# Production of Halal Meat Products in Iran at a Glance

**History of Iranian Meat Products Industry**

Preface:

Although production of Sausage and bolognia , by applying modern techniques started from the early 18 century in some Europian countries, but its production in Iran began on October 24, 1925 and this is the time when a Russian citizen called “Afonasio”, 7 years after the end of $1^{st}$ world war in the past century, arrives at Bandar Anzali from Russia through Caucasias, north of Baku and Astara border on October 15, 1925, and made arrangements rapidly for establishment of a small establishment to produce sausage near Bandar Anzali at southwest coast of Caspian Sea and the first sausage product weighting 27 kg was produced in that small establishment in Bandar Anzali on October 24, 1925 and was sent as gift to some of local authorities such as Mirza Mohtasham Khan Lamirani as Village Chief; but Afonasio firstly was confronted with intense opposition of Village Chief concerning subject of used meat and manner of religious and/or non-religious slaughtering for used meat in sausage production.

Afonasio invited Mirza Mohtasham Khan Lamirani as Village Chief together with some of local patriarchs to visit his small establishment in which 2 local Muslims were engaged in producing sausages. Finally Mirza Mohtasham Khan declared his consent with manner of production and use of calf meat slaughtered religiously (Halal) and lets Afonasio to distribute his products in a limited amount to the market. Production of Russian sausage reached to 45 Kg. per day in March 1926, majority of which was used in Bandar Anzali.

Finally Mirza Mohtasham Khan declared his consent with manner of production and use of calf meat slaughtered religiously (Halal) and lets Afonasio to distribute his products in a limited amount to the market. Production of Russian sausage reached to 45 Kg. per day in March 1926, majority of which was used in Bandar Anzali.

In early 1927, Afonasio decided to transfer his production establishment to Tehran and/or establish another small establishment for sausage production in Tehran. Then he established another workshop in Manouchehri St., Tehran (May 1927) and gave its administration to a person named "Arezooman".

With urban development in Iran and mainly in Tehran in early years of 20th century, Arezooman established the first factory for production of meat products at current place of "Gooshtiran Factory" in 1933 in Tehran.

Before Islamic Revolution's victory on February 11, 1979 and after establishment of Arezooman factory in Tehran (1933) some other few factories were established in country such as Mikaeilian Co. (1959), Gilan Meat Products Factory in Rasht (1961), Kador (1963), Lavarak in Esfahan (1967) and Maedeh in Ghazvin (1975).



(Production rate of Arezooman Factory was 497 kg in first day of utilization on November 30, 1933. Arezooman Factory was given to Alavi Foundation after Islamic Revolution's victory and has been continuing its activity under the title "Gooshtiran" until present time.)

Between 1975 and 1978 some other factories were established in Tehran and some provincial cities that numbered total meat products factories to 11.

**Current situation:**

After Islamic Revolution's victory and especially after end of Iran–Iraq war (1980-1988), numbers of meat products producer companies increased noticeably while vast range of meat products were introduced to the market.



Number of meat products producer companies in Iran reached to 150 in 2006 that produces traditional meat products including sausage, bolognia, hamburger and different types of products, but about 13 other companies produced and distributed newer products to domestic market such as different kinds of chicken and red meat nuggets, ready frozen foods and so on.

Among total active companies in the field of production of different kinds of meat products which are estimated about 150 companies, 101 companies presently are as members of Iran Meat Products producers society, some of them such as Kaleh (Amol), Solico (Tehran), Kampooreh Khazar (Rasht) and Demes (Shiraz) are owner of international or regional brand and some others such as “Gooshtiran”, “Andre” and “Robat” are owner of national brand.

As it was mentioned, numbers of meat products companies has been increased gradually in Iran after Islamic Revolution of 1979; and this happened partly in the time of Iran-Iraq war (1980-1988)  The reason was to support the front line of the war and partly to provide the needed daily protein for Iranian households during and after the war. In short the amount of production has been gradually increased until present time.

