

Halal Certification Imperatives for MSMEs: Navigating Sustainability, Consumer Confidence, and Policy Compliance (Case of Kenteng, Bandungan, Indonesia)

Sang Ayu Putu Rahayu 

Department of Private and Commercial Law
Faculty of Law, Universitas Negeri Semarang, Indonesia

Aprila Niravita 

Department of Private and Commercial Law
Faculty of Law, Universitas Negeri Semarang, Indonesia

Rahayu Fery Anitasari 

Department of Private and Commercial Law
Faculty of Law, Universitas Negeri Semarang, Indonesia

Ubaidillah Kamal 

Department of Private and Commercial Law
Faculty of Law, Universitas Negeri Semarang, Indonesia

✉ rahayu fh@mail.unnes.ac.id

Abstract

Micro, Small, and Medium Enterprises (MSMEs) serve as the economic backbone of communities, with their sustainability influenced by

various factors, including adherence to business legality. Among the crucial legal aspects, obtaining halal certification stands out as a pivotal requirement. This certification plays a vital role for business entities, aiming to bolster consumer confidence in the products they offer. The research conducted adopts a mixed-methods approach, combining qualitative and quantitative data collection and analysis. Surveys and direct interviews with service partners reveal significant challenges faced by these partners. These challenges encompass a spectrum from comprehending the importance of halal food products and the processes involved in their production to understanding the intricacies of halal certification and the necessary steps to obtain it. In accordance with the Halal Product Assurance regulations, the implementation of halal certification in Indonesia is mandated to expedite. Notably, by no later than October 17, 2024, all products entering, circulating, and trading in Indonesia must be duly halal-certified. This stringent timeline underscores the urgency for businesses to prioritize obtaining halal certification, positioning it as a critical component of their legal obligations. The significance of halal certificates extends beyond mere compliance, serving as a testament to a business's commitment to meeting the ethical and religious considerations of its diverse consumer base. This study also advocates for the important role of halal certification in sustaining MSMEs as the economic backbone of communities. The findings underscore the need for robust policy-making, emphasizing the urgency of halal certification in accordance with Halal Product Assurance regulations in Indonesia. The research aligns with the advocacy for policies that prioritize the timely implementation of halal certification, recognizing it as a critical component for MSMEs to meet legal obligations and enhance consumer trust.

Keywords

Halal Certification, Halal Product Policy, Micro, Small, and Medium Enterprises (MSMEs), Consumer Protection

A. Introduction

Indonesia is a country with the largest Muslim population in the world and one of the countries with promising potential in developing goods and services products based on halal assurance as one of the driving wheels and new sources of economic growth.¹ This fact is based on statistics on the Indonesian Muslim population, which has reached 207 million people (2010 census) or represents 13% of the world's total Muslim population, as well as total domestic halal product spending which continues to grow to reach around USD 218.8 billion (2017), or around 22% of Indonesia's real GDP. No wonder with this large niche market and the increasing awareness of the Muslim community in Indonesia on the application of halal lifestyle (Halal Lifestyle), the State of Global Islamic Economy Report 2019/2020 states that Indonesia is now ranked 1st country in the world as a consumer of halal food, ranked 2nd in the world as a consumer of halal cosmetics, and ranked 4th in the world as a consumer of halal medicines. The actual achievement can be even better if Indonesia's status is known as a major consumer and a significant producer of the national and global halal industry. Thus, domestic production can be relied upon as an alternative to the consumption of imported goods, supporting trade balance improvement and reducing the current account deficit.

By way of Law No. 33 of 2014 concerning Halal Item Affirmation and its supporting subsidiary guidelines, like Unofficial law (PP) No. Minister of Religious Affairs Regulation (PMA) No. 33 of 2019 and 26 of 2019: The state guarantees Halal products. October 17, 2019, is the start of establishing the required Halal Endorsement for items entering, coursing, and exchanging the domain of Indonesia. BPJPH holds the authority to issue and revoke halal labels and certificates. The Central BPJPH and the Halal Task Force manage the administration of halal certification at regional offices of the Ministry of Religious Affairs in provinces, regencies, and cities across Indonesia.

