



Development of the ASEAN Qualification Recognition Framework (AQRF) on Halal Management Standardization as a Success Strategy for ASEAN Free Trade Area (AFTA)

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Abstract

This study aims to harmonization of halal in countries in ASEAN. This is done by stating several things, including: Analyzing halal practice standards in ASEAN countries, Aligning halal standards between ASEAN and developing AQRF on halal management. This study uses a qualitative method. The philosophical world view in this study is more attached to a pragmatic world view, this world view is based on applications and solutions to existing problems (Patton in Cresswell, 1990). From the point of view of research design, the researcher uses a case study design, the researcher develops an in-depth analysis of a case, program, event, activity, or process in one or more individuals. In the case study design approach, the researcher limits time and activities. Information collection is carried out by various data collection procedures. Data collection techniques used in this study are; 1. Interviews, 2. Content-relevant analysis of documents, 3. Round table. Based on the results that have been obtained that Indonesia has the ability to carry out production procedures that are guaranteed halal from each process. However, a thorough halal audit needs to be carried out consistently. This is supported by research conducted by Hudaefi & Jaswir (2019) that Indonesia with the largest Muslim population in Indonesia has become a leader in the world halal industry (Detik Finance, 2011; Republika, 2010; Safari, 2018; Satria, 2012).

Keywords: ASEAN qualification recognition framework, halal management standardization, AFTA success strategy

INTRODUCTION

Mutual recognition competence is the gateway to creating the ASEAN Free Trade Area (AFTA). Syazwan (2014) explained that the Government should encourage more international relations among AFTA countries to raise Halal logistics to a higher level. Halal market potential reaches 2 trillion USD even according to other sources; the global Halal Industry as a whole is estimated to be worth around USD 2.3 trillion (excluding Islamic finance) per year. Three main factors, namely first support the fast growth of the halal market, the Muslim population is quite large and grows at 1.8 percent per year, Second, the growing economic growth and thus increasing purchasing power among Muslims. The last is the emergence of the potential for the halal market in non-Muslim countries and halal industry players (Azam & Abdullah, 2020).

In 2016, the distribution of halal products had a reasonably large market share, as explained in the following diagram

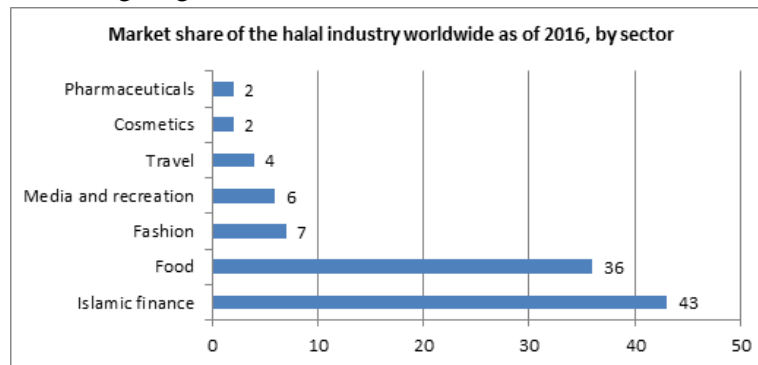


Figure 1. Halal industry market share worldwide in 2016 by sector

The chart above shows the market share of the worldwide halal industry as of 2016 by sector. In that year, the halal food sector accounted for 36% of the total global halal market, while halal cosmetics held 2% of the market share. This is increasing along with the market value of Muslim food and beverages globally.

