS (KPDNHEP)



I welcomed the publication of this Guide Book on Entry of SME Halal Products into Foreign and Local Hypermarkets in Malaysia and presume that the publication of this book as the right move towards helping Small and Medium Enterprises (SME) entrepreneurs in this country to expand their marketing network. The publication of this guide book is a collaborative effort between the Ministry of Domestic Trade and Consumer Affairs (KPDNHEP) and the Halal Industry Development Corporation (HDC). The objective of publishing this guide book is to ensure quality improvement and to develop the potentials of halal products produced by local SME entrepreneurs both in the domestic and international markets.

I urge all parties, especially the local SME entrepreneurs, to make full benefits of this guide book in ensuring the products and services that they produced could meet the basic criteria and specifications to be marketed in foreign and local hypermarkets in Malaysia. Local SME products are competitive to foreign products in the market and are able to fulfil the taste and trust of users, generally.

I am confident that this guide book can be the source of reference to help more local SME companies to penetrate into the network of foreign and local hypermarkets in this country as well as consistently complying to the basic standards in production of products.

Best Regards.

**YB DATO' SAIFUDDIN NASUTION BIN ISMAIL**

Minister

## WELCOMING REMARKS BY SECRETARY GENERAL, MINISTRY OF DOMESTIC TRADE AND CONSUMER AFFAIRS (KPDNHEP)



Assalamualaikum warahmatullahi wabarakatuh *dan salam sejahtera*.

Syukur to Allah S.W.T., for with His permission, I am able to record a message in this Guide Book on Entry of SME Halal Products into Foreign and Local Hypermarkets in Malaysia. This publication is one of the medium to deliver information and procedures on entry of SME products into the foreign and local hypermarkets in Malaysia.

This guide book is another initiative by KPDNHEP in helping to promote local SME products to a bigger market, especially at the hypermarket level in this country. Besides that, this guide book is also a continuous effort by the Ministry in helping SME entrepreneurs to effectively market and promote their products.

Local SME entrepreneurs have proven that they are able to produce quality products in bigger quantities in line with the criteria set by the hypermarkets in Malaysia, should they be given the opportunity in a wider marketing network. In relation to that, local SME entrepreneurs should grasp this chance and opportunity to promote and improve their product quality from time to time.

I hope that all parties, either the local SME entrepreneurs or the hypermarkets, could play a more proactive and aggressive roles in helping the Ministry to market and promote local SME products through their respective network. The cooperation of all parties is highly expected in helping to uphold halal products produced by local SME in Malaysia.

Thank you.

**DATO' SRI JAMIL BIN SALLEH**

Secretary General

Ministry of Domestic Trade and Consumer Affairs

## WELCOMING REMARKS BY CHIEF EXECUTIVE DIRECTOR, HALAL INDUSTRY DEVELOPMENT CORPORATION (HDC)



Alhamdulillah, all praises and gratitude to Allah SWT, in due of His Blessings, this Guide Book on Entry of SME Halal Products into Foreign and Local Hypermarkets in Malaysia is successfully published.

Highest appreciation goes to the Ministry of Domestic Trade and Consumer Affairs (KPDNHEP) for the cooperation given in ensuring publication of this Guide Book. Appreciation should also be awarded to all Government agencies and hypermarket companies involved, for their endless support that have been given so far. It is very proud indeed because Halal Industry Development Corporation (HDC) was given the opportunity to be involved as part of this guide book's preparation initiatives.

I believe that this Guide Book will benefit the local Small and Medium Enterprises (SME) through preparation of comprehensive and dynamic information to be the main source of reference for the entrepreneurs. This is one of the Government's efforts and commitment to empower the development of the country's halal industry in line with the Government's target to make Malaysia a renowned Global Halal Hub by 2020.

Therefore, it is our hope that good efforts like this be given continuous attention and support by all parties so that the local SME, especially halal entrepreneurs, will continue to be successful in improving market access for products as well as existing halal services.

**DATO' SERI JAMIL BIDIN**

Chief Executive Officer

# PREFACE

## FUNCTIONS OF THE GUIDE BOOK

This Guide Book on Entry of SME Halal Products in Foreign and Local Hypermarkets in Malaysia is one of the steps taken to reinforce prior initiatives which have been provided in contributing towards the enhancement of existing business, especially in expanding the marketing of Halal products made by local SMEs in Malaysia.

The objectives in publishing this Guide Book aims at:

- Enhancing readiness level of local SME to compete in penetrating the domestic market;
- Enhancing knowledge relating to conditions and procedures on entry of SME products into foreign and local hypermarkets in Malaysia;
- Assist SME entrepreneurs in establishing organized and thorough planning/strategy to increase their level of services and delivery efficiency as well as understanding business strategies (promotion, supplies and effective distribution); and
- Enhancing productivity of the local SME and industry by applying more comprehensive and practical business values, educated and knowledgeable in setting the business direction.

Besides that, it is another source of reference and distribution of clearer details in providing very important informations relating to Halal, the key criteria required and procedures of halal product entry into foreign and local hypermarkets in Malaysia, to those who are interested in making the necessary preparations.

With this initiative, local SME would be able to gain as much benefit as possible from all the information provided in this guide book. Local SME would be able to meet the standards and requirements that have been set in exploring bigger opportunities in the global halal market.

## KPDNHEP INVOLVEMENT WITH FOREIGN AND LOCAL HYPERMARKETS IN MALAYSIA

Cooperation among the foreign hypermarkets in Malaysia such as AEON, AEON BiG, Giant, Tesco and Lulu Hypermarket and Mydin, representing a renowned local hypermarket in Malaysia, is helping local SMEs as well as giving them the business opportunity and space in their respective hypermarkets.

The purpose of this cooperation is to provide the opportunity to local SME with high potentials and those wanting to spread their wings in foreign and local hypermarkets in Malaysia. Apart from that, it could widen the domestic market especially through branches of the foreign and local hypermarkets that are spread all over Peninsular Malaysia, Sabah and Sarawak.

# PREFACE

## TRADE DESCRIPTION ACT 2011 (TDA 2011)

Enforcement in respect to the phrase “Kosher” implemented under the Trade Description Act 2011, Trade Description (Definition of Halal) Order 2011 and the Trade Description (Certification and Marking of Halal) Order 2011 (hereafter shall be referred to as “subsidiary legislation” (Halal Definition)). This Act and its subsidiary legislation provide protection to business owners and users from unhealthy trade practices. The term “Halal” is one of the trade descriptions by the purpose of this Act.

## TRADE DESCRIPTION (DEFINITION OF HALAL) ORDER 2011

- Usage of “Halal” description or any other expression by business owners is not required under the existing law. However, the Trade Description (Definition of Halal) Order 2011 provided that when the food or goods are described as halal or described in other expression to indicate that the food or other goods can be consumed or used by Muslims, such expression means the food or goods:
  - (a) neither consist nor contain any part or matter of an animal that is prohibited by Islamic Law for a Muslim to consume or that has not been slaughtered in accordance with Islamic Law.
  - (b) does not contain anything which is impure according to Islamic Law,
  - (c) does not intoxicate according to Islamic Law,
  - (d) does not contain any part of human being or its yield which are not allowed by the Islamic Law,
  - (e) not poisonous or hazardous to health,
  - (f) has not been prepared, processed or manufactured using any equipment that is contaminated with impurity,
  - (g) shall not, in the process of preparing, processing or storing, be in contact, mixed or placed near any food that fails to meet the requirements in (a) and (b).

---

- When the service in relation to food or goods, including transportation, storage and processing of raw materials, catering and retail food or goods is described as halal, the expression means that the service is carried out in accordance with Islamic Law.

---

- Any person who violates the Order is guilty of an offense and upon conviction may be fined up to RM1 million or imprisonment not exceeding 3 years or both for individuals. The penalty for a corporate organization is fine up to RM5 million.

## PREFACE

### TRADE DESCRIPTION (CERTIFICATION AND MARKING OF HALAL) ORDER 2011

- Trade Description (Certification and Marking of Halal) Order 2011 provides that only the Department of Islamic Development Malaysia (JAKIM) and the respective State Islamic Religious Council (MAIN) are appointed as the competent authority who could confirm that any food, goods or services related to food or goods, are valid under the Trade Description (Definition of Halal) Order 2011.
- Under this Order, all food, goods or services could not be described as halal provided that:
  - (a) they are confirmed as halal by the competent authorities (JAKIM / MAIN)
  - (b) marked with the logo issued by the competent authorities (JAKIM / MAIN) as follows:



- Any person who violates the Order is guilty of an offence and upon conviction may be fined up to RM100,000.00 or imprisonment not exceeding 3 years or both for individuals. The penalty for a corporate organization is fine up to RM250,000.00.

The Ministry, in collaboration with JAKIM / MAIN, may conduct inspections to determine the validity of the phrase "Halal" being used.

The Ministry encourages the public to report any abuse, forgery or misleading use of the word "Halal" so that actions shall be taken.

# INTRODUCTION TO KPDNHEP

## ROLLS OF KPDNHEP

Through its Business Development Division (BDD), the Ministry of Domestic Trade and Consumer Affairs (KPDNHEP) aims at upholding the Small and Medium Enterprises' (SME) agenda through promotion of local SME products domestically or internationally, training network for the local SME as well as giving recognitions to entrepreneurs who are involved in trade distribution sector.

The goal of the Ministry's establishment is to encourage development of domestic trade which is viable, competitive, and sustainable particularly in trade distribution sector.

The objectives and responsibilities of the Ministry is to:

- Ensure enhancement of Bumiputera SME and their participation in domestic and international market;
- Assist in creating market opportunities for SME products in the domestic and international market; and
- Coordinate the implementation of modernization and development program involving the SMEs in economy.



## INTRODUCTION TO HDC

### HALAL INDUSTRY DEVELOPMENT CORPORATION (HDC)



Halal Industry Development Corporation (HDC) is a Malaysian halal industry development agency under the Ministry of Economic Affairs. HDC coordinates the overall halal industry development in a comprehensive and orderly manner. HDC was established on 18 September 2006 as an organisation that focuses on the main mission of realizing Malaysia's vision as the leader in Global Halal Hub.

