# IMPLICATIONS OF CULTURAL AWARENESS IN TRANSPORT – COMPARATIVE STUDY OF HALAL FOOD SUPPLY CHAIN IN HONG KONG AND ROMANIA

Yui-yip Lau[xy], Lecturer PhD. Dragomir Cristina[z]

*Division of Business, Hong Kong Community College, The Hong Kong Polytechnic University[x]*
*Transport Institute, University of Manitoba, Winnipeg, MB, Canada[y]*
*Constanta Maritime University, Faculty of Navigation and Naval Transport[z]*

**ABSTRACT**

Cultural awareness in logistics is a domain insufficiently researched, though its role is significant in establishing and developing various business opportunities. A Halal food supply chain has emerged in the 21st century to serve a growing population of devout Muslims. In Hong Kong and Romania, the Halal food supply chain is at an introductory stage and has received minimal attention from governmental bodies and academic institutions. This paper investigates the competitive business environment and identifies key factors to strengthen the role of Hong Kong and Romania as a Halal food supply chain hub in the Asian and European regions respectively.

Porter's diamond framework is applied to illustrate how the Hong Kong and Romania Halal food supply chain members can utilize their inherent resources to enhance their capabilities to compete in the dynamic external environment. The paper also uses the concept of regional competitiveness to critically examine Hong Kong and Romania's potential evolution into a Halal food supply chain hub. This provides an opportunity to examine the competition encountered by Hong Kong and Romania Halal food supply chain industry. Sustainable competitive advantage and first mover advantage are considered.

**Keywords:** *Halal Food Supply Chain Industry, Porter's Diamond Framework, Regional Competitiveness, Sustainable Competitive Advantage, Motorways of the Sea, Cultural Awareness*

## 1. INTRODUCTION

In the context of globalisation, supply chains are influenced by the variety of cultures that create new markets in expansion and new business opportunities. While globalisation implies the free movement of individuals coming from various cultures and having different religions, the global food market must find local solutions to adapt to the diversity of food preferences: Jewish people require kosher food, Hindus do not eat beef or veal and Muslims prefer Halal.

This paper examines the economic implications of the multilateral relation between culture, food markets and supply chain.

The Arabic word Halal defines anything that is permitted and lawful under the terms of Sharia (Islamic) law. In other words, any service or item that is to be consumed by Muslims is required to comply with its precepts (HKTDC, 2017).

Codex Alimentarius Commission of the Food and Agriculture Organization (FAO) of the United Nations established "The Codex General Guidelines for the Use of the Term 'Halal'" [7] considering that "there may be minor differences in the interpretation of lawful and unlawful animals and in the slaughter act, according to the different Islamic Schools of Thought" (CAC/GL 24-1997). The Codex General Guidelines is an advisory text. According to these Guidelines, "Halal food means food permitted under the Islamic Law fulfilling the following conditions: does not consist of or contain anything which is considered to be unlawful according to Islamic Law, has not been prepared, processed, transported or stored using any appliance or facility that was not free from anything unlawful according to Islamic Law and has not in the course of preparation, processing, transportation or storage been in direct contact with any food that fails to satisfy the above conditions.

Halal food can be prepared, processed or stored in different sections or lines within the same premises where non-Halal foods are produced, provided that necessary measures are taken to prevent any contact between Halal and non-Halal foods. Halal food can be prepared, processed, transported or stored using facilities which have been previously used for non-Halal foods provided that proper cleaning procedures, according to Islamic requirements, have been observed. The term Halal may be used for foods which are considered lawful except the following sources, including their products and derivatives which are considered unlawful: pigs and boars, dogs, snakes and monkeys, carnivorous animals with claws and fangs such as lions, tigers, bears and other similar animals, birds of prey with claws such as eagles, vultures, and other similar birds, pests such as rats, centipedes, scorpions and other similar animals, animals forbidden to be killed in Islam i.e., ants, bees and woodpecker birds, animals which are considered repulsive generally like lice, flies, maggots, animals that live both on land and in water such as frogs, crocodiles and other similar animals, mules and domestic donkeys, all poisonous and hazardous aquatic animals, blood, intoxicating and hazardous plants except where the toxin or hazard can be eliminated during processing, alcoholic drinks, all forms of intoxicating and hazardous drinks, all food additives derived from above mentioned items."

To comply with Halal requirements, "all lawful land animals should be slaughtered in compliance with the rules laid down in the Codex Recommended Code of Hygienic Practice for Fresh Meat" considering the following requirements:

- "the person should be a Muslim who is mentally sound and knowledgeable of the Islamic slaughtering procedures";
- "the animal to be slaughtered should be lawful according to Islamic law";
- "the animal to be slaughtered should be alive or deemed to be alive at the time of slaughtering";
- "the phrase "Bismillah" (In the Name of Allah) should be invoked immediately before the slaughter of each animal";
- the slaughtering device should be sharp and should not be lifted off the animal during the slaughter act;
- the slaughter act should sever the trachea, esophagus and main arteries and veins of the neck region" (CAC/RCP 11, Rev.1-1993).