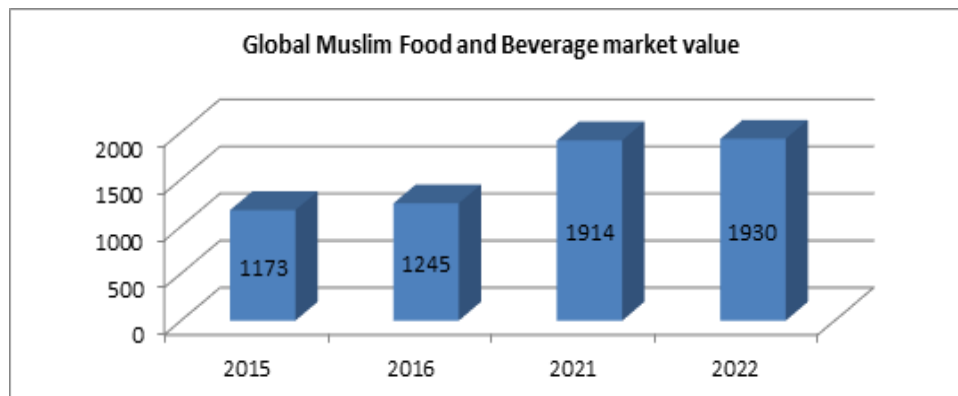


Figure 2. Muslim consumer spending on food and beverages worldwide from 2015 to 2022

The data displays the spending of Muslim consumers on food and beverages worldwide from 2015 to 2022. In 2015, the global Muslim market spent approx. 1.17 trillion USD for food and beverages, increasing to about 1.25 trillion dollars the following year. In addition to the amount of consumer spending on food and beverages, the cosmetics sector also has significant market potential.

The data above displays the leading exporters of halal meat to the Organization of Islamic Cooperation (OIC) countries in 2015, in billions of USD. In that year, Brazil became the leading exporter of halal meat to OIC countries with an export value of 5.19 billion USD.

Malaysia, for example, according to Othman & Sungkar (2015), based on the current cost structure, Malaysia will not be able to ensure its competitive advantage in the meat and meat-based industries. However, Malaysia can still enjoy its competitiveness in this industry by implementing several strategies such as (i) Outsourcing of raw materials from the most competitive foreign suppliers such as Brazil, Thailand, Australia, and New Zealand; (ii) Building strategic network alliances such as contract farming activities in other countries with relatively lower production costs/higher competitiveness, and; (iii) Establish practical cooperation with other ASEAN countries, particularly Thailand, Vietnam or Indonesia in the entire supply chain as part of ASEAN's economic, social and political agenda, especially the ASEAN Free Trade Area (AFTA).

In contrast to Indonesia, the challenge of becoming a global halal hub in Indonesia focuses on three points including; 1. Minority responses related to food exclusivity that can occur from 12% of minorities in Indonesia, 2. Regulation of Law No. 33 of 2014 concerning the guarantee of halal products, which in expert opinion prefers the Syafii sect, is very strict in implementing halal standards. This threatens the flexibility of the halal market that will enter Indonesia, 3. Smaller SMEs such as street vendors do not get added value and are not ready to comply with

regulations that require business actors to have halal certificates. In addition, they see that the halal certification only gives them difficulties while not adding new value to their business. (Hasyim, 2019).

With problems in the development of the halal hub, each country will be joint repair can be done when bilateral cooperation or multilateral in the development of the halal hub. This is supported by research conducted by Borzooei & Asgari (2013) that the essential requirement, according to experts, is to believe that a country must consider vital needs such as human capital and infrastructure and establish relationships with various countries around the world.

Multilateral relations have been established with several agreements and cooperation. One of them has done Brunei Darussalam-Indonesia-Malaysia- Philippines East ASEAN Growth Area (BIMP-EAGA VISION 2025). It was formulated to ensure that the member states are in line with the trend and opportunities, and challenges of regional and global development that will affect economic cooperation, especially the halal market. In addition, there is also the Indonesia-Malaysia-Thailand Growth Triangle IMT-GT 2017-2021, which has a vision of becoming an integrated, innovative, inclusive, and sustainable subregion by 2036. To realize this vision, IMT-GT will strive to realize three subregional goals that are: prioritized: (1) sustainable, inclusive and innovative agricultural sector; 2) Competitive, innovative, and advanced industrial base; and (3) Sustainable, inclusive, and competitive cross-border tourism.

