Literature Study of the Dynamics of Indonesian Halal Certification

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ABSTRACT

This study examines research related to “Halal Certification” in national journal articles. Using descriptive statistical analysis and narrative review of 18 publication articles related to “Halal Certification”. All articles used as samples have been published. The results show that research related to Halal Certification discusses more about the regulation of the application of halal certification as many as 6 articles (33%), then discusses how the halal certification process as much as 5 articles (28%) followed by a discussion of the impact of halal certification on the economy and socialization of each 4 and 3 articles respectively. The research approach used in the article under study as a whole uses a qualitative approach.

Keywords: Halal Certification, Halal Products, Halal Product Guarantee.

INTRODUCTION

Indonesia's population with a Muslim majority makes the need for halal products very large. Coupled with the development of the trend of halal products, this is one of the factors that triggers the increasing demand for halal and healthy products, besides there is also a religious factor as the main cause for Muslims to choose halal products, there are also halal fashion icons, halal tourism, trends in the use of halal cosmetics, which is increasingly widespread among the community so that halal branding has later become a symbol of premium quality, as a symbol of product quality both in the form of products and services, not only halal as sharia for consumption but also we often hear as thayyib which is good and safe for health.

Indonesia has a Muslim majority population, with the largest number of Muslims reaching 209 million people or 23.2% of the world's Muslim population (Kusnandar, 2019). With this number, of course, the need for halal products, both processed food, agricultural products, fisheries, cosmetics, drugs and pharmaceuticals, as well as fashion and consumer goods, will continue to increase and become increasingly challenging. Moreover, globally, the need for halal products continues to increase from year to year. Indonesia must be able to become a major producer of halal products to meet its own needs and even have the opportunity to become one of the world's halal product producers.

The need for halal products must be supported by halal guarantees. The certainty of halal products can be reassuring for every consumer who consumes or uses them (Ministry of Religion of the Republic of Indonesia 2003; Chairunnisah 2017). Consumers should get legal certainty about the products used. Products that are free from haram and processed in a halal manner (Ramlan and Nahrowi 2014; Hasan 2014). This has actually been stipulated in the 1945 Constitution Article 29 paragraph 2 which states that "The State guarantees the independence of each resident to embrace their own religion and to worship according to that religion and belief." and guarantee freedom of worship according to the Shari'a. For Muslims, choosing halal products...
is an obligation that has worship values. Thus the government is responsible for providing protection and guarantees for halal products for the Muslim community.

The Halal Certification Authority in Indonesia has so far been fully handled by LPPOM-MUI. Based on data from the LPPOM MUI Halal Certification during the last six years (2015-2021) there were 1,292,392 halal products originating from 19517 companies, only 44737 products were certified halal. This shows that no more than 3.46% of products are already halal-certified.

Until now there has been a lot of literature discussing and researching halal certification, namely I. Sukoco, D Fordian, F Fauzan (2021), food counseling, culinary business and halal certification for MSME actors in Pangandaran Regency; MFM Mohammad (2021), Regulation of Halal Product Assurance Certification in Indonesia; ZU Nukha, RR Kurniati, RN Hardati, Effect of Halal Certification, Price and Product Quality on Consumer Satisfaction; E Rahayuningsih, ML Ghozali (2021), Halal Product Certification in the Perspective of Mashlahah Mursalah; W Widayat, S Sulardjaka, AN Al Baari (2020), Assistance with halal certification for Hanum Food SMEs; W Warto, S Samsuri (2020), Halal certification and its implications for the halal product business in Indonesia; Achmad Jaka Santos Adiwijaya (2019), Welcoming the implementation of the mandatory halal certification in Indonesia; Faridah HD (2019), Halal certification in Indonesia, history, development and implementation; Ririn tri Ratnasari, Sri Gunawan, Sylva Alif Rusmita (2019) Halal food Certification to improve the competitiveness of east and middle business in Indonesia; Ida Giyantila, Erna Indriastiningsih (2019), Impact of halal certification on the performance of food small medium enterprises; Akim, Neneng konety, Chandra full moon and leeja citra (2019), The problems of halal certification for food industry in Indonesia; Arbanur rasyid (2019), Dynamics of the Implementation of Halal Certification on food and beverage products in the cities of Medan, Sibolga and Padang Sidempuan; Iffah Karimah (2018), Changes in the authority of authorized institutions in the halal certification process; Moch khoirul anwar, a'rasy fahrullah and ahmad ajib ridwan (2018), The problems of halal certification for food industry in Indonesia; Ulya Fuhaidah Ramlah (2018), Implementation of Halal Food Product Guarantee in Jambi; Suad Fikriawan (2018), Halal Certification in

