

POTENTIAL DEVELOPMENT OF HALAL INDUSTRY IN INDONESIA

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Abstract

This study aims to explain the potential of the Halal Industry in Indonesia. This research also identifies opportunities and challenges in its development. The method used in this research is descriptive-qualitative method with a phenomenological approach. The data obtained were analyzed using qualitative analysis through data reduction, categorization and verification. This study found that Indonesia has the potential to develop the Halal Industry in various sectors, especially halal food, halal tourism, halal fashion, halal pharmacy and halal cosmetics. The development of the Halal Industry also has the potential to increase national economic growth. However, Indonesia must face various challenges such as low awareness of halal, low competitiveness of local products and problems in implementing the Halal Product Assurance Regulation.

Keyword: Industry, Halal, Development

Introduction

Halal is no longer purely a religious matter. In the life of the world community, halal has become a global symbol that reflects quality assurance and lifestyle choices. Because in business, halal-labeled products can make significant profits for producers (Supriadi 2009). In this case, producers and traders use halal certificates and logos as a way to inform and convince consumers that their products are of good quality and fit for consumption according to religious rules.(Ab Rashid and Bojei 2020).

The halal industry has begun to be developed by Indonesia, along with the large demand for halal products by consumers. According to the Ministry of Industry (Kemenperin), Indonesia has the opportunity to develop a halal industrial zone, because currently the demand for halal products has begun to increase, especially for food and beverages and cosmetics. (Jenderal and Perindustrian 2017).

The halal industry has experienced rapid development in recent years. The halal lifestyle that is identical with Muslims is spread to various countries, even to countries with minority Muslim populations. Halal is a universal indicator for

product quality assurance and living standards (Gillani, Ijaz, and Khan 2016). Halal is usually only associated with material things. However, in Islam halal includes deeds and work or commonly called Muamalah (Qardhawi 2001).

Halal can be defined as a quality standard that is in accordance with Islamic Sharia law and is used in every activity carried out by Muslims (Waharini and Purwantini 2018). Halal products and services are chosen by Muslims as a form of obedience to Islamic Sharia law. Although halal is closely related to Muslims, it does not mean that consumers of halal products only come from Muslims. Consumers of halal products originating from countries with minority Muslim populations have increased significantly in recent years. One of them is Russia which is ranked 9th as a halal food consumer in the world with an achievement of \$37 Billion in 2015 (Thomson Reuters & DinarStandard 2016). The quality of halal products, or commonly known as Halalan Thoyyiban, is the reason for non-Muslims to use halal products (Jaelani 2017). because there is a guarantee of cleanliness, safety, and product quality for the entire production chain (Nurhayati and Hendar 2020).

The halal industry is experiencing rapid development in several sectors, including: halal food, finance, travel, fashion, cosmetics and medicine, media and entertainment, as well as other sectors such as healthcare and education. The State of The Global Islamic Economy 2016/2017 report by Thomson Reuters, in table 1, shows the total income earned by each sector in 2015 along with projected revenues in 2021.

Table 1. Total Income and Estimated Income of the Halal Industry

Sector	Total Revenue (2015)	Estimated Revenue (2021)
Halal Food	\$ 1,17 Trillion	\$ 1,9 Trillion
Finance	\$ 2 Trillion	\$ 3,5 Trillion
Travel	\$ 151 Billion	\$ 243 Billion
Fashion	\$ 243 Billion	\$ 368 Billion
Medicine and cosmetics	\$ 78 Billion	\$ 132 Billion
Media and entertainment	\$ 189 Billion	\$ 262 Billion
Healthcare	\$ 436 Billion	-
Education	\$ 402 Billion	-

Source: State of The Global Islamic Economy 2016/2017

The survey conducted in 76 countries consisting of 57 member countries of the Organization of the Islamic Conference (OIC) and 16 non-OIC countries shows that the financial sector and halal food have a greater contribution than other sectors. With a potential revenue of up to \$1.9 trillion by 2021, the halal food industry is a major concern for businesses in various countries, such as Malaysia. The development of halal food products has become the focus of attention of the

Malaysian government so that for three consecutive years Malaysia has been ranked first for halal food producers. Another country in Southeast Asia that is starting to develop the halal food industry is Thailand. Thailand is starting to develop the halal food industry even though it is not a Muslim-majority country because the halal food industry has good prospects in the future (Zainuddin et al. 2019).