Globally, the halal economy is expected to grow steadily and offers excellent opportunities for Indonesia and Malaysia, which already have a relatively established and competitive halal industry. Even so, each Member State has its strengths in developing the Halal economy. However, industrial growth is also hampered by a lack of capacity and capacity, especially among SMEs. There is a need to improve demand-driven products and services in quality, price, brand, taste, and nutrition facts. There is also a need to improve accessibility to raw materials, skilled and semi-skilled workers, and financing. IB 2017-2021 advocates for the Member States to build on each other's strengths to enter the growing Halal market, such as knowledge sharing and best practices, technology transfer, developing cross-border value chains, and accepting Halal standards. (Waterhouse, 2017)

Competition in managing the halal market shows a contradiction. Although developed countries have fewer Muslims, the market share for halal food is high. Governments with fewer Muslim populations, namely Thailand, UK, and Australia, can seize opportunities for halal food in the global market. Thus, most of the halal food exporters come from these non-Muslim countries. (Nurrachmi, 2017)

Multilateral cooperation with mutual Recognition of standards can help integrate collaboration among countries, especially in the halal market. According to Pauzi (2017), the difference in view in working on the halal market is in regulations, culture, and masalahah (public interest); this impacts the inequality of certification recognition. Halal, strict supervision of the business and negative perceptions, and double standards in halal certification. Otherwise, it will eventually cause confusion among consumers.

In addition to the sector of food, the supply chain is also the part of the implementation of halal standards that must be done, the labeling of halal is not enough, the transportation of raw materials, distribution of products, should also integrate with the halal hub and essential to separate between the raw material non-kosher with lawful. The excellent manufacturing process and HACCP are also a condition of the basic process of processing materials kosher. Consumers' confidence is essential to build a sense of safety and convenience; the product must be entirely correct ' safe to eat ' not just ' probably safe to eat. Products, services, and logistics kosher must follow the laws of Islam or Sharia, in which the product halal must be separated from the product non-halal along the chain of supply, either through the transport of water, air, or land to prevent contamination cross with a substance that is considered Haram, an addition that, the products Halal must meet the standards of GMP and HACCP as well as produced and treated in under the principle Tayyib. (Zhan et al., 2016)

Below is a distribution map between Malaysia and Thailand for access to both raw material and product distribution.

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Source: Zhan et al. (2016)

Figure 3. Yala, Narathiwat, and Pattani economic corridors which are connected to North Malaysia as Halal Hub

The picture above shows the importance of the role of IMT-GT cooperation in facilitating and supporting access to the economic corridor between Malaysia and Thailand. Halal Hub can be built on each access displacement state and or built centra halal hub for the two countries are. It mentioned that makes cooperation multilateral become a necessity. In the study that has not discussed that issue next will appear when standard halal of the two countries differ, it is essential for their harmonization, mutual Recognition between countries

The implementation of halal certification is also essential as an effort to standardize and recognize each other. In Indonesia, MUI as a halal certification body must vigorously promote halal hubs among SMEs m) ore (Abdul et al., 2013). Supporting the results of previous research, (S Soesilowati, 2018) stated that in a case study of Muslims in Banten, it was found that the Government's role was less sensitive in promoting and controlling religious behavior in terms of consuming halal food. However, respondents with higher education, middle-class income, homemakers, and younger age groups are relatively more concerned about consuming halal food; attitudes and subjective norms determine this and behavioral control they feel.

Because it is also essential to develop the technique of measuring the level of awareness of the public towards the product halal and certified kosher to assure that the product and destination travel is guaranteed halal (Aziza et al., 2020), promotions are not exhaustive associated with standard kosher and certified kosher in the field of tourism resulted in neglect perpetrators of tourism to the needs of travelers Muslims, among others; 1. Minimum praying room, 2. Not the transportation Muslims are adequate, 3. Style lively night that much of the values and principles of Islam.

