Vol. 5 No.2 August 2024 E-ISSN: 2774-2245

EFFECTIVENESS OF IMPLEMENTING HALAL CERTIFICATION ON MSME PRODUCTS IN LAMONGAN DISTRICT

Ainul Masruroh ^{#1}, Siti Afiyah ^{*2}

¹ Wahid Hasyim University

² Darul Ulum Islamic University Lamongan
Email: ainul_masruroh@unwahas.ac.id
Email: sitiafiyah@unisda.ac.id

Abstract

This research aims to find out how effective the implementation of halal certification is for MSMEs in the Lamongan district using Lawrence M. Friedman's legal system theory which consists of substance, structure, and culture. This type of research is empirical juridical research, with a sociological juridical approach. The location of this research was carried out at MSMEs in Lamongan Regency. The type of data used is primary data from field studies and secondary data from literature searches related to the discussion. The results of the research are that the implementation of halal certification for MSME products in Lamongan is quite effective. Where substance Law No. 33 of 2014 concerning Halal Product Guarantees and the Job Creation Law are the basis for implementing halal certification and this is explained in various implementing regulations below. The institutionalization or legal institutions implementing halal certification start from BPJPH and MUI and other authorized institutions up to the Lamongan district level. Meanwhile, culturally there is support from MSME business actors because it is based on religious characteristics, legal awareness, awareness to improve product quality, and massive socialization and training carried out by the Lamongan Regency Regional Government. Apart from the large amount of community support, it can be seen from the number of organizations that have taken on the role of accompanying halal certification.

Keywords: Effectiveness, Certification, Halal, MSMEs

INTRODUCTION

UU no. 33 of 2014 concerning Halal Product Guarantees requires that all products entering, circulating, and being traded in Indonesian territory must be halal certified by article 4 of the JPH Law. This means that all products in circulation are required (*mandatory*) to obtain a halal certificate as a necessity for business actors (Sopa, 2013). All large, medium, small, or even micro business actors are obliged to obtain a halal certificate. This policy is the government's effort to protect consumers' rights to obtain halal products and increase the competitiveness of Indonesian products in the global market.

To speed up the implementation of halal certification, the government is holding a free halal certification program (SEHATI) for food, beverage, medicine, cosmetics, and daily necessities products. This program is intended to provide convenience for micro, small, and medium enterprises (MSMEs).). In line with the provisions contained in Government Regulation (PP) Number 39 of 2021 concerning implementation in the halal product guarantee (JPH) sector and Minister of Religion Regulation (PMA) Number 20 of 2021 concerning the halal certification process for Micro, Small and Medium Enterprises (MSMEs).). This step is also the government's strategy to increase the competitiveness of MSMEs in the domestic market. However, the reality is that halal-certified products still do not

Vol. 5 No.2 August 2024 E-ISSN: 2774-2245

meet the targets desired by the government. Halal certification for food for micro, small, and medium enterprises (MSMEs) according to the law must be implemented no later than October 17, 2024.

Expectations are to make Indonesia a global halal hub and the largest producer of halal products in the world because Indonesia has the largest number of Muslims in the world, reaching 209.1 million people or approximately 13.1% of the world's Muslim population. With this number, the need for halal products is certain to increase and become increasingly challenging.

Of the target of 10 million MSME business actors who must be halal certified, as of May 2024 the number of MSMEs certified is below 40%, namely 3.8 million. Due to the reality of what happened, the government then postponed the halal certification obligation which was supposed to be on October 17, 2024, postponed by 2 years to October 1 2026 because many MSMEs were not ready, if forced it would trigger unrest and difficulties among business actors. The phenomenon of a lack of interest among MSME players in registering their products to obtain halal certification is also felt in one area in East Java, namely the Lamongan Regency. According to the Indonesian Ministry of Cooperatives and MSMEs (2021), the number of MSMEs in Lamongan Regency is 254,206. Of this number, only 18,175 business units will be assisted by the Lamongan Regency Government in 2022. And among those 18 thousand, less than 50% have been certified halal.

This fact then raises the question of how effective the regulations regarding halal certification obligations are? According to Hans Kelsen, the effectiveness of a law also lies in the validity of the law. Soejono Soekanto stated that the effectiveness of a law can be seen from the extent to which the law can achieve its goal of regulating or changing human behavior. Whether or not a law is effective is determined by, 1) Legal rules, in this case statutory regulations. 2) Law enforcers such as police, judges, and prosecutors, 3) Supporting facilities and facilities, adequate facilities are important to support the implementation of the law. 4) In Society, legitimacy from society is an indicator of whether a law is effective, including in this case the public's awareness of the law. 5) Culture, the law must reflect the basic values that arise from society, the law must not conflict with the values held in society. A simpler concept was put forward by Lawrence M. Friedman that the effectiveness and efficiency of law enforcement can be measured by the theory of the legal system which consists of 1) structure, namely the framework or institutional body of the system, 2) Substance (Substance) legal substance consists of rules substantive and also how institutions should be, behavior, and 3) Culture, legal culture, which is human attitudes (including the legal culture of law enforcement officers) towards the law and the legal system. In terms of social reality, the existence of the legal system in society experiences changes as a result of the influence of what is called modernization or globalization, both evolution and revolution.