Indonesia is a country with the largest Muslim population in the world. Based on data from the Central Statistics Agency (BPS) in 2010 the population of Indonesia reached 237.6 million people with the Muslim population reaching 207 people or about 87 percent. With the largest Muslim population in the world, Indonesia has a huge market potential for the world's halal industry. The State of The Global Islamic Economy 2016/2017 report published by Thomson Reuters places Indonesia in the first rank for consumers of halal food products, amounting to \$154.9 billion. However, the Indonesian government has not been able to maximize the market potential because Indonesia is still ranked 10th for the category of halal food producers.

Indonesia is also one of the countries that has great potential to develop the halal industry. Of course, this great potential is an implication of the large number of Muslim population in Indonesia. Indonesia accounts for 12.7% of the world's Muslim population. When viewed from the number, in 2020 it is estimated that as many as 229 million Muslim residents live in Indonesia. The total population in Indonesia is estimated at 273 million people, so that the Muslim population is equivalent to 87.2% of the total population in Indonesia (Astuti 2020).

This large Muslim population makes the demand for halal products also large. Indonesia is referred to as the embodiment of the world halal industrial market. In fact, the total spending that Indonesia spent on halal products was USD 218.8 billion in 2017 (Zainuddin et al. 2020).

The large demand for halal products from both domestic and foreign markets is not accompanied by support from the Indonesian government. One example is in terms of halal product certification. Like most countries with a majority Muslim population, halal certification bodies are less than optimal because of the assumption that every food product produced in that country is halal, so there is no need for halal certification for these products (Sugibayashi et al. 2019).

Halal certification is one of the instruments that must be considered by the government so that Indonesia is able to compete in the halal industry. In addition, there are still pros and cons of halal certification between the government and the Institute for the Study of Food, Drugs and Cosmetics of the Indonesian Ulema

Council (LPPOM MUI) causing the current halal certification process to be not optimal.

Based on BPS data, there are around 57 million Micro, Small and Medium Enterprises (MSMEs) in Indonesia and very few have halal certificates. Based on data from the Indonesian Ulema Council (MUI) as the institution authorized to issue halal certification, in the 2014-2015 period a national halal certificate has been issued for 6,231 companies and MSMEs. As for companies originating from abroad, MUI has issued halal certificates for 683 companies, which means that there are still millions of MSMEs that have not implemented halal certification (Ramli 2019). Therefore, the government must be able to maximize the issuance of halal certificates for MSMEs in order to increase the income of the halal industry in Indonesia, especially from the halal food sector.

according to (Amindoni 2019) stated that Islamic banks play an important role in developing MSMEs. Islamic banks must be able to provide financing products that are suitable for the needs, competitive, and easily accessible to MSME actors engaged in the halal food sector. The halal industry develops in three dimensions, and Islamic banks can play a role in maximizing these three things, namely:

1. MSME actors should be given greater opportunities to build and develop halal products.
2. The halal industry must be promoted to be able to build awareness about the importance of using halal service products.
3. Halal lifestyle should be further developed. The development and improvement of the Indonesian economy in the halal food industry sector will not be able to be carried out without cooperation between various related parties.

Therefore, it is necessary to integrate the role of the government and Islamic financial institutions to increase the competitiveness of MSMEs in the halal food industry. This study aims to explore the role of Islamic banking in the development of the halal food industry in Indonesia.

Research Method

This research is a qualitative descriptive study with a phenomenological approach. This research is a library research that uses secondary data obtained through scientific articles and other relevant documents. The data obtained were then analyzed by producing descriptive explanations in the form of words, pictures and symbols associated with the object of this research.

Data analysis in this study was carried out in three stages, namely data reduction, data categorization, and data verification. Data reduction in this study was carried out by selecting all data through cutting and simplifying existing data according to the research topic. Furthermore, the reduced data categorization is carried out according to the research topic, namely the role of the Halal Industry in the Indonesian Economy. The last stage is data verification to draw conclusions which is the researcher's interpretation of the data. Verification is carried out by triangulation techniques, namely comparing one data source with other data sources (Mohamed, Abdul Rahim, and Ma'aram 2020)

Result and Discussion

After the researchers conducted a review of several studies. There are some that are related to the research that the researcher is doing.