¹ Z Hasan et al., "Reflecting on Gmti and Imti in Assessing Halal Tourism Performance in Indonesia To Strengthen National Halal Industry," *Journal of Islamic, Social, Economics and Development (JISED)* 6, no. 39 (2021): 26, <http://www.jised.com/PDF/JISED-2021-39-09-30.pdf>.

One way to ensure that the products that will be made and sold are halal is to have a body certifying them as such.

Halal certification is an official document that allows manufacturers/sellers of some goods to display halal logos on products and at points of sale operations. Knowing and accepting a product as halal does not guarantee using a halal stamp. One must go through a defined process determined by the competent agency. Registration and requirements for halal certification have been determined based on the fundamental requirements for maintaining food halal certification are unquestionable, according to the Quran and hadith. In addition to protecting and reassuring consumers, halal product assurance regulations also assist producers in learning how to process, produce, and market products to the consumer community and provide consumers with information about halal products.² Before the Law-JPH's introduction, Halal certification was still voluntary; however, producers must now comply with the obligation (mandatory) to obtain it. Consequently, halal-certified products must be imported, circulated, and traded in Indonesia. UU-JPH mandates that products that must be halal certified are not only limited to food, drugs, and cosmetics but also include chemical products, biological products, genetically modified products, and use goods used, used, or utilized by the community.

Halal certification obligation for products that enter circulate, and are traded in the territory of Indonesia and do not yet have halal certification from the Indonesian Ulema Council (MUI).³ The obligation of halal certification is excluded for products derived from non-halal ingredients. For these products, business actors are required to provide non-halal information, some things that must be considered by business actors in the halal.

² Syaifullahil Maslul and Iyut Rizqi Utami, "Halal Food Products Labeling According to Islamic Business Ethics and Consumers Protection Law," *Al-Iktisab: Journal of Islamic Economic Law* 2, no. 2 (2018), <https://doi.org/10.21111/al-iktisab.v2i2.3900>.

³ Aminudin Yakub and Fitriyani Zein, "Halal Certification in Government and Non-Governmental Organizations: A Comparative Analysis of Indonesia, Malaysia, and Thailand," *Jurnal Cita Hukum* 10, no. 1 (2022), <https://doi.org/10.15408/jch.v10i1.25747>.

In this context of research—which is limited to Kenteng Village, Bandungan Semarang Regency—Semarang Regency characterized by its 19 diverse districts and a population of 63,724 residents, provides a unique backdrop for the development of Micro, Small, and Medium Enterprises (MSMEs) and the integration of halal products into the local economy. The varied districts offer a spectrum of resources, skills, and cultural influences that can be harnessed for the growth of MSMEs. By recognizing and tapping into the local strengths of each district, there is an opportunity to foster entrepreneurship, innovation, and sustainable economic development.

In addition, the promotion of halal products becomes particularly significant. With the diverse demographic makeup of Semarang Regency, catering to the demand for halal-certified products aligns with both ethical considerations and the religious preferences of the community. By encouraging MSMEs to obtain halal certification, there is a dual benefit: meeting the legal requirements for market access and responding to the consumer base's expectations.

Local policymakers and business support organizations can play a pivotal role in facilitating the development of MSMEs producing halal products. This involves creating an enabling environment through policy frameworks, financial incentives, and capacity-building programs tailored to the specific needs of each district. Embracing the richness of Semarang Regency's districts can fuel a localized economic ecosystem, where MSMEs producing halal goods become integral contributors to the region's economic vibrancy and cultural identity.

Micro Business Unit, which is divided into various fields. Micro, Small, and Medium Enterprises, or what we often call MSMEs, is something we often hear, and our daily lives cannot be separated from various services and production goods from MSME actors. These MSMEs have a substantial and very decisive contribution to our macro economy. Semarang Regency has great potential from its small businesses; 98% of industries in Semarang Regency are home and small and medium enterprises.

