

# Comparison of Halal Certification in Several Countries toward Halal Standard of Indonesia

Muhamad Nadratuzaman Hosen<sup>1</sup> and Fitriyani Lathifah<sup>1</sup>

<sup>1</sup>Faculty of Sharia and Law, State Islamic University of Syarif Hidayatullah Jakarta, Indonesia  
{enezhosen, lathifah.fitriyani}@gmail.com

Keywords: *Halal* Certification, Certification Body, *Halal* Standard, SWOT

Abstract: The issue of *halal* products is becoming an essential need to protect every individual Muslim in consumption over the world today. The issue of *halal* products is no longer solely a matter of religious affairs. Moreover, this issue has a major impact on the progress of economic sector in many countries. There are many *halal* certification bodies in various countries in the world. However, there is no *halal* standard which recognized and accepted by all Islamic countries or *halal* certifier bodies. Indonesia claimed that MUI's (Indonesian Council of Ulama) standard is already accepted by many *halal* certifier bodies under WHFC (World *Halal* Food Council) organization. Meanwhile, Malaysian government also claimed that Malaysian *halal* standard also is already accepted by many *halal* certifier bodies as a *halal* standard under OIC (Organization of Islamic Countries). In fact, MUI should declare mutual recognition to Malaysian government in *halal* standard. This study aimed to analyze the full picture of *halal* standards in Indonesia based on the constraints that occur mainly in aspects of technology, *halal* standard-setting procedures, legal issues, and audit method. This research used qualitative method through literature studies. The data analyzed by SWOT (Strength, Weakness, Opportunity, Threat) analysis and comparison analysis. The results expected could contribute to the Ministry of Religious Affairs of the Republic of Indonesia (Kemenag RI) in providing a complete picture of *halal* standards in order to modify the regulations of Indonesian *halal* standards to be more global and to minimize the gap on the constraints of recognition of Indonesian *halal* standards in various countries in the world. Because, Kemenag RI took over the rule of *halal* certification from MUI in October 2017.

## 1 INTRODUCTION

Terms of *halal* originates from the Arabic, namely, *halla*, *yahillu*, *hillan*, *wahalalan* which means allowed or permissible with the sharia law. The aims of *halal* certification in various countries are to protect the Islamic community from consuming haram (forbidden) goods, to provide legal certainty, and to confidence, peace and secure for every Muslim to consume *halal* product.

*Halal* certification can influence consumer decisions in selection of product. In addition, the shift of public perception towards the consumption of *halal* products is an important requirement of lifestyle quality. Jaswir (2016) quoted that Global Islamic Economic (GIE) 2015/16 summarized the global *halal* hub. The data show that the 1st place of TOP ten GIE is Malaysia for category of *halal* food, Islamic finance, and travel *halal*. Then, the 1st place for category of

fashion is China, and for category of *halal* media and recreation and *halal* pharmacy and cosmetics is Singapore. Furthermore, Indonesia is one of the countries that has the best Islamic economic opportunities for *halal* food /culinary.

In global era, the process of *halal* audit of a product can be said it has a high difficulty level. Anton stated that the acquisition of the material is obtained from imported materials (Anton, 2010). The complexity of audit can occur because so many numbers of key ingredient, additive, and derivative matter which are used in production process like on food and drink beverages, cosmetic, detergent, etc. Prasetya (2005) and Aminudin (2016) add that there are obstacles that can hinder the acceptance of *halal* standards in various countries such as technology and infrastructure issues, product quality, *halal* procedures, audit methods, and religious issues like the difference thought of Islamic schools.

The enactment of Act Number 33 in 2014 about *Halal* Assurance System (HAS) in Indonesia

is one form of consumer protection. Basically, the *halal* assurance procedure of a product has the same function with the implementation of ISO (International Standard of Organization) in the world globally. So, the implementation of *halal* certification is not different with the implementation of ISO certification on products or services. The different is in the implementation of Islamic principles and rules of sharia law about *halal* products.

Furthermore, *halal* product is becoming a part of business activity right now. The issue of *halal* product can be triggered for growth of the economic sectors of each country. National Certification Bodies (Badan Sertifikasi Nasional or BSN, 2015) stated that *halal* product became a part of trade in regional and international levels. So, every countries must has a standard concept of *halal* product which can be accepted by other countries in the world.

In reality, the issue of global *halal* standard based on Organization of Islamic Countries - The Standards and Metrology Institute for the Islamic Countries (OIC - SMIIC) not take seriously by certification bodies in each country. The same issue happened with ASEAN (Association South East Asian Nation) *halal* standard which formed by MABIMS (Malaysia, Brunei Darussalam, Indonesia, and Singapore) forum for harmonization initiative to create one logo for ASEAN *halal* trade.

To create *halal* global standards of Indonesia require cooperation and harmonization between government, states, certification bodies, scholars, producers, researchers, and societies whole. Therefore, this research tries to fill the gap from the results of previous studies through comparative analysis of mapping results in SWOT analysis on *halal* standards which determined by each country from aspect of technology, setting procedure, legal issue and audit method.

