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Germany Wakes Up to Halal Muslim Food

By Daniela Schroeder October 06, 2009

With 4 million Muslims in Germany and millions more elsewhere in Europe, food producers are jumping into the growing market for food that meets Islamic law

Gehlenberg is a sleepy village in northern Germany. It has a population of 1,600 and boasts a church, community hall, war memorial and a pub, along with a few wooden crosses by the roadside and a tiny chapel. It's a staunchly Catholic village, but on three days of the week, the Prophet Muhammad makes the rules??n a white factory building on the outskirts of the village, that is. That is where the Meemken family business produces a broad range of sausage that follows Islamic food standards. The company supplies almost 100 tons of salami and various other types of sausage each week to food retailers in Germany and abroad.

International food companies such as Nestle (NESN.F) and Unilever (UN) have for years offered a range of products that meet so-called halal food standards. Halal is an Arabic term that means pure, or permissible. The term refers to a way of life that follows Islamic law. German companies are gradually realizing that catering to faith-oriented consumption is a good way to make money. In these times of economic crisis, finding new markets is more tempting than ever.

The potential market for halal food in Germany is huge. An estimated four million Muslims live in Germany, and the community is pre-programmed to grow because Muslims have a higher birth rate than non-Muslims. Halal already accounts for 17 percent of the global food market, according to the World Halal Forum based in Malaysia.

Food Companies Worried About Animal Rights Groups

Market experts say the halal segment is growing faster than any other part of the food market. Sales of food that meets Islamic standards are expected to reach \$641 billion in 2010, up from \$587 billion in 2004. The European halal food market is expected to reach sales of \$67 billion in 2010.

Food companies in other European countries with many Muslim residents have already adapted to their needs. In France, the Casino (CASP.PA) chain of supermarkets supplies halal meat products. In Britain, halal food is easily found in the top chains like Tesco (TSCO.L) and Sainsbury's (SBRY.L). French delicatessen stores sell halal goose liver pate and British pharmacy retailer Boots sells halal baby

food.

It's a different story in Germany, where supermarkets offer only a meagre range of halal food. Many retailers are reluctant to slaughter animals according to Islamic rules because they are concerned they might get into trouble with animal protection groups.

German law forbids slaughtering animals that have not been anaesthetized first. For most Muslims, a drugged animal is already dead, and the Koran forbids the eating of carrion. To get around the problem, many German halal producers procure their meat abroad.

But the ritual slaughter of livestock is also controversial within the Muslim community. "One has to take account of the era in which the rules of the Prophet were written and should not blindly follow traditional rules," says Yusuf Calkara of the European Halal Certification Institute in Hamburg. But other certifiers are more strict. "Industrially processed meat is never halal," says Mahmoud Tatari of Halal Control in the western town of R??sselsheim. According to Islamic rules, livestock must not suffer stress or agony, and mass production does not live up to those requirements, he says.

Allah on Tape

Certifiers also have differing standards regarding the requirement that butchers should call out Allah when they kill each animal. Some say it's enough for the call to be played from a tape, provided that a Muslim starts the tape. Germany's devout Muslims haven't yet agreed on uniform halal standards. Because the Islamic faithful in Germany belong to different organizations, there is no overall monitoring body to give a commonly accepted halal certification. As a result, there's a large market of halal certifiers who control the raw materials, the production process, the hygiene standards and the suppliers.

Meemken, the northern German sausage maker, has just successfully passed its halal audit. Its 60 halal products already account for half of its entire production. The firm mostly supplies food retailers outside Germany but recently added Germany's Netto chain to its list of halal food customers.

The machines are being painstakingly cleaned to remove any trace of pork from getting into the sausages on the days when halal food is produced. The company plans to install a new machine so that halal food can be produced separately in future. "We're definitely going to expand this segment," says managing director Rolf Meemken. "We're registering disproportionately strong growth with halal."

Poultry producer Wiesenhof has had its products certified as halal for years. But it's up to the food retailers to decide whether to label the products as being halal. "German companies are too cautious," says Levent Akg??! of ethnic marketing agency Akkar Media in Hanover. "They don't know the different culture and they can't calculate the risks." In addition, German food retailers are worried that putting halal food products on grocery store shelves will deter non-Muslim customers, says

Akg??l. Advertising for halal products in Germany is still taboo for many German companies, he says.

Disproportionate Growth With Halal Food

Not for much longer, though. "The halal trend is unstoppable," says Peter Grothues, head of the food industry segment of Cologne's trade fair company which will host an exhibition later this month for more than 800 halal food producers. Most of them are foreign companies that have been exporting to Germany for years. At present their products are still confined to Turkish corner shops in German cities. "But halal is becoming an increasingly important pillar of the trade," says the Federal Association of German Food Retailers.

That's not surprising given that people of Turkish descent in Germany have an estimated purchasing power of ??20 billion per year. Nestle already earns more from halal products than it does from organic food.

Halal foods aren't just sausage or meat. All food can be halal, from cheese without animal enzymes to biscuits, herbs and coffee, provided that the producers clean their machines with detergents that contain no alcohol.

"The halal market is far from satiated," says Derya Altay of the German Federation of Turkish Wholesalers and Retailers. "Where German consumers can choose from countless brands, the Muslim can only choose between two or three." The German industry would be well-advised to broaden its horizons and embrace the halal market, he says.

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