THE HALAL CERTIFICATION ESSENCE IN MANUFACTURER’S PERSPECTIVE (A PHENOMENOLOGY STUDY)

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ABSTRACT

Purpose: The study aims (1) to explore the comprehension and implementation of halal certification essence from the producers perspective of MSMEs, and (2) to make the model to apply the halal certification essence to MSMEs.

Design/methodology/approach: This study used qualitative methods with Hussel's phenomenological approach. This research takes a setting in East Java. The data analysis is the Interactive Model Analysis from Miles and Huberman.

Findings: The results showed indicate that the comprehension and implementation of halal certification essence from a producer's perspective of MSMEs in East Java is still relatively low. There are many MSMEs do not have certificates even though they understand the importance of halal certificates. The phenomenon at MSME producers showed that theoretically the halal certificates refers to the first basis set by Islam, namely the origin of something created by Allah is halal and permissible.

Research limitations/implications: The samples and findings are exclusively to MSMEs that very supportive in determining informants and research clusters based on MSME industry groups.

Practical implications: Local governments should conduct training or coaching on positive mental strength, financial management, financial management literacy, risk management training, promotion and marketing strategy training and tourism management training. These trainings need to be done in order MSMEs have the competence and the comprehension on halal certification as one of capabilities of a good promotion The strategy and marketing strategy.

Social Implications: The training pattern should use a mentoring system by involving academics. The training to MSMEs should be done routinely. Training should be maintained properly at intervals, coordination and cooperation between the government and entrepreneurs.

Originality/value: The research originality is shown by the MSMEs comprehension and mapping of halal certification as well as models to implement the halal certification essence in form of MUI regulations, MUI supervision, producer aspects and increased awareness of MSMEs in essence halal certification to supports the development of MSMEs.

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A ESSÊNCIA DA CERTIFICAÇÃO HALAL NA PERSPECTIVA DO FABRICANTE (UM ESTUDO DE FENOMENOLOGIA)

RESUMO
Objetivo: O estudo visa (1) explorar a compreensão e implementação da essência da certificação halal sob a perspectiva dos produtores das MPMEs, e (2) construir o modelo para aplicar a essência da certificação halal às MPMEs.

Desenho/metodologia/abordagem: Este estudo utilizou métodos qualitativos com abordagem fenomenológica de Hussel. Esta pesquisa se passa em East Java. A análise de dados é a Interactive Model Analysis de Miles e Huberman.

Resultados: Os resultados indicam que a compreensão e implementação da essência da certificação halal do ponto de vista do produtor de MPMEs em East Java ainda é relativamente baixa. Existem muitas MPMEs que não possuem certificados, embora entendam a importância dos certificados halal. O fenômeno nos produtores de MPME mostrou que teoricamente os certificados halal se referem à primeira base estabelecida pelo Islã, ou seja, a origem de algo criado por Allah é halal e permissível.

Limitações/implicações da pesquisa: as amostras e descobertas são exclusivamente para MPMEs que dão muito suporte na determinação de informantes e grupos de pesquisa com base em grupos da indústria de MPMEs.

Implicações práticas: Os governos locais devem realizar treinamento ou treinamento em força mental positiva, gestão financeira, alfabetização em gestão financeira, treinamento em gestão de risco, promoção e treinamento em estratégia de marketing e treinamento em gestão de turismo. Esses treinamentos precisam ser realizados para que as MPMEs tenham competência e compreensão sobre a certificação halal como uma das capacidades de uma boa promoção A estratégia e a estratégia de marketing.

Implicações Sociais: O padrão de treinamento deve usar um sistema de tutoria envolvendo acadêmicos. O treinamento para MPMEs deve ser feito rotineiramente. Os treinamentos devem ser mantidos adequadamente nos intervalos, coordenação e cooperação entre o governo e os empresários.

Originalidade/valor: A originalidade da pesquisa é demonstrada pela compreensão e mapeamento das MPMEs da certificação halal, bem como modelos para implementar a essência da certificação halal na forma de regulamentos MUI, supervisão MUI, aspectos do produtor e maior conscientização das MPMEs em essência certificação halal para apoiar o desenvolvimento das MPMEs.

Palavras-chave: Essência, Halal, Certificado, Produtores, PME's.

