## **CORRESPONDENCE** for the Published Paper of

Harpani Matnuh<sup>\*</sup>, Abdul Halim Barkatullah, Muhammad Yasir In Xinan Jiaotong Daxue Xuebao/Journal of Southwest Jiaotong University

Author(s)	: Harpani Matnuh*, Abdul Halim Barkatullah, Muhammad Yasir
Name of Journal	: Xinan Jiaotong Daxue Xuebao/Journal of Southwest Jiaotong University
Paper Title	: The Contribution of Halal Product Certification to strengthening Micro, Small, and Medium Enterprises Within Society
Volume	: 58 Issue 2
Publication Date	: 2023
Website	: http://jsju.org/index.php/journal/article/view/1590
DOI	: <u>https://doi.org/10.35741/issn.0258-2724.58.2.27</u>

€, ~

#### Submission Received $~~ \odot ~~ \sim$

Journal of Southwest Jiaotong University <editor@jsju.org></editor@jsju.org>	$\leftarrow $ $\leftarrow $ $\rightarrow $ $\cdots$
To: You	Wed 2/22/2023 9:21 AM
Thank you very much for uploading your manuscript to the Journal of South submission system. One of our editors will be in touch with you about the fir	
The following points were confirmed during submission:	
1. Journal of Southwest Jiaotong University is an open access journal with pu an accepted paper. This manuscript, if accepted, will be published under an o Commons CC BY license ( <u>https://creativecommons.org/licenses/by/4.0/</u> ), and Processing Charges.	open access Creative
2. I hereby confirm my consent to make all payments for English Language E	Editing Services (EUR 150-200).
3. I understand that:	
a. If previously published material is reproduced in my manuscript, I will prov the necessary copyright permission.	vide proof that I have obtained
b. My manuscript is submitted on the understanding that it has not been pu another peer-reviewed journal. Exceptions to this rule are papers containing	material disclosed at
conferences. I confirm that I will inform the journal editorial office if this is th confirm that all authors are familiar with and agree with submission of the co	
journal editorial office reserves the right to contact all authors to confirm this	is in case of doubt. I will
provide email addresses for all authors and an institutional e-mail address for	or at least one of the co-
authors, and specify the name, address and e-mail for invoicing purposes.	

a. If previously published material is reproduced in my manuscript, I will provide proof that I have obtained the necessary copyright permission.

b. My manuscript is submitted on the understanding that it has not been published in or submitted to another peer-reviewed journal. Exceptions to this rule are papers containing material disclosed at conferences. I confirm that I will inform the journal editorial office if this is the case for my manuscript. I confirm that all authors are familiar with and agree with submission of the contents of the manuscript. The journal editorial office reserves the right to contact all authors to confirm this in case of doubt. I will provide email addresses for all authors and an institutional e-mail address for at least one of the co-authors, and specify the name, address and e-mail for invoicing purposes.

If you have any questions, please do not hesitate to contact the Editorial Office at editor@jsju.org

Kind regards, Journal of Southwest Jiaotong University Editorial Office <u>http://jsju.org/index.php/journal/index</u> è<sup>-</sup>¥æ,å¿—çš"凰ç‰^商 (Our Publisher): Science Press ç½'å€ <u>http://science-press.cn/西å—䰤通大å¦å¦æŠ¥/</u>

\*\*\* This is an automatically generated email \*\*\*

← Reply 🦳 🦳 Forward

#### **COVER LETTER**

#### Title of the manuscript

THE CONTRIBUTION OF HALAL PRODUCT CERTIFICATION IN STRENGTHENING BOTH MEDIUM AND MICRO ENTERPRISES WITHIN SOCIETY

#### Abstract

With the enactment of Law Number 11/2020 concerning Job Creation which amends some articles in Law Number 33/2014 concerning Guaranteed Halal Products, Small and Micro Business enterprises have been boosted by the provision of halal certification credentials, leading to a social support by the local consumers in Indonesia. In the perspective of law taking in consideration the sociological aspect of business promotion, the authors examined the regulation of halal product certification for Small and Micro Enterprises and analysed how the supervision of MSME affect and hence influence consumers in society. The method used is normative legal research with descriptive analytical research, and qualitative analysis of the regulation regarding halal products in relation to Small and Micro enterprises. In has been established that the provision of a halal certificate based on self-declaration in Law Number 11/2020 is not in accordance with Law Number 33/2014 which requires inspection and testing of products before a business is issued with a halal certificate. Supervision of the 'halalness' of MSME products as regulated in Article 103 of PP Number 39/ 2021 is considered ineffective because the supervision is only carried out periodically and with uncertainties at times. It is concluded that there is inefficiency and ineffectiveness in supervision of halal products produced by most of the Small, Medium and Micro Enterprises. There is need for establishing effective and sustainable ways of determining halal products to boost community support of most Small and Micro Enterprises in the country.

#### ∅3∨⊕,∨ 🕀

#### Paper Submission 🛛 😔 🗸

#### Hide message history

On 2023-02-22 05:21, JSJU wrote:

- > Title of your paper: The Sociological basis for Halal Product
- > Certification of both Medium and Micro Enterprises in Indonesia
- > Corresponding Author's Email Address: harpanimatnuh@hotmail.com
- > Author(s): Harpani Matnuh, Abdul Halim Barkatullah, Muhammad Yasir
- > Keywords: Certification, Halal Products, Halal Certification, Small
- > and Micro businesses, Sociological Aspect of Halalness
- > Abstract: With the enactment of Law Number 11/2020 concerning Job
- > Creation which amends some articles in Law Number 33/2014 concerning
- > Guaranteed Halal Products, Small and Micro Business enterprises have
- > been boosted by the provision of halal certification credentials,
- > leading to a social support by the local consumers in Indonesia. In
- > the perspective of law taking in consideration the sociological aspect
- > of business promotion, the authors examined the regulation of hala
- > product certification for Small and Micro Enterprises and analysed how
- > the supervision of MSME affect their and hence influence consumers in
- > society. The method used is normative legal research with descriptive
- > analytical research, and qualitative analysis of the regulation
- > regarding halal products in relation to Small and Micro enterprises.
- > In has been established that the provision of a halal certificate
- > based on self-declaration in Law Number 11/2020 is not in accordance
- > with Law Number 33/2014 which requires inspection and testing of
- > products before a business is issued with a halal certificate.
- > Supervision of the halalness of MSME products as regulated in Article
- > 103 of PP Number 39/ 2021 is considered ineffective because the
- > supervision is only carried out periodically and with uncertainties at
- a times It is concluded that there is inefficiency and ineffectiveness

#### Paper submission Continuation

> In has been established that the provision of a halal certificate
> based on self-declaration in Law Number 11/2020 is not in accordance
> with Law Number 33/2014 which requires inspection and testing of
> products before a business is issued with a halal certificate.
> Supervision of the halalness of MSME products as regulated in Article
> 103 of PP Number 39/ 2021 is considered ineffective because the
> supervision is only carried out periodically and with uncertainties at
> times. It is concluded that there is inefficiency and ineffectiveness
> in supervision of halal products produced by most of the Small, Medium
> and Micro Enterprises. There is need for establishing effective and
> sustainable ways of determining halal products to boost community
> support of most Small and Micro Enterprises in the country.

## Hide message history



editor@jsju.org To: You  $\sim \ll \rightarrow \cdots$ 

3

P E

T

C

d

D

Sun 2/26/2023 8:22 PM

COVER LETTER\_58\_2023.docx

Dear Authors,

Greetings from Journal of Southwest Jiaotong University, Thank you so much for being so interested in submitting your research to our Journal of Southwest Jiaotong University.

Two independent experts in the field have reviewed your manuscript. We are pleased to inform you that the paper has been accepted for publication subject to minor revisions being made in response to the reviewers' comments given below.

You need to send the following to the editorial office via editor@jsju.org, if you want to publish in the Journal of Southwest Jiaotong University, Volume 58 (1), 2023: The article, strictly formatted according to the template recommendations for authors and correct the article on the reviewers' recommendations, see <u>http://jsju.org/JournalTemplate.docx</u>, responses to reviewers, and proof of payment.

