



Halal Assurance on Products in Indonesia as a Majority Muslim Country

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Abstract. For Indonesian people, it is important to see halal guarantees on their products. Currently, there are still many circulating products that have not been certified halal. One of the regulations governing halal product guarantees is Law no. 33 of 2014 concerning Guarantee of Halal Products. The purpose of this research is to find out the product categories that must be halal certified. Another objective is to find out the benefits of having halal guarantees for products in Indonesia as a Muslim-majority country. The research method used is library research. This type of research is qualitative which is normative juridical. The results of the research are, first: the existence of an obligation for halal-certified products is basically an effort by the government to protect its people in accordance with religious teachings. The types of products intended are quite limited and are reviewed from several aspects according to Islamic law. Second: the benefits of issuing a halal certificate are to protect Muslim consumers against non-halal food and beverage products, provide a sense of security and comfort for consumers to consume these products.

Keywords: Guarantee · Halal · Product

1 Background

Indonesia is a country with a predominantly Muslim population. With a Muslim-majority society, it is important for the Indonesian government to certify products in Indonesia so that they are guaranteed to be halal. Islamic religious teachings state that a Muslim is ordered to consume halal food as stated in QS Al-Baqarah: 168 and H.R Muslim 1015. Food and drink are categorized as unlawful based on three (3) things, namely:

1. The substance;
2. The method of presentation; And
3. How to get the food/drink.

Apart from the orders of Allah SWT in the Al-Quran and Hadith, halal products are also regulated in regulations or regulations, namely Law no. 33 of 2014 concerning Halal Product Guarantee (UU JPH) where products must be halal certified for a period of five (5) years.

One of the efforts made by the State of Indonesia to create a welfare state (Welfare Staat) as a form of a legal state is to pay attention to the interests of society. Indonesia is one of the countries in the Southeast Asia region, with a Muslim majority population and the largest Muslim population in the world in carrying out the life of the nation. The Republic of Indonesia has different characteristics from other countries. State life in Indonesia is heavily influenced by Islamic dogma which is actualized in people's lives, without putting aside the interests of non-Muslim communities.

One side of the life of the Indonesian people which is regulated by the dogma of Islamic Law is the enactment of the JPH Law. The JPH Law as a legal basis provides legal protection for Muslim consumers against uncertainties in the use of various food and beverage products both in the form of goods and services in accordance with Islamic legal obligations.

Today there are still many local and imported food and beverage products that have not been labeled with a halal certificate or the authenticity of the halal certificate contained on food and beverage packaging is doubtful. This shows the low obligation of business actors to follow the legal provisions of halal certificates.

UUJPH is not only intended to provide protection and guarantees to consumers solely by granting halal certification. Producers also reap benefits from this law, namely with legal certainty for all goods produced, so UUJPH will have a positive impact on the business world. Halal product guarantees for each product can also provide benefits for companies, considering that products that are halal certified will be preferred and favored by consumers so that they can increase sales. This is not only of interest to Muslims but also non-Muslims, because non-Muslims think that halal products are of proven quality and very good for the health of the human body.¹

The availability of halal products has an important urgency related to legal certainty, providing security, comfort and protection for food, beverage, medicine and cosmetic products, increasing added value and product competitiveness, providing mutual benefits and fostering international cooperation in the trade of halal products. The development of halal certification in Indonesia has shown remarkable progress where the Central LPPOM has certified more than 274,000 products which aim to provide certainty of the halal status of a product in accordance with Islamic law where halal certificates/determinations are a requirement for the inclusion of a halal label on a product.²

Guarantees regarding halal products are carried out in accordance with the principles of protection, fairness, legal certainty, accountability and transparency, effectiveness and efficiency, and professionalism. The guarantee of the implementation of halal products aims to provide convenience, security, safety, and certainty of the availability of halal products for the public in consuming and using halal products, as well as increasing added value for business actors to produce and sell halal products.