## VISI

Malaysia as Global Halal Hub.

## MISI

Adding value to businesses in the Global Halal industry that provide returns to the Malaysian economy.



### ROLES AND RESPONSIBILITIES

HDC is a holistic contributor to the world's demand for supply of premium halal products and services. Opening new and unexplored investment and business opportunities, opening space in non-traditional markets and special gains in emerging fields in the high value Global Halal market.

The roles and responsibilities of HDC are divided into three (3) strategic segments:

- Halal Integrity; protecting halal integrity through global development and facilitate halal research and development, innovation and halal training programs
- Industry Development; provide facilitation for growth and participation of Malaysian halal companies in the global market and leading the development of Halal Parks through domestic and international investments
- Branding and Promotion; leading the branding, marketing and promotion of halal products for domestic and international markets.

## DEFINITION OF SME

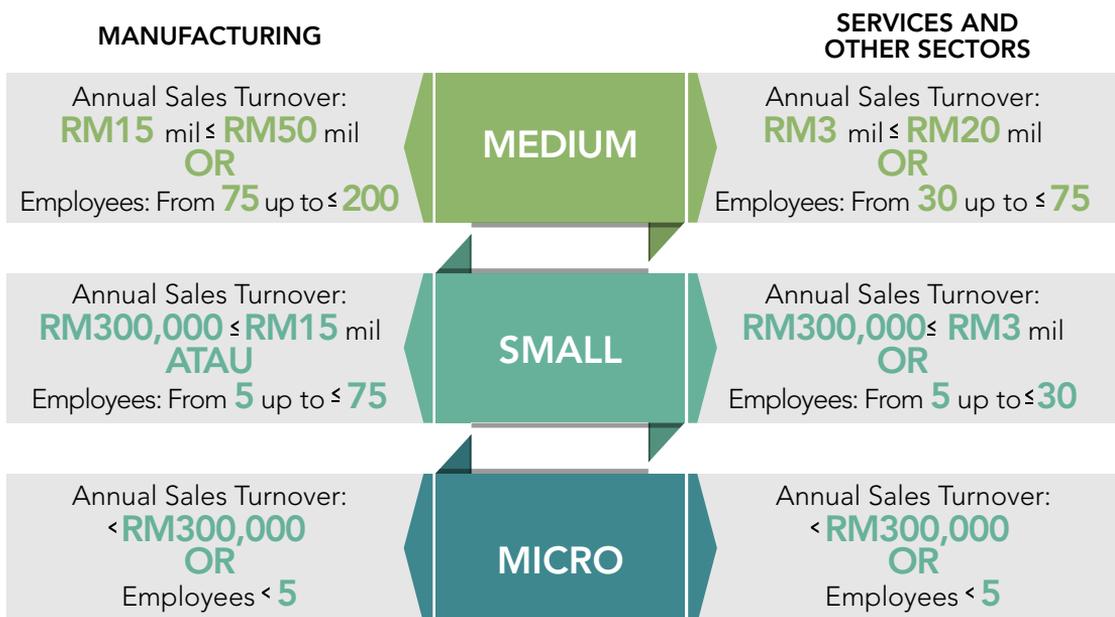
Since 2005, a uniformed definition that was approved by the National SME Development Council (NSDC) has been used by all Ministries and agencies, financial institutions and regulators involved in SME development programs.

Given that there have been many developments in the economy since 2005 such as price inflation, economic structural changes and change in business trends, a review of the definition was undertaken in 2013. The 14th NSDC Meeting in July 2013 has endorsed a new definition that covers all sectors, namely services, manufacturing, agriculture, construction and mining & quarrying.

Sales turnover and number of full-time employees are the two criteria used in determining the definition with the "OR" basis as follows:

- For the manufacturing sector, SMEs are defined as firms with annual sales turnover not exceeding RM50 million OR number of full-time employees not exceeding 200.
- For the services and other sectors, SMEs are defined as firms with annual sales turnover not exceeding RM20 million OR number of full-time employees not exceeding 75.

Detailed definition of category, namely micro, small and medium is as follows:



## WHY HALALAN TOYYIBAN



Abu Abdillah an-Nu'man ibn Basheer (radi Allahu anhu) said: I heard the Messenger of Allah (sal Allahu alaihi wa sallam) saying: "Surely, the Halal (permissible) is clear and the Haram (impermissible) is clear and between the two are doubtful unclear matters that many of the people do not have knowledge of. So, whoever abstains from the doubtful matters has saved his Religion and his honor, and whoever falls into the doubtful matters falls into the Haram (impermissible), just as the shepherd who pastures around a sanctuary is likely to indulge freely grazing therein. Truly, every king has a sanctuary, and Allah's sanctuary is His prohibitions. Verily in the body, there is a morsel of flesh that if it is correct then the whole of the body is set aright, and if it is corrupt, the whole of the body is corrupt. It is the heart. (Narrated by Al-Bukhari and Muslim).

- The Islamic law has established that every Muslim must consume only Halal food. It is compulsory to search for those which is Halal.
- A guarantee to ensure that the food intake is not harmful to the humans themselves.
- Pure and clean food guarantees good health.
- Key to clean heart, devotional towards the world and saying good things.
- Halal food becomes flesh that will produce positive energy as well as ease someone to perform noble deeds.
- Children can easily be guided with good morals.

## IDENTIFYING THE MALAYSIAN HALAL LOGO



The Halal logo refers to the logo issued by JAKIM / JAIN / MAIN consisting of:

- Eight-pointed star placed in the middle of the circle.
- An Arabic word "حلال" in the middle of the star.
- The word "HALAL" in Roman letters underneath it.
- The word "Malaysia" written in Roman letters and ماليزيا in Arabic inside the circle.
- Two small five-pointed stars placed to separate the Roman letters and Arabic word.

(Source: JAKIM)

JAKIM is responsible to provide Halal status verification to food and merchandise consumed by Muslims in this country since 1974.

The Halal Certificate is valid for two (2) years. It can be withdrawn at anytime when the owner is found to have violated the Halal Certification Procedures.

Renewal must be done 6 months prior to expiry date.

Owners of Halal certificate who fail to renew their certification will not be allowed to use the Malaysia Halal logo at the premise or on the label of products that they manufactured.

## CONDITIONS FOR USING JAKIM'S HALAL CERTIFICATE AND MALAYSIAN HALAL LOGO

- The Halal certificate cannot be traded, leased, exchanged, forged, abused or amended in any way whatsoever.
- The use of halal logo is subject to the country's existing laws and regulations.
- Any change to the name and address of the company, factory/premise, brand name, ingredient, manufacturers and other related matters should be reported in writing to JAKIM for further action.
- Owner of the Halal certificate is responsible for the loss or damage of the certificate whereby a police report should be made and should be notified in writing as soon as possible.
- **The Halal certificate can be withdrawn or terminated anytime before the expiry date** and the use of Halal logo is not permitted when the company is found to have violated the Halal Certification Procedure, or if there is any doubtful matters or way of handling in accordance to the Syariah Law.
- JAKIM can blacklist and publish any company which have failed to comply with the terms and conditions of JAKIM's Halal Certification Procedure.



## ADVANTAGES OF HALAL CERTIFICATION

Increase users' confidence – as a guarantee that the products / services provided are in compliance to hygiene standards and the guidelines provided

Increase productivity and profitability – Halal Certification is synonym with the Muslim community who are the majority of users in Malaysia. The increase in profitability through confidence in products / services with Halal logo.

Facilitate monitoring – with Halal certification and logo, companies and food premises will always adhere to the specified guideline.

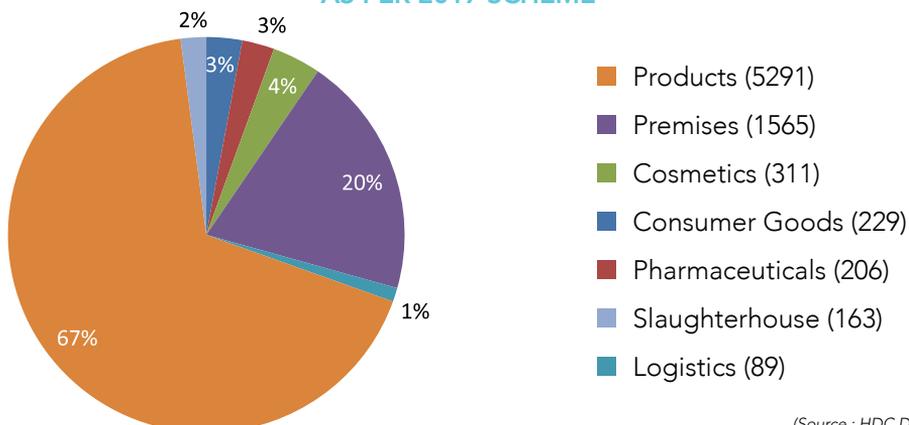
Social services – The use of Halal certificate and logo is seen as a social contribution in the provision of purely clean food and services for the Muslims. At the same time, Muslim entrepreneurs have perfected the demands of fardhu kifayah towards the Muslims.

## STATISTICS OF HALAL CERTIFICATION



NUMBER OF COMPANIES WHO HAVE OBTAINED HALAL CERTIFICATES AS PER 2017 SCHEME	
JAKIM'S HALAL SCHEME	NUMBER OF HALAL CERTIFIED COMPANIES
Products	5291
Premises	1556
Cosmetics	311
Consumer Goods	229
Pharmaceuticals	206
Slaughterhouse	163
Logistics	89
<b>Total</b>	<b>7845</b>

NUMBER OF COMPANIES WHO HAVE OBTAINED HALAL CERTIFICATES AS PER 2017 SCHEME



(Source : HDC Datawarehouse)  
Note : Data is provisional

# APPLICATION FOR BARCODE

## INTRODUCTION

GS1 standard is the most widely used supply chain standard in the world.