METHOD

This type of research is empirical juridical research. Empirical juridical research is research that discusses how law operates in society. Empirical juridical research starts from primary/basic data and is then linked to implementation in the field. The research approach used is a sociological juridical approach with a path of finding facts - identifying problems - solving problems. The location of this research was carried out at MSMEs in Lamongan Regency. The type of data used is primary data from field studies and secondary data from literature searches related to the discussion. The technique for obtaining data is carried out in two ways, for primary data a direct interview technique is used, while for secondary data a library research technique is used, namely by analyzing library materials, legislation, and data from the internet for the person concerned. The sample in this research is MSMEs in Lamongan Regency. With respondents from representatives of the Lamongan Regency government and the Preman Group. The data obtained will be analyzed using the qualitative descriptive data analysis method, namely by collecting both primary and secondary data, analyzing norms, and carrying out verification, namely by concluding.

Vol. 5 No.2 August 2024 E-ISSN: 2774-2245

RESULTS AND DISCUSSION

A. Overview Of Msmes In Lamongan District

Lamongan Regency has an area of $\pm 1,752.21$ km2. It has a coastline of 47 km and is crossed by the Bengawan Solo River for \pm 68 km. Lamongan Regency consists of 27 sub-districts. Lamongan Regency has northern boundaries, bordering the Java Sea. To the west, it borders Bojonegoro and Tuban Regencies. To the south, it borders the Jombang and Mojokerto Regencies. And to the east, it borders Gresik Regency. With the Bengawan Solo River crossing Lamongan Regency, the land of Lamongan Regency has three characteristics, namely: rocky limestone mountains, relatively fertile lowlands, and productive areas but prone to flooding. The area for settlement is 30,263 Ha, and the forest area is 31,437.57 Ha, other designated areas are 4,877 Ha.

Based on data obtained, the number of MSMEs in Lamongan was recorded at 7,635 MSMEs, of which MSMEs were able to export or penetrate marketing to the international stage from Japan, USA, China, Australia, India, Malaysia, Korea, United Kingdom, Turkey, and Taiwan. MSME products that successfully entered the international market last year include ikat clothing products which reached sales of 37 billion, convection reached 92 billion and crafts reached 95 million.

Applications for halal certification in Lamongan are dominated by business units operating in the district marketing area at 89%, the remainder at the provincial and national levels each at 5%, and internationally at 1%. This is because the types of products submitted for halal certification are still dominated by food and soft drinks, processed meat products, restaurants, catering, and finally cosmetics.

Table 1. Halal Certificate Based on Business Scale

Business Scale	2020	2021	2022	2023	2024	Total number
Micro	9	23	688	7047	2922	10689
Small	1	9	1	174	27	212
Big		3	1	3	5	12
Intermediate	1	1	1	1	1	5
Total number	11	36	691	7225	2955	10,918

From the table above, you can get an idea of the number of halal certificates obtained by MSMEs in Lamongan, namely 10,918 Business Units. Most applications for halal certification are submitted by micro-businesses, followed by small businesses. The number of medium-sized businesses applying for halal certification is the smallest, this cannot be separated from the industrial conditions in Lamongan district which still lack medium and large-scale industries, in contrast to neighboring districts such as Gresik, Tuban, and Bojonegoro which have several international scale companies. Of the 27 sub-districts in Lamongan district, the distribution of sub-districts that apply for halal certification is dominated by sub-districts that are supported by the trading industry, such as Lamongan, Babat, Paciran sub-districts.

B. Substance Of Arrangements For The Implementation Of Halal Certification

In the Preamble to the 1945 Constitution, paragraph 4 states that the state protects the entire nation and all of Indonesia's blood. Article 29 of the 1945 Constitution states that the State guarantees the freedom of the population to embrace their respective religions. Article 28E of the 1945 Constitution as an amendment states that every person has the right to embrace a religion and worship according to his religion, choose education and teaching, choose a

Vol. 5 No.2 August 2024 E-ISSN: 2774-2245

job, choose citizenship, choose a place to live in the territory of the country and leave it and have the right to return, every person has the right to freedom of belief, expression. thoughts and attitudes by his conscience. From the contents of the constitution, it is clear that the government takes sides in protecting the religion and beliefs of its citizens.

Seotandyo emphasized that in developing countries the economy is developed based on *a planned economy* which functions to implement government development plans, not based on market *mechanisms economy*). A law is needed as a tool to control the behavior of business actors that is detrimental to the consumer community. Through *product information regulation* the government can intervene in the business world (Zulham, 2018b).