Assurance of Halal Products is important given the rapid development of science and technology in the fields of food, medicine and cosmetics. This has had a significant

¹ Ma'ruf Amin, *Fatwa Produk Halal Melindungi dan Menentramkan*, Jakarta: Pustaka Jurnal Halal, 2010, page 3.

² Penjelasan Undang-Undang Republik Indonesia Nomor 33 Tahun 2014 tentang Produk Jaminan Halal.

effect on the shift in the processing and utilization of raw materials for food, beverages, cosmetics, medicines, and other products from those which were originally simple and natural to the processing and utilization of scientifically engineered raw materials. Processing of products by utilizing scientific and technological advances allows mixing between what is lawful and what is unlawful, whether intentional or unintentional. Therefore, to determine the halalness and purity of a product, a special study is needed that requires multidisciplinary knowledge, such as knowledge in the fields of food, chemistry, biochemistry, industrial engineering, biology, pharmacy and an understanding of Shari'a.³

Based on consumer rights, the delivery of information related to products must be able to provide certainty to consumers. This is done to protect consumer rights. It should be emphasized that the submission of information relating to food products must guarantee that the food product is halal. This is important for Muslims, because consuming halal products is a shari'a provision that cannot be bargained.⁴

Based on the background above, in this paper the author will examine issues related to which product categories must be halal certified and what are the actual benefits of having halal guarantees for products in Indonesia as a Muslim-majority country. Based on this background, the authors formulate the problem, namely what are the product categories that must be halal certified? and What are the benefits of having halal guarantees for products in Indonesia as a Muslim-majority country?

2 Research Methods

The research method used is library research using secondary data in the form of primary legal materials, secondary and tertiary legal materials. This type of qualitative research is normative juridical. The data obtained from library research results are analyzed systematically, scientifically to answer the problem formulation.

3 Research Results and Discussion

3.1 Product Categories that Must be Halal Certified

The doctrine of halalan thoyyib (halal and good) really needs to be informed effectively and operationally to the public accompanied by adequate facilities and infrastructure. One important means of guarding the halalan thayyib doctrine is the presence of an established, central, humanist, progressive, accommodative and non-discriminatory legal institution, namely the presence of the Halal Product Guarantee Law.⁵ This is also in line with the legal system theory described by Lawrence M. Friedman.

³ *Ibid.*

⁴ Tulus Abadi Dkk, *Tim Pengkajian Hukum tentang Peran Serta Masyarakat dalam pemberian Informasi Halal*, Jakarta: Kementerian Hukum dan Hak Asasi Manusia Badan Pembinaan Hukum Nasional, 2011, page. 2.

⁵ Sofyan Hasan, *Sertifikasi Halal dalam Hukum Positif, Regulasi dan Implementasinya di Indonesia*, Yogyakarta: Aswaja Pressindo, 2014, page. 351.

Several factors underlie the importance of UU-JPH include:

- a. Various existing laws and regulations that regulate or are related to halal products have not provided legal certainty and legal guarantees for consumers to be able to consume halal products, so that people experience difficulties in distinguishing between halal products and unlawful products. In addition, product regulation is still very limited to food matters and does not yet cover drugs, cosmetics, biological chemical products, or genetic engineering.
- b. There is no legal certainty for institutions where the state's involvement is clear in guaranteeing halal products. The existing system does not yet clearly provide certainty of authority, duties and functions in relation to the implementation of JPH, including its coordination.
- c. It is increasingly difficult to control distribution and products in the domestic market due to improvements in food technology, technological engineering, biotechnology and biological chemical processes.
- d. Indonesian halal products do not yet have official halal standards and marks (national halal standards) set by the government as in Singapore, the United States and Malaysia.
- e. Halal product information systems are not in accordance with the level of knowledge and community needs about halal products.⁶

Not all of the products circulating in Indonesia are required to be halal certified. We must know what products must be halal certified and who must fulfill them. Halal certification is one of the things considered by Muslim consumers, especially in owning a product.