All revisions should be highlighted in the article in red. We hope you

All revisions should be highlighted in the article in red. We hope you will do great.

Reviewer #1:

The topic is interesting and important. However, there are several key areas that need more work.

1. Please add research goals (2-3 sentence) in the abstract.

2. Describe the scientific methods used in the study. A flowchart showing the methodology of the study should be added to clearly present the study.

3. The "Conclusion" section should be described from a scientific point of view. Please add it as follows:

- Major conclusions of the present study; - Comparison with other studies; - Implications and explanation of findings; - Strengths and limitations;

- Conclusion, recommendations, and direction for future research.

Reviewer # 2:

1 - Authors should explain better the criteria for selecting the research object and the limitations of the application of the results obtained should be specified.

2 - The Conclusion section needs to justify the effectiveness of the approaches you propose (100 WORDS). Describe the Implications of study.

3 - Please shorten the old sources in the reference. If possible, the

## 5 years.

It is recommended to format Bibliographic References using a reference manager, i.e. Mendeley Endnotes or References in Harvard style. The list of references should be arranged in the order in which the sources are presented in the paper (numbered citations). References should be taken over the past five years. The recommended number of references is 20-35 entries. If possible, the authors should use relevant sources on the research topic for the last 3-5 years. Before submitting the manuscript, please check each citation in the text against the References and vice-versa to ensure that they match exactly. It is important to format the references properly because all references will be linked electronically as completely as possible to the papers cited. References should not include unpublished source materials. General guidelines should be observed for formatting the text of the article. References to Wikipedia, personal blogs or non-scientific websites are not taken into account. Primary References should make 80% of the cited sources, at least 10 references. References should be taken over the past five years. The recommended minimum volume of references is 20 entries. At least 70% of sources in References should contain DOI indices. Be sure to verify the correctness of the names of authors, pages and titles of journals in the paper lists at http://www.crossref.org/ (there is a search engine box in the center on the page - copy the source title into it and verify the correctness of the References).

Deadline for corrections and payment: March 4, 2023.

Deadline for corrections and payment: March 4, 2023.

\* Please write in the subject of the email: revised article and payment foto.

Journal of Southwest Jiaotong University charges Publication Fee at the rate of Euro 500.00. All articles published in our journal are open access and freely available online, immediately upon publication. We recommend that the authors use the academic text editing service for the scientific articles, not just proofreading. Please use the American English option. We recommend the use of large, trusted companies with editors having a Ph.D. degree. You should also attach an editing certificate or use the editorial office services. Articles that native English speakers do not edit are not allowed for publication. The editorial team provides academic proofreading services for the authors at an additional cost - Euro 150, if you don't attach an official English editing certificate. The fee's already included in the invoice.





The boy w caged and death





# **Review Response**

## **Reviewer 2 Comments: Author Response Report**

Reviewer 2 Comments	Author Response to reviewer 2 are marked in green color.
ABSTRACT: Abstract has not answered the core of the research problem	Improved
INTRODUCTION: Provide previous research related to halal product certification for Micro and Small Business Actors in Indonesia and supervision of the halalness of MSME products with a halal label	Revised
LITERATURE REVIEW: Provide the latest literature review or up to date literature until 2022	Revised
RESEARCH METHOD: Methodology should be combined with a phenomenological approach in qualitative research.	Revised
FINDINGS Give the implications of all your research	Revised

FINDINGS Give the implications of all your research findings! Provide previous research support that is relevant to all of your research findings!	Revised
Issues found have been resolved	The review response has taken all the three comments in consideration. We have tried to respond to point by point as pointed out by the reviewers, including the rejecting reviewer's comments. The details are attached in the finally revised paper below:

Reviewer 3 Comments	Author Response for reviewer 3 are in red color.
The authors, have tried to examine laws on halal products and halal production, for instance, in the abstract, it has been written that perspective of law taking in consideration the sociological aspect of business promotion, the authors examined the regulation of halal product certification for Small and Micro Enterprises and analysed how the supervision of MSME affect their and hence influence consumers in society, I find interesting but the sentence look incomplete and not well written. Such a situation is throughout the paper.	Complete see final paper
1. The Author rewrites the abstract clearly.	Complete see final paper
2. The author seeks for native support to improve the language.	Edited as advised
3. The author makes clear a discussion of laws in regard to halal production in Indonesia.	Improved as advised
4. Looks at how the laws have been	Improved as advised

## **Reviewer 3 Comments: Author Response Report**

4. Looks at how the laws have been implemented whether they have managed to play their functions or not, where there gaps in the implementation process.	Improved as advised
5. The author should also throw more light on the meaning of normative approach in law, and how it worked in this paper, and finally,	done
6. The author should make overall improvement before the paper is accepted.	completed
If all improvements have been made as suggested above, the paper can then go on with further processing to publication, without consulting me.	Improved as advised
All reviewer queries have been answered.	The review response has taken all the three comments in consideration. We have tried to respond to point by point as pointed out by the reviewers, including the rejecting reviewer's comments. The details are attached in the finally revised paper below:

## **Reviewer 1 Comments: Author Response Report**

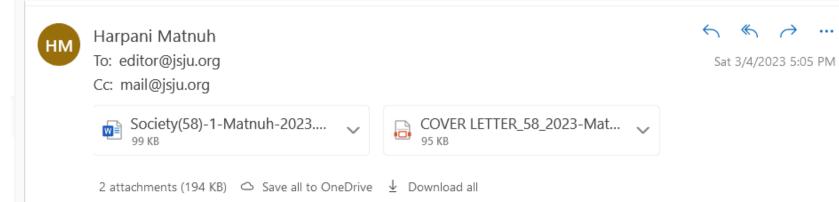
Reviewer 1 Comments	Author Responses are in blue color.
Introduction- Please avoid unnecessary citation such as statement that explain the fact of Indonesia background Lack of MSME information. The focus is the concept of Halal and MSME. This section should further discuss on the important of MSME especially with Halal product. So far how much it contributes to the Indonesia GDP? Why this need further research?	Completed as advised
Literature Review - The LR should systhensise the past studies and also coverage of Halal topic in other Muslim countries such as Malaysia etc. - Some of the points of MSME discuss in the LR should be discussed in the introduction section. - The LR is too short and lack of serious discussion.	Completed as advised
Research Method	done

- This s Resear	rch Method section only discusses on the "Normative rch Design". ce of data is not clearly explain.	done
Findin - The f	gs indings summarise the series of "regulations".	Improved
and M - The r merit i to criti	liscussion has connection the between Halal	Improved as advised
- Lack	<b>ision</b> novelty of the study is missing past studies link and this make the present stand alone	Improved as advised
Comm	ents have all been taken in consideration	The review response has taken all the three comments in consideration. We have tried to respond to point by point as pointed out by the reviewers, including the rejecting reviewer's comments. The details are attached in the finally revised paper below:

# Paper Submission $\Box$ -

Ø3∨ € v 🕂

...



The respected Editor in chief,

I am glad to acknowledge receipt of a message considering my paper. Allow me submit the final copy as guided through the review process. Herewith, I wish to attach the copyright signed form together with the paper. I request that you all me effect the Transfer on Monday, 6<sup>th</sup> March, 2023. I will be happy hearing from you.

Regards,
Matnuh,
<b>Corresponding Author</b>

...