![Figure 1. LPPOM MUI Halal Certification Data](image)
Indonesia; Ahda Segati (2018), The effect of perceptions of halal certification, product quality and price on perceptions of increased sales; Panji adig agus Putra (2017), Position of halal certification in the national legal system; Susilowati Suparto, Janurdi (2016) Harmonization and synchronization of institutional arrangements for halal certification related to the protection of Muslim consumers in Indonesia; Zumar Aminuddin (2016) Halal Product Certification; Asep Syarifuddin Hidayat (2015) Halal certification in industrial food products. From a number of research articles, there has not been a systematic literature study on the dynamics of halal certification in Indonesia.

This halal certification literature study will provide an understanding of how the diversity of articles discussed related to published halal certification, the method approach used in the articles studied and the subject of the discussion studied. The structure of this article consists of an introduction, literature review, methodology, findings, discussion and conclusions.

LITERATURE REVIEW

History of Indonesian Halal Certification

In Indonesia, halal labeling of food products was initiated by the Ministry of Health on November 10, 1976. All food and beverage products containing pork and its derivatives must be identified that the food contains pork by including a warning sign attached to the product container or packaging. The warning sign must contain two elements, namely a picture of a pig and the words "MENGANDUNG BABI" which is colored red and inside a red square box as shown in Figure 2. This is stipulated in the Decree of the Minister of Health of the Republic of Indonesia No. 280/Me.Kes/Per/XI/1976.

![Warning signs for pork products (source: Permenkes RI)](image)

Figure 2. Warning signs for pork products (source: Permenkes RI)

The choice of this label was considered more effective than the provision of a halal label, because at that time it was suspected that only a small number of products contained pork. The Minister of Health in collaboration with the Association of Indonesian Food and Beverage Entrepreneurs (GAPMMI) accelerated the publication of this label by distributing it to companies in need.

After a decade running on August 12, 1985 there was a change of label, which originally attached the label "MENGANDUNG BABI" replaced with the label "HALAL". The inclusion of the Halal label is in accordance with the Decrees of the Minister of Health and the Minister of Religion No.42/Men.Kes/SKB/VIII/1985 and No.65 of 1985 concerning the inclusion of Halal text on food labels, where the inclusion of Halal text is allowed after the producer reports the composition of ingredients and how to process the product to the Ministry of Health (MOH). And supervision is carried out simultaneously by the Ministry of Health and the Ministry of
Religion through the food registration assessment team of the Directorate General of Drug and Food Control.

The incident in 1988 that had shocked the public over the report from the research results of students from Brawijaya University that the discovery of several food and beverage products circulating indicated that they contained pork ingredients had created panic in the community and greatly impacted economic stability at that time. This incident made the government and the public aware of the importance of Halal Certification. The government must provide guarantees for halal food & drinks circulating in Indonesia, where the majority of the population is Muslim. The existence of halal food is a major need for Muslims, therefore there must be a state policy that regulates it. At the same time, MUI as a non-governmental organization which is a collection of ulemas, zuamas and Muslim scholars also seeks to reduce public concerns and restore trust by establishing the Institute for the Study of Food, Drugs and Cosmetics of the Indonesian Ulema Council (LPPOM MUI), based on the MUI Decree Number Kep./18/MUI/I/1989 on January 6, 1989 with the main task being to conduct inspections of circulating products and carry out halal certification. Although in its implementation, MUI was only able to issue a halal certificate in 1994.