Not all consumption products on the market meet the halal category as prescribed by Islam. Therefore, companies or producers need to understand which products are included in the category of products that must be halal certified to support the continuity of their business. It is important to pay attention to this because it will give consumers a sense of security and comfort in fulfilling their daily needs through products whose value is taken.

The existence of halal certification in general is a form of fulfilling the state's obligation to provide protection to its citizens. As mandated by the 1945 Constitution of the Republic of Indonesia "the state guarantees independence for every citizen to embrace their own religion and perform worship according to their religion and beliefs". This then becomes the basis that the state also needs to provide protection and guarantees for the halal products consumed and used by the public.

On the other hand, the Muslim population in Indonesia reaches more than 87%. Because not all products circulating in the community are guaranteed to be halal, legal certainty regarding the halalness of a product is considered even more important.

The government regulates matters related to halal certification through several legal products as follows:

- a. Law Number 33 of 2014 concerning Guarantees for Halal Products
- b. Government Regulation Number 31 of 2019 concerning Regulations for Implementing Law Number 33 of 2014 concerning Guarantees for Halal Products

⁶ Naskah Akademik RUU-JPH, page. 6–7.

- c. Decree of the Minister of Religion Number 982 of 2019
- d. Government Regulation Number 39 of 2021 concerning Implementation of Halal Product Guarantees

As for some general important points that can be highlighted in relation to products that are required to have halal certification are as follows.

- a. Products are goods and/or services related to food, drink, medicine, cosmetics, chemical products, biological products, genetically engineered products, as well as use goods that are used, used, or utilized by the public.
- b. Halal products are products that have been declared halal in accordance with Islamic law.
- c. The Halal Product Assurance Organizing Body (BPJPH) is an agency formed by the government as a party to organize Halal Product Assurance (JPH).
- d. The Halal Certificate is an acknowledgment of the halalness of a product issued by BPJPH which is based on a written halal fatwa issued by the Indonesian Council of Ulama (MUI)

There are many products circulating in the community to support the needs of everyday life. According to the rules in Article 68 of Government Regulation No. 31 of 2019, products that are required to have halal certificates basically consist of two main types, namely goods and services. Goods that must be halal certified are as follows:

- a. Food and Drink
- b. Drug
- c. Cosmetics
- d. chemical product
- e. Biological products
- f. Engineering product
- g. Useful goods that are used, used, or utilized (the goods in question are goods originating from and/or containing animal elements, whether the use is for clothing, accessories, household appliances, food and beverage packaging, stationery and office supplies, to equipment used as a medical device).

Meanwhile, services that must be halal certified are:

- a. Slaughter
- b. Processing
- c. Storage
- d. Distribution Packaging
- e. Sale
- f. Presentation

In more detail, the rules regarding the implementation or administration of JPH can be found in PP No. 34 Year 2021.

Parties who are required to carry out halal certification on their products are entrepreneurs whose business products enter, circulate, and trade in Indonesia. This provision also applies even if the origin of the product originates from abroad.

In addition, products that must be halal certified are products originating from halal materials and complying with PPH. In other words, micro and medium enterprises or

MSMEs that meet these two criteria are required to certify their products. This is in accordance with several rules in Government Regulation Number 31 of 2019 as follows.

- a. Article 2 paragraph (1)
- a. "Products that enter, circulate, and are traded in the territory of Indonesia must be halal certified."
- b. Article 3
- c. "Halal certificates as referred to in Article 2 paragraph (1) are given to Products originating from halal materials and fulfilling PPH."
- d. Article 10

"BPJPH's collaboration with the ministry that organizes government affairs in the field of cooperatives and small and medium enterprises as referred to in Article 5 paragraph (2) letter e includes:

- 1) dissemination and assistance for product halal certification for cooperatives and micro, small and medium enterprises;
- 2) halal facilities for cooperatives and medium enterprises;
- 3) data collection on cooperatives and medium enterprises;
- 4) coordination and development of halal facilities for cooperatives and micro and small business actors;
- 5) coordination and development of data collection for micro and small business actors; And
- 6) other tasks related to the implementation of JPH according to their respective duties and functions."