## The Sociological basis for Halal Product Certification of both Medium and Micro Enterprises in Indonesia

## Harpani Matnuh<sup>1</sup>, Abdul Halim Barkatullah<sup>2</sup>, Muhammad Yasir<sup>3</sup>

<sup>1</sup>Department of Citizenship Education, Faculty of Teacher Training and Education, Universitas Lambung Mangkurat, Indonesia <sup>2,3</sup>Faculty of Law, Universitas Lambung Mangkurat, Banjarmasin, Indonesia

Corresponding Author: Harpani Matnuh, <sup>1</sup>Department of Citizenship Education, Faculty of Teacher Training and Education, Universitas Lambung Mangkurat, Banjarmasin, Indonesia, Email: harpanimatnuh@hotmail.com

#### Abstract

With the enactment of Law Number 11/2020 concerning jJob cereation, which amends some articles in Law Number 33/2014 concerning geuaranteed hHalal pProducts, sSmall and mMicro bBusiness enterprises have been boosted by the provision of halal certification credentials, leading to a social support by the local consumers in Indonesia. FromIn the perspective of law, taking in considering consideration the sociological aspect of business promotion, the authors examined the regulation of halal product certification for Small and mMicro Enterprises and analyzsed how the supervision of MSME affects their and hence influence consumers in society. The method used is normative legal research with descriptive analytical research, and qualitative analysis of the regulations regarding halal products in relation to sSmall and mMicro enterprises. It has been established that the provision of a halal

mMicro Enterprises and analyzsed how the supervision of MSME affects their and hence influence consumers in society. The method used is normative legal research with descriptive analytical research<sub>5</sub> and qualitative analysis of the regulations regarding halal products in relation to sSmall and mMicro enterprises. It has been established that the provision of a halal certificate based on self-declaration in Law Number 11/2020 is not in accordance with Law Number 33/2014, which requires the inspection and testing of products before a business is issued with a halal certificate. Supervision of the halalness of MSME products as regulated in Article 103 of PP Number 39/ 2021 is considered ineffective because the supervision is only carried out periodically and with uncertainties at times. It is concluded that there is inefficiency and ineffectiveness in supervision of halal products products by most of the Small, Medium and Micro Enterprises. There is a need tofor establishing effective and sustainable ways of determining halal products to boost the community support of most Small and Micro Enterprises in the country.

**Keywords**: Certification, Halal Products, Halal Certification, Small and Micro businesses, Sociological Aspect of Halalness

#### Introduction

Religion is a social force (Jusmaliani and Nasution, 2010) in human life <u>thatwhich</u> has <u>been in</u> existe<u>dnee</u> since creation (Spännäri and Laceulle, 2021). As a social element, <u>it-(rReligion)</u> is regarded as <u>one of athe</u> cultural aspects (Bailey and Sood, 1993), <u>thatwhich</u> affects consumer behavior and attitude (Hidalgo-Baz, Martos-Partal and González-Benito, 2017). This implies that religion is important to community well\_being (Baumeister, 1991; Spännäri and Laceulle, 2021) and its principles can be used to guide small and micro business enterprises within society as a foundation of a healthy social structure.

People's religiosity pushes governments across the glob to take full care of their citizens (Rogers and Konieczny, 2018) in all aspects of life. Because <u>R</u>religion and social structure work in <u>an</u> alternating manner, influencing each other in turns, including the economic, legal, and political structures (Rogers and Konieczny, 2018) and also the production sector of society. To ensure that every religious follower worships and practices religious teachings (Smith and Sikkink, 2003; Lester, 2006), the state is obliged to provide protection, and when it comes to products consumed (De Juan, Pierskalla and Vüllers, 2015), it must guarantee halalness of such products (Rohmah, 2020) as required by Muslims, mostly<sub>5</sub> for those in varying religious communities (Arakelova, 2010; Hess, 2018), such as Indonesia, which is a pluralistic society. In other words, regulations should be made with the aim <u>ofto</u> providinge comfort, security, safety (Sulaiman, 2016), and certainty of the availability of halal products (Bergeaud-Blackler, 2004) for communities <u>thatwhich</u> consume and use the<u>m</u> products (Carreño and Vergano, 2014), as well as increasinge the added value for business actors to produce (Busch, Hamprecht and Waddock, 2018) and sell such halal <u>p</u>Products.

Indonesia <u>isbeing</u> a majority Muslim country (Jones, 2006), and the protection of halalness (in Arabic translated as lawfully acceptable) products (Fischer, 2016) is an individual right as well as <u>thea</u> right of each Indonesian citizen (Mohammad, 2000). The 1945 Indonesian <u>Ceonstitution clearly regulates citizens</u>' freedom of worship of its citizens (Naefi, 2021). The constitution guarantees the independence of each resident to embrace any respective religion and perform worship (NEO, 2006), depending on religious inclinations and beliefs.

Statistics haves revealed that Indonesiathe's population of Indonesia, is expected to continue to growwill keep growing (Ana, Mahmudatul and Sari, 2020). In 2020, for instance, the population was reported to be totaling 270.2 million people (O'Neill, 2021), with 87.18% said to embrace Islam. The pProtection of Muslim communities is important, considering that many products circulating ion the market are not all-guaranteed to be halal (Hermawan, 2020). Due to the fact that advances in science and technology in the fields of food, medicine, and cosmetics have developed very rapidly (Goyal and Jerold, 2021), hence calling for strict control more so in muslim communities. Because Iit has a real impact on the shift in processing and utilization of raw materials for food, beverages, cosmetics, medicines (Osorio, Flórez-López and Grande-Tovar, 2021), and other products from what was originally simple and natural to processing and utilizing raw materials resulting from scientific engineering (New Products and Processes, 1945). Processing products by utilizing advances in science and technology allows mixing between what is lawful and what is unlawful (Shapo, 1974), both intentionally and unintentionally. Therefore, to determineing the halalness (lawfully acceptable) and purity of a product (Yunus, Rashid, Arifin and Rashid, 2014), a laboratory examination is required by experts in the fields of food, chemistry, biochemistry, industrial engineering, biology, pharmacy (Zin etal, 2021) and understanding of Islamic law (Rafiq, 2016).

<u>**RIn**</u> regarding to the constitution, regulations relateding to guaranteeing Halal (lawful) products constantly change and are often updated. This heavily, depends on social changes brought about by the global condition experiencing rapid transformations, turning simple life

<u>RIn</u> regarding to the constitution, regulations relateding to guaranteeing Halal (lawful) products constantly change and are often updated. This heavily, depends on social changes brought about by the global condition experiencing rapid transformations, turning simple life challenges into complex ones, and hence calling for continuous regulations and their assessment and supervision (Krisharyanto, Retnowati and Hastuti, 2019). For Indonesia, Ddue to pluralism, which is one of the base of the formation of Indonesia as a nation-state, the Ministry of Health passed Regulation Number 280/Men. Kes/Per/XI/76 concerning the cellic containing ingredients from pPigs and pork products (N. Zarzani and Tarigan, 2018), in addition to gGovernment regulations.

Considering the fact that MSMEs dominates Indonesia's economy, including in the provision of the necessary goods and commodities to the Muslim community, it is worth questioning whether there are special regulations or facilities for MSMEs, when it comes to obtaining halal (an Arabic word, literary translated as 'lawfully accepted') certificates for their products and also examine the supervision of the lawfulness of MSME products that have been labeled halal (Baldwin, Cave and Lodge, 2012).

Based on the background of the problem, this research will discuss and analyze the problems that which have been formulated in question form, which are: How is the regulation of n halal product certification for mMicro and sSmall bBusiness aActors in Indonesia? WhatHow is the supervision of the halalness of MSME products with a halal label?

#### **Literature Review**

With the current number of Muslims, which is almost one\_-third of the world's population (Jones, 2006), there ishas grown a need for the expansion of the halal industry worldwidethroughout the world (Fischer, 2016). Halal is an Arabic word thatwhich is translated as lawful or permitted, and theirs opposite is haram (Omar, 1997), which is also an Arabic word translated as unlawful or prohibited (ICV, 2022). According to several interpretations of n halal products, in Islam everything, especially food is considered halal except what is prohibited by the Quran and/-or the hadiths. This makes Hhalal products are widely used infor food, meat, cosmetics, personal care products, pharmaceuticals, food ingredients, and contact with food materials (ICV, 2022). Halal isproduced are produced on both large scale and small scales.

