

LAW ENFORCEMENT AND HALAL INDUSTRY: CHALLENGES AND PROSPECTS

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ABSTRACT

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The development of the halal industry in Indonesia has shown significant growth, driven by increasing public awareness of halal products and government regulatory support. This study aims to analyze the challenges and prospects of halal industry law enforcement in Indonesia. The research methodology employed is normative legal research, adopting a statutory approach and literature study. Findings indicate that halal industry law enforcement still faces various challenges, including low business actor awareness regarding halal certification, weak oversight, limited human resources, and the complexity of digital trade development. Moreover, inter-institutional coordination in implementing halal product guarantees remains suboptimal. Nevertheless, the halal industry holds great potential, supported by Indonesia's Muslim-majority population, the growth of the global halal market, and the government's commitment to strengthening the national halal ecosystem. Therefore, synergy among the government, business actors, and the public is essential to establish effective and sustainable halal industry law enforcement.

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INTRODUCTION

The Indonesian halal industry holds significant strategic potential to drive national economic growth and strengthen Indonesia's position as a global halal industry hub. Demand for products and services compliant with Sharia principles continues to rise both domestically and internationally, fueled by the Muslim-majority population and increasing consumer awareness of halal product importance. However, industry advancement is accompanied by complex and multifaceted law enforcement challenges. Supporting infrastructure, coupled with a shortage of halal auditors and Halal Inspection Bodies (LPH), hinders certification processes, especially outside Java. This results in lengthy verification queues and time uncertainty, negatively impacting businesses.

Moreover, many halal material testing laboratories lack accreditation or facilities meeting standards, ultimately leading to slow and poor service. Nationally and internationally, the success of halal law enforcement not only determines how well products meet halal standards but also reflects how competitively Indonesian products perform in the global market amid rising global demand for halal products.

Weak enforcement of applicable halal standards is a major issue for the halal industry. Law No. 33 of 2014 on Halal Product Guarantees serves as a crucial legal foundation; however, its implementation faces challenges such as oversight, legal sanctions, and the capacity of oversight institutions. Halal label falsification, administrative disorganization, and insufficient organizational collaboration are significant obstacles in ensuring product halality.

When confronted with international market dynamics featuring diverse standards and certifications, the effectiveness of halal regulation is also questioned. This raises issues in policy harmonization and hinders industry actors from accessing export markets that demand legal legitimacy and trust in Indonesian halal labels. Conversely, industry actors—particularly SMEs—face difficulties in meeting administrative and legal requirements, slowing certification and increasing the risk of legal violations. Despite this, the halal industry holds excellent prospects if law enforcement can be consistently, fairly, and adaptively implemented in line with evolving times. To establish a competitive and trustworthy halal ecosystem, inclusive policies and initiatives to enhance legal capacity are vital. Hence, a stronger and more sustainable law enforcement approach is needed to provide legal certainty, protect consumers, and foster competitive halal industry growth.

LITERATURE REVIEW

The Halal Industry in Indonesia

Research published in the journal 'Potret Industri Halal Indonesia: Peluang dan Tantangan' (Portrait of the Indonesian Halal Industry: Opportunities and Challenges) explains that Indonesia has substantial potential for halal industry development, particularly in halal food, halal tourism, Muslim fashion, and Sharia finance. However, the study also identifies challenges, including low public halal awareness, weak competitiveness of local products, and suboptimal implementation of halal product guarantee regulations.

Another study in the journal 'Penguatan Industri Halal bagi Daya Saing Wilayah: Tantangan dan Agenda Kebijakan' (Strengthening the Halal Industry for Regional Competitiveness: Challenges and Policy Agendas) states that halal industry law enforcement challenges stem not only from regulatory aspects but also from weak halal supply chain integration and low halal literacy among business actors, especially SMEs. This research emphasizes the importance of policy strengthening and institutional coordination to enhance halal industry oversight effectiveness.