LA ESENCIA DE LA CERTIFICACIÓN HALAL DESDE LA PERSPECTIVA DEL FABRICANTE (UM ESTUDIO DE FENOMENOLOGÍA)

RESUMEN
Objetivo: El estudio tiene como objetivo (1) explorar una comprensión e implementación de la esencia de la certificación halal desde la perspectiva de dos productores de MPME, y (2) construir un modelo para aplicar la esencia de la certificación halal de MPME.

Diseño/metodología/enfoque: Este estudio utilizó métodos cualitativos con el enfoque fenomenológico de Hussel. Esta consulta se pasa en Java Oriental. El análisis de datos es el Análisis de modelo interactivo de Miles y Huberman.

Resultados: Los resultados indican que la comprensión y la implementación de la esencia de la certificación halal hacen que la opinión del productor de MPME en Java Oriental sea relativamente baja. Hay muchas MIPYMES que no cuentan con certificados, pero esto significa importancia para los certificados halal. El fenómeno de los productores de MPME mostró que teóricamente los certificados halal se refieren a la primera base establecida por la Isla, o seja, al origen de que algo creado por Alá es halal y permisible.

Limitaciones/implicaciones de la investigación: las muestras y hallazgos son solo para MPMEs que dan mucho apoyo en la determinación de informantes y grupos de investigación basados en grupos industriales de MPMEs.

Implicaciones prácticas: Los gobiernos locales deben realizar capacitaciones o capacitaciones en fortaleza mental positiva, gestión financiera, alfabetización en gestión financiera, capacitación en gestión de riesgos, capacitación en estrategias de promoción y mercado, y capacitación en gestión turística. Estas capacitaciones deben realizarse para que las MIPYMES tengan competencia y comprensión sobre la certificación halal como una de las habilidades de una buena estrategia de promoción y estrategia de marketing.

Implicaciones Sociales: El estándar de formación debe utilizar un sistema de tutorías que involucre a los académicos. La capacitación de las MPME debe realizarse de manera rutinaria. Los entrenamientos deben ser mantenidos adecuadamente en los intervalos, la coordinación y cooperación entre el gobierno y los patrones.

The halal industry becomes main attention in Indonesia as a trend in the development. The obligation of halal certification also applies to MSMEs products. The laws and regulations require MSMEs to have halal certification, and it is received a response from MSMEs. This regulation stipulates the obligation to have halal-certified from Halal Product Assurance Executing Agency (BPJPH) for products that enter, circulate and traded in territory of Indonesia. MSMEs show positive response to the laws and regulations that require halal certification, but it is still not fully maximized to immediately register their products as an effort to obtain halal certification. Khalimy (2018) stated that the problem with halal certification from side of MSME producers is a reluctance of producers for various reasons to comply with Halal certification rules set by government through RI Law No. 33: 2014. MSMEs efforts to get halal certification will waste a lot of time. The complicated procedures makes many MSMEs do not want to get certification even though free.

The halal certification has important role of for producer, government and consumers. Anissa et al., (2018) showed the halal certification from a separate perspective from the producer's point of view. The existence of halal certification in a product makes peace for producers. Aziz et al. (2015) found that halal certificates are very important for producers in developing their business and global competitiveness. Yusofa and Shuttob (2012) explained the essence of halal from producer's perspective in developing the domestic market for potential halal food. Noordina et al., (2012) explained that implementation of halal certification was mainly related to operational efficiency in halal certification process from perspective of producers to produce chain of halal product sustainability.

Prior this law implementation, the halal certificates were given to food products voluntarily. Law No: 33 of 2014 decided that issuance of halal certificates was mandatory. Producers who violate will be subject to sanctions (Triasih, 2016). Nur (2020) and Dharu et al (2016) examined the basic essence of strict regulation of halal certification for goods produced and distributed in Indonesia, and those who violate this will receive sanctions. Dharu et al (2016) and Nur (2020) described the obligations of producers and imposition of sanctions for
those who violate them, and research is still needed to find the essence of implementation and regulation of halal certification obligations by government.

