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**VOEDINGSEXPORT
HALAL VEREISTEN**

IN INDONESIA

FLANDERS INVESTMENT & TRADE MARKETSTUDIE

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FOOD IMPORTS – INDONESIA

HALAL REQUIREMENTS

August 2023
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FOOD IMPORTS – INDONESIA HALAL REQUIREMENTS



Indonesia is a Muslim country with the world’s largest Muslim population, the Indonesian government is quite stringent when it comes to Halal regulations.

All food, beverages, pharmaceuticals, cosmetics, chemicals, and organic items sold in Indonesia must have a Halal certification, according to Indonesian Regulation No. 33 of 2014.

Indonesian companies who are manufacturers of items or import these products such as the following are affected by the Halal Law:

- Consumable goods
- Chemical products
- Medications
- Cosmetics

The government is doing this to make Indonesia a center for producing halal products in 2024 (Pramuji, 2022). So far, the government’s ambition is to become the center of world halal producers who only rely on the large potential of Muslim adherents and the high level of consumption of halal products in Indonesia (Sakti et al., 2021). the large amount of data on

MSEs in Indonesia and in line with the provision of free certification of halal, the need for studies in aspects of the opportunities and challenges.

Certification of halal provides protection, guarantees, and information on halal products and becomes an instrument of business ethics for consumers and producers. It is useful for increasing consumer confidence and reaching the global market (Kasana, 2022). The halal lifestyle recently has become a trend not only for the Muslim population but in almost all parts of the world to support the increasing demand for fulfilling the need for halal products and services.

Generally, Halal Products Law requires that all products, unless they are made based on ingredients or materials (i) that are coming from nature in the form of plant and mining material without any processing (pengolahan), (ii) categorized as being at no risk of having haram ingredients, and (iii) not categorized as dangerous and not related to haram ingredients, must go through a process to be certified as halal products.

“All products” are referred to as goods³ and services that are related to foods, beverages, medicines, cosmetics, chemical products, biological products, genetically engineered products, and goods that are used or utilized by the public that are imported/entered, distributed, and traded in the territory of the Republic of Indonesia.

⁵ Note that Decree of the Minister of Religious Affairs No. 1360 of 2021 on Ingredients Exempted from Halal Certification Obligations (“Decree No. 1360/2021”) also list out the ingredients or materials that are exempted from the obligation to obtain the halal certificate. If (i) your products or the ingredients you used to produce your products are not listed in Decree No. 1360/2021 and (ii) such products or ingredients are imported/entered, distributed, and traded in the territory of the Republic of Indonesia, generally, you are obligated to obtain the halal certificate for your products if not fulfilling one or more exemptions as elaborated above.



1. WHAT DOES HALAL MEAN?

Halal is an Arabic word that signifies 'permitted' or 'authorised' under Islamic law. The definition of halal is not defined in Law No. 33 of 2014. It simply defines halal in terms like 'halal product', 'halal label', and 'halal certificate'. In terms of food, these are the listed 'Halal' criteria:

1. *Does not stem from or consists of any part or item from animals that are forbidden (pig, carrion, having claws, talons, or fangs, etc.) to Muslims by Islamic Law.*
2. *Food when prepared, processed, manufactured, packaged, stored, or transported does not come in contact with or stored near any food that is forbidden and contain impurities as defined by Islamic Law.*
3. *Animals that are allowed and been slaughtered according to Islamic Law, not killed by strangulation, or killed by wild animals.*
4. *Food, be it animal, vegetable, fruit, or grain must be Tayyib (healthy) and does not contain any substance that is considered impure (alcohol) in Islamic Law.*
5. *Food that is prepared, processed, or manufactured using equipment or utensils that are free from impurities as defined by Islamic Law.*

The law indicates that to be halal, products must come from fully dedicated and segregated halal supply chains. For example, the law defines halal "Material and Processes" (Article 17), to include "raw material, processed material, additional material, and auxiliary material," which may be derived from "animal, plant, microbe, or material that is obtained through chemical, biological, or genetically modified process".