Article 4 of the JPH Law states "Products entering, circulating and traded in Indonesian territory must be halal certified". This means that all products (what is meant by products are goods and/or services related to food, drinks, medicines, cosmetics, chemical products, biological products, genetically engineered products, as well as consumer goods that are used, applied, or utilized by the public, incoming (meaning this product comes from abroad), circulating (all products in circulation). Juridically, the provisions of Article 4 of the JPH Law mean that halal certification is no longer voluntary but mandatory and regulated by the Food Law, the Consumer Protection Law, the Animal Husbandry and Health Law, and the Law on Health. As a result, based on the respective provisions mentioned above, the regulations for Halal products in Indonesia currently contain 3 norms at once, namely: 1) Voluntary (Voluntary), 2) mandatory (mandatory), 3) mandatory if required (mandatory if recommended).

However, article 4 of the JPH Law cannot be separated from Article 26 of the JPH Law, where it is states that "(1) Business actors who produce products from materials originating from prohibited materials as intended in Article 18 and Article 20 are excluded from applying for a Halal Certificate. , (2) Business actors as referred to in paragraph (1) are required to include non-halal information on products." What is meant by "non-halal statement" is a non-halal statement which is an inseparable part of the Product. Information can be in the form of images, signs, and/or writing. Article 26 can mean that not all products must be halal-certified.

The implication of Article 26 is that the JPH Law divides mandatory halal certification into 2, namely: *mandatory* halal certification and *mandatory* halal information, which allows non-halal commodities to circulate in Indonesia provided they include non-halal information. The JPH Law does not clearly explain the markings of haram substances, even though this law should include how haram substances are marked, at least stating in article 26 of the JPH Law that provisions regarding information that is not halal are regulated in government regulations. We can find regulations regarding marking materials that are not halal in the Republic of Indonesia Minister of Health Regulation No. 280/Menkes/Per/XII/76 concerning Provisions for the Distribution and Labeling of Food Derived from Pork. That: what is meant by pork is all ingredients or parts that come from pigs, so all ingredients, whether fur or pork extract, are called pork. 1) Food containing pork that does not meet these requirements is prohibited from circulating in Indonesia. 2) Every food container or package containing pork produced domestically or abroad must contain a warning sign in the form of a picture of pork and the words "CONTAINS PORK" written in large red letters in a rectangular box which is also red. The warning sign must be printed or affixed to the food package or container. 3) Food containing pork that does not meet these requirements is prohibited from circulating in Indonesia.

Philosophically, consuming halal food for a Muslim is not only for living but also has the value of worship. In Islam, carrying out religious provisions is a form of obedience of a servant to his God. Therefore, the protection of halal product guarantees is important because it is related to the beliefs and beliefs of Muslims. The foundation of the Republic of Indonesia states that the state is based on the Almighty God, which is further regulated in Article 29 of the 1945 Constitution to guarantee the institutional rights of its citizens. (Abadi, 2011) including the right to be able to consume safe food. The 1945 Constitution must be understood as the highest economic policy which

Vol. 5 No.2 August 2024 **E-ISSN**: **2774-2245**

becomes a reference in developing the national economy. This policy is binding and coercive, outlined in the form of various regulations.

From the perspective of Islamic law, the development and reformulation of the norms of Article 4 should be built on the principles of Islamic sharia, which makes decisions about halal products based on Islamic teachings, that the rules of halal and haram in Islam are determined by Allah as stated in QS al-An'am (6): 118-119 and an-Nahl (16): 116. This is as stated by the imams of the madzhab "No one has the right to determine what is disgusting and despicable, what is bad is forbidden by Allah and what is good is permitted by Allah." According to Imam Maliki, Hambali, and Zahiri madzhab. "If it is not forbidden by the Shari'a, it means it is halal," according to Imam Ahmad.

Viewed from a philosophical aspect, this law is contrary to basic legal principles. Philosophically, this law contradicts the basic rules of law, namely 'al ashlu fil asyiya al ibahah illa an yadulla dalil 'ala tahrimiha' which means 'everything is permissible/halal unless there are arguments that prohibit it. The basic law of food is permissible, that as long as everything created by Allah is halal and permissible unless there is a strict text and syar'i that forbids it. If there is no valid text (because there is doubtful Hadith or there is no clear text) that indicates that it is haram, then the law remains as it was, namely permissible. (Qordhowi, 1978) . With this rule, what is halal is certainly more than what is haram, changing the norm for everything to be mandatory for halal certification means a shift in the norm that everything is haram until it is said to be halal in the form of certification.

There are regulations related to halal certification obligations in two laws. first, Law no. 33 of 2014 concerning Halal Product Guarantees which was then downgraded to PP Number 39 of 2021 concerning Implementation of the Halal Product Guarantee Sector, PMA Number 20 of 2021 concerning Halal Certification for MSEs, KMA Number 748 of 2021 regarding Types of Products that Must Be Halal Certified, PMK Number 57/PMK.05/2019. PMA Number 20 of 2021. PMA Number 8 of 2021. PMA Number 12 of 2021. PMA Number 2 of 2022. PMA Number 13 of 2022. KMK Number 3/KMK.05/2019. KMA Number 1103 of 2019. KMA Number 748 of 2021. KMA Number 1360 of 2021

