

# EU – Indonesia Partnership Facility



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# Guidelines for Business on Halal Food Product Assurance in Indonesia

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ID-TI-04 - Information Sharing on Certification Systems for Halal Food

Disclaimer: The contents of this publication do not necessarily reflect the official position or opinion of the European Commission.

This Guideline explains the Halal product assurance (inspection) and certification processes in Indonesia and how businesses can obtain certification under the prevailing laws and regulations, noting that such laws and regulations may be subject to change.

It was prepared by the Indonesian law firm SSEK Legal Consultants (<a href="https://www.ssek.com">https://www.ssek.com</a>) with financial support from the EU-Indonesia Partnership Facility, and incorporates perspectives on 'open issues' from local business (updated as of May 2020).

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#### **Executive Summary**

- o Indonesia is around 87% Muslim (meaning roughly 230 million of the 270 million total population follow the Islamic faith).
- Halal is an Arabic word meaning 'lawful' or 'permitted' and in reference to food, especially animal products, it is a dietary standard prescribed in Muslim scripture.
- o Rising living standards, increased communication and inter-connectivity have led to expanding local demand for Halal products; part of a growing global market for the Halal food industry.
- The Halal Product Assurance Law No. 33 Year 2014 (UU 33/2014) was passed in October 2014. It requires all products imported, distributed and sold as Halal in Indonesia to be Halal certified, and entered into effect 5 years from its original enactment i.e. on October 17, 2019.
- Subsequent regulations including Government Regulation No. 31 Year 2019 (GR 31/2019) and Ministry of Religious Affairs Regulation No. 26 Year 2019 (MORA Reg 26/2019) set out the implementing regulations for Halal product assurance and facilitation of the Halal quality regime.
- Prior to October 2019, Halal quality assurance, certification and labelling was overseen by the Indonesian Ulema Council (known as MUI in its Indonesian abbreviation). MUI appointed Halal Examination Agencies (or LPH to use the Indonesian abbreviation) including its own Food and Drug Supervisory Agency (LPPOM MUI) and appointed Halal auditors to assess products requiring Halal certification. MUI held Fatwa Assemblies to determine whether businesses had satisfied the criteria to obtain a Halal certification. Halal certificates were issued by the LPH and the MUI mark used to indicate Halal compliance on product advertising and packaging.
- O Under the new regime, the Indonesian government established the Halal Product Guarantee Agency (or BPJPH) to oversee the entire Halal product assurance system (JPH to use the Indonesian abbreviation), including the registration of LPH for the inspection and/or testing of the Halal product quality. BPJPH relies on MUI for the certification of Halal auditors, determination of Halal product quality, and accreditation of LPH with MUI responsible for holding Fatwa Assemblies as before.
- According to the aforementioned Law and regulations, Halal certification obligations are to be implemented progressively. Halal certification will apply first to food and beverages before being extended to cosmetics, drugs, and other consumer goods, and services related to these goods.
- There is a five-year grace period for the implementation for Halal certification of Halal food and beverages (that is products sold or marketed as Halal) starting on October 17 2019. In other words, business owners have a further five years to comply with the Halal certification obligation for Halal food and beverages, ending October 17 2024.
- Businesses intending to import, distribute or sell products originating from *Haram* (prohibited or non-Halal) materials are exempted from this Halal certification obligation, but are obliged to disclose such information, through appropriate labelling.
- The production, processing, packaging and storage of Halal and non-Halal products must be strictly separated. The distribution of products may only be combined if it can be guaranteed that there is no cross contamination as proven by a statement letter from the producer/ distributor.
- The procedures and documentation required to obtain Halal certification are outlined in detail as part of this Guideline. Inside Indonesia, it should be possible to obtain Halal certification within approximately 3 months (although only one LPH has so far been accredited (LPPOM MUI) and most former auditors yet to be re-certified). These processes are ongoing.
- Issues especially affecting overseas businesses include the current absence of accredited foreign LPH and a lack of clarity or control on fees/processes related to overseas inspection/examination where this is done by an Indonesian national certified by MUI and working for an Indonesian LPH.
- A glossary of terms is given at the end of the Guideline.

## **Open Issues**

- Under current Covid-19 conditions, businesses may apply for certification online by e-mail to BPJPH (email: sertifikasihalal@kemenag.go.id).
- Certain aspects of Law No. 33/2014, GR 31/2019 and MORA Reg 26/2019 require elaboration in the form of BPJPH implementing regulations. These include decisions on the new halal logo, specific requirements in terms of halal and non-halal labelling, and accreditation or (mutual) recognition of foreign inspection and certification bodies.
- For example, specifications for halal and non-halal labels have yet to be determined (in terms
  of their size, colour, wording, etc.) with different requirements likely for different types and
  categories of product.
- Information is not yet available regarding the fee schedules that apply to inspection and certification, and it is unclear whether certification will be required per SKU (i.e. product item) or per production line. Business representatives stress the importance of not charging fees or requiring certification per SKU on account of the cost. A Ministry of Finance decree is under preparation to set the relevant fees.
- O It is not known at the time of writing when the above processes will be completed (possibly 2020) with BPJPH yet to issue new or replacement certificates under the 17 October 2019 regime. BPJPH has proposed to issue Halal Reference Letters (Surat Keterangan Halal) as a stop-gap measure.
- o In the current draft Omnibus Bill, Micro and Small Businesses still need to apply for halal certification (but would be fee-exempt).
- BPJPH has accredited LPPOM MUI as a first halal inspection body (LPH). Accreditation of Sucofindo is completed pending final confirmation/authorisation. There are understood to have been around 90 LPH under the previous system.
- All aspects of halal production, including packaging and distribution, need to be separated from non-halal processes and materials. Businesses that use third-party transport providers must ensure they adhere to halal protocols, i.e. halal inspection should include third-party service suppliers and distributors used by the business.
- BPJPH has yet to execute MOUs or agreements with overseas foreign halal inspection/ certification bodies (with 46 such agreements under discussion). Where an MOU is executed and foreign halal certificates recognised by BPJPH, businesses will not need an Indonesian auditor to travel overseas to undertake a physical inspection. The timeline for completion of overseas LPH MOUs is not yet known.
- o It is understood that halal certification will be required as part of a product's import documentation. As part of the import process, Customs officials will check the availability of halal certification or the declared absence thereof. If a product is not halal certified, companies will not obtain clearance unless it is properly labelled non-halal. Post-market surveillance will be conducted and the public encouraged to report non-compliance. A timeline for roll-out has yet to be determined.

