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Abstract:

The entire report has focused over the economic importance of One Belt, One Road concept, which has been initiated by China President Xi Jinping for enhancing its economic growth.

Focusing on:

• How religion and culture are influencing the international trading relationship between Chinese and Islamic people, while dealing in Muslim halal food industry.

• Highlight the impact of culture and religion over the activities performed in the international trading system.
Introduction - What is the “One Belt, One Road” initiative?

• This idea of was first revealed by President Xi Jinping in 2013,
• Two path: Silk Road Economic Belt and 21st Century Maritime Silk Road,
• An important economic driver for promoting the connectivity of the Asian, European and African continents and their adjacent areas,
• Promote trade and investment flows as well as people to people exchanges between these regions.
Marco-Environmental

PESTLE - Analysis

P - Political Issues

E - Economical Issues

S - Social Issues

T - Technological Issues

E - Environmental Issues

L - Legal Issues
Political Issues:

- Against US driven trade agreements: (a) Trans Pacific Partnership (TTP), (b) Transatlantic Trade & Investment Partnership (TTIP). Agreements between 12 Pacific Rim countries and European Union except China.

- China is expanding to the west and enhance China’s political leverage by preventing any individual country from threatening to disrupt China’s economic lifelines.

- Developed a more flexible policy for GCC countries’ Islamic Culture exception.
Economic Issues:

- As of Sep 2015, over 1.8 billion of the world population are Muslims
- More than 3.2 trillion USD transaction per year
- Cover 27 member countries of Islamic Conference; covering 63% of global population through One Belt, One Road
- China occupies less than 1% of global proportion

Through One Belt, One Road strategy, accelerating the step of international Halal trade development in China
Social Issues:

Muslims believe that through
- Pray
- Dietary Control
- can guide people to perform good deeds

Only accept edible desirable “Quran” foods,
- animals destined to be sold as halal meat must slaughtered in accordance

- Halal food is of fundamental significance to Muslims around the world
- Halal Food Certificate
- It assures safety and security in their dietary requirements and consumption

SLAUGHTER METHODS

**RITUAL SLAUGHTER**

Jewish Kosher method
- A certified butcher or shochet makes a transverse cut throughout all tissues and blood vessels in the neck using a special sharp knife (the halal)
- Parts of the animal forbidden for food such as blood and the sciatic nerve are removed
- The slaughtered animal is hung upside down to allow the blood to drain

Muslim Halal method
- Placed in the direction of Mecca, the animal must be awake at the time of slaughter
- A Muslim butcher makes a quick and deep incision with a sharp knife at the animal throat and says “bismillah” (in God’s name)
- The animal is then left to bleed to death

**NON-RELIGIOUS METHOD**

The animal is stunned first
- Electronarcosis (anesthesia by electric current) is applied before killing the animal
- The animal is bled to death by cutting its neck or sticking its chest

Source: idé
Social Issues cont:

(Culture to consume food bind to Islamic law)

- Animal may only be slaughtered by a special guide that ensures the process is quick, not cruel, and induces minimal pain to the animal.

- The entire process includes storage, transportation, and may not be in contact with any non-halal food.

- In major geographical clusters with a large Muslim population in China, at 32 million in 2015.

- Certification authorities, leading the Muslim religion as the main driver of the global expansion.
Technology Issues:

- With the name of world factory, China have the sufficient resources to provide high efficient production line for Halal Food.

- In order to improve the technology for handling of Halal food, the China Food Cooperation has started to learn from JAKIM of Malaysia since 1982 to launch the certification of Halal Food.
Environmental Issues:

• Drive the GSC (Green Supply Chain) Implementation in halal food production for environment benefits

• Decrease the Carbon footprint in green supply chain

• The infrastructure in OBOR program shorter the transport distance

• The marine transport is mainly applied in the program

• Many consumers prefer to buy green products in the market.
Legal Issues:

- To avoid the potential legal risk due to different legal system of each separate jurisdiction, Supreme People’s Court issued Opinions on People’s Court’s Provision of Judicial Service and Protection for “One Belt, One Road.

- People’s Court should apply for international regulations and practices in conformity with legal provision, clarify and try out foreign law, and enhance international credibility of judges.

- Improving to safeguard foreign investors
SWOT Analysis
Strength

• Enhance the overall economic growth of the region wide business development

• Companies will be benefited with this project and create an effective cross border supply chain management

• Helpful in promoting business development
Weakness

- Influence the credit risk of companies which are operating in China.
- Made a large impact over company’s economic structure when it comes to international basis and lead to complete failure of the business process.
- Several potentially political risks; trade risk, infrastructure related risk factor and civil disorder.
- The inter-connectivity related risks are highly affecting over the development of the companies’ economic condition.
Opportunities

• Improve the transportation process within the region
• Increase the business trade opportunities network
• It is significant vital for China expansion to the west
Threat

- It is very challenging and increasingly difficult in Muslims to ensure halal status of food in the market

- Halal is not just end-product certification but involves approval of all ingredients and all food processing at every stage of production from farm to table.

- Limited analytical methods available for halal food verification
Does religion or culture matter when the Chinese deal with the Islamic companies along One Belt, One Road?

**Conclusion:**

- Religion moderates social interactions: **Halal is not only following the law; it is a way of life.**

- The important of cleanliness is vital in the spiritual sense; **food and drink products must be approved before consumption**

- Difficult challenges ahead: **Halal compliance by suppliers, packing and labeling, and distrust about fraudulent suppliers.**


Thank You!