Bandungan District, as an agricultural and tourism area, has excellent small industry potential; there are approximately 263 MSEs which are household and small and medium industries. On the Indonesian SME website, it is stated, according to a 2017 report from

the Ministry of Cooperatives and SMEs of the Republic of Indonesia, MSMEs account for approximately 99.99% (62.9 million units) of Indonesia's total business actors, while large businesses account for only 0.01 percent or about 5400 units. There are approximately 107.2 million workers employed by Micro Enterprises (89.2 percent), 5.7 million by Small Enterprises (4.74%), and 3.73 million by Medium Enterprises (3.11%), while Usaha Besar ingested around 3.58 million individuals. This indicates that MSMEs employ approximately 97% of the nation's workforce together, while Large Enterprises use only 3%.

As a rule, MSME business fields are isolated into two significant gatherings, to be specific Horticulture and Non-Farming, in particular Agribusiness, Animals, Ranger service, Fisheries, Mining and Quarrying, Handling Industry, Power, Gas and Clean Water, Building, Inn and Eatery Exchange, Transportation and Correspondence, Money, Rental and Corporate Administrations, Confidential Administrations. According to data from the Office of Cooperatives, Micro Enterprises, Industry, and Trade, processing is at the top of Semarang Regency's economy. Various production processes transform raw materials into semi-finished or finished goods ready for use or consumption to make up the processing industry. For instance, the cotton-to-cloth manufacturing industry; the convection industry, which transforms fabric into various clothing styles; or the packaged beverage industry, which transforms a variety of fruit into ready-to-drink juice drinks in bottles. Concerning this Handling Industry class (fabricating), there are around 3.4 million MSME players (BPS, 2015), most of which are participated in 5 modern fields, to be specific Food and Refreshments (44.9%); Wood and woven items (19.9 percent); Materials and clothing (14.4%); Non-metallic quarries like flour, mica, and so forth (6.9%); what's more, furnishings (3.5%).⁴

Many factors, including business legality, influence the sustainability of an MSME. There are two types of legality or business licenses for MSMEs: the First is an Administration (Operational) Permit. This permit is a valid proof of establishing a business recognized by the state. There are at least five types of licenses that must be taken

⁴ Y. R. Suci, "Perkembangan UMKM (Usaha Mikro Kecil Menengah) di Indonesia". *Jurnal Ilmiah Fakultas Ekonomi*, 6 (1), (2017), 51–58

care of by MSMEs, namely: Personal NPWP (Taxpayer Identification Number), NIB (Business Identification Number), IUMK (Micro Small Business License), SIUP (Trade Business License) and Brand IPR (If the business has a brand). Second, Distribution License (specifically for products consumed or used directly). This distribution permit must be taken care of for the legality of products consumers consume or use directly. If it meets the distribution permit, the product may be distributed in public places. There are at least three distribution permits that can be managed by MSMEs, namely: PIRT (Home Industry Licensing) issued by the Local Health Office, Halal Certificate issued by BPJPH with approval from LPPOM MUI and BPOM (Food and Drug Supervisory Agency).⁵

Micro, Small, and Medium Enterprises (MSMEs) play a pivotal role in driving the Indonesian economy, forming an extensive network that taps into the potential of diverse communities across the nation. The halal industry, a significant segment within MSMEs, holds immense promise, particularly considering the substantial market of potential Muslim consumers in Indonesia. Central to the legitimacy of MSMEs in the halal sector is the acquisition of halal certificates, serving as a crucial standardization mechanism facilitated by the Halal Product Process (PPH).

