



The Transformation of Halal Certification Policy in Indonesia: An Islamic Law Perspective on the Implementation of the Self-Declare Scheme

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Abstract

The transformation of *halal* certification policy in Indonesia has advanced significantly through the introduction of the self-declare scheme for micro and small enterprises (MSEs). This policy reflects the government's commitment to making halal certification more inclusive, efficient, and accessible, while fostering the independence and long-term sustainability of the national halal industry. This study aims to examine the implementation of the self-declare scheme in strengthening the sustainability and self-reliance of Indonesia's halal industry. This research employs a normative legal approach, analyzed through the perspectives of Islamic legal theory and public policy. The findings indicate that the self-declare scheme has substantially increased the number of halal-certified products, expedited the certification process, and reduced certification costs for MSEs. These outcomes have broadened access to *halal* certification, particularly for small-scale businesses. Nevertheless, several challenges remain, including ensuring effective supervision, maintaining the validity of self-declared claims, and enforcing compliance with *halal* standards. Addressing these issues is essential to preserving the credibility and integrity of the *halal* certification system. When implemented effectively, the self-declare scheme represents a strategic policy instrument for enhancing the competitiveness, resilience, and independence of Indonesia's halal industry, while also contributing to sustainable national economic growth. From the perspective of Islamic law, halal certification is closely aligned with the objectives of *maqāṣid al-sharī'ah*, particularly the protection of religion (*ḥifẓ al-dīn*), life (*ḥifẓ al-naḥs*), and property (*ḥifẓ al-māl*). Accordingly, this policy transformation constitutes a legal and regulatory measure designed to provide protection, assurance, and consumer confidence regarding the halal status, safety, and quality of products, especially for Muslim consumers in Indonesia.

Keywords: *Halal* certification, *halal* industry, self-declaration, state policy, Islamic law

Abstrak

Transformasi kebijakan sertifikasi halal di Indonesia telah mengalami perkembangan signifikan dengan diterapkannya skema self-declare untuk pelaku usaha kecil dan mikro. Kebijakan ini merupakan bagian dari upaya pemerintah dalam mempercepat sertifikasi halal yang lebih inklusif, efisien, dan mendukung kemandirian industri halal di Indonesia. Penelitian ini bertujuan untuk menganalisis implementasi skema self-declare dalam konteks penguatan keberlanjutan dan kemandirian industri halal di Indonesia. Metode penelitian yang digunakan adalah normative, dianalisis dengan teori hukum Islam dan kebijakan public. Hasil penelitian menunjukkan bahwa skema ini berhasil meningkatkan jumlah sertifikasi halal, mempercepat proses sertifikasi, serta mengurangi beban biaya bagi UMKM. Namun, tantangan seperti pengawasan, validitas, dan standar kepatuhan masih menjadi isu yang perlu diperhatikan untuk menjamin kredibilitas sertifikasi halal. Dengan implementasi yang tepat, skema self-declare dapat menjadi langkah strategis dalam memperkuat kemandirian dan daya saing industri halal di Indonesia, serta mendukung pertumbuhan ekonomi nasional secara berkelanjutan. Dari aspek hukum Islam maka dengan adanya sertifikasi halal maka hal ini sesuai dengan maqashid syariah yaitu menjaga agama, jiwa dan menjaga harta sehingga terjamin kehalalannya. Sehingga dengan demikian transformasi kebijakan sertifikasi halal tersebut merupakan keputusan hukum yang bertujuan untuk memberikan perlindungan, kenyamanan, dan jaminan keamanan produk halal bagi konsumen terutama masyarakat Muslim di Indonesia.

Kata Kunci: Sertifikasi halal, industri halal, self-declare, kebijakan negara, hukum Islam

Introduction

The transformation of *halal* certification policy through the implementation of the self-declaration scheme represents a strategic initiative to accelerate the growth of Indonesia's *halal* industry. This policy is expected not only to increase the availability of *halal*-certified products in the market but also to contribute significantly to national economic development. By fostering greater trust among consumers and encouraging broader participation among business actors, particularly micro and small enterprises, the scheme has the potential to enhance Indonesia's competitiveness in the global *halal* market. In turn, it may strengthen the country's position as a leading hub for the global *halal* industry while promoting innovation, inclusivity, and sustainability across *halal*-related sectors.¹

¹ Hendri Hermawan Adinugraha, et. al., "Halal Tourism in Indonesia: An Indonesian Council of Ulama National Sharia Board Fatwa Perspective," *Journal of Asian Finance, Economics and Business* 8, no. 3 (2021), p. 665–73. Yanwar Pribadi and Muhammad Adlin Sila, "Intertwining Beauty and Piety: Cosmetics, Beauty Treatments, and Halāl Lifestyle in Urban Indonesia," *Ulumuna: Journal of Islamic Studies* 27, No. 1 (2023).

In Indonesia, *halal* certification has become an essential component of social and economic life, particularly given the country's predominantly Muslim population. Its significance extends beyond its religious function, serving as a critical mechanism for building consumer confidence and enhancing product competitiveness in both domestic and international markets. Amid economic expansion and evolving consumption patterns, *halal* certification has emerged as a strategic instrument in trade and industrial development. Recognizing its importance, the Indonesian government has undertaken substantial reforms to improve the *halal* certification system by establishing a framework that is more transparent, efficient, and aligned with international standards. A key milestone in this reform agenda was the establishment of the *Halal* Product Assurance Agency (BPJPH), which was created to address growing public demand for reliable assurance regarding the *halal* status of products.²

The Indonesian government has strengthened the national *halal* assurance system through the establishment of the Halal Product Assurance Agency (BPJPH), introducing two principal pathways for halal certification: the regular scheme and the self-declaration scheme. The regular scheme follows a formal and rigorous certification process, requiring producers to undergo comprehensive inspections conducted by authorized halal inspection bodies. This pathway offers a high degree of assurance to consumers, as products are subjected to thorough verification to ensure compliance with Islamic legal principles. Nevertheless, the regular scheme is often associated with significant financial costs and lengthy administrative procedures, which may pose substantial challenges, particularly for micro, small, and medium-sized enterprises (MSMEs).³

In contrast, the self-declaration scheme was designed as a more accessible and efficient alternative, enabling eligible business actors to declare independently the halal status of their products. By reducing procedural complexity, this scheme offers greater flexibility and expedites certification, thereby allowing businesses to respond more effectively to market demands and evolving consumer preferences. However, the delegation of initial responsibility to producers has also raised concerns regarding the accuracy of declarations and the consistency of compliance with halal standards. To preserve the integrity and credibility of the *halal* certification system, relevant institutions, including the *Halal* Product Assurance Agency, *halal* assistance institutions, and the Fatwa Committee, must play a proactive role in establishing

² Eva Achjani Zulfa, et.al., "Regulation and Law Enforcement on The Protection of Halal Products in Indonesia," *Cogent Social Science* 9, No. 2 (2023). Cindy Fatimah, et.al., "Implikasi Sertifikat Halal Produk Dalam Sakralisasi Agama Di Indonesia," *Muāṣarah: Jurnal Kajian Islam Kontemporer* 4, no. 2 (2022), p. 97.