Regarding the Halal industry, it has been surprisingly growing in both Muslim and non-Muslim countries (Rahman et al., 2017). Currently, it is predicted that the global Muslim population is around two billion, representing about 25% of the global population. Due to rising incomes and speeding up population growth, the international Halal market is expected "to be worth over US$2.3 trillion" [26]. In terms of Halal market, the food section is widely shown as performing the greatest potential for growth (HKTDC, 2017).

From "State of the Global Islamic Economy Report" 2016/17, it evaluates Muslim food and beverage expenditure to evolve to $1.9 trillion by 2021. The top Muslim Halal food consumption markets in 2015 are listed in Table 1. Indonesia and Turkey that have large Muslim populations and rising incomes are the biggest markets, but even Christian countries like the USA and Germany have significant Halal food markets.

Table 1. Top Muslim Halal Food Consumption Market in 2015

| Top Muslim Halal Food Consumption Market | Size (US$ Billion) |
|---|---|
| Indonesia | 154.9 |
| Turkey | 115.5 |
| Pakistan | 106.3 |
| Egypt, Arab Rep. | 77.5 |
| Bangladesh | 68.5 |
| Iran | 59.0 |
| Saudi Arabia | 47.9 |
| Nigeria | 41.2 |
| Russia | 37.0 |
| India | 34.8 |

Source: "State of the Global Islamic Economy Report"(2016)

In order to enhance the Halal food and beverage safety and security, different countries establish various policy and measurement of Halal food and beverage. Top 10 countries create and implement the best developed ecosystem for Halal food and beverage. Under the ecosystem, it generates the Halal Food Indicator (HFI) to assess different countries' health and development of their Halal food ecosystem. Table 2 shows the top 10 representative countries in HFI ("State of the Global Islamic Economy Report", 2016).

Table 2. Top 10 Countries in the Halal Food Indicator

| Rank | Country | Halal Food Indicator |
|---|---|---|
| 1 | UAE | 75 |
| 2 | Australia | 63 |
| 3 | Pakistan | 56 |
| 4 | Brazil | 56 |
| 5 | Malaysia | 55 |
| 6 | Oman | 54 |
| 7 | Somalia | 51 |
| 8 | Saudi Arabia | 50 |
| 9 | Bahrain | 45 |
| 10 | Qatar | 45 |

Source: "State of the Global Islamic Economy Report" (2016)

Recently, China has been recognized as one of the most potential Halal food market in the world, notably through the launch of Belt and Road Initiative in 2013. Through the Belt and Road Initiative, also known as "the Silk Road Economic Belt" or also called "the 21st-century Maritime Silk Road", the emergence of free trade zone strengthening the edge of the cities in foreign trade and investment, notably in Halal food industry. The Belt and Road initiative is geographically structured along several economic corridors, represented in Figure 1.

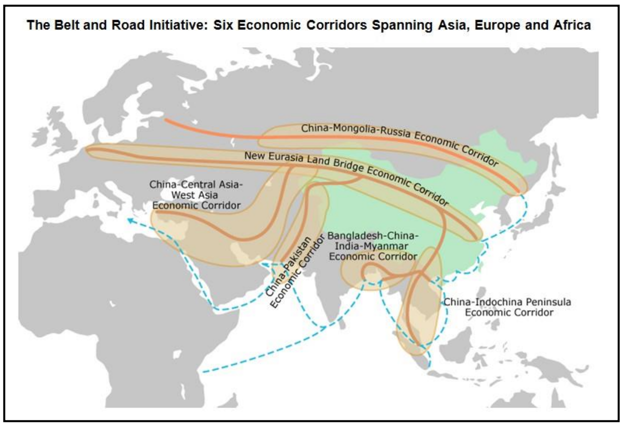


Figure 1. The economic corridors of The Belt and Road initiative. Source:HKTDC

The economic corridors proposed by The Belt and Road initiative are the following:

- The New Eurasian Land Bridge Economic Corridor, running from Western China to Western Russia through Kazakhstan;
- The China–Mongolia–Russia Economic Corridor, running from Northern China to Eastern Russia;
- China–Central Asia–West Asia Economic Corridor, running from Western China to Turkey;

- China–Indochina Peninsula Economic Corridor, running from Southern China to Singapore;
- China–Myanmar–Bangladesh–India Corridor, running from Southern China to Myanmar;
- China–Pakistan Economic Corridor, running from South-Western China to Pakistan and
- The Maritime Silk Road, running from the Chinese Coast through Singapore to the Mediterranean.

In the context of geographical coverage, the Belt and Road Initiative covered a majority of Muslim countries where Halal food becomes a core industry in the different regions. Furthermore, the Belt and Road Initiative foster to consolidate intermodal transport networks with South East Asian regions. China becomes a Halal food manufacturing hub and trade centre in Asia Pacific region (Lau et al., 2015). Although Halal food market has dramatically grown in China, China still lacks a national certifier and international Halal food safety standard which leads to presenting numerous of mislabelling of Halal food products. Based on that, China announced that: “a state-backed Halal hub is to be set up in Shaanxi province, with the backers suggesting that Malaysia’ Halal Development Corporation SdnBhd (HDC) assist in its establishment and development of a Halal certification unit: (Global Islamic Economy Gateway, 2016).