The importance of halal certification for business actors cannot be overstated. It serves as a cornerstone for bolstering consumer confidence in the products they offer. Recent regulatory developments, including the enactment of Law 11/2020 on Job Creation and PP No. 39/2021 on the Implementation of the Halal Product Assurance (JPH) Field, emphasize the urgency of expediting the halal certification process in Indonesia. As per the JPH Act, a stringent deadline is set, mandating that no later than October 17, 2024, all products entering, circulating, and trading in Indonesia must possess the requisite halal certification. This legal imperative underscore the need for swift and comprehensive compliance by MSMEs in the halal industry. Adhering to these regulations not only ensures alignment with the law but also reinforces

⁵ Azhar Alam and Refita Yunie Samhuri, "Halal Certification Management Procedure for Cosmetic Products in Indonesia After Government Regulation Number 31 of 2019," *El-Qist: Journal of Islamic Economics and Business (JIEB)* 11, no. 2 (2021): 116.

the commitment of business actors to meeting the ethical and religious expectations of the discerning consumer base in Indonesia.

The government has provided halal certification facilities for MSMEs regulated in Law No. 11 of 2020 concerning Job Creation (Ciptaker Law). Article 4A of the Ciptaker Law states that for Micro and Small Enterprises, the obligation to be halal-certified, as referred to in Article 4, is based on the statements of MSE actors.⁶ Halal certification on products must be done to guarantee and ensure to the public that the products produced are halal for consumption. This is also an effort by the government to provide facilities for the community to carry out orders following Sharia. A product can be considered halal if it meets the Halal Certification Process Standard (SJPH), which has five criteria, including commitment and responsibility, ingredients, halal product processes, products, and monitoring and evaluation.⁷

Micro, Small, and Medium Enterprises (MSMEs) are the economic support of the community.⁸ Many factors, including business legality, influence the sustainability of an MSME. One of the business legalities is halal certification; furthermore, based on surveys and direct interviews with service partners, there are three problems faced by partners, namely: understanding the urgency of halal food products, understanding how to produce halal food, understanding of halal certification, and efforts to obtain halal certification. Halal certification is essential for business actors.⁹

⁶ Sugeng Santoso et al., "Correlation Analysis of the Halal Certification Process and Perceptions of the Cost of Halal Certification with the Intentions of Food and Beverage SMEs Actors," *Religious: Jurnal Studi Agama-Agama Dan Lintas Budaya* 5, no. 2 (2021): 297–308, <https://doi.org/10.15575/rjsalb.v5i2.11627>.

⁷ Mohammad Yusuf et al., "Economic Analysis of Halal Certification by the Halal Product Assurance Administration Agency," *World Journal of Advanced Research and Reviews* 13, no. 1 (2022): 556–64, <https://doi.org/10.30574/wjarr.2022.13.1.0077>.

⁸ Septi Indrawati and Sheila Kusuma Wardhani Amnesti, "Perlindungan Hukum Merek Pada Produk Usaha Kecil Di Kabupaten Kebumen," *Amnesti: Jurnal Hukum* 1, no. 1 (2019): 29–35.

⁹ Rini Fitriani, "Aspek Hukum Legalitas Perusahaan Atau Badan Usaha Dalam Kegiatan Bisnis," *Jurnal Hukum Samudra Keadilan* 12, no. 1 (2017): 136–45, <https://ejurnalunsam.id/index.php/jhsk/article/view/97>.

This is to increase consumer confidence in the products sold. Based on the Halal Product Assurance (JPH) regulation after the issuance of Law 11/2020 on Job Creation and PP No. 39/2021 on the Implementation of the JPH Field, halal certification in Indonesia must be faster than before. According to the JPH Law, no later than October 17, 2024, all products entered, circulated, and traded in Indonesia must be halal-certified.

The target of community service activities carried out in Kenteng Village for MSME small business actors is to increase the understanding, ability, and capacity of MSME small business actors to expand the business scale and competitiveness by fulfilling the legality of halal certificates, understanding the urgency of halal food products, understanding of how to produce halal food, understanding of halal certification, and efforts to obtain halal certification.¹⁰ Therefore, community service is carried out: Halal certification for micro businesses to develop business scale and competitiveness in MSMEs in Kenteng Bandungan Village.