Another problems arise when the change in stakeholder positions, the condition of politics of social particular organizational sub- committee of tourism , organization Concern Tourism , and the Federation of Agents Travel Universal adopt the standard kosher established. However, due to changes in the direction of political and social organizations, it no longer has a continuity in the conduct of activities to promote tourism kosher when rating Muslim greatly needed. (Luxchaigul et al., 2016)

Of the problems that raised above, appear some consequences if not applied harmonization of standards of halal among countries including; state Muslim yet also able to become a top exporter of the halal food world, not efficient and not an effective process of export and import between countries because their standard of kosher double, trouble consumers in choosing tourism kosher because not the promotion and awareness of halal harmony among nations, not standard supply chain for commodities kosher, not the movement of the roots of the grass which supports the promotion and awareness of halal to ensure that kosher remain enforced even occur a change of leadership of a country .

The concept of multilateral cooperation is expected to develop halal standardization between countries. Mutual Recognition and opportunities are opened to accommodate the world halal market and maintain promotion, awareness, and the halal market. Among the problems that arise are also related to the gap in people's capacity in dealing with halal economic opportunities. The gap is widened by the lack of awareness of accreditation institutions providing halal products

and services and competency assessment of personnel. (Waterhouse, 2017). Harmonization is also a highlight of the Brunei Darussalam-Indonesia-Malaysia-Philippines East ASEAN Growth Area, as explained. To increase export, the agribusiness sector will strengthen cooperation in developing the halal food industry, a growing trillion-dollar global market. This will include streamlining and harmonization of halal accreditation and certification processes according to national and regional protocols. (BIMP-EAGA VISION 2025, 2019)

The research is aimed at the harmonization of halal in countries in ASEAN. It is done by stating several things, including:

1. To analyze the standard of halal practice in ASEAN countries
2. To harmonize the standard of halal among the ASEAN
3. To develop AQRF on halal management

Azam & Abdullah (2020) first explain about Global Halal Industry: Realities and Opportunities. This paper attempts to examine the current realities of the global halal industry by observing the factors determining such increasing demand for Halal industry in addition to the opportunities that are offered from recent global development in the market. To achieve the objectives of the study, a methodology of analyzing secondary data from different sources was adopted in this paper. The findings show that there are three major factors driving the rapidly growing global halal market. First, sizable and growing Muslim population at 1.8 per cent per annum, Second, growing economic development and hence increasing purchasing power among the Muslim. The last is the emergence of potential halal market in non-Muslim nations and halal industry players.

Halal industry also needs to be centralized with the development of halal hub (Borzooei & Asgari, 2013) explained in his research entitled Establishing a Global Halal Hub: In-Depth Interviews. The purpose of study is to explore the requirements needed for a country to establish itself as a global Halal hub. With exploratory research paper uses a semi-structured in- depth interview to obtain the perceptions of Halal experts about the requirements for establishing a Halal hub. The results of the study indicate that human capital, media, research and development, events, country's capability, public and governmental support, marketing strategy, and infrastructure comprise the vital requirements.

Halal hub should also be integrated with halal certification. There is a strong role for government. (Hasyim, 2019) conducted a study by reviewing State Law No. 33/2014 on Halal Product Assurance is to be enacted in October 2019. That Indonesia has some challenge of becoming a global halal hub in Indonesia focuses on three points including; 1. Minority responses related to food exclusivity that can occur from 12% of minorities in Indonesia, 2. Regulation of Law No. 33 of 2014 concerning the guarantee of halal products, which in expert opinion prefers the Syafii sect, is very strict in implementing halal standards. This threatens the flexibility of the halal market that will enter Indonesia, 3. Smaller SMEs such as street vendors do not get added value and are not ready to comply with regulations that require business actors to have halal certificates. In addition, they see that the halal certification only gives them difficulties while not adding new value to their business.

(Pamukcu & Sariisik, 2021) research for Suggestions for standardization of halal tourism in hospitality industry. The purpose of this paper is to determine the expectations of hotel guests regarding the halal standards in the hotels where they stay. Besides, the determination of differences in demographic characteristics of the participants is among the objectives of the research. **Quantitative** research methods were used in this research. Owing to the lack of a specific scale in the related literature, the questionnaire used in the study was created as a result of pilot tests conducted with the expressions mentioned in the theoretical studies. Analysis methods were decided by considering the preconditions for parametric test techniques. This research finds that Islamic lifestyle is specified as the most common reason for choosing halal concept hotels. Additionally, there are some other outstanding reasons like halal food, safer holiday, the emergence of sufficient tourism facilities will show that this group will be respected and valued. Hence, this will also contribute positively to social tolerance.