Barcode GS1 (1D, 2D Datamatrix, GS1 QR Code) is widely recognized and accepted by online and offline retailers; brand owners and global trading partners. **Barcode GS1 is scanned worldwide more than 5 billion times on daily basis, covering 25 industries in 150 countries.** As such, GS1 Standards and Key created the same foundation for businesses to enable supply chain visibility; product effectiveness; retraction of unsafe products; increase in users' security and safety in everyday business.

To become a Barcode GS1 user, please register with GS1 Malaysia as a GS1 member through:

i. Online application - <http://www.gs1my.com/member/r1/>

OR

ii. Download the Application Form from GS1 Malaysia website ([www.gs1my.org/join](http://www.gs1my.org/join)) and submit or email ([membership@gs1my.org](mailto:membership@gs1my.org)) the Application Form together with the payment and related documents to be submitted/mailed to GS1 Malaysia Headquarters.

Following are the main benefits of Barcode GS1 Malaysia:

- i. To increase profitability; productivity; operations and security of products efficient inventory management, etc.
- ii. To fulfill retailers demand online and offline (AEON, MYDIN, ALIBABA, AMAZON and others) business partners; customers; rules and competitiveness moving forward.



# APPLICATION FOR BARCODE

## EXAMPLE OF BARCODE 1D/LINEAR AND 2D

Barcode 1D/Linear



GS1 QR Code



2D Datamatrix



For further information, you may:

- i. Attend free briefing by GS1 Malaysia about the basic overview of GS1 Standards and Keys at GS1 Malaysia, Headquarters (as per the address below), everyday;
- ii. Visit GS1 Malaysia website ([www.gs1my.org](http://www.gs1my.org));
- iii. Contact GS1 Malaysia office at the following:

GS1 Malaysia Berhad  
Wisma FMM, No. 3, Persiaran Dagang,  
PJU 9, Bandar Sri Damansara,  
52200 Kuala Lumpur  
Tel : 603-62867200  
Emel: [membership@gs1my.org](mailto:membership@gs1my.org)

2D Datamatrix  
Wisma FMM,  
No. 3, Persiaran Dagang PJU 9,  
Bandar Sri Damansara,  
52200 Kuala Lumpur



## GRADING • PACKAGING • LABELLING (GPL)

### THE REGULATIONS OF THE FEDERAL AGRICULTURAL MARKETING AUTHORITY (GRADING, PACKAGING AND LABELLING OF AGRICULTURE PRODUCTS) 2008

Grading, packaging and labelling (The Regulations of The Federal Agricultural Marketing Authority (Fama) Gpl 2008) is a regulation that ensures every sale of agricultural produce through wholesale and retail is **properly graded, safely packed** and **perfectly labeled** before being marketed locally, exported or imported.

#### GRADING

Agricultural product must be graded:

Guided by the Malaysian Standard (MS) grading specification i.e. Premium Grade, Grade 1 and Grade 2; if the agricultural product has no MS specification, it must be guided by the grading standards of the origin country or the grading standards set by FAMA from time to time.

#### Characteristics that Determine the Grades

Uniformed maturity

Freshness

Free from defects

Free from damages

Uniformed size

#### Benefits of Grading

Guarantees quality of the marketed product

Uniformed quality

Enhancing users' efficiency

Fulfilling users' taste

Avoiding frauds

Creating competition to improve quality

Reducing losses and wastage

Compete in competitive global market

Ensures agricultural product safe to be used

# GRADING • PACKAGING • LABELLING (GPL)

## PACKAGING

### Criteria required in packaging are:

Packages must have sizes suitable with quantity of the agricultural product

Agricultural product of the same type and standard

Not more than 30 kilograms

Fulfill the characteristics of quality, cleanliness and durability

Made of non-hazardous materials

### Role of Packaging

Protecting the products

Attract users' attention

Facilitate handling

Introducing the product

### Characteristics of Good Packaging

Solid

Sufficient ventilation

Does not damage or defect quality of the product

Provide optimum protection

Suitable with the physical condition of the goods

Not too big and easy to handle

Appropriate and attractive design

Goods are easily visible

Contains the same grades and sizes

Environmentally friendly

Not harmful to health

Has a label

# GRADING • PACKAGING • LABELLING (GPL)

## LABELLING

### Characteristics of Perfect Labelling

Labels that are marked or affixed shall be:

- Not less than 11cm x 7 cm in size
- Marked/affixed neatly and easily visible on the top or side surface of the package

Labels should contain the following information: -

- Name and business address of the importer, exporter, agent, manufacturer or distributor relevant to agricultural produce
- Common name of the agricultural product
- Standard grade of the agricultural product
- Size of the agricultural product
- Country of origin of the agricultural product and
- The wording "Product of Malaysia" if the agricultural product is meant for export

For agricultural product exhibited for sale without packaging / sold as retail, markers that contain the following details should be placed near the produce:

- Common name of the agricultural product
- Standard grade of the agricultural product
- Size of the agricultural product
- Country of origin of the agricultural product



# GRADING • PACKAGING • LABELLING (GPL)

## Types of Label

Labels on packages for Export Market



Sticker Labels for Domestic Market

Nama Penanam/ <i>Grower</i> :	MUHAMMAD ALI	Kod/ <i>Code</i> *	
No. KP/ <i>No. Pendaftaran</i> / <i>IC/Registration Number</i>			
Alamat/ <i>Address</i> :	10, Jalan Ah Bon, Kea Farm, 39100 Brinchang, Cameron Highlands, Pahang		
Nama Pengedar/ <i>Agan/Pengeksport</i> / <i>Distributor/ Agent/ Exporter</i>	ABC Sdn Bhd	Kod/ <i>Code</i> *	
Alamat/ <i>Address</i> :	5, Jalan Tanah Rata, 39100 Cameron Highlands, Pahang		
Komoditi/ <i>Commodity</i> :	Kobis Bulat	Gred/ <i>Grade</i> / <i>Premium Saiz</i> / <i>Size</i> :	L
Berat Bersih/ <i>Weight</i> :	20 Kg	Bil/ <i>Bil</i> :	5
		Tarikh/ <i>Date</i> :	23/ 7/2018
KELUARAN MALAYSIA/ <i>PRODUCE OF MALAYSIA</i>			23044801
*Kod Penanam untuk Sabah & Sarawak.			K No.
<small>W.3007451-PHMB, K.L.</small>			

## GRADING • PACKAGING • LABELLING (GPL)

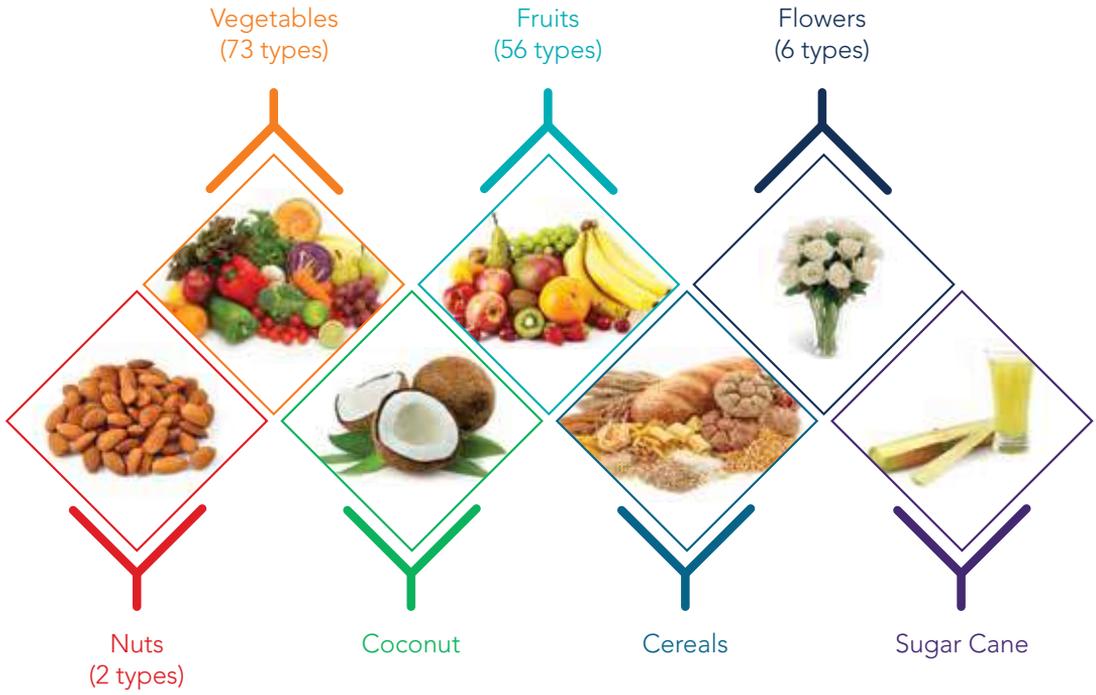
Labels at Retail Stage



**Source Notes :** Government Gazette P.U. (A) 274 Federal Agricultural Marketing Authority Act 1965, The Regulations of The Federal Agricultural Marketing Authority (Grading, Packaging and Labelling of Agriculture Products) 2008

# GRADING • PACKAGING • LABELLING (GPL)

Agricultural Products Involved:



# GENERAL FOOD LABELLING GUIDELINES

(Part IV, Food Regulations 1985)

## INTRODUCTION

Food labelling aims at supplying a clear and concise information about certain food products. The general guideline for food labelling was drafted in accordance to Part IV, Food Regulations 1985 to guide the food industry as well as protecting users' safety.