## Quantities of Meat and chicken Production in Iran During 2010- 2015

| Item | Year | | | | | | |
|---|---|---|---|---|---|---|---|
| 1 | | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
| 2 | Meat production quantity in Iran (1000: tons) | 738 | 741 | 747 | 755 | 785 | 801 |
| 3 | Chicken production quantity in Iran (1000: tons) | 1,666 | 1,783 | 1,871 | 1,967 | 2,033 | 2,160 |

## Meat Importation Quantity

## During 2011-2015

| Item | Year | | | | | |
|---|---|---|---|---|---|---|
| 1 | | 2011 | 2012 | 2013 | 2014 | 2015 |
| 2 | Meat Importation Quantity (Thousands Ton) | 120 | 230 | 110 | 60 | 98 |

## Number of Meat Production Units in Iran as of 2006 up to 2016 During 2011-2015

| Item | Year | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | Prediction of 2016 |
| 2 | No. of Unit | 123 | 131 | 140 | 143 | 146 | 149 | 152 | 152 | 154 | 146 | 155 |

## Annual Production Amount

| Item | Year | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | Prediction of 2016 |
| 2 | Annual Production (Ton/year) | 238000 | 256100 | 277435 | 298520 | 345700 | 360900 | 362000 | 331700 | 369500 | 377000 | 414000 |

## Annual Production Value

| Item | Year | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | Prediction of 2016 |
| 2 | Annual Production Value (Billion Rials) | 6865 | 8690 | 9814 | 11655 | 12510 | 11981 | 10590 | 9130 | 9830 | 10960 | 12604 |

# Units Employment

| Item | Year | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | Prediction of 2016 |
| 2 | Units Employment (person) | 7100 | 7709 | 7921 | 8188 | 8429 | 8209 | 8311 | 8295 | 8408 | 8604 | 8800 |

## Valued Added

| Item | Year | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | Prediction of 2016 |
| 2 | Value Added (Billion Rials) | 1830 | 2257 | 2529 | 2350 | 2827 | 2731 | 2425 | 2788 | 3179 | 3497 | 3840 |

# Iran Population

| Item | Year | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | Prediction of 2016 |
| 2 | Population (1000: Persons) | 70496 | 71366 | 72266 | 73196 | 74157 | 75150 | 760380 | 76942 | 77856 | 78733 | 79686 |

## Sausage and Ham Consumption per capita

| Item | Year | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | Prediction of 2016 |
| 2 | Sausage and ham Consumption per capita (Kg) | 3.5 | 3.8 | 4.0 | 4.3 | 4.9 | 5.0 | 5.1 | 4.5 | 5.0 | 5.2 | 6.0 |



**Remarks:**

1. The production practical capacity in 2008 is the estimated figure by the Association (The figures have been estimated in 2010, 2011and 2012).
2. The quantity of annual production including various sausage and salami and ham which have been estimated in the member and non-member companies collection.
3. The production value has been estimated based on average price of group 40% for meat and chicken consumption and 50- 90 % for the luxury products.