According to <u>the</u> Ministry of Finance of the Republic of Indonesia (MoFRI, 2020), with initiatives such as halal production, the country has achieved remarkable development targets within a short period of time, entailing <u>a</u>-strong economic growth, reduced poverty, widened public service, <u>and</u>-improved business environment, and attained <u>the</u> required infrastructure (Mallick, 2015). Advances in food technology at this time must be <u>relatedkin towith</u> the many raw materials and additives used to produce processed food staffs (Mashudi, 2015). Such development, calls for sustained and consistent transformations, which demands for increased and improved productivity, accepted by <u>the</u>—Indonesian pluralistic community forces. <u>ConsideringTaking in consideration</u> the pluralistic nature of Indonesia (Purdy, 1982), with a majority Muslim population, calls for a halal economic transformation, which is a fundamental element in helping the country recover from the covid 19 pandemic effects by increasing acceptable halal production means (Bappenas, 2022).

In 2020, a law was enacted on jJob creation (Law No. 11 of 2020), whichit covered amendments toon several laws and regulations in Indonesia, which entailed halal product assurance (Endahayu, Mokodompit and Afrianto, 2021) Although it caused social unrest, with time, the situation seems to have normalized. In the process, the government was mandated through Articles 48 and Article–185 (b) of the Omnibus Law to pass new regulations (Endahayu, Mokodompit and Afrianto, 2021) where it was necessary in regard to implementing the proposed amendments. AsJust like it been mentioned here, laws and regulations continue to changekeep changing depending on the situation. In 2021, the Indonesian government, passed an implementation regulation, given No. 39 of 2021 about Halal Product Assurance (it has been shortened as "GR 39"), acting as a replacement of all the other previous regulations on about Halal Product Assurance, in other words, replacing regulation No. 31 of 2019 on halal products (Endahayu, Mokodompit and Afrianto, 2021).

However, Institutionally, the Indonesian Ulema Council initially carried out inspections/audits, issued fatwas, and issued halal certificates (Krisharyanto, Retnowati and Hastuti, 2019) for variousvarying productions in the country. Due to global change, the Indonesian government through the Omnibus Law sought to attract investment, create more employment, and boost the economy by managing the legal process, and simplifying most laws and regulations, and giveing opportunities to the central government for quick and easyier responses (Cekindo, 2022).

**FromIn** the perspective of law, taking into consideration the sociological aspect of business promotion, the authors examine the regulations of halal product certification for Small and Micro Enterprises and <u>analyzeanalyses</u> them to establish how the supervision of MSME affects such businesses, hence influencinge consumers in society (Melnyk, Carrillat and Melnyk, 2022). Based on data from the Central Statistics Agency (BPS), approximately 99.9% of all businesses operating in Indonesia <u>arecome from mMicro, sSmall</u>, and <u>mMedium eEnterprises</u> (MSMEs) (Tambunan, 2019). It has been recorded that from 2010 to 2018, the number of MSMEs continued to increase reaching 64.2 million units. In 2019, the number of MSMEs increased by 1.98% from the previous year which increased to 65.5 million units (Suhaili and Sugiharsono, 2019). Thus, the existence of MSMEs in Indonesia <u>makeshas</u> a very large contribution to the Indonesian economy, accounting for 60.3% of Indonesia's total gross domestic population (GDP), absorbing up to 97% of the total workforce and 99% of total employment (UNDP Indonesia, 2020).

The existence of a reduction in the process and time <u>requiredin to</u> obtaining a halal certificate in Law Number 11 of 2020 deserves <u>an</u> appreciation, because currently most <u>m</u>Micro and <u>s</u>Small bBusiness <u>aActors</u> can easily and quickly <u>obtaineet</u> a halal certificate (Burhanuddin.

#### **Research Method**

The method used in this research was normative legal research with analytical descriptive approach. Normative legal research is a protractive and scientific process <u>thatwhich</u> seeks to establish or discover legal rules, legal principles, regulations, and doctrines of the law that can help to solve legal issues and challenges prevailing in society in a given period of time (Nalle, 2015). With a normative legal research design, there is a reflection of social values from a given community, understanding people's attitudes and also helpings to <u>understandknow</u> their behaviors (Kessler and Pozen, 2016). This means that by using such a research design, the researcher <u>canis able to</u> understand societal values and norms, whether directly or indirectly (Vibhute and Aynalem, 2009) hence influencing the development and transformation of law.

By using the normative legal research design, authors try as much as possible to shape, maintain, preserve, and control community values, people's attitudes <u>thatwhich</u> influence personality and affect behavioral change, and patterns <u>of</u> varying groups within society. The <u>Nn</u>ormative legal research design is based on arguments, theories, and concepts, <u>which are</u> usually proposed as innovative legal tools <u>sought</u> to help <u>in solveing</u> problems and challenges faced by society (Marzuki, 2005).

Normative legal research is supported by the descriptive analytical research approach (Berring, 1986) because the authors at-first developed questions (Coppess, 2018) regardingabout the

(what?) and seek an answer <u>towith</u> another question <u>of the</u> (why?). The <u>what</u> question aims <u>toat</u> describeing a situation (Planzer and Alemanno, 2010) for instance, in this paper, the authors sought to describe the regulations on halal product certification for <u>mMicro</u> and <u>sSmall</u> <u>bB</u>usiness enterprises in Indonesia (Karimah, 2019). While Oon the other hand, thise paper seeks to answer <u>thisthe why</u> question. In other words, the authors seek to understand how the supervision of the halalness of micro, small, and medium products <u>isare</u> labeled and <u>made</u> ensured safety for <u>athe</u> pluralistic society such as Indonesia, which has a majority Muslim population (Rakhmani, 2019). This study <u>isbeing a</u>-descriptive <u>inone\_that</u>, it seeks to classify, describe, create a comparison, and lead to measures (Creswell, 2013) <u>thatwhich</u> help in solving halal challenges within society and/-or among individual citizens. Data collection <u>was</u> <u>conducted</u> through <u>a</u> literature <u>reviewstudy</u> and analysis <u>was conducted</u>. Then, the data were analyzed, and conclusions were drawn.

#### Findings

#### Regulations on Halal Product Certification for Micro and Small Enterprises in Indonesia

The present study is rooted in the existing and emerging products from the Micro, Small, and Medium Enterprises being developed <u>inallover</u> Indonesia, and they are required to have <u>the</u> necessary standards <u>thatwhich</u> include having a halal production certificate, more so consumer products. Policies seek to ensure the lawfulness and acceptability of most of these products by Islam, which is the <u>larbig</u>gest religion with <u>the</u> majority <u>of the</u> population in the country. The main point of this research was to describe and analyze policies regarding halal consumer production and halal supervision of Micro, Small and Medium Entreprises in Indonesia, among the policies, the following were established:

	Tuble 1. Shows Estublished 100 multive Europe on Human 1 routers in Hubbesia		
Laws and or Regulations in Existence	Prescription		
Article 1 paragraph (5) of Law Number 20 of 2009	Article 1 paragraph (5) of Law Number 20 of 2009 regarding Micro, Small		
	and Medium Enterprises, describes the business world as that comprising of		
	Micro, Small and Medium and Large Enterprises that carry out economic		
	activities in Indonesia and are located within Indonesia.		
Article 30 paragraph (1) of Law Number 7 of 1996	Article 30 paragraph (1) of Law Number 7 of 1996: it is stated that everyone		
	who produces or imports food into the territory of Indonesia that is packaged		
	for trading is obliged to attach a label to, inside, and or in food packaging		
Law Number 8 of 1999 about Consumer Protection	In 1999, Law No. 8/1999 on Consumer Protection was also passed, expressing		
	principle of consumer protection.		
Government Regulation of the Republic of Indonesia	Government Regulation of the Republic of Indonesia Number 69 of 1999,		
Number 69 of 1999, Article 10 paragraph (1) and	Article 10 paragraph (1) and Article 11: stipulates that in order to support the		
Article 11	truth of the halal statement as referred to in Article 10 paragraph (1), every		
	person who produces or imports packaged food into the territory of Indonesia		
	for trading, must first check the food at an accredited inspection agency. (2)		
	The examination as referred to in paragraph (1) shall be carried out based on		
	the guidelines and procedures stipulated by the Minister of Religion.		
Law Number 33 of 2014	Law Number 33 of 2014: The provisions for halal product certification		

