

RESEARCH ARTICLE

# Legal Aspects of Halal Certification for Micro, Small, and Medium Enterprises (UMKM) Products

Yudho Taruno Muryanto<sup>1✉</sup>, Albertus Sentot Sudarwanto<sup>2</sup>, Adi Sulistiyono<sup>3</sup>, Dona Budi Kharisma<sup>4</sup>, Diana Tantri Cahyaningsih<sup>5</sup>, Tuhana<sup>6</sup>, Arif Suryono<sup>7</sup>

Fakultas Hukum Universitas Sebelas Maret, Surakarta, Jawa Tengah

✉ yudhotarunomuryanto@staff.uns.ac.id

## ABSTRACT

*The Indonesian economic sector is dominated by micro, small, and medium enterprises (UMKM), causing the goods and services in circulation to be dominated by these business products. Majority costumers in Indonesian who are Muslim, so it is important to guarantee halal certification for a product so as bring comfort, safety, and assurance for people who consume or use the product. In addition, through Government Regulation Number 39 of 2021 concerning the Implementation of Halal Product Guarantee Sector, it is stated that the halal certification obligation for UMKM is mandatory should apply for halal certification of their products. Therefore, it is vital to conduct studies connected to the subject of monitoring halal product assurances in Indonesia. This study employs normative legal research methodologies, including a review of statutory regulations (vertical) and the angle of harmony between statutory regulations (horizontal), as well as a normative juridical approach by reviewing all laws and regulations relating to existing legal issues and using library study techniques for collecting legal materials. The main regulations for halal product guarantees in Indonesia are regulated through Law Number 33 of 2014 concerning halal product guarantees as amended in government regulations in lieu of Law Number 2 of 2022 jo. Law Number 6 of 2023 concerning job creation. According to the study findings that many regulations governing halal product guarantees in Indonesia have led to dualism in halal certification institutions, namely between the Indonesian Ulema Council (MUI) and the Halal Product Fatwa Committee regarding the authority to issue halal certification to products produced by business actors.*

**Keywords:** Halal certificate, Halal product, UMKM.

## INTRODUCTION

Population in Indonesia country is around 275 million people with majority of whom adhere to the Muslim religion. This causes the Muslim market in Indonesia to have great potential, one of which is the existence of a halal lifestyle<sup>1</sup>. A halal lifestyle refers to a way of life that is in accordance with halal principles in Islamic religious law. This term covers

---

<sup>1</sup> Ningrum, R. T. P. (2022). Problematika Kewajiban Sertifikasi Halal bagi Pelaku Usaha Mikro dan Kecil (UMK) di Kabupaten Madiun. *Istithmar*, 6(1), hal 44.

all aspects of daily life, from food and drink consumption to clothing to social and economic activities.

The growth of the national economic sector has experienced significant development with the emergence of micro, small, and medium enterprises (UMKM). This is a productive economic commercial industry operated by people or corporate entities that can be classified as UMKM under legislative rules. Usually, the products produced by UMKM are in the form of handicrafts, food, processed plants, and so on<sup>2</sup>. UMKM is currently one of the greatest contributors to the national economy, with a contribution of 61.1%, while the remaining 38.9% is contributed by significant business players, the number of which is only 5,550 or 0.01% of the total number of company actors<sup>3</sup>. Therefore, it was found that UMKM represents the majority of business actors in Indonesia, with almost 99% of existing business actors. Some examples of UMKM are catering businesses, home businesses, coffee shops, cadgers, etc. It can be concluded that, on average, the majority of products consumed in society today are products produced by UMKM companies.

Based on the foregoing, UMKM entrepreneurs, as the main market owners in Indonesia, must give halal assurances for their products in order to safeguard customers, as the majority of Indonesian consumers are Muslim. Halal certification guarantees the assurance, comfort and trustworthiness of item for those who are using or consuming them.