The food and beverage industry requires different permits and certificates than other MSMEs. One of them is halal certification. There are 8,333 MSEs have received halal certification until 2021. This amount is an accumulation from 1994 when LPPOM MUI began to produce halal certification. The MSEs that will receive certification will become 2,310 in 2022. Data for 2021 LPPOM showed 8,333 MSE have been successfully certified nationally and from 2022 to June there are 2,310 MSEs that have been certified through LPPOM MUI. There are more than 65 million MSMEs spread throughout Indonesia. If only 1 percent, it means that around 650,000 have halal certification. The aspect of halal certification for MSMEs in Indonesia is explained in Table 1.

Table 1. Data on Halal Certified MSMEs in Indonesia

<table>
<thead>
<tr>
<th>No</th>
<th>Province</th>
<th>MSMEs</th>
<th>Percent of Certification</th>
<th>Certified MSMEs</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Central Java</td>
<td>898,162</td>
<td>30%</td>
<td>269,449</td>
</tr>
<tr>
<td>2</td>
<td>East Java</td>
<td>828,482</td>
<td>20%</td>
<td>157,412</td>
</tr>
<tr>
<td>3</td>
<td>West Java</td>
<td>625,943</td>
<td>22%</td>
<td>125,189</td>
</tr>
<tr>
<td>4</td>
<td>DI Yogyakarta</td>
<td>139,499</td>
<td>25%</td>
<td>34,875</td>
</tr>
</tbody>
</table>

Source: Kaid data.com (2022)

Table 1 showed that MSMEs at several provinces in Java Island have halal certification. The province with most MSMEs have halal certification is Central Java at 30% from total MSMEs, followed by DI Yogyakarta at 25% of total MSMEs. Meanwhile, a province with lowest halal certification is East Java at 20% from total MSMEs, even though East Java has a halal industrial area. This is one reason research was conducted in East Java. In addition, Government of Republic of Indonesia through the Ministry of Industry issued a Decree of Minister of Industry No. 17 of 2020 on Procedures to get a Certificate in Context of Establishing a Halal Industrial Area. The Decree noted five industrial areas that voluntarily develop a halal industrial area, namely Modern Cikande Industrial Park, then Bintan Inti Industrial Estate, then Batamindo Industrial Estate, Jakarta industrial estate Pulogadung, and safe and lock Industrial Park at Sidoarjo Industrial Estate. The safe and lock Industrial Park at Sidoarjo Industrial Estate in East Java province is the only halal industrial area in East Java Province and largest for Small Industry scale in Indonesia. The Sidoarjo Halal Industrial Area, also known as the Sidoarjo Halal Industrial Park (HIPS), focuses more on increasing home industries from small industries to medium-class industries to penetrate the export market.
This research develops previous study to produce a more complete, comprehensive and broader update. Review of previous research shows the research gap regarding halal certification from producer's perspective. Research on importance of halal certification was conducted by Mahmud (2013), Thabrani (2013), Aziz et al., (2015), Nor et al., (2016), Noordin et al., (2012), Etri and Yucel (2016), Syed et al., (2012) who found an essence or fundamental meaning or awareness for the importance of halal products certification from a consumer perspective. It can qualitatively increase business competitiveness of businesses for Micro, Small and Medium Industry group. Wibowo and Ahmada (2016), Bulan (2016), Najmaei et al., (2017) found that halal issues recognize safety and quality assurance, it means that product preparation must meet standards which also include hygiene in order to contribute to the strategic approach of information systems where religious views become important part of organizational structure from perspective of government and institutions and purchasing decisions.

Arinilhaq (2017), Segati (2018), Fatimah Nur (2020) and Dharu et al (2016), Wirakurnia et al., (2021), Asih and Anya (2021) explained the importance of halal certification from various perspectives. Producers respond and applying the halal certification to their products in order to increase sales. It becomes obligations of producers and imposition of sanctions for violators, and essence of implementation and regulation of halal certification obligations by government. Anissa et al., (2018), Hasan (2021), Rasyid (2021) found that study of halal certification has separate perspective between the producer's point of view.