³ Herdayanto Sulisty Putro, et. al., "Membangun Industri Halal Dalam Mendukung Masterplan Ekonomi Syariah Indonesia Melalui Program Gerakan Menuju Sertifikasi Halal (GEMESH)," *Sewagati* 7, no. 4 (2023), p. 584–92.

robust regulatory frameworks, clear operational guidelines, and effective monitoring mechanisms.⁴

Amid the forces of globalization and shifting consumption patterns, the self-declaration scheme represents an innovative policy response aimed at expanding access to halal certification, particularly for MSMEs.⁵ Its implementation is governed by stringent regulatory requirements, including detailed provisions concerning the *halal* status of raw materials, production processes, and the cleansing of production equipment. Compliance with these requirements is subsequently verified through direct validation by trained field facilitators, thereby ensuring that procedural simplification does not compromise substantive *halal* standards.

Despite its potential benefits, the introduction of the self-declaration scheme has generated considerable public debate. Supporters view it as a progressive policy that enhances the inclusivity and sustainability of Indonesia's *halal* industry. Critics, however, have raised concerns about its capacity to maintain rigorous adherence to Islamic legal principles. These concerns have been amplified by instances of administrative misconduct in the implementation process. Reports of irregularities, including the submission of fictitious data and the artificial fragmentation of products that should have been covered under a single certificate, have highlighted vulnerabilities in oversight and accountability. Such practices, often motivated by incentive structures tied to certification facilitation, underscore the need for stronger governance, enhanced supervision, and stricter enforcement measures. Ensuring the credibility of the self-declaration scheme will therefore depend on the establishment of transparent accountability mechanisms and the consistent application of ethical and regulatory standards across all stages of certification.

A growing body of scholarship has examined the implementation of *halal* certification in Indonesia and across the broader Muslim world. These studies provide an important analytical foundation for the present article. For instance, Nizar and Ahmad compare *halal* certification systems in Indonesia and Malaysia. They contend that Indonesia adopts a decentralized, bottom-up governance model in which religious civil society organizations, particularly the Indonesian Ulema Council (MUI), play a prominent role in the certification process. In contrast, Malaysia employs a centralized, top-down approach, with the Department of Islamic Development Malaysia (JAKIM) serving as the principal regulatory authority for *halal* certification. While Indonesia's multi-stakeholder framework encourages broader participation from both governmental and non-governmental actors, it often results in a more complex and time-consuming certification process. Malaysia's

⁴ Nasori Nasori et al., "Pemantauan Kesiapan Produk UMKM Jawa Timur Dalam Sertifikasi Halal Self-Declare," *Sewagati* 7, no. 2 (2022), p. 240–52. Muhammad Yasir Yusuf, et.al., "Shariah Marketing Strategy of Micro, Small, and Medium Enterprises Products in Aceh: A Case of Minyeuk Pret," *Jurnal Ilmiah Peuradeun* 10, No. 2 (2022).

⁵ Muhammad Daud bin Mahmud, "Pendampingan Proses Produk Halal (Self Declare) Dalam Pengajuan Sertifikasi Halal Produk Usaha Mikro Kecil," *Al-Mulk: Jurnal Pengabdian Masyarakat* 1, no. 1 (2023), p. 1.

state-centered model, by comparison, tends to facilitate greater procedural efficiency and administrative coherence.⁶

Nurhasanah and colleagues further explore the role of the state in guaranteeing the availability of *halal* products and services through Indonesia's *halal* assurance legislation. Their findings suggest that, despite the enactment of the *Halal* Product Assurance Law, the regulatory framework has yet to provide full legal certainty for Muslim consumers, as many products and services available in the market remain uncertified. They identify three principal sources of this legal uncertainty. First, frequent regulatory changes, often implemented without adequate coordination among relevant stakeholders, have created inconsistencies in policy implementation. Second, the absence of an integrated monitoring and supervisory system has impeded the timely resolution of technical and administrative challenges. Third, legal culture, particularly levels of legal literacy, public awareness, and understanding among business actors, remains underdeveloped, thereby limiting effective compliance and enforcement.⁷

Similarly, Hasim and colleagues investigate the implications and challenges associated with *halal* animal feed within the expanding global *halal* economy. Their study highlights several critical obstacles, including difficulties in controlling contamination and impurities in feed ingredients, the absence of a fully integrated *halal* assurance system throughout the feed supply chain, and limited awareness and understanding of *halal* principles among farmers and other stakeholders. They argue that enhancing education and awareness across the supply chain is essential for strengthening *halal* integrity and credibility.⁸ Furthermore, the development and effective dissemination of comprehensive *halal* standards are crucial for fostering industry compliance, supporting market growth, and ensuring the long-term sustainability of this emerging sector.

While Hafiznur Arifin has examined the self-declaration system for *halal* certification,⁹ his study primarily focuses on comparing this mechanism with the conventional *halal* certification process previously administered by the Indonesian Ulema Council (MUI). Although this comparative perspective offers valuable insights into procedural differences, it does not adequately address the broader issues of regulatory implementation, policy effectiveness, or the role of the self-declaration scheme in fostering the independence of Indonesia's *halal* industry. Likewise,

⁶ Moh Nizar and Mohammad Zaki Ahmad, "Halal Governance and Its Societal Impact: A Comparative Study of Certification Regimes in Indonesia and Malaysia for Muslim Families," *El-Usrah: Jurnal Hukum Keluarga* 8, No. 2 (2025).

⁷ Nurhasanah Nurhasanah, et.al., "Challenges in Implementing Indonesia's Halal Product Assurance Law: An Analysis of Legal Uncertainty, Supervisory Systems, and Legal Culture," *Nurani: Jurnal Kajian Syari'ah Dan Masyarakat* 25, No. 2 (2025), p. 599-619.

⁸ Nur Asmadayana Hasim, et.al., "Implications and Challenges in Implementing Halal Standard of Animal Feed and its Marketability," *Samarah: Jurnal Hukum Keluarga dan Hukum Islam* 9, No. 3 (2025).

⁹ Hafiznur Arifin, "Analisis Sistem Sertifikasi Halal Kategori Self Declare," *Sinomika Journal: Publikasi Ilmiah Bidang Ekonomi Dan Akuntansi* 1, no. 5 (2023), p. 1173-80.

Mutimmatul Faidah's work, which explores *halal* certification from the perspective of civil society and the evolving relationship between state and religion, provides an important socio-political analysis.¹⁰

Accordingly, a more comprehensive investigation into the transformation of *halal* certification policy, especially the implementation of the self-declaration scheme is both timely and necessary. This study seeks to analyze the role of the self-declaration scheme in enhancing the sustainability, competitiveness, and independence of Indonesia's *halal* industry. It specifically aims to explore the dynamics of policy implementation, identify its potential benefits and challenges, and assess its broader implications for the development of the *halal* sector at both national and global levels.

This research employs a normative legal method grounded in an Islamic law perspective.¹¹ In particular, the theory of *maqāṣid al-sharī'ah* serves as the principal analytical framework for evaluating the implementation of the self-declaration scheme and its implications for strengthening the sustainability and autonomy of Indonesia's *halal* industry.¹² This approach is especially appropriate because it enables a nuanced assessment of policy reform in light of the overarching objectives of the Islamic law, while also capturing the responses of micro, small, and medium-sized enterprises (MSMEs) to these regulatory changes. Through this framework, the study offers a comprehensive understanding of how the transformation of *halal* certification policy through the self-declaration scheme can contribute to enhancing the resilience, competitiveness, and long-term independence of Indonesia's *halal* industry.