## 2 LITERATUR REVIEW

There are several previous study about the effect of implementation of *halal* certification. Shahwahid (2016) stated that *halal* Singapore 2015 explained the consistency of compliance with MUIS (Majelis Ugama Islam Singapore) *halal* certification. MUIS *halal* certification can facilitate trade and other business opportunities in Singapore. He added that Malaysia and Singapore have a large contribution towards being a key player of the ASEAN *halal* industrial region. Malaysia and Singapore have contributed

significantly to the development of *halal* industry in Indonesia.

Aminuddin (2016) stated that the implementation of *halal* certification in the Muslim minority countries was very helpful to grow the progress in economic sectors. Especially, for the purpose of food export to Muslim countries as well as attracting Muslim tourists to visit Thailand.

Zenefale (2015) stated that the trend of global *halal* product has become a lifestyle in non-Muslim countries such as Japan, Korea and Thailand. There are several countries which are concern in implementing *halal* products and it's aware for high quality of food which will consumption. For the Muslim community, *halal* assurance is mandatory. Sajjad (2014) added that in producer perspective, the loss of *halal* status could significant effect to loss of their revenue.

Majid, Shabir and Ashraf (2015) showed the finding that awareness, religious beliefs and *halal* certificate had affected positive and significant to consumer intentions in buying *halal* cosmetics. ITPC Osaka (2013) also stated that a shift in consumer perceptions about *halal* concepts was no longer considered purely by religious, but the *halal* concept became a global symbol for quality assurance and lifestyle choice.

Wahab (2016) analyzed the issue, challenge and strength of the *halal* industry in Singapore. That issue showed that there was fake *halal* certificates which circulated in Singapore. The fake *halal* certificate showed the expired date of certificate and inappropriate *halal* logos in the placement of food products in some supermarkets.

Lever and Miele (2012) mentioned one of the main issues of *halal* product in Europe. The main issue was the matter of differences of opinion about the slaughter of animals before slaughtered. The issue of streaking was also in line with Sajjad's research (2014) and the opinion of the director of the International *Halal* Integrity Alliance. However, Sajjad (2014) dedicated the concentration of ethanol to the final product.

Their opinion also added that the issue of *halal* standard and interpretation of it refers to the differences of opinion and ideologies of scholars which adopted by each country (Lever and Miele, 2012; Sajjad, 2014; Prasetya, 2009; Oorjitham: 2009, Alharbi, 2015). Alharbi (2015) mentioned the issue of differences opinion of scholars that lead to differences of opinion on the interpretation of what is *halal* and what is haram (forbidden).

In response to differences in mutual recognition of *halal* standards in the world, the 57-members of OIC have initiated a harmonization movement for the establishment global *halal*

standard called SMIC. This movement has supported by Dubai, Turkey and Saudi Arabia.

The trial of D8 *Halal* Expert Group on *Halal* 2015 was followed by delegates from 7 Developing Eight (D8) countries, consists of Bangladesh, Indonesia, Iran, Malaysia, Nigeria, Pakistan and Turkey which produced some recommendations among each others to exchange information and expertise among D-8 member states to strengthen *halal* system, and encourage all members of D-8 to adopt existing OIC/SMIC *halal* standards as their national standards.

### 3 METHOD

This research used literature study method. The literature obtained from *halal* standard of each country and compared it to aspect of technology, setting procedure, legal issue, and audit method. There variables are analyzed by SWOT analysis.

The objects of study were Indonesia, Singapore, Malaysia, and Brunei Darussalam. These countries chosen with assumption that *halal* standards of Singapore, Malaysia, and Brunei Darussalam was more accepted by other countries rather than Indonesia. Therefore, *halal* standard of Indonesia is still needed to be modified in ordering to minimize the gap on mutual recognition between countries and to create the global *halal* standards of Indonesia which will more accept for other countries in the world.

## 4 RESULT AND DISCUSSION

### 4.1 Description of Halal Product in Every Country

Halal product which circulate in Indonesia, Singapore, Malaysia and Brunei Darussalam referred to rules of halal standard in every country. The authors will explain about halal standard and halal certification in these countries as reference for recognition of Indonesian halal standard in other countries.

#### 4.1.1 Halal Act

In Indonesia, regulation of *halal* issued by Act Number 33 in 2014. The Act affirms that product which entered, circulated, and traded in all of territory of Indonesia must have *halal* certificate. To

that end, the government has responsibility to conduct implementing of HAS fully.

There are some regulations to protect the people of Muslim from forbidden products, such as, Act Number 7 in 1996 about of food, Act Number 8 in 1999 about of consumer protection, and Decree of Ministry of Religion Affairs Number 519 in 2001 about of implementing institution of *halal* food inspection. There is also a cooperation charter of Ministry of Health, Ministry of Religious Affairs, and MUI on the implementation of *halal* label on food in 1996 (Karimah, 2015). Furthermore, there are other regulations concerning to *halal* products, namely, (1) Act Number 18 in 2012 about of Food, (2) Act Number 18 in 1999 about of livestock and healthy of animals, (3) Government Regulation Number 69 in 1999 on food labeling and advertising, (4) Government Regulation Number 95 in 2012 about of veterinary public health, and others (IPB, 2015).