The urgency of halal certificates research relates with description of social phenomenon that do not discuss deeply the essence of halal product from producer's point of view. The purpose of regulation the implementation of halal certification can be realized or to bring up a proposition about halal certification in East Java, halal certification can shape consumer purchasing power and halal certification can become one supports to increase the added value for producers. It needs in-depth and comprehensive research on essence of halal from various stakeholder perspectives on halal certification. This research is focused on MSME's the comprehension of halal certification, MSME mapping and models of implementing the halal certification becomes essence to MSME in East Java. This research provides a model to apply the halal certification essence to MSMEs, especially based on producer's perspective. Previous research more focused on consumers where until recently research on halal certificates from a producer's perspective was never done. This study uses Husserl's phenomenological method of what, why and how producers must produce Halal certification for their products. This is a new
method to explore issues on halal certification. The specific objectives of this study are 1) to find out the comprehension of halal certification essence in producer's perspective of MSMEs in East Java; and 2) to formulate a model to implement the halal certification essence to MSMEs in East Java.

LITERATURE REVIEWS

Religious Behaviorism Theory

The behaviorism theory explores the behavior, behaviorism is better known as learning theory because all human behavior is the result of learning. Skinner argued that behaviorism theory is used to understand individual behavior that views individuals from of physical phenomena, and tends to ignore mental aspects. Religious behavior in view of behaviorism is closely related to the principle of reinforcement (reward and punishment). Humans behave religiously because they are driven by punishment and reward stimuli. Humans are just robots that move mechanically according to punishment and reward (Jalaluddin, 2007).

Islamic Branding Theory

Islamic branding is a relatively new concept. Islamic branding is characterized by sharia-compliant branding which evokes values such as honesty, respect for accountability and a core comprehension of sharia principles. The purpose of Islamic branding is to apply empathy with sharia values to attract Muslim consumers, starting from behavior (Mohan and Kinslin, 2022) and marketing communications (Altameemi and Al-Slehat, 2022). A product can attract consumers for the brand. Branding has a place for consumers. Branding is not a battle to determine who can make a better product, but who can create a better perception. Islamic branding can be interpreted as the use of names related to Islam or showing halal identity for a product labeled with Islamic names. One of most basic obstacles for growth of brands in Muslim world is how they can achieve consumer benefits for brands they offer, because it cannot be denied that currently there are many existing western brands that have strong brand equity.

Jumani and Siddiqui (2012) stated that a brand must fulfill all aspects of brand for Muslim consumers. Muslim consumers consume the goods or services, which comply with Islamic laws and norms. Muslim consumers want brands that speak to them (Power and Abdullah, 2009), Islamic brands or Halal brands are created in according to Islamic principles that guide what is permitted not only in food industry but also in fields of cosmetics,
pharmaceuticals, logistics, clothing, finance, hospitality and banking (Minkus-McKenna, 2007). The halal food market and Islamic finance sector have exploded in last decade and also many other Islamic products and services include cosmetics, real estate, hotels, fashion and insurance, (Alserhan, 2010).

**Islamic Consumption Behavior**

Consumption is process to consume something in order to meet their needs. Consumption includes necessities, pleasures and luxuries. Islam teaches moderate and simple consumption, not excessive, not extravagant, and there is no shortage, therefore waste is the brothers of Satan. The consumption activities in Islam are not only to meet human needs and achieve satisfaction. The purpose of consumption in Islam is to achieve worldly and hereafter maslahah (goodness). The maslahah is achieved by fulfilling our needs such as clothing, food, shelter, health, education, and entertainment. Hereafter needs are fulfilled if the goods we consume are obtained by lawful methods and these goods are also lawful in Islam. (Medias, 2018)

The consumption in Islam should moderate and simple, not excessive, not extravagant, and not lacking. Consumption activities in Islam are not only to meet human needs and achieve satisfaction. The purpose of consumption in Islam is to achieve worldly and hereafter maslahah. The maslahah is achieved by fulfilling our needs, such as clothing, food, shelter, health, education, and entertainment. On other hand, needs of hereafter are fulfilled if the goods we consume are obtained by lawful methods and these goods are also lawful in Islam

**Phenomenology of the Halal Certification Comprehension as an Effort to Improve MSME Competitiveness.**

Phenomenology is a philosophical movement pioneered by Edmund Husserl (1859-1938). Phenomenology is one of most influential schools of thought in 20th century. Phenomenology is known as the science of appearances (Phenomena). There are two main lines in phenomenological thinking, namely the transcendental phenomenology as described in work of Edmund Husserl and social phenomenology described by Alfred Schutz. Deetz (in Ardianto, et al, 2007) showed the two outlines (Husserl and Schutz) have three similarities related to the study of communication, first and most basic principle of phenomenology was clearly connected with German idealism, that knowledge did not can be found in external experience but in individual consciousness. Second, meaning was the derivation of object potentiality or a
special experience in personal life. The meaning from an object or experience will depend on individual’s background and certain events in life. Third, phenomenologists believe that world is experienced and meaning is constructed through language. These three phenomenological bases have different degrees of significance, depending on particular school of phenomenological thought discussion.