## 1. MAIN LANGUAGE (REGULATION 10)

### Local Products

- **MANDATORY** to be labelled in **BAHASA MALAYSIA** and may include any translation thereof in other language

### Imported Products

- May use **BAHASA MALAYSIA** or **ENGLISH** and may include any translation thereof in any other language



## 2. APPROPRIATE DESIGNATION OF THE PRODUCT / COMMON NAME (PART 11 1(a & b))

- The appropriate designation of the food shall contain the common name of its principal ingredients to avoid confusion among the users.
- In the case of mixed or blended food, the label shall bear the following: "mixed (appropriate designation of the food)"; or "blended (appropriate designation of the food)"
- The appropriate designation of the food shall be prominent in height, visual emphasis and position so as to be conspicuous by comparison with any other matter appearing on the label

- Common name
- Front panel
- Clear
- Bigger size than the brand
- Bahasa Malaysia & translated language



Appropriate designation

# GENERAL FOOD LABELLING GUIDELINES

(Part IV, Food Regulations 1985)



### 3. LIST OF INGREDIENTS (REGULATION 11 (1) (e))

- i. Type and quantity must be designated on the label and arranged in **DESCENDING ORDER** (from bigger to smaller amount, except for water, food additives & additional nutrients).
- ii. Use of common name understandable by users.
- iii. Where the food contains edible fat or edible oil or both, the following shall be stated:
  - a statement as to the presence in that food of such edible fat or edible oil or both, together with the common name of the animal or vegetable from which such fat or oil is derived

Example:

Vegetable Oil (Palm Oil)

### 4. HYPERSENSITIVITY LABELLING (REGULATION 11(5))

The specific food or ingredients known to cause hypersensitivity are as follows:

- i. Cereal containing gluten including wheat, rye, barley and oat
- ii. Nut and nut product including peanut and soybean
- iii. Fish and fish product
- iv. Milk and milk product (including lactose)
- v. Egg and egg product

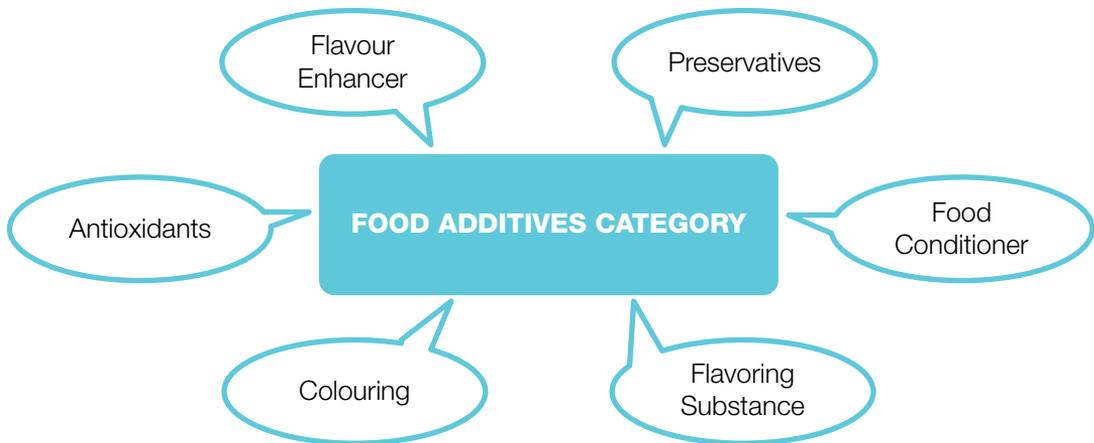
# GENERAL FOOD LABELLING GUIDELINES

(Part IV, Food Regulations 1985)

## 5. FOOD ADDITIVE STATEMENT (REGULATION 23)

Food that contains additives must designate **“Contains permitted (state the type of the relevant food additive)”** or **“Contains (state the class of food conditioner) as permitted food conditioner”** or **“Contains (state the chemical name of the flavour enhancer) as permitted flavour enhancer.”**

- i. Thickeners / Emulsifiers / Acidity Regulators (functions) as Permitted Food Conditioner
- ii. Permitted Preservatives / Flavouring Substance / Colouring Substance
- iii. Monosodium Glutamate as Permitted Flavour Enhancer



## 6. NET WEIGHT / VOLUME / MINIMUM NUMBER OF THE CONTENTS (REGULATION 11 1(i))

- i. All food labels shall include a statement on the minimum net weight or volume or number of the content in the package.
- ii. The statement shall be stated in a uniformed height and size of lettering.

# GENERAL FOOD LABELLING GUIDELINES

(Part IV, Food Regulations 1985)

Example of an **INCORRECT** statement where numbers and words are not of the same size.



## 7. NAME AND ADDRESS OF MANUFACTURER / IMPORTER / COUNTRY OF ORIGIN (REGULATION 11 1 (j))

All food labels shall contain a statement of the name and business address of the manufacturer / importer / country of origin:

- In the case of food locally manufactured or packed in **Malaysia**, the label shall indicate one of the following:
  - i. name and address of the manufacturer or packer; **or**
  - ii. name and address of owner of the rights of manufacture or packing; **or**
  - iii. name and address of the agent in (i) and (ii)
- In the case of **imported** food, labels shall state:
  - i. name and address of the manufacturer; **or**
  - ii. name and address of owner of the rights of manufacture or packing; **or**
  - iii. name and address of the agent of (i) and (ii); **and**
  - iv. name and business address of the importer in Malaysia

### Example for local products:

Manufactured by:  
 ABC Sdn. Bhd.  
 No. 81, Jalan Puteri 5/3  
 Bandar Puteri, 47100 Puchong  
 Selangor

### Example for imported products:

Manufactured by:  
 XYZ International  
 10 Mahunga Drive, Mengere Bridge 1  
 Auckland 2021, New Zealand

Imported by:  
 XYZ Sdn. Bhd  
 Lot 16, Jalan 19/11  
 46300 Petaling Jaya  
 Selangor

Product of New Zealand

(Source: SIRIM Berhad)

# GENERAL FOOD LABELLING GUIDELINES

(Part IV, Food Regulations 1985)

## 8. MARKING OF EXPIRY DATE (REGULATION 14)

Shall be written in CAPITAL LETTER, bold-faced lettering and not smaller than 6 point according to the set format.

EXPIRY DATE or EXP DATE	USE BEFORE or USE BEF	CONSUME BEFORE or CONSUME BEF
DRINK BEFORE or DRINK BEF	BEST BEFORE or BEFORE BEF	

## 9. STATEMENT ON SERVING SUGGESTION (REGULATION 18(5))

Statement on "SERVING SUGGESTION" or "RECIPE" shall be placed close to the image in capital letters not smaller than 6 points.



## 10. DECLARATION OF NUTRITION INFORMATION (PERATURAN 18(b))

- Information on nutritional value shall be expressed in the form of **per serving and per 100 g (ml)**.
- The mandatory nutrients to be declared shall be **energy, protien, carbohydrate and fat**.

## 11. DECLARATION OF TOTAL SUGAR AMOUNT (REGULATION 18b (4))

For ready-to-drink beverages, total sugar amount shall be declared in the following form:

- "Carbohydrate ...g"
- Total sugar ...g"

# GENERAL FOOD LABELLING GUIDELINES

(Part IV, Food Regulations 1985)

## 12. DECLARATION OF TOTAL AND TYPE OF FATTY ACID (REGULATION 18b (5))

If the value of fatty acid is stated on the label, **the four types of essential fatty acid, that is saturated fatty acid, monounsaturated, polyunsaturated and trans fatty acid, shall be declared in the following form:**

- i. Fat ...g comprising of monounsaturated fatty acid ...g
- ii. Polyunsaturated fatty acid ...g
- iii. Saturated fatty acid ...g
- iv. Trans fatty acid ...g

## 13. DECLARATION OF NUTRIENT VALUE (REGULATION 18c)

Vitamins and minerals can only be declared in the nutrition information if they comply to the following requirements:

- i. Listed in the NRN list or
- ii. Present in amounts of at least 5% per serving

## 14. PROHIBITED STATEMENT / DECLARATION (REGULATION 18(1A))

Words to indicate grading, quality or superiority or any other words of similar meaning shall not appear on the label of any package of food unless such description of grading, quality or superiority conform to those requirements established by the relevant authorities responsible for such grading.

### Example :

- i. Selected ingredients
- ii. Quality
- iii. Satisfaction guaranteed
- iv. Quality guaranteed
- v. Made from quality
- vi. Getting approval from the Ministry of Health (MOH)
- vii. Using reference letter of classification (..)KKM/163/S/No JLD

## 15. REGULATION 18 (2)

No label which describes any food shall include the word “pure” or “original” or any other words of the same significance unless the food is of the strength, purity, or quality prescribed by these Regulations.



# GENERAL FOOD LABELLING GUIDELINES

(Part IV, Food Regulations 1985)

## 16. REGULATION 18(3)

No label which describes any food shall include the word "medicated", "tonic" or "health" or any other words of the same significance.

**Example:**

- i. Health drink / food
- ii. Food supplement

## 17. REGULATION 18(4)

No label which describes any food shall include any claim on the absence of:

- i. beef or pork or its derivatives, or lard or added alcohol if the food does not contain such ingredients;
- ii. any additives or nutrient supplement the addition of which is prohibited in these Regulations.

**Example:**

- i. No pork / lard
- ii. No alcohol
- iii. Does not contain boric acid
- iv. Does not contain cyclamate

## 18. REGULATION 18 (6)

Claims which are not allowed are as follows:

- i. Claims stating that any particular food will provide an adequate source of all essential nutrients.
- ii. Claims implying that a balanced diet or a combination of a variety of foods cannot supply adequate amounts of all nutrients.
- iii. Claims that cannot be substantiated.
- iv. Claims suggesting that a food can prevent, alleviate, treat or cure a disease, disorder or other physiological function.
- v. Claims that cause consumer to doubt the safety of similar food.
- vi. Claims that arouses or exploits fear in consumers.

**Example:**

- i. Consume ABC product to fulfill your daily nutrients.
- ii. This food product is good for the heart, diabetes and etc.
- iii. Increase body immunity.
- iv. For development of the mind.
- v. Has been tested / proven clinically.
- vi. Extensive research.
- vii. Scientifically proven.
- viii. This product does not contain genetically modified ingredient.