Government Regulation of the Republic of Indonesia Number 69 of 1999, Article 10 paragraph (1) and Article 11	Government Regulation of the Republic of Indonesia Number 69 of 1999, Article 10 paragraph (1) and Article 11: stipulates that in order to support the truth of the halal statement as referred to in Article 10 paragraph (1), every person who produces or imports packaged food into the territory of Indonesia for trading, must first check the food at an accredited inspection agency. (2) The examination as referred to in paragraph (1) shall be carried out based on the guidelines and procedures stipulated by the Minister of Religion.
Law Number 33 of 2014	Law Number 33 of 2014: The provisions for halal product certification specifically for MSMEs is guaranteed in Article 44 paragraph (2) of this law.
Government Regulation 31 of 2019 (Reg 31/2019)	Government Regulation 31 of 2019 (Reg 31/2019): through this regulation there is a provision on MSME halal product certification that can be facilitated by parties is also regulated by Government. Reg 31/2019 states that the BPJPH will cooperate with state-owned and private Halal inspection agencies (LPH) to conduct examinations of food and product samples.
Law Number 11 of 2020 concerning Job Creation	Law Number 11 of 2020 concerning Job Creation: There are a number of laws that have been amended for the sake of simplification, synchronization and trimming of regulations in order to facilitate business actors, including Micro and Small Enterprises (UMK).
Government Regulation 39 of 2021 (GR 39/2021)	Government Regulation 39 of 2021 (GR 39/2021): One of the amended laws is Law Number 33 of 2014 concerning Halal Product Guarantee. Regarding the adjustment to Law Number 11 of 2020, PP Number 31 of 2019 was also revoked by Government Regulation Number 39 of 2021 concerning the Implementation of the Halal Product Guarantee Sector. GR 39/2021 is one of a number of implementing regulations of the Omnibus Law introduced in November 2020. It is also discussing and addresses issues regarding Halal certification-based materials and the Halal-based production process.

The <u>T</u>table 1 above presents constitutional regulations <u>forabout</u> halal products, halal consumer businesses, and halal certification. The regulations presented here <u>basically</u> reveal laws <u>thatwhich</u> have been established to help in <u>the</u> management, supervision, and implementation of halal production, marketing, and <u>their</u> distribution within Indonesia. These government regulations, as <u>mentioned</u>, include the following.:

Article 1 paragraph (5) of Law Number 20 of 2009 regarding Micro, Small, and Medium Enterprises\_—<u>T</u>this article describes the business world as that comprising of <u>m</u>Micro, <u>s</u>Small, and <u>m</u>Medium, and <u>l</u>Large <u>e</u>Enterprises that carry out economic activities in Indonesia and are located within Indonesia.

Article 30 paragraph (1) of Law Number 7 of 1996—<u>T</u>this law is about the inclusion of food information content (Halal)) on labels, <u>whichit</u> is regulated in Article 30 paragraph (1) of Law Number 7 of 1996: Everyone who produces or imports food into the territory of Indonesia that is packaged for trading is obliged to attach a label on top, inside, <u>and</u> or in food packaging.

Law Number 8 of 1999 <u>onabout</u> Consumer Protection:- Iin 1999, a law on <u>c</u>Consumer <u>pP</u>rotection was passed. In Article 2 of Law Number 8 of 1999 <u>states</u> the principle of consumer protection is <u>stated</u> and reads that "<u>c</u>Consumer protection is based on benefits, justice, balanced, consumer security and safety, and legal certainty".

Government Regulation of the Republic of Indonesia Number 69 of 1999, Article 10 paragraph (1), and Article 11- In 1999, the government issued the Government Regulation concerning Labels and Advertisements, which in Article 10, paragraph (1) stipulates that everyone who produces or imports packaged food into the territory of Indonesia for trading and declares that the food is halal for Muslims, is responsible for the truth of the statement, and is obliged to include a statement or writing of halal on the label. Article 11 (1) stipulates that in order to

include a statement or writing of halal on the label. Article 11 (1) stipulates that in order to support the truth of the halal statement as referred to in Article 10 paragraph (1), every person who produces or imports packaged food into the territory of Indonesia for trading<sub>5</sub> must first check the food at an accredited inspection agency in accordance with the provisions of the prevailing regulation. (2) The examination, as referred to in paragraph (1), shall be carried out based on the guidelines and procedures stipulated by the Minister of Religion by taking into account the considerations and suggestions of religious institutions that have competence in the said-field.

Law Number 33 of 2014- the provisions for halal product certification specifically for MSMEs is only established in Law Number 33 of 2014 concerning Guaranteed Halal Products (UUJPH), in Article 44 paragraph (2) it is determined: "in the case that the business actor is a micro and small business, the cost of halal certification can be facilitated by other parties.

Government Regulation 31 of 2019 (Reg 31/2019)—Wwith this Government Regulation, there is a provision on MSME halal product certification that can be facilitated by parties; concerning Implementing Regulations of Law Number 33 of 2014 regarding gGuaranteed hHalal pProducts. Reg 31/2019 states that the BPJPH will cooperate with state-owned and private hHalal inspection agencies (LPH) to conduct examinations of food and product samples, and with the results will then being presented to the Food and Drug Research Institute of the Indonesian Ulema Council (MUI), who will issue a ruling on whether the sample is deemed hHalal or not. Once approved, the BPJPH can then-issue a hHalal certificate to any given company or business enterprise.

Law Number 11 of 2020 concerning Job Creation:- There are a number of laws that have been amended for the sake of simplification, synchronization, and trimming of regulations in order to facilitate business actors, including <u>m</u>Micro and <u>s</u>Small <u>e</u>Enterprises (UMK). It has been

established that the amendments to Law Number 33 of 2014 by Law Number 11 of 2020 concerning jJob <u>c</u>-reation<sub>5</sub> are related to halal product certification for MSEs. There are also additional Article 4 A of Law Number 11 of  $2020_{5}$  about the obligation of halal certification based on the statement of special business actors for <u>mMicro and <u>s</u>Small <u>b</u>Business <u>a</u>Actors. The <u>a</u>Amendment to Article 44 Paragraph (2), namely <u>h</u>Halal certification for micro business actors and small <u>businesses</u>, is free of charge.</u>

Government Regulation 39 of 2021 (GR 39/2021):- It has been discovered that one of the amended laws is Law Number 33 of 2014 concerning Halal Product Guarantee. There is also an adjustment to Law Number 11 of 2020, of Government Regulation Number 31 of 2019, which led to the revoking of the previous laws by passing Government Regulation Number 39 of 2021 concerning the iHmplementation of the hHalal pProduct gGuarantee sSector. GR 39/2021 is one of thea regulationsnumber of implementeding byregulations of the Omnibus Law introduced in November 2020. Under GR39/2021. The regulation also promotes assessment in preparation for hHalal certification, which it involves halal-based materials and halal-based products, display and marketing, and sale of all products.

# Ministerial Decrees on the <u>R</u>regulations and <u>S</u>supervision of <u>H</u>halal <u>P</u>products and <u>H</u>halal <u>P</u>production of <u>C</u>eonsumer <u>G</u>goods in Indonesia.

Having studied regulations and policies based on the constitution of the Republic of Indonesia, the authors also analyzsed and examined ministerial decrees on halal products and halal production of consumer goods by carried out by mMicro, sSmall, and mMedium eEnterprises. The Ttable 2 below presents and summarizses the established and analyzsed relevant ministerial decrees.