The government, as a state administration institution who obligated to give constitutional safeguards to its citizen, needs to provide legal regulations to guarantee the rights of its citizens. The 2021 Government Regulation Number 39 outlines the implementation of the Halal Product Guarantee Sector states that UMKM must register for halal certification for their goods. This restriction is driven by the fact that many UMKM have yet certifying the halal label on their products. According to the database, the Ministry of Religion's Halal Product Guarantee Administering Agency (BPJPH) has only approved 44.4 million of the UMKM in Indonesia, leaving around 15.4 million UMKM to be certified<sup>4</sup>.

Therefore, it is appropriate for the government to provide legal regulations regarding UMKM products circulating in relation to the halalness of these products to the public. furthermore, the government can accommodate legal certainty and carry out supervision by issuing regulations regarding halal products and labels on product packaging. Based on the information presented above, the author is interested in undertaking legal study on the topic of monitoring halal product warranties in Indonesia with the title “Legal Aspects of Halal Certification for Micro, Small, and Medium Enterprises (UMKM) Products”.

---

<sup>2</sup> Apriani, N., & Said, R. W. (2022). Upaya Perlindungan Hukum Terhadap Industri Usaha Mikro Kecil dan Menengah (UMKM) di Indonesia. *Jurnal Al Azhar Indonesia Seri Ilmu Sosial*, 3(1), hal 29.

<sup>3</sup>Dedi Sasangko, (24 Agustus 2020), UMKM Bangkit, Ekonomi Indonesia Terungkit. <https://www.djkn.kemenkeu.go.id/artikel/baca/13317/UMKM-Bangkit-Ekonomi-Indonesia-Terungkit.html#:~:text=Sementara%20itu%20kontribusi%20UMKM%20terhadap,01%25%20dari%20jumlah%20pelaku%20usaha>.

<sup>4</sup> Sekretariat KADIN Indoneisa, (31 Mei 2024), Pemerintah Tunda Wajib Sertifikasi Halal ke 2026, Mengapa?. <https://kadin.id/analisa/pemerintah-tunda-wajib-sertifikasi-halal-ke-2026-mengapa/>.

## METHODS

The study methodology employed is normative legal research., namely a study method that uses a review of statutory regulations (vertical) as well as the angle of harmony of the relationship between statutory regulations (horizontal), using a normative juridical approach.<sup>5</sup> Using a legislative research technique that is carried out by assessing all laws and regulations related to current legal challenges and applying library study methods for acquiring legal documents. The legal resources utilized are Indonesian legislation as main legal materials, as well as secondary legal materials used to supplement primary legal materials, such as news from electronic media, books, and journals connected to this study issue. The legal resources are next studied using content analysis, which is effective in obtaining a theoretical basis by evaluating, researching, and taking notes on books, legal rules, papers, archives, and other research results relating to the subject under investigation<sup>6</sup>. Furthermore, the author will have a theoretical framework for the consequences of halal certification oversight in Indonesia.

## RESULTS DAN DISCUSSION

The major requirements for halal food assurances in Indonesia are established by Law No. 33 of 2014. However, in its development, this law underwent many changes with the issuance of Law Number 11 of 2020 jo. Government Regulation in Lieu of Law Number 2 of 2022 jo. Law Number 6 of 2023 concerning Job Creation. In addition, there are several technological rules that must be considered, namely Government Regulation Number 39 of 2021 concerning the Implementation of the Halal Product Guarantee Sector, Decree of the Minister of Religion Number 748 of 2021 concerning Types of Products that Must Be Halal Certified, Decree of the Minister of Religion Number 1360 of 2021 concerning Excluded Materials from the obligation to be Halal Certified, and Decree of the Head of BPJPH Number 78 of 2023 concerning Guidelines for Halal Certification of Food and Beverages with Processing<sup>7</sup>.