The halal certification is a government policy for MSMEs. Mazmanian and Sabatier (in Agustino, 2008) defined it as “Implementation of basic policy decisions, usually in form of laws, but can also take the form of important executive orders or decisions of judiciary.” Typically, decision identifies the problem to be addressed, clearly states the goals or objectives to be achieved, and various ways to structure or manage the implementation process.

There are various models of halal certification implementation. The existence of regulations regarding halal is still the basis for Muslims to obtain legal certainty for food products in society. However, there are still many entrepreneurs who have not taken care of halal certification, there are even rogue companies that include a halal label on their products even though the validity period of certificate has expired and in other cases, there are stalls/restaurants that write that their food is guaranteed to be 100% halal, but there is no halal certificate. A halal certificate is a written fatwa (decision) of Indonesian Ulema Council (MUI) which certifies the halal of a product in accordance with Islamic law. The validity period is 2 years. The purpose of halal certification is a formal legal acknowledgment that products issued comply with halal requirements.

RESEARCH METHODS

This study uses a qualitative research method with a phenomenological approach. The paradigm used in this research is non-positivist, especially critical theory. This research is limited to disclosing the halal certification essence elements that are understood and applied by consumers, producers, business partners and policy holders, especially in East Java Province. This research was conducted in East Java Province as one of largest provinces in Indonesia which has many industrial areas. It is very supportive in determining informants and research clusters based on MSME industry groups in East Java. The unit of data analysis refers to Husserl's Transcendental Phenomenology concept. The conceptual components of Husserl's Transcendental Phenomenology analysis units are 1) Intentionality; 2) Noema and Noesis; 3) Intuition, and 4) Intersubjective.
This study uses data analysis technique of Interactive Model Analysis from Miles and Huberman. This interactive model is divided into three stages, namely data reduction, data presentation and stage conclusions/verification. In addition, researchers analyze and finding meaning from data collected, namely looking for patterns, themes, feelings, things that often arise, hypotheses and so on which are set forth in tentative conclusions. The additional data through a continuous verification process should produce grounded conclusions. This means that any conclusions should continue to be verified during the research. This stage also involves a process to compare the results of conclusions for sharpening. Analysis based on religious behavior seeks to explore the perspectives of several religions on halal certification. Religious behavior is explored with aim to sharpen the halal certification essence and increasing the competitiveness of MSMEs in East Java.

RESULTS AND DISCUSSION

The Comprehension of Halal Certification Essence in Producer's Perspective

This study uses Husserl's Phenomenology because the research objectives are not only focused on principles of Halal Haram but rather on fulfilling the elements of a healthy and orderly life. Husserl's phenomenon in this study is based on concept of Husserl's Transcendental Phenomenology. The findings show that the comprehension of implementation of halal certification essence in producer's perspective of MSMEs in Java is still at a low level. There are still many MSMEs do not have certificates even though they understand importance of halal certificates. This phenomenon explained that theoretically halal and haram certificates refers to the first basis established by Islam, namely the origin of something created by Allah is halal and permissible.

The research findings is not consistent with Yusofa and Shuttob (2012) synthesized that halal certification is developed as an alternative sector in promoting internationalization and globalization for industry. However, new efforts are needed to increase interest and proper the comprehension certification of halal and how halal certification can become a specialized sector that can support and promote the education and tourism industries. In addition, this study also examines the results of research by Noordina et al., (2012) which states that halal products have been accepted as quality standards applied to the supply and manufacture of products. Halal standards cover processed food, cosmetics, pharmaceuticals and medical products. Meanwhile, study found that there were no MSMEs that had not fulfilled halal certification.
This study is also inconsistent with Noordina et al., (2012) regarding the problems or constraints that occur in East Java MSMEs for halal certification. Noordina et al., (2012) has succeeded in highlighting several problems related to the operational efficiency of halal certification process from perspective of supply and demand sides of halal supply chain by taking an ecosystem approach as a strategy to address the operational efficiency of halal certification, presented a conceptual model halal ecosystem and halal governance. These models will be useful for the comprehension of halal industry, especially in process of halal certification. Future research should develop a framework for halal certification based on this conceptual model.