B. Method

In this community service initiative, our focus is on aiding and supporting Micro, Small, and Medium Enterprises (MSMEs) in Semarang Regency, specifically in Kenteng Village. Despite possessing significant potential, these MSMEs currently lack essential business distribution licenses, particularly halal certification, which is crucial for advancing their business endeavors. Halal certification holds paramount importance for business actors, serving as a key driver in elevating consumer confidence in the products they offer.

Compliance with the Halal Product Assurance (JPH) Law is imperative, emphasizing that by no later than October 17, 2024, all products entering, circulating, and traded in Indonesia must be equipped with halal certification. This legal requirement underscores the urgency for MSMEs to secure the necessary certifications to enhance their competitiveness. The halal certificate not only aligns with

¹⁰ Heri Kusmanto and Warjio Warjio, "Pentingnya Legalitas Usaha Bagi Usaha Mikro Kecil Dan Menengah," *Jupii: Jurnal Pendidikan Ilmu-Ilmu Sosial* 11, no. 2 (2019): 324, <https://doi.org/10.24114/jupii.v11i2.13583>.

regulatory mandates but also positions these businesses to contribute significantly to the regional economic growth rate. Our community service endeavors aim to empower MSMEs in Kenteng Village by facilitating the acquisition of halal certification and other essential licenses. By doing so, we aspire to not only enhance the standing of these businesses in the marketplace but also foster their pivotal role in bolstering the economic development of the region.

The implementation team of this service is lecturers in the civil trade section of the Faculty of Law UNNES with various disciplines, commercial law, civil law, investment law, and intellectual property law, to support the success of activities. This activity involved resource persons from the Cooperatives, Micro Enterprises, Industry, and Trade Office of Semarang Regency to achieve the program's output target. This study explores halal certification's role as a tool for scaling up micro-enterprises in Kenteng Bandungan village. The research method used in this study is a mixed-methods approach that combines qualitative and quantitative data collection and analysis.¹¹

The first step in this study is to conduct a literature review of existing research on halal certification and its impact on micro-enterprises. This review will help identify the critical issues related to halal certification, including the cost of certification, compliance with regulations, and the effect of certification on business performance. The second step is to conduct qualitative interviews with micro-entrepreneurs in Kenteng Bandungan village. These interviews aim to explore the experiences and perspectives of micro-entrepreneurs on halal certification. The interview questions will focus on the challenges and opportunities related to obtaining halal certification, including the cost of certification, compliance with regulations, and the impact of certification on business performance. The third step is to survey consumers in Kenteng Bandungan village. The survey aims to assess consumer awareness and demand for halal products. The survey questions will focus on the factors that influence consumer purchasing decisions, including the importance of halal certification, the types of

¹¹ Pat Bazeley, "Mixed Methods in My Bones': Transcending the Qualitative-Quantitative Divide," *International Journal of Multiple Research Approaches* 10, no. 1 (2018): 34, <https://doi.org/10.29034/ijmra.v10n1a22>.

products that require halal certification, and the willingness of consumers to pay a premium for halal products.

The fourth step is to examine the information gathered from the meetings and the overview utilizing subjective and quantitative information examination strategies. Coding and categorizing the interview data will be part of the qualitative data analysis to find essential themes and patterns related to halal certification. The survey data will be statistically analyzed as part of the quantitative data analysis to determine the factors influencing consumer demand for halal products.

The conclusive phase involves leveraging data analysis to formulate insightful recommendations and draw conclusions. Within these findings, the identified key challenges and opportunities pertaining to halal certification for micro-businesses in Kenteng Bandungan village will be highlighted. This culmination of insights not only serves as a valuable resource for policymakers but also offers micro-entrepreneurs practical guidance on overcoming obstacles and harnessing the potential presented by halal certification. The recommendations provided aim to facilitate informed decision-making, enabling stakeholders to navigate the intricacies of halal certification, thereby fostering a more resilient and thriving ecosystem for micro-businesses in Kenteng Bandungan village.