Transformation of Halal Certification from an Islamic Law Perspectives

In Islamic law, the legal status of goods and services is classified into categories such as *halal* (permissible), *haram* (prohibited), and other normative classifications. For products manufactured and distributed by industries and commercial enterprises, the determination and regulation of their legal status are not solely matters of religious doctrine but are also subject to state regulation through statutory frameworks. In this regard, the state bears a fundamental responsibility to protect consumers by ensuring the availability of *halal* products, particularly in Indonesia, where the majority of the population is Muslim. This responsibility is

¹⁰ Mutimmatul Faidah, "Sertifikasi Halal Di Indonesia Dari Civil Society Menuju Relasi Kuasa Antara Negara Dan Agama," *ISLAMICA: Jurnal Studi Kesilaman* 11, no. 02 (2017), p. 449–76.

¹¹ Faisar Ananda Arfa and Watni Marpauang, *Metodologi Penelitian Hukum Islam*, Jakarta: Kencana, 2017. Jonaedi Efendi and Prasetyo Rijadi, *Metode Penelitian Hukum Normatif dan Empiris*, Jakarta: Kencana, 2016.

¹² Awan Y. Abdoellah dan Yudi Rusfiana, *Teori dan Analisis Kebijakan Publik*, Bandung: Alfabeta, 2016. Winarno, Budi, *Teori dan Proses Kebijakan Publik*, Yogyakarta: Media Pressindo 2007.

closely linked to the constitutional right of citizens to practice their religion and to consume products that conform to their religious beliefs.¹³

To provide legal protection for Muslim consumers, the Indonesian government has progressively developed a regulatory framework for *halal* labeling and certification. The earliest formal regulation can be traced to 1976, when the government introduced mandatory labeling requirements for food and beverage products containing pork or its derivatives. This policy was established through the Decree of the Minister of Health of the Republic of Indonesia No. 280/Men.Kes/Per/XI/76 concerning the Provisions for the Distribution and Labeling of Foods Containing Ingredients Derived from Pork. Under this regulation, manufacturers producing food containing pork or pork derivatives were required to display a clear warning on product packaging, either printed directly on the package or affixed as a label. This warning had to include both a pictorial representation of a pig and an explicit statement indicating that the product contained pork.¹⁴

At that time, the use of a “*haram*” label was considered more practical and effective than a “*halal*” label, as only a relatively small number of products were believed to contain pork or pork-derived ingredients. Consequently, regulatory efforts focused primarily on identifying and labeling products that were clearly prohibited for Muslim consumption. To facilitate implementation, the Ministry of Health collaborated with the Indonesian Food and Beverage Producers Association (GAPMMI) in distributing the required labels to relevant manufacturers. A significant policy shift occurred nearly a decade later. On 12 August 1985, the government replaced the negative labeling approach with a positive *halal* labeling system. This change was formalized through the Joint Decree of the Minister of Health and the Minister of Religious Affairs No. 427/Menkes/SKB/VIII/1985 and No. 68 of 1985 concerning the Inclusion of the Word “Halal” on Food Labels. Under this new framework, manufacturers were permitted to include the word “halal” on their product labels after submitting detailed information regarding product ingredients and manufacturing processes to the Ministry of Health. Oversight and verification were conducted jointly by the Ministry of Health and the Ministry of Religious Affairs through the Food Registration Assessment Team within the Directorate General of Drug and Food Control.¹⁵

¹³Musataklima Musataklima, “Self-Declare Halal Products for Small and Micro Enterprises: Between Ease of Doing Business and Assurance of Consumer Spiritual Rights,” *De Jure: Jurnal Hukum dan Syariah* 13, No. 1 (2021). Neni Ruhaeni & Eka an Aqimuddin, “Halal Food Certification as An Exception Clause Under the Rule of the WTO-GATT: An Indonesia Experience,” *Cogent Social Science* 9, No. 2 (2023).

¹⁴ Hayyun Durrotul Faridah, “Halal Certification in Indonesia; History, Development, and Implementation,” *Journal of Halal Product and Research* 2, no. 2 (2019), p. 68. Lukman Hakim & Aisyah Karnyla Putri, “Implementation of the Halal Product Guarantee Law in Indonesia by the Department of Industry and Trade Cooperatives of Bima City,” *Nurani: Jurnal Kajian syari'ah Dan Masyarakat*, 22, No. 1 (2022), p. 133-144.

¹⁵ M Ghufar Harahap, *Industri Halal Di Indonesia* (Banten: PT Sada Kurnia Persada, 2023). 10.

Despite these regulatory developments, public concern regarding food safety and religious compliance remained significant. This concern intensified in 1988, when reports emerged alleging that a number of food products circulating in the market contained pork-derived ingredients. A study conducted by researchers at Brawijaya University revealed that a number of food and beverage products circulating in the Indonesian market were suspected of containing pork-derived ingredients. The investigation surveyed products available in traditional markets, supermarkets, and retail stores, identifying 34 products that were indicated to contain substances such as shortening, lard, and gelatin. Shortening, often referred to as white margarine, is a solid fat that may be derived from pork and is commonly used in bakery products,¹⁶ Lard is a fat rendered directly from pork, while gelatin is an animal-derived protein that can be extracted from porcine tissues. The findings were published in the *Canopy Bulletin*, a publication of the Student Senate of the Faculty of Animal Husbandry at Brawijaya University, and quickly attracted widespread public attention. The publication of these findings triggered significant public concern and anxiety. Muslim consumers, in particular, became increasingly cautious and selective in their purchasing decisions. This heightened vigilance led to a decline in consumer confidence and reduced demand for several food products, thereby affecting the sales performance and financial stability of a number of companies. Among the firms impacted were PT Food Specialties Indonesia, PT Tri Fabig, and Siong Hoe Biscuits.

In response to the growing public unease, various measures were undertaken to restore consumer confidence. Government agencies, including the Ministry of Religious Affairs, worked in collaboration with the Indonesian Ulema Council (MUI) to address the issue and reassure the public. One highly visible initiative involved representatives from these institutions publicly consuming milk at the Dancow factory in Pasuruan as a symbolic demonstration of product safety and *halal* compliance. In addition, several companies launched extensive advertising campaigns to affirm that their products were safe and *halal*, with some reportedly allocating substantial budgets for these efforts. The controversy surrounding the alleged use of pork derivatives not only underscored the economic significance of *halal* assurance but also highlighted the critical role of institutional trust in maintaining market confidence. Recognizing the seriousness of the situation, the MUI convened discussions to formulate appropriate responses and develop long-term solutions aimed at restoring public trust and ensuring greater certainty regarding the *halal* status of consumer products.¹⁷

This incident significantly heightened both public and governmental awareness of the urgent need for a comprehensive *halal* certification system in

¹⁶ Aminullah, et. al., "The Total Lipid Content of Chicken and Pork Fats Based on Different Extraction Methods," *Jurnal Agroindustri Halal* 4, no. 1 (2018), p. 94–100.

¹⁷ Sheilla Chairunnisyah, "Peran Majelis Ulama Indonesia Dalam Menerbitkan Sertifikat Halal Pada Produk Makanan Dan Kosmetika," *Angewandte Chemie International Edition* 3, no. 2 (2017), p. 10–27.