These study findings are consistent with Ester et al. (2020) that the comprehension of halal certification means a written MUI fatwa declaring the halal of a product in accordance with Islamic law through detailed examination by Research Institute for Food, Drugs and Cosmetics, Majelis Ulama Indonesia (Indonesian Ulema Council), hereinafter abbreviated as LPPOM MUI). The users regulation of halal products in Indonesia has two interrelated issues, namely certification and labeling. Labels in Government Regulation Number 69 of 1999 on Labels and Advertisements are any information regarding food in form of pictures, writing, a combination of both or other forms attached to the food, inserted in affixed to or part of food packaging which is easy to see and read.

The research findings on the implementation of halal certification essence in producer's perspective of MSMEs in East Java are based on behavioristic theory which focuses on the role in explaining human behavior of MSME owners and occurs through stimulation to create a reactive behavior relationship (response) to mechanistic laws. Based on this theory, the comprehension of implementation of halal certification essence in producer's perspective of MSMEs in East Java depends on behavior of MSME owners, the most importantly believe that halal certification is needed in developing their business.

The basic assumption of MSME owners behavior to comprehend the importance of halal certification is completely determined by rules, can be predicted, and can be determined. According to this theory, the comprehension will arise because MSMEs have studied it, through previous experiences with government regulations and competition. (Fahyuni, 2016). Based on modern psychology, religious behavior is an act in religion solely to avoid fear and danger. In addition, someone who obeys the teachings of religion will get reward from Allah and then this will become an experience in his life. Religious behavior also means all actions of a person based on faith and manifested in worship to Allah Almighty, by carrying out all His commands.
and staying away from all His prohibitions. The comprehension the implementation of halal certification is a form of religious behavior and also fulfilling government regulations for producers based on rules in producing products in accordance with Islamic religious rules.

**Model to Implement the Halal Certification Essence**

The implementation of halal certification essence to MSMEs in East Java with stages of halal certification is divided into three parts, namely preparation for halal certification, halal certification process, and post-halal certification. Preparation for halal certification is a very important point to achieve the next stage. Fails or is insufficient preparation for halal certification cause difficult and long process. Smoothly preparation for halal certification makes the halal certification process goes smoothly. Likewise, post-halal certification process is clear.

The model to implement halal certification essence to MSMEs in East Java uses qualitative analysis with Miles and Hubberman's analysis. It is explored from results of interviews with informants. The implementation model was obtained from research conceptual framework developed with several aspects and units of Husserl's Transcendental Phenomenology analysis, namely 1) Intentionality; 2) Noema and Noesis, 3) Intuition, and 4) Intersubjective and analyzed with aspects of implementation model the essence of halal, namely MUI regulations regarding Halal Certification, Producer Aspects in Halal Essence, namely HR competence in the comprehension halal certification and General Obligations in Registration of Halal Certification As well as MSMEs Awareness efforts with Socialization.

The model to implement the halal certification essence to MSMEs in East Java is explained by existence of regulations from government, in this case the MUI regulations, then aspects of producers, guidelines and supervision of halal MSMEs and awareness of MSMEs in having halal certification. Halal certification process is started by submits an implementation for halal certification to BPJPH by preparing the necessary documents, after receiving a receipt it is continued at inspection stage through a halal inspection agency. For documents on halal assurance system, templates can be seen at Halal MUI which is then uploaded to the MUI cerol. It produces halal pre-registration through LPPOM MUI by preparing business and product legality documents. The next step is payment of contract fees; this varies based on number of products and materials. Finally, after going through the pre and post audit processes, LPPOM-MUI issues halal certification.
To accelerate the development of real sector of Islamic economy, known as the halal industry, government needs to strengthen the entire halal value chain from upstream to downstream sectors, including by building halal industrial zones and halal relations in various regions according to the comparative advantages in each region. The intended halal area covers the definition of a halal area, role and function of a halal area, an environmentally friendly halal area, and a sustainable halal area, which are very meaningful for efforts to develop and growing the halal products.