On the other hand, in Europe there are approximately 30 million Muslims demanding Halal products. The largest European port, Rotterdam, is considered a European Halal gateway. The Dutch authority of Rotterdam port cooperates with market parties to develop Halal supply chain solutions under full Halal certifications and to offer a dedicated warehouse for Halal products. The port offers a number of dedicated facilities for products like eatable oils, meat and canned food. (Port of Rotterdam Authority Marketing Communication leaflet) After entering in Europe either by Rotterdam, either by Constanta Port (Romania), the Halal transport can continue across the continent through the Trans-European Transport Network (TEN-T). “This is a European Commission policy directed towards the implementation and development of a Europe-wide network of roads, railway lines, inland waterways, maritime shipping routes, ports, airports and rail-road terminals, as observed in Figure 2. The network consists of two planning layers: The Comprehensive Network: Covering all European regions and The Core Network: Most important connections within the Comprehensive Network linking the most important nodes.

According to the European Commission, the objective of TEN-T is to close gaps, remove bottlenecks and eliminate technical barriers that exist between the transport networks of EU Member States, strengthening the social, economic and territorial cohesion of the Union and contributing to the creation of a single European transport area.

Nine Core Network Corridors are identified to streamline and facilitate the coordinated development of the TEN-T Core Network.” [10]

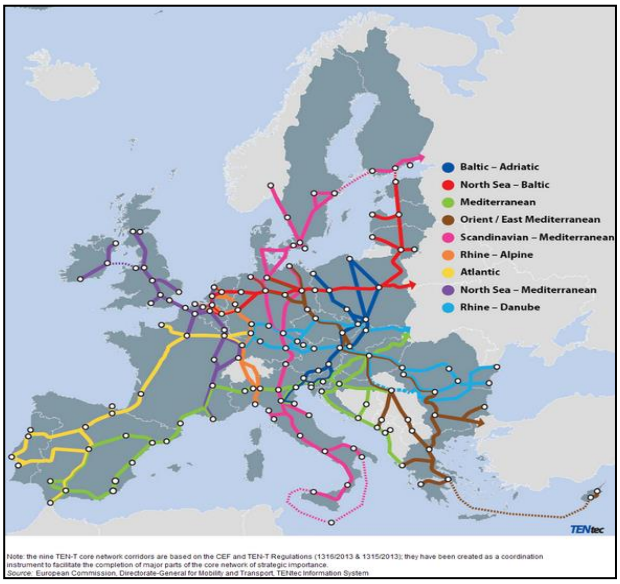


Figure 2. The nine TEN-T core network corridors. Source: European Commission Directorate-General for Mobility and Transport, revised June 2017.

“These are complemented by two Horizontal Priorities, the ERTMS deployment and Motorways of the Sea; both established to carry forward the strategic implementation of the objectives of the Core Network, in-line with the funding period, 2014 to 2020. EU funding for projects on each Corridor and Horizontal Priority is provided by the Connecting Europe Facility (CEF), with relevant Member States obliged to align national infrastructure investment policy with European priorities. Other sources of funding and financing include the European Structural and Investment Funds and the European Fund for Strategic Investment” (EC-DG for Mobility and Transport)[10].

A draw-back issue for expanding Halal supply chains might be the incongruence in establishing and accepting uniform certification systems. Although Malaysia has introduced a Halal logo and several national Halal standards for Halal certification (MS1500:2004 - Halal Food – Production, Handling & Storage; MS1900:2005 - Quality Management System; MS 2300:2009- Value Based Management System; MS 2200:2008 - Cosmetic and Personal Care; MS 2400:2010 - Standard on Halal Logistics), these standards are not recognized and integrated worldwide. The different views and interpretation of the Shariah and discrepancy in various regional customs of the food culture produce defragmentation of Halal certification bodies as can be seen in the figure below.

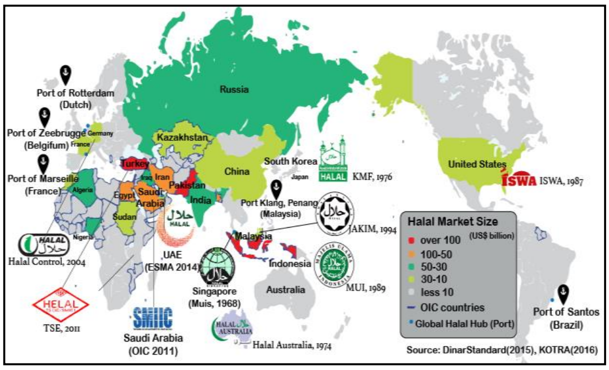


Figure 3. Global Halal Market Map. Source: Park, H.S. (2017)

There are national institutions, religious institutions (individuals in each country), and private institutions (Islamic associations or organizations) that certify Halal foods, but the standards for certification differ from each other. The strategy of Nestlé, a leader in the Halal food industry, is to use Glocalization to adapt international products around the particularities of a local culture in which they are sold (Hong and Song, 2010), in order to obtain the most recognized Halal certification in the region to respond to the worldwide fragmented Halal certification. (Park, H.S., 2017)