The first researcher is a study conducted by Faqiatul Mariya Waharini and Anisa Hakim Purwanti (2018) entitled "Model of Halal Food Industry Development in Indonesia". The results of this study are the market potential for the halal food industry in Indonesia is experiencing rapid development. Over the past few years, Indonesia has been ranked first as a consumer of halal food in the world. However, the huge market potential has not been able to be utilized optimally by the government to improve the Indonesian economy. Maintaining the quality of halal food products (halal integrity) is one way to compete with other countries in the halal food industry. The role of Islamic banking in the development of the halal food industry needs to be maximized (Waharini and Purwantini 2018). This study emphasizes the understanding of the halal food industry in Indonesia.

The second researcher is a study conducted by Evita Farcha Kamalia (2021) entitled "The Role of the Halal Industry in Boosting Indonesia's Economic Growth in the New Normal Era". The results of the study are that in the new normal era or a new habit order that prioritizes aspects of hygiene and cleanliness of a product, sharia economics also has good instruments to break this economic development, one of which is the halal industry. From the opportunities, efforts, and strategies studied in Indonesia regarding the halal industry, the results of the study show that the projection of the halal industry in the new normal era is potential in accordance with the conditions, opportunities, strategies, and government efforts in economic development in the new normal era. So in this new era of habits, the government, business people, and society can adapt to new economic patterns in order to advance the economy in the new normal era. Coupled with an increasingly advanced business pattern with digitalization, it

makes it easier for the halal industry to dominate the market, especially in Indonesia (Kamila 2021). This study emphasizes the understanding of the halal industry that boosts the Indonesian economy.

The third researcher is a study conducted by Aan Nasrullah (2018) entitled "Analysis of the Potential of the Halal Industry for Business Actors in Indonesia", The results of the study are the potential of the halal product industry for business actors in Indonesia above, so several conclusions can be drawn, as follows ; First, the need for Halal products (goods and services). Economic behavior, both consumption and production of halal food, in addition to meeting the demands of Islamic religious principles, has also become a culture for Muslim communities in various parts of the world. Second, the Diversity of Halal Products. The diversity of halal products is none other than to meet the demand for products that are getting higher day by day, the large population and the increasing income of the Muslim community cause the high variety of halal products, these halal products are products that have been declared in accordance with Islamic law, including goods or services related to halal products. food, beverage, medicine, cosmetic, chemical product, biological product, genetically engineered product, as well as goods used, used, or utilized by the public. Third, the Completeness of the Legal Framework. The active role of the government in the development of the Islamic economy in Indonesia has been running for two decades, both in the development of the Islamic finance sector and the real sector. In 2014 the government has passed Law no. 33 of 2014 concerning Halal Product Guarantee, (JPH). Which aims to provide comfort, security, safety, and certainty of the availability of Halal Products for the public in consuming and using the Products, as well as increasing added value for business actors to produce and trade halal products. Fourth, there are many business actors in the halal product market. Among countries that are oriented towards developing and becoming producers of halal products, among others, Malaysia Malaysia is one of the countries that is quite serious in developing halal products in the world. Fifth, Export Needs. The demand for halal products globally continues to increase. The need for halal products, not only in Arab countries or with a majority Muslim population, but as if it has become a lifestyle and needs of the world community (Nasrullah 2018). This study emphasizes the understanding of halal industrial products for business industry players in Indonesia.

The fourth researcher is a study conducted by Siska Lis Sulistiani (2018) entitled "Analysis of Maqashid Syariah in the Development of Halal Industry Law in Indonesia". The result of the study is that understanding and enthusiasm in applying the concept of halal and thoyib in the realm of the halal industry in

Indonesia should have the spirit and motivation within the framework of maqashid sharia, so that the development of the halal industry can be in line with its main goal so that consumers in Indonesia, especially the Muslim community, are maintained in all respects. in terms of fulfilling their needs which are met through the halal industry which is dynamic and innovative, and always in the context of maintaining the benefit of all parties. (Sulistiani 2019). This study emphasizes the understanding of applying the concepts of halal and thoyib in the industrial realm.