Ministerial Decrees	Brief Description of the Ministerial Decrees
Decree of the Minister of Health of the Republic of	Decree of the Minister of Health of the Republic of Indonesia Number:
Indonesia Number: 280/Men.Kes/Per/XI/76	280/Men.Kes/Per/XI/76 regarding Provisions for Circulation and Marking of
	Foods Containing Ingredients of Pig or Pork.
Joint Decree of the Minister of Health and the	Joint Decree of the Minister of Health and the Minister of Religion of the Republic
Minister of Religion of the Republic of Indonesia	of Indonesia No. 42/Menkes/SKB/VIII/1985 and No. 68 of 1985 concerning the
No. 42/Menkes/SKB/VIII/1985 and No. 68 of 1985	inclusion of halal writing on food labels. The Minister of Health issued a decree
	regarding the inclusion of halal text on food labels based on Kepmenkes No.
	82/Menkes/SK/I/1996. This decision is an implementation of the Joint Decree of

#### Table 2. Existing Ministerial Decrees regarding Halal Products in Indonesia

No. 42/Menkes/SKB/VIII/1985 and No. 68 of 1985	inclusion of halal writing on food labels. The Minister of Health issued a decree regarding the inclusion of halal text on food labels based on Kepmenkes No. 82/Menkes/SK/I/1996. This decision is an implementation of the Joint Decree of the Minister of Health and the Minister of Religion of the Republic of Indonesia No. 42/ Menkes/SKB/VIII/1985 and No. 68 of 1985 concerning the inclusion of halal writing on food labels.
Kepmenkes No. 82/Menkes/SK/I/1996.	Kepmenkes No. 82/Menkes/SK/I/1996. The Minister of Health issued a decree regarding the inclusion of halal text on food labels in Kepmenkes No. 82/Menkes/SK/I/1996. This decision is an implementation of the Joint Decree of the Minister of Health and the Minister of Religion of the Republic of Indonesia
Decree of the Minister of Health No. 924/ Menkes/SK/VIII/1996.	Decree of the Minister of Health No. 924/ Menkes/SK/VIII/1996. The Minister of Health then issued a decree on the amendment to the Decree of the Minister of Health of the Republic of Indonesia Number 82/Menkes/SK/VIII/1996 regarding the inclusion of the words "Halal" on food labels, in the Decree of the Minister of Health No. 924/ Menkes/SK/VIII/1996.
Indonesian Ulema Council Decree No. Kep. /18/MUI/1998	Indonesian Ulema Council Decree No. Kep. /18/MUI/1998: In 1998, the Indonesian Ulema Council (LPPOM MUI) was officially formed based on the Decree of the Indonesian Ulema Council No. Kep. /18/MUI/1998. The main authority of LPPOM MUI is to inspect products and provide halal certification.
Decree of the Minister of Religion Number 518 of 2001.	Decree of the Minister of Religion Number 518 of 2001: In order to provide certainty about the halalness of packaged and traded food in Indonesia, the Minister of Religion issues a decision on guidelines and procedures for the inspection and determination of halal food in the Decree of the Minister of Religion Number 518 of 2001.

From the above table, it is noted that-besides, in addition to constitutional policies, the respective ministries have <u>ckept</u>-ontinued to passing decrees, to help them support the implementation of the existing constitutional stand and ensure the smooth implementation and supervision <u>of</u> halal products and their production. The decrees are very clear about their aim

and how they should be implemented and with full social awareness, hence addressing the policy challenges within society. <u>The T</u>table 3 <u>illustrates below, is thean illustration of</u> key prescriptions regarding <u>R</u>regulation 31 of 2019: **Table 3. A Prescription of the Key Provisions on Regulation 31 of 2019 about Halal** 

# Products

I louucis		
<ul> <li>The types of products that can be imported, traded, and distributed in Indonesia that requires Halal certification (food, beverages, chemicals, biological products, drugs, cosmetics, and utilized goods that contain traces of animal elements, such as garments);</li> </ul>		
<ul> <li>The registration of Halal auditors (individuals that can inspect whether a product is Halal; an LPH must have at least three auditors to conduct their testing);</li> </ul>		
<ul> <li>Non-Halal products must be stated clearly on the packaging with the annotation 'Not Halal';</li> </ul>		
<ul> <li>Businesses will need to be good manufacturing practice (GMP) and Halal GMP certified;</li> </ul>		
<ul> <li>The types of services that must be Halal-certified (packaging services, animal slaughterhouses, storage services, distribution services); and</li> </ul>		
• The registration process of international Halal certification bodies (foreign Halal agencies (FHA).		

The <u>T</u>table 3 above represents the established key provisions regarding gGovernment rRegulation 31 inof 2019. The provisions are a prescription of how the policies on halal products are be implemented and supervised in the empirical form. The Indonesian gGovernment of Indonesia has ckept ontinued to improve ing its policies, including the business policies. Being a majority Muslim country, Indonesia has tried as much as possible to protect the interests of Muslims but has also takentaking care of other religious sectors through its Ministry of Religion. All policies formulated foren halal products and halal production by either small orand large enterprises are intended to improve ing the social aspects of businesses.

The prescriptions on the key provisions of <u>R</u>regulation 31 of 2019, for example, help to identify products that require halal certification or proof that they can be consumed by the Muslim population. <u>The-Hh</u>alal auditors are also encouraged to help <u>in-inspecting</u> products <u>bythrough</u> testing the ingredients used in the making of certain products or goods, more so <u>than</u> those from animals. Non halal products should be clarified and labeled <u>just</u> for easy identification. The key prescription is meant to simplify <u>the life offor</u> users of the end product produced by any micro, small, and medium enterprise.

Discussion

#### Discussion

Indonesia <u>hasis a country with</u> a large <u>Muslim</u> population <u>ofin</u> <u>Muslimsthe</u> world<u>wide</u>. Based on statistical data of the Indonesian population, <u>offrom</u> 237,641,326 people, 87.18% <del>of them</del> embrace Islam (Kusnandar, 2020). As a country with a majority Muslim population (Jones, 2006), the protection of the halalness of a product (ICV, 2022) is an individual right, as well as <u>thea</u> right of each Indonesian citizen. This is clearly regulated in Article 29 paragraph (2) of the 1945 Constitution, which <u>statesmentions</u> that the state guarantees the independence of each resident to embrace their respective religions and <del>to</del>-worship according to their religion and beliefs (Itsnaini, 2021).

To ensure that every religious believer or worshiper, carries out his religious teachings, principles, and practices, the state is obliged to provide protection and guarantees regarding the halalness of products consumed and used by the community (Smith and Sikkink, 2003; Lester, 2006), so-regulations are made that aim to provide comfort, security, safety, and certainty of

#### pProducts.

Based on Article 1, paragraph (5) of Law Number 20 of 2009 concerning Micro, Small, and Medium Enterprises, the definition of the business world includes <u>mMicro</u>, <u>sSmall</u> and <u>mMedium</u>, and <u>lLarge eEnterprises that carry out economic activities in Indonesia and are locally stationed within the country (UNDP Indonesia, 2020). <u>A mMicro bBusiness</u> is a productive business owned by individuals and/or individual business entities (Tambunan, 2019) that ha<u>sve</u> a maximum net worth of Rp. 50,000,000 or <u>have</u>-annual sales <u>forresults of</u> a maximum of Rp. 300,000,000. Small <u>bBusinesses areis a</u> productive economic businesses that stands alone by individuals or business entities that are not subsidiaries or branches of companies (Suhaili and Sugiharsono, 2019) that have a net worth of more than IDR 50,000,000 and a maximum of IDR 500,000,000, or have annual sales results of more than IDR 300,000,000 and a maximum of IDR 2. 500,000,000. Meanwhile, <u>mMedium eEnterprises are</u> productive economic businesses that stand alone by individuals or business entities that are not subsidiaries or branches of companies <u>withthat have</u> a net worth of more than Rp. 500,000,000, and a maximum of Rp. 10,000,000,000 or <u>have</u> annual sales results of more than Rp. 2,500,000. .000, <del>up</del> withte a maximum of Rp. 50,000,000 or <u>have</u> annual sales results of more than Rp. 2,500,000.</u>

Regarding the regulation of halal product certification for <u>m</u>Micro and <u>s</u>Small <u>e</u>Enterprises (Fischer, 2016), it has been inevitable to investigate <u>since</u>-the regulation <u>of</u>regarding halal labels on food products (Ben-shahar and Schneider, 2011), <u>which</u> is supported by a decree of the Minister of Health of the Republic of Indonesia Number:-280/Men\_Kes/Per/XI/76, which is about the <u>c</u>Circulation and <u>p</u>Provisions of <u>m</u>Marketings on <u>f</u>Food staff <u>c</u>Containing <u>Ingredients</u>. In this decree, the ministry in Article 2, Paragraph (1)