The majority of research papers on the Halal industry focus on the purchasing behaviour of the Muslim consumers. They apply the theory of Planned Behaviours and the consumer awareness towards Halal products (e.g. Golnaz et al., 2004; Bonne et al., 2007; Bonne and Verbeke, 2008; Wan and Awang, 2009; Havinga, T. 2011; Tieman et al., 2013). Also, the majority of studies feature general Islamic marketing practices and are applied to the concept of Halal food related to the usage of meat products only (Salman and Siddiqui, 2011). To the degree that these research papers discuss the Halal supply chain, the focus is a narrow perspective of Halal packaging and Halal labelling (e.g., Salman and Siddiqui, 2011; Ab Talib and Johan, 2012). Noordin et al. (2012) described the Halal certification systems from a holistic perspective as a strategic move to improve the operational efficiency of Halal certification.

To fill the research gap in supply management, we illustrate a conceptual framework on Halal Hong Kong and Romania food supply chain.

## 2. APPLICATION OF THE PORTER'S DIAMOND FRAMEWORK TO HONG KONG AND ROMANIAN HALAL FOOD INDUSTRY

Hong Kong has around 300,000 Muslims, while Romania has around 65.000. In Hong Kong they contain 30,000 Pakistanis, 40,000 Chinese, 150,000 Indonesians and many others from India, Malaysia, the Middle East, Africa and elsewhere (The Census and Statistics Department, 2013). In Romania, most Muslim Muslims are Tatars and Turks, but there are also confessional communities of Islamic Albanians and Romanians and, more recently, immigrant families from the Middle East (NIS, 2013). Currently, Hong Kong has five mosques of which one in Kowloon Peninsula (Kowloon Mosque) and four are on Hong Kong Island (Stanley Mosque; Shelly Street Mosque; Chai Wan Mosque; Masjid Ammar). In Romania live 5 times less Muslim compared to Hong Kong, while there are 15 times more mosques compared to Hong Kong, representing a total number of 77 mosques in the European country. Muslim community in Romania have always developed peaceful and collaborative social relations with the majority community of Romanians and with other minorities. Both HKSAR and Romanian governments demonstrated a negligent view on Halal industries. Most of Romanians and Hongkongers have not completely identified Halal market. Only a small number of private firms act well in some food services and products to intensify themselves and weaken other countries' competitors impact on Halal industries. For instance, in Hong Kong, the Maxim firms provide "a Halal kitchen of the Dutch kitchen in the Maxim's food production at Tai Po, obtaining the official Halal Certificate from the Incorporated Trustees of the Islamic Community Fund of Hong Kong" [55]; and Ocean Park has a variety of Halal food and gives the Islam tourists. They furnish with Halal food between the farm and the table-desk through food supply chain. In addition, the finance from the Islam bank secures the Halal Quality Marks and conforms to the Islamic dogma.

In Romania, in Constanta County where 85% of the Muslim community lives, there are only 2 local specific stores providing Halal products. Instead, in the region there are many ordinary butcher shop businesses run by Turkish origin managers now of Romanian nationality. Nevertheless, Romanian Halal products are designated for export. Also, in Romania, since March 2017 steps in establishing a Halal cluster in the centre of the country were made. The value of the Romanian meat market amounts to about 3 billion Euros. The most significant exporters of meat in 2016 were Smithfield Prod, AAylex Prod and Maria Trading. Maria Trading, part of the Maria Group, is one of the largest producers of certified Halal meat in Romania (Lazar, A., 2017). It is worth underlying the fact that the largest producer of Halal meat in Romania has a Christian name (Maria), reflecting the business openness to cultural and religion awareness.

Porter's national 'diamond' framework integrates the comparative advantage of different industries (Grant, 1991). The nature of industry is basically heterogeneous in capabilities and resources having comparative advantages and disadvantages in the dynamic external business environment (Peteraf, 1993). The Porter's competitive advantage of nations identified that there are the firms rather than nations, as well as the main actors. The primary role of the nation is the 'home base' which can foster to shape the firm identity, the top management characteristics, the approach to strategy and organization and to determine the availability and qualities of the resources of the firm.

Porter's diamond framework (1998) identifies four interacting determinants that combine with the local context to determine 'national competitiveness'. Figure 4 presents a version of the framework for this study. The four characteristics that determine success are Factor Conditions, Firm Strategy, Structure and Rivalry, Demand Conditions and Related and Supporting

Industries. These characteristics are examined with respect to the local context in Hong Kong and Romania to assess its success to establish and sustain competitive advantage in the Halal food supply chain.