Furthermore, the journal 'Tantangan dan Prospek Standarisasi Halal Indonesia di Era Globalisasi' (Challenges and Prospects of Indonesian Halal Standardization in the Globalization Era) explains that halal standardization is a critical factor in ensuring consumer trust in halal products. The study indicates that certification process complexity, international halal standard variations, and low public understanding are primary obstacles to halal law enforcement in Indonesia. Nevertheless, globalization offers Indonesia significant prospects for expanding its international halal market if monitoring and standardization systems are strengthened.

Opportunities and Challenges of the Halal Industry

In the journal 'Analisis Peluang, Tantangan, dan Strategi Industri Halal di Indonesia' (Analysis of Opportunities, Challenges, and Strategies for the Halal Industry in Indonesia), it is explained that Indonesia has great potential to become a global halal industry hub, supported by its status as the world's largest Muslim population. However, main challenges remain related to regulatory effectiveness, halal certification, and national halal industry infrastructure readiness. The study emphasizes the need for collaborative strategies among government, academia, and business actors to strengthen halal industry law enforcement.

Another study titled 'Peluang Ekonomi dan Tantangan Regulasi dalam Industri Halal di Indonesia' (Economic Opportunities and Regulatory Challenges in the Halal Industry in Indonesia) notes that weak regulatory implementation and halal standard disparities hinder national halal industry development. This study also highlights the importance of regulatory harmonization and enhanced oversight to ensure halal law is not merely administrative but also effectively protects Muslim consumers.

Hypotheses development (Sub-Section)

Based on previous research, halal industry law enforcement in Indonesia still faces various challenges, including low business actor awareness of halal certification importance, limited oversight, relatively complex bureaucracy, and expanding digital trade. Moreover, inter-institutional coordination and limited human resources also affect the effectiveness of halal product guarantee implementation in providing legal certainty and consumer protection.

Nevertheless, the halal industry holds immense potential, driven by rising global halal market demand and government support for Sharia economic development. As a Muslim-majority country, Indonesia has the opportunity to become a global halal industry hub if it optimally strengthens its halal regulatory, oversight, and certification systems. Therefore, synergy among the government, business actors, and the public is essential to establish effective, transparent, and sustainable halal industry law enforcement.

METHODOLOGY

This research employs normative legal research methodology, adopting a statutory approach and a conceptual approach. The statutory approach is used to examine regulations related to halal industry law enforcement, particularly Law No. 33 of 2014 on Halal Product Guarantees and its implementing regulations. Meanwhile, the conceptual approach is used to understand concepts of law enforcement, consumer protection, and halal industry development based on theories and expert perspectives.

The data type used in this research is secondary data, comprising primary legal materials, secondary legal materials, and tertiary legal materials. Primary legal materials include regulations related to the halal industry and halal product guarantees. Secondary legal materials are obtained from scientific journals, books, articles, and previous research relevant to halal industry law enforcement. Tertiary legal materials are sourced from legal dictionaries, encyclopedias, and other supporting sources.

Data collection is conducted through library research, examining various literature related to the research object. The collected data is then analyzed descriptively qualitatively to systematically and in-depth describe the challenges and prospects of halal industry law enforcement in Indonesia.

RESULT AND DISCUSSION

Concept of the Halal Industry

The halal industry is an economic sector encompassing all activities related to the production, processing, distribution, and provision of products and services compliant with Islamic Sharia principles. The term 'halal' means anything permitted or allowed in Islam; thus, products and services in the halal industry must be free from substances and processes prohibited by Islamic law. The halal industry involves rigorous processes meeting halal standards set by official halal certification bodies such as the Indonesian Ulema Council (MUI) and the Halal Product Guarantee Implementing Agency (BPJPH). This process begins with raw material selection, processing, packaging, and distribution.

The halal industry concept offers significant opportunities in the global economy. The State of the Global Islamic Economy report indicates that the halal industry has evolved into a strategic global economic force. According to the report, the global halal economy is projected to grow annually, with food, fashion, and pharmaceuticals being the most prominent sectors. As a Muslim-majority country, Indonesia has the opportunity to develop into a global halal producer hub, not just a consumer. However, achieving this requires legal, infrastructure, educational, and technological support.