Khan et al., (2019) has researched how harmonization of halal can be done, in his research entitled Using integrated weighted IRP-Fuzzy TISM approach towards evaluation of initiatives to harmonies Halal standards has an objective suggest initiatives to facilitate harmonization of Halal standards as to eliminate trade barrier of Halal and to assure the availability of Halal consumables to larger masses. With Ranking of the initiatives for the harmonization of Halal

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standards taking in consideration the costs of accomplishment and associated benefits obtained has been done through the application of integrated Interpretive Ranking Process (IRP) and Fuzzy Total Interpretive Structural Modelling (Fuzzy TISM). This integrated methodology with the weighted criteria have refined the value of the net dominance of different variables, thereby increasing the efficacy of IRP in decision making. The results of this study suggest that strengthening the strategic coordination and collaboration among competent HCBs is a significant initiative

B. Othman et al., (2016) explained about the level of knowledge in his research entitled Evaluation of knowledge, halal quality assurance practices and commitment among food industries in Malaysia. Objective of this research is to assess the level of knowledge, halal dietary quality assurance practices, and commitment among food industries in the implementation of halal in Malaysia. Besides, the study was based on two categories that are considered major contributors in the chain of halal food sector in Malaysia which are the multinational, and small medium enterprise (SME). The sample of the study was comprised of 241 companies from halal certification holders (MNCs ¼ 69; SMEs ¼ 172). Cross-sectional study through random sampling and purposive sampling was used where the internal halal committee who have been specifically appointed in the organization were asked to fill in the questionnaire. Personally hand-delivered questionnaires in workplaces was used as a method of data collection. The data were analyzed using SPSS version 21. Based on the analysis, it was found that the level of knowledge, halal quality assurance practices and commitment to be at a good level. Whereas the results of inference showed that there are significant differences for the three variables studied.

what halal industry can be standardized, starting from several sectors that can be harmonized (Mohd Nawawi et al., 2020). Nawawi explain how halal food developed in Thailand. Research that has an objective The paper aims to explore the development of the halal industry in Thailand. It endeavors to investigate the main factors behind the country's success as one of the largest exporters of halal-certified foods and products in the Southeast Asian region, in spite of the fact that Thailand is a non-Muslim-majority country. Only 4.3 per cent of the 69-million population of Thailand is Muslims. Qualitative research method was adopted. This paper used structured literature study by analyzing various subjects of halal pertaining to Thailand's halal sector. At the same time, several in-depth interviews with the corresponding halal authorities in Thailand, as well as site visits, were also conducted. We also undertook observations in several sites in Thailand to analyze the issue further. Nawawi Finding that t the strong presence of Thailand in the global halal industry is because of its bustling tourism industry that helps to bolster the country's halal branding, its uniformity of halal definition and standards and effective support to the local SMEs.

Rahman et al. (2018) raised different things, namely halal cargo. With research title implementing air cargo halal warehouse: insight from Malaysia. This study aims to discuss the challenges in implementing halal warehouse in the air cargo context along with the standard handling process for the storage of halal product for import and export purposes. This is vital to ensure that halal products do not get contaminated and should comply with halal logistics standard throughout the supply chain process. The method was used by exploratory study by adopts single case study to better understand the definition of halal warehouse, the challenges in implementing halal warehouse and also the standard handling process for the storage at the warehouse for import and export purposes. A well-guided case study protocol is followed. This reseach finding that – Five categories have found to be the main challenges in implementing halal warehouse. They are coded as halal product trade, halal asset and facility, halal standard of procedure, human factor and perspectives between logistics provider and halal agencies. With regard to standard handling process for import and export purposes in airgo context with compliance to Shariah at the halal warehouse, there are seven main steps involved for import and nine steps involved for export.