C. Result and Discussion

1. Economic Impact of Halal Certification on Micro Enterprises in Kenteng Bandungan Village

The study found that halal certification is crucial for scaling up micro-enterprises in Kenteng Bandungan village. The certification enables businesses to access new markets, including the export market, and build trust with customers who require halal products. The halal certification also helps micro-entrepreneurs improve the quality of their products and services, which is essential for building a loyal customer base. The study found that the cost of obtaining halal certification is a significant barrier for micro-entrepreneurs. However, most of the micro-entrepreneurs in the survey agreed that the benefits of halal certification outweigh the cost. The findings of this study suggest that

halal certification can be a valuable tool for scaling up micro-enterprises in Kenteng Bandungan village. The certification provides businesses access to new markets and helps build customer trust.

Additionally, obtaining halal certification can improve the quality of products and services, which is essential for building a loyal customer base. However, the cost of obtaining halal certification can be a barrier for micro-entrepreneurs, and policymakers should consider reducing the cost and making the certification more accessible. The study found that halal certification is crucial in scaling up micro-enterprises in Kenteng Bandungan village. The certification enables businesses to access new markets, including the export market, and build trust with customers who require halal products. The halal certification also helps micro-entrepreneurs improve the quality of their products and services, which is essential for building a loyal customer base. The study found that the cost of obtaining halal certification is a significant barrier for micro-entrepreneurs. Certification costs vary depending on the type of product or service and the certification body, but it can be as high as IDR 10 million (USD 700) for a food product. However, most of the micro-entrepreneurs in the study agreed that the benefits of halal certification outweigh the cost. The study found that the benefits of halal certification go beyond accessing new markets and building trust with customers.

Obtaining halal certification can also help micro-enterprises to comply with government regulations. In Indonesia, the government has implemented various policies and regulations that require businesses to obtain halal certification. For example, the 2014 Halal Law requires halal certification for all food and beverage products sold in Indonesia. Additionally, the government has established the National Halal Certification Agency (BPJPH) to oversee the halal certification process and ensure compliance with halal standards. The results of this study highlight the importance of halal certification for micro-enterprises in Kenteng Bandungan village. Halal certification allows businesses to access new markets and build trust with customers who require halal products.

Additionally, obtaining halal certification can improve the quality of products and services, which is essential for building a loyal customer base. However, the cost of obtaining halal certification is a significant

barrier for micro-entrepreneurs. The high certification price can lead to a situation where only larger businesses can afford halal certification, creating an uneven playing field. This situation can stifle innovation and entrepreneurship in the village, negatively impacting economic growth and employment generation.

Policymakers should consider reducing the cost of halal certification to make it more accessible to micro-enterprises. The government could provide subsidies to micro-enterprises to help cover the cost of certification. The government could also establish a halal certification body specifically for micro-enterprises, with lower certification fees. Additionally, the government could provide training and support to micro-enterprises on obtaining halal certification, including the certification process and requirements. Another issue related to halal certification is compliance with government regulations. In Indonesia, the government has implemented various policies and regulations that require businesses to obtain halal certification. For example, the 2014 Halal Law requires halal certification for all food and beverage products sold in Indonesia.

Additionally, the government has established the National Halal Certification Agency (BPJPH) to oversee the halal certification process and ensure compliance with halal standards. While these regulations are necessary to ensure that halal products meet Islamic dietary laws, they can also create additional challenges for micro-enterprises. Compliance with rules can be complex and time-consuming, especially for businesses with limited resources. The government should support and guide micro-enterprises to ensure compliance with regulations, including the halal certification process.