With the world's largest Muslim population, Indonesia has substantial potential to develop the halal industry. This sector significantly contributes to the national economy, absorbs labor, and opens export opportunities for halal products to the rapidly expanding global market. Halal Industry Challenges Several issues faced by the halal industry in Indonesia are as follows: Insufficient logistics and infrastructure for halal product distribution. Insufficient workforce understanding halal standards. Competition with other countries in the global halal market. For SMEs, the halal certification process is highly challenging. Law Enforcement in the Halal Industry Halal industry law enforcers are individuals responsible for ensuring that halal products sold in the market meet halal standards compliant with laws. They are also responsible for oversight, inspection, certification, and enforcement actions related to halal product violations.

Halal law enforcement in the halal industry is crucial for the successful implementation of halal standards nationwide. In this context, law enforcers are not limited to police or prosecutors but also include state institutions and technical bodies responsible for regulating, overseeing, and sanctioning violations in the halal industry. Specifically, the Halal Product Guarantee Implementing Agency (BPJPH), the Indonesian Ulema Council (MUI), and Halal Inspection Bodies (LPH) are responsible for administrative, technical, and religious fatwa aspects within the halal industry law enforcement system. Institutions and Roles of Law Enforcement in the Halal Industry

Halal Product Guarantee Implementing Agency (BPJPH)

BPJPH is a government agency under the Ministry of Religious Affairs responsible for regulating, overseeing, and issuing halal certificates. BPJPH monitors and establishes halal standards, policies, and procedures to guarantee halal products. Additionally, BPJPH registers halal products, halal auditors, and Halal Inspection Bodies (LPH). It also conducts socialization, training, and oversight of halal product guarantee implementation.

1. Indonesian Ulema Council (MUI)

Through the fatwa committee of the Council for the Examination of Halal Products, Food, Drugs, and Cosmetics (LPPOM MUI), MUI is responsible for issuing halal fatwas. Halal certificates issued by BPJPH are based on MUI's halal fatwas. MUI also functions as a halal auditor, inspecting and testing halal products.

2. Halal Inspection Body (LPH)

LPH is an institution established by the community and proposed by Islamic religious institutions to inspect and test halal products. LPH assists BPJPH in the audit and verification process of product eligibility.

Ministry of Religious Affairs

Responsible for managing, overseeing, and addressing violations related to halal products. It monitors the halal certification process and ensures businesses comply with halal regulations.

3. Law Enforcement and Sanctions

According to Law No. 33 of 2014 on Halal Product Guarantees, companies must obtain halal certification, and violations incur administrative and criminal sanctions. Individuals or companies distributing products without halal certificates or using fake halal labels face penalties. This law was enacted to safeguard the halal industry and protect Muslim consumers from haram products.

4. Collaboration among BPJPH, MUI, LPH, the Ministry of Religious Affairs, and other law enforcement agencies forms halal industry law. The principle of shared responsibility in this halal product guarantee system enables the government, religious institutions, and businesses to jointly ensure product halality.

Legal Foundation

To ensure halal products sold in Indonesia meet Islamic Sharia standards, a robust and comprehensive legal foundation exists. Law No. 33 of 2014 on Halal Product Guarantees (UU JPH) is the primary law regulating the halal industry in Indonesia. Under this law, all goods entering, selling, and trading in Indonesia must have halal certificates. Products include food, beverages, medicines, cosmetics, chemical, biological, genetic engineering products, and consumer goods. Additionally, UU JPH establishes BPJPH, under the Ministry of Religious Affairs, responsible for overseeing the entire halal certification process.

The following details the legal foundation:

Law No. 33 of 2014 on Halal Product Guarantees (UU PJH)

Government Regulation No. 31 of 2019 on Implementation Regulations of Law No. 33 of 2014

1. Law No. 11 of 2020 on Job Creation
2. Government Regulation No. 42 of 2024 on Phasing of Halal Certification Obligations
3. Thus, Indonesian halal industry law encompasses national regulations, religious fatwas, technical guidelines, and international standard recognition. This law underpins law enforcement, Muslim

consumer protection, and strengthening Indonesia's halal industry competitiveness globally. However, its success heavily depends on consistent implementation, inter-institutional synergy, and intensive business capacity-building to meet applicable standards.