The fifth researcher is a study conducted by Muhammad Anwar Fathoni and Tasya Hadi Syahputri (2020) entitled "Portrait of the Indonesian Halal Industry: Opportunities and Challenges". The result of the research is that Indonesia has tremendous potential to develop the halal industry. These potentials include the abundant Muslim population which is projected to reach 256 million by 2050, the growth of various halal industrial sectors, especially the finance, tourism and fashion sectors, the recognition of Indonesia's achievements in the eyes of the world, Indonesia's geographical conditions and demographic bonuses, technological developments, and the ratification of the Guarantee Act. Halal Products number 33 of 2014. This potential can encourage economic growth through increasing the value of exports and foreign exchange reserves. But on the other hand, Indonesia also has challenges in developing this halal industry. The challenges facing Indonesia come from external and internal sources. From an external point of view, the challenges faced by Indonesia are the number of competing countries, the absence of an internationally valid halal certificate. Meanwhile, from an internal point of view, the challenges faced by Indonesia are the lack of halal awareness among the Indonesian people, the problems in the implementation of the Halal Product Guarantee Act and the low awareness of the Indonesian people to compete. Through this research, it is hoped that many people will become increasingly aware of the importance of the halal industry so that they can support efforts to advance the Indonesian halal industry. By looking at these potentials and challenges, the government is advised to further promote education to business actors about the importance of maintaining and guaranteeing the quality of goods and services offered to the public, especially regarding halal assurance considering that the majority of Indonesia's population is Muslim. In addition, there needs to be assistance for Micro, Small and Medium Enterprises (MSMEs) in the halal certification process considering that there are 57.83 million MSME actors (in 2018) who make up the majority of business actors in Indonesia. With this education and assistance, it is hoped that Indonesia will be able to shift from a consumer country for halal products to a producing country

in the future (Fathoni 2020). This study emphasizes understanding the opportunities and challenges of the halal industry in Indonesia.

Normative Foundation for Halal Industry

The Halal Product Guarantee Agency (BPJPH) is an agency formed under the auspices of the Ministry of Religion. Law No. 33 of 2014 concerning Halal Product Assurance mandates that Halal products circulating in Indonesia are guaranteed. Therefore, the Halal Product Guarantee Agency has the duty and function to ensure the halalness of products that enter, circulate, and trade in Indonesia. The Halal Product Guarantee Agency is also supported by the duties and functions as mandated by Law no. 33 of 2014 concerning Halal Registration, Halal Certification, Halal Verification, Conducting guidance and monitoring of product halalness, Cooperation with all relevant stakeholders, and setting halal standards for a product.

a. Al-Qur'an QS. Al Baqarah [2]: 168

Meaning: "O mankind, eat what is lawful and good from what is on the earth, and do not follow the steps of the devil; for verily the devil is a real enemy to you" (Q.S. Al Baqoroh [2]: 168). In relation to explaining this verse, Sheikh Wahbah Zuhaili in his commentary Al-Wajiz explained that the law of origin of all existing objects is permissible, the law is both to be eaten and to be used, and that there are two kinds of things that are forbidden from it; First, what is forbidden because of its essence, namely that which is dirty which is the opposite of good (tayib), second, it is forbidden because it is associated with something, namely what is forbidden because it is related to the rights of Allah or human rights, which is the opposite of what is lawful.

b. Al-Hadits

What is further, the meaning of tayib can be interpreted as everything that is holy, not unclean and not repulsive which is shunned by the human soul. Thus, the essence of food (and drink) is good, does not harm their bodies and minds (Tafsir Ibn Kathir 1/482, Aisarut Tafâsir 1/70). In line with this principle is the hadith narrated by Al-Hakim and Al-Bazzar in which the Messenger of Allah (peace and blessings of Allah be upon him) said: "What Allah has made lawful in His book is lawful, and what He has forbidden is unlawful; while what He keeps silent is forgiven (allowed). Therefore, accept the favor of Allah, because indeed Allah will never forget at all (Shaari et al. 2020).

c. Ijma' dan Qiyas

In discussions related to halal and haram food, it is always inseparable from the term Istihalah. Istihalah is a change in the nature or origin of an object. Or the

change of an unclean substance into another substance (al Mawsuah al Fiqhiyyah Juz III/pg 213). As an example of a phenomenon that can be used as an example of this *istihalah*, namely the change of *khamr* into vinegar. When *khamr* with the status of unclean has turned into vinegar, the law is that the *najis* turns into pure according to the majority of scholars (Ainin et al. 2020).