Second, Law (Perppu) Number 2 of 2022 on Job Creation. As an improvement to Law Number 33 of 2014 concerning Halal Product Guarantees. several fundamental regulatory changes regarding the implementation of halal product guarantees: 1) Determination of product halalness. The determination of product halalness is submitted by the Indonesian Ulema Council (MUI), Provincial MUI, Regency/City MUI, or the Aceh Ulema Consultative Council (MPU) to BPJPH as the basis for issuing a Halal Certificate. In terms of the time limit for determining product halalness, it is carried out by the MUI, Provincial MUI, and Regency/City MUI. 2) Halal certification with a halal statement. 3) The existence of a Halal Product Fatwa Committee. 4) Halal Certificate validity period. 5) Assistance with halal production processes. 6) Electronic-based halal product guarantee services. This is stated in several regulations such as: Decree of the Head of BPJPH Number 57 of 2021 regarding SJPH Criteria. Decree of the Head of BPJPH Number 141 of 2021 concerning the Determination of Service Tariffs for Public Service Bodies for Halal Product Guarantee Organizing Bodies. BPJPH Regulation Number 1 of 2021 regarding Procedures for Payment of Service Tariffs for Public Service Bodies for Halal Product Guarantee Organizing Bodies. Decree of the Head of BPJPH Number 57 of 2022. SJPH Manual for Halal Certification with a statement from usKMA NUMBER 1360 OF 2021 concerning Materials Excluded from the Obligation to Be Halal Certified). Decree of the Head of BPJPH Number 57 of 2021. Regulation of BPJPH Number 1 of 2021. Decree of the Head of BPJPH Number 135 of 2024. Decree of the Head of BPJPH Number 141 of 2025. Decree of the Head of BPJPH Number 33 of 2022. Decree of the Head of BPJPH Number 40 of 2022. Decree of the Head of BPJPH Number 57 of 2022. Decree of the Head of BPJPH Number 58 of 2022. Decree of the Head of BPJPH Number 61 of 2022. Decree of the Head of BPJPH Number 88 of 2022.

Vol. 5 No.2 August 2024 E-ISSN: 2774-2245

All the regulations above are the basis used by the Lamongan regional government and BPJPH in implementing halal certification in the Lamongan district. This regulation is important as a legal umbrella to provide direction and standards for industry players and regional governments to carry out halal certification to advance the economy and prosperity and to create good governance because, without good regulations, a new norm will not be able to be implemented in society.

Structure Of Implementing Halal Certification In Lamongan

Before the existence of Law No. 33 of 2014 concerning Halal Product Guarantees, the only halal inspection institution was LP POM MUI, the existence of LP POM MUI as a halal inspection institution is confirmed by Decree No. 924/MENKES/SK/VIII/1996 issued by the Ministry of Health. The position of LP POM MUI then changed with the emergence of Law no. 33 of 2014 concerning Halal Product Guarantees, then the position of LP POM MUI is based on Law no. 33 of 2014 concerning Halal Product Guarantees. The institutions authorized to enforce and supervise halal certification are the Halal Product Guarantee Organizing Agency (BPJPH), the Indonesian Ulema Council (MUI), and the Ministry of Religion.

For products that are included in the Halal Certification category through a business actor's halal statement (self-declare), they must coordinate with the Provincial Halal Product Guarantee Task Force at the Provincial Ministry of Religion Regional Office, the Halal Product Process Assistance Agency (LP3H), and the Halal Product Process Assistance Agency (P3H) in their respective regions. By the instructions of the Ministry of Religion No. 1 of 2023 regarding implementing Halal Certification through halal statements by business actors, the authorities in halal certification are:

- a) Inspector General to carry out supervision and control in the implementation of Halal Product and Canteen Certification;
- b) Secretary-General to coordinate the acceleration of Halal Product and Canteen Certification within the Central Ministry of Religion;
- c) Head of the Halal Product Guarantee Organizing Agency to prepare a Halal Product Process Companion for Halal Product Certification through the self-declare route, coordinate the Halal Inspection Agency which will carry out product halal inspection and/or testing for Product halal certification through the regular route, prepare a budget for Product halal certification through the self declare, carry out technical guidance on Halal Certification to work units that need it;
- d) Director General of Hajj and Umrah Organization to coordinate and monitor the acceleration of Halal Product and Canteen Certification in the Hajj Dormitory environment;
- e) Director General of Islamic Education to coordinate and monitor the acceleration of Halal Product and Canteen Certification within State Islamic Religious Universities, Private Islamic Religious Universities, State Madrasas, Private Madrasas, and Islamic boarding schools;
- f) Director General of Islamic Community Guidance to coordinate and monitor the acceleration of Halal Product and Canteen Certification at the District Religious Affairs Office and the Technical Implementation Unit for the Al-Qur'an Printing Unit;
- g) Head of the Research and Development, Education and Training Agency to coordinate and monitor the acceleration of Halal Product and Canteen Certification within the Religious Education and Training Center, Religious Research and Development Center and Training Center;
- h) Chancellor/Head of the State Islamic Religious College to coordinate the acceleration of Halal Product and Canteen Certification on the campus of the Islamic religious college;
- i) Secretary of the National Amil Zakat Agency to coordinate the acceleration of Halal Product and Canteen Certification within the National, Provincial, and Regency/City Amil Zakat Agency;
- j) Head of the Regional Office of the Provincial Ministry of Religion to coordinate the acceleration of Halal Product and Canteen Certification within the Regional Office of the Provincial Ministry of Religion and to