Previous research was also supported by (Zailani et al., 2017) with the title of the research Halal logistics opportunities and challenges. The purpose of the paper is to investigate the challenges and opportunities for logistics companies in Malaysia to adopt halal logistics. Logistics plays a key role in protecting the halal integrity of halal food through proper transportation, storage and handling along the supply chain until it reaches its final destination. This research builds on existing research published in the Journal of Islamic Marketing on halal logistics. In addition to an extensive literature review, five focus group discussions were conducted to discover

the challenges and opportunities with regards to halal logistics services in Malaysia. The results show that the future market demands and the competitive opportunities related to halal services are the main motivators of first movers in halal logistics. The early adopters of halal logistics face several challenges such as ambiguous halal guidelines, lack of international halal certification, lack of collaboration among governing agencies (i.e. logistics service providers (LSPs), Jabatan Kemajuan Islam Malaysia (JAKIM) and Halal Industry Development Corporation), a lack of cost-effective standards, an overly competitive transportation sector, lack of demand, lack of halal logistics compulsion, financial challenges and a general misunderstanding of halal practices.

The two studies above are also related to the findings from (Khan et al., 2021) with research that aims to identify 11 critical factors towards effective management of a Halal supply chain (HSC) and provides a framework for the HSCM by evaluating Halal practices' impact on sustainability performance measures empirically, – A structured questionnaire-based survey has been carried out to collect data for analysis. The statistical analysis is accomplished by exploiting merits of factor analysis and structural equation modelling (SEM). The results imply that out of 11 critical factors, nine factors on effective management of the HSC are statistically significant, and impacts of two critical factors are positive but statistically insignificant. In the structural model, the path coefficient of all success indicators are positive and statistically significant. In terms of the path coefficient of sustainable performance measures of HSC, all three dimensions, economic, environmental and social, are positive and statistically significant.

Despite being hit by the Covid-19 pandemic, the halal industry must continue to grow. research conducted Hidayat et al., (2021) analyze the Halal industry before, during and after the Covid-19 outbreak. Qualitative content analysis derived from a narrative-type literature review – supported by expert opinions elicited from semi-structured interviews and transcripts from the keynotes of five prominent speakers at a Halal industry conference during the pandemic. The conference theme covered the Halal industry's development and strategies before, during and after the Covid-19 outbreak. There are opinions, concerns and actionable suggestions from the five prominent guests on how the Halal industry is faced with challenges but also new opportunities, with the potential to lead an agenda toward community and transparency.

RESEARCH METHODS

This study uses a qualitative method. The philosophical worldview in this research is more attached to the pragmatic worldview, this worldview is based on the application and solution to existing problems (Patton in Cresswell, 1990). From the point of view of research design, the researcher uses a case study design, the researcher develops an in-depth analysis of a case, program, event, activity, or process on one or more individuals. In the case study design approach, the researcher limits time and activities. Information collection is carried out by various data collection procedures.

The data collection techniques used in this research are; 1. Interview, 2. Content analysis-document relevant, 3. Round Table. Informants who were interviewed as the research conducted by Soesilowati (2018) respondents with higher education, middle-class income, homemakers, and younger age groups are relatively more concerned about consuming halal food.

Data triangulation as a data quality effort. In addition to interviews, researchers also use observation to obtain data quality. In the research conducted by Mohd Nawawi et al. (2020), he also undertook observations in several halal sites in Thailand to analyze the issue further. After getting data from interviews and observations, the researchers confronted them with a literature review of the regulation and certification system of each country