# GENERAL FOOD LABELLING GUIDELINES

(Part IV, Food Regulations 1985)

## 19. REGULATION 18 (7)

The words “organic”, “biological”, “ecological” or words of similar meaning are not allowed unless the food conforms to the requirements specified in the Malaysian Standard MS 1529 : The Production, Processing, Labelling and Marketing of Organically Produced Foods.

## 20. REGULATION 18(8)

The word “nutritious” or words of similar meaning are not allowed unless the food meets the requirements below:

- i. the food contains a range of nutrients including carbohydrate, fat, protein, vitamin and mineral;
- ii. the food contains a substantial amount of energy of more than 40kcal per 100g or 20kcal per 100ml;
- iii. the food contains source of protein not less than 5g per 100g or 2.5g per 100ml; Food Labelling Guideline 17;
- iv. the food contains at least four vitamins of an amount that meets the criteria for claim as source and two minerals (excluding sodium) of an amount that meets the criteria for claim as source; and
- v. the amount of the nutrients mentioned in paragraphs (a) and (d) is declared.

## 21. USAGE OF LOGO

The use of logo must be supported with a certificate issued by a responsible authority and must still be within its validity period. If the certificate is not obtained or the validity period has expired, usage of the logo is not permitted and must be removed.

# LABELLING GUIDE

## Food Brand

Name of Food Product by the makers, producers or manufacturers in the market

## Food Compositions

List of nutrients contained in the food

## List of Ingredients

Ingredients used in the food preparations

## Halal Mark Department of Islamic Development Malaysia

Standard for pure, good and hygiene products

## Bar Code

Goods identification in the market

## Expiry Date of use

Period expiry date, quality guarantee or freshness of the food

## Volume

Actual weight of the contents in metrics

## Preservatives and Colouring

Additional ingredients in the food

## Name and Address of Manufacturer

For reference should there be any problem with the food product



**Example of information that should be found on labels for food products' content**

(Source : Food Safety and Quality Division, Ministry of Health Malaysia)

## LOGISTICS

The process of transporting halal food product throughout the supply chain up to customers is the responsibility of the food producer. As such, food producers must ensure that their logistics activity comply with high standards in order to maintain product hygiene and sanitation.

Reference for the application of logistics standard in Malaysia is :

MS2400-1:2010) PART 1 : MANAGEMENT SYSTEM REQUIREMENT FOR GOODS CAR TRANSPORT AND / OR CARGO SERVICES

The important criteria in this standard is:

Halal Transportation

- In terms of normal temperature transportation, there is no mixing of Halal and Non-Halal goods on the pallet or load carrier, and secured packaging such as cardboard boxes, wooden pallets and shrink packaging should be used to protect the Halal cargo throughout the supply chain;
- There is a clear distinction in transportation should ambient or reefer (chilled or frozen) occur. This is the uniqueness of Halal in Islam. It is very detailed and clear because there is a Hadith that says it is clear between Halal and Haram;
- To maintain the integrity of Halal product, it must be handled by an appointed officer to manage the correct process.
- Mixing all products in the same transport is wrong without considering the status of Halal products that will be transferred to the right destination.
- In the event of any misconduct, integrity of the Halal product can be questioned.
- For frozen delivery, there must be no mixing in the same container / normal transport storage between Halal and non-Halal such as pork meat, etc.
- Cold temperature: from 1°C to 10°C
- Frozen temperature: below -18°C

## RETAILING PROCESS CYCLE

The retailing process illustrated below is in accordance to the Malaysian Standard in setting management system requirements to guarantee the integrity of Halalan Toyyiban on the product / goods at retail level.

Reference for the application of retailing standard in Malaysia is:

(MS2400-3:2010) PART 3: MANAGEMENT SYSTEM REQUIREMENTS FO RETAILING

General matters that need to be complied with are as follows:



Figure D1: Retail process cycle

### D1 RETAILING REQUIREMENTS BASED ON THE RETAIL PROCESS CYCLE

The following describes the retailing requirements and where these and other standards are applicable, based on the retail process cycle.

#### D1.1 Supplier selection and ordering

For the retail outlet to be part of the Halal logistics, the selection of suppliers and service providers for the delivery and handling of the products and/or goods should be from those who are:-

- i. registered with the competent authority; and
- ii. fulfilling halal requirement

# RETAILING PROCESS CYCLE

## D1.2 Inventory management

Inventory management is not directly related to the Halal logistics.

It involves stock level management and setting of re-order levels.

## D1.3 Receive, sort and storage of products and/or goods

The critical retail components of the Halal logistics cover:

- i. receiving, acceptance and sorting of products and/or goods when delivered to retailer's premises;
- ii. products and/or goods received, sorted and stored are intact, based on halal requirements; and
- iii. supplier and products and/or goods handlers are halal compliant.

## D1.4 Processing

Processing covers the following activities:

- i. identification, separation, handling and labeling of non-halal products and/or goods;
- ii. incoming products and/or goods subject to integrity checks;
- iii. unloading of products and/or goods to storage location;
- iv. debulking, sorting and repacking of products and/or goods;
- v. storage for frozen and chilled products and/or goods;
- vi. storage at ante room (for ambient products and/or goods);
- vii. maintenance of cold chain integrity; and
- viii. return and disposal of products and/or goods.

## D1.5 Shelf display

Shelf display covers the following activities:

- i. identification, separation, handling and labeling of non-halal products and/or goods;
- ii. stocking and replenishment of shelf and merchandising location;
- iii. customer browsing and products and/or goods selection; and
- iv. Aisle's routing design to prevent contamination.

## D1.6 Check out

Check out covers the following activities:

- i. identification, separation, handling and labeling of non-halal products and/or goods;
- ii. stocking and replenishment of shelf and merchandising location;
- iii. customer browsing and products and/or goods selection; and
- iv. transfer of customer products and/or goods by trolleys and baskets.

## RETAILING PROCESS CYCLE

Figure D2 shows the typical combinations of process flow for retail. The retail process can be a simple flow or it can incorporate a number of other processes and various other functions resulting in a higher degree of complexity.