Policy adjustments between the Ministry of Religion, Ministry of Health and MUI began with the signing of the Cooperation Charter on June 21, 1996 regarding the inclusion of the HALAL LOGO on food & beverages. The Ministry of Health issued Decree No. 924/Menkes/SK/VIII/1996 as an amendment to the Decree of the Minister of Health No. 82/Menkes/SK/I/1996. Where at first, the halal label was given based on a unilateral statement from the company regarding the composition of the ingredients used. When a company reports that its product does not contain non-halal ingredients, the company can already use the halal label. This policy is considered ineffective to guarantee product halalness. Thus, Decree No. 924/Menkes/SK/VIII/1996 was issued, which changed the flow of labeling. Before a company writes a halal label on its product, it must first go through the approval of the Directorate General of Drug and Food Control (Dirjen POM) based on a fatwa issued by the MUI Fatwa Commission.

After the certification is carried out and it is stated that the product is free from non-halal ingredients, the MUI will issue a halal certificate. MUI only provides suggestions for the inclusion of the MUI official halal logo and writes down the halal certificate number. The government issued Government Regulation of the Republic of Indonesia Number 69 of 1999 concerning Food Labels and Advertisements explaining the installation of Halal Labels on packaging which must first be inspected by an accredited inspection agency based on the guidelines and procedures set by the Minister of Religion (Afroniyati 2014). Food labels are information that contains information about food and can be in the form of pictures, writing, or a combination of both that are affixed or included on the packaging (Maulidia, 2013). In order to follow up on these provisions, Minister of Religion Decrees (KMA) 518 of 2001 and KMA 519 of 2001 were issued which explained that the Minister of Religion appointed MUI as a halal certification agency that carried out inspection, processing, and determination of Halal Certification. As for the installation of the halal logo on the packaging, MUI cooperates with BPOM.
Since the establishment of the MUI Food, Drug and Cosmetics Research Institute (LPPOM) until now, it has been 33 years since LPPOM MUI has been tasked with conducting inspections of circulating products and conducting halal certification. During that time, LPPOM MUI continues to make improvements, adaptations and innovations. This is nothing but to make it easier for business actors to carry out the halal certification process. In the hands of LPPOM MUI, halal product certification has experienced a significant increase, especially for halal food and beverage commodities. However, LPPOM MUI has weaknesses as a control and supervision agency for the distribution of halal products. The control and supervision function of LPPOM MUI does not run optimally due to the absence of clear legal instruments in the event of violations committed by producers who intentionally reproduce the halal label illegally. LPPOM MUI also cannot force all producers to register for halal certification. The absence of sanctions and penalties both civil and criminal, so that the possibility of fraud by certain parties that can harm the community is still wide open.

The issuance of Law no. 33 of 2014 concerning Halal Product Assurance (JPH) brought changes, especially regarding the institution that administers halal certification. This marks a new era of halal product assurance in Indonesia. The halal certification provider which has been carried out by LPPOM MUI which is voluntary in nature is transferred to the Halal Product Assurance Organizing Agency (BPJPH) so that it becomes the responsibility of the state (government) and is mandatory, this is a solution to the weaknesses that have been faced by LPPOM MUI in terms of control and supervision.

The consequences of halal certification obligations for products (both goods and services) are very crucial. On the one hand, this mandatory ensures that the products consumed and used by the public are guaranteed to be halal. But on the other hand, this “obligation” diction is a big job for the government to connect various halal value chains which are currently scattered into various sectors. In realizing the JPH Law, BPJPH cooperates with several institutions such as the ministry, LPH as the party that conducts audits of the product and MUI as the party that issues the Decision on Determining Halal Products through the Halal Fatwa Session.