Regarding the regulation of halal product certification for mMicro and sSmall eEnterprises (Fischer, 2016), it has been inevitable to investigate since the regulation of regarding halal labels on food products (Ben-shahar and Schneider, 2011), which is supported by a decree of the Minister of Health of the Republic of Indonesia Number:-280/Men. Kes/Per/XI/76, which is about the c-circulation and p-provisions of m-Marketings on f-f-ood staff c-containing Ingredients of pPork ingredients. In this decree, the ministry in Article 2, Paragraph (1) stipulates that " aA warning sign must be attached to a food container or package that is produced domestically or from imports containing ingredients derived from pork." Paragraph (2) states that "The warning sign referred to in paragraph (1) must be in the form of a picture of a pig and writing that reads: "CONTAINS PIG" and ..." Article 3, "The warning sign referred to in Article 2 must be printed on the container or package, or glued together with a suitable adhesive, so that it does not come off easily." Then in Article 4, "Food containing ingredients derived from pigs that do not meet the requirements in Articles 2 and 3, is prohibited from being circulated in Indonesia." This description lies within the scope of mormative legal law and prescriptions, and which is supported by athe descriptive analytical research approach (Berring, 1986). There is a need to include a special logo printed on the packaging, or glued with the appropriate adhesive. Regarding As for the labeling mechanism, the Minister of Health (Menkes) cooperates with the Association of Indonesian Food and Beverage Entrepreneurs to disseminate a special logo to business actors who need it.

It has been established that the inclusion of halal writing on food labels <u>beganwas carried out</u> starting in 1985, based on the Joint Decree of the Minister of Health and the Minister of Religious Affairs of the Republic of Indonesia No. 42/Menkes/SKB/VIII/1985 and No. 68 of 1985 regarding the inclusion of halal writing on food labels. Before ministerial decrees,

Religious Affairs of the Republic of Indonesia No. 42/Menkes/SKB/VIII/1985 and No. 68 of 1985 regarding the inclusion of halal writing on food labels. Before ministerial decrees, institutionally, the Indonesian Ulema Council initially carried out inspections/audits, issued fatwas, and issued halal certificates (Krisharyanto, Retnowati and Hastuti, 2019) for <u>variousvarying</u> products, labels, and productions in the country. Later, the Minister of Health issued a decree regarding the inclusion of halal texts on food labels in Kepmenkes No. 82/Menkes/SK/I/1996. This decision <u>was</u>-enforceding the implementation of the Joint Decree

of the Minister of Health and the Minister of Religion of the Republic of Indonesia concerning the inclusion of halal writing on food labels.

BecauseSince the social environment keeps changing, there are several decrees that also need to be adjusted overwith time by the respective authorities. The Minister of Health issued a decision on the amendment to the Decree of the Minister of Health of the Republic of Indonesia Number 82/Menkes/SK/VIII/1996 regarding the inclusion of the words "Halal" on food labels, replacing it with the Decree of the Minister of Health No. 924/ Menkes/SK/VIII/1996. In 1996, Law Number 7 of 1996 concerning fFood was enacted. Regarding the inclusion of food information content (Halal)) on labels, it is regulated in Article 30 paragraph (1) of Law Number 7 of 1996: Everyone who produces or imports food into the territory of Indonesia that is packaged for trading is obliged to attach a label to it either inside, and or in food packaging. With reference to this provision, the inclusion of halal is not an obligation unless everyone who produces food-and/or imports food into Indonesian territory for trade states that the food in question is halal for Muslims.

In 1998, the Indonesian Ulema Council (LPPOM MUI) was officially formed based on the <u>d</u>Decree of the Indonesian Ulema Council No. Kep. /18/MUI/1998. The main authority of LPPOM MUI is to inspect products and provide halal certification. <u>Meanwhile, T</u>the halal label permit that is attached to food product packaging is issued by the Ministry of Health, namely the Food and Drug Administration (BPOM). <u>In 1999</u>, Law No. 8/1999 on <u>c</u>Consumer <u>p</u>Protection was <u>also</u>-passed <u>in 1999</u>. In Article 2 of Law Number 8 of 1999 the principle of consumer protection is stated which reads "Consumer protection is based on benefits, justice, balance, consumer security and safety, and legal certainty". Here, consumers clearly <u>obtainget</u> legal protection, which is one of the rights of consumers in Article 4, namely: <u>t</u>The right to security, comfort, and safety in consuming goods and/or services. In order Tto provide certainty about the halalness of packaged and traded food in Indonesia, the Minister of Religion issueds a decision on the guidelines and procedures for the inspection and determination of halal food in the Decree of the Minister of Religion Number 518 of 2001. Article 2, (1) "To support the truth of the halal statement issued by producers or importers of food packaged for trading, the food is inspected first by the Inspecting Agency." Article 7 (1) "In order to carry out inspection of halal food, the Head of the Inspection Agency forms an Inspection Team and issues an inspection warrant, which includes inspection of administration, production process, laboratory, packaging, packaging and storage of products, as well as inspection of transportation, distribution, marketing, and distribution systems. and presentation." Article 8, (1) "In the event that the food inspected by the Examining Agency has complied with the requirements'" halal food and has been issued a halal fatwa, the Examining Agency issues a Halal Certificate." The Minister of Religion issued a decision on the implementing agency for halal food inspection in KMA nNumber 519 of 2001. The issuance of the Decree of the Minister of Religion (KMA) 518 of 2001 and KMA 519 of 2001 further strengthened MUI as a halal certification body and carried out inspections/audits, issued fatwas, and issued halal certificates.

00

Based on the above regulations, starting from the Regulation of the Minister of Health of the Republic of Indonesia. Number:-280/Men.\_Kes/Per/XI/76 to the Decree of the Minister of Religion Number 518 and Number 519 of 2001, there were no regulations and provisions specifically regulating halal product certification for MSMEs. The provisions for halal product certification specifically for MSMEs have only been found in Law Number 33 of 2014 concerning Guaranteed Halal Products (UUJPH), in Article 44 paragraph (2) it is determined:

∧ ∨ 14 of 21	—   + Automatic Zoom V	🖶 🕒
	Even though Article 44 paragraph (2) of Law Number 55 of 2014 regulates halaf product certification for MSMEs, what is regulated is not about the ease and relief in obtaining halal certificates; instead, only regulating the cost of halal certification proposed by MSMEs can be facilitated by other parties; and not free of charge. However, since the enactment of Law Number 11 of 2020 concerning Job Creation, there have been a number of laws that have been amended tofor the sake of simplifying, synchronizeing, and trimming regulations in order to facilitate business actors, including mMicro and sSmall eEnterprises (UMK). One of the amended laws concerning guaranteed halal products is Law Number 33 of 2014 concerning Guaranteed Halal Products. Regarding the adjustment to Law Number 11 of 2020, PP Number 31 of 2019 was also revoked by Government Regulation Number 39 of 2021, concerning the	
	iImplementation of the hHalal pProduct gGuarantee sSector. The amendments to Law Number 33 of 2014 by Law Number 11 of 2020 concerning jJob cGreation, which are related to halal product certification for MSEs, are:-1. There is an additional Article 4 A of Law Number 11 of 2020, namely, the obligation of halal certification based on the statement of special business actors for mMicro and sSmall bBusiness aActors. 2. The aAmendment to Article 44 Paragraph (2), namely hHalal certification for micro business actors and small businesses, is free of charge. The existence of provisions in Article 4 A of Law Number 11 of 2020, which requires mMicro and sSmall bBusiness aActors to declare or declare the halalness of their own products, has caused a polemic. The existence of this self-declaring halal rule can be considered as setting aside the basic provisions (essence), namely, the obligation to inspect and test products, and also contradicts Law Number 33 of 2014, which requires all products to be inspected and/or tested by the Halal Inspection Agency (Baldwin, Cave and Lodge, 2012).	