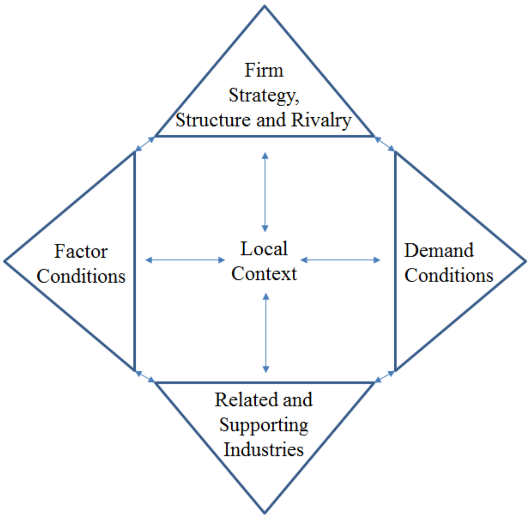


Figure 4. Porter's Competitive Diamond Framework

*2.1 Factor Conditions:*

Factor conditions refer to the production inputs that generate the industry's comparative advantage in the international market. The nature of factors can provide initial advantages, for example favourable weather conditions, natural resources, energy and location (Grant, 1991; Porter, 1998). Hong Kong is located at an optimal location in the Asian Pacific region. The Hong Kong International Airport (HKIA) is connected to more than 180 locations in over 50 countries around the world. Some 100 airlines (including 19 cargo-only carriers) operate in HKIA where cargo can move toward over half of the world population within 5 flying hours. Aircrafts land and take off from the airport about 1,000 times every day. The frequency of flights provides shippers and passengers' flexibility in cargo-shipping and travelling (source: Hong Kong International Airport, 2013). Romania is also located in an optimal location for Asian cargo to enter the European market through Black Sea and further by Danube River Canal. Romania has two Core Network Corridors crossing its country: The Orient/East-Med Corridor connects the German ports Bremen, Hamburg and Rostock via Czech Republic and Slovakia, with a branch through Austria, further via Hungary to the Romanian port of Constanta, the Bulgarian port of Burgas, with a link to Turkey, to Greek ports Thessaloniki and Piraeus and a "Motorway of the Sea" link to Cyprus, interfering in some key points with Belt and Road initiative economic corridor. It comprises rail, road, airports, ports, RRT's and the Elbe river inland waterway. "The Rhine-Danube Corridor provides the main east-west link across Continental Europe. Tracing its route along the Danube River, it connects Strasbourg and Southern Germany with the Central European cities of Vienna, Bratislava and Budapest, before passing through the Romanian capital Bucharest to culminate at the Black Sea port of Constanta. A second branch of the corridor tracks a path from Frankfurt to the Slovakian/Ukrainian border, linking Munich, Prague, Zilina and Kosice. It covers rail, road, airports, ports, RRT's and the inland waterway system of Main, Main-Danube canal, the entire Danube downstream of Kelheim and the Sava river." [9]. There are several ways of entering the Romanian market: by direct exports, appointing a local distributor or setting up a local branch. The presence of business in Romania can be established through a limited liability joint stock company, a branch office, joint venture partnerships or representative office. "Setting up a representative office is straightforward, but activities are limited to marketing and auxiliary services on behalf of the parent company" (UK Government, Department for International Trade, 2015) [51].

Since September 2014, through a protocol signed between Great Mufti's Office of Muslim Community of Romania and the Islamic Association of China, the Halal certificates issued by the two organizations will be mutually recognized in both countries. These certificates attest the quality of the products according to the Muslim standard.

Overall, in Constanta Port, the largest port of Romania and the largest port at the Black Sea, there is sufficient handling and operating infrastructure that can be used for Halal supply chain.

The hinterland of Constanta Port (figure 5) supports the port regarding the produced, consumed and forwarded goods to/from the port. It includes a vast region in the Central and Eastern Europe. During the last decade, the Port of Constanta efficiently served the flows of goods that arrived or departed from/to the Central and Eastern Europe, including: Austria, Czech Republic, Slovakia, Hungary, Serbia, Bulgaria, Moldova and Ukraine. Although many political and economic changes have taken place in this area and have influenced its evolution significantly, the traditional transport routes using the Port of Constanta have remained unchanged, due to the competitive advantages of the port. The economic growth recorded during the last years in the Central and Eastern Europe countries entitles Port of Constanta to act as the main depositing and distributing center for this region. The Port of Constanta is a multimodal transport center for any types of cargo and an important trade gateway for the Central/Eastern Europe and for the Black Sea Countries. The integration within the national and European transport networks makes the Port of Constanta the perfect choice for the cargoes dedicated to the landlocked countries located at the heart of Europe. (Port of Constanta Annual Report, 2016)


Figure 5. Constanta port hinterland. Source: Port of Constanta Annual Report, 2016

Nevertheless, Constanta Port authority does not visibly encourage, as much as its Rotterdam competitor, the development of Halal supply chain solutions under full Halal certifications and does not offer a dedicated warehouse for Halal products. Also, there is a stringent need to optimize and improve the Romanian customs clearance procedures, which is time-consuming and less cost competitive, compared to other major European ports.