The obligation for halal certification in accordance with the JPH Law began to be implemented on October 17, 2019. The implementation of the certification will be carried out in
stages. At this early stage, certification is more focused on food and beverages first. Then it just penetrated into cosmetic products, drugs, and medical devices. During this five year period, BPJPH will be more persuasive in conducting socialization and coaching to business actors. Provide opportunities for business actors to take care of halal certification. Products that do not have halal certification are not immediately punished, but are still given the opportunity to take care of halal certification until October 17, 2024 (CNN Indonesia 2019). As for the stages of the BPJPH program towards mandatory halal and its relation to realizing Indonesia as the center of the World Halal Product Destinations, BPJPH classifies the stages of the annual program. Where the annual target starts from 2019-2024. This is intended so that the products issued can be measured and more focused. In addition, as a new institution, of course, BPJPH requires sufficient time to create and establish a new order for the existing halal certification system in Indonesia. These stages include:

In the first stage in 2019, BPJPH only focused on the fundamental preparation stages such as regulations, information systems, cooperation and standardization, as well as tariff preparation. Meanwhile, in 2020 the focus of the development of this certification will be on physical infrastructure in the form of the establishment of a representative office containing human resources and infrastructure. Meanwhile, in the 2021-2022 stage, the focus is on preparing mandatory halal policies for products other than food and beverages. In addition, increased supervision and human resources.

In the final stages of 2023-2024, BPJPH will focus on implementing sanctions for products that do not include the halal logo and reviewing tariff evaluations on halal certification. In short, the focus in 2020-2024 is the development of a halal information system, expansion of cooperation networks and halal standards, as well as LPH accreditation. Of course, this annual stage is intended for halal certification and registration services, guidance and supervision of business actors, as well as evaluation of the halal product guarantee system implemented by BPJPH. While on the other hand, currently LPPOM MUI is still accepting the registration process. Although the task should be carried out by BPJPH. So for now there are two registration reception posts, namely BPJPH and LPPOM MUI.

METHODS
Types and Sources of Data
This study uses secondary data from 2015-2021 which has been published as a national scientific journal related to Halal Certification. These journals can be accessed online. The methodology used in this study is 1) a qualitative method approach with descriptive statistics on a literature study of 181 journals and research on Halal Certification. Qualitative research method is a research method based on the philosophy of postpositivism which is used to examine the condition of natural objects, (as opposed to experimentation) where the researcher is the key instrument, data collection techniques are carried out in a combined manner (triangulation), data analysis is inductive/qualitative, and the results of qualitative research emphasize meaning rather than generalization (Sugiyono: 2008).

Qualitative research is descriptive. The analyzed data is not to accept or reject the

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1 Quoted from https://www.halal.go.id, accessed on Thursday 8 August 2020 at 07:39 WITA
hypothesis (if any). The results of the analysis are in the form of a description of the observed symptoms and do not have to be in the form of numbers or coefficients between variables (Subana and Sudrajat: 2005). This research was processed using Ms. Excel.

**Descriptive Statistics**

Descriptive statistics is a field of statistical science that studies how to collect, compose and present a summary of research data. These data must be summarized properly and regularly, either in the form of tables or graphic presentations, which will be used as a basis for decision making (Wijaya: 2013).

**Sampling Method**

The sampling method used in this study is a non-probability purposive sampling method. The purposive sample is a sample that has the aim of understanding certain information. This sample can be divided into two, namely the decision sample (judgment) which selects sample members according to certain criteria on the basis of the notes or research objectives to be achieved, and the quota sample, namely the sample selected based on the quota or based on the category, selecting respondents based on their characteristics. certain relevant dimensions that describe the dimensions (proportions) of the population (Wijaya: 2013). The intended criteria are journal publications related to Halal Certification.