Vol. 5 No.2 August 2024 E-ISSN: 2774-2245

- monitor the acceleration of Halal Product and Canteen Certification within the Regency/City Ministry of Religion;
- k) Head of the Regency/City Ministry of Religion Office to coordinate the acceleration of Halal Product and Canteen Certification within the Regency/City Ministry of Religion Office and monitor the acceleration of Product and Canteen Halal Certification within the Office of Religious Affairs, State Madrasas, and Islamic religious education units;
- l) Head of the Hajj Dormitory Technical Implementation Unit to coordinate the acceleration of Halal Product and Canteen Certification within the Hajj Dormitory Technical Implementation Unit;
- m) Head of the Al-Quran Printing Unit to coordinate the acceleration of Halal Product and Canteen Certification within the Al-Qurán Printing Unit;
- n) Head of the Religious Education and Training Center to coordinate the acceleration of Halal Product and Canteen Certification within the Religious Education and Training Center;
- o) Head of the Religious Research and Development Center to coordinate the acceleration of Halal Product and Canteen Certification within the Religious Research and Development Center;
- p) Head of Training Center to coordinate the acceleration of Halal Product and Canteen Certification in the Training Center environment;
- q) Head of State Madrasah to coordinate the acceleration of Halal Product and Canteen Certification in the madrasah environment; And
- r) Head of the District Religious Affairs Office to coordinate the acceleration of Halal Product and Canteen Certification within the District Religious Affairs Office.

Apart from those mentioned above, at the technical level institutions function as facilitators who deal directly with business actors. In Lamongan district these institutions are: Department of Cooperatives, Small and Medium Enterprises, East Java Province, Department of Cooperatives and Micro Enterprises, District. Lamongan Province East Java, Provincial Maritime and Fisheries Service. East Java in 2021, Department of Cooperatives, Small and Medium Enterprises of East Java Province in 2023, Quality Development Section of the Maritime and Fisheries Service of East Java Province 2022, Department of Cooperatives and MSMEs of East Java Province, Department of Cooperatives for Small and Medium Enterprises of East Java Province, Department of Cooperatives, Small and Medium Enterprises, East Java Provincial Government.

Business actors in Lamongan check their products with LP3H: 1) Halal Center for Muslim Scholars - Muslim Scholars Education Foundation. 2) UIN Sunan Kalijaga Yogyakarta. 3) LSH-PW ISNU JATIM, and 4) Halal Center of Sunan Ampel State Islamic University Surabaya (BPJPH, 2024).

C. Culture Of Halal Certification Implementation In Lamongan

Implementing halal certification policies, in practice, is not simply implementing other legal policies. The condition of Indonesia's population, which is predominantly Muslim, does not necessarily guarantee that there is good awareness and understanding of halal and haram. For some people who adhere to the Islamic religion, matters of halal and haram are often only understood in a limited way regarding the presence of pork elements or not. As previously explained, halal and haram matters are related to the application of Islamic values and teachings in a meaningful way to build a better life together.

Therefore, to find out how effective the implementation of the halal certification policy is in society, it is also necessary to understand the response of MSME actors to this halal certification policy. Understanding the acceptance of business actors, especially MSME actors, towards halal certification policies is important as an illustration of how government policies are understood, accepted, and obeyed by MSME actors, which in turn will provide feedback to the government or BPJPH as the implementing agency for halal certification.

Vol. 5 No.2 August 2024 **E-ISSN**: **2774-2245**

Based on the results of in-depth interviews with informants and direct observations, the results found by researchers in the research object show that

"I know about the halal certification from the Preman UMKM Group (Preneur Lamongan Megilan), sis, but I'm still confused about how to take care of it, not to mention that there are certainly cost constraints."

"I haven't applied for halal certification, it seems like it's complicated, but like this (without halal certification) my sales keep running out"

"Halal certification is very important because there are religious regulations and government regulations. Yesterday I took care of halal certification independently, with the help of ISNU friends."

"I have taken care of halal certification for my herbal medicine products, while it is free, there is a program from the government"

"As far as I remember, when I joined the PKK, I was briefed on halal product activities such as halal certification, sis."

From the explanation above, it can be stated that business actors generally already know about halal certification. But there are also business actors who don't know about halal certification at all. In general, business actors already know about the halal certification obligations but do not know the procedures or substance. This is due to several factors such as:

1. Religious observance

Some people realize that the halal certification policy is positive. This is based on an attitude of obedience in carrying out religion and rewards for carrying out religious orders. Eating halal food is a religious command. The trend of halal products that is currently popular with the public is changing the purchasing activity patterns of people who previously did not care. Halal-labeled products become concerned about the importance of the halal logo on the product. Culture influences many aspects of human life. Therefore, culture influences people's understanding of digesting information. Included in this is information about the halal label, which has long been socialized by the Indonesian Ulema Council (MUI), and the MUI even plays a role in providing halal certification through LP POM MUI. (Syahrulludin et al., 2022) .