As a result of its superior accessibility, Hong Kong could be established as a Halal food supply chain hub in the Asian-Pacific region. However, the initial advantages are not enough to maintain sustainable competitive advantage. Individuals, governments and companies must invest in advanced factors of production. The specialized factors are individual expertise and skills, know-how, infrastructure, technology and communication (Grant, 1991; Helfat and Peteraf, 2003; Lai, 2004; Porter, 1998; Valentin, 2001). The general factors are transport infrastructure including highways, bridges, rails, airports and container terminals encourage developing Halal food supply chain service. Hong Kong education institutions and professional logistics associations provide a series of Halal logistics training courses which cover a particular set of skills, sufficient knowledge and values. Enhancing the specialized factors can help Hong Kong Halal food supply chain industry gain the strategic position with the factors of production.

### *2.2 Demand Conditions:*

The Halal food supply chain in Hong Kong has a sophisticated 'home demand' that can create faster innovation and competitiveness. Industry can respond to the sophisticated home demand by rapid product improvement and by offering superior quality, features and customer service (Porter, 1998). For instance, GS1 Hong Kong cooperates with Guangdong RFID Technology Service Centre in tracing Halal food. In 2010, Guangdong piloted the first EPC/RFID-based traceability system integrated with EPCIS via GS1 Hong Kong's ezTRACK platform. The transport of Halal food from Malaysia to Guangdong can be tracked and traced efficiently. This project facilitates Halal food product quality while cross-border traceability increases Halal food supply chain visibility.

Additionally, the newly developed business strategy of China, 'One Belt One Road', brings opportunities to the Hong Kong Halal food supply chain sector. Through this project, the cross border activities would become more invigorated. This condition could favour the attempt of Halal food supply chain in Hong Kong because it provides seamless connection within the Asian regions.

### *2.3 Related and Supporting Industries:*

The related and supporting industries are categorized as the complementary products or services of the Halal food supply chain industries. Close working relations and ongoing coordination of related supporting industries enhance competitive advantage (Porter, 1998). Many actors participate in both Hong Kong and Romania Halal food supply chain industry. Supply chain members include airline companies, shipping lines, freight forwarders, container terminals, air cargo terminals; third party logistics service providers, refrigerated warehouses and truckers. In order to strengthen the position of Hong Kong in the Asian regions, a wide variety of events could be organized pertaining to the Halal food supply chain, such as seminars, conferences, exhibitions and product launches. During an event, there would be numerous opportunities for Hong Kong Halal food supply chain members to interact with other international traders. Promotional efforts could enhance local industries' awareness about different Halal perspectives and its advantages. Furthermore, Hong Kong Catering Industry could join the Quality Tourism Service Scheme to facilitate the emergence of Hong Kong Halal restaurants.

### *2.4 Firm Strategy, Structure and Rivalry*

The rivalry is an essential ingredient of the competitive advantage of the Hong Kong and Romania Halal food supply chain industry. Domestic rivalry leads to the visible pressure on the firm to lower costs, improve quality and innovation. Hence, it could upgrade the competitive advantage of the industry (Grant, 1991). For instance, Hong Kong logistics industry is a competitive business which leads to domestic rivalry. Hong Kong Association of Freight Forwarding Agents (HAFFA) has recorded that Hong Kong has 334 third party logistics service providers (http://www.haffa.com.hk/mnl.html).

## 3. CONCLUSION

Halal food supply chains recognized a potential market in the competitive market. Since the number of competitors is dramatically increasing, it is critical to maintain a good state of preservation of Halal integrity as the key agenda in both academic and logistics associations. Nevertheless, Halal food supply chain is still positioned at an introductory phase in Hong Kong and Romania. In the forthcoming years, Hong Kong Halal food supply chain will face different challenges pertaining to (1) limited interaction between Islamic finance and Halal food industries; (2) global integrity in standards certificate process are to fall short; (3) Halal food markets are segmented by various factors including ethnicity, income, awareness, language and location; and (4) a lack of advanced scientific techniques for certifying the Halal status (1st International Food, Agricultural and Gastronomy Congress, 2012). The new initiatives in transport infrastructure and economic arrangements (The Road and Belt initiative and the European TEN-T transport corridors network) should be interconnected and used to encourage the development of Halal supply chain.

Porter's diamond framework provides an approach to strengthen Hong Kong and Romania as a regional Halal food supply chain hub. Porter's diamond framework has not been widely adopted in Halal food supply chain management. This provides a new insight into the research agenda. Hong Kong and Romania supply chain industry could maintain sustainable competitive advantage and the first mover advantage in the long run by innovative product and service.

## 4. REFERENCES


[1]AB TALIB, M.S. and JOHAN, M.R.M. Issues in Halal packaging: a conceptual paper, International *Business and Management*, 5(2), pp. 94-98, 2012.

[2]ABDUL, T. H.H., MOHD, A.K.A. and Jamaludin, K.R. 2008. "*Quality assurance in Halal food manufacturing in Malaysia: A preliminary study"*, International Conference on Mechanical and Manufacturing Engineering, Johor Bahru, Malaysia.

[3] BONNE, K. and VERBEKE, W. 2008. "Muslim consumer trust in Halal meat status and control in Belgium", *Meat Science*, 79(1), 113-123.

[4] BONNE, K., VERMEIR, I., Bergeaud-Blackler, F. and Verbeke, W. 2007. "Determinants of Halal meat consumption in France", *British Food Journal*, 109(5), 367-386.