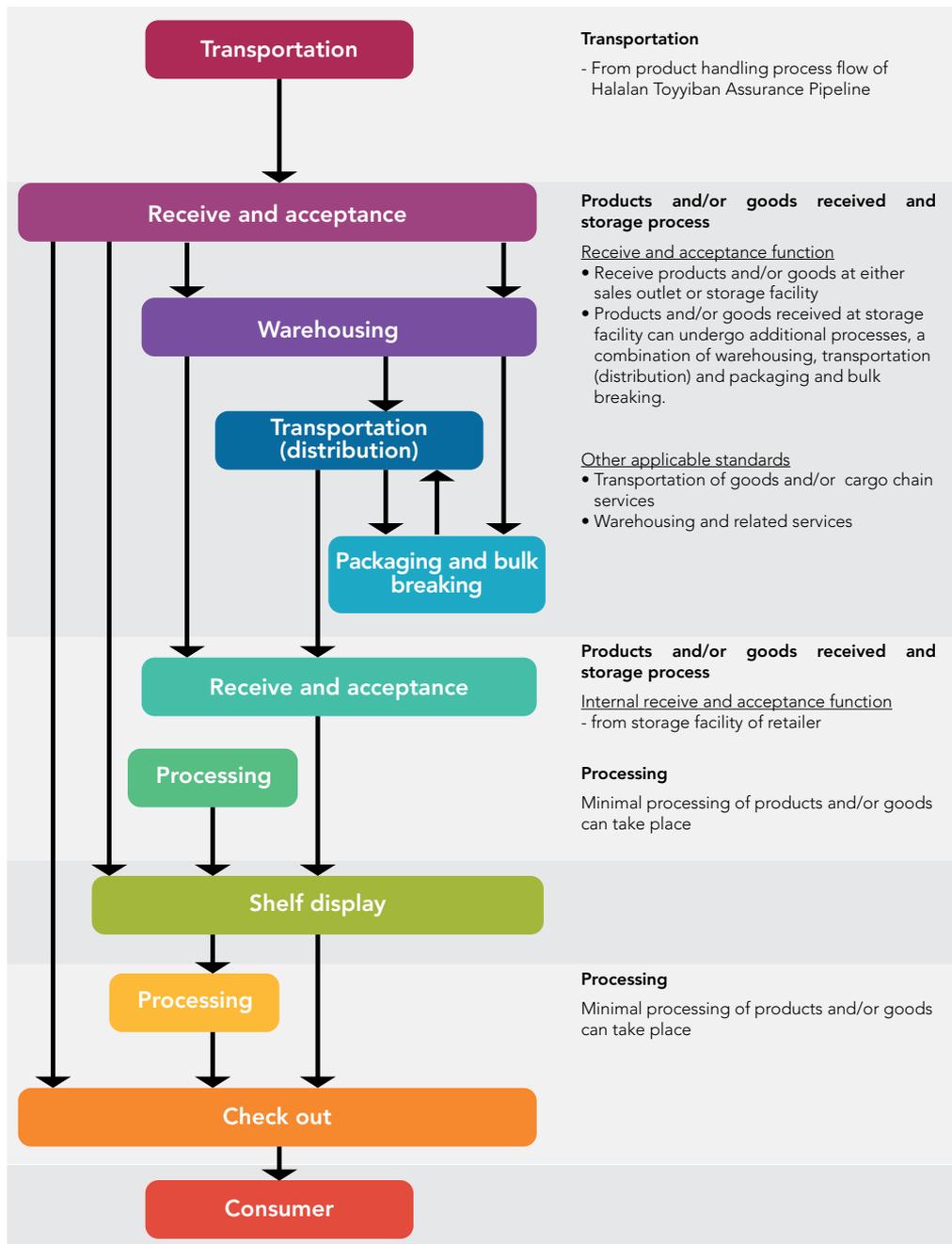


Figure D2. Typical combinations of process flow for retail

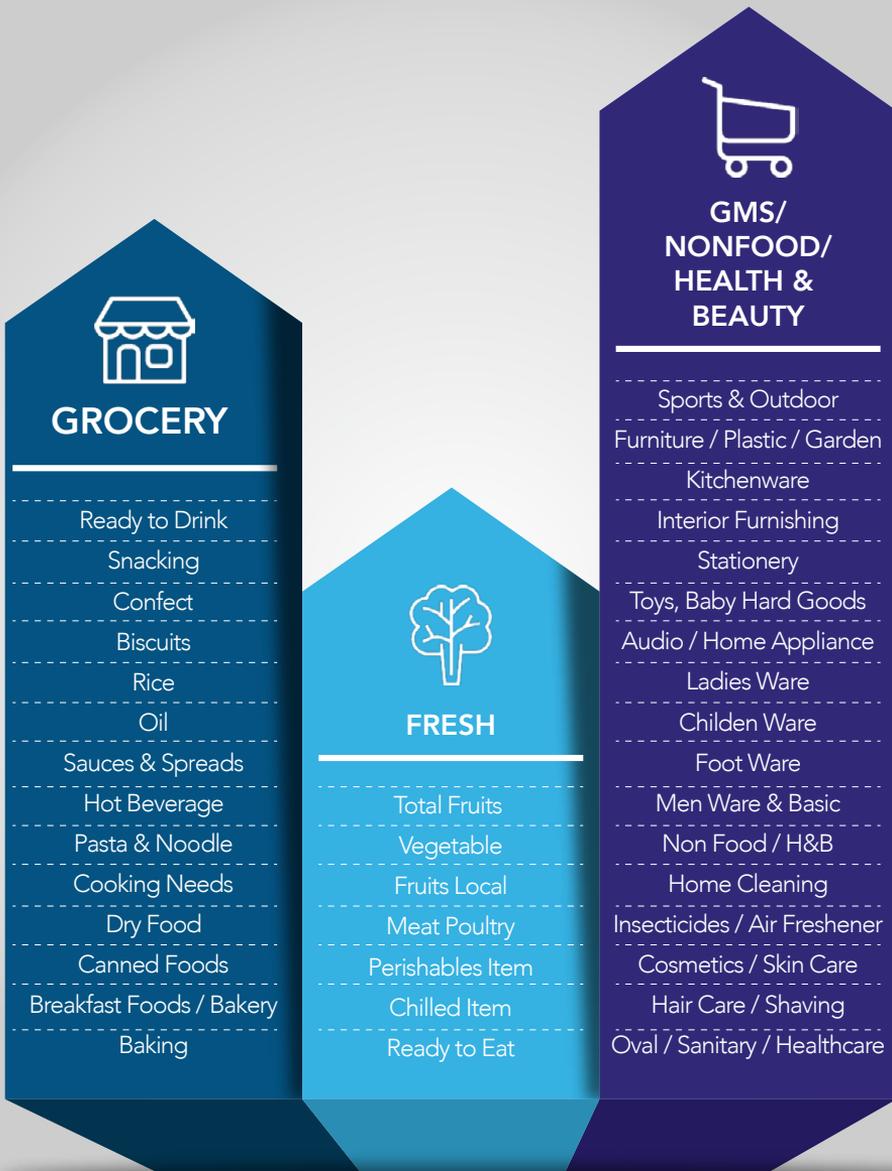
(Source : Department of Standard, Malaysia)



# LIST OF FOREIGN AND LOCAL HYPERMARKETS IN MALAYSIA



# PRODUCT CATEGORIES FOR ENTRY INTO FOREIGN AND LOCAL HYPERMARKETS IN MALAYSIA



# BRIEF INTRODUCTION TO THE HYPERMARKETS

## TESCO (M) SDN BHD

Tesco originated from England, starting in the 1920s.

It has retail network in other Asian countries such as Thailand.

Started operating in Malaysia in 2002. Currently, Tesco collaborates with Sime Darby, a local company, as one of their major shareholders.

To date (July 2018) 56 branches have been opened throughout Peninsular Malaysia.

### Website :

[www.tesco.com.my](http://www.tesco.com.my)

### Address:

Tesco Stores (Malaysia) Sdn. Bhd.  
Head Office Level 3,  
No. 3, Jalan 7A/62A,  
Bandar Menjalara,  
52200 Kuala Lumpur.

## GCH RETAIL (M) SDN BHD

Giant is one of the well-known hypermarkets in Malaysia.

This hypermarket is under the management of GCH Retail (Malaysia) Sdn Bhd which is one of the subsidiaries of Dairy Farm International Holdings Limited that is based in Hong Kong.

The history of Giant in Malaysia started back in 1944 when Mr. Teng Sek How opened a retail outlet in Sentul and later expanded its operations by opening Teng Minimarket Centre in Bangsar, Kuala Lumpur in 1974. Dairy Farm International Holdings Limited took over the management in 1998 and further expand the Giant branch throughout Malaysia.

To date, GCH Retail Malaysia operates 129 hypermarket network in Malaysia including Sabah and Sarawak.

### Website :

<http://www.giant.com.my>

### Address:

GCH Retail (Malaysia) Sdn Bhd  
(HQ) Mezzanine Floor,  
Giant Hypermarket Shah Alam  
Stadium  
Lot 2, Persiaran Sukan, Section 13,  
40100 Shah Alam, Selangor

## AEON CO. (M) BHD.

AEON is the first foreign hypermarket in Malaysia and it originated from Japan. Introduced by YAB Dato' Seri Dr. Mahathir bin Mohamed after his visit to Japan and invited JUSCO Co. Ltd, Tokyo Japan to open its branch in Malaysia.

AEON started operating in Malaysia in 1984, with Jaya Jusco Stores brand name

Later in September 2004, Jaya Jusco was rebranded with the name AEON CO. (M) BHD.

To date, 34 branches have been opened throughout the Peninsular and Sarawak.

### Website :

<http://www.aeonretail.com.my>

### Address:

Head Office,  
3rd Floor, AEON Taman Maluri  
Shopping Centre,  
Jalan Jejaka, Taman Maluri,  
Cheras,  
55100, Kuala Lumpur.

# BRIEF INTRODUCTION TO THE HYPERMARKETS

## LULU (M) SDN BHD

Lulu Hypermarket (M) Sdn Bhd is one of foreign hypermarkets and is a new retail network in Malaysia

Originates from the Middle East under Lulu Group International that operates in Abu Dhabi, United Arab Emirates

Apart from that, Lulu has developed its branches in UAE, Kuwait, Qatar, Kingdom of Saudi Arabia, Bahrain, Oman, Yemen, Indonesia, India and Egypt.

Started operationing on May 2016 in Kuala Lumpur

### Website :

[www.luluhypermarket.com/MY/al](http://www.luluhypermarket.com/MY/al)

### Address:

Lulu Hypermarket (Malaysia) (HQ)  
Jalan Munshi Abdullah,  
City Centre,  
50100 Kuala Lumpur,  
Kuala Lumpur Federal Territory

## MYDIN HOLDING SDN BHD

Mydin Mohamed Holdings Bhd which is better known as MYDIN, is a wholesale and retail company owned by a local. Started business aged the same with the country's independence in 1957 by opening his first wooden outlet in Kota Bharu, Kelantan and moved on to open a second branch, 22 years later in Kuala Terengganu.

By emphasizing on the concept of Halal in every aspects of business, MYDIN has also introduced various initiatives and ideas to strengthen the wholesale and retail brand with the slogan "Why Pay More? Buy With Wholesale Price!". As a locally-owned company that started small, MYDIN is also very active and serious in helping SME entrepreneurs to bring their products to the market at par with other brands. Among the efforts is allocating special shelves for SME products in the hypermarket according to the State where the respective products were produced which is called the "SME Graduation Program".

Until now, with 8 different formats, MYDIN has grown tremendously throughout Malaysia, namely, Hypermarket, Supermarket, Emporium, Bazaar, MYDIN Mart, MyMart and Premium Outlet (SAM's Groceria).

### Website :

[www.mydin.com.my](http://www.mydin.com.my)

### Alamat :

Mydin Hypermarket  
Subang Jaya (HQ)  
Persiaran Subang Permai  
USJ, Subang Jaya  
47500 Selangor

## AEON BIG (M) SDN BHD

The second foreign hypermarket opened in Malaysia was Carrefour which originated from France and started operations since 1977. Has many branches all over the world including Malaysia.

In 1994, Carrefour was opened and operated in Malaysia under the company named Magnificent Diagraph Sdn. Bhd.

In 2012, AEON Co. (M) Sdn. Bhd. bought over the shares of Magnificent Diagraph Sdn. Bhd. and Carrefour was rebranded with the name AEON BiG.

To date, 23 hypermarkets operate throughout Malaysia.