The cooperatives office of Micro, Small, and Medium Enterprises (MSMEs) seriously foster the empowerment of the businesses under its auspices with various programs as a means to create competitive and superior entrepreneurs. Products from fostered businesses must meet the standards set by cooperatives office and (MSMEs), namely products from fostered businesses have good quality and are free of preservatives, are prohibited from using illicit goods such as pigs, dogs, carrion, blood or other ingredients, products must clean in production process, as well as food and beverage products shows a consumption limit called the expiry date. Based on standards set by Office of Cooperatives and SMEs in an effort to empower the businesses, it is studied with principles of Islamic business ethics, namely as a business actor must be honest, the goods are halal, not unlawful goods such as pigs, dogs or alcohol, blood and so on. Islam also teaches that every food eaten must be clean and in good condition, which is called halalan toyyiban.

The MSMEs halal certification has a process mechanism. Submission of halal certification can be done in two ways, namely directly to BPJPH or Halal Task Force in area and electronically using the Halal Information System (SI-HALAL). Law No. 11 of 2020 on Job Creation (Ciptaker) provides opportunities for micro, small and medium scale businesses to develop their business. Apart from providing corporate legal entities in form of individuals (PT Perorangan), Ciptaker Law also provides incentives for MSMEs to obtain halal certificates. To apply for halal certificates, MSEs must have a Business Identification Number (NIB) and be registered with Online Single Submission (OSS) at Investment Coordinating Board (BKPM). Submission of halal certification can be done in two ways, namely the implementation directly through BPJPH or the regional Halal Task Force. Second, electronic implementation submission using the Halal Information System (SI-HALAL).

The obligation to have halal-certified for SMEs that meet certain requirements is based on statements of MSMEs actors (self-declare) whose standards are set by BPJPH. This is regulated in PP No. 39 of 2021 on the Implementation of Halal Product Guarantee. The
obligation to have *halal*-certified for micro and small business actors must declare two criteria, namely save products or use *halal* materials; and production process is guaranteed to be *halal* and simple. The next process will continue with verification and validation of statements made by *halal* product process assistant (PPH Companion). PPH assistance can be done by Islamic social organizations/Islamic religious institutions with legal entities; universities, government agencies or business entities in partnership with Islamic organizations or Islamic religious institutions and/or universities with legal entities.

*Halal* certification involves 3 parties, namely BPJPH, LPPOM MUI as a *halal* inspection agency (LPH), and MUI. BPJPH implement *halal* product guarantees. LPPOM MUI checks the adequacy of documents, audits scheduling, conducting audits, holding auditor meetings, issuing audit memorandums, submitting minutes of audit results at MUI Fatwa Commission meetings. MUI through the Fatwa Commission determines product *halal* based on audit results and issues MUI *Halal* Decrees.

The companies must have implemented the *Halal* Assurance System (HAS) in accordance with government regulations and HAS 23000 before registering for *halal* certification. The companies should understand HAS criteria required in HAS 23000 for the proper implementation. LPPOM MUI provides the thematic HAS 23000 books for companies to understand deeply about the requirements of *halal* assurance system. Books are available in printed books and e-books. The companies can also take part in HAS training organized by competent HAS training institutions.

*Halal* certification registration begins with submitting an implementation for STTD to BPJPH. Information on implementation for STTD and documents required by BPJPH can be found on website www.halal.go.id. Furthermore, companies should choose LPPOM MUI for product *halal* inspection. Online registration to LPPOM MUI uses CEROL-SS23000 system through the website www.e-lppommmui.org. The companies need to fill in registration data, facility data, product data, material data, and material vs product matrix data, and upload the required documents. Documents that need to be uploaded by company for product *halal* inspection process

Every producer who has submitted an implementation for *halal* certification is required to fill out a form or guidelines for filling in a *halal* product audit. This guideline facilitates producers to set up a *halal* system and LPPOM MUI team to conduct audits at producer’s location. This guideline only covers the *halal* production methods, and does not cover details on how to produce properly.
This guideline was prepared to make the inspections have uniform views and methods in conducting audits at producer locations. It is possible to add a necessary item during the inspection process. MSME business actors who agree with the obligation of halal certification should obey and comply with rules made by government. In addition, products product certified have a high selling value in market, so that businesses can reap large profits. Society is smart and critical and will choose the products that clearly have proven halal. While the reason for those who disagree with the obligation of halal certification is that halal certification is voluntary and not an obligation. Halal certification obligation makes business actors, especially small business actors, will be burdened, especially in terms of costs. In addition, halal certification is not a guarantee that the product is truly halal. There are cases of products that have been certified halal but later proven to be non-halal.