According to Article 4 of Law Number 33 of 2014 on Halal Product Guarantees, halal certification is required for goods disseminated and sold in Indonesia, which implies they must be halal in line with Islamic law. This halal certificate obligation applies to all business actors, both micro and small businesses, as well as business actors outside of micro and small businesses. This is especially important for micro and small business players according on Article 48, Point 2 of Government Regulation jo. Law Number 2 of 2022 concerning Job Creation, halal certificates can be based on a halal declaration from the business actor based on halal criteria that have been defined by BPJPH. Meanwhile, according to Article

---

<sup>5</sup> Peter Mahmud Marzuki, 2008, *Penelitian Hukum*. Jakarta: Kencana, hal 23.

<sup>6</sup> *ibid*, hal 93.

<sup>7</sup> Normand Edwin Elnizar, (14 Desember 2023), *Ingat! Mulai 2024, Makanan dan Minuman Wajib Bersertifikat Halal*. <https://www.hukumonline.com/berita/a/ingat-mulai-2024--makanan-dan-minuman-wajib-bersertifikat-halal-lt657ac45200964/>

48 point 15, business players in the micro and small company sectors can request for a halal certificate from BPJPH by attaching papers containing Business actor information, the name and kind of product, a list of objects and materials used, and the manufacturing process.

Products that need to be halal-certified are mentioned in Article 48 number 1 of Government Regulation in Lieu of Law Number 2 of 2022 concerning Job Creation, which amends Article 1 number 1 of Law Number 33 of 2014 concerning Halal Product Guarantee that must be halal certified include items food, beverages, pharmaceuticals, cosmetics, chemical products, biological products, genetically modified items, and consumer goods are examples of public-use products. Halal inspection of a product involves the process comprises material supply, processing, storage, packaging, distribution, sales, and product display. In this scenario, there are criteria for types of materials that are classified as halal and are employed either as raw materials, processed materials, supplementary materials, or auxiliary materials, which include:

1. Exceptions to forbidden elements include carrion, blood, pork, and animals murdered in violation of Sharia. Aside from those stated above, the minister determines substances derived from forbidden animals using the MUI fatwa.
2. Plants, with the exception of those that are intoxicating or risk the health of individuals who consume them.
3. Those derived from microorganisms, as well as those created through chemical, biological, or genetic engineering techniques, are forbidden if they are combined, confined, or contaminated with prohibited materials throughout the growth and/or manufacturing stages.

Business actors that create and include forbidden items listed above are excused from the requirement applying for a halal certificate, but must disclose non-halal information on the labeling. Meanwhile, Business players that have obtained a halal certification must undertake numerous things, including:

1. incorporate halal markings on items that have achieved halal certification;
2. preserve the halal status of items that have earned halal certifications.;
3. differentiating halal from non-halal products in terms of location, place of slaughter, processing equipment, storage, packaging, distribution, sale, and presentation;
4. If the component composition and/or PPH change, the halal certificate must be renewed; and
5. Changes in the content of ingredients and/or procedures of halal goods should be reported to BPJPH.

It is further regulated that if these things are not implemented by the business actor, administrative punishments may be imposed on the business actor, with the terms further governed by government rules. These sanctions can take the form of terminating business operations, imposing fines, removing halal certificates, removing business permits, and others as regulated in the law.

According to Article 1 Number 5 of Law Number 33 of 2014, as amended in Article 48 Number 1 of Government Regulation jo. Law Number 2 of 2022 concerning Job Creation, A halal product guarantee (JPH) is defined as confidence about a product's halal legislation as evidenced by a halal certificate. Meanwhile, A halal certificate is a document

that verifies the halal status of a product by the Halal Product Provider Guarantee Agency (BPJPH) based on a written halal fatwa on the determination of the halalness of a product by the MUI, provincial MUI, district/city MUI, Aceh Ulama Consultative Council, or the Halal Product Fatwa Committee.