The existence of a reduction in the process and time in obtaining halal certificates in Law Number 11 of 2020 deserves an appreciation because most mMicro and sSmall bBusiness aActors can now easily and quickly acquire legal and halal certificates (Burhanuddin, 2011), but regarding inspection and product testing, it is absolutely necessary to take, so that there are no doubts aboutfor the Muslim community about a product. The regulatory pattern adopted by Law Number 11 of 2020 concerning jJob cereation is classified as rRisk-bBased rRegulation (Black and Baldwin, 2010), which in its implementation recognizes several stages. Based on the Risk-Based Regulatory Pattern in Law Number 11 of 2020, the types of businesses carried out by MSEs in the food sector are not entirely included in the Halal Positive List of Materials (non-critical materials), or consist of materials that are not included in the critical category (Black and Baldwin, 2010). Halal ingredients such as materials obtained from nature; however, there is no guarantee that MSE products do not use meat, margarine, or and various artificial ingredients that have a high criticality, so they must also be inspected, tested, and traced for halalness. Advances in food technology at this time must be relatedkin towith the many raw materials and additives used to produce processed food staffs (Mashudi, 2015).

#### Conclusion

Regulations on halal product certification for mMicro and sSmall bBusinesses are regulated in Law Number 33 of 2014 concerning Halal Product Guarantee, Law Number 11 of 2020 concerning Job Creation, and Government Regulation Number 39 of 2021 concerning Implementation of the Halal Product Guarantee Sector, which regulates the declaration of halal products (self-declare) from Micro and Small business actors, and there is no halal certificate fee from mMicro and sSmall business actors. The provision of a halal certificate based on selfdeclaration in Law Number 11 of 2020 is not in accordance with Law Number 33 of 2014, which requires the inspection and testing of products before giving a halal certificate. 2. Supervision of the halalness of MSME products, as regulated in Article 103 of PP Number 39 of 2021 concerning the Implementation of the Halal Product Assurance Sector, is considered ineffective because the supervision is only carried out periodically and/or at any time. precisely targeted products produced by large and medium-sized businesses; and ineffective supervision of halal products produced by very large MSMEs.

The issuance of a halal certificate based on <u>the</u> self-declaration in Law Number 11 of 2020 needs to be reviewed and revised/<u>amended</u>. Product inspection and testing before providing a halal certificate <u>areis an</u>-absolute requirements that cannot be ruled out on the grounds of making it easier to obtain a halal certificate. The inspection and testing of products takes a long time because <u>the hHalal iInspection aAgenciesy</u> (LPH) and <u>hHalal aAuditors are still very few</u>. Therefore, it is urgent to immediately establish at least 1 (one) <u>hHalal iInspection aAgency</u> (LPH) in each provincial capital<sub>5</sub> and print hundreds of <u>hHalal aAuditors</u> who carry out product inspections and testing. Article 103 of PP Number 39 of 2021<sub>a</sub> which regulates the time for supervision of halal product guarantees, needs to be revised<sub>5</sub> by changing the supervision time,

**Copyright Agreement** 

### **Copyright Agreement**

Manuscript title:

THE CONTRIBUTION OF HALAL PRODUCT CERTIFICATION IN STRENGTHENING BOTH MEDIUM AND MICRO ENTERPRISES WITHIN SOCIETY

Full names of all authors:

Harpani Matnuh <sup>a,\*</sup>, Abdul Halim Barkatullah <sup>b</sup>, Muhammad Yasir <sup>c</sup>

#### Full name and address of the corresponding author:

Harpani Matnuh <sup>a</sup>,\*, Abdul Halim Barkatullah <sup>b</sup>, Muhammad Yasir <sup>c</sup> <sup>a.b.c</sup> Universitas Lambung Mangkurat, Banjarmasin, Indonesia,

Telephone/Whatsap: \_\_\_+6285248781677 Fax: \_\_\_\_\_ Email: harpanimatnuh@hotmail.com

$\sim   \sim  $	1 of 1 - + Automatic Zoom V	🖶 🕒   🕹 :
	License Agreement	
	(1) Authors own all the copyright rights for the paper.	
	(2) Submitted manuscript is an 100 % original paper.	
	(3) Authors hereby grant the Issues of Journal of SWJTU with an exclusive, royalty-free, worldwide license to email the paper to all who will ask for it.	
	(4) All authors have made a significant contribution to the research and are ready to assume joint responsibility for the paper.	
	(5) All authors have seen and approved the manuscript in the final form as it is submitted for publication.	
	(6) This manuscript has not been published and also has neither been submitted nor considered for publication elsewhere	
	(7) The text, illustrations and any other materials, included into the manuscript, do not infringe any existing intellectual property rights or other rights of any person or entity.	
	(8) The editors of the Issues of Journal, its personnel or the Editorial Board members accept no responsibility for the quality of the idea expressed in this publication.	
	I am the Corresponding author and have full authority to enter into this agreement.	
	I am the corresponding author and have fan authority to enter into this agreement.	
	Full name, affiliation and position: Harpani Matnuh, Universitas Lambung Mangkurat,	
	Banjarmasin, Indonesia	
	Signature:Date:2 <sup>nd</sup> March, 2023	

### Paper Submission $\Box$ -

Society(58)-1-Matnuh-2023.... 🗸

Dear Authors,

Congratulations on accepting your revised paper in Journal of Southwest Jiaotong University, Volume 58 (2), April 2023, after it has been analyzed by reviewers and found acceptable. This paper is classified as a professional paper.

Your article will be published at the end of May 2023. Expect publication.

Sincerely yours, Editorial Office of Journal of Southwest Jiaotong University http://jsju.org/index.php/journal/index 该杂志的出版商 (Our Publisher): Science Press 网址 http://science-press.cn/西南交通大学学报/

----- Original Message ------Subject: Paper Submission Date: 2023-03-21 07:26 From: Harpani Matnuh <harpanimatnuh@hotmail.com> To: Journal of Southwest Jiaotong University <editor@jsju.org>, "mail@jsju.org" <mail@jsju.org>

editor@jsju.org To: You

6 K  $\rightarrow$  ... Fri 3/24/2023 2:18 PM

Dear Harpani Matnuh, hope all is well with you. Volume 58(1) February has already been published, we will not be able to include your article.

Sincerely yours, Editorial Office of Journal of Southwest Jiaotong University http://jsju.org/index.php/journal/index 该杂志的出版商 (Our Publisher): Science Press 网址 http://science-press.cn/西南交通大学学报/

----- Original Message ------Subject: Re: Paper Submission Date: 2023-03-24 05:59 From: Harpani Matnuh <harpanimatnuh@hotmail.com> To: "editor@jsju.org" <editor@jsju.org>

## Invoice

## **SIA Science press**

Invoice number490893AB-0994Date of issueFebruary 25, 2023Date dueMarch 4, 2023

SIA Science press +371 27 846 605 forsagvvv@gmail.com **Bill to** Harpani Matnuh

# Receipt

# **SIA Science press**

Invoice number490893AB-0994Receipt number2054-9296Date paidMarch 21, 2023Payment methodMastercard - 6809

SIA Science press

+371 27 846 605 forsagvvv@gmail.com **Bill to** Harpani Matnuh Home > Vol 58, No 2 (2023) > Halim Barkatullah, Muhammad Yasir

### THE CONTRIBUTION OF HALAL PRODUCT CERTIFICATION TO STRENGTHENING MICRO, SMALL, AND MEDIUM ENTERPRISES WITHIN SOCIETY

💁 Harpani Matnuh, Abdul Halim Barkatullah, Muhammad Yasir

### Abstract

With the enactment of Law No. 11/2020 concerning job creation, which amends some articles in Law No. 33/2014 concerning guaranteed halal products, micro, small, and medium enterprises (MSMEs) received a boost through the provision of halal certificates, which led to social support from local consumers in Indonesia. This research aimed to study the contribution of halal product certification in strengthening micro, small, and medium enterprises. From the perspective of the law considering the sociological aspect of business promotion, the authors examined the regulation of halal product certification for MSMEs and analyzed how the supervision of MSMEs impacts and hence influences