[5] BORZOOEI, M. and ASGARI, M. 2013. "Establishing a global Halal hub: in-depth interviews", *International Journal of Academic Research in Business and Social Sciences,* 3(10), 169-181.

[6] Department of Islamic Development Malaysia. 2005."*Manual Procedure of Halal Certification Malaysia"*, Department of Islamic Development Malaysia, Putrajaya.

[7] CAC/GL 24-1997, "*The Codex General Guidelines for the Use of the Term "Halal",* FAO/WHO Codex Alimentarius Commission, 22nd Session of Codex Alimentarius Commission, 1997.

[8] CAC/RCP 11, Rev.1-1993, "*The Codex Recommended Code of Hygienic Practice for Fresh Meat"*, FAO/WHO Codex Alimentarius Commission, Food and Agriculture Organization of the United Nations, 1993.

[9] EUROPEAN COMMISSION, *Rhine-Danube*, https://ec.europa.eu/transport/themes/infrastructure/rhine-danube_en)

[10] EUROPEAN COMMISSION, "*About TEN-T"*, Directorate General for Mobility and Transport, Brussels, information available at https://ec.europa.eu/transport/themes/infrastructure/about-ten-t_en, accessed at 25.02.2018

[11] GLOBAL ADVISORY & RESEARCH. 2015. *"Potential Food Segments for Exports*", EXIM Bank, Malaysia.

[12] GLOBAL ISLAMIC ECONOMY GATEWAY (2016), *Dubai Islamic Economy Development Centre*, Dubai

[13] GLOBAL PATHFINDER REPORT. 2011. "*Halal Food Trends"*, Agriculture and Agri-Food Canada, Canada.

[14] GOLAN, E., KRISSOFF, B., KUCHLER, F., CALVIN, L., NELSON, K. and PRICE, G.,"Traceability in the US Food Supply: Economics Theory and Industry Studies", *Economic Research Service*, U.S. Department of Agriculture, Washington, 2004.

[15] GRANT, R.M. 1991. "Porter's competitive advantage of nations: an assessment", *Strategic Management Journal*, 12, 535-548.

[16] GUDEI, C., LIANU, C., "Management and marketing of business models on global halal market and opportunities for Romania", *Proc. National Economic Conference CEN 2017*, Bucharest, Romania, 18-19 May 2017.

[17] Halal Food Industry Prospects and Challenges. 2012. 1st International Food, Agricultural and Gastronomy Congress, Antalya, Turkey.

[18] Halallogistics.info, "*Knowledge"*. Available at: http://www.Halallogistics.info/knowledge.php?sid=e0e59c457c583072f4d340920dd26a57 [Accessed 14 Sep. 2014].

[19] Halal News, "*What is Halal logistics?"*.Available at: http://Halalrc.blogspot.hk/2011/11/what-is-Halal-logistics.html [Accessed 14 Sep. 2014].

[20] HAVINGA, T., "On the borderline between state law and religious law," in van der Meulen, B.M.J. (Ed.), *Private Food Law: Governing Food Chains Through Contract Law, Self-regulation, Private Standards, Audits and Certification Schemes,*Wageningen Academic Publishers, Wagenignen, 2011.

[21] Helfat, C.E. and Peteraf, M.A. "The dynamic resource-based view: capability lifecycles", *Strategic Management Journal*, 24, pp. 997-1010, 2003.

[22] HILALI, T.M., KHAN, M.M. 1971. *"Translation of the meanings of the Noble Quran in the English Language*", King Fahd Complex for the Printing of the Holy Quran Madinah, K.S.A.

[23] HONG, P.Y.P., SONG, I. H., "Glocalization of social work practice: Global and local responses to globalization", *International Social Work,* 53 (5), pp. 656–670, 2010.

[24] Hong Kong Association of Freight Forwarding Agents. Available at: http://www.haffa.com.hk/mnl.html [Accessed 17 April, 2015]. .