### Website :

<http://www.aeonbig.com.my>

### Address:

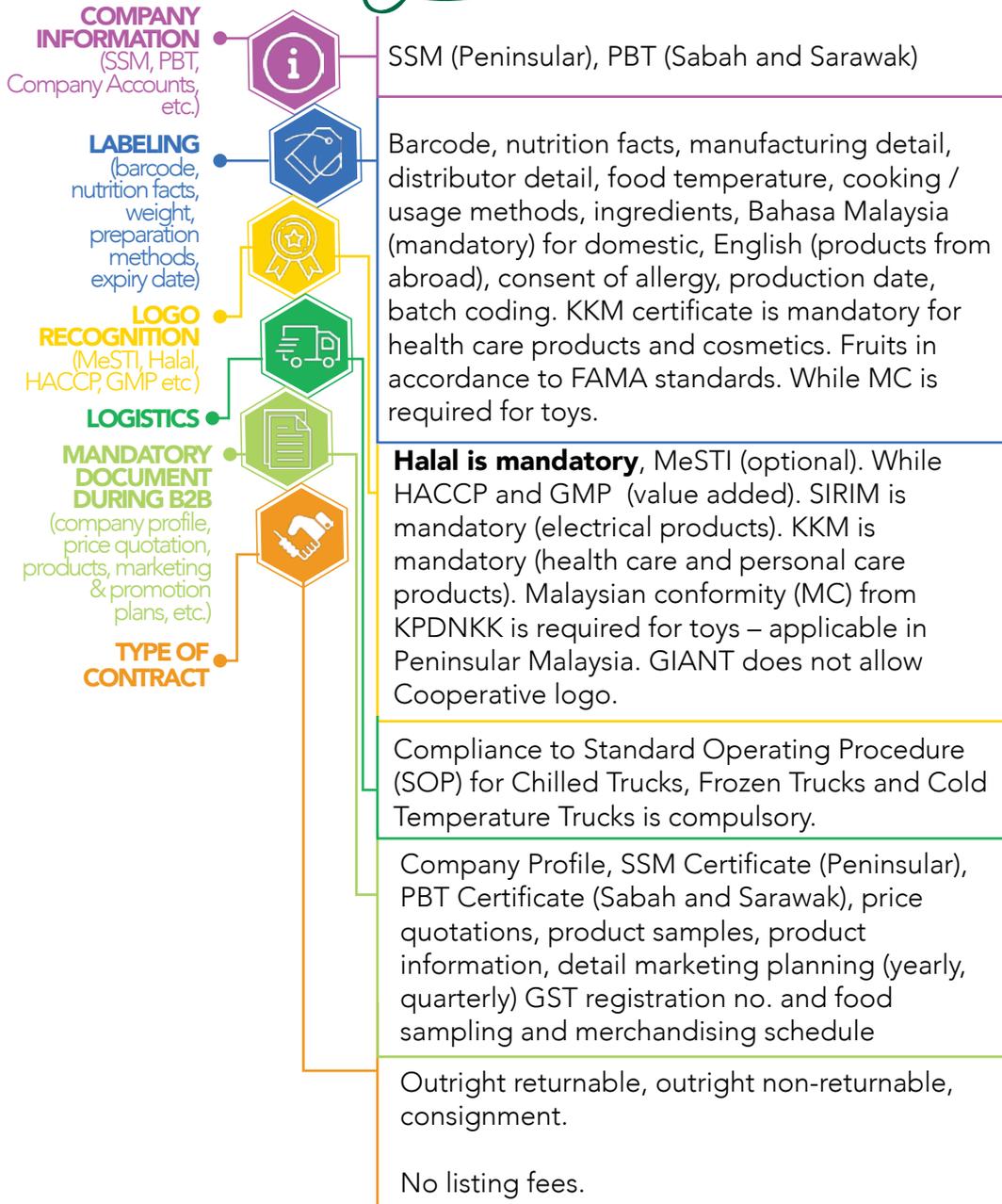
AEON BIG Subang Jaya (HQ)  
3 Jalan SS16/1,  
47500 Subang Jaya,  
Selangor Darul Ehsan.