MSME business actors who support the obligation of halal certification as stated in Article 4 of JPH Law hope that government will immediately stipulate sanctions for business actors who do not certify their products halal. It may administrative sanctions by revocation of business licenses or criminal sanctions. The business actors only agree that types of products that must be halal certified are limited to food, medicine, medicine and cosmetics. The reason is the halal certification for products traded in Indonesia territory can limit the movements of business actors to work. MSME business actors must understand and fulfill the requirements for halal products as stated in JPH Law in an effort to develop their business.

This research results on implementation model consistent with Ratanamaneichata and Rakkarnb's research (2021) where halal certification recognizes safety and quality guarantees. That means the product prepared must meet standards which also include hygiene. Security and quality guarantees ensure that halal products are also clean, safe and well-maintained with good and right presentation and good quality for everyone. Adversely, this study results are inconsistent with Tayob (2021) which conceptually proposes a model for accepting Halal products by non-Muslim consumers. The model is proposed by examining consumer behavior theories, such as the theory of planned behavior (TPB), Triandis model (TRIANM), and model of acceptance of Halal Products for religious communities (HPAM). The antecedents of non-Muslim acceptance of Halal food products are determined together with a moderator construct. The inner perspective, credibility and custom of Halal logo are treated as antecedents. Introduction of acculturation in model as a moderator variable will provide a comprehension of how non-Muslim consumers receive Halal food products. Studies on non-Muslim consumers in Halal industry are scarce and there is a need for further research related to non-Muslim
consumers, both empirically and non-empirically. Since the research is conceptual in nature, only the proposed model is presented in paper. All supports, fields or raw data are not included in paper.

This study model to implement halal certification cannot be applied to non-Muslim MSMEs. The environmental arrangements require the maintenance of traditional culture and/or acquiring new cultural features of host country through interaction and participation (acculturation) (Laroche et al., 1999). Non-Muslim consumers tend to use their ideals in making their food choices and negotiate their ideals against the host country (Ayyub, 2015). It is highly likely that they will capitalize their aspirations to consider the concept of Halal food offer in Halalan-Tayyib. It means healthy and safe to eat coupled with certified hygienic and safety production processes (eg HACCP Certification and JAKIM Halal) provide both quality assurance and marketing tools for Halal food products.

CONCLUSIONS AND RECOMMENDATIONS

The data analysis produces following conclusions. First, the comprehension the essence of halal MSMEs in East Java is explained by results of transcendental Husserl phenomenological phenomenon with 4 elements, namely 1) Intentionality; 2) Noema and Noesis, 3) Intuition, and 4) Intersubjective. The element of intentionality of East Java MSME awareness in applying the essence of halal is still minimal. The elements of Noema and Noesis in attitude of MSMEs are not yet optimal in dealing with halal certification. The element of intuition relates to institutional and rationality element of MSME thinking about the importance and advantages of halal certification. Second, the model for implementation of halal certification essence to MSMEs in East Java in MUI regulations, MUI supervision, and aspects of producers and increasing awareness of MSMEs in essence of halal in form of halal certification supports the development of MSMEs. This model increase MSME awareness toward supervision and dissemination of halal certification.

The suggestion of this research can be stated as follows. First, local governments should conduct training or coaching on positive mental strength, financial management, financial management literacy, risk management training, promotion and marketing strategy training and tourism management training. These trainings need to be done in order MSMEs have the competence and the comprehension on halal certification as one of capabilities of a good promotion strategy and marketing strategy. Second, the training pattern should use a mentoring system by involving academics. The training to MSMEs should be done routinely. Training
should be maintained properly at intervals, coordination and cooperation between the government and entrepreneurs.

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