Indonesia. In a country where Muslims constitute the majority of the population, access to halal food is not merely a matter of consumer preference but a fundamental religious necessity. Ensuring the availability and integrity of halal products therefore became an important public policy concern, requiring active state intervention and regulatory oversight. In response to growing public anxiety over the circulation of products containing pork derivatives, the Indonesian Ulema Council (MUI), an independent body comprising Muslim scholars, religious leaders, and intellectuals, intensified its engagement with the government. As part of these efforts, the MUI established the Assessment Institute for Foods, Drugs, and Cosmetics of the Indonesian Ulema Council (LPPOM MUI) in 1988. Formally constituted under MUI Decree No. Kep./18/MUI/I/1989, issued on 6 January 1989, this institution was tasked with examining products in circulation and assessing their compliance with halal requirements. Although LPPOM MUI was established in the late 1980s, the MUI began issuing halal certificates only in 1994, based on the results of inspections and audits conducted by the institute.¹⁸

The Indonesian government subsequently strengthened the legal foundation for halal labeling through Government Regulation No. 69 of 1999 on Food Labels and Advertisements. This regulation stipulated that halal claims displayed on product packaging must first be verified by an accredited inspection body in accordance with procedures established by the Minister of Religious Affairs. In this context, a food label serves as an essential medium for conveying information about a product, whether through text, images, or a combination of both, affixed to or included within the product packaging. To implement these provisions, the government issued Minister of Religious Affairs Decrees No. 518 of 2001 and No. 519 of 2001. These decrees formally designated the MUI as the authorized body responsible for conducting halal inspections, processing certification applications, and determining *halal* status. In matters relating to the placement and use of *halal* logos on product packaging, the MUI worked in close coordination with the Food and Drug Supervisory Agency (BPOM).¹⁹

The importance of *halal* product assurance eventually led to the enactment of Law No. 33 of 2014 on Halal Product Assurance. This landmark legislation was designed to guarantee the safety, security, comfort, and availability of halal products for all Indonesian consumers, particularly Muslims. One of its central provisions mandates that all products entering, circulating, and traded within Indonesia must obtain halal certification.²⁰ As a direct consequence of this legislation, the Indonesian government established the Halal Product Assurance Agency (BPJPH), which was

¹⁸ Faidah, "Sertifikasi Halal Di Indonesia Dari Civil Society Menuju Relasi Kuasa Antara Negara Dan Agama."

¹⁹ Lies Afroniyati, "Analisis Ekonomi Politik Sertifikasi Halal Oleh Majelis Ulama Indonesia," *Jurnal Kebijakan & Administrasi Publik* 18, no. 01 (2014), p. 37–52. Nurul Najla' Athirah Muhamad Nazari, et.al., "Consumer Protection Against the False Description of Halal in E-Commerce," *UUM Journal of Legal Studies* 14, No. 2 (2023).

²⁰ Undang-Undang Nomor 33 Tahun 2014 Tentang Jaminan Produk Halal.

officially inaugurated by the Minister of Religious Affairs on 11 October 2017. Operating under the Ministry of Religious Affairs, BPJPH is the principal governmental body responsible for administering the national halal assurance system. With its establishment, the authority to manage halal certification shifted from LPPOM MUI to BPJPH. Nevertheless, under the Halal Product Assurance Law, the MUI continues to play a strategic and indispensable role. Its responsibilities include issuing halal fatwas, certifying halal auditors, and participating in the accreditation of Halal Inspection Bodies (LPH). This institutional arrangement reflects a collaborative governance model in which the state and religious authority work together to ensure the credibility, legitimacy, and effectiveness of Indonesia's halal certification system.²¹

Halal Inspection Bodies (Lembaga Pemeriksa Halal, LPH) may be established either by the government or by legally recognized Islamic institutions. Under Article 12 of Law No. 33 of 2014 on Halal Product Assurance, for example, an LPH may be established by a state university or other authorized public institution. To operate, each LPH must employ at least three certified halal auditors. These auditors are responsible for conducting comprehensive examinations of all aspects of the halal production process, including raw materials, processing methods, slaughtering procedures, production equipment, manufacturing facilities, presentation, storage, distribution, and the implementation of the company's Halal Assurance System (Sistem Jaminan Halal, SJH), as stipulated in Article 15 of the law. As the central authority for halal product assurance, the Halal Product Assurance Agency (BPJPH) has extensive regulatory and supervisory responsibilities. These include overseeing the halal status of products, supervising the performance of LPHs, ensuring the appointment of halal supervisors within business entities, monitoring the proper use of halal and non-halal labels, and verifying the validity of halal certificates. BPJPH also supervises compliance with requirements concerning the segregation of halal and non-halal materials throughout the entire supply chain, including production, packaging, storage, presentation, distribution, and sale.²²

Business actors seeking *halal* certification must first appoint a halal supervisor within their organization. This individual is responsible for overseeing the halal production process, ensuring that all stages of production remain free from contamination by non-*halal* substances, and reporting any changes in product composition or manufacturing procedures. The Halal Fatwa Session serves as the authoritative forum for determining a product's halal status. In addition to MUI scholars, the session may involve experts, representatives of relevant government agencies, and officials from pertinent ministries or institutions. A decision must be rendered within thirty working days from the date the audit results are received by

²¹ Nahlah, Nahlah, et al., "Sejarah Perkembangan Penjaminan Halal Di Indonesia," *Jurnal Ilmiah Ekonomi Islam* 9, no. 2 (2023), p. 1891.

²²Faridah, "Halal Certification in Indonesia; History, Development, and Implementation."

the MUI. Once the halal status has been determined, the decision is formally endorsed by the MUI and submitted to BPJPH. Pursuant to Article 33 of the Halal Product Assurance Law, BPJPH is then required to issue the halal certificate within a maximum of seven working days following receipt of the MUI's decision. This multi-tiered process reflects Indonesia's collaborative halal governance framework, combining administrative oversight, scientific verification, and religious authority to ensure the integrity and credibility of halal certification. This certificate is valid for four years and can be extended by submitting a halal certificate renewal application no later than three months before the certificate expires (Article 42 of the Halal Product Supervisory Agency Law). Once a business has obtained a *halal* certificate, it is required to display the *halal* logo on the packaging or other parts of the product (Article 25 of the Halal Product Supervisory Agency Law). The label must be easily visible and not easily damaged or removed. The consequence of obtaining a halal certificate is the obligation to maintain the halal status of the product.²³

Throughout the *halal* certification process, many micro, small, and medium-sized enterprises (MSMEs) have encountered significant challenges in complying with the procedural and administrative requirements of conventional halal certification. The certification process is often perceived as complex, costly, and time-consuming, thereby limiting accessibility for smaller business actors. As a result, halal certification rates among MSMEs have remained relatively low, despite the widespread presence of their products in the Indonesian market. The enactment of Law No. 33 of 2014 on Halal Product Assurance established a comprehensive legal framework mandating halal certification for products entering, circulating, and traded in Indonesia. However, the government recognized that the conventional certification mechanism could impose disproportionate burdens on micro and small enterprises. In response, the Halal Product Assurance Agency (BPJPH), in collaboration with the Ministry of Religious Affairs and other relevant stakeholders, developed the self-declaration scheme as a more accessible alternative specifically tailored to the needs of micro and small enterprises. This scheme was designed to reduce financial and administrative barriers by offering a simplified, cost-effective certification pathway. In 2021, the government formally implemented the self-declaration scheme through the issuance of technical regulations governing its procedures, eligibility criteria, and operational requirements. Under this framework, eligible business actors may independently declare the *halal* status of their products based on standards and guidelines established by BPJPH. Nevertheless, this self-declaration is not entirely autonomous; it remains subject to oversight, verification, and validation by authorized facilitators and relevant regulatory bodies to ensure compliance with established halal standards.²⁴

From the perspective of Islamic law, this transformation in halal certification policy reflects the practical application of *maqāṣid al-sharī'ah*, particularly the

²³ Nahlah et al., "Sejarah Perkembangan Penjaminan Halal Di Indonesia."