2. Legal Awareness

Halal certification in Indonesia is experiencing development along with increasing halal awareness in society. To guarantee the existence of halal products, especially food, cosmetics, and medicines, the government issued the Halal Product Guarantee Law. Some existing research related to the implementation of the halal certification policy shows that MSMEs generally still consider the halal certification policy to be quite difficult to implement, either for reasons of cost, lack of socialization and knowledge about halal, or other reasons (Wahyuni et al., 2023).

The role of the Lamongan Megilan Preneur Association (Preman) is also quite large in providing education and awareness to the public regarding the importance of halal certification. as an extension of the Department of Cooperatives and Micro Enterprises and the Department of Industry and Trade of Lamongan Regency by facilitating 2000 halal certificates for 1,241 MSMEs in Lamongan through the priority program "MSMEs Upgrade".

3. Improving Product Quality

Vol. 5 No.2 August 2024 E-ISSN: 2774-2245

The meaning of halal is not just a religious term but has become an industrial vocabulary. As a guarantee of high-value quality, halal is very compatible with corporate values and culture. Based on the results of in-depth interviews and direct observations, the results found by researchers show that MSME players adapt to visits from tourists, they expand their business by marketing new products, and developing the quality of the products they offer to meet the demands of visiting tourists. Halal certification for MSME products has a positive influence on consumer interest and decisions to purchase products.

In improving the quality of MSME products, the Lamongan Regency Regional Government provides a product marketing platform in the form of the Lamongan Souvenir Mall (MOOLA) for 18,175 business units assisted by the Lamongan Regency Government.

4. Halal certification outreach and training

Based on the results of interviews conducted with MSMEs, business actors assume that the food and beverage products they sell are halal, both in terms of ingredients and processing. So whether there is a halal certificate or not, it doesn't seem to affect sales. Because most consumers do not ask about the halal status of their products.

The Lamongan district government, through the Lamongan District Cooperatives and Micro Enterprises Service, is trying to increase the existence of MSMEs in Lamongan by creating new entrepreneurs through training, human resource training providing education from packaging to marketing, and providing facilities. The Lamongan district government also helps market products that have been certified halal to be displayed in the "LAMONGAN MART" showroom located at the Cooperative & Micro Business Service and micro business product catalogs.

The community and community organizations also play a big role in making the halal certification program a success in the Lamongan district. From the interview above, halal certification is also assisted by the ISNU organization, community involvement and the Nahdlatul Ulala Scholars Association (ISNU) will make it easier for MSMEs to obtain a halal label through the independent statement route because there is a PPH Companion in their environment. (journal9.tv, 2022) . Apart from ISNU, the Halal Center for Muslim Scholars (HCCM) is an institution that the community is interested in administering halal certification, to attract the interest of participants (generally women) by engaging directly in the community. It is not surprising that in one month 100 people registered.

Based on the description above, it can be seen that the Lamongan community's response to the halal certification program is quite varied depending on the conditions of each business actor. However, in general, the public is aware of the existence of halal certification due to religious factors, namely religious recommendations to eat halal food and the legal awareness factor of Law No. 33 of 2014 concerning Halal Product Guarantees and the desire to improve product quality. No less important is the outreach and training carried out by the Lamongan district government. However, some MSMEs feel that the halal certification process is difficult because they do not meet the requirements. Researchers assess that it is because the law on Halal Product Guarantee has not been implemented effectively and the lack of information about halal certification is why they have not registered for halal certification. Meanwhile, the dominant supporting factors in implementing halal certification are the existence of regulations governing halal certification and the majority of food consumers are Muslim.

CONCLUSION

Based on the explanation above, it can be concluded that halal certification in the Lamongan district is dominated by micro and small business actors compared to medium and large business actors. UU no. 33 of 2014 concerning Halal Product Guarantees is quite effectively implemented in the Lamongan district. Based on Lawrence Friedman's theory of the legal system which consists of substance, structure, and culture.

Vol. 5 No.2 August 2024 E-ISSN: 2774-2245

In substance, the regulations related to halal certification are sufficient to regulate and provide guidance in implementing halal certification, halal certification through self-declaration which is regulated in the Job Creation Law is very helpful for MSMEs. The enforcement and supervisory structure for halal certification consists of BPJPH, MUI, and related institutions as regulated in the Ministry of Religion Instruction No. 1 of 2023. Meanwhile, halal certification culture based on interviews can be classified into diversity, legal awareness, product improvement and socialization, and halal certification training. The local government of Lamongan Regency is quite big in encouraging MSMEs to carry out halal certification, starting from creating the priority program "MSMEs Upgrade", the "LAMONGAN MART" showroom and the Lamongan Souvenir Mall (MOOLA) for 18,175 business units assisted by the Lamongan Regency Government. The government also facilitates the processing of halal certification for 2000 MSMEs in Lamongan. No less than the government, community support through institutions such as ISNU and the Halal Center for Muslim Scholars is quite large in making the halal certification program a success.