**RESULTS AND DISCUSSION**

**Number of Articles**

Based on article searches using the Harzing's Publish or Perish (PoP) application, in the last 6 years (2015-2021), articles with the keyword "Halal Certification" have more than 181 articles published and indexed Nationally. After further review, not all articles are relevant and there are articles that cannot be accessed. Of the 181 articles, there are 30 articles that fall into the categories used in the study. However, of the 30 articles there are theses and theses so that only 18 articles are used as samples. The most journal publications related to Halal Certification in 2019 were 6 articles (33%), then in 2018 as many as 4 articles (22%) followed by 2021 as many as 3 articles (17%). Meanwhile, the fewest publications were in 2020, 2017, 2016 and 2015.

![BANYAKNYA ARTIKEL](image)

Figure 4. Number of Published Articles per year (source: Secondary Data processed)

**Themes and Types of Research Articles Published**

Figure 5 shows the research themes in published articles related to Halal Certification.
From the picture it can be seen that the research themes that are widely discussed in journal articles are related to Regulation and Law as many as 6 articles (33%) then the theme about the Certification Process as many as 5 articles (28%) then other themes such as economic impact and socialization respectively 4 and 3 articles.

**Figure 5. Number of Published Article Themes (source: Secondary Data processed)**

**Research Approach Published Articles**

There are 3 types of research approaches, namely qualitative, quantitative and mixed approaches (Punch 2013). In this study, published articles with the theme of Halal Certification are more than articles that are used as samples, all of them using a qualitative approach.

**Research Findings**

In this study, there are several findings obtained from 18 publication articles related to halal certification which were examined as follows:

a. There is a diversity of articles discussing Halal Certification with the highest number of publications in 2019
b. Overall, the article uses a qualitative approach method

c. The subject and theme of discussion is more often about regulations and laws on the application of Halal Certification

**Discussion**

In general, the findings from the articles studied can be described as follows:

a. Articles that discuss regulations are

1. With Law No.33 of 2014 concerning Halal Product Guarantee (UU JPH) it is expected that all products imported and circulating in Indonesia have a halal certificate. The issuance of the JPH Law brought changes, especially in relation to the institution for implementing halal certification where the JPH Law mandates the establishment of the Halal Product Guarantee Agency (BPJPH) which is directly responsible to the Minister of Religion.
2. Prior to the Halal Product Assurance Act, the main role in certification was carried out by the MUI, through the LPPOM (the MUI's Institute for the Study of Food, Drugs and Cosmetics). Certification is carried out voluntarily at the request of business actors who wish to have a halal certificate. MUI also supervises the products in circulation. However, when there is misuse of the halal label, MUI cannot provide sanctions for business actors. MUI can only give warnings and warnings. For example, there are cases of installing halal labels on products that have not been certified or business actors who change the composition of ingredients from those proposed in the certification process (Karimah 2015). With the establishment of BPJPH, it is hoped that there will be legal protection and certainty that guarantees the halalness of products circulating in Indonesia. Certification is no longer voluntary but has become mandatory in order to support efforts to increase production and consumption of halal products (Karimah 2015; Hasan 2014)

b. Articles that discuss the Certification Process are:

1. Based on the law, BPJPH has several tasks including (1) Formulating and establishing JPH policies (2) Establishing JPH norms, standards, procedures and criteria (3) Issuing and revoking Halal Certificates and Halal Labels on Products (4) Registering Halal Certificates on foreign products (5) Conducting socialization, education, and publication of Halal Products (6) Accrediting LPH (7) Registering Halal Auditors (8) Supervising JPH (9) Conducting Halal Auditor development; and (10) Cooperating with domestic and foreign institutions in the field of JPH implementation (Article 6 of the JPH Law). BPJPH stipulates a logo or label that is enforced throughout Indonesia. In addition, it is also authorized to issue and revoke the halal logo.