²⁴ Arifin, "Analisis Sistem Sertifikasi Halal Kategori Self Declare."

protection of religion (*hifz al-dīn*), life (*hifz al-nafs*), and property (*hifz al-māl*). By facilitating broader access to *halal* certification, the policy not only safeguards the religious rights of Muslim consumers but also promotes economic welfare by empowering MSMEs to participate more fully in the *halal* economy. In this sense, the collaborative framework involving the *Halal* Product Assurance Agency and the Indonesian *Ulema* Council demonstrates the integration of state regulation and Islamic legal authority in advancing both consumer protection and economic development. Overall, the implementation of *halal* certification in Indonesia has undergone substantial progress, particularly through the introduction of the self-declaration scheme. While this reform has significantly enhanced accessibility and inclusivity, continued systemic improvements are necessary to ensure that the *halal* certification system remains effective, credible, inclusive, and sustainable in the long term.²⁵

Halal Certification Self-Declaration Scheme

A business actor's *halal* self-declaration, commonly referred to as a self-declaration, is a formal statement issued by eligible micro and small enterprises affirming the *halal* status of their products. This mechanism was introduced to facilitate greater access to *halal* certification by simplifying the certification process for smaller businesses while ensuring continued compliance with applicable legal and religious requirements. Through self-declaration, business actors assume full legal and moral responsibility for the *halal* integrity of their products. They are therefore required to ensure that all aspects of production, including raw materials, processing methods, and supply chain management are fully compliant with Islamic legal principles. This approach is intended to enhance accessibility, efficiency, and inclusivity, particularly for enterprises that may face financial or administrative barriers in obtaining certification through conventional procedures.²⁶

Under Government Regulation No. 39 of 2021 on the Implementation of *Halal* Product Assurance, a business actor's self-declaration must be based on established *halal* standards and supported by a formal statement in the form of a declaration or pledge. This declaration constitutes a legally binding commitment that the product and all materials used in its manufacture meet *halal* requirements:

²⁵ Ruri Mustika, et.al., "Implementasi Sertifikasi Halal Oleh BPJPH Dalam Perspektif Hukum Ekonomi Islam," *Jurnal Ekuilnomi* 7, No. 3 (2025), p. 932-950. Desinta Bella Irwana, et.al., "Kebijakan Sertifikasi Halal Sebagai Upaya Peningkatan Akses Pasar UMKM Pangan Di Kota Dumai," *Jurnal Hukum Administrasi Publik dan Negara* 2, No. 6 (2025), p. 177-189.

²⁶ Riris Trimaulida Rahmawati, et.al., "Pendampingan Sertifikasi Halal melalui Skema Self-declare untuk Meningkatkan Kredibilitas dan Jangkauan Pasar UMKM," *Al Mu'azarah: Jurnal Pengabdian Kepada Masyarakat* 2, No. 2 (2025), p. 88-99

1. *A statement from the business actor in the form of an agreement/pledge containing:*

a. *Halalness of the products and materials used*

The *halal* status of products and materials used under the self-declared *halal* certification scheme is a fundamental aspect and the primary responsibility of business actors. They must ensure that all materials used in the production process are derived from *halal* sources and are free from any *haram* or impure substances. This requirement applies not only to primary raw materials but also to additives and all supporting materials involved in the production process. Furthermore, business actors are required to carefully verify the origin of these materials, including ensuring that their suppliers or manufacturers possess credible *halal* certification.

b. *Halal Product Process*

In addition to ensuring the *halal* status of raw materials, business actors must guarantee that the entire *halal* product process (PPH) is conducted in accordance with Islamic legal principles. This includes the use of production equipment, facilities, and operational procedures that are entirely free from contamination by *haram* or impure substances. Under the self-declaration scheme, responsibility for maintaining *halal* integrity rests primarily with the business actor. Accordingly, every declaration concerning the *halal* status of a product must be accurate, verifiable, and fully accountable. To safeguard the credibility of this mechanism, all declarations are subject to verification and validation by an authorized Halal Product Process (PPH) Facilitator.

2. *The Role of PPH Facilitation*

PPH facilitation constitutes a central component of the self-declaration *halal* certification framework. The involvement of PPH Facilitators is essential to ensuring that business actors, particularly micro and small enterprises, are able to comply with the substantive and procedural requirements of *halal* certification. These facilitators, who are trained and certified by the relevant authorities, serve as mentors, advisors, and supervisors throughout the certification process. Their responsibilities encompass a wide range of activities, including providing guidance on the selection of *halal*-compliant raw materials, advising on production methods, assisting in the preparation of required documentation, and ensuring the implementation of *halal* assurance practices. In addition, PPH Facilitators conduct on-site assessments and verifications to confirm that business operations conform to established *halal* standards and Sharia principles.²⁷

It is important to note that not all businesses are eligible to apply for *halal* certification through the self-declaration scheme. This mechanism is specifically intended for business actors that meet predetermined criteria, thereby ensuring that the simplified certification pathway is applied appropriately and without compromising the integrity of *halal* assurance. The eligibility requirements are set

²⁷ Peraturan Pemerintah Nomor 39 Tahun 2021 tentang Penyelenggaraan Bidang Jaminan Produk Halal.

forth in the Decree of the Head of the *Halal* Product Assurance Agency No. 150 of 2022 and Decree No. 22 of 2023. These regulations establish the criteria that businesses must satisfy in order to qualify for halal certification under the self-declaration scheme:

3. *Product eligibility*

Products eligible for *halal* certification under the self-declaration scheme are limited to those classified as low risk or those manufactured using ingredients whose halal status has already been verified. To maintain the integrity of the *halal* assurance system, eligible products must not contain components derived from slaughtered animals, unless such materials originate from producers, slaughterhouses, or poultry slaughterhouses that have themselves obtained halal certification. Furthermore, the scope of products covered under this scheme is restricted primarily to food and beverage items, as specifically enumerated in the Appendix to the Decree of the Head of the Halal Product Assurance Agency No. 22 of 2023.

4. *Materials Used*

The materials employed in the production process must be safe, non-hazardous, and unequivocally *halal*. In accordance with the Decree of the Head of BPJPH No. 150 of 2022, all materials must either be supported by valid *halal* certification or be included in the official list of materials exempt from halal certification requirements, as stipulated in Minister of Religious Affairs Decree No. 1360 of 2021. Where products involve ingredients derived from slaughtered animals, such materials must originate exclusively from *halal*-certified producers, slaughterhouses, or poultry slaughterhouses. In addition, such materials must not consist of ground or processed meat, thereby reducing the risk of uncertainty regarding origin and composition.