4. Main Challenges in Halal Industry Law Enforcement in Indonesia

Law enforcement refers to individuals or institutions responsible for applying, monitoring, and ensuring applicable laws are correctly enforced by society. Maintaining order, justice, and legal certainty is their duty. A robust legal framework and halal certification oversight by BPJPH form the legal foundation of Indonesia's halal industry. BPJPH actively encourages business actors, especially micro and small enterprises (UMK), to obtain halal certificates to comply with regulations and enhance product competitiveness in domestic and international markets.

'Halal' originates from the Arabic word 'halla-yahillu-hillan', meaning to liberate, release, solve, and permit. Halal can be defined as anything permitted by religion and not prohibited for use or action. The Qur'an (e.g., Surah Al-Maidah, Verse 1), As-Sunnah, Ijma', and Qiyas are sources of halal law. Halal has become a global quality standard for products. Halal certification significantly benefits businesses, as consumers today trust certified products with halal logos, perceiving them as guaranteed quality and suitable for consumption.

Key aspects of halal industry law enforcement in Indonesia include:

1. **Mandatory Halal Certification:** Government Regulations No. 33 of 2014 and No. 42 of 2024 mandate halal certification for food, beverages, and slaughtered meat, effective October 2024. This reflects the government's commitment to ensuring national halal standards are met by products sold.
2. **Certification Facilitation for SMEs:** To strengthen the halal ecosystem and enhance global market competitiveness, the government offers free halal certification quotas (SEHATI program) for SMEs, supported by the Halal Product Process Support Institutions (LP3H).
3. **Oversight and Enforcement:** BPJPH collaborates with the National Agency of Drug and Food Control (BPOM) to monitor halal products in the industry. Products failing halal requirements face sanctions, including sales suspension. This underscores that halal certification is not merely administrative but a legal requirement requiring consistent compliance.
4. **Halal Industry Promotion and Development:** Beyond law enforcement, BPJPH organizes events like the Indonesia International Halal Festival (IIHF) to promote halal products across business scales, enhance an inclusive and dynamic halal ecosystem, and facilitate Indonesian halal product exports to international markets.

Halal industry law enforcement in Indonesia faces diverse challenges, ranging from regulation and implementation to public and business actor awareness. Below is a discussion of key issues identified by various sources:

Resource and Infrastructure Limitations

As the halal guarantee institution, BPJPH lacks sufficient human resources, infrastructure, and technology to effectively oversee and certify halal products nationwide. Business actors, especially SMEs, often struggle with administrative requirements and digital technology use, as halal certification processes remain largely manual.

1. Low Public and Business Awareness and Knowledge

Public and business actors remain insufficiently aware of certification and halal product importance. Many business actors lack understanding of halal standards and certification procedures, leading to non-compliance with laws.

2. Complexity and Length of Certification Process

Indonesian businesses are reluctant to pursue halal certification due to its slow and complex nature. Additionally, Law No. 33 of 2014 on Halal Product Guarantees has not been fully implemented on the ground.

3. Difficulty in Oversight and Enforcement of Sanctions

Businesses with halal certificates can still commit violations due to insufficient oversight. As laws penalizing halal certification violations are not consistently enforced, violations create legal uncertainty and reduce deterrence for violators.

4. International Halal Standardization and Accreditation

The absence of a global halal standard, coupled with varying country-specific certification requirements, makes Indonesian halal products less competitive internationally. Businesses aiming to export halal goods abroad also face uncertainty due to this.

Government Support and Regulatory Limitations

5. The government has not provided sufficient regulations, facilities, and infrastructure to support halal industry growth. Current regulations are inadequate to address the halal industry's rapid expansion.

Inter-Institutional Collaboration

6. To ensure successful law enforcement and halal standard implementation, collaboration among BPJPH, MUI, local governments, and business actors must be enhanced.

Regulatory Effectiveness in Guaranteeing National and International Halality

7. In Indonesia, the halal product guarantee law, especially after Law No. 33 of 2014 was amended to Law No. 6 of 2023, has implemented stricter regulations, mandatory labeling, and enhanced law enforcement to strengthen halal certification processes. The law aims to provide legal security and consumer protection for Muslim customers and enhance domestic and international halal product competitiveness.