#### A. Background

Indonesia's large Muslim population (of around 230 million) combined with rising living standards, enhanced communication and connectivity has led to an expanding local market for the Halal food industry. *Halal*, an Arabic word meaning lawful or permitted, when made in reference to food, especially animal products, is a dietary standard prescribed in Muslim scripture. The term also commonly applies to cosmetics, ingredients, medical devices and pharmaceutical products. Consumers in predominantly Muslim countries increasingly gravitate towards products with Halal labels to comply with the teachings of their religion.

Businesses intending to invest in Indonesia need to consider the importance of Halal certification for their products. Based on the prevailing national laws and regulations (analysis of which is provided in the pages that follow), Halal products that enter, circulate and are sold within the territory of the Republic of Indonesia must be certified. Products requiring Halal certification include food, beverages, drugs, cosmetics, chemical, biological, genetically modified, and consumer goods that are worn, used, or utilised by the public and that originate from animals or animal substances. The processing of such products also needs to be Halal certified – services that must be Halal certified are slaughterhouses, processing, storing, packaging, distribution, and sales and marketing including displays/presentation.

As we shall see, businesses intending to import, circulate or sell products that originate from *Haram* (prohibited or non-Halal) materials are exempted from this Halal certification obligation, but are obliged to disclose such information, through appropriate labelling.

This Guideline explains the Halal certification process in Indonesia (as of March 2020) and how to obtain certification under the prevailing laws and regulations, noting that such laws and regulations may be subject to change.

# 1. Laws and Regulations

The 1945 Constitution of the Republic of Indonesia requires the State to ensure the freedom of every citizen to embrace their own religious belief and to worship in accordance with said religion and belief. Therefore, the State considers it its duty to offer protection and guarantees on the Halal quality of products consumed or used by its people. Accordingly, the government issued Law No. 33 Year 2014 regarding Halal Product Assurance ("Law 33/2014"). The Law was issued to provide convenience, safety, and certainty on the availability of Halal products for the public.

Law 33/2014 requires all products imported, distributed and sold as Halal within the Indonesian territory to be Halal certified ("Halal Certification Requirement"). The Law foresaw a specific time period for businesses and relevant State actors to comply with the Halal Certification Requirement. In particular, it stipulated that the provisions of the Law will come into effect 5 years after its original enactment. This date fell due on October 17, 2019. Prior to that date, Halal certification was held to be on a 'voluntary' basis.

<sup>&</sup>lt;sup>1</sup> Article 4 Law 33/2014. This Article may invite confusion but is understood to apply to Halal products only with clarification provided under Article 32 of MORA Reg 26/2019 (see below). Non-Halal (*Haram*) products may continue to circulate <u>provided</u> they are marked as such with both sets of labelling requirements subject to the same timeline.

<sup>&</sup>lt;sup>2</sup> Article 67 Law 33/2014

The Law also mandated the establishment of Halal Product Assurance Implementing Board (*Badan Penyelenggara Jaminan Produk Halal* or "**BPJPH**"), under the Ministry of Religious Affairs. The Law establishes BPJPH under the supervision of the Ministry of Religious Affairs. It was mandated to start handling Halal certification by the end of the statutory deadline of October 17 2019. Prior to that, the Indonesian Ulema Council (Majelis Ulama Indonesia or "**MUI**") continued to be responsible for Halal certification in Indonesia under the legacy (pre-2014 Law) system.

In April 2019, before the statutory deadline to comply with Halal certification based on Law 33/2014, the Government passed Government Regulation No. 31 Year 2019 ("GR 31/2019") to provide the implementing regulations for Halal Products Assurance (the word "assurance" is used in the sense of quality assurance based on inspection and certification). GR 31/2019 regulates among others:

- a. Compulsory Halal certification through step-by-step implementation;
- b. The stages in obtaining Halal certification;
- c. The validity period of Halal certificates and the affixing of the Halal label;
- d. Costs of obtaining Halal certification;
- e. Collaboration between ministries and government agencies;
- f. Places, locations and equipment used during the processing of Halal products;
- g. The storage, packaging, distribution, sale and presentation of Halal products;
- h. Institutions conducting inspection in obtaining Halal certification, including Halal auditors (further elaborated below);
- i. Registration of foreign-certified Halal products in Indonesia;
- j. Implementation of monitoring measures for Halal product assurance;
- k. International co-operation in *Jaminan Produk Halal* or Halal Products Assurance (the term "JPH" is used to cover quality assurance, conformity assessment and certification), in the form of JPH development, conformity assessment, and the acknowledgment of Halal certification.

GR 31/2019 reaffirms that the body responsible to implement JPH is BPJPH, which coordinates with other government ministries (Industry, Trade, Health, Agriculture, as well as Co-operatives and SMEs, and Foreign Affairs), and non-ministerial government agencies or non-structural agencies responsible for drugs and food supervision, as well as MUI.

The Regulation provides that in order to guarantee the organization of JPH, BPJPH is responsible for supervision of the Lembaga Pemeriksa Halal (LPH) or Halal inspection agencies as the main conformity assessment/inspection bodies) for Halal products.<sup>3</sup>

After the issuance of GR 31/2019, the Ministry of Religious Affairs issued Regulation No. 26 Year 2019 regarding the Facilitation of Halal Product Assurance ("MORA Reg 26/2019"). The Regulation reaffirms the provisions in GR 31/2019, which include among others:

- a. The authority of BPJPH;
- b. The organisation and relationships among agencies facilitating the assurance of Halal products;

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<sup>&</sup>lt;sup>3</sup> Article 4 GR 31/2019

- c. Types of products that must be Halal certified;
- d. Stages of Halal certification;
- e. Procedures for the establishment of Halal inspection agencies;
- f. Procedures for appointment and termination of Halal auditors;
- g. Procedures for submission of applications for Halal certification;
- h. Procedures for the registration of overseas Halal certification;
- i. Supervision of Halal products;
- j. Halal and non-Halal product labelling;
- k. Administrative sanctions.

# 2. Halal Implementation Timeline

The Halal certification obligations are to be implemented progressively. According to current laws and regulations, Halal certification will apply first to food and beverages before being extended to cosmetics, drugs, and other consumer goods, and services related to these goods.