Those regulations show that *halal* certification in Indonesia is still voluntary. To handle *halal* issues, Indonesia has guidelines as *halal* standard for producer or business owner called HAS. HAS is arranged, applied and maintained by *halal* certified company to maintain the sustainability of *halal* production process according to the rules of LPPOM MUI (HAS, 2008). In general, HAS which circulating in Indonesia is legal when the products have a *halal* label and *halal* certificate which issued by MUI (IPB, 2015).

Year of 2017 became transition period for *halal* certification authority from LPPOM MUI to the Ministry of Religious Affairs of the Republic of Indonesia (Kemenag RI) as a *halal* certifier authority in Indonesia. The transitional period lasted approximately for 2 years until 2019. Furthermore, LPPOM MUI still authorize to oversee the implementation of *halal* certification which conducted by Kemenag RI.

In transitional periods, the government has responsibility for issuing government regulation (PP) and ministries regulation (Permen) as an implementation of Act of HAS. Pending the result of government regulation on *halal* certification and the new structure of BPJPH, the business owner or producer still submit the *halal* certification process to LPPOM MUI.

In Singapore, Muis is sole authority to administer and regulate *halal* certification. The regulation stipulated in Administration of Muslim Law Act (AMLA). Regulation and Act of *halal* certification was issued by Singapore government *Halal* certification is controlled by Muis under

AMLA, Section 88 (1) and (2) ([www.muis.gov.sg](http://www.muis.gov.sg)). Then, enforcement of AMLA to *halal* provisions aimed to ensure the absence of fraud and misuse from industries and producers in conducting *halal* activities.

In Malaysia, the position of Jakim (Jabatan Kemajuan Malaysia) is under the purview of The Prime Minister Department. The agency handles the Islamic Affairs and Muslim Welfare in Malaysia. One of the Jakim responsibilities is to handle *halal* Hub in Malaysia.

*Halal* Malaysia regulated in the Malaysian Law, namely, the Trade Act (Akta Perihal Dagangan or APD) in 2011, Manual Procedure of Malaysia *Halal* Certification, The Food Act 1983, Animal Act 1962 1953 (Review 2006), Regulation of Animals 1962, Slaughter House Act 1993, and Progression of State Livestock Act 1983, Customs Act 1967 (Prohibition of Import 1988), Local Government Act 1976 (Akta 171) and The Local Laws of Enforcement Authorities, The Administration Act of Islamic State and Trade Mark Act 1976.

The main object of APD 2011 is to promote trade activities related to Malaysian *halal* aspects, to prohibit the trade of forbidden products and statements, to control forbidden activities or confuses forbidden and hazardous products, and to make allocation for each activity which related to it.

In Brunei Darussalam, Brunei *Halal* is an official *halal* certification issued by Ministry of Religious Affairs (Kementerian Hal Ehwal Uagama). *Halal* certification handled by Ministry of Religious Affairs mainly, but it is also supported by Ministry of Energy and Industry. The institutionalization of the Brunei *halal* standards and certification made possible in 2005 with The Brunei *Halal* Certificate and *Halal* Label.

*Halal* regulation in Brunei Darussalam is very strict. *Halal* certification in Brunei Darussalam uses mandatory approach. The Ministry of Religious Affairs complied with the regulations mandatory to be *halal* for all restaurants, food and beverages that provide products to customers. Restaurants that will propose *halal* certification process must meet the requirements set by the government of Brunei. The rules for implementation *halal* products in Brunei Darussalam regulated in *Halal* Certificate and *Halal* Order: 2005, and Brunei Darussalam Standard for *Halal* Food, PBD 24: 2007.

#### 4.1.2 Support of Technology for Halal Laboratory, Information of Halal Product, and Halal Certification

Support of technology for *halal* in every country is very important. This system make easy to all people

for access information of *halal* products or to apply certification *halal* for producer.

In Indonesia, the process of filling *halal* certification is much easier than before. Since 2010, the Institute for Assessment of Food, Drugs and Cosmetics of Indonesian Council of Ulama (LPPOM-MUI) has been implemented certification system by online, through application which called CEROL SS 23000. The system is conducting certification process start from registration until to monitoring certification process. All regions in Indonesia can register their *halal* certification process faster and easily.

In product testing, Indonesia has a national standardized laboratory which recognized by National Accreditation Committee (NAC). LPPOM MUI has a quick test tool to ensure that the product is not contaminated by forbidden materials in using pork detection kit (PDK). Procedure for laboratory is testing for pork and it derivative can be founded in HAS 23000: 2 point 4.7.1 and alcohol content test at point 4.7.2.

In Singapore, The Majlis Ugama Islam Singapore (MUIS) or Islamic Council of Singapore implemented [Muis eHalal System \(MeS\)](http://www.muis.gov.sg) on August 1st, in 2006. This system uses a web based on software which manages the entire aspect of *halal* certification, both front- and back-end processing, including submission of new/renewal applications, change of application details, rectification of application shortcomings and online payment. All *halal* applications for the Muis *halal* certification are required to be submitted through the MeS at <http://ehalal.muis.gov.sg> ([www.muis.gov.sg](http://www.muis.gov.sg)).