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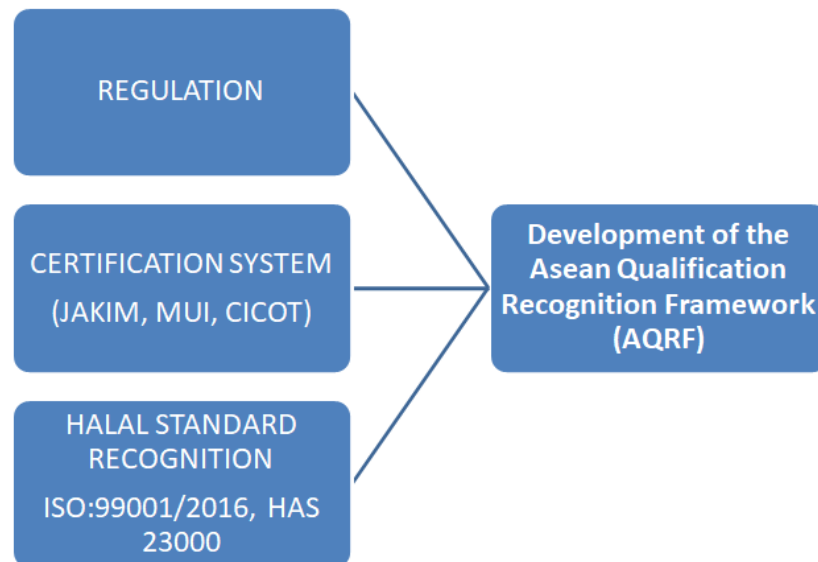


Figure 4. The framework of variables that support the formation of AQRF in the field of halal management

From the picture above, the researcher uses several variables that can support the formation of AQRF in the halal management sector, including; 1. Regulation, 2. Certification System, 3. Halal Standard Recognition. Regulation carries out specific piece of legislation (Business Dictionary). Law and regulation for a halal product is crucial for consumer protection, ensuring moral obligation of producers, and gaining a competitive advantage in both local and global market (Ramli, 2010). Legislation and regulation are critical for the first line of defense in halal governance. Citing Wiyono (2013) who highlighted a scandal voiding halal in Indonesia, Prabowo et al. (2015) stated lack of government regulation had caused so. (Jasfir and Hudaifi, 2019).

Central to the growth of the global Halal food market is the Halal food certification. Halal food certification is an integral element of the Halal food market for both consumers and industrialists. Halal certification, whether in the form of certificate, logo, trademark or seal, is an indicator that food products have undergone rigorous and extensive inspections from a legitimate Islamic certification authority and that the sources, ingredients and operations are based on Shariah principles (Riaz and Chaudry, 2004; Rezai et al., 2012a; Al-Mazeedi et al., 2013; Nawi and Nasir, 2014). Halal Assurance System is a management system that is prepared, implemented and maintained by companies holding halal certificates to maintain the continuity of the halal production process in accordance with the provisions of LPPOM MUI. (MUI, 2008).

RESULT AND DISCUSSION

In this study, interviews and literature review were used to obtain research data. Interviews were conducted with one of the supervisors in the halal field who had obtained a competency certificate from the national professional certification body. The analysis will be discussed from the policy maker's point of view. Here are the results of the interview:

A Policy Maker

What are the advantages and disadvantages of halal regulations in your country?

The state guarantees that the products produced are halal for consumption. The advantage is that Indonesia, which is predominantly Muslim, is very good at making halal products starting from preparation, production and auditing and is internationally recognized

The drawback is the control in the field, especially against small and medium traders. The regulations made are not yet fully implemented. The government should focus on monitoring the implementation of halal audits at the technical level

What are the opportunities for halal regulations in your country to harmonize with halal regulations from other countries?

In Indonesia there is a Halal Product Guarantee Agency (BPJPH) which is an agency formed under the auspices of the Ministry of Religion. With Law No. 33 of 2014, it is possible to adjust the regulation with cooperation between countries, one of which is cooperation between countries to make standardization and Indonesia to be the leading for the halal product sector.

Do your country's halal regulations have an NQF (National Qualification Framework) and support development up to the level of AQRF (ASEAN Qualification Reference Framework)?

Very supportive, besides that, Indonesian competency test certification can be recognized by the international community.

Certification System

What are the advantages and disadvantages of Certification system in your country?

Become a reference by other countries because Indonesia already has internationally recognized halal standards, but lacks control in implementation in the field, especially for small traders.

What are the opportunities for halal certification system in your country to harmonize with halal regulations from other countries?

