Assistance for Registration of Halal Certification to MSMEs Products in Banten Province

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Abstract

Consumer’s awareness of the importance of halal products has increased in Indonesia. However, there are still many producers in Indonesia, especially MSMEs in Banten province who have not applied for halal certification due to the lack of their knowledge about the urgency of halal certification, and the process for obtaining halal certificate which are considered difficult. This service activity involved selected MSMEs in Banten province and the academist at Department of Food Technology, Sultan Ageng Tirtayasa University, in order to provide a good understanding of the benefits of halal certification and assist them during registration process until they get halal certificate for their products. This carried out in 3 stages, there were lectures and discussion about the process of halal certification, preparation of halal manuals, and halal registration. The results of this activity were the issuance of halal certificates for 8 selected MSMEs in Banten province which are valid for the next 4 years.

Keywords: halal certification, food products, Banten Province, MSMEs

Introduction

Indonesia is a country with the largest Muslim population in the world. Unfortunately, this number is not accompanied by the presence of halal food, where based on the Global Islamic Economy, Indonesia is not included in the top 10 for that category. One of the efforts to improve the quality of Indonesia to become the center of the Islamic economy in the world is to strengthen the Micro, Small and Medium Enterprises (MSMEs) sector as the main driver of the halal value chain...
The government is currently trying to encourage Indonesia to become a producer of halal products by implementing Law Number 33 of 2014 concerning halal product guarantees, where halal certification is currently mandatory for entrepreneurs which will be implemented in stages starting from 2019 to 2024 (Kementerian Agama, 2019).

Entrepreneurs in that case referred to individuals or business entities that carry out business activities in Indonesia, including MSMEs (Widayat et al., 2020). There are five categories of products that must be halal certified based on the law, namely food and beverages, cosmetics and medicines, chemical products, biology and genetic engineering, consumer goods, and services. Entrepreneurs who do not carry out halal certification by the stipulated target date will receive consequences according to applicable law, namely that their products need to be labeled as non-halal even though the product uses halal ingredients. This consequence will certainly harm them, because one of the consumer considerations in choosing a product is based on its halal status (Gunawan et al., 2021).

The growth of MSMEs in Indonesia continues to increase, where currently there are 64.19 million MSMEs activists spread across Indonesia (BKPM, 2021), especially in Banten province there are more than 1 million spread across various cities and districts (Dinas Cooperatives and UKM, 2018). This amount needs to be accompanied by the implementation of halal product guarantees so as to be able to improve the quality and added value of the established business so that it can compete with the global market. Implementation of halal guarantees for business actors is an effort to protect consumer rights, especially consumers who are Muslim considering that Indonesia is a country with the largest Muslim population.

Implementation Method

This activity was carried out in September - November 2022 and involved 20 MSMEs in Banten Province, students and practitioners in the halal field. This activity is divided into 4 stages, the first stage was holding practitioner lectures about Halal Certification Process. This activity invited MSME activists in Banten Province and students to attend socialization and training on halal products and the halal certification process by presenting practitioners from LPPOM MUI Banten. This activity was also attended by the chief executive of matching fund kedaireka and representatives from global waqaf as partners in the context of developing adaptive MSMEs to the Covid-19 pandemic to overcome scarring effect and economic recovery in Banten province carried out by Department of Food Technology in Sultan Ageng Tirtayasa University.

The second stage was in the form of assistance in the preparation of the Halal Manual. This activity was assisted by Department of Food Technology in collaboration with partners for MSMEs in Banten province to trace raw materials and production processes according to the halal assurance system (SJH), and compiled a manual for the halal assurance system which serves as a guideline for implementing SJH. The third stage was halal registration. This stage included assistant the registration of halal certification for MSMEs, including preparation of the required files, registration through the ptsp.halal.go.id page until the halal certificates were published for MSMEs products.

Result and Discussion

Based on the analysis and preliminary observations in this activity, the majority of MSMEs in Banten Province who were involved in this activity did not understand the importance of halal certification and its impact on MSMEs, and the procedures for

https://equatorscience.com/index.php/move
applying for halal certification of their products. Whereas, halal certification is an tool that can maintain peace for customers, and increase the added value of products (Mellita, et al., 2018). Therefore, practitioner lectures were expected to give insights for MSMEs regarding the functions and benefits of halal certification for business progress, and increased their ability to trace the halalness of their products from their raw materials, production process, and product distribution. This activity was attended by practitioners from LPPOM MUI Banten who explained directly the stages of halal certification registration, and motivated MSMEs to register halal certification for their products (Figure 1). Topics that had been discussed including the importance of halal certificates, requirements and documents needed for halal registration, and procedures for registration. This activity were not only limited to discuss about halal registration, but also gave an insight about business prospects with the existence of a halal certificate, so that MSMEs could be better to prepare the requirement technically and non-technically for obtaining halal certification.

![Figure 1. Lectures for Halal Certification Process](image)

The activity continued with assistance the preparation of manual halal documents (Figure 2). Manual halal was one of the document requirements that must be fulfilled to obtain halal certification. Eleven MSMEs with various products in Banten province were selected to register for halal certification (Table 1). This stage carried out by several agendas; arranged halal policies, criteria for halal assurance system, operational procedures, established halal management team, compiled the list of halal raw materials, product and material matrices, and production flow charts. MSMEs were accompanied by students and lecturers of Department of Food Technology who have received previous training regarding the halal guarantee system, so that they could help MSMEs who find trouble during preparation of halal documents. This stage was carried out by survey and observation methods. This activity was expected to open the opportunities for MSMEs to discuss about the stages for halal certification of their products, so this activity did not only stop until product certification is halal certified, but many other positive impacts would be obtained including increasing consumer trust and satisfaction, as well as the importance of maintaining consistency and commitment of MSMEs so that their products can provide peace for consumers, especially Muslim consumers. The output of this activity is the preparation of halal manual documents for further registration of halal products.

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<th>Table 1. List of Selected MSMEs in Banten Province for Halal Certification Assistance</th>
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Halal registration was carried out by filling out a form online via the ptsp.halal.go.id page (Figure 3). Required documents such as manual halal and MSMEs profiles were required at this registration stage. MSMEs sent their data and documents needed for registration of halal certification for each product. They accompanied by a team from Department of Food Technology including lecturers and students to filled the MSME profile, and uploaded all documents to the website and facilitated the cost of halal certification. The output of this activity is the issuance of halal certificates for MSME products where the process lasts for approximately 20 working days.
Further, the halal certificate that had been obtained by MSMEs was expected to be a motivation for business actors to always maintain the halalness of their products. Socialization regarding product halal guarantees was needed in order to increase awareness of all the entrepreneurs and the consumers about the importance of halal certification for products. This certification needed to be a priority for MSMEs because it was one of the most important factors that play a role in determining consumer decisions for buying products. The development of the halal industry will also be wider through strengthening MSMEs in Indonesia.

Conclusion

Halal certification activities for MSMEs products in Banten province aim to increase the insight about the importance of halal certification for consumer satisfaction and added value of products. This activity was carried out in three stages consisting of lectures by practitioners on halal certification, assistance in the preparation of documents, and registration of halal certificates. MSMEs who got the halal certificate were expected to be able to maintain the consistency of the halalness of their products and become an example for other business actors, especially in the Banten province. Continuous socialization and collaboration is needed to realize a halal guarantee system according to Law Number 33 of 2014, so that it can improve the welfare of MSMEs in Banten province and the halal industry in Indonesia.

Acknowledgments

Acknowledgments to the Indonesian Ministry of Education, Culture, Research, and Technology for financial assistance from Matching Fund Program 2022.

References