2. Challenges and Solutions in Implementing Halal Certification for Micro Enterprises in Kenteng Bandungan Village

Financial Constraints and Cost-Effectiveness: This sub-topic can focus on the challenges faced by micro-enterprises in Kenteng Bandungan Village regarding the financial aspects of halal certification. It can discuss the costs of obtaining and maintaining certification, including compliance requirements and ongoing monitoring. Potential

solutions and strategies can be explored to address the financial constraints, such as government subsidies, cost-sharing models, or collective certification initiatives among micro-enterprises. Awareness and Education Initiatives: Another sub-topic can delve into the importance of awareness and education programs in promoting halal certification among micro-enterprises. This discussion can highlight the lack of knowledge and understanding of the certification process and its benefits among businesses in Kenteng Bandungan Village. It can propose strategies to raise awareness, such as workshops, training sessions, and information campaigns, aiming to educate micro enterprises about the value and implications of halal certification for scaling up their businesses. In addition to government support, micro-enterprises can benefit from collaboration and networking with other companies in the village. Collaboration can lead to economies of scale, which can help reduce the cost of obtaining halal certification.

Additionally, collaboration can lead to knowledge sharing and innovation, which can benefit all businesses in the village. Finally, the study highlights the importance of consumer awareness and education about halal products. Consumer education can help build demand for halal products, benefiting micro-enterprises in the village. Additionally, consumer education can help build trust with customers who require halal products, essential for building a loyal customer base.

D. Conclusion

In conclusion, this research article has shed light on the significance of halal certification as a tool for scaling up micro-enterprises in Kenteng Bandungan Village. Through an in-depth analysis of the experiences and perspectives of the villagers, as well as guidance from the Halal Certification Board and relevant authorities, several key findings have emerged. Firstly, the research has demonstrated that halal certification plays a crucial role in enhancing the marketability and competitiveness of micro-enterprises in Kenteng Bandungan Village. The certificate assures Muslim consumers of the compliance of products and services with Islamic dietary and ethical standards. This, in turn, expands the customer base and opens up opportunities for business growth and expansion. Secondly, the study has revealed that halal certification acts as a catalyst for improving the

quality and standardization of products and services offered by micro-enterprises. The certification process involves rigorous inspections and audits, which necessitate adherence to strict guidelines and procedures.

This increases awareness and implementation of hygiene, sanitation, and production practices, resulting in improved product quality and customer satisfaction. Moreover, the research has highlighted the positive impact of halal certification on the overall socio-economic development of Kenteng Bandungan Village. The increased demand for halal products and services stimulates local entrepreneurship and creates employment opportunities, particularly for the villagers. This, in turn, contributes to poverty alleviation, economic empowerment, and sustainable development in the community. However, it is essential to acknowledge the challenges and barriers in implementing halal certification for micro-enterprises in the village. These include limited resources, lack of awareness and understanding of certification processes, and the need for capacity building and training. Overcoming these challenges will require collaborative efforts between relevant stakeholders, including the government, certification bodies, and local community organizations. In conclusion, the findings of this study underline the crucial role of halal certification as a tool for scaling up micro-enterprises in Kenteng Bandungan Village. The certification enhances market access and competitiveness, improves product quality, drives socio-economic development, and promotes sustainable entrepreneurship. The insights gained from this research provide valuable recommendations for policymakers, practitioners, and stakeholders involved in supporting and empowering micro-enterprises in similar contexts. It is hoped that this research will catalyze further exploration and implementation of halal certification to foster the growth and development of micro-enterprises, not only in Kenteng Bandungan Village but also in other communities striving for economic empowerment and sustainable progress.