The grace period for the implementation for Halal certification for food and beverage starts from October 17 2019.<sup>4</sup> **Therefore, business owners have a further five years to comply with the Halal certification obligation for food and beverages, ending October 17 2024.** The implementation timeline for mandatory certification and labelling of all products is as follows:<sup>5</sup>

Products / Services	Start Date	Deadline to Comply
Food and beverages	October 17 2019	October 17 2024
Traditional medicines and health supplements	October 17 2021	October 17 2026
Cosmetics and other chemical and genetically modified products	October 17 2021	October 17 2026
Over the Counter Medicine	October 17 2021	October 17 2029
Hard Medicine	October 17 2021	October 17 2034
Wearable items e.g. clothing, headscarves and accessories	October 17 2021	October 17 2026
Household and health supplies, household equipment, worship equipment for Muslims, food and beverage packaging, stationery and office supplies	October 17 2021	October 17 2026
Medical Equipment classified in Risk Category A	October 17 2021	October 17 2026
Medical Equipment classified in Risk Category B	October 17 2021	October 17 2029
Medical Equipment classified in Risk Category C	October 17 2021	October 17 2034

<sup>&</sup>lt;sup>4</sup> Article 32 of MORA Reg 26/2019

<sup>&</sup>lt;sup>5</sup> Article 33 of MORA Reg 26/2019

Products not listed above are to be regulated under a future Presidential Regulation.

By the end dates stipulated above, Halal products which are marketed as such should have already obtained Halal certification. Failure to do so may lead to administrative sanctions in the form of a written warning or revocation of product from distribution within Indonesia.<sup>6</sup>

Until October 17 2024, Halal food and beverages that have not obtained certification may still enter and be sold within Indonesia as before (assuming they have acquired the necessary business, distribution and import licenses). Thereafter, they will need to be marked non-Halal (see below).

Based on recent technical discussions with BPJPH, although BPJPH has started handling and taking over all Halal certification from MUI, they have not issued any new Halal certificates since October 17 2019 (report as of March 2020). All applications received are still being processed. BPJPH insists this has no impact on businesses looking to invest in the food and beverage industry due to the additional 5-year grace period under MORA Reg 26/2019.

During the period from October 17 2019 until October 17 2024, BPJPH will provide guidance to business owners pertaining to production of Halal-certified products and continue to work closely with other stakeholders and the local communities to create conditions that encourage investment in Indonesia.

#### B. Halal Certification

# 1. Halal Certification for Food and Beverages

Rules governing Halal certification apply to Halal food and beverages imported, distributed and traded within the territory of Indonesia. Halal certificates are given to food and beverages originating from Halal materials and which comply with the Halal Production Process (*Proses Produk Halal* / "PPH"). The Halal Production Process is a set of actions taken to ensure the *Halal-ness* of a product. This includes the supply of raw materials (slaughtering of the animal), processing, storage, packaging, distribution, marketing and presentation. Materials used in the Halal Production Process and subject to certification include raw materials, processed materials, ingredients and associated materials that are derived from animals, plants, microbes, or chemical/biological/ genetically modified process.

The location, area, and equipment used for the Halal Production Process must be separated from the location, area and equipment used for non-Halal products. It must be kept clean and hygienic, free from uncleanliness (*Najis*) and non-Halal materials / ingredients.<sup>7</sup>

<sup>&</sup>lt;sup>6</sup> Article 197 of MORA Reg 26/2019

<sup>&</sup>lt;sup>7</sup> Article 21 of Law 33/2014

#### **Slaughter Process**

The location, area and equipment used to slaughter an animal used to create a Halal product must be separated from that used for non-Halal animals. The location must comply with the following requirements:<sup>8</sup>

- a. physical separation between the Halal animal slaughterhouse and the non-Halal animal slaughterhouse;
- bounded by a wall or fence of a minimum 3 (three) meters in height to prevent people, equipment, and product contamination or movement between the slaughterhouses;
- c. not located in a flood prone area, contaminated with smoke, smell, dust, and other contaminants;
- d. have solid and liquid waste treatment facilities separated from the equivalent facilities of the non-Halal animal slaughterhouse;
- e. the basic construction of the whole building must be able to prevent contamination; and
- f. have separated gates/doors for the entry of animals for slaughter and the exit of carcasses and meat.

The slaughtering facility must also divide the animal shelter, slaughtering area, skinning, evisceration / removal of innards, meat aging / withering room, carcass handling, cooling room and waste treatment facility for Halal and non-Halal animals.<sup>9</sup>

Slaughtering equipment must be differentiated. The equipment used for the cleaning, maintenance and storage of Halal animals must be different than that of non-Halal animals.

#### **Processing**

The area and equipment used to process Halal food and beverages must be separated from those used to process non-Halal food and beverages. The materials used for storage, weighing, mixing, moulding and cooking must be separated, as must the equipment used for cleaning, maintenance and storage.<sup>10</sup>

#### **Storage**

In storing Halal products and/or their ingredients, business owners must separate the storage facilities used for raw materials, the storage used after the processing of these raw materials and facilities used to store Halal from non-Halal products / ingredients. The equipment to clean and maintain the storage facility must also be different.<sup>11</sup>

#### **Packaging**

Business owners must also separate the packaging facilities and packaging materials for Halal and non-Halal products, and not alternately use packing equipment for Halal

<sup>&</sup>lt;sup>8</sup> Article 44-45 of GR 33/2019

<sup>&</sup>lt;sup>9</sup> Article 46 of GR 33/2019

<sup>&</sup>lt;sup>10</sup> Article 48-49 of GR 33/2019

<sup>&</sup>lt;sup>11</sup> Article 50-51 of GR 33/2019

and non-Halal products. Again, the equipment to clean and maintain the packaging facility must be differentiated. 12

## Distribution, Marketing and Presentation<sup>13</sup>

The distribution area for Halal products and non-Halal products must be separate. This includes transportation from the storage facility to the Halal product distribution area and equipment used for distribution. The product marketing processes for Halal and non-Halal products must be separated. The presentation or display of Halal products must be separate from that of non-Halal products. Equipment for the cleaning, maintenance and storage of tools used for marketing, distribution and presentation must likewise be divided.

It stems from this that the distribution, marketing, and presentation of non-Halal fresh products of animal origin must be separated from the distribution, marketing, and presentation of Halal fresh products of animal origin. However, the distribution of processed products may be combined if it can be guaranteed that there will be no cross contamination and the distribution equipment used for Halal products is different from that used for non-Halal products, as proven by a statement letter from the producer / distributor.

#### 2. Non-Halal Products

Non-Halal Products are products derived from non-Halal materials. According to the prevailing laws and regulations, these include raw materials, processed materials, and *added* materials (ingredients) derived from animals, plants, microbes, or chemical/biological/genetically modified processes.