Furthermore, Article 21 states that "the location, place, and equipment of halal material and processes must be separated from the location, place and equipment for slaughtering, processing, storing, packaging, distributing, selling and presenting of non-halal products".

The law also outlines provisions related to "Business Operators" and the process for applying for halal certification, requirements for "Halal Supervisors", and sanctions for non-compliance (Articles 23-28).

Chapter six of the law provides the first reference to "International Collaboration" by stating the GOI may collaborate with international entities in the areas of "halal product assurance, conformity assessment, and/or recognition of halal certificates" (Article 46). Importantly, Article 47 states that

- (1) Imported Halal Products must comply with provisions of this Law" and Halal Products as intended in paragraph (1) do not require Halal Certificate application as long as the Halal Certificate is issued by foreign halal agency that has performed collaboration of recognition as intended in Article 46 paragraph
- (2) There are no provisions in the law that directly refer to or suggest a requirement for any form of government to government agreement.

Also see: [DownloadReportByFileName \(usda.gov\)](#)

The Government feels it is time for Indonesia to become a model and center for the world's halal industry. The industrialization of halal products is a solution to make Indonesia a global producer of halal products (Ministry of Industry; 2021). Certification of halal is a mandatory thing that must be fulfilled to guarantee the Halalness of a food and beverage product.

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2. APPLYING FOR A HALAL CERTIFICATE IN INDONESIA - FOOD

Deadline for compliance = 17 October 2024

Businesses that produce or import processed food for retail packaging in Indonesia will mandatory be required to include halal information after obtaining a halal certificate. The certification process is conducted, and the halal certificate is issued by Halal Product Assurance Agency (Badan Penyelenggara Jaminan Produk Halal or “BPJPH”) based on a written halal fatwa (decision and/or opinion) that is issued by the Indonesian Ulema Council (Majelis Ulama Indonesia or “MUI”).

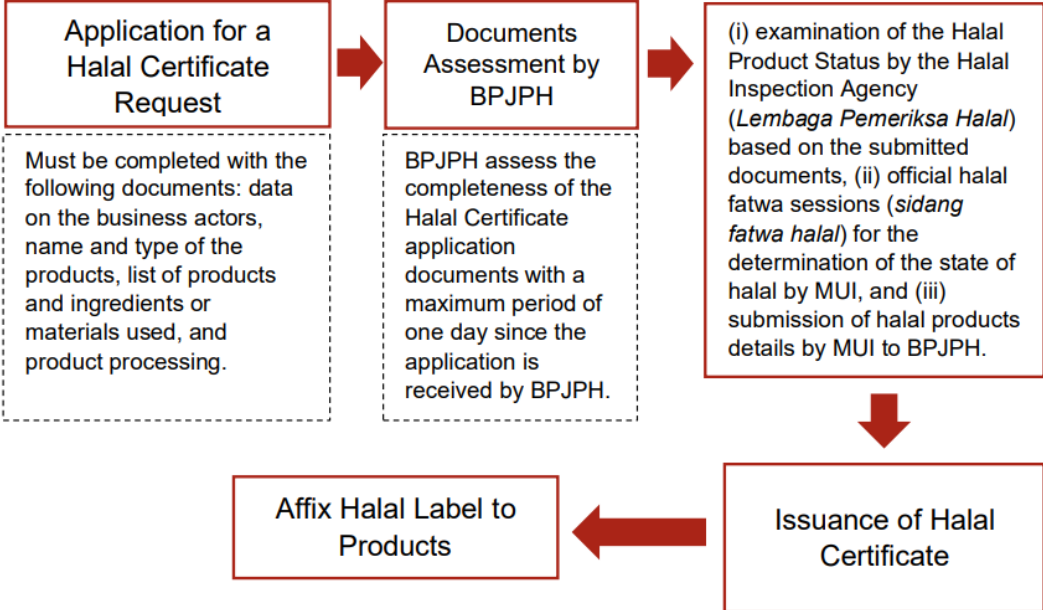
Failure to comply with halal certification related obligations can result in business actors being imposed with administrative sanctions based on Government Regulation No. 39/2021 in the form of a written warning, administrative fine, revocation of the halal certificate, and/or seizure of goods or services from distribution.