In discussing *Istihallah* the scholars have different opinions which can be explained as follows:

- a. Mazhab Syafi'i is of the opinion that there is no *najis* object that can be turned into pure by *istihalah* except for three things:
 1. The wine and its place will become holy when it has turned into vinegar by itself;
 2. The skin of carrion other than pigs and dogs becomes holy after being tanned;
 3. Something that has turned into an animal due to a new life (Al Fiqhul Islami, Juz I hal 101) (Sungkawaningrum 2019)
- b. Madzhab Hambali In one view, he argues that *najis* objects do not turn into holy with a term other than wine which turns into vinegar by itself. The process of changing an unclean object that occurs due to burning so that it becomes ashes or becomes smoke is still unclean (al Mughni, Juz 1 p. 97) Al Buhuti from Madhab Hambali reiterates that *najis* will not become holy with *istihalah*, other than in the case of alcohol and a clot of blood. turn into a living animal (Daqaiq Uli an Nuha li Syarh Muntaha, Juz I hal 2090 (Junaidi 2020).
- c. Al Imam Muhammad bin Hasan al Syaibani ulama madhab Hanafi states that if an unclean object has changed from its original nature because it becomes a new object (*istihalah*) then it becomes holy, such as *khamr* turns into vinegar, *najis* that burns to ashes, fat is exposed to *najis* which has been made into soap (Fiqh al Islami, Juz I hal 100; Badai'u al-shanai, Juz I/ hal 442)

Responding to opinions among *fuqoha* (fiqh experts), the Indonesian Ulema Council stipulates that materials or compounds that are proven to come from pigs and carrion, even though they have turned into new compounds, are still unlawful. On the other hand, apart from being forbidden due to internal factors, we are also prohibited from consuming anything due to external factors (*lighorihi/outside the substance*). This can be exemplified as follows: (1). Consuming the proceeds of corruption, crime, disobedience or other sharia violations. Q.S. al Baqarah [2]: 188; Q.S al Nisa [4]: 29; Q.S. al Baqarah [2]: 275; Q.S. al Baqarah [2]: 278 -279, serta hadits Nabi SAW HR Muslim No.2783(Sukoso 2020) (2). Excessive consumption pattern Q.S Al A'raf [7]: 31; Q.S al-Isra [17]: 26-27 (3). Mixed with unclean items or forbidden materials.

From the previous explanation, it can be understood that everything that is forbidden is an exception, so the number is very small. However, the development of processing technology makes many products that were previously halal but in the process of processing, serving or even in the distribution process they are mixed or interacted with prohibited materials. So this is where the rule applies "When the lawful and unlawful (in something) gather, it is the unlawful element that is won (the something becomes unlawful). (shubhat). This is the phenomenon implied in the hadith (Laa yarifuhunna kastirun minannas), so it requires the study of experts who not only understand the rules of halal and haram but also understand the development of science and technology, especially material science. As for the attitude of a Muslim towards everything that is doubtful is to leave it.

Meaning: If a person's wealth is mixed between lawful and unlawful elements, then the amount of unlawful elements must be removed, and the rest is lawful for him (Mohd Shahwahid et al. 2015).

Halal Industry Theory

a. Industry

Industry comes from the Latin, namely *industria* which means labor or labor. The term industry is often used in general and broad terms, namely all human activities to fulfill their needs in order to achieve prosperity. The definition of Industry according to Sukirno is a company that carries out economic activities belonging to the secondary sector. These activities include textile factories, assembly plants and cigarette manufacturing factories. Industry is an economic activity that processes raw goods, raw materials, semi-finished goods or finished goods to become goods with higher uses (Sadono 1995).

Industry is one of the efforts to improve the welfare of the population. In addition, industrialization is also inseparable from efforts to improve the quality of human resources and the ability to utilize natural resources optimally. Law Number 5 of 1984 concerning Industry, industry is an economic activity that manages raw materials, raw materials, semi-finished goods, and or finished goods into goods with a higher value for their use, including industrial design and engineering activities. From a geographical point of view, industry as a system is a combination of physical sub-systems and human sub-systems (Sulistiani 2019).

The halal industry is an interesting concept to be studied not only by Muslims in Indonesia but by Muslims around the world. Writers from various universities in Indonesia and the world also write a lot about the halal industry, halal not only discusses the quality of food according to religious rules, but halal

has also developed into an industry, this phenomenon is very interesting, because of the rapid development of Muslims in Indonesia. In the world, Muslims in a country need halal labels not only for the food they eat but all aspects of life need it, public sectors, services, health, trade, products must show halal (Bahri, Hidayat, and Saleh 2021)

b. Halal

Halal in language, according to some opinions, comes from the root word اللّ which means (الإباحة) which means something that is permissible. according to the Shari'a (Qanaybî: 1985, 185). Al-Jurjani wrote, the word "halal" comes from the word الحلّ which means "open" (الفتح). In terms, it means anything that is not subject to sanctions for its use or an act that is exempted by the Shari'a to be carried out (AL-Jurnaji: 1405, 124). According to Abû Jafar al-Thabârî (224-310 H), lafaz halal (حلال) means detached or freed (طلقا). From some of the explanations mentioned above, it can be concluded that halal is something that is permitted by the Shari'a to be done, used, or cultivated, because the ropes or ties that prevent it or the elements that are harmful to it are accompanied by attention to how to obtain it, not with the prohibited muamalah results. (Ali 2016).