Non-Halal materials derived from animals are described as: carcass, blood, pig, and any other animals not slaughtered in accordance with Islamic religious teachings (*Syariat*). Non-Halal materials derived from plants are ones that intoxicate or threaten the health of the consumer. Products deriving from microbes, or chemical/ biological / genetically modified processes will be declared non-Halal if they are contaminated by non-Halal materials.<sup>14</sup>

Note – MORA 26/2019 only mentions swine as an example of Non-Halal / *Haram* animal. According to Islamic religious teachings, <sup>15</sup> the following animal groups are also considered as *Haram*:

a. Animals that have been clearly and explicitly prohibited in the Qur'an or Sunnah are without doubt Haram, such as a swine, donkey, etc.

<sup>&</sup>lt;sup>12</sup> Article 52-53 of GR 33/2019

<sup>&</sup>lt;sup>13</sup> Article 54-60 of GR 33/2019

<sup>&</sup>lt;sup>14</sup> Article 24 – 25 of MORA 26/2019

<sup>&</sup>lt;sup>15</sup> MUI determines Haram animals based on Islamic Law, i.e. the Quran and the Hadith. The Hadith are recounts of the Prophet's life, words, and practice. The prohibitions in each Hadith may differ from one another; the validity and applicability of each one is determined by highly qualified religious scholars or Ulema. While there are different schools of thought even among Ulema, MUI follows the *Syafi'iyah* school of thought, as reflected in the MUI *Fatwa*. The list contained here reflects such views, as confirmed by the BPJPH verbally on an informal, no-names basis.

- b. Amphibians are Halal except for frogs / toads.
- c. Bloodless animals such as a hornets, flies, spiders, beetles, scorpions, ants, etc.
- d. Land-animals without a blood flow, such as a snakes, lizards, chameleons, etc.
- e. All types of pests (hasharat al-Ardh), such as mice, hedgehogs, jerboa, etc.
- f. All terrestrial predatory animals and beasts, i.e. animals that hunt with their teeth, such as lions, cheetahs, tigers, leopards, wolves, foxes, dogs, cats, etc.
- g. All birds of prey, i.e. those that hunt with their claws/talons, such as a falcons, eagles, kites, hawks, bats, etc.

Although an animal may be Halal, some parts may not be eaten, such as their flowing blood, penis, testicles, vulva, glands, urinary bladder and gall bladder.

Products made of Haram or prohibited parts or ingredients may be imported, distributed and traded within the territory of Indonesia. However, they must be marked with a non-Halal label.<sup>16</sup>

The label must be marked on the packaging of the product and a specific part of the product itself. The mark must be written in a different colour than that listing the ingredients and must be clearly visible and not easily erased, removed or spoiled. The design of the packaging of the product must not hide the non-Halal label and the label must take into consideration the protection and rights of vulnerable groups, specifically the disabled.<sup>17</sup> It is understood that the timeline matches that for Halal products and must also be done before October 17 2024 for food and beverages.

Business owners who fail to label their non-Halal products will be imposed with administrative sanctions in the form of a verbal warning, then a written warning and finally an administrative fee, to be implemented successively.<sup>18</sup>

#### 3. Halal Certification Registration and Required Documents

Businesses planning to have their products or services Halal-certified must submit a written application to BPJPH in the Indonesian language, with full company information, the product name and type, details of the product registration and materials/ingredients used to create the product and detailed information concerning the product manufacturing process.<sup>19</sup> In submitting the application for Halal certification, the business owners are obliged to do the following:<sup>20</sup>

a. provide correct, clear and truthful information;

<sup>&</sup>lt;sup>16</sup> Article 142 of MORA 26/2019 / Article 26 of Law 33/2014

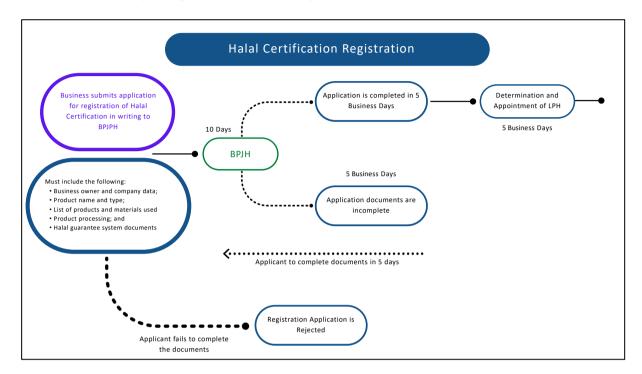
<sup>&</sup>lt;sup>17</sup> Article 144 of MORA 26/2019

<sup>&</sup>lt;sup>18</sup> Article 199 of MORA 26/2019

<sup>19</sup> Article 29 of Law 33/2014

<sup>&</sup>lt;sup>20</sup> Article 24 of Law 33/2014

- b. separate the location, place, and equipment for processing, storing, packaging, distributing, selling, and presenting between Halal and non-Halal products;
- c. have a Halal supervisor (*Penyelia Halal*) (an employee assigned by the company to ensure the production of goods sold meets Halal standards); and
- d. report any change to the material / ingredient of the product to BPJPH.



#### Required Documents to Obtain Halal Certification

As outlined above, the application submitted to BPJPH should be accompanied by the following documents:

#### a. Information on the Business

The information of the business must include the Business Identification Number (Nomor Induk Berusaha / NIB) and the business license.

# b. Name and Type of the Product

The business owner must give the exact name and type of the products to be Halal certified

#### c. List of the materials and ingredients used to make the product

The business owner must provide a list of the materials and ingredients used to make the product. These materials must also be Halal-certified, unless they are an unprocessed natural product categorised as not at risk of containing Haram materials.

# d. Product manufacturing process

A detailed description regarding each step of the manufacturing process with the following details is required:

- i. Purchase, delivery and storage of the materials used in the product;
- ii. Processing, packaging and storage of the product; and
- iii. Distribution of the product.

#### e. Halal Assurance System (Sistem Jaminan Produk Halal)

The business owner must submit a document expressing their commitment to comply with Halal certification standards. The current applicable standard is HAS 23000 (the Halal standard issued by LPPOM MUI), which provides the compliance criteria required to guarantee the Halal-ness of a product. It also provides Halal certification policies and procedures. The management of the business must commit to establishing Halal policies and communicating them to all stakeholders in the business.

Management must establish a Halal Management Team which sets clear duties, responsibilities and authority. The business must have a written procedure for the training and education of Halal product processing. Internal training must be held at least once a year and external training must be held at least once every two years.

Businesses must also commit to ensuring the Halal Production Process is complied with. Materials used in the manufacture of certified products may not come from unclean or non-Halal materials. Further, an internal audit procedure must be in place to ensure the Halal production process is guaranteed and implemented.