[25] Hong Kong International Airport (2013), Available at

http://www.hongkongairport.com/eng/index.html[Access 17 April 2015]
[26] HKTDC, "*Malaysia: A leading global Halal food hub"*, 17 February 2017
[27] NATIONAL INSTITUTE OF STATISTICS (INS), "*Ce ne spune recensământul din anul 2011 despre religie?"*, October 2013, Bucharest, p.6, available at http://www.insse.ro/cms/files/publicatii/pliante%20statistice/08-Recensamintele%20despre%20religie_n.pdf accessed at 24.02.2018
[28] JAAFAR, H., OMAR, E., OSMAN, M. and FAISOL, N., "*The Concept of Halal Logistics - An Insight.*", 1st ed. [ebook] Kyoto Japan, pp.1-4. Available at: https://www.academia.edu/5647473/The_Concept_of_Halal_Logistics_-_An_Insight [Accessed 14 Sep. 2014].
[29] LAI, K.H., "Service capability and performance of logistics service providers", *Transportation Research Part E*, 40, pp. 385-399, 2004.
[30] LAU, Y.Y., TAM, K.C. and NG, A.K.Y., "The possible impacts of the "One Belt, One Road" strategy on the wine industry development in Mainland China: A preliminary analysis", *Proc. The 3rd Young Scholar's Conference on China Studies*, Hong Kong Baptist University, Hong Kong, 2015.
[31] LAZAR, A., "*Se infiinteaza primul cluster pentru producatorii de carne certificata halal"*, Industria Carnii.ro, issue 27 March 2017, Addor Media Press, Bucharest, available at http://www.industriacarnii.ro/Articol-se-infiinteaza-primul-cluster-pentru-producatorii-de-carne-certificata-halal/3912
[32] LUN, Y.H.V., LAI, K.H. and CHENG, T.C.E., "*Intermodal transport capability"*, *Shipping and Transport Logistics Book Series*, 1, pp. 17-33, 2009.
[33] NasdaqOmx Global Indexes and Edbiz Consulting, 2012. "*The global Halal industry: an overview"*, New York, U.S.A.
[34] NGAH, A.H., ZAINUDDIN, Y. and THURASAMY, R. "Barriers and enablers in adopting Halal transportation services: a study of Malaysian Halal manufacturers", *International Journal of Business and Management*,II(2), pp. 49-70, 2014.
[35] NOORDIN, N., NOOR, N. L. M., SAMICHO, Z., "Applying the Work Systems Method to Investigate the Operational Efficiency of the Halal Certification System", *Proc. 19th IBIMA Conference*, Barcelona, Spain, November 2012
[36] PORT OF CONSTANTA, "*Annual Report*", 2016, p.8, available at http://www.portofconstantza.com, accessed 24.02.2018.
[37] PARK, H.S., "*Food globalization and culture war : The case of the halal food complex in South Korea"*, Thesis, Ewha Womans University, August 2017, p.36.
[38] PETERAF, M.A., "The cornerstones of competitive advantage: a resource-based view", *Strategic Management Journal*,14, pp. 179-191, 1993.
[39] PORT OF ROTTERDAM AUTHORITY, Marketing Communication leaflet 0207/0,5K/E, available at http://www.aaslogistics.com/images/pdf/rhg.pdf, accessed at 24.02.2018.
[40] PORTER, M.E., "The contributions of industrial organization to strategic management", *Academy of Management Review*, 6(4), pp. 609-620, 1981.
[41] PORTER, M.E., "*The Competitive Advantage of Nations",* New Edition, Macmillan, London, 1998
[42] PORTER, M.E., "The Economic Performance of Regions", *Regional Studies*, 37(6&7), pp. 549-578, 2003
[43] PUNJ, G. and STEWART, D.W., "Cluster analysis in marketing research: review and suggestions for application", *Journal of Marketing Research*, 20(2), 134-148, 1983.
[44] RAHMAN, F.K., TAREQ, M. A., YUNANDA, R.A., MAHDZIR, A., "Maqashid Al-Shari'ah-based performance measurement for the Halal industry", *Humanomics*, Vol. 33 Issue: 3, pp. 357-370, 2017
[45] SALMAN, F. AND SIDDIQUI, K. "An exploratory study for measuring consumers awareness and perceptions towards Halal food in Pakistan", *Interdisciplinary Journal of Contemporary Research in Business*, 3(2), pp. 639-651, 2011.
[46] SIMOONS, F.J., "*Eat Not This Flesh: Food Avoidance from Prehistory to Present"*, London: The University Wisconsin Press, 1994.
[47] "*State of the Global Islamic Economy Report*" 2016/17 (2016), Dubai Islamic Economy Development Centre, Dubai
[48] The Census and Statistics Department. 2013. *Religion and Custom*. Available at http://www.yearbook.gov.hk/2013/en/pdf/E20.pdf[Accessed 16 April 2015].
[49] TIEMAN, M., "Halal Logistics", *Logistics Insight Asia*. Available at: http://www.logasiamag.com/article/Halal-logistics/1744 [Accessed 14 Sep. 2014].
[50] TIEMAN, M., GHAZALI, M.C. and VAN DER VORST, J.G.A.J., "Consumer perception on Halal meat logistics", *British Food Journal*, 115(8), pp. 1112-1129, 2013.
[51] UK GOVERNMENT, Department for International Trade, *Guidance - Doing business in Romania: Romania trade and export guide*, 4 August 2015, available at https://www.gov.uk/government/publications/exporting-to-romania/doing-business-in-romania-romania-trade-and-export-guide.
[52] VALENTIN, E.K., "SWOT analysis from a resource-based view", *Journal of Marketing Theory and Practice*, 9(2), pp. 54-69, 2001.
[53] WAN, H.W.M. and AWANG, K.W., "Halal food in New Zealand restaurants: An exploratory study", *International Journal of Economics and Management*, 3(2), pp. 385-402, 2009.
[54] ZULFAKAR, M.H., ANUAR, M.M. and ABTALIB, M.S. 2014. "Conceptual framework on Halal food supply chain integrity enhancement", *Procedia – Social and Behavioral Sciences*,121, 58-67.
[55] https://www.maxims.com.hk/en/about/cat_01_c_sub04.asp