E. References

Alam, Azhar, and Refita Yunie Samhuri. "Halal Certification Management Procedure for Cosmetic Products in Indonesia After

- Government Regulation Number 31 of 2019." *El-Qist: Journal of Islamic Economics and Business (JIEB)* 11, no. 2 (2021):116
- Pat Bazeley. "'Mixed Methods in My Bones': Transcending the Qualitative-Quantitative Divide." *International Journal of Multiple Research Approaches* 10, no. 1 (2018): 34–41. <https://doi.org/10.29034/ijmra.v10n1a22>.
- Fitriani, Rini. "Aspek Hukum Legalitas Perusahaan Atau Badan Usaha Dalam Kegiatan Bisnis." *Jurnal Hukum Samudra Keadilan* 12, no. 1 (2017): 36–45. <https://ejurnalunsam.id/index.php/jhsk/article/view/97>.
- Hasan, Z, R Sutiono, R Junita, and E D Jayanti. "Reflecting on Gmti and Imti in Assessing Halal Tourism Performance in Indonesia To Strengthen National Halal Industry." *Journal of Islamic, Social, Economics, and Development (JISED)* 6, no. 39 (2021): 26–43. <http://www.jised.com/PDF/JISED-2021-39-09-30.pdf>.
- Indrawati, Septi, and Sheila Kusuma Wardhani Amnesti. "Perlindungan Hukum Merek Pada Produk Usaha Kecil Di Kabupaten Kebumen." *Amnesti: Jurnal Hukum* 1, no. 1 (2019): 29–35.
- Kusmanto, Heri, and Warjio Warjio. "Pentingnya Legalitas Usaha Bagi Usaha Mikro Kecil Dan Menengah." *Jupiis: Jurnal Pendidikan Ilmu-Ilmu Sosial* 11, no. 2 (2019): 324. <https://doi.org/10.24114/jupiis.v11i2.13583>.
- Maslul, Syaifullahil, and Iyut Rizqi Utami. "Halal Food Products Labeling According to Islamic Business Ethics and Consumers Protection Law." *Al-Iktisab: Journal of Islamic Economic Law* 2, no. 2 (2018). <https://doi.org/10.21111/al-iktisab.v2i2.3900>.
- Mohammad Yusuf, Dewi Mahrani Rangkuty, Robi Krisna, and Mochammad Erwin Raditio. "Economic Analysis of Halal Certification by the Halal Product Assurance Administration Agency." *World Journal of Advanced Research and Reviews* 13, no. 1 (2022): 56–64. <https://doi.org/10.30574/wjarr.2022.13.1.0077>.
- Santoso, Sugeng, Selma Alfarisah, Ari Ana Fatmawati, and Rian Ubaidillah. "Correlation Analysis of the Halal Certification Process and Perceptions of the Cost of Halal Certification with the Intentions of Food and Beverage SMEs Actors." *Religious:*

- Jurnal Studi Agama-Agama Dan Lintas Budaya* 5, no. 2 (2021): 297–308. <https://doi.org/10.15575/rjsalb.v5i2.11627>.
- Suci, Y. R.. Perkembangan UMKM (Usaha Mikro Kecil Menengah) di Indonesia. *Jurnal Ilmiah Fakultas Ekonomi*, 6 (1), (2017), 51–58
- Yakub, Aminudin, and Fitriyani Zein. "Halal Certification in Government and Non-Governmental Organizations: A Comparative Analysis of Indonesia, Malaysia, and Thailand." *Jurnal Cita Hukum* 10, no. 1 (2022). <https://doi.org/10.15408/jch.v10i1.25747>.
- Undang Undang Nomor 20 tahun 2008 tentang Usaha Mikro, Kecil, dan Menengah
- Peraturan Daerah Kabupaten Semarang Nomor 7 Tahun 2014 tentang Pemberdayaan UMKM Peraturan Bupati Nomor 4 Tahun 2016 tentang IUM

Acknowledgment

Authors would like to thank to all parties involved in this program, especially the Kenteng Villange Community, Bandungan Semarang Regency Indonesia, the Faculty of Law Universitas Negeri Semarang, and all project team.

Funding Information

This research funded by Universitas Negeri Semarang (UNNES).

Conflicting Interest Statement

There is no conflict of interest in the publication of this article.

Publishing Ethical and Originality Statement

All authors declared that this work is original and has never been published in any form and in any media, nor is it under consideration for publication in any journal, and all sources cited in this work refer to the basic standards of scientific citation.