Furthermore, in 2015, Singapore launched an app which called The *Halal* Dining Club. The *Halal* Dining Club (TDHC) was developed by Singapore Management University. THDC serves facilitate Muslim consumers in Singapore to find *halal* foods and *halal* restaurants.

Application for *halal* confirmation certificate of local market must be submitted directly to relevant JAIN/MAIN and not through application. Malaysia has an online portal that can be used to check *halal* Malaysia information including foreign *halal* certifier body and *halal* certification procedure through System MYeHalal (Saidpudin et al., 2015).

Malaysia has Malaysia *Halal* Analysis Center (MyHAC) as Malaysian *Halal* Laboratory. MyHAC serves like 1) analytical services to assist in the process of *halal* certification Malaysia; 2) accelerate the process of *halal* certification; 3) released the results of laboratory analysis and interpretation of laboratory analysis, analysis accurately; and 4) developing analytical methods. Malaysia has a lab

tests should be conducted by any government laboratory or approved private laboratory. Beside that, MyHAC provides a support for research in *halal*, *haram (forbidden)*, safety and quality of food and consumables in Malaysia. Then, MyHAC provides technical training and supplementation of food and consumables in Malaysia for analysis accreditation for *halal* food and *halal* consumables at national and international levels.

The laboratory facilities consists of 2 (two) basic detecting devices, namely, chemistry section and biotechnology section. Tools available for checking chemicals and their derivatives are fats and oils unit, alcohol unit, protein and gelatin unit, fiber, leather and fur unit. Tools are available for checking the biotechnology section of the unit and the genetically modified organism (GMO) unit.

Brunei has laboratory which called *Halal Science and Metrology Centre (HSMC)*. This lab was established by Ministry of Energy and Industry and has MoU (Memorandum of Understanding) with Osaka University and Japan Food Research Laboratory. HSMC provides DNA (Deoxyribo Nucleic Acid) analysis and the like to identify whether applied products which are truly *Halal*. Currently, testing cost is not billed to applicants. However, cost will be billed to applicants in the future when their service lines are prepared. If such analysis is strictly conducted during auditing process, such strict process of Brunei *Halal* can be a differentiator towards other *Halal* certification mechanisms.

#### 4.1.3 Halal Setting Procedure

In Indonesia, the process of *halal* certification is average for 64 days or two months approximately. It started from register until issuance the fatwa "*halal*". Aditya (2011) mentioned the average time process for halal certification base on risk category of products. Firstly, the average time for the no/or low risk products is about 40 days, Secondly, the average time for the medium risk and high risk is 44 days. Furthermore, the average time for certification service from audit to provision of fatwa which issued by fatwa commission of MUI is 24 days.

MUI (2012) in Kompas.com stated the process of filing *halal* certification in MUI is a maximum of three weeks. The three weeks process consists of administrative process, internal *halal* security, field checks, and committees of fatwa commission.

Karimah (2015) stated that the decision of *halal* product determination shall be issued not later than 30 working days since the MUI has been received the inspection and/or testing result from BPJPH. After the status of a product be appointed "*Halal*",

then BPJPH shall issue *halal* certificate no later than 7(seven) working days since determination decision of *halal* product have been received by MUI.

Before applying for a *halal* certification, the producer must be prepared HAS firstly. The steps to register *halal* certification process are as follows:

- a) The company must understand the *halal* certification requirements which listed in HAS 23000. In addition, the company also has to attend the HAS training which held by LPPOM MUI, in the form of regular training and online training (e-training).
- b) Companies should implement HAS prior to registering *halal* certification, among others: establishing *halal* policy, establishing *halal* management, making HAS manual, training implementation, preparation of HAS related procedures, internal audit implementation and management review. To assist companies in implementing HAS, LPPOM MUI has prepared its guidance documents.
- c) The company should prepare the necessary documents for *halal* certification, among others: product list, ingredient list and material documents, slaughter list (RPH only), product matrix, HAS Manual, process flow chart, address list of production facilities, evidence of *halal* socialization, internal training and internal audit evidence.
- d) Producers shall register *halal* certification with uploading all requirements of data with CEROL 23000 application.
- e) Conducting and monitoring of pre audit and payment of certification contract.
- f) Implementation of audit.
- g) The company must conducts post-audit monitoring.
- h) After a product is established its *halal* status by fatwa commission of MUI, *halal* certificate of the product is issued by MUI
- i) The company can download *halal* certificate in softcopy form in CEROL 23000 application. The original *halal* certificate can be obtained at LPPOM MUI Jakarta office and can also be sent to the company address.
- j) *Halal* certificate is valid for 2 (two) years.

In Singapore, *Halal* certification in Singapore have been issued by MUIS since 1978. Singapore used voluntary approach for implementing *halal* certification. In other hand, each producer or business owner who interest to establish halal certificate for their products; so, they will apply for it (Wahab *et al.*, 2016).

Procedure for establish halal certificate, the applicant must fulfill several requirements according to the Singapore Muis *Halal* Quality Management System (HalMQ). HalMQ consist of 10 (ten) principles are as follows: (1) Establish a *halal* team; (2) Define the product/nature of business; (3) Construct and verify flow chart; (4) Identify *halal* threats and their control measures; (5) Determine *Halal* Assurance Points (HAPs), their allowable limits and prescribed practices; (6) Establish monitoring system for each HAP; (7) Establish corrective actions for each HAP; (8) Establish documentation and record keeping system; (9) Verify the *halal* system; (10) Review the *halal* system.