Global halal regulatory success also depends on the reputation and professionalism of related institutions in Indonesia. Trading partners typically assess certification systems based on normative and juridical standards, as well as the credibility, accountability, and integrity of implementing institutions. Consequently, as the primary regulator, BPJPH must continuously enhance transparency, improve internal audit procedures, and expand professional connections with global halal certification bodies. This facilitates mutual recognition negotiations and opens more export doors. Regulatory success is influenced by active public participation, especially from business actors. Businesses must be educated about their legal obligation to obtain halal certificates and the benefits of certification. Halal-certified products not only meet Muslim market demand but also ensure safety and cleanliness for customers. BPJPH and related ministries' ongoing digitalization of halal certification is a highly relevant strategic step from a technical perspective in the Industry 4.0 era. Digital platforms can reduce unnecessary processes, accelerate verification, and simplify compliance monitoring. Moreover, digital systems enable inter-agency and central-local data integration, enabling more coordinated and accountable oversight and reporting. Future adoption of blockchain technology to monitor halal supply chains could creatively enhance global market trust in Indonesia's halal system.

Positive Aspects of Regulatory Effectiveness:

Enhancing Consumer Trust: Strict halal certification boosts consumer confidence in halal products, both domestically and internationally, as clear and accurate labeling helps consumers easily identify halal goods.

Strengthening Law Enforcement: Law No. 6 of 2023 strengthens law enforcement mechanisms by imposing strict sanctions on businesses violating halal regulations or using fake halal labels, preserving certification integrity and deterring violations.

SME Facilitation: Government programs offer halal certification mentoring and free quotas for SMEs, helping small businesses obtain halal certificates and enhance product competitiveness.

Regulatory Effectiveness Challenges:

International Standard Disparities: The absence of a consistent global halal standard complicates and increases costs for Indonesian producers seeking global markets.

Complex and Lengthy Certification Process: Despite legal strengthening, certification remains perceived as complex and time-consuming, especially for resource-limited SMEs, slowing halal product adoption.

Reduced Periodic Oversight: With halal certificate expiration, periodic external audits by LPH are no longer mandatory, raising concerns about reduced oversight efficiency and increased certification misuse.

Efforts to Enhance Effectiveness:

Harmonizing International Standards: International cooperation is needed to align halal certification standards, making Indonesian products more acceptable globally and reducing certification costs. **Enhancing transparency, accelerating certification, and optimizing halal supply chains can boost customer trust and distribution efficiency.** **Simplifying Certification Processes:** Businesses, especially SMEs, can expedite processes and reduce administrative burdens through standardized procedures and digitalized certification systems.

Prospects for Halal Industry Development with Improved Law Enforcement

Halal industry development prospects encompass opportunities, growth potential, and future directions across economic, social, and technological dimensions, achievable through strengthening, innovation, and regulatory support. This includes sectors like food, beverages, Sharia finance, tourism, cosmetics, pharmaceuticals, and Muslim fashion, all poised to meet domestic and international market demand. The halal industry is a vital part of the Sharia economic system, holding significant potential in both Muslim-majority countries and globally. In Indonesia, it is not only a religious obligation but also a national economic pillar. Robust regulation and law enforcement are crucial to drive industry growth, as Muslim consumer awareness of product halalness is increasing.

Halal industry development in Indonesia is aided by improved law enforcement. Consumers will increasingly trust halal products with clear, stringent, and functional legal systems. This applies not only domestically but also globally, where halal standards and product safety are increasingly prioritized. Legally processed and monitored halal products guarantee quality and Sharia compliance, serving as a key selling point for Muslim buyers worldwide.

Well-structured halal industry regulation enhances public trust, global competitiveness, investment, innovation, and fosters a more professional and sustainable halal ecosystem. The following points outline prospects for halal industry development with a robust legal system:

Enhancing Consumer Trust: Strong law enforcement ensures fair and transparent halal certification processes. Consumers feel safer and more comfortable using goods with government-recognized halal certificates. Indonesia's halal labels, issued by BPJPH under LPH and MUI oversight, carry legal weight,

bolstering consumer confidence. With stricter law enforcement, consumers no longer worry about halal labels, ultimately increasing loyalty to local products and brands.