The obligation of MSMEs to carry out product certification still causes a lot of controversy, especially because of financing problems. Even though the derivative rules are not very clear, Article 62 of Government Regulation Number 31 of 2019 has implied a green signal regarding financing facilities as follows.

- (1) In the event that Business Actors are micro and small businesses, the cost of halal certification can be facilitated by other parties.
- (2) Facilitation by other parties as referred to in paragraph (1) is in the form of facilitation by:
 - a. central government through the state revenue and spending budget;
 - b. regional government through the regional income and expenditure budget;
 - c. company;
 - d. social institutions;
 - e. religion institution;
 - f. association; or
 - g. community."

In order to ensure the comfort, security and safety of the community, the state has also stipulated special obligations for entrepreneurs who manufacture or distribute non-halal products through several points in Government Regulation no. 31 of 2019 this.

- a. Article 2 paragraph (2)

"Products originating from prohibited materials are exempt from the obligation to be halal certified."

a. Article 2 paragraph (3)

“The product as referred to in paragraph (2) must be given a non-halal statement.”

a. Article 2 paragraph (4)

“Business actors are required to include non-halal information on products as referred to in paragraph (3).”

The non-halal information referred to in this obligation can be in the form of pictures, signs and/or writing. This is explained in the Appendix to Law no. 33 of 2014.

3.2 The Benefits of Having a Halal Guarantee on Products in Indonesia as a Muslim Majority Country

Indonesia is a country with a majority Muslim population. With the Muslim majority, of course, halal guarantees for products circulating in Indonesia are very important, especially for food and beverage products.

A halal certificate is a written MUI fatwa stating the halalness of a product in accordance with Islamic law. Granting halal certificates for food, medicines and cosmetics to protect Muslim consumers against non-halal products. Halal certificates are the rights of Muslim consumers who must receive protection from the state.

As contained in Lawrence M. Friedman’s legal system theory, there are 3 elements that need attention, namely structure, substance, and legal culture. We can see one of these 3 elements in the JPH Law which is used to see halal guarantees.

Article 4 of Law Number 8 of 1999 regulates consumer rights. Article 4 letter a states the consumer’s right to comfort, security and safety in consuming goods and/or services. In connection with Article 4 letter a, Muslim consumers have the right to products that give a sense of security, comfort and peace. Therefore, in trading a product, in order to provide a sense of security, comfort and peace, the business actor is obliged to apply for a halal certificate through the LPOM MUI to obtain a halal certificate and then put the halal logo on the product.

Furthermore, Article 4 point c of Law Number 8 of 1999 concerning Consumer Protection states that consumers have the right to correct, clear and honest information regarding the condition of goods and/or services. Referring to Article 4 letter c, to protect Muslim consumers against non-halal products, business actors in producing goods and/or services to be traded are obliged to provide clear and honest information that the products being traded are halal products by including the logo of the MUI halal certificate.. The purpose of the MUI halal certificate logo is to provide protection and legal certainty for the rights of Muslim consumers to non-halal products and to prevent Muslim consumers from consuming non-halal products.

Regarding consumer protection for halal products, based on the Decree of the Minister of Agriculture which stipulates that imported meat for public consumption or trade must come from cattle slaughtered according to Islamic law and stated in a halal certificate. Exceptions to this provision only apply to imported meat in the form of pork for

limited special purposes, as well as meat for animal feed which is stated in writing by the owner and/or user.⁷

The Decree of the Minister of Agriculture accommodated in Law Number 18 of 2012 concerning Food Article 57 states:

- 1) Everyone who produces food domestically for trading is required to include a label inside and/or on the food packaging
- 2) Every person who imports food to be traded is required to include a label inside and/or on the food packaging;
- 3) Inclusion of labels inside and/or on food packaging as referred to in paragraph (1) and paragraph (2) written or printed using the Indonesian language at least contains product name, list of ingredients used, net weight, name and address the party that produces or imports, halal for those required, production date and code, date, month and year of expiration, license number for the material being processed and the origin of certain food ingredients.⁸

Referring to the Decree of the Minister of Agriculture mentioned above, it can be concluded that business actors are obliged to include the halal logo on the packaging of food products traded in the territory of Indonesia, the purpose of which is to protect and provide legal certainty for the rights of Muslim consumers to halal products.