REFERENCES

- Abadi, T. (2011). Community Participation in Providing Halal Product Information. https://bphn.go.id/data/documents/pkj-2011-8.pdf
- Adiwiyoto, BP (2004). Basic Concepts of Unfair Business Competition. In E. Yuhassarie (Ed.), Proceedings of the 2004 Limited Workshop Series on Bankruptcy Issues and Other Business Legal Insights: Law No. 5/1999 and KPPU (17-18 May 2004). Center for Legal Studies.
- Al Kautsar, I., & Muhammad, DW (2022). Lawrance M. Friedman's Modern Legal System: Legal Culture and Social Change in Society from Industrial to Digital. *SAPIENTIA ET VIRTUS*. https://doi.org/10.37477/sev.v7i2.358
- Alhamd, I. (2024). *The target of 10 million Halal Certified MSMEs has not been achieved*. Rri. Co.Id. https://www.rri.co.id/umkm/706129/target-10-juta-umkm-bersertifikat-halal-belumtercapai#:~:text=Until now the number of SMEs is 22%2F5%2F2024).
- Andrios, B. (2021). *Ministry of Religion Launches Sehati, Free Halal Certification Program for MSEs*. Kemenag.Go.Id. https://www.kemenag.go.id/pers-rilis/kemenag-lalukan-sehati-program-certification-halal-gratis-bagi-umk-sf13tb
- Asshidiqie, J. (2016). *Economic Constitution*. Media Compass. https://simpus.mkri.id/opac/detail-opac?id=52
- Islamic Guidance. (2023). Minister of Religion Issues Instructions to Accelerate Implementation of Halal Certification for Ministry of Religion Products and Canteens. Kemenagbatam.Com. https://kemenagbatam.com/main/detail/menag-terbitkan-intruksi-percepat-implementasi-sistem-halal-produk-dan-kantin-kemenag
- BPJPH. (2024). *Halal Certificate Dashboard*. http://olap.halal.go.id/public/dashboard/a774d4d4-dd72-4e27-8a62-2801f6f08f3c?tgl_list=~2024-08-15&provinsi=east java&kabupaten%252Fkota=KAB. LAMONGAN
- Darmalaksana, W., & Ratnasih, T. (2023). *Response of Business Actors in Accepting Halal Certification Policy* (H. Sugilar (ed.); I). Indonesian Publication Center. https://digilib.uinsgd.ac.id/66686/1/Buku ISBN Halal Certification Policy.pdf
- DPR RI. (2014). *Minutes of the Plenary Meeting of Level II Discussions on 25 September 2014*. https://www.dpr.go.id/arsip/indexrs/id/10
- Eva Diyah, N., Riyanti, A., & Karim, M. (2022). IMPLEMENTATION OF HALAL CERTIFICATION

Vol. 5 No.2 August 2024 **E-ISSN: 2774-2245**

- IN CULINARY UMKM IN BURNEH DISTRICT, BANGKALAN DISTRICT. SIBATIK JOURNAL: Scientific Journal for the Social, Economic, Cultural, Technological and Educational Sectors. https://doi.org/10.54443/sibatik.v1i12.461
- Friedman, L. M. (1975). *The Legal System: A Social Science Perspective*. Russell Sage Foundation. https://books.google.co.id/books/about/The_Legal_System.html?id=DKJ654VkMb8C&redir_esc=y
- Jurnal9.tv. (2022). Lamongan Regency Government Collaborates with East Java PPH ISNU Assistant to Accelerate Halal Certification for MSEs. Jurnal9.Tv. https://jurnal9.tv/cepat/pemkab-lamongan-gandeng-pendamping-pph-isnu-jatim-percepat-ertification-halal-umk/
- Indonesian Ministry of Health. (1976). RI Minister of Health Regulation No. 280/Menkes/Per/XI/1976 concerning Provisions for the Distribution and Labeling of Foods Containing Ingredients Derived from Pork. Indonesian Ministry of Health. https://id.scribd.com/doc/210898589/1976-Permenkes-No-280-Men-kes-Per-XI-1976-About-Provisions
- comminfo. (2023). *Lamongan Expands Market to the International Stage*. Kominfo.Jatimprov.Go.Id. https://kominfo.jatimprov.go.id/berita/lamongan-perbesar-pasar-anggaran-kancah-internasional#:~:text=Now the number of MSMEs in, Kingdom%2C Turkey%2C and Taiwan.
- Kusumaningtyas, DP, Arrozi, F., Maf'ula, F., & Syahidin, MR (2024). The Urgency of Halal Certification and Its Impact on MSMEs: Case Study of Sedap T-Rasya Lamongan MSMEs. *Jesya*. https://doi.org/10.36778/jesya.v7i1.1509
- Lamongankab.go.id. (2023). *Lamongan Expands Market to the International Stage*. Lamongankab.Go, Id. https://lamongankab.go.id/beranda/portal/post/8725
- Manshuri, H. (2024). *Upgraded, 1,241 MSMEs in Lamongan received 2000 Halal Certificates*. Surya. Co.Id. https://surabaya.tribunnews.com/2024/07/27/naik-Class-1241-pelaku-umkm-di-lamongan-kantongi-2000-certifikat-halal
- Mashuri, H. (2024). *Upgraded*, *1,241 MSMEs in Lamongan received 2000 Halal Certificates*. Tribunnews.Com. https://surabaya.tribunnews.com/2024/07/27/naik-Class-1241-pelaku-umkm-dilamongan-kantongi-2000-certifikat-halal
- Mastuki. (2021). *Update on Halal Certification in Indonesia: Expectations and Reality*. Kemenag.Go.Id. https://kemenag.go.id/opini/update-ertification-halal-di-indonesia-ekspektasi-dan-kenyataan-hqk7g0
- Nur, SK, & Istikomah, I. (2021). SEHATI Program: Ease of Implementing Halal Certification for MSMEs. *At-Tasharruf "Journal of Sharia Economic and Business Studies."* https://doi.org/10.32528/at.v3i2.6780
- Qordhowi, Y. (1978). *al Halal wa Al Haram fi al Islam*. Daar al-Qur'an al-kariim. https://opac.uin-antasari.ac.id/index.php?p=show_detail&id=13789&keywords=
- Rencher, K. L. (2012). Food Choice and Fundamental Rights: A Piece of Cake or Pie in the Sky? *Nevada Law Journal*, 12 (2), article 9. https://scholars.law.unlv.edu/nlj/vol12/iss2/9
- Republic of Indonesia. (1999). *Law no. 8 of 1999 concerning Consumer Protection*. Republic of Indonesia. https://peraturan.bpk.go.id/Details/45288/uu-no-8-tahun-1999
- Republic of Indonesia. (2012). *Law of the Republic of Indonesia Number 18 of 2012 concerning Food*. Republic of Indonesia. https://peraturan.bpk.go.id/Details/39100