## 4. Examination and Audit Procedure for Halal Certification<sup>21</sup>

After BPJPH receives and examines the application, BPJPH appoints a Halal Inspection (or Examination) Agency (LPH) to check the Halal status of the product. An appointment should be made within 5 working days after the application is submitted and declared complete.

The LPH is the agency appointed by BPJPH to perform the examination / inspection to assess the *Halal-ness* of a product. To date, BPJPH has only appointed one LPH, namely the LPPOM MUI. It is the main Halal Inspection Agency that operated under the former MUI regime. Businesses do not have any say in which LPH is used.

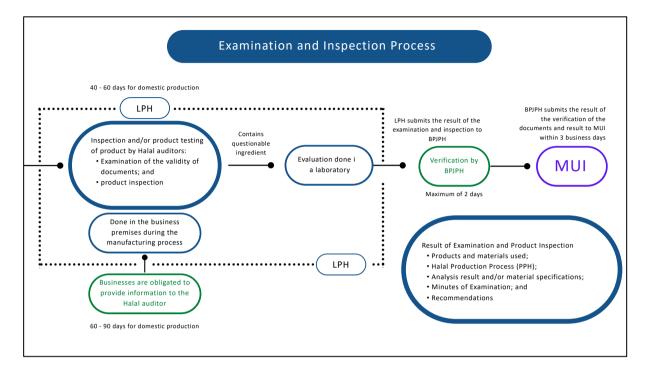
The LPH appoints an auditor to inspect / examine the product. The examination is performed on the premises of the business during the production process. If during the examination, the Halal auditor considers that the product includes a doubtful material / ingredient, testing in a laboratory may be required. During the examination process, the business owner must be present to provide information as required to the Halal auditor.

Based on current wordings, if the manufacturing / production process of the product is done overseas, the auditor must travel to the premises. The examination process

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<sup>&</sup>lt;sup>21</sup> Article 31-32 of Law 33/2014

for such products is expected to take longer than the process for products manufactured domestically. According to recent consultations with BPJPH, the domestic product examination is expected to take approximately 40 days whereas overseas product examination might take 60 to 90 days.



# 5. Determination and Issuance of the Halal Certification<sup>22</sup>

After the examination is conducted, the Halal auditor, submits the results and evaluation of the Halal status of the product via the LPH to BPJPH. BPJPH submits these results to MUI. MUI then performs a Halal Fatwa Assembly to determine the product's Halal status. That is, there are now five discrete actors (in addition to the company) in the conformity assessment chain.

The MUI Halal Fatwa Assembly is comprised of experts, ministries/institutions, and/or related agencies. During the Halal Fatwa Assembly, if MUI declares that it needs further information regarding the examination result from BPJPH, MUI returns the document and BPJPH is expected to complete the information within 10 working days.

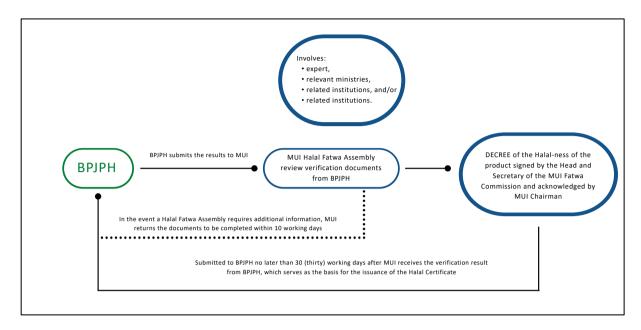
The Assembly is required to make a determination on the Halal status of the product within a maximum 30 working days after MUI receives the examination results from BPJPH. The determination is stipulated in a Decree of the MUI Halal Fatwa Assembly ("Decree") and signed by the head and the secretary of the Fatwa Commission of MUI and acknowledged by the Chairman of MUI.

The Decree made by MUI is used by BPJPH as the basis for the issuance of the Halal certification. BPJPH is obliged to issue the Halal Certificate within 7 days after receiving the Decree from MUI.

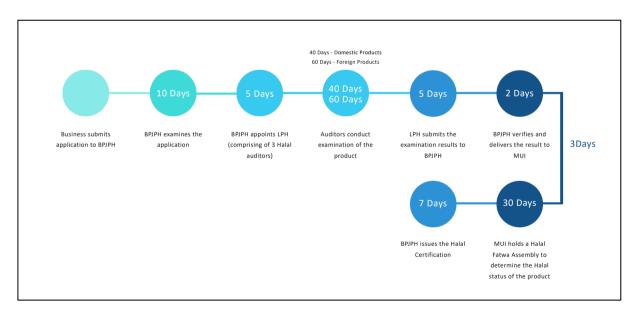
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<sup>&</sup>lt;sup>22</sup> Article 33-34 of Law 33/2014

BPJPH officials confirm that in practice, it should take approximately 97 working days, on average, for a business to obtain Halal certification, starting from the submission of the application by the business up to the issuance of the Certificate by BPJPH.



#### 6. Flowchart and Timeline



## 7. Halal Certification Renewal Procedure<sup>23</sup>

The Halal certification of a product is valid for 4 years from the issuance of the Certificate by BPJPH, unless there has been a change in the material / ingredients of the product. Business owners should renew their Halal certification (at the latest) three months before the end of the Certificate's validity period.

<sup>&</sup>lt;sup>23</sup> Article 120-121 of MORA 26/3019

Business owners who wish to renew their Halal certification must submit an application in writing in the Indonesian language to BPJPH. The application should include a copy of the previous Halal Certificate and a statement letter affixed with a duty stamp (*Materai*) confirming that the product has not been changed or modified in any way.

#### 8. Halal Certification Payment<sup>24</sup>

Businesses submitting an application for Halal certification will be charged a fee.

The fee payment comprises the following components:

- a. the cost of submitting a Halal Certificate application;
- b. the cost of inspection and/or testing of the Halal product;
- c. the cost of scientific assessment of the results of examination and/or testing of the Product's Halal-ness;
- d. the cost of conducting the Halal Fatwa hearing(s); and
- e. the cost of issuing the Halal Certificate(s).

Halal certification fees will be determined in accordance with statutory provisions yet to be issued by the government. It is not known how they will be organised with respect to overseas inspections / examinations.

Payments for Halal certification are deemed non-tax state revenue, except for the cost of examination and/or testing of the Halal product, the cost of scientific assessment of the results of examination and/or testing of the Halal product, and the cost of conducting a Halal Fatwa session.

The cost of Halal certification must be borne by the business manufacturing and/or wishing to market the product. However, small to medium enterprises intending to apply for Halal certification may have their payment facilitated by the central/regional government (through the State budget), other companies, social institutions, religious institutions, associations or the community.<sup>25</sup>

Payment is made to a BPJPH bank account. Based on consultations with BPJPH, fee schedules have yet to be determined. However, the Head of Registration and Halal Certification at BPJPH has stated that the amount will vary depending on the product in question, the type and size of the business and various other factors.