Strengthening Global Competitiveness: With a clear and orderly legal system, Indonesia has the opportunity to expand its halal market globally. Countries like Malaysia, the UAE, and Turkey have used the halal industry as an economic diplomacy strategy. Consistent law enforcement in Indonesia will make Indonesian halal products more readily accepted internationally, especially if aligned with global halal standards like halal ISO or SMIIC (Standards and Metrology Institute of Islamic Countries). This enables businesses to access high-demand halal markets, such as South Asia, the Middle East, and Muslim communities in Europe and North America, opening significant export opportunities and strengthening Indonesia's position as a key player in the global halal market.

Attracting Investment and Driving Industry Growth: Legal certainty is vital for attracting domestic and foreign investment. Investors feel secure investing in countries with stable and robust halal law enforcement systems. Clear regulations also help businesses reduce legal risks and streamline halal product production, distribution, and marketing. As the halal sector grows—especially in food, beverages, cosmetics, pharmaceuticals, and tourism—global investors are taking notice. Investment may shift to Indonesia as halal certification and intellectual property rights receive legal protection.

Law enforcement will also drive industry actors to adopt more standardized and professional business practices. Businesses will be motivated to meet all legal and technical requirements for product halality within a strong legal framework. This includes raw materials, production processes, facility cleanliness, and product distribution. Consequently, Indonesia's halal industry will undergo transformation toward high modernization and standardization, crucial for becoming a halal product market and a global halal standard-setter.

Law enforcement will drive industry actors to adopt more professional and standardized practices. If businesses operate within a strong legal framework, they will be more motivated to meet all legal and technical requirements related to their product halality. This includes raw materials, production processes, facility cleanliness, and product distribution. As a result, Indonesia's halal industry will undergo transformation toward high modernization and standardization. It is vital to become a halal product market and a major global halal standard-setter.

Digitalization and Technological Transformation

1. Supporting halal processes will accelerate contemporary halal industry growth. By applying law to digital trust and halal information system accountability—such as blockchain for halal verification and product tracking (halal traceability)—data integrity will be strengthened, and certification processes accelerated. Digital integration in legal systems allows businesses to register, monitor, and update halal certification status, while consumers can verify product halality via apps. This enhances transparency and guarantees the integrity of Indonesia's halal industry globally.

Realizing Indonesia's Vision as a Global Halal Hub

2. With robust law enforcement, Indonesia has great potential to realize its vision as a global halal industry hub. This vision is outlined in the Indonesian Sharia Economic Masterplan 2019–2024, targeting increased Sharia economic contribution to national GDP.

Law enforcement serves as a primary pillar in this effort, creating a regulatory structure that supports halal product development, Sharia financial services, Sharia economic education, and institutional strengthening. Legal support also enables Indonesia to actively participate in halal diplomacy and establish international halal trade cooperation frameworks.

3. Challenges for Business Actors in Meeting Applicable Legal and Regulatory Standards

Business actors, especially SMEs, face various barriers hindering compliance and optimal halal certification during the implementation of applicable halal industry standards and regulations. A primary challenge is cost. Although the government offers some free halal certification programs (SEHATI), many businesses still view halal certification costs—including audits and laboratories—as a significant burden. This is especially felt by SMEs with small profit margins and limited access to government assistance.

Indonesia's halal industry has great potential to become a national flagship economic sector. With the world's largest Muslim population, Indonesia has a large and consistent halal consumer base. Law No. 33 of 2014 on Halal Product Guarantees (UU JPH) was also enacted by the government, mandating that products sold in Indonesia must have halal certification. Nevertheless, business actors, especially micro, small, and medium enterprises (UMKM), still face many challenges in practicing compliance with applicable halal standards and regulations.

Moreover, administrative and technical elements pose significant barriers. Halal certification applications require complete administrative documents, such as raw material supply chain documents, production process data, and Halal Assurance Systems (SJH). Businesses lacking robust record-keeping systems often struggle. Many rural business actors lack the knowledge or human resources needed to handle administrative processes, causing certification applications to be slow, incomplete, or even fail.