The entire process will take approximately 60 days. The validity of halal certificates under BPJPH is four years. The validity may not apply if a product’s composition has been modified.

Even though it might not be late to secure your halal registration in Indonesia, be aware that there are thousands of products that have not been certified yet. Taking in mind that BPJPH estimated it could issue about 7,000 halal certificates every year, long delays are expected, and failing to meet the deadline of October 2019 might not only result in sanctions but a drop in your sales.

General Procedures to Obtain Halal Certificates and Obligations to Affix Halal Label⁷

Government Regulation No. 39/2021



material, additive, auxiliary material or slaughtered product must be registered prior to circulation in Indonesia.

Thus far, there has not been an official recognition of Belgium-based Halal Certification Agencies.

The steps to obtain Halal certificate in Indonesia are listed below:

Step 1 – Traders submit Halal Certificate requests to BPJPH, which subsequently determines a definitive schedule for assessing the desired goods.

Step 2 – When a product is being processed, the auditor will look at halal substances. An auditor will perform a laboratory examination if the product is positively contaminated with a non-halal material.

Step 3 – The examination results will be sent to BPJPH. Furthermore, BPJPH will work with MUI to determine if the product is halal or not by requesting that MUI hold a Fatwa Hearing that will last up to 30 days.

Step 4 – After MUI renders a decision, there will be 2 possibilities:

- If halal, Halal Certificate will be issued
- If not, the proposal will be rejected

Step 5 – Accepted Halal Certificate will be valid 4 years and must be renewed at least 3 months before expired day.

Application Documents Submitted to BPJPH:

1. Application Letter for Halal Certification
2. Registration form
3. Business Entities Data (Importer License)
4. Documents Requirements for Halal Internal Supervisor (ID Card, Curriculum Vitae, Competency Certificate of Halal Internal Supervisor, Halal Internal Supervisor Training Certificate)
5. List of Ingredients (Active Ingredients, Raw Materials, Additives, Auxiliary Materials)
6. Product List
7. Material vs Product Matrix
8. Flowchart Production
9. Material Supporting Documents (Halal Certificates, CoA, Pork free statement, material flow chart, halal logo packaging, etc.)

Instructions for Filling Halal Certificate Application Form for Food and Beverage provided by BPJPH:

https://cmsbl.halal.go.id/uploads/FORMULIR_MAKANAN_MINUMAN_KOSMETIK_OBAT_ENG_d0a704a7a4.xlsx



WTO Notification (English): [directdoc.aspx \(wto.org\)](https://directdoc.aspx(wto.org))

The Omnibus Law: <https://www.globalcompliancenews.com/2021/04/10/indonesia-omnibus-law-implementing-regulation-on-halal-product-assurance-22032021/>

GR 39/2021 has streamlined the processing time for Halal certification with the cost for each certificate ranging from 300,000 rupiah (US\$21) to 5 million rupiah (US\$351). The costs are governed under Minister of Finance Regulation 57 of 2021 and include the Halal certification process, renewal of Halal certificates, the registration of foreign Halal certificates, and the addition of new products or services.

Any person or entity in the form of a legal or non-legal entity that engages in business activities in Indonesia can apply for a Halal certificate. They must first submit an e-application to the Halal Product Assurance Agency (Badan Penyelenggara Produk Halal – BPJPH), the government institution tasked with implementing Halal product warranties.

Once the e-application is complete, the BPJPH and the applicant will together choose a Halal Inspection Agency (Lembaga Pemeriksa Halal – LPH) to conduct the testing of the products or services based on standards determined by the BPJPH. The inspection must take place within 15 days of registration and the LPH could be subject to sanctions if they fail to meet this time limit.

Once the inspection is complete, the LPH will deliver the results to the Indonesian Ulama Council (Majelis Ulama Indonesia – MUI), the institution that will ultimately determine if the product or service in question is deemed Halal. The MUI will issue a ruling within three business days after the MUI has received the results from the LPH. This is seen as a significant improvement to previous regulations whereby the MUI responded within 30 business days.

After the ruling has been issued, the BPJPH will issue the Halal certificate within one business day. The Halal certificate is valid for four years.