Vol. 5 No.2 August 2024 E-ISSN: 2774-2245

- Republic of Indonesia. (2014a). *Law no. 33 of 2014 concerning Halal Product Guarantees*. Republic of Indonesia. https://peraturan.bpk.go.id/Download/28038/UU Number 33 of 2014.pdf
- Republic of Indonesia. (2014b). *Law no. 41 of 2014 concerning Animal Husbandry and Animal Health*. Republic of Indonesia. https://peraturan.bpk.go.id/Details/38801
- Rozy. (2023). *In a Month, the Head of the Halal Center in Lamongan Can Manage 100 Certificates*. Klikjatim.Com. https://klikjatim.com/dalam-sebulan-head-halal-center-di-lamongan-bisa-urus-100-sertifikat/
- Sarwat, A. (2012). Halal or Haram Clarity Leading to Blessing. Kalil imprint Gramedia Pustaka.
- Soekanto, Soejono. (1988). *Legal Effectiveness and Application of Sanctions*. Ramadja Karya. https://perpustakaan.mahkamahagung.go.id/slims/pn-jakartaselatan/index.php?p=show detail&id=1544&keywords=
- Soekanto, Soerjono. (2019). Factors Affecting Law Enforcement. Raja Grafindo Persada. https://www.rajagrafindo.co.id/produk/politik-factor-yang-mem influenced-penegakan- Hukum-soerjono-soekanto/
- Sopa. (2013). Halal Certification of the Indonesian Ulema Council: Study of the MUI Halal Fatwa on Food, Medicine and Cosmetic Products. GP Press.
- Syahrulludin, M., Suryani, E., & Purnama Putra, B. (2022). ANALYSIS OF THE INFLUENCE OF RELIGION AND CULTURE ON COMMUNITY UNDERSTANDING REGARDING HALAL PRODUCT CERTIFICATION IN PAMIJAHAN AND CIBUNGBULANG DISTRICTS, BOGOR DISTRICT. SAHID BUSINESS JOURNAL. https://doi.org/10.56406/sahidbusinessjournal.v2i01.78
- Thawilah, AWA (nd). *Culinary Fiqh*. Al-Kautsar Library. https://books.google.com/books/about/Fikih_Kuliner.html?id=h1F4nQAACAAJ
- Wahyuni, HC, Handayani, P., & Wulandari, T. (2023). Halal Certification Assistance to Increase the Competitiveness of MSME Products. *To Maega: Journal of Community Service*. https://doi.org/10.35914/tomaega.v6i1.1271
- Wignjosoebroto, S. (2003). *Law: Paradigms, Methods, and Problem Dynamics*. Elsam, HuMa. https://perpustakaan.elsam.or.id/index.php?p=show_detail&id=1884&keywords=
- Zulham. (2018a). The Role of the State in Protecting Muslim Consumers of Food Products (1st ed.). Kencana. https://opac.perpusnas.go.id/DetailOpac.aspx?id=1174756
- Zulham, Z. (2018b). Justification of State Intervention in Institutional Halal Certification for Massive and Credential Products. *Journal of Islamic Law Studies*.