According to this, three agencies are responsible for providing halal certificates: the Halal Product Provider Guarantee Agency (BPJPH), the Indonesian Ulema Council (MUI), and the Halal Product Fatwa Committee (KFPH). Even though they both regulate halal product guarantees, these institutions have different roles and functions in carrying out supervision of halal products in Indonesia. BPJPH is an organization under the Ministry of Religion of the Republic of Indonesia and is tasked with ensuring the halalness of products produced and sold in Indonesia. BPJPH also serves as a body that regulates and assures the halalness of halal goods in Indonesia, as well as oversees the execution of laws and regulations governing halal products.

Then, MUI is a non-governmental agency under the Ministry of Religion that is entrusted with performing audits, rating the halalness of items, and delivering periodical product halal fatwas. Meanwhile, KFPH is a body entrusted with delivering halal decision on normal halal certification applications and issuing fatwas on halal certification applications by self-declaration. The self-declare approach incorporates micro and small company players (UMKM) into the halal certification process themselves without going through the product halal testing process by the Halal Testing Institute (LPH), with several conditions including a statement of halal status from the business actor, assistance by halal product process assistants, flow related to the product processing process, as well as halal product guarantee system documents that comply with BPJPH standards. That way, business actors can apply for halal certification at lower costs and a simpler processing process. Based on this, it can be seen that KFPH functions as a body that provides halal determination for regular halal certification applications and issues fatwas on halal certification applications through self-declaration, while MUI and BPJPH play a wider role in the halal certification process and product halal monitoring.

## CONCLUSION

Based on the foregoing, rules governing the supervision of halal goods in Indonesia have changed significantly, ranging from Law Number 33 of 2014 addressing halal product guarantees to Law Number 6 of 2023 involving employment creation and associated restrictions. The large number of regulations has resulted in overlapping regulations governing supervision carried out by legal entities that issue halal certification. One of them is that KFPH and MUI have the ability to provide halal certification to items manufactured by business players. In this approach, there is dualism in halal certification institutions; for example, the Indonesian Ulema Council (MUI) was initially the sole organization with the authority to give halal certification, as outlined in Law Number 33 of 2014 on halal product assurances. However, with the production of government regulation in lieu of Law Number 2 of 2022 about Employment Creation, another entity developed that could give

halal certification, namely the Halal Product Fatwa Committee, which is overseen by the Ministry of Religion.

## REFERENCES

- Apriani, N., & Said, R. W. (2022). Upaya Perlindungan Hukum Terhadap Industri Usaha Mikro Kecil dan Menengah (UMKM) di Indonesia. *Jurnal Al Azhar Indonesia Seri Ilmu Sosial*, 3(1), 28-35.
- Ningrum, R. T. P. (2022). Problematika Kewajiban Sertifikasi Halal bagi Pelaku Usaha Mikro dan Kecil (UMK) di Kabupaten Madiun. *Istithmar*, 6(1), 43-58.
- Sekretariat KADIN Indoneisa, (31 Mei 2024), Pemerintah Tunda Wajib Sertifikasi Halal ke 2026, Mengapa?. <https://kadin.id/analisa/pemerintah-tunda-wajib-sertifikasi-halal-ke-2026-mengapa/>.
- Sasangko, Dedi, (24 Agustus 2020), UMKM Bangkit, Ekonomi Indonesia Terungkit. <https://www.djkn.kemenkeu.go.id/artikel/baca/13317/UMKM-Bangkit-Ekonomi-Indonesia-Terungkit.html#:~:text=Sementara%20itu%20kontribusi%20UMKM%20terhadap,01%25%20dari%20jumlah%20pelaku%20usaha>.
- Marzuki, Peter Mahmud. (2008). Penelitian Hukum. Jakarta: Kencana.
- Elnizar, Normand Edwin, (14 Desember 2023), Ingat! Mulai 2024, Makanan dan Minuman Wajib Bersertifikat Halal. <https://www.hukumonline.com/berita/a/ingat-mulai-2024--makanan-dan-minuman-wajib-bersertifikat-halal-lt657ac45200964/>