# 9. Foreign Halal Certification Registration<sup>26</sup>

Businesses intending to import Halal products that have received Halal certification from abroad must register such products with BPJPH before they can be distributed in Indonesia. This regime applies to products certified by an overseas Halal institution that has a co-operation agreement / acknowledgment from BPJPH in place.

<sup>&</sup>lt;sup>24</sup> Article 124 of MORA 26/2019

<sup>&</sup>lt;sup>25</sup> Article 127 of MORA 26/2019

<sup>&</sup>lt;sup>26</sup> Article 64-67 of GR 33/2019

At this point, BPJPH has yet to execute co-operation agreements with any overseas Halal institutions. Such co-operation is still in under negotiation but should offer an alternative to overseas inspections / examinations.

Applications to register a foreign Halal Certificate should be submitted by businesses to BPJPH along with the following documents:

- a. copy of the foreign Halal Certificate of the relevant product(s) which have been validated by the ambassador of Indonesia in the relevant country;
- b. list of goods to be imported to Indonesia with harmonised system code numbers; and
- c. statement letter which states that the submitted documents are accurate and valid.

Upon fulfilment of these requirements, the Head of BPJPH may register the foreign Halal Certificate and businesses which have obtained a registration number must affix this registration number in close proximity to the Halal label on the product packaging and/or directly on the product.

Businesses intending to import a product certified by a foreign Halal institution that does not have a co-operation agreement with BPJPH, will be obliged to undergo the regular Halal certification process as outlined above.

In such cases, BPJPH officials confirm that in practice, the time required to obtain Halal certification should be approximately 107 working days.

#### C. Post-Certification Matters

# 1. Business Owners' Obligations

Business owners that intend to obtain Halal certification for their products are obliged to: (i) always provide information that is correct, clear and truthful, (ii) separate the location, place and equipment for processing, storage, packaging, distribution, sale and presentation of the Halal products from those of non-Halal products, (iii) have a Halal supervisor and (iv) report changes to their product or production process to BPJPH.

It is imperative for business owners to appoint an employee as a Halal supervisor and report to BPJPH. As outlined above, the Halal supervisor is tasked with the following:<sup>27</sup>

- a. Supervise the Halal Production Process of the company. They must routinely supervise and monitor the Halal-ness of the products and equipment used in every stage of the production process.
- b. Determine corrective and preventive action pertaining to the Halal Production Process. They are responsible for stopping any production that does not fulfil the conditions required for a Halal Production Process.

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<sup>&</sup>lt;sup>27</sup> Article 28 of Law 33/2014

- c. Co-ordinate the Halal Production Process. This includes determining the policies, materials and manpower used.
- d. Assist the LPH and Halal auditors during their examination of the products. They must present any required materials, evidence and provide truthful statements during the examination by the Halal Auditors.

Halal supervisors must be Muslim and have a broad insight and understanding of Islamic religious teachings pertaining to Halal products. They must also participate in training and competence examinations to obtain certification as a Halal supervisor.<sup>28</sup>

Once the business owner has obtained the necessary Halal certification for their product(s), they are required to do the following:<sup>29</sup>

- a. attach the Halal label on the product that receive Halal certificate;
- b. maintain the Halal character and compliance of the product that has obtained a Halal certificate;
- c. separate the location, place and equipment for processing, storing, packaging, distributing, selling, and presenting between Halal and non-Halal product;
- d. renew the Halal Certificate if the validity period of the Halal Certificate has expired; and
- e. report any changes to the material/ingredients of the product to BPJPH.

Business owners who fail to meet these obligations are subject to administrative sanctions in the form of a verbal warning, written warning or administrative fine(s).

## 2. Role of the Community<sup>30</sup>

The community is expected to play an important role in Halal Product Assurance (JPH). This includes socialisation (information sharing) of Halal Product Assurance, and monitoring Halal products and non-Halal products distributed within the community. Socialisation can be done through seminars, discussions, lectures, workshops and mentoring. The community also plays a role in the monitoring of products by submitting reports or complaints to BPJPH. Individuals in the community may report to BPJPH regarding perceived violations of the obligations of business owners / companies pertaining to Halal Product Assurance.

Such reports should include the name and address of the individual, information with respect to the reported party, a full description of the perceived violation and supporting facts and evidence of this violation.

BPJPH may reward or otherwise recognise individuals in the community who have made a significant contribution to the facilitation of JPH. Such awards may be given to Indonesian citizens, public or private entities, ministries, state agencies, government or community organisations. The award may be in the form of a grant, promotion as Halal ambassador and/or funding for activities.

<sup>&</sup>lt;sup>28</sup> Article 78 of MORA 26/2019

<sup>&</sup>lt;sup>29</sup> Article 25 of Law 33/2014

<sup>&</sup>lt;sup>30</sup> Article 145-150 of MORA 26/2019

#### 3. Monitoring and Supervision of Halal Products

BPJPH is responsible for the monitoring and supervision of Halal Product Assurance.

The supervision of Halal Product Assurance / JPH includes the following:

- a. supervision of the LPH;
- b. supervision into the validity of Halal certificates;
- c. monitoring the Halal quality of the products;
- d. ensuring that Halal products are labelled;
- e. ensuring that non-Halal / Haram products are labelled;
- f. ensuring the separation of location, slaughter, tools, processing, storage, packaging, distribution, sale and display of Halal products and non-Halal products;
- g. Halal auditors; and
- h. other activities concerning JPH.

BPJPH monitors Halal Product Assurance / JPH along with the relevant ministries, agencies, provincial, regional and state government, in accordance with their respective duties and functions.

BPJPH appoints specific individuals as Halal Product Assurance Supervisors (*Pengawas JPH*) who are state officials. They supervise the Halal production processes of businesses, the validity of Halal Certificates, the Halal quality of products, Halal and non-Halal labelling, separation of locations, places and equipment for slaughtering, processing, storage, packing, distribution, sale and presentation of Halal and Non-Halal products, and the existence of Halal Supervisors in business entities.

In conducting these functions, the JPH Supervisors must carry a letter of assignment and their identity card.<sup>31</sup>

JPH supervision on the aforementioned Halal operations by businesses in the market should be carried out periodically (once every six months) and/or at any time as required. Random supervision can be done in the event of an alleged violation of the provisions of the legislation, based on a citizen's report, information from the media or elsewhere.