Absolute Halal is goods which in essence do not contain haram properties and are free from causes that lead to haram and makruh laws. An example is rainwater that is drunk directly, meaning that it is drunk from the air before it falls to a place that is already owned by people or the rainwater is collected in a place that is owned by him/herself. (Sucipto 2017).

So from the above understanding, it can be understood that the halal industry is all forms of efforts to improve the welfare of the population in the form of processing raw materials, and developing peklain which can become economic products obtained by the Shari'a both in the process of manufacture, business, use, marketing and development, not the results of muamalah activities are prohibited (Muhammad, Elistina, and Ahmad 2020).

The halal industry is divided into 4 types in Indonesia, namely:

1. The halal food industry

is a very important thing for Muslims because food is a daily need that must be fulfilled by eating halal food, which is managed by the MUI (Indonesian Ulama Council) Institution (Faturohman 2019).

2. Halal tourism industry

The concept of sharia in the tourism industry is the application of everything that does not conflict with sharia values and ethics related to the concept of halal and haram in Islam (Soebagyo 2018). Halal means justified, while haram means prohibited. The halal concept can be viewed from two perspectives, namely a

religious perspective and an industrial perspective. What is meant by a religious perspective, namely as a law of what foods may be consumed by Muslim consumers according to their beliefs. This brings the consequence of consumer protection. Meanwhile, from an industrial perspective, for food producers, the halal concept can be interpreted as a business opportunity. For the food industry, whose target consumers are mostly Muslims, it is necessary to guarantee that the halal product will increase its value in the form of intangible value. Food products whose packaging has a halal label are considered more attractive to Muslim consumers (Suyudi, Muhlis, and Mansur 2020).

3. Halal fashion industry

The fashion industry is one of the creative industries in Indonesia. This industry has an important role for the Indonesian economy. The fashion industry contributes the second largest figure to the National Gross Domestic Product (GDP) after the culinary industry, which is 18.5 percent (Fariad 2019).

Islam introduces every Muslim, even commands that his movements are good, beautiful to look at and his life is orderly and neat to enjoy the jewelry and clothes that Allah has created. As for the purpose of clothing in the view of Islam there are two kinds, namely: to cover the genitals and to decorate. This is a gift from Allah to mankind, thus Allah has provided clothes and jewelry, if humans want to arrange them themselves, according to the word of Allah SWT in the Qur'an letter al-A'raf verse 26 which reads:

Meaning: "O son of Adam, indeed We have sent down to you clothes to cover your nakedness and beautiful clothes for adornment. and the clothing of piety is the best. that is part of the signs of Allah's power, hopefully they will always remember." (QS. alA'raf: 26)(M. Dliyaul Muflihin 2018).

4. Halal pharmaceutical and cosmetic industry

Pharmaceuticals and cosmetics are chemicals that are made by humans for a need that is needed now that the industry is growing rapidly in Indonesia there is an institution that was formed to oversee its management, namely BPOM (Food and Drug Supervisory Agency), for the level of customer convenience (Hidayat 2018).

Conclusion

Halal industry is all forms of efforts to improve the welfare of the population in the form of processing raw materials, and developing peklain which can become economic products obtained by the Shari'a, both in the process of

making, doing business, using it, marketing it and developing the results of prohibited muamalah activities.

The halal industry in Indonesia is based on; Al Quran, Hadith, Ijma and Qiyas, there are several opinions from Islamic figures, among others; The Shafi, I, Hambali, and Hanafi schools, there are 4 halal industries in Indonesia, among others; halal food industry, halal tourism industry, halal fashion industry, pharmaceutical and cosmetic.

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Muhammad Izzudin, Hendri Hermawan Adinugraha
A Literature Review Potential Development Of Halal Industry In Indonesia

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