Beyond supporting infrastructure, the shortage of halal auditors and Halal Inspection Bodies (LPH) hinders certification, especially outside Java. This causes long verification queues and time uncertainty, harming businesses. Additionally, many halal material testing laboratories lack accreditation or facilities meeting standards, resulting in slow and poor service.

Below is an in-depth discussion of challenges faced by halal businesses in Indonesia:

Lack of Understanding of Halal Regulations

A primary challenge is business actors' lack of understanding of halal regulations and certification procedures. Many SME actors do not understand halal certification importance or the required documents and procedures. This confusion stems largely from limited government and related institution socialization. Additionally, legal shifts—such as halal certification moving from MUI to BPJPH—confuse business actors.

1. Certification Costs Remain High

Halal certification remains expensive for small and medium businesses. Costs include payments to Halal Inspection Bodies (LPH), on-site audits, laboratory testing, and administrative processing. Government subsidies for SMEs are limited and do not reach all Indonesian regions. Many SMEs opt out of certification due to costs, especially if their businesses are sold only locally or within small communities.

Complex Management Procedures

2. Administrative procedures required for halal certification are often perceived as complex and time-consuming. Business actors must collect various documents, such as raw material lists, production process documents, and internal audit reports. A major issue is the lack of mentoring; many businesses fail to proceed due to no facilitators or experts assisting in document preparation.

3. Limitations Set by Halal Inspection Bodies (LPH)

The number of available LPHs remains insufficient compared to the number of business actors requiring halal certification. Most LPHs are located in major cities, while business actors are scattered in remote areas. Remote businesses must wait months for audit scheduling, making the audit and inspection process time-consuming and hindering production and distribution.

4. Raw Material Supply Chain Issues

To meet halal standards, business actors must ensure all materials used are halal-certified, especially third-party suppliers. However, in practice, not all suppliers provide clear halal status information, making it difficult for businesses to comprehensively guarantee their products are halal.

5. Production and Technology Management Limitations

Business actors, especially SMEs, often use simple production technology that does not meet halal law cleanliness and safety standards. Non-standardized production processes hinder halal audits. Moreover, poorly documented production management makes it difficult for businesses to meet production process reporting requirements, a crucial part of product halality assessment.

6. Lack of Educated Human Resources

Business actors need skilled employees in halal management, such as halal managers, internal auditors, and production staff understanding halal principles. However, training to develop such skilled personnel remains insufficient. Businesses struggle to ensure all production processes comply with applicable laws without staff understanding halal management.

7. Consequences of Oversight and Law Enforcement

Despite regulations mandating halal certification, the government still lacks sufficient oversight. Many products lack halal certificates, especially in traditional stores and e-commerce. Without strict enforcement against violations, businesses do not feel urgent pressure to obtain halal certification, causing imbalance between compliant and non-compliant businesses.

8. Imbalance in Access to Information and Services

Businesses in major cities usually have easier access to information, LPH services, and technical assistance. Conversely, businesses in remote or rural areas often lack equal access. Urban-rural disparities hinder halal certification, leaving many businesses behind without inclusive strategies.

9. Inconsistent Regulatory Changes

Legal uncertainty for business actors arises from policy changes or overlapping authority among BPJPH, MUI, and the Ministry of Religious Affairs. They are unsure who truly holds halal certification authority. Businesses lack consistent, orderly regulation, hindering legal certainty and halal product planning.

Considering the above barriers, it can be concluded that business actors' challenges in complying with halal regulations stem not only from internal but also external sources. To realize an inclusive and competitive halal industry ecosystem, the government, certification institutions, business associations, and the public must collaborate in joint efforts. Indonesia's halal industry cannot maximize its potential without strong systemic support.

Strategies for Enhancing Law Enforcement Effectiveness in the Halal Industry

To ensure all goods sold in the market comply with Sharia, halal industry law enforcement in Indonesia holds strategic responsibility. This includes fulfilling religious standards, public trust, business competition, and Indonesia's position in the international halal market. In this context, law enforcement cannot be viewed solely as a government institution's responsibility; rather, it must be seen as a collective effort requiring active participation from various stakeholders. Consequently, a comprehensive, integrated, and results-oriented approach is needed.