#### 4. Sanctions<sup>32</sup>

Businesses that violate the administration of JPH are subject to administrative sanctions in the form of:

- a. verbal warnings;
- b. written warnings;
- c. administrative fines;
- d. revocation of the Halal certificate; and/or
- e. withdrawal of goods from circulation.

<sup>31</sup> Article 75-77 of GR 33/2019

<sup>&</sup>lt;sup>32</sup> Article 196 of MORA 26/2019

Violation	Sanction
Businesses which have exceeded the deadline for the submission of the application to obtain Halal certification for Halal-compulsory products <sup>33</sup>	<ul><li>a. Written warning</li><li>b. Withdrawal of goods from circulation</li></ul>
Failure to include Halal labels on products that have received Halal certificates <sup>34</sup>	
Maintaining the Halal quality of products that have obtained Halal certificates	a. written warning
Failure to separate the location and means of slaughtering, processing, storing,	b. administrative fines; or
packaging, distributing, sale and presentation of Halal and non-Halal products	c. revocation of the Halal certificate
Failure to renew the Halal Certificate if the validity period of the Halal Certificate expires	
Failure to report changes to product composition to BPJPH	

# 5. Agencies Involved in Halal Certification (Assessment Bodies)

Prior to the enactment of Law 33/2014, GR 31/2019 and MORA Reg 26/2019, Halal Certificates were issued by the Indonesian Ulema's Council or *Majelis Ulama Indonesia*, hereinafter abbreviated as MUI, a deliberation forum for Muslim Ulema, *Zuama*, and scholars.

#### MUI

# Former system (prior to October 17 2019)

MUI was in charge of determining the Halal status of a product and issuing Halal certificates based on applications made by businesses. According to the previous system, businesses intending to obtain Halal certification had first to prepare a Halal Assurance System and register the required documents with MUI. MUI then appointed its Food and Drug Supervisory Agency (*Lembaga Pengawasan Pangan Obat dan Makanan Majelis Ulama Indonesia* – "LPPOM MUI") to assess the documents and decide whether they were sufficient to proceed with inspection. If the documents were sufficient, LPPOM MUI would appoint an auditor to examine the production process of the business and determine whether the product needed laboratory assessment. If it did not, LPPOM MUI would proceed to hold a Fatwa Assembly. The Assembly would determine whether the business had satisfied the criteria needed to obtain a Halal certification and issue the Halal Certificate.

<sup>33</sup> Article 197 of MORA 26/2019

<sup>&</sup>lt;sup>34</sup> Article 198 of MORA 26/2019

The new 2014 Law and subsequent regulations task MUI with providing accreditation to LPH and reviewing the result of the inspection / examination of the Halal quality of a product by holding a Fatwa assembly to determine the Halal status of the product.

After the LPH submits its inspection and/or testing results to BPJPH, these are verified, and BPJPH's verification result reviewed by MUI through a Halal Fatwa Assembly which includes experts, relevant ministerial elements, relevant agencies, and/or relevant institutions. The result of the Halal Fatwa Assembly is in the form of a Halal or non-Halal determination of the product(s) signed by the Secretary of the MUI Fatwa Commission and noted by Chairman of MUI. The determination or Decree is submitted to BPJPH and BPJPH uses this as a basis to issue the Halal Certification.

#### **BPJPH**

The prevailing laws and regulations provide that the body responsible for the issuance of Halal certification and the monitoring and supervision of Halal Product Assurance is the Halal Product Guarantee Agency (*Badan Penyelenggara Jaminan Produk Halal*), or **BPJPH**. Law 33/2014 mandates BPJPH to take over this authority from MUI starting 17 October 2019.

BPJPH is tasked with the following duties:

- a. formulate and stipulate JPH policies;
- b. stipulate norms, standards, procedures, and criteria of JPH;
- c. issue and revoke Halal certificates and Halal labels for products;
- d. register Halal certificates for foreign products;
- e. socialisation, education, and publication of Halal products;
- f. perform accreditation to LPH;
- g. register Halal auditors;
- h. supervise JPH;
- i. organise coaching for Halal Auditors; and
- j. co-operate with domestic and foreign institutions in the organization of JPH.

In exercising the above tasks, BPJPH is required to co-ordinate and co-operate with other government ministries (Industry, Trade, Health, Agriculture, as well as Co-operatives and SMEs, and Foreign Affairs), and non-ministerial government agencies or non-structural agencies responsible for food and drug supervision, as well as MUI.<sup>35</sup>

The table below outlines the co-operation between BPJPH and various sectors of the government.

Industrial Sector	a.	regulation, development, and supervision of industries, with regard to raw materials, processed materials, additional materials, and ingredients used to produce Halal products;
	b.	Halal facilitation for small industries and medium industries;
	c.	establishment Halal industrial areas; and

<sup>35</sup> Article 4 of MORA 26/2019

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Trade Sector  a. coaching to businesses and the community; b. supervision of Halal products circulating in the market; c. facilitation of JPH implementation for businesses in the trading sector; d. extension of market access for Halal products; and e. other duties in relation to the organisation of JPH in accordance with each other's duties and functions.  Health Sector  a. supervision of Halal Certificates and Halal labels for medical devices and household health supplies; b. Halal certification facilitation for medical devices and household health supplies;
c. facilitation of JPH implementation for businesses in the trading sector; d. extension of market access for Halal products; and e. other duties in relation to the organisation of JPH in accordance with each other's duties and functions.  Health Sector a. supervision of Halal Certificates and Halal labels for medical devices and household health supplies; b. Halal certification facilitation for medical devices and
trading sector; d. extension of market access for Halal products; and e. other duties in relation to the organisation of JPH in accordance with each other's duties and functions.  Health Sector a. supervision of Halal Certificates and Halal labels for medical devices and household health supplies; b. Halal certification facilitation for medical devices and
e. other duties in relation to the organisation of JPH in accordance with each other's duties and functions.  Health Sector  a. supervision of Halal Certificates and Halal labels for medical devices and household health supplies;  b. Halal certification facilitation for medical devices and
accordance with each other's duties and functions.  Health Sector  a. supervision of Halal Certificates and Halal labels for medical devices and household health supplies;  b. Halal certification facilitation for medical devices and
medical devices and household health supplies; b. Halal certification facilitation for medical devices and
i e e e e e e e e e e e e e e e e e e e
c. recommendation for Halal Certificate and Halal Label revocation for medical devices and household health supplies; and
d. other duties in relation to the organisation of JPH in accordance with each other's duties and functions.
Agriculture a. socialisation, education, and publication of Halal products;
b. stipulation of requirements for animal/poultry slaughterhouses and animal/poultry slaughter units;
c. stipulation of animal/poultry slaughtering guidelines;
d. handling of animal meats and derivative products;
e. Halal facilitation for animal/poultry slaughterhouses a animal/poultry slaughter units;
f. stipulation of veterinary control certification guidelines foods of animal origin, quality assurance systems, a safety of agricultural-produce foods; and
g. other duties in relation to the organisation of JPH in accordance with each other's duties and functions.
Cooperatives and Small and for co-operatives and micro, small, and medium-sized businesses;
b. Halal facilities for co-operatives and medium businesses
c. data collection among co-operatives and medium businesses;
d. co-ordination and guidance of Halal facilitation for co- operatives and micro and small businesses;
e. co-ordination and guidance for co-operatives and micro and small business data collection; and
f. other duties in relation to the organisation of JPH in accordance with each other's duties and functions.
Foreign Affairs a. facilitation for international co-operation;
b. promotion of Halal products abroad;