Article 30 paragraph (2) of the Food Law letter in its elucidation states that the halal information of a product is very important for Indonesian people, the majority of whom embrace Islam. Based on the Food Law, the obligation for business actors to include the halal logo obtained through LPPOM MUI before products are traded, the aim is to protect and provide legal certainty for consumer rights for non-halal products. The halal logo benefits Muslim consumers, because they avoid non-halal products. Meat importers originating from abroad, apart from having to ensure that the meat is healthy and halal, must also protect Muslim consumers against non-halal products, and provide peace for Muslim consumers. To realize this, it is necessary to slaughter livestock according to Islamic law which is stated in the halal certificate.

The purpose of including the halal logo on food and beverage products is to protect consumers and the rights of Muslim consumers against non-halal products. Providing legal certainty to Muslim consumers that these food and beverage products are truly halal according to Islamic law. Muslim consumers will not hesitate to buy food and beverage products, because the packaging of food and beverage products contains the halal logo and prevents Muslim consumers from buying non-halal products.

If food and beverage products are not halal according to the PJM Law, business actors are obliged to put a mark on the food and beverage products that are not halal. Signs can be in the form of pictures, for example in Bali where food and drink containing elements of pork have pictures of pigs. This means that business actors are honest, because in the consumer protection law business actors are obliged to provide information regarding the composition of food and beverage products. It is appropriate for business actors in

⁷ Pasal 8 Surat Keputusan Menteri Pertanian Nomor 745/KPTS/TN.240/12/1992 tentang Persyaratan dan Pengawasan Pemasukan Daging dari Luar Negeri

⁸ Ahmadi Miru & Sutarman Yodo, *Hukum Perlindungan Konsumen*, Jakarta: Raja Grafindo Persada, 2015, page. 80–81.

Indonesia who trade food and beverage products to provide clear, honest information regarding the composition and halalness of traded food and beverage products to protect the rights of Muslim consumers to non-halal products.

However, there are still many food and beverage products circulating in the community that do not include the halal logo or the halal logo is still doubtful. Products that do not have a halal logo are not necessarily haram, as well as products that have a halal logo are not necessarily halal either, because it is possible that the product is not halal. In Islamic law, what is said to be halal is not only the substance, but also starting from the production process from upstream to downstream, it must be free from substances that are prohibited by Islamic law. Halal product storage may not be adjacent to non-halal products, meaning that the storage area for halal products must be separated from non-halal products. Likewise, the tools used to process halal products may not be used together with non-halal products.

Halal certificates not only provide the benefit of legal protection for the rights of Muslim consumers to non-halal products, but also increase the selling value of business actors' products, because consumers will no longer hesitate to buy products traded by business actors. The halal certificate logo provides legal certainty to Muslim consumers that the product is halal according to Islamic law.

4 Conclusion

1. The existence of an obligation for halal-certified products is basically an effort by the government to protect its people in fulfilling their daily needs according to what is required by religion. When viewed from a business perspective, product certification can also be a factor that supports business growth because it will encourage public trust so that they buy the product. The types of products intended are quite limited and in terms of several aspects according to Islamic law, both goods and services.
2. The benefit of granting a halal certificate is to protect Muslim consumers against non-halal food and beverage products, provide a sense of security and comfort for consumers to consume food and beverage products, because there is no doubt that the product has indications of things that are forbidden in accordance Islamic law.

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