Every country has standardization and there has been Recognition from all countries, then there is the Halal Product Guarantee Agency (BPJPH) which is responsible for halal products and is open if adjustments are needed. Until now, Indonesian halal standards have presented a *List Of Approved Foreign Halal Certification Bodies* with 45 countries. Categories of mutual Recognition among certification bodies including; slaughtering, raw material, flavor.

Halal Standard Recognition

Have the halal standards in your country implemented halal standards that are accepted globally by the international and regional world?

As previously explained, Indonesia has collaborated with 45 countries in the world in halal certification.

Do the auditor's qualifications get a mutual recognition arrangement from other countries?

In Indonesia, there is a halal supervisory competency test agency that can become a halal auditor, for international Recognition, cooperation between countries is needed.

If your country has not received mutual Recognition between countries, what development opportunities can be done to achieve this?

Cooperation between countries to standardize and Indonesia to be the leading for the halal product sector

ASEAN Qualification Reference Framework

Can your country's halal regulations and standards be a reference in developing AQRF?

Indonesia has Halal Standard Assurance (HAS 23000), this standard can be used as a reference for halal product standards in other countries. In developing AQRF, Indonesia and other Muslim countries can initiate qualification reference framework personnel.

CONCLUSION

From the results of the interviews above, it can be concluded that Indonesia has the ability to carry out production procedures that are guaranteed to be halal from each process. However, a thorough halal audit needs to be carried out consistently. This is supported by research conducted Hudaefi & Jaswir (2019) that Indonesia with the largest Muslim population in Indonesia has become the forefront of halal industry in the world (Detik Finance, 2011; Republika, 2010; Safari, 2018; Satria, 2012). In this regard, the issue is reasonable due to at least several factors; the country has the biggest Muslim population, thus creating high demands over a halal

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product, and the global confidence towards the halal certificate of Indonesian Council of Ulama (MUI) as claimed by its respective authority (Kemenag - Ministry of Religious Affairs, 2018; Republika, 2009; Setiaji, 2018).

When faced with the problem of harmonization of halal standards between countries, Indonesia can become a leading sector in the development of world halal standard qualifications, because it has advantages from several factors, as explained Hasyim (2019) Indonesia has a halal-based industry, a sizeable Muslim population, abundant raw materials, and a large number of small and medium entrepreneurs. The halal economy is expected to grow steadily and offers excellent opportunities for Indonesia and Malaysia, which already have a relatively established and competitive halal industry. (Waterhouse, 2017).

Indonesia also supports the issuance of the ASEAN Qualification Reference Framework in the halal sector. Gaznur & Nuraini (2020) explained that in terms of person certification, Indonesia also has a national work competency standard for slaughterhouse implementers following No. 196 of 2014.

After further research using a literature review, Indonesia already has a *List Of Approved Foreign Halal Certification Bodies* with 45 countries, which means that there has been mutual Recognition between countries in halal products and halal certification. However, three issues are the subject of discussion in this halal certification, namely, Halal issues can be divided broadly into three areas: contamination, non-compliance, and perception. Only cases involving contamination and non-compliance need to be reported to the HCB. Consensus has been achieved in the segregation of halal supply chains in terms of designated halal transport, storage and halal compliant terminals, for Muslim (majority) countries, whereas in non-Muslim (majority) countries, greater leniency is possible. Adequate segregation is only possible with effective communication, whereby the term 'halal supply chain' is encoded in freight documents, on freight labels, and within the ICT system (Teiman & Fernando, 2019).

Halal standard Recognition has been achieved with the Halal Certification Body (HCB) collaboration between 45 countries. Apart from the differences in the halal standards of each country, the cooperation between certification bodies becomes a unifier in managing the halal economy together.

Various discussions among the Halal Certification Body (HCB) are often held to ensure reasonable and correct international halal standards. However, from the interview results, it was found that there were deficiencies in strengthening the competence of personnel implementing halal standards. Further research is expected to develop the competence of the personnel performing halal standards.

These halal standards include but are not limited to the development of a halal quality management system, standard implementation procedures, and regulations, supporting documents for the quality management system, audits, and competency assessments for halal implementing personnel.

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