# PRODUCT ENTRY PROCEDURES

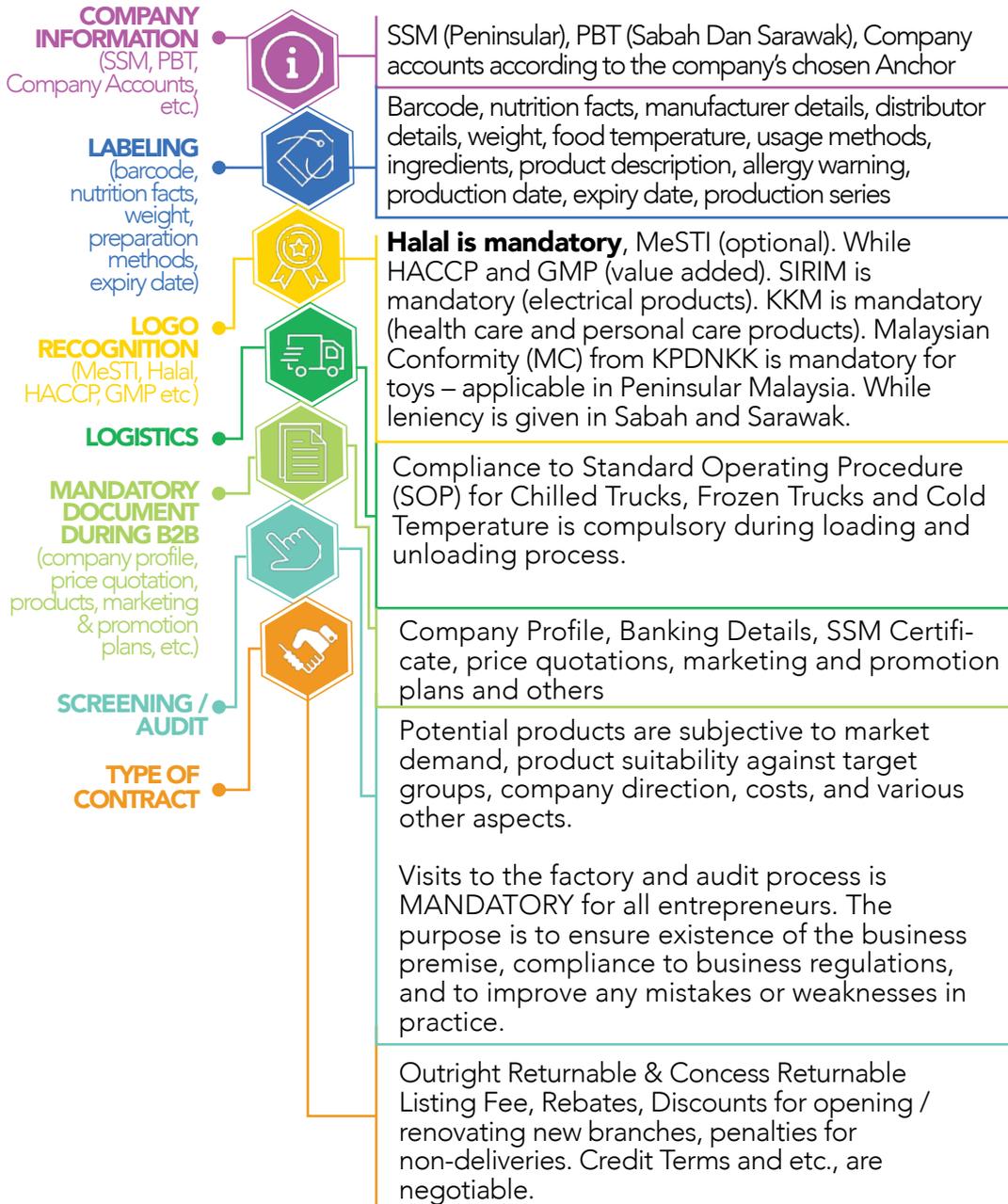
# TESCO



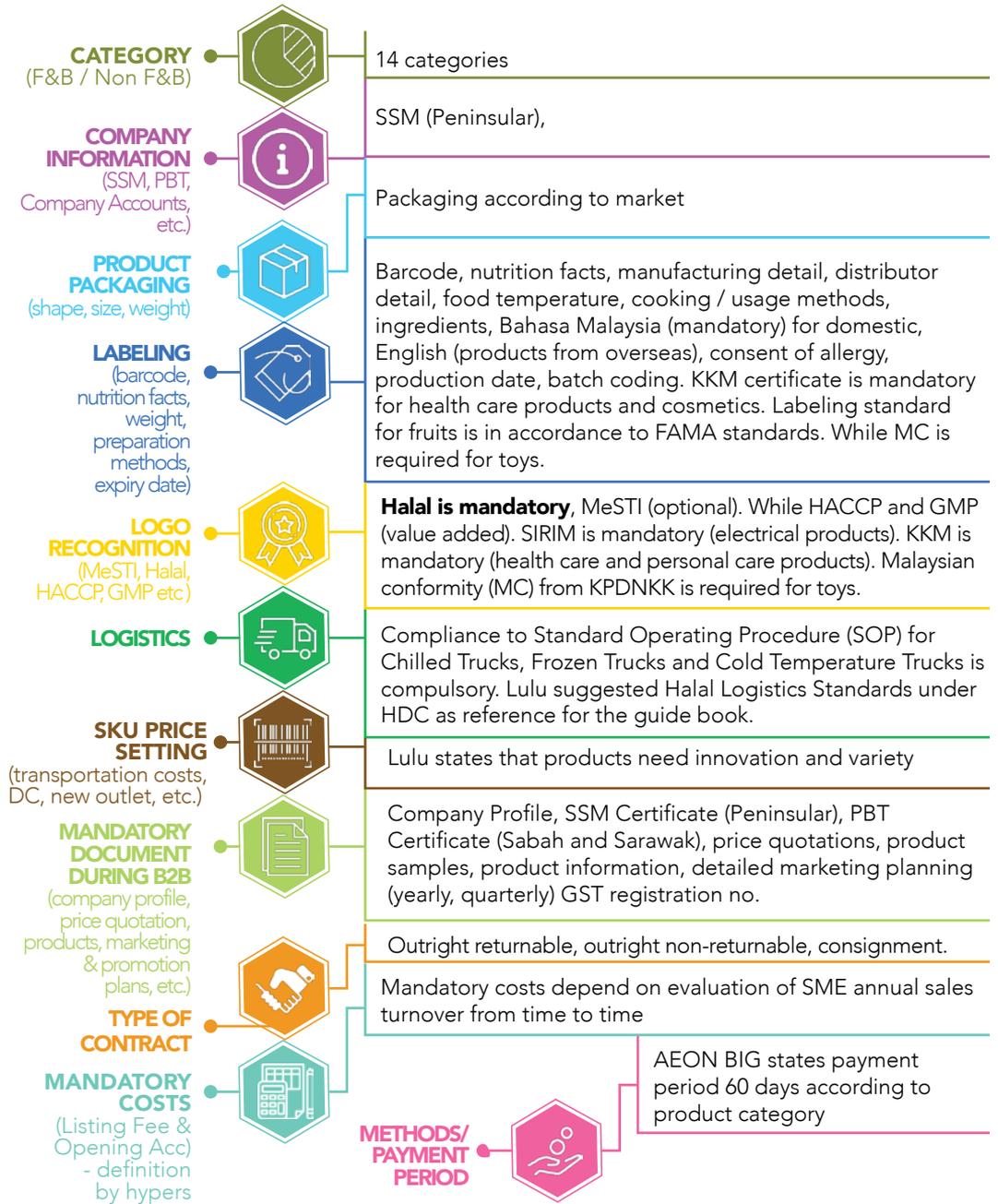
# PRODUCT ENTRY PROCEDURES



# PRODUCT ENTRY PROCEDURES

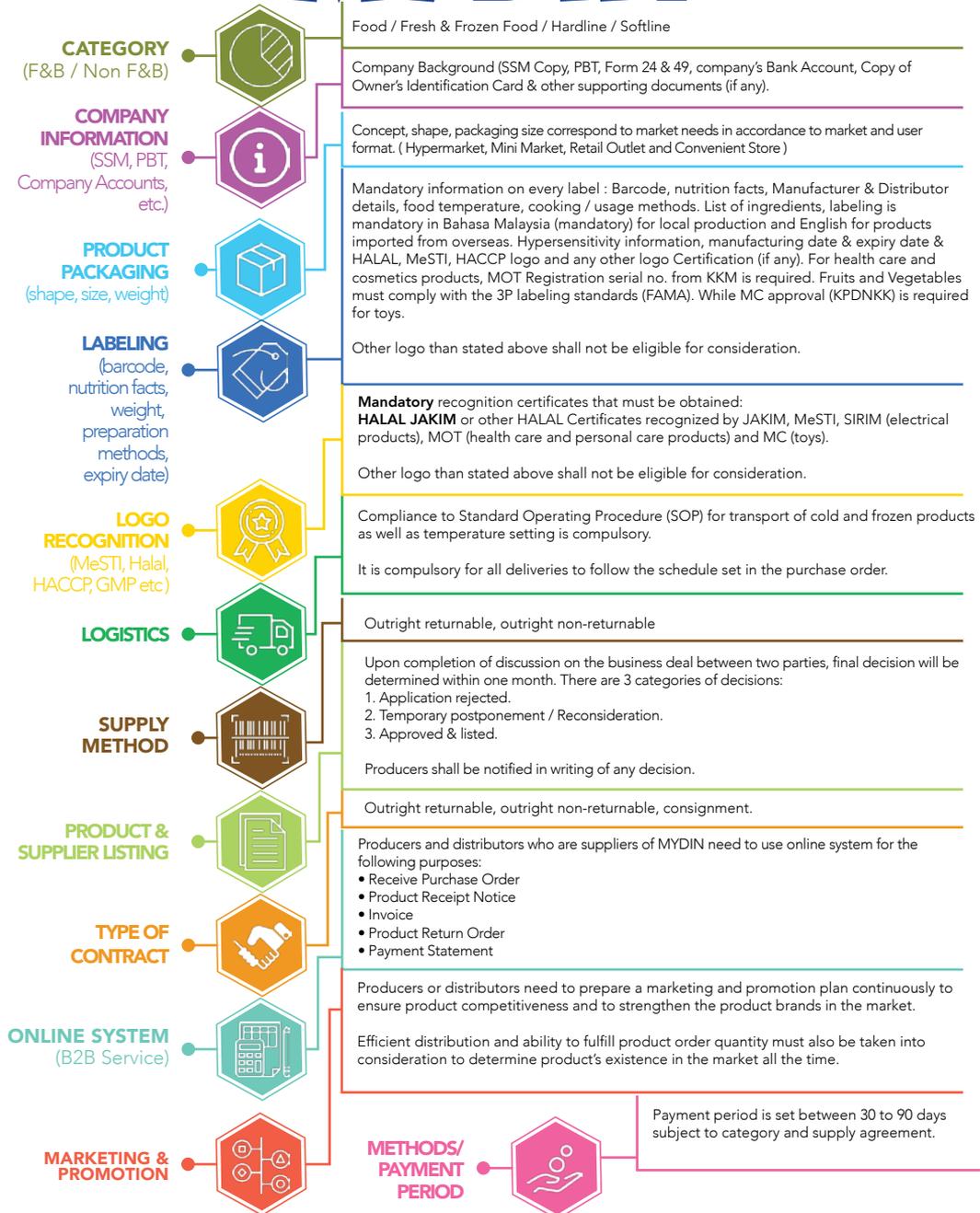


# PRODUCT ENTRY PROCEDURES

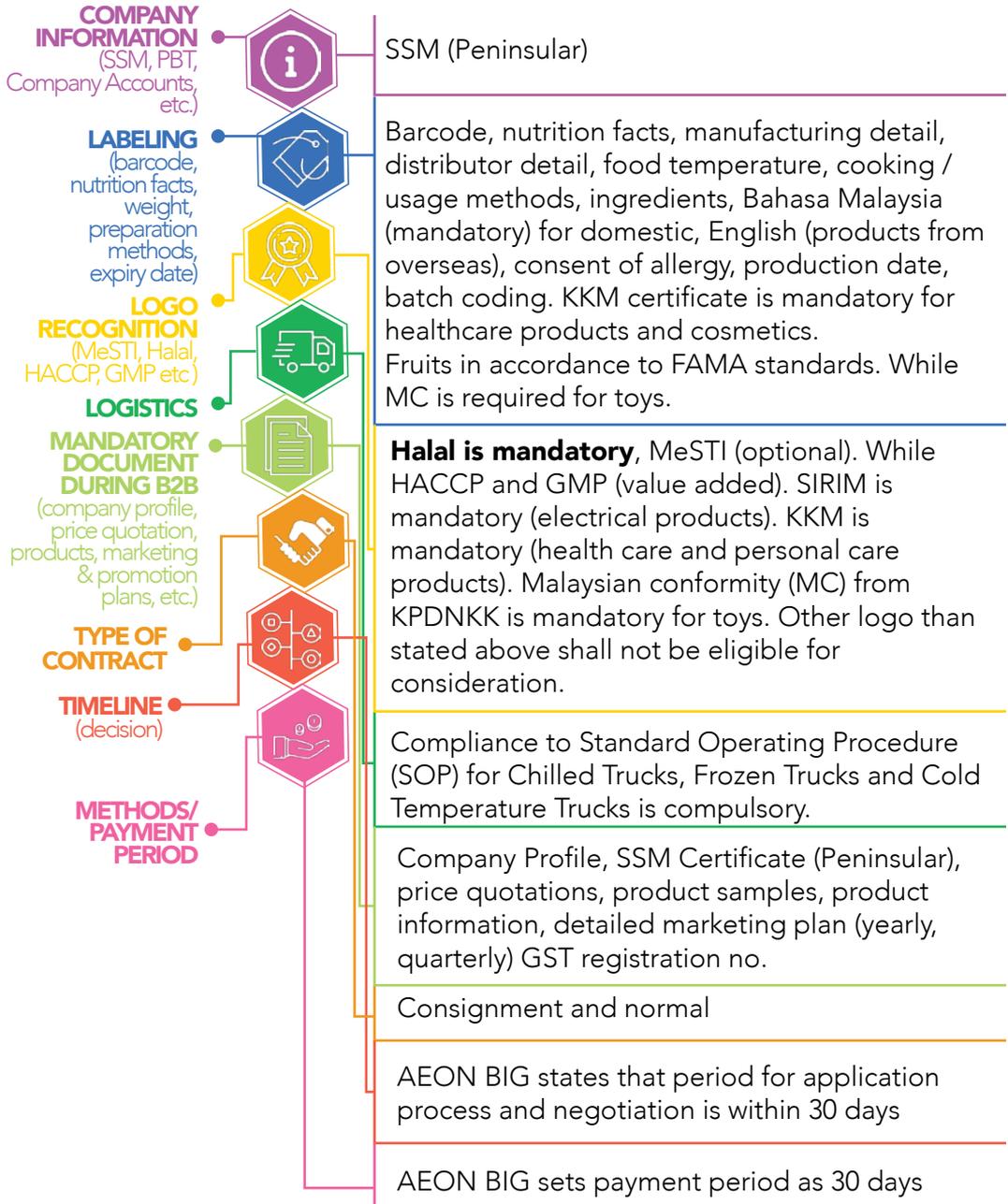


# PRODUCT ENTRY PROCEDURES

## MYDIN



# PRODUCT ENTRY PROCEDURES





## GENERAL TIPS



Make an appointment in advance with the buyer



Suggest potential products and those currently growing within the category



Bring along all relevant documents (Company Profile, Business Cards, Product Profiles, Price Quotations, Certificate Copies, supporting documents) and actual product samples for reference



Quality products with affordable prices



Having product knowledge, market information and target customers



Sharing business experience with other Retailers in the aspects of promotion and implementation plans



Maintaining good relationships with the buyers

## DISCLAIMER

The purpose the Government and HDC published the Guide Book on Entry of SME Products into Foreign and Local Hypermarkets in Malaysia is solely as guidelines and references for Small and Medium Enterprises (SME) who desire to participate in doing business with the hypermarkets in Malaysia.

Therefore, the Government and HDC shall not be liable for any expenses, losses or damages directly or indirectly in any form, either based on contract, tort, strict liability or otherwise, arising out of or in any way that is relevant should the SME products fail to participate in the hypermarket business even though they have fulfilled all the criteria outlined in this guide book.

## REFERENCES

Ministry of Domestic Trade and Consumer Affairs (KPDNHEP)

Ministry of Health Malaysia (MOH)

Department of Islamic Development Malaysia (JAKIM)

Halal Industry Development Corporation (HDC)

Department of Standards Malaysia (DSM)

Federal Agricultural Marketing Authority (FAMA)

SIRIM Berhad

SME Corporation Malaysia (SME Corp.)

Tesco (M) Sdn Bhd

GCH Retail (M) Sdn Bhd

AEON Co (M) Bhd

Lulu (M) Sdn Bhd

Mydin Holding Sdn Bhd

AEON Big (M) Sdn Bhd



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AND CONSUMER AFFAIRS

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Halal Industry  
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