Belgian companies wishing to register their export products as HALAL In Indonesia, can have their existing importers / distributors apply for the necessary certification with BPJPH or have this done by private consultants such as IHATEC - <https://ihatec.com/en/> , CERTVALUE - [HALAL Certification in Indonesia | HALAL Consultants in Indonesia \(certvalue.com\)](https://certvalue.com) or SAMCONSULTING - [Halal Certification Indonesia: A Guide to Obtain It - Sam Consulting](https://samconsulting.com)

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BPJPH is authorized to engage in international cooperation and implement international agreements with foreign entities.	Unclear if BPJPH requires a government to government agreement; what the scope or nature of such an agreement would entail.
Genetically Engineered (GE) products are required to be halal certified.	Unclear how this aligns with MUI Fatwa on GE Products. Concerning implications for soybeans, corn, and possibly other commodities.

Also see:

https://www.flandersinvestmentandtrade.com/export/sites/trade/files/market_studies/Zakendoen%20met%20Indonesi%C3%AB_public.pdf

4. LABELING REQUIREMENTS

This Regulation concerns the use of claims such as nutritional, health, isotonic, vegan, etc. on the labels of processed foods. A claim is any description that states, suggests, or indirectly stipulates certain characteristics of a food product relating to its origin, nutritional value, type, production, processing, composition, or other quality factors.

Claims on labels must be limited to nutritive/non-nutritive substances, type, amount, and function; daily food intake; balanced nutrition; suitability of the food as a carrier of nutritive/non-nutritive substances. Any claim or description on the label must accurately reflect the actual food product. Claims in advertisements must be in accordance with the approved label in the product’s marketing authorization. A claim must also be proven with analysis from an accredited or government laboratory.

The Appendix of this Regulation sets out guidelines for the description of claims, e.g., the criteria for adding “without added sugar” or “without added salt”. With the issuance of this Regulation, BPOM Regulation No. 13 of 2016 regarding Supervision of Claims on Processed Food Labels and Advertisements is revoked and declared invalid.

Food product labels must contain certain information, including, among others, the product name, the list of ingredients, the net weight, the name and address of the producer or importer, Halal information (if required), the production date and code, the expiry date, the distribution licence number and information on the origin of certain ingredients.

BPOM also requires that processed food product labels:

- be in the Indonesian language;
- be correct and not misleading;
- be easy to access and read; and
- include relevant warning if the product contains, among others, artificial sweetener, pork or pork derivative ingredients or is part of the same production process as pork related products and allergens.

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5. BENEFITS OF HALAL CERTIFICATION IN INDONESIA

There are several benefits in which producers will receive in obtaining the halal certification in Indonesia. Examples of these benefits are as follows:

- ✓ Increase a restaurant's revenue and enhance its marketability especially to Halal consumers.
- ✓ Widen the range of customers by attracting Muslim customers and non-Muslim who are Halal consumers.
- ✓ As a confirmation for Muslim customers that the food served is Halal and is in accordance with Islamic Law.
- ✓ Assure customers that the food served is Halal and healthy and the premise's hygiene and sanitation procedures are in top-notch.
- ✓ If planning to export, the Halal certificate will help to assure Halal consumers in importing countries



6. SOURCES

[Halal Regulation In Indonesia | LPPOM MUI \(halalmui.org\)](https://www.halalmui.org/)

[Indonesia Halal Certification Guide | Paul Hype Page](#)

[How to Obtain Halal Certification in Indonesia \(aseanbriefing.com\)](https://www.aseanbriefing.com/)

[Process and requirements of Indonesia Halal certification \(emerhub.com\)](https://www.emerhub.com/)

[Obtain Halal Certification in Indonesia: The Procedures \(cekindo.com\)](https://www.cekindo.com/)

[Indonesia Notifies WTO of Adoption of New Halal Certification Regulation \(3eco.com\)](https://www.3eco.com/)

[Indonesia: Omnibus Law - Implementing Regulation on Halal Product Assurance \(globalcompliancenews.com\)](https://www.globalcompliancenews.com/)

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Date of publication: August 2023