During the study, authors did not find information about the length of time of filling halal certification process in Singapore. However, there is information for renewal certification in Singapore according to halal standard for Singapore. Information for renewal *halal* certificate is 3 months and no later than 1 month before the *Halal* certificate will expired.

In Malaysia, Malaysian *halal* certificate is an official document which stating the *halal* status of products and/or services according to Malaysia *halal* certification scheme which issued by the competent authority. Manual procedure for Malaysia *Halal* Certification (Third Revision) in 2014 (MPPHM 2014) contains guidelines for Jakim and the states Department of Religious Affairs (JAIN) or Islamic Religious Affairs Councils (MAIS) Inspection Officers. The guideline aims to clarify requirements to be complied with, in managing Malaysia *Halal* Certification. Manual procedure must be read together with halal standards, decisions of fatwa and related regulations which are in force.

Malaysia *halal* certification scheme is divided into several categories of products. These categories, namely, i). Food Product/ Beverages/ Food Supplement; ii). Food Premise/ Hotel; iii). Consumer Goods; iv). Cosmetic and Personal Care; v). Slaughterhouse; vi). Pharmaceutical; and vii). Logistic.

Certification in Malaysia shall comply with: i). MS1500: 2009 *Halal* Food – Production, Preparation, Handling and Storage – General Guidelines (Second Revision); ii). Food Act 1983 (Act 281), Food Regulations 1985 and Food Hygiene Regulations 2009; iii). decisions of the National Fatwa Council for Islamic Affairs or Fatwa decreed by the states; and iv). other related guidelines and regulations.

In Malaysia, for filing of *halal* certification has a long time. It is about 6-10 months. The duration of spending process of fatwa is an obstacle for the producers or business owners. In addition, the

decision of the *fatwa* of each state may affect to differences legal decisions.

In Brunei Darussalam, everybody who intends to obtain the *halal* certificate for place of business can obtain the application form from the *halal* food control division, department of sharia affairs, and ministry of religious affairs. Application form must be completed and accompanied with relevant certificates and documents, as the following: 1) Copy of Applicant's Identity Card/Passport, 2) Company profile, 3) Copy of Miscellaneous License of company (if any), 4) Copy of Business License, 5) Copy of Business Registration Certificate, 6) Name and information of the type of business, 7) Name and address of other place of business (if any), 8) Name and information of product/menu for verification, 9) Ingredients used, 10) Name and address of producer / ingredient supplier, 11) *Halal* status of ingredients and their *Halal* certifications or product, 12) Specifications for critical ingredients (as appropriate), 13) Type of packaging material (if any), 14) Processing and production procedures, 15) Product process flow, 16) Other certificates or documents such as Hazard Analysis and Critical Control Point (HACCP) Plan, International Standard Organization (ISO), Good Hygiene Practices (GHP), Good Manufacturing Practices (GMP), Total Quality Management (TQM), Veterinary Health Mark (VHM), Veterinary Inspection Logo (LPV) and other (if applicable), and 17) Map of the place or the place of business.

Those application forms must be submitted by applicant to the *Halal* Food Control Division, Department of Sharia Affairs, and Ministry of Religious Affairs. Applicants must open a special file on "*Halal* Certification" to file all relevant documents for reference during audit. Then, completed application forms will be submitted by *Halal* Food Control Division to the Inspection Committee and the Committee will instruct the auditors to audit the place of business and ingredients being used by the applicant. The auditor may also take samples of each food therein for analysis by a food analyst, when or if required. All costs and expenses for auditing including travelling expenses, incurred on or incidental to an audit and analysis will be borne by the applicant or the certificate holder, and payment should be made to the Majlis.

Auditing report accompanied by the certificate of laboratory analysis (if relevant), will be submitted to the Inspection Committee. The Committee will make a report to the Majlis (designation of the place) within 14 days after studying the auditing report. After application, document auditing and on-site auditing will be conducted. A certification can be obtained in 45 days at fastest or longer.

#### 4.1.4 Audit Method

Traceability is main method for *halal* audit in every countries. According to HAS, Karimah (2015) stated that scope of *halal* audit is very considerable and complicated. The audit process due to the performance of *halal* inspection board, validity periods of *halal* certificate, *halal* product, inclusion of *halal* label, inclusion of forbidden information, segregation of location, place, tool of slaughtering, processing, storage, packaging, distributing, waste management, outlets and presentation between *halal* products and forbidden products, the existence of a *halal* supervisor and/or other activities related to HAS

*Halal* certificate which issued by LPPOM-MUI states the *halalness* of a product in accordance with Islamic principles. Those principles due to HAS, and it holds 12 (twelve) main principles, namely, *maqoshidu syariah* (the aims of Islamic law), honest, trustworthy, systematic, socialized, key person involvement, management commitment, delegating authority, traceability, absolute, and specific. One of the objectives is to protect consumers in Indonesia, which 88% is Muslim majority, however the presentation of non-Muslim *halal* producers is 80% (Said, 2014).