5. *Production process*

The production process under the self-declaration scheme must be straightforward, standardized, and fully compliant with *halal* requirements. This includes not only manufacturing activities but also product preservation methods, which must remain simple and may not involve the combination of multiple preservation techniques. The simplicity requirement is intended to facilitate effective monitoring and verification while minimizing the risk of non-compliance. Responsibility for ensuring halal compliance throughout the production process rests entirely with the business actor. This obligation begins with the selection of raw materials, all of which must be free from prohibited (*haram*) or impure (*najis*) substances and sourced in accordance with Islamic legal principles. The manufacturing process must then be carried out using equipment, facilities, and utensils that are clean and entirely free from contamination by non-halal materials. Moreover, every stage of the production chain, including processing, storage, packaging, and distribution, must be carefully controlled to prevent any cross-contamination or contact with non-*halal* substances. Comprehensive and accurate documentation of these processes is essential, as it serves as evidence of compliance with established *halal* standards. Although the self-declaration scheme simplifies the

certification process, it does not eliminate regulatory oversight. Business actors must remain prepared for audits, inspections, and verification conducted by authorized supervisors or relevant authorities. These assessments are intended to confirm that the entire production process has been implemented in accordance with halal requirements before a halal certificate is formally issued. In this way, the self-declaration scheme balances procedural accessibility with the need to preserve the credibility, reliability, and integrity of halal certification.²⁸

6. *Location, Facilities, and Equipment for the Halal Product Process (PPH)*

Business actors applying under the self-declaration scheme must ensure that the locations, facilities, and equipment used for halal product processing are entirely separate from those used for non-halal products. This requirement is fundamental to preventing cross-contamination and preserving the integrity of the halal production process. The production equipment employed must be relatively simple, utilizing manual, semi-automatic, or other forms of basic technology typically associated with home-based or small-scale enterprises rather than large industrial manufacturing facilities. In addition, eligible business actors may operate only one production facility at a single location.

7. *Own Business Identification Number*

To qualify for *halal* certification under the self-declaration scheme, business actors must possess a valid Business Identification Number (NIB). The NIB serves as the official legal identity of a business and confirms its authorization to operate within its designated sector. It is issued through Indonesia's Online Single Submission (OSS) system and can be obtained free of charge)

8. *Annual Turnover or Sales Revenue*

Another essential eligibility criterion is the turnover threshold. Business actors must have a maximum annual turnover of IDR 500,000,000 (five hundred million rupiah), as demonstrated through a formal self-declaration. This financial ceiling reflects the policy objective of targeting the self-declaration scheme specifically toward micro and small enterprises with limited operational capacity. By restricting eligibility to businesses within this turnover range, the government seeks to ensure that the simplified certification pathway benefits enterprises that might otherwise face substantial barriers in accessing conventional *halal* certification. These barriers often include complex administrative procedures, high certification costs, and limited institutional capacity. Conversely, businesses whose annual turnover exceeds the prescribed threshold are generally required to pursue halal certification through the regular certification pathway, which involves more comprehensive auditing and regulatory scrutiny. This turnover requirement reflects a balanced policy approach: it expands access to halal certification for smaller enterprises while preserving the rigor and credibility of the national halal assurance system. In doing so, it supports the growth and formalization of micro and small

²⁸ Peraturan Pemerintah Nomor 39 Tahun 2021 tentang Penyelenggaraan Bidang Jaminan Produk Halal.

enterprises within Indonesia's halal economy, while simultaneously safeguarding consumer trust and maintaining the integrity of *halal* certification.²⁹

9. *Distribution Permit*

It is required to possess a distribution permit, depending on the nature and characteristics of their products. Such permits may include a Home Industry Food Production Certificate (PIRT), a Marketing Authorization (MD), a Hygiene and Sanitation Eligibility Certificate (Sertifikat Laik Higiene Sanitasi/SLHS) for food and beverage products with a shelf life of less than seven days, or other sector-specific licenses issued by the relevant governmental authorities.

10. *Verification by a Halal Product Process (PPH) Facilitator*

A fundamental prerequisite for obtaining halal certification through the self-declaration scheme is verification by an authorized Halal Product Process (PPH) Facilitator. This verification serves as a critical safeguard to ensure that all aspects of the business actor's operations comply with established halal standards. PPH Facilitators are trained and certified professionals entrusted with assisting business actors in understanding and implementing halal requirements comprehensively. Their role extends beyond administrative support; they function as advisors, mentors, and compliance verifiers throughout the certification process. In carrying out their responsibilities, facilitators conduct direct assessments of the production process, examine the raw materials used, evaluate supporting documentation, and inspect production facilities and equipment. Where discrepancies or non-compliance are identified, the facilitator provides recommendations for corrective action and guides the business actor in aligning their practices with halal standards. Only after the facilitator is satisfied that the product and production process fully comply with the applicable requirements can the application proceed to the next stage of certification. This verification mechanism is indispensable to the credibility of the self-declaration scheme. It ensures that the simplification of certification procedures does not compromise the substantive integrity of halal assurance. By combining ease of access with professional oversight, the system enhances consumer confidence, strengthens regulatory accountability, and upholds the reliability of halal certification in Indonesia.

11. *Submission of Application Documents through SIHALAL*

Business actors seeking halal certification under the self-declaration scheme are required to submit their applications electronically through the SIHALAL platform, the official digital system administered by the Halal Product Assurance Agency (BPJPH). To complete the application, business actors must provide a comprehensive set of supporting documents. These typically include documentation relating to the appointed halal supervisor, such as a copy of the supervisor's national identity card and an official letter of appointment. In addition, applicants must submit detailed product information, photographs of the business actor together with the

²⁹ Peraturan Pemerintah Nomor 39 Tahun 2021 tentang Penyelenggaraan Bidang Jaminan Produk Halal.

PPH Facilitator and the product, data concerning all raw materials used, and any relevant distribution permits, where applicable.³⁰

In accordance with Regulation of the Minister of Religious Affairs No. 20 of 2021 concerning Halal Certification for Micro and Small Enterprises, the Halal Product Process (Proses Produk Halal/PPH) encompasses all activities necessary to ensure a product's halal status. These activities include the procurement of materials, processing, storage, packaging, distribution, marketing, and presentation of the final product. PPH facilitation, therefore, refers to the process of assisting business actors in meeting the requirements necessary to make a valid halal declaration under the self-declaration scheme.³¹ A PPH Facilitator is the individual responsible for verifying the halal declaration submitted by the business actor.

Prospective PPH Facilitators must first register with a Halal Product Process Assistance Institution (Lembaga Pendamping Proses Produk Halal/LP3H) to undergo formal training. Upon successful completion of this training, participants receive a certificate of competence from the training institution. Subsequently, the LP3H submits an application for the facilitator's official registration to BPJPH, which then issues a registration number authorizing the individual to serve as a certified PPH Facilitator.

To qualify as a PPH Facilitator, an applicant must meet the following requirements:

1. Be an Indonesian citizen;
2. Be Muslim;
3. Possess at least a senior secondary education (MA/SMA or equivalent);
4. Demonstrate adequate knowledge and understanding of Islamic law relating to halal product assurance; and
5. Hold a valid certificate of completion from an accredited PPH Facilitator training program.

The halal certification process under the self-declaration scheme consists of several sequential stages:

1. The business actor, with the assistance of a certified Halal Product Process (PPH) Facilitator, submits an application for halal certification through the SIHALAL platform. Prior to submission, the facilitator conducts an initial screening or curation of the applicant's data to ensure that the business satisfies all eligibility requirements for the self-declaration pathway. Once eligibility has been confirmed, the business actor, accompanied by the facilitator, completes the electronic registration process.
2. The PPH Facilitator undertakes a comprehensive process of verification and validation. This stage involves examining all materials used in production, reviewing product composition, and assessing the entire Halal Product

³⁰ Peraturan Pemerintah Nomor 39 Tahun 2021 tentang Penyelenggaraan Bidang Jaminan Produk Halal.