Regulatory reform must be the first step. Currently, authority overlaps among several institutions, such as BPJPH, LPPOM MUI, and the Ministry of Religious Affairs, confusing business actors about halal certification processes. To ensure legal clarity and consistency, regulations must be harmonized.

Harmonization must include alignment between central and regional levels to prevent discrepancies or policy conflicts in field implementation. Regulations should focus on ease, procedural clarity, and SME sensitivity.

The next key strategy is strengthening law enforcement institutions. As the main body in Halal Product Guarantee implementation, BPJPH requires adequate budgeting, sufficient infrastructure, and experienced human resources. Currently, this institution faces technical and geographical coverage limitations. Therefore, the government must support BPJPH's institutional capacity by recruiting staff, providing continuous training, and establishing service centers in remote areas. Increasing the number and capacity of Halal Inspection Bodies (LPH) is needed to accelerate and comprehensively handle certification and audit processes.

In the computer and internet era, using information technology is a vital method to enhance law enforcement performance. Digital-based service systems will increase transparency, reduce bureaucracy, and accelerate certification processes. The government can create an integrated digital platform allowing businesses to register, upload documents, track certification progress, and receive real-time halal law and guideline information. Through easily accessible digital reporting systems, the public can also monitor products. Technologies like blockchain can be adopted to trace halal product supply chains, ensuring product halality from raw materials to final distribution.

A law enforcement strategy is enhancing public and business actor knowledge about halal law. Many business actors are unaware of halal certification importance and legal consequences of non-compliance. Thus, massive, sustained socialization and education efforts are needed. The government, Islamic mass organizations, educational institutions, and media must collaborate to spread educational messages about halal legal obligations, certification processes, and economic/social benefits of halal law compliance. Additionally, education must reach youth through vocational school and university curricula to produce halal auditors, halal law experts, and halal managers.

Law enforcement relies on effective collaboration among stakeholders. The government cannot monitor millions of halal products alone. Thus, strong partnerships among government, businesses, NGOs, industry associations, academics, and religious leaders are essential. This may include national halal synergy forums, public-private partnerships to build halal laboratories, and strategic partnerships between central and local governments for halal services. Involving multiple parties will make oversight stronger, more responsive, and adaptable to field changes.

The aforementioned approaches will make halal industry law enforcement stronger, more effective, and sustainable. These strategies will improve domestic product quality and strengthen Indonesia's competitiveness in the global halal market. Moreover, a credible halal guarantee system will enhance consumer trust, expand market access, and help achieve fair and sustainable national development goals. Thus, with strong political commitment, good governance, and active societal participation, halal industry law enforcement must be a top priority.

CONCLUSION

Law enforcement in Indonesia's halal industry plays a vital role in ensuring all sold goods meet Sharia standards and guarantee product safety and quality. With increasing consumer awareness of halal product importance, the legal system governing and ensuring this must be strengthened and updated. A fair, consistent, and transparent law enforcement system is crucial for the halal industry's future success.

The halal industry holds highly promising prospects with improved law enforcement. When halal law is effectively enforced, businesses will be motivated to adhere to halal standards, enhancing product competitiveness domestically and internationally, and strengthening Indonesia's position as a key player in the global halal industry. International consumers will increasingly trust Indonesian halal products certified through credible, internationally aligned processes, opening export pathways and driving economic growth.

Success depends on cross-sectoral collaboration among government, society, academia, and the private sector. To foster a culture of compliance, strict sanctions must be applied, and incentives offered to compliant businesses. Strengthening Indonesia's position in the global halal market can be achieved through equitable halal infrastructure and service distribution nationwide and alignment with international halal standards. Indonesia's halal industry has great potential for inclusive and sustainable growth with proper strategies and strong collaboration. Robust law enforcement will be the cornerstone for building a credible and competitive halal ecosystem, delivering tangible public benefits and enhancing Indonesia's international competitiveness.

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