	c. d.	provision of information regarding foreign Halal institutions; and other duties in relation to the organisation of JPH in accordance with each other's duties and functions.
Others	a. b.	socialisation, education, and publication of Halal products; and other duties in relation to the organisation of JPH in accordance with each other's duties and functions.

In short, BPJPH co-operates with the LPH for the inspection and/or testing of the Halal quality of products and other duties in relation to the organisation of JPH. BPJPH co-operates with MUI for the certification of Halal auditors, determination of Halal quality of the products and accreditation of LPH.

#### **LPH**

Halal Inspection Institutions (*Lembaga Pemeriksa Halal*), otherwise referred to as LPH, are the agencies that inspect and/or test the Halal quality of Products. LPH may be established by the government and/or the private sector/civil society. LPH must fulfil the following requirements:<sup>36</sup>

- a. have their own office and equipment;
- b. be accredited by BPJPH;
- c. have at least 3 Halal auditors; and
- d. have a laboratory or co-operation agreement with another institution that owns a laboratory.

To establish an LPH, the following documents are required:<sup>37</sup>

- a. Certificate of right of ownership, building right, usage right, lease agreement, loan agreement, grants deed, or sale and purchase deed;
- b. Statement entailing that they have Halal auditors and such Halal auditors shall submit a statement of willingness to become a Halal auditor as well as certification from MUI to become a Halal auditor:
- Laboratory accreditation certificate from an agency tasked to conduct governmental duty in the field of accreditation of conformity assessment institutions or a co-operation agreement an institutions that has an accredited laboratory;
- d. Decree legalising the establishment of a legal entity foundation or an association of Islamic religious institutions;
- e. Quality guidelines which consists of at least:
  - a. organisational structure;
  - b. quality policy;
  - c. impartiality management;
  - d. resource requirements;
  - e. process requirements;
  - f. management system requirements;

<sup>&</sup>lt;sup>36</sup> Article 39 of MORA 26/2019

<sup>&</sup>lt;sup>37</sup> Article 41 of MORA 26/2019

- g. procedures for handling complaints and resolving them;
- h. audit scope and scheme;
- i. confidentiality of public information; and
- j. openness and availability of public information.
- f. Supplement to the quality guidelines as follows:
  - a. list of Halal Auditor competency support;
  - b. list of supporting laboratories;
  - c. audit list;
  - d. internal audit records;
  - e. management review;
  - f. standard operational procedures to handle complaints and resolve them;
  - g. audit scheme;
  - h. standard liability and financial operational procedures;
  - i. statement of readiness to maintain confidentiality; and
  - j. statement of readiness to open public information (transparency).

BPJPH is expected to verify the documents submitted as part of an LPH application no later than 5 working days after the application and documents are received and if the LPH meets all requirements, the Head of BPJPH may issue the LPH accreditation letter.

Based on a recent consultation with BPJPH, to date, it has appointed only one LPH, namely the LPPOM MUI, which was used in the previous regime by MUI in examining products for the assessment of Halal certification.

#### 6. Auditors Involved in Halal Certification (Qualification and Requirements)

Halal auditors are the persons authorised to inspect the Halal quality of the product(s). They are appointed by the LPH and registered by BPJPH. Halal auditors play a key role in the process of obtaining Halal certification. They have the following duties:<sup>38</sup>

- a. examine and review the materials used in the product;
- b. examine and review product manufacturing;
- c. examine and review the slaughter process of the product;
- d. examine the location of the product;
- e. examine the equipment, production, and storage facilities of the product;
- f. inspect the distribution and presentation of the product;
- g. inspect the Halal assurance system of the business; and
- h. report the inspection and/or test results to LPH.

Halal auditors are obliged to fulfil the following requirements:<sup>39</sup>

- a. be an Indonesian citizen;
- b. be Muslim;
- c. possesses at least a bachelor's degree in food, chemistry, or biochemistry, industrial engineering, biology, or the pharmacy sector;
- d. understand and know about the Halal quality of products based on Islamic principles;

<sup>38</sup> Article 40 of GR 33/2019

<sup>&</sup>lt;sup>39</sup> Article 61 of MORA 26/2019

- e. prioritise the interest of the community before individual and/or group interests; and
- f. have obtained an Auditor Certificate from MUI.

In order to obtain an Auditor Certificate from MUI, the Halal auditor must participate in training and undergo a competence test. The training is facilitated by BPJPH and MUI. Having undergone training, the participant may take a competence test. Within 5 days of having passed the competence test, they will be issued with a certificate entitling them to become a Halal auditor.

Halal auditors are registered by BPJPH after submitting an application attaching a photocopy of their ID card, a copy of the certificate showing they have undergone the Halal Auditor Certification Training and a certified copy of the Halal Auditor Certificate.

A Halal auditor may lose his/her registration as a Halal Auditor if they no longer fulfil the requirements, fail to extend their Certificate within 6 months of its expiry, are proven to have violated the code of ethics and a serious code of conduct, or found guilty of committing a crime punishable by imprisonment for a minimum of 5 years based on a legally binding court decision.

An LPH may at any time terminate a Halal auditor's position if she/he commits any of the above violations or if she/he resigns or passes away.

Based on consultations with BPJPH, auditors currently examining and assessing products for Halal certification are those appointed by LPPOM MUI.

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#### D. Annex

## Unofficial Translation of the Template for Halal Certification Registration Application from BPJPH

		(LETTER HEAD)	
Number	:		
Attachment	: 1 (one) bundle	2	
Subject : Applic	ation for Halal C	Certificate Registration	
To. Head of BPJ	PH		
in Jakarta			
The undersigne	d below:		
Address	cation Number	: : : :	

Hereby request for the application of Halal