Terms of *halal* product has been determined by MUI in accordance with Islamic principles. *Halal* products must fulfill some criteria are as follow: (1) Does not contain pork or pig products and does not use alcohol as an ingredient that is intentionally added; (2) Meat which used is derived from *halal* animals slaughtered according to the Islamic principles; (3) All forms of drink is non-alcoholic beverages; (4) All storage, place of sale, processing, place of management and place of transportation shall not be used for pigs or other forbidden product, the premises shall first must be cleansed in a manner arranged according to Islamic principles.

Related to *halal* standard in the world, Indonesia through LPOM MUI only recognize 41 *halal* certifier bodies consists of 32 bodies were approved for slaughtering (cattle) category, 36 bodies were approved for raw material category, 17 bodies were approved for flavor category.

In Indonesia, the current validity of *halal* assurance is still done through certification activities which conducted by LPPOM MUI. It conducts audit activities with a series of checks on facilities and systems that guarantee for *halal* production. Audit is conducting on the means of production sites.

LPPOM MUI has also a certifier body in each region which called LPPOM MUI local area. The relationship between central LPPOM MUI and local area of LPPOM MUI is the coordination and decision of the *fatwa* (opinions of Muslim scholars which

related to Islamic Law) remain in the local of MUI.

Audit inspection to the producer location will be done by LP POM-MUI after filling letter of *halal* certification along with its attachments shall be deemed to be eligible. After the audit results are evaluated and qualified *halal*, then the relevant producer will then be processed *halal* certification. If there is a change in the use of raw materials, auxiliary materials, or add materials in the production process, producers are required to report to LP POM-MUI immediately.

During the audit process, producers are asked for help to provide honest and clear information. The audit team will take a random sample to be tested in the laboratory. If necessary, the audit may be conducted at any time suddenly.

Trusted, Reliable, Widely Accepted! are motto of Singapore *halal* certification. During the certification audit, there are a number of process steps which must be undertaken by auditor, namely, : i) opening meeting, ii) documentation review, iii) site inspection, iv) check back of audit trails, verify and further documentation checks, v) final evaluation of findings by the auditor in preparation for the closing meeting, vi) closing meeting.

In singapore, audit process is expected that at the opening and closing meetings those attending on behalf of the company will be taken the *halal* team members as authorized to ensure that corrective action can be taken, if non-conformities are founded. A report will be issued by MeS to applicant within two working days upon completion of the site audit.

Traceability principle was implemented too in Malaysian *halal* standard. Recently, Malaysian government agreed that the company should conduct traceability to own monitoring of the procedure by sending material samples to the accredited laboratory in Malaysia.

After the issuance of *halal* certificate, it can be done inspection to the factories at least once a year suddenly. However, for companies which operating in high risk level sectors, the process of sudden inspection can be done more than once a year. If proven there is violation to *halal* requirements, so JAKIM has right to give a warning for the company. Furthermore, if the violation is more serious, JAKIM has a right to revoke *halal* certificate of the company.

Scope of auditing process for Malaysia *Halal* Standard is as follows : (1) documentation and company profile; (2) *halal* assurance management system; (3) ingredient (raw materials, additives, relief materials); (4) tolls; (5) packing and labeling; (6) storage; (7) processing; (8) transportation, (9) workers; (10) sanitation system and cleanliness; (11) waste management; and (12) fiscal premise. These scope must be implemented by producer to get *halal* certificate from JAKIM.

In Brunei Darussalam, Every company which applying *halal* certificate and *halal* label must ensure that all raw ingredients used are *halal* and suppliers or sub-contractors who supply only *halal* materials or having *halal* certificates are selected. Every company must comply to the *Halal* procedure and requirements as stated in the *Halal* Certificate and *Halal* Label Order, 2005; Brunei Darussalam Standard for *Halal* Food PBD 24:2007, and BCG *Halal*. Companies which fall under multinational and medium industry categories should form an internal *halal* audit committee to handle and ensure that *halal* procedures and requirements are complied.

Furthermore, during preparation, handling, processing, packaging or transportation, the product must be in clean condition and not containing any non *halal* ingredient according to *Hukum Syara'* (set of Islamic Law). The use of equipment or appliances at the premise must be clean and free from filth according to Islamic principles or not hazardous to health. The transportation must be used for *Halal* products only. Cleanliness of the equipments, manufacturing area and the surrounding must be controlled seriously and the factory should practice Good Manufacturing Practices (GMP). Employees must practice good code of work ethics and good hygiene practices.

To maintenance of the certified *halal* certificate and *halal* label, surveillance audits will be conducted on the certified place or place of business in at least (6) six months. However, the frequency of the audits will vary according to the needs. More frequent audits will be conducted based on the recommendation of the compliance audit report and on cases such as rejection of products by importing countries and customer complaints.

Thus, The certificate holder may apply to renew the *halal* certificate not less than 30 days prior to its expiry date. The *halal* certificate can be renewed anytime before the expired date for further periods not exceeding 1 year due to changes as stated in section 3.2 and section 4.2. The

recommendation for renewal will be based on the reports of the surveillance audit team throughout the year. The Majlis will then decide on the approval for renewal.