2. Initially, the institutions involved in halal certification consisted of (1) MUI through the Fatwa Commission as a fatwa and halal certificate provider, (2) LPPOM MUI as an examiner of product halalness from raw materials to the production process, (3) BPOM as a permit provider in the installation of halal labels, (4) the Ministry of Religion as a policy maker and conduct outreach to the public, and (5) other relevant ministries. Meanwhile, after the existence of the Halal Product Assurance Law, there were several changes related to the institutions involved in certification, namely (1) the Halal Product Assurance Agency (BPJPH) as the main institution authorized in the halal certification process (2) the Halal Inspection Agency as an agency conducting audits or inspections of halal products. Meanwhile, LPPOM MUI will become part of the LPH together with other LPHs, both established by the government and the community. (3) MUI will remain as a fatwa, but not fully authorized in the halal certification process. (4) MUI and BPJPH will jointly certify auditors, halal and LPH accreditation.

c. Articles that discuss the Economic Impact, namely

Tremendous developments in science and technology in the fields of food, medicine, and cosmetics continue to increase. This condition affects many things in the processing and use of basic materials. The products circulating in Indonesia are very diverse, both local products and imported products from abroad. Each of these products needs a halal marker to make it easier for consumers to choose halal products. Therefore, there is a need for product certification and
labeling in providing guarantees for halal products to the community, especially Muslims (Afroniayati 2014). Certification and labeling are two different things, but they are interrelated.

Halal certification is a process to obtain a halal certificate by going through several stages of inspection to prove that the raw materials, production processes, and product halal assurance system in a company are in accordance with the established standards. Certification is carried out by conducting a series of examinations carried out by auditors who are competent in their fields to then determine the halal status so as to create a written fatwa stating the halalness of the product in the form of a halal certificate (Hasan 2014). The halal certificate is valid for a period of four years. Then it can be extended. Companies must provide halal guarantees by always maintaining the consistency of product halalness. Periodically every six months must report the implementation of the Halal Assurance System (SJH) to the company.

Halal labeling is the inclusion of a halal label or logo on the packaging of halal products. This label serves to show consumers that the product is a product with halal status. The agency authorized to issue permits for the inclusion of halal labels is the Food and Drug Supervisory Agency (BPOM). Certification and labeling are two interrelated things. Halal certificate issued by MUI is a requirement to include a halal logo or label on products.

To guard against unlawful contamination, especially from basic ingredients, the Indonesian Ulema Council (MUI) has been a pioneer in obtaining halal certification. For more than a quarter of a century, MUI has carried out halal certification audits to ensure that especially food and beverages are kept halal. Halal Product Guarantee is considered necessary to be implemented in Indonesia to provide security, comfort, safety, and availability of halal products for all Indonesian people, especially Muslims (Luthan 2014). The existence of certification will also increase added value for companies in selling and producing their products, thus providing opportunities to be marketed not only in Indonesia. This is in line with what Ramlan and Nahrowi said that halal labels provide economic benefits for producers including: Can increase consumer confidence because it is guaranteed to be halal, Have a USP (Unique Selling Point), Able to penetrate the global halal market, Increase product marketability in the market, Investment which is cheap when compared to the revenue growth that can be achieved. By having a halal certificate, the product will have many competitive advantages. This halal certificate is a guarantee that certain products have been thoroughly investigated and declared in accordance with Islamic sharia law so as to convince the Muslim community to consume them. Halal certification plays an important role because it is defined as a product process checker that meets hygienic, sanitary and safety requirements. Hughes and Malik (2017) consider halal certification as the key that enables the successful development of a global halal industry. In its implementation requires the cooperation of all relevant elements. Massively together, the congregation can collaborate and synergize in building and empowering the national halal industry towards world halal producers.

CONCLUSION

This research was conducted to determine the extent of the development and dynamics of Halal Certification in Indonesia. The results show that there is an increase in the number of published articles in 2019 to 2021 which discuss various themes related to halal certification.
Overall the method used is a qualitative approach. The number of conceptual research is more than empirical research. This is an opportunity to increase further research on halal certification using different methods and perspectives. In addition, the authors found several other recommendations related to Halal Certification research including: (1) an in-depth study of the effectiveness of the implementation of Law No.33 of 2014 (2) conducting research using quantitative data related to the acceleration of the number of halal product certifications after the implementation of Law No.33 of 2014.

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