³¹ Peraturan Menteri Agama Republik Indonesia Nomor 20 Tahun 2021 tentang Sertifikasi Halal Bagi Pelaku Usaha Mikro dan Kecil, Proses Produk Halal.

Process (PPH). If any discrepancies or non-compliance are identified, the business actor, under the guidance of the facilitator, must undertake the necessary corrective actions. Only when the product and its production process are found to fully comply with halal standards does the facilitator submit a formal recommendation to the Halal Product Assurance Agency (BPJPH).

3. The BPJPH conducts an administrative verification of the submitted documentation through the SIHALAL system. Upon successful verification, BPJPH issues a Document Receipt Letter (Surat Tanda Terima Dokumen/STTD), confirming that the application has met the formal administrative requirements.
4. The Halal Fatwa Committee reviews the application and determines the halal status of the product.
5. Upon receipt of the Halal Fatwa Committee's decision, BPJPH issues the halal certificate, thereby formally recognizing the product's halal status.

Implementation of the Self-Declaration Scheme in Strengthening a Sustainable and Independent Halal Industry in Indonesia

The introduction of the self-declaration scheme has significantly improved access to halal certification for micro, small, and medium-sized enterprises (MSMEs) in Indonesia. Under the previous system, halal certification was often perceived as administratively burdensome, time-consuming, and financially prohibitive, particularly for smaller enterprises. The self-declaration scheme addresses these barriers by offering a simplified and more affordable certification pathway. In addition, BPJPH has further expanded access through initiatives such as the Free Halal Certification (SEHATI) program. This program reduces administrative burdens and provides financial support, thereby enabling eligible business actors to obtain halal certification at no cost. By emphasizing procedural simplification while maintaining substantive compliance, the program represents a significant policy innovation in supporting the growth and formalization of small enterprises within Indonesia's halal economy.

Nevertheless, the implementation of the self-declaration scheme is not without challenges. One of the primary obstacles faced by many MSMEs is limited digital literacy and insufficient familiarity with administrative procedures. For example, applicants must first obtain a Business Identification Number (Nomor Induk Berusaha/NIB) through the Online Single Submission (OSS) system before they can apply for halal certification. Although the OSS system is designed to streamline business registration, many MSME operators—particularly those from lower-income or less technologically literate backgrounds—encounter difficulties in navigating the digital platform. To address these challenges, PPH Facilitators play a crucial role. They provide end-to-end assistance, guiding business actors through the entire process, from obtaining an NIB to completing registration on the SIHALAL

platform. Their support includes technical guidance, document preparation, compliance verification, and administrative coordination.

Although the self-declaration scheme is premised on the principle that business actors bear full legal and moral responsibility for the halal status of their products, its practical implementation reveals a more complex reality. In principle, business actors are required to ensure that all raw materials, production processes, and supply chains fully comply with Sharia principles.³² In practice, however, many micro and small enterprises lack the technical knowledge, regulatory understanding, and administrative capacity necessary to independently fulfill these obligations. Consequently, Halal Product Process (PPH) Facilitators have emerged as indispensable actors in the implementation of the self-declaration scheme. Their role extends far beyond administrative assistance; they provide substantive guidance to business actors in interpreting halal requirements, preparing documentation, verifying the halal status of raw materials, and ensuring that production processes comply with established halal standards.

The importance of facilitators is particularly evident in the digitalization of halal certification services. For many business actors, especially those with limited digital literacy, navigating online systems such as SIHALAL and the Online Single Submission (OSS) platform presents a significant challenge. Facilitators therefore function as intermediaries, assisting business actors with registration, document submission, and compliance procedures. They also review essential supporting documents, including lists of raw materials, supplier halal certificates, and product information, while ensuring that all application materials satisfy regulatory requirements. In this capacity, facilitators serve as a critical bridge between business actors and the Halal Product Assurance Agency (BPJPH), thereby enhancing the accessibility and effectiveness of halal certification for micro and small enterprises.³³

Nevertheless, the central role of facilitators also introduces potential vulnerabilities within the self-declaration system. Reports of irregularities have raised serious concerns regarding the integrity of the certification process. In some cases, facilitators have allegedly uploaded inaccurate or inappropriate documentation, including the use of product photographs sourced from the internet or the failure to conduct mandatory on-site verification. Such practices represent a significant departure from the procedural and ethical standards required under the halal assurance system.

These irregularities pose a direct threat to public confidence in *halal* certification. The credibility of the self-declaration scheme depends fundamentally on the accuracy, honesty, and rigor of the verification process. When facilitators neglect their responsibilities or engage in improper conduct, the reliability of halal certification is compromised, potentially allowing products that have not been

³² Nasori et al., "Pemantauan Kesiapan Produk UMKM Jawa Timur Dalam Sertifikasi Halal Self-Declare."

³³ Mahmud, "Pendampingan Proses Produk Halal (Self Declare) Dalam Pengajuan Sertifikasi Halal Produk Usaha Mikro Kecil."

properly verified to obtain halal status. This not only undermines the legal and institutional integrity of the certification system but also jeopardizes consumer trust in halal-labeled products.

Reports indicate that some facilitators have exploited this mechanism by artificially dividing a single business's products into multiple certification categories in order to increase the number of certificates issued and, consequently, the incentives received for about 150.000 IDR for one certificate. This practice constitutes a distortion of the policy's original intent and reflects a classic case of regulatory opportunism, whereby actors manipulate procedural rules for personal financial benefit although it is originally intended to encourage active support for micro and small enterprises, it may also create unintended consequences.³⁴

At the same time, the turnover threshold of IDR 500,000,000 as an eligibility criterion for the self-declaration scheme demonstrates a sound alignment between policy design and theoretical objectives. This threshold ensures that the scheme remains targeted toward micro and small enterprises, which often face the greatest barriers to accessing formal halal certification. By limiting eligibility to businesses within this revenue range, the policy effectively directs state support to enterprises most in need of regulatory facilitation.

Ultimately, the self-declaration scheme has substantially improved access to halal certification for micro and small enterprises, thereby supporting the broader development of Indonesia's halal economy. By simplifying procedures, reducing costs, and expanding outreach, the scheme has enabled many MSMEs to obtain halal certification that might otherwise have been beyond their reach. In this sense, the policy represents a significant advancement in democratizing access to halal assurance and fostering the growth of an inclusive halal industry. Nevertheless, the scheme's long-term effectiveness depends on its ability to maintain institutional integrity and public trust. Persistent challenges related to oversight, verification, and accountability remain significant concerns. Misconduct by some Halal Product Process (PPH) Facilitators, including data manipulation, inadequate field verification, and procedural irregularities, poses a serious threat to the credibility of the certification system.

A critical component of this effort is the recruitment and capacity building of PPH Facilitators. Empirical findings indicate that the sustainable strengthening of an independent halal industry requires a robust system for selecting, training, and supervising facilitators. Effective facilitators must possess not only technical knowledge of halal standards and certification procedures but also a strong ethical commitment to the principles of integrity, accountability, and public service. Currently, facilitator training is primarily delivered through an online Learning Management System (LMS). While this approach offers flexibility and scalability, it also presents several limitations. Participants in remote areas often face inadequate internet connectivity, while others may struggle with limited digital literacy.

³⁴ Interview with LH, Fatwa Committee Team of BPJPH RI on April 30, 2024.

Moreover, the predominance of one-way, lecture-based instruction can reduce participant engagement and hinder deep comprehension, particularly when trainees multitask or lack opportunities for interactive discussion.

To address these limitations, a more comprehensive and blended training model is needed. This should combine online theoretical instruction with interactive sessions, case-based learning, practical simulations, and ongoing mentorship. Such an approach would enhance both conceptual understanding and practical application. Equally important is the provision of regular coaching, monitoring, and evaluation to ensure that facilitators consistently apply halal standards and adhere to regulatory requirements in their professional practice.

Institutions such as LP3H UIN Sunan Ampel Surabaya have demonstrated the importance of post-training guidance in improving facilitator competence and ensuring adherence to certification standards. Likewise, LP3H GP Ansor has adopted a strategic approach by conducting needs assessments to identify the competencies, qualifications, and number of facilitators required. Such initiatives represent best practices in facilitator development and provide a valuable model for broader institutional replication.³⁵

The role of Lembaga Pendamping Proses Produk Halal (LP3H) in providing guidance and supervision is fundamental to ensuring the effectiveness and credibility of the self-declaration halal certification scheme. Through structured mentoring, periodic supervision, and continuous evaluation, LP3H helps ensure that Halal Product Process (PPH) Facilitators possess both the theoretical understanding and practical competence necessary to carry out their responsibilities effectively. Such capacity-building efforts are indispensable, as facilitators serve as the frontline actors in assisting business operators and safeguarding compliance with halal standards.

The role of Lembaga Pendamping Proses Produk Halal (LP3H) in providing guidance and supervision is fundamental to ensuring the effectiveness and credibility of the self-declaration halal certification scheme. Through structured mentoring, periodic supervision, and continuous evaluation, LP3H helps ensure that Halal Product Process (PPH) Facilitators possess both the theoretical understanding and practical competence necessary to carry out their responsibilities effectively. Such capacity-building efforts are indispensable, as facilitators serve as the frontline actors in assisting business operators and safeguarding compliance with halal standards.

Periodic evaluation is particularly important because it enables LP3H to assess the quality and consistency of facilitators' performance. This process helps identify gaps in knowledge, technical weaknesses, and areas requiring further professional development. More importantly, it ensures that facilitators are not merely proficient in administrative procedures, but are also capable of applying halal principles accurately in real-world production settings. In this regard, guidance and supervision reinforce the principle that halal certification is not solely a documentary or

³⁵ Interview with Y, Manager of the Halal Product Processing Assistance Institution GP Ansor on July 20, 2024.

bureaucratic exercise; rather, it is a substantive assurance mechanism that requires faithful implementation of halal standards throughout the production chain.

Another significant ethical concern involves the practice of artificially dividing a single business's products into multiple certification categories for the purpose of obtaining higher financial incentives. Although facilitator compensation is intended to encourage active participation and support for MSMEs, this incentive structure can create opportunities for opportunistic behavior when not adequately regulated. Certifying products separately when they could legitimately be covered under a single certificate constitutes an abuse of the system and undermines both administrative efficiency and policy intent.

The National Coordination Meeting (*Rakornas*) convened by the Halal Product Assurance Organizing Agency (BPJPH) revealed that several Halal Inspection Institutions (LP3Hs) have not yet performed their functions optimally, particularly in evaluating and strengthening the performance of Halal Product Process (PPH) facilitators.³⁶ This finding highlights a significant gap between the roles expected of LP3Hs and their actual performance in practice. In response, BPJPH has underscored the urgent need for corrective measures, targeted capacity-building initiatives, and stronger strategic alignment to enable LP3Hs to fulfill their responsibilities more effectively and to better support the national halal certification program.

As part of its ongoing commitment to quality assurance, BPJPH regularly conducts nationwide evaluations of LP3Hs across Indonesia. These evaluations are designed to enhance the effectiveness of LP3Hs in supervising and assessing halal certification processes in accordance with applicable regulations. More importantly, they serve as a critical mechanism for strengthening the integrity and consistency of halal oversight, thereby enabling domestic industries to comply with halal standards amid the growing demand for halal products in both national and international markets.

Through these evaluations, BPJPH seeks to ensure the continued advancement and greater self-reliance of Indonesia's halal certification system. A central objective is to facilitate easier, more efficient compliance for businesses seeking halal certification. In collaboration with LP3Hs, BPJPH systematically identifies field-level challenges and develops practical solutions to improve the transparency, accountability, and standardization of halal inspection processes throughout the country.

These efforts also contribute significantly to the broader development of Indonesia's halal industry. BPJPH encourages LP3Hs to pursue continuous innovation and strengthen their institutional capacity, particularly in terms of human resource development and the adoption of advanced technologies in halal inspection. Enhanced LP3H performance will not only improve the credibility and efficiency of the halal certification system but also increase the global competitiveness of

³⁶ Interview with DZ, one of the BPJPH RI team on July 25, 2024.

Indonesia's halal industry, thereby supporting national economic growth and positioning Indonesia as a leading player in the global halal market.

Conclusion

The implementation of the self-declaration scheme in *halal* certification has significantly simplified and accelerated the *halal* certification process in Indonesia by streamlining procedures. This policy enables businesses, particularly small and medium enterprises (SMEs), to independently declare the halal status of their products, subject to verification and validation by Halal Product Process (PPH) Assistants who have been trained and certified by the Halal Product Assurance Organizing Agency (BPJPH). The role of PPH Assistants is crucial in guiding businesses through the certification process. However, the emergence of several irregularities has raised concerns about the integrity of the system. Therefore, the effectiveness of this policy depends on robust oversight and transparency to ensure compliance with halal standards in accordance with the objectives of Islamic law (maqāsid al-sharī'ah), particularly the protection of religion, life, and property. It also serves to provide consumers, especially Muslims, with assurance, safety, and confidence in the halal status of products. Moreover, the self-declaration scheme holds considerable potential to enhance the independence and competitiveness of Indonesia's *halal* industry by expanding access to halal certification for small businesses. This, in turn, is expected to increase the number of certified halal products capable of competing in both domestic and international markets. To realize this potential, continuous guidance and effective monitoring of Halal Product Process Assistants are essential. Their performance must be regularly evaluated to prevent misconduct that could compromise the credibility of the *halal* certification system. In addition, transparency, accountability, and honesty among business actors and all relevant stakeholders are indispensable for sustaining the integrity, trustworthiness, and long-term development of Indonesia's halal industry.

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Legal Rules and Regulations

Peraturan Pemerintah Nomor 39 Tahun 2021 tentang Penyelenggaraan Bidang Jaminan Produk Halal.

Peraturan Menteri Agama Republik Indonesia Nomor 20 Tahun 2021 tentang Sertifikasi Halal Bagi Pelaku Usaha Mikro dan Kecil, Proses Produk Halal.

Undang-Undang Nomor 33 Tahun 2014 Tentang Jaminan Produk Halal.

Interviews

Interview with LH, a member of the Fatwa Committee of the Indonesian Halal Product Processing Supervisory Agency (BPJPH RI), on April 30, 2024.

Interview with JJA, a member of the Halal Product Processing Supervisory Agency at Sunan Ampel State Islamic University, Surabaya, on June 28, 2024.

Interview with Y, a member of the Halal Product Processing Supervisory Agency at GP Ansor, on July 20, 2024.

Interview with DZ, a member of the BPJPH RI team, on July 25, 2024.