## 4.2 Comparison of Halal Product in Every Country

### 4.2.1 Act of Halal

Each country in this study have implemented regulation of halal standard and halal certification. In general, the main purpose of their legality is to protect its citizens from forbidden food and to provide legal certainty for Muslim especially. This result shows that there is a relationship between the State and *halal* certification. The same result is shown by Amiruddin (2016).

### 4.2.2 Support of Technology

The strength in terms of technology shows that every country has a nationally accredited laboratory. Furthermore, registration process for *halal* certification can be done by online in Indonesia, Singapore and Malaysia. In contrast is pointed out by Brunei Darussalam. The registration of *halal* certification in Brunei Darussalam addressed to the Ministry of Religious Affairs of Brunei Darussalam by producers/owners business directly.

In some cases for the establishment of *halal* certification, Brunei Darussalam is very careful in the use of technology. For example, the fatwa of Brunei Darussalam is refusing to slaughter animals electronically (stunning) until now. Thus, Brunei Darussalam has been limited the number of slaughter animals in each slaughterhouse.

### 4.2.3 Halal Setting Procedure

The process of *halal* certification in this research, Indonesia shows the fastest process. Table 1 shows that terms of issuance and validity periods for *halal* certificate.

Table 1: Halal procedure in several countries

Country	Issuance of HC*	Validity Period (year/s)	Renewal before	Issuer	Audit Remark
Indonesia	3 weeks - 2 months*	2	3 months	LP POM MUI	Transition Period (MUI to Ministry of Religious Affairs of Indonesian Republic)
Singapore		1-2	3 months	MUIS	MUIS
Malaysia	6-10 Months	2	3 months	JAKIM	JAKIM
Brunei Darussalam	± 45 days	3	1 month	Ministry of Religious Affairs	Department of Sharia Affairs, Halal Food Control Division direct audit applied entities



The strength in terms of setting procedure halal certification shows that each country has its own *halal* standard which has been applied to the country. The ASEAN Economic Community (MEA) 2015 is opening the opportunity of ASEAN *Halal* Market. MABIMS has compiled the global *halal* standard of ASEAN. However, in reality, the implementation of ASEAN's *halal* global standard has not implemented until now. One of the reason is the absence of one logo for *Halal* ASEAN globally.

#### 4.2.4 Audit Method

The threat of implementing *halal* standard is mostly on audit issues. One of key issues is the different determination of fatwa in each country. Thus, the audit procedure as the basis for determining the *halal* decision will be different in every country.

Brunei Darussalam refuses to accept the meat of animals which slaughtered by a stunning process. However, Indonesia, Malaysia, and Singapore are still permit with certain restrictions related to stunning fatwa. That is one of the strengths which is owned by Brunei Darussalam. Although the Muslim scholars which adopted by Brunei Darussalam and Indonesia are the same *mazhab* (set opinion of scholars), namely *The Syafii Mazhab*.

Anothe issue of legal recognition of *halal* is *halal* certificate abroad. In Indonesia, the recognition of certificate abroad is provided free of charge (hidayatullah.com). What problem is if at any time it is known that there is unlawful material in the product. The next question who will be responsible in the process of solving the problem?

## 5 CONCLUSIONS

The differences in technology, regulation, procedure, and audit may affect to the differences in *halal* decision and *halal* certification standard in each country. Indonesian *halal* standard has considerable strength among the 3 comparison countries. *Halal* standards Indonesia has become a reference for many other countries in the world.

In this transition period of halal certification in Indonesia, the revamping of the regulation must be tightened considering that nowadays many imported products have entered Indonesia illegally and are indicated to contain forbidden materials. Finally, there needs to be cooperation among ministries in Indonesia in overseeing the circulation of products in Indonesia.

## ACKNOWLEDGEMENTS

This article is written for International Conference which is supported by Faculty of Sharia and Law at State Islamic University of Syarif Hidayatullah, Jakarta. Therefore, thanks to Dean of Faculty of Sharia and Law.

## REFERENCES

- Alharbi, Y., 2015. *Halal* Food Certification, Regulations, Standards, Practices, in the Netherlands. *Thesis*. Wageningen University and Research Center
- Aminuddin, M Z., 2016. Sertifikasi Produk *Halal*: Studi Perbandingan Indonesia dan Thailand. *Jurnal Shahih*. Vol. (I) January-June 2015, LP2M IAIN Surakara
- National Standardization Bodies., 2017 available at: [www.bsn.go.id](http://www.bsn.go.id), accessed on August 2017
- Florence B-Br, Johan F. and John L., 2016, *Halal Matters; Islam, Politics, and Markets in Global Perspective*. Taylor & Francis Books: Routledge [e-book]
- Hakim, L., *Kekuatan Indonesia Dalam Menerapkan Sistem Jaminan Halal Dan Tantangan Penerapan UU JPH*, PTT, Lembaga Pengkajian Pangan Obat-obatan dan Kosmetika Majelis Ulama Indonesia (LPPOM – MUI)
- Jaswir, I., 2016. *Optimizing The Pharmaceutical and Food Sectors as Halal Industry in Indonesia*, PPT, International Institute for *Halal* Research an Training (INHART), International Islamic University Malaysia (IIUM). (Sumber utama Thomson Reuters & Dinar Standard)
- e-book., *Product Market Study: Marketing of Halal Products In Saudi Arabia*
- Majelis Uagama Islam Singapore., 2017. available at: <http://www.muis.gov.sg/halal/Industry/Halal-Standard.html>
- Majid, M B. Irfan S. Tooba A., 2015. Consumer Purchase Intention towards *Halal* Cosmetics & Personal Care Products in Pakistan, *Global Journal of Research in Business & Management*, Vol. 1. No. 1. May 2<sup>nd</sup>. University of Sahiwal Punjab: Pakistan. available at: [www.gpcpublishing.com](http://www.gpcpublishing.com)
- Othman B. Sharifudin Md, Shaarani, and Arsiyah B., 2016. The Potential of ASEAN in *Halal* Certification Implementation, *Social Sciences & Humanities* 24 (1): 1 - 24. *Pertanika Journal*: Universiti Putra Malaysia Press
- Prasetya., 2009. *Menyoal Standar Halal Internasional*, University of Brawijaya, available at: <https://prasetya.ub.ac.id/berita/Menyoal-standar-halal-internasional-3187-id.html>
- Priherdityo E., 2015. *Jaminan Halal dari Luar Negeri Sama Dengan Halal dari MUI?*, Saturday, October 17th, 2015. available at: [www.cnnindonesia.com](http://www.cnnindonesia.com), accessed at April 16<sup>th</sup>, 2017.

- Rahmadiani, F., 2014. *Standar Halal yang Berbeda-beda di Tiap Negara Bingungkan Industri Pangan*. Friday, April 20th, 2014. detik food, available at: <http://rimanews.com/ekonomi/bisnis/read/20160422/275997/Perbedaan-Standar-Halal-Produk-Indonesia-Sulit-Masuk-Timteng>, accessed at April 16th, 2017
- Rahmadiani, F., 2017. *OKI Menetapkan Standar Halal yang Berlaku Global*. Wednesday. 07052014, available at: <http://food.detik.com/read/2014/05/07/182537/2576375/901/oki-menetapkan-standar-halal-yang-berlaku-global> accessed on April 16th, 2017
- Utama, L, Rebecca R G., 2016. Indepth interview with Ambassador Malaysia, Datuk Seri Zahrain Mohamed Hashim about of Implementation of Halal Certification in Malaysia. available at: (<http://dunia.news.viva.co.id/news/read/734873-penerapan-sertifikat-halal-di-malaysia-diatur-oleh-negara>) accessed on August 25th, 2017
- Saiful and Bahli., 2011. *Malaysia Standard Certification* presented in International Halal Conference Pakistan on March 22nd – 23rd, 2011. Sheraton Hotel. Karachi. Pakistan. Halal Industry Development Corporation
- The International News.,2014. Quoted from news-online, *OKI Menetapkan Standar Halal yang Berlaku Global*, edition at 29042014 available at: <https://food.detik.com>, accessed on August 25, 2017
- Wahab, N A, et al., 2016. Contributions of Malaysia and Singapore in The Development of Halal Industry in The Asean Region. *Asian Journal of Social Sciences & Humanities* 5(2) May. Kolej Universiti Islam Antarabangsa Selangor (KUIS). Bandar Seri Putra, Kajang, Selangor, Malaysia
- Wahab, N A, Farah M S, Nor 'A, Ab. Hamid., 2016. Issue, Challenges And Strengths of The Halal Industry In Singapore: Muis's Experience. *Proceeding of the 2nd International Conference on Economics & Banking 2016 (2nd ICEB)* 24th – 25th May 2016. Departement of Economic & Management Faculty of Management & Muamalah, International Islamic University College Selangor, Malaysia
- Zenefale., 2015. Article about of *Trend Global Produk Halal Menjadi Gaya Hidup Negara-Negara Non Muslim*, this article is delivered at National Symposium of Halal Product Halal by Prof. Din Syamsudin, University of Brawijaya. October 2015
- Majelis Uagama Singapore. *Fatwa Natural Ethanol in Halal food flavouring*, available at: <https://www.muis.gov.sg/officeofthemufti/Fatwa/natural-ethanol-in-halal-food-flavouring.html>, accessed on September 23, 2017
- Majelis Uagama Singapore., 2011-June. *Halal Certification Terms & Conditions, Eating Establishment Scheme*
- The Religious Council Negara Brunei Darussalam, *Brunei Darussalam., 2007. Halal Food PBD 24: 2007*.First Edition. Piawai Brunei Darussalam
- Majelis Uagama Singapore., 2007- January. Singapore MUIS Halal Standard. MUIS HC-S002. *General Guideline for the Development and Implementation of a Halal Quality Management System*
- LPPOM MUI., 2008. *General Guidelines of Halal Assurance System LPPOM MUI 2007*. Jakarta: LPPOM-MUI
- Smart Shield International Sdn Bhd., 2016. *Study on Halal Industry Investment in Brunei Darussalam. Final Report August 2016*. available at : [http://www.eria.org/events/Brunei\\_Halal\\_EN.pdf](http://www.eria.org/events/Brunei_Halal_EN.pdf). accessed on September 26, 2017