



BPJPH

BADAN PENYELENGGARA JAMINAN PRODUK HALAL
KEMENTERIAN AGAMA REPUBLIK INDONESIA

STREAMLINING OF HALAL CERTIFICATION IN INDONESIA

Prof. Ir. Sukoso, M.Sc, Ph.D
Head of Halal Product Assurance Body (BPJPH)



HISTORY OF HALAL CERTIFICATION IN INDONESIA

1. 1988, Prof. Dr. Tri Susanto, M.App.Sc (University of Brawijaya) found derivate products from pig such as gelatin, lard in food and beverages.
2. National problem, 20-30% sale product decreased.
3. Indonesia Ulama Council (Majelis Ulama Indonesia/MUI) solve the problem by established Institute for halal food and drugs/LPPOM-MUI)-1989.
4. Halal certification become Voluntary.
5. 2001, Ajinomoto Scandal.
6. 2014, 17th October, Law Number 33, Concerning Halal Product Assurance
7. 2019, 17 Oct, Mandatory for Halal Certification (Article 4)



SOME OF ACTS FOR INDONESIA HALAL PRODUCT

1. Halal By Halal Product Assurance Body (HAPAS-B) = Badan Penyelenggara Jaminan Produk Halal (BPJPH)..... Law Number 33, 2014
2. Thoyyibah By Indonesia Food Drug Administration (IFDA) = Badan Pengawasan Obat dan Makanan (B-POM).... Law Number 26, 2017
3. Sharia Finance By National Committee of Sharia Finance = Komite Nasional Keuangan Syariah (KNKS)..... Law Number 21, 2008

WHY HALAL BY GOVERNMENT

- The mandate to assure the freedom of every citizen to embrace their own religion and to worship according to their religion and belief base on Indonesia constitution of 1945.
- Base on history of halalness as potential issue.
- Guaranteed of its halalness.
- Increasing public interest in halal products.
- Big Market : Big moslem population Indonesia (85% is moslem : 213 million (Total : 250 million))

INDONESIA RULES ABOUT HALAL

Article 4

Products that enter, circulate, and are traded in the territory of Indonesia must be halal-certified.

Article 26

1. Business Operators that produce Product from Material that comes from haram Material as intended in Article 18 and Article 20 are excluded from submitting Halal Certificate application.
2. Business Operators as intended in paragraph (1) must attach non-halal information on the product.

Source: Law of The Republic of Indonesia Number 33 Year 2014 On Halal Product Assurance

INDONESIA RULES ABOUT HALAL

Article 67

1. Obligation of halal certification for Products that circulate and are traded in the territory of Indonesia as intended in Article 4 comes into effect 5 (five) years from the legislation of this Law.
2. Prior to the obligation of halal certification as intended in paragraph (1) is in effect, the type of Product which requires halal certification is regulated in stages.
3. Provision regarding the type of Product that requires halal certification as regulated in paragraph (2) is regulated in Government Regulation.

Source: Law of The Republic of Indonesia Number 33 Year 2014 On Halal Product Assurance



THE AUTHORITY OF HALAL PRODUCT ASSURANCE BODY (HAPAS-B) / BPJPH

- a) Formulate and stipulate JPH policy.
- b) Stipulate the norms, standard, procedure, and criteria of JPH.
- c) Issue and revoke Halal Certificate and Halal Label on Product.
- d) Perform registration of Halal Certificate on foreign Product.
- e) Socialize, educate, and publicize Halal Product.
- f) Perform accreditation of LPH.
- g) Certificate Halal Auditor.
- h) Control of JPH.
- i) Develop Halal Auditor.
- j) Collaborate with domestic and foreign institutions in organizing JPH.

Source: Law of The Republic of Indonesia Number 33 Year 2014 On Halal Product Assurance Article 6

PRODUCT AND MATERIAL (ARTICLE. 1)

- Product are goods and/or services that are related to food, beverage, drug, cosmetic, chemicals product, biological product, genetically engineered product, as well as consumer good that are worn, used, or utilized by the public.
- Halal product is the product that has been declared halal lawful according to Islamic shariah.
- Halal Product Process (HPP) is a series of activity to assure the halalness of the product including material procurement, process, storage, package, distribution, sales and presentation Of the product
- Material is Ingredients used to produce or manufacture the product.



OPPORTUNITIES

1. Indonesia's population is 12.7% of the world's Muslims.
2. The world's Muslim population is 23.4% of the world's population.
3. distribution of countries with Muslim populations

TOP 10

LARGEST MUSLIMS

1. Indonesia
2. Pakistan
3. India
4. Bangladesh
5. Egypt
6. Nigeria
7. Iran
8. Turkey
9. Algeria
10. Morocco

MUSLIM POPULATION BASED ON THE REGIONS

World	100%
1. Asia – Pasifik	62.1%
2. Middle East – North Africa	19.9%
3. Sub – Saharan Africa	15.0%
4. Europe	2.7 %
5. Americas	0.3%

Data in 2010

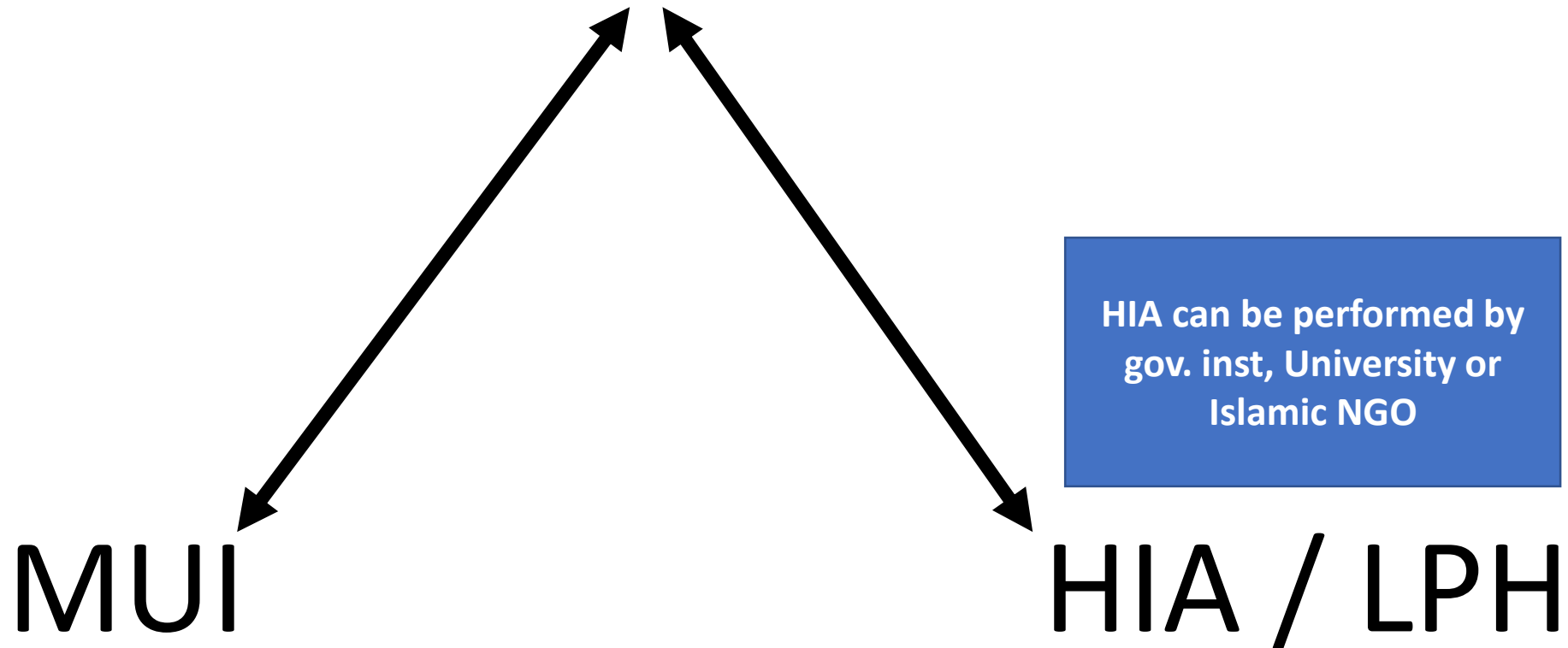
**Source: Pew Research Center's Forum on Religion & Public Life,
The Future of the Global Muslim Population, January 2011**

PRODUCT

- Goods and Services
- Goods : food and beverage, drug, cosmetic, chemical product, biological product, genetically engineered product, as well as consumer goods that are worn, used or utilized by the public.
- Services is any activities in relation with production of goods activity (Supply chain) such as transportation, processing, warehousing.
- Halal Tourism/Destination, Halal Hospital, Halal Hotel/Spa, Halal Restaurant, etc.

NEW ERA OF HALAL CERTIFICATION PROCESS

HAPAS-B/BPJPH (MORA)



PRIORITY TRADE OPPORTUNITIES

- Food Sector
Product : Meat and leftover meat that can be eaten (USD 407 Million)
Import Share :
 - OKI : Saudi Arabia, UAE, Egypt
 - Non OKI : Germany, Netherland, USA
- Fashion Sector
Product : Women's clothing, robe, skirt (USD 407 Million)
Import Share :
 - OKI : UAE, Saudi Arabia, Iraq
 - Non OKI : Germany, USA, France
- Pharmaceutical Sector
Product : Drugs (USD 621 Million)
Pangsa Impor :
 - OKI : Saudi Arabia, Turkey, Egypt
 - Non OKI : Belgium, USA, Switzerland

Source : Gatra January 9th 2019

INTERNAL CHALLENGES

-
1. Weak awareness of competing Indonesia.
 2. Weak awareness of the importance of halal products.
 3. Weak understanding of law.
 4. Weak awareness of the importance of standards.

MSME Contributions :

- 1. PDB : 62.57%
 - 2. Labor : 96.50%
 - 3. Non oil and gas exports : 16.45%
- (Data BPS 2016)

CONDITIONS FOR EXISTING MSME

Micro and Small Enterprises
are the foundation of the national economy system.

Big Enterprises

Annual turnover is more than 50 billion Rupiah
Assets is more than 10 billion Rupiah

Medium Enterprises

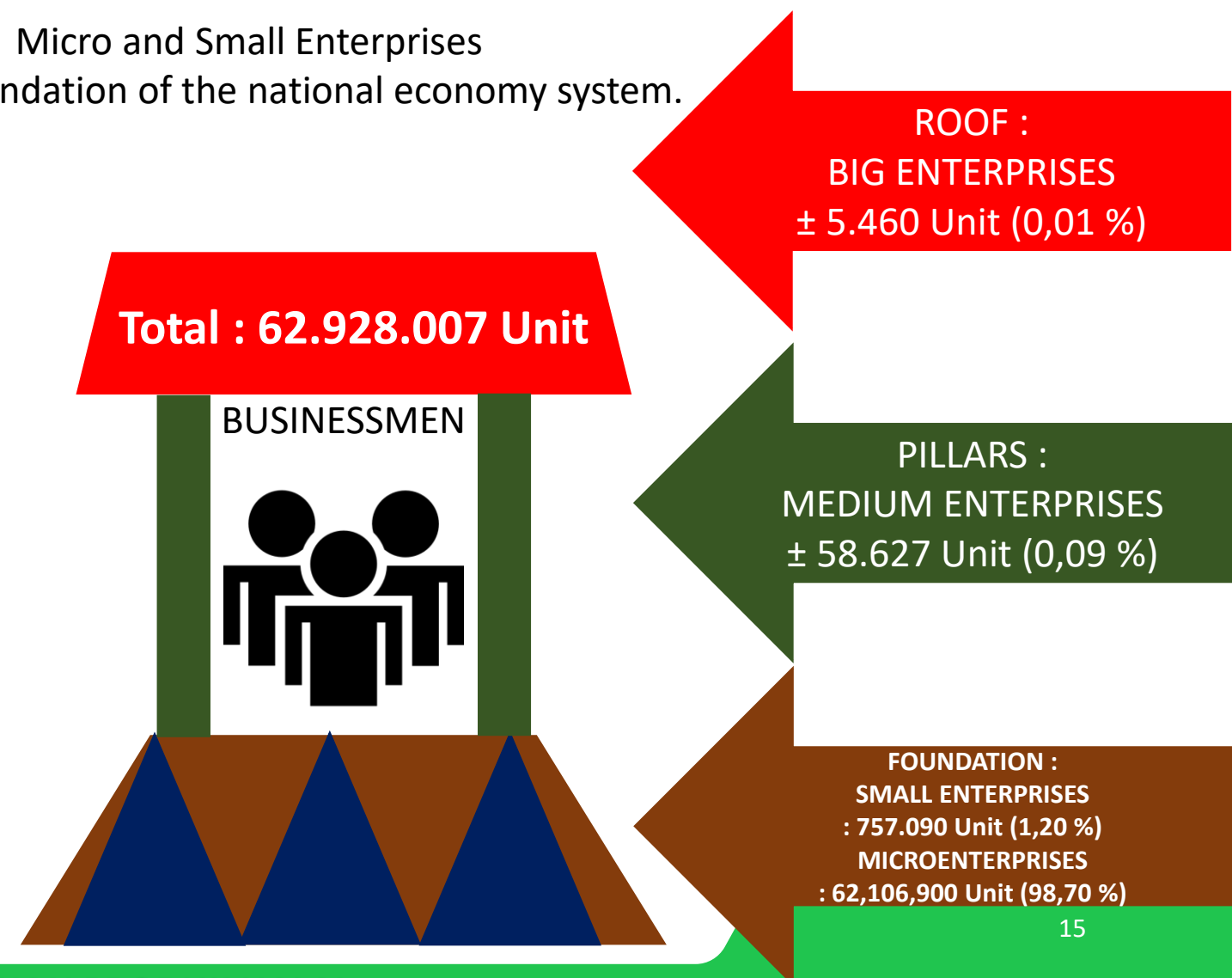
Annual turnover is between 2.5 billion - 50 billion Rupiah
Assets is between 500 million - 10 billion Rupiah

Small Enterprises

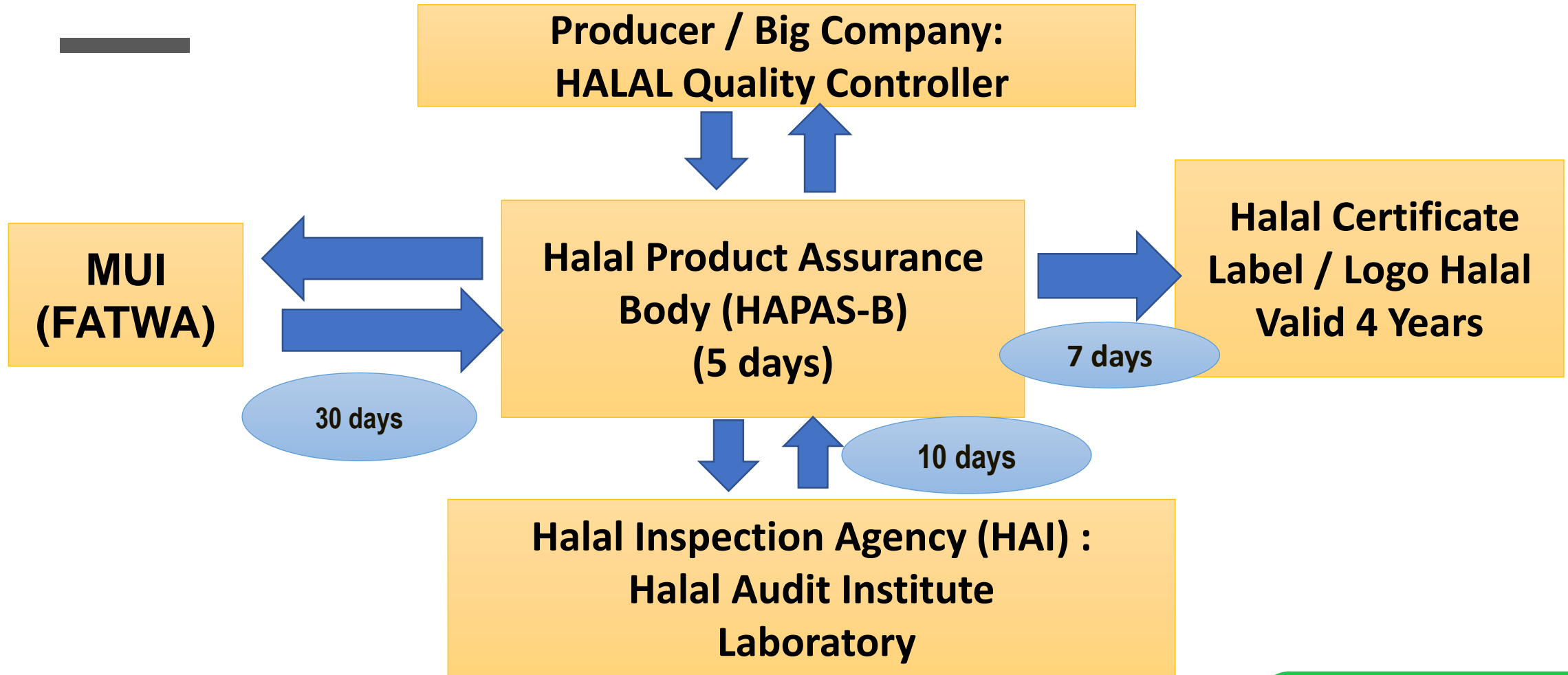
Annual turnover is between 300 million – 2.5 billion Rupiah
Assets is between 50 million - 500 million Rupiah

Micro Enterprises

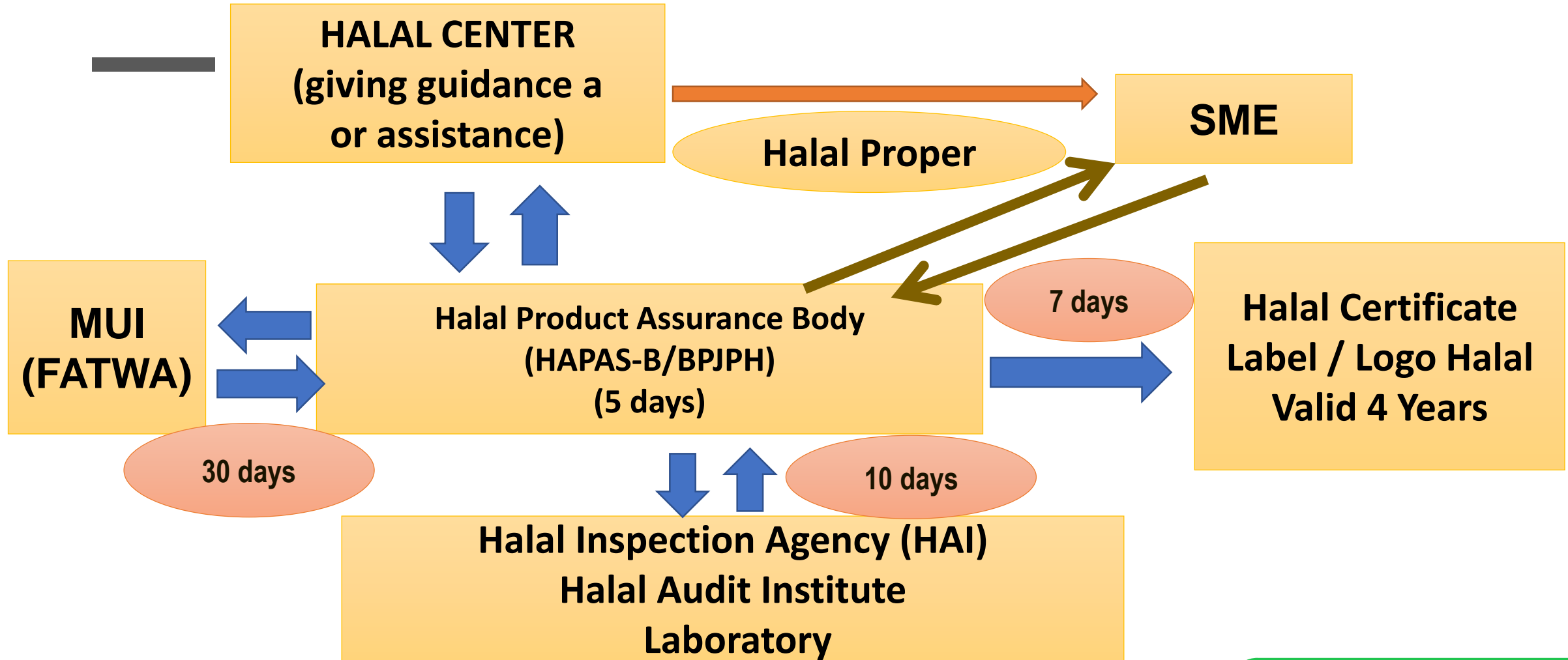
Annual turnover is less than 300 million
Assets is more than 50 million Rupiah



HALAL CERTIFICATION PROCESS



HALAL CERTIFICATION PROCESS FOR SME



COOPERATION

-
1. Government to Government Cooperation (G to G)
 2. Other form organizations must be recognized by Government

note:

- Memorandum of Understanding (MoU)
- Mutual Recognizing Agreement (MRA)

BPJPH EFFORTS

1. Resolve the legal and regulatory foundation (PP, PMA, PMK, PKBPJPH, SOP,)
2. Information Systems
3. Regional Institution (Province, Regency or City)
4. Cooperation with Ministry or Institution, University
5. Preparation : LPH (Auditor), Halal Center (Halal Supervisor / Penyelia Halal)
6. Professional Certification SKKNI (Auditor, Supervisor, slaughterer, Halal Manager)
7. Standard preparation (SKKNI)
8. Stimulate the Halal Center to prepare SMEs ready for halal certification.