# Production capacity and Estimation in major Sub-groups of Foodstuff and Beverage Industries: Unit: Thousand Tons

| Item | Field of Activity | Various Manufacturing products | Capacity | Production Estimation (2015-2016) |
|---|---|---|---|---|
| 1 | Dairy Products | Various milks, yogurt, butter, yogurt drink, skimmed milk, ice cream, etc. | 11000 | 5500 |
| 2 | Cookies and Chocolate | Various chocolates, cacao butter and powder, candy, cereals, cake and cookies, chewing gum, toffee, etc. | 2900 | 1600 |
| 3 | Oil extraction | Various vegetable crude oil | 4600 items | 350 (crude oil) |
| | Vegetable oil purification | Various liquid oil, Frying oil and family consumption oil | 3700 | 1500 |
| 4 | Flour | Null flour, star, bran free and whole flour | 18000 | 9000 |
| 5 | Sugar and Cube Sugar | Sugar and Cube Sugar | 1900 | 1300 |
| 6 | Tomato paste | Various tomato pastes, can, Aseptic, and tomato packs | 1100 | 380 |
| 7 | Compote and can | Various non-meat cans | 500 | 270 |
| | | Various fruit can | 170 | 100 |
| 8 | Fruit Juices and Concentrates | Various fruits juices | 4000 | 850 |
| | | Fruits concentrate | 290 | 90 |
| 9 | Macaroni | Various long and figurative pasta | 800 | 450 |
| 10 | Starch | Various starch including what, potato and other seeds starch | 240 | 200 |
| 11 | Yeast | Liquid and dry yeast | 38 | 31 |
| 12 | Meat Products and Can | Various sausage and salami , burgers and various readymade foods | 1500 | 590 |
| 13 | Non-alcoholic carbonated beverage | Various non-alcoholic carbonated drinks | 5700 | 2700 |
| 14 | Mineral water and drinking water | Various mineral and drinking water | 10500 | 1300-1500 |
| 15 | Livestock, Poultry and Aquatic feeds | Various livestock, poultry and aquatic feeds, livestock poultry and aquatic feeds supplements and various concentrate | 18000 | 8000 |
| 16 | Non-alcoholic beer | Production of malt and various drinks based on simple and flavored malt | 2000 | 1600 |

# Export of Major Items of Food and Edible Industries during 2012-2014

| Item | Goods category | 2014 | | 2013 | | 2012 | |
|---|---|---|---|---|---|---|---|
| | | Weight (1000 Tons) | Value (Million Dollars) | Weight (1000 Tons) | Value (Million Dollars) | Weight (1000 Tons) | Value (Million Dollars) |
| 1 | Dairy Products and ice cream | 406.5 | 642 | 353.1 | 609 | 325.9 | 636 |
| 2 | Cookies and chocolate | 230.2 | 553 | 219.3 | 509 | 197.1 | 438 |
| 3 | Saffron | 0.158 | 227 | 0.137 | 200 | 0.14 | 419 |
| 4 | Tomato paste | 124.7 | 198 | 102.3 | 171 | 112 | 195 |
| 5 | Fruit juice and concentrate | 55.3 | 89 | 56.7 | 98 | 60 | 111 |
| 6 | Livestock, Poultry and Aquatic feeds | 161.7 | 64 | 67.2 | 33 | 40.4 | 19 |
| 7 | Macaroni | 64.4 | 57 | 82.9 | 72 | 55.7 | 50 |
| 8 | Non-alcoholic beer | 32.2 | 31 | 29.3 | 31 | 34.4 | 26 |
| 9 | Licorice | 5.63 | 32 | 6.8 | 38 | 6.7 | 37 |
| 10 | Various fruit compote | 13.5 | 26 | 12.7 | 22 | 12 | 17 |
| 11 | Meat products | 4.8 | 20 | 3.9 | 15 | 2.1 | 8 |
| 12 | Non-meat can | 7.3 | 14 | 8.8 | 17 | 9.6 | 19 |
| 13 | Purified oil | 6.5 | 12 | 3.7 | 7 | 29.4 | 52 |
| 14 | Fish products and cans | 2.4 | 12 | 1.2 | 6 | 1.1 | 6 |
| 15 | Flour | 24.1 | 7 | 44.7 | 13 | 49.3 | 14 |
| 16 | Starch | 2.9 | 2 | 4.3 | 2 | 2.1 | 1 |
| 17 | Mineral and drinking water | 5.9 | 0.955 | 5.5 | 0.651 | 4.8 | 0.572 |

## Total Importation of Food and Beverage Industries during 2012-2014

| Item | Goods category | 2014 | | 2013 | | 2012 | |
|---|---|---|---|---|---|---|---|
| | | Weight (1000 Tons) | Value (Million Dollars) | Weight (1000 Tons) | Value (Million Dollars) | Weight (1000 Tons) | Value (Million Dollars) |
| 1 | Food and beverage products | 2,855 | 3,212 | 3,660 | 4,161 | 3,644 | 4,330 |
| 2 | Other side products consumed in industry and agriculture | 2,181 | 1,287 | 2,826 | 1,843 | 2,705 | 1,656 |
| 3 | Total | 5,036 | 4,499 | 6,486 | 6,004 | 6,349 | 5,986 |

**Study of Existing Situations and Stand of Food and Beverage Industries in Iran and the World**

One of the most significant sections of industry in all the countries which is related to food security is food industries. Development of such industry seems necessary regarding shortage of food recourses and population increase. The food industry has significant role in supplying the fundamental and necessary goods by supplying the consumed, mediate and raw materials and goods. The food industry receives and processes the raw materials and the agricultural inputs. The portion of agricultural products is about 1% of the agricultural products of the world based on statistics of the Ministry of Agricultural Jahad's letter and the quantity of agricultural products in Iran is estimated about 100 million tons per annum. Therefore creation of food industry and food conversion industries for relative realization of the food security, employment, export increase, increasing the added value and prevention from the agricultural products spoils are so important.

**Relative benefits of food industries in Iran:**

The products of such field of industry is consumed by the society and is mostly among the family food basket. The relative benefits of this industry are as follows:

- Less dependency on imported raw materials
- High employment
- Much variety of products
- Existence of regional and international markets
- Native technical know-how and specialized forces in country
- Concentration of considerable portion of family demands in this group of industry
- Country capability in rendering the technical and engineering services of foodstuff.
- Possibility for conversion to one of the production poles and export of halal foods industries

**Main Strong and Weak Points, Opportunities and Threats of Meat Products Industries in Iran**

**Strong Points:**

1. Suitable access to major part of raw materials in Iran
2. Existence of efficient, trained and specialized human resources
3. Expansion of land, variety of climate and taking advantage of natural rich resources
4. Expanded employment in level of supply, distribution and sales in value chain of meat products industries
5. Having high valued added in this section
6. Suitable capacity making in meat products industry processing arena
7. Suitable access of society individuals to the processed products within year
8. Relative conformity of food products with the health standard and requirements at international level
9. Having competitive benefit for exporting the meat products or halal products
10. Existence of relative technology and capacity in making the machinery and equipment of meat products in Iran
11. Existence of suitable taste and flavor of meat products produced in Iran in ratio with the people’s taste

**Weakness Points:**

1. Low and non-productive output in some small and medium industries in meat products industries arena
2. Relative weakness in using the research and development in level of the agencies
3. Exhaustion of certain parts of machinery in the meat products industries
4. Shortage and non-competitive of certain raw materials with the imported similar products
5. Existence of unused and additional capacities
6. High energy consumption
7. Relative weakness in variety, quality and supply of suitable packs
8. Weakness in advertisement and domestic and international marketing
9. Low compatibility of some products in the region as to cost price and quality
10. Relative weakness of distribution system

**Opportunities:**

1. Population growth in the regional countries as well as Iran and existing the regional and international markets of the meat products
2. Intention of the Iranian and also regions society for consuming the meat products as to easy preparation and acceleration in baking
3. Existence of geographical and geopolitical situation in the region and access to agricultural resources in the neighboring countries
4. Nonexistence of processing capacity of meat products in some of the neighboring countries

Non-application of growing demand of halal meat products in the world

**Threats:**

1. Non-fixing the price of raw materials and its effect on compatibility of goods in the world and regional level
2. Shortage of mechanized and industrial animal husbandry for producing the required industrial livestock and reduction of the cost price of products for compatibility of meat products
3. Restriction in importation and exportation of meat products and raw material
4. High rate of banking interest and lack of various financial supply tools
5. Effective presence of competitor countries in the common export target markets
6. Existence of conflicts  in some of the neighboring countries
7. Existence of some limitations in the financial transactions
8. Existence of dry and semi-dry climate in Iran and non-possibility of planning for assurance of supplying meat and poultry

**Halal Brand Picking Up Steam**

Iran Meat Products Industries Association is a long-established organization in the country's food industry. The association has done far-reaching services in recent years, including measures to expand research and development on the Halal brand.

The association has also played a big part in setting up the Islamic Chamber Research and Information Center (ICRIC).



Economy and Exhibition had an interview with Majid Aflaki, secretary of IMPIA on the Halal brand market in Iran; a brand which he believes should be promptly promoted.

**- When did the Iran Meat Products Industries Association start to work?**

The association got off the starting blocks in 1994. It initially had 40 members, but more than 100 companies have come on board over the years, with members spread almost all across the country.

Interestingly, large Iranian producers of meat products –those with at least 100 staff according to the Statistics Center of Iran's definition of a large enterprise—are all members of the association.

Moreover, the association essentially greases the wheel between government's regulatory bodies, the Ministry of Health, Iran Veterinary Organization and universities of medical sciences with the private sector

**- What is the significance of Halal brand?**

What is known today as Halal brand, or basically the notion of Halal, started out in Islamic countries. Perhaps the first thing that associates with this notion is the production of meat products that comply with the Islamic laws.

In this regard, the slaughter of animals through the laws of Islam comes into perspective.

Lawful animals for Muslims have to go through a specific process of slaughter, known as Zibh, for its meat to be considered Halal. This process encompasses several conditions relating not only to the method of the slaughter, but also to the treatment of the animal after slaughter, as well as to the person who will subdue the animal.

If the slaughter is not done through Zibh, the meat or derivatives cannot be deemed to be Halal or permissible for Muslims to consume.

All products with the Halal brand are produced through Zibh, which has been prevalent in Islam since 14 centuries ago. But the brand is not limited to meat products and some non-food items should meet Halal requirements.

For instance, cosmetics that include pork or any of its derivatives are "haram", or forbidden, and cannot be offered under the Halal brand. The same applies to the furniture made of pigskin.

It should be noted that Iran, as a leading Islamic country, has consumed Halal foods for decades. Every food product in the country is basically rubber-stamped as Halal and does not bear the Halal trademark. In other words, it is not as if Iranians choose between Halal and non-Halal products, because Halal products are an integrated part of the everyday life of Iranian citizens.

Aside from the Islamic law, there is a deeper sense to the concept of Halal, i.e. Halal products are unpolluted and healthy in nature. Thus, products that pose a danger to human's health in any way are essentially Haram.

**- How will the promotion of Halal brand help the economy of Islamic countries?**

There are 45 Islamic countries with a huge population of around 1.5 billion. So are talking about a market with absolutely enormous potential with massive gross domestic products. Trade volume in food industry among these 45 states account for nearly $2 trillion.



Now you can see what a great potential there is. The presupposition is that food products in these countries are Halal. Paying closer attention to the concept of Halal and realizing the significance of promoting Halal food products will help establish a closer bond across the Islamic nations and would also serve as a major driving force in trade and economy

Malaysia, one of the most advanced Islamic countries, has been working on this issue for years. The Southeast Asian country has a population of 27 million and 20 million Muslims, but the country has turned into one of the pillars of promoting Halal products because of extensive efforts it has put into the issue over the years.

But let's not forget that food products that are produced in Islamic countries, and in particular in Iran, meet the Islamic laws and are Halal.

This is while there are written laws and frameworks to define what Halal products are and how they are distinguished from non-Halal products, with the government closely auditing the food industry. From the other side, the private sector and associations have realized the importance of producing food products compliant with Islamic laws.

Iran Chamber of Commerce, Industries, Mines and Agriculture has pinned special importance to the Halal brand and has gone so far as to establish the first Islamic chamber and set up the Islamic Chamber Research and Information Center. It is worth mentioning that Iran Meat Products Industries Association was a major supporter and contributor to the ICRIC and played a role in establishing the chamber.

Halal brand is a far-reaching and long-standing issue in Iran. Rules and regulations are being set that now allow privately-run Iranian companies to issue the Halal certificate. We hope that Iran will become a bedrock of Halal in the region and across the world, given the country's well-established infrastructure for the promotion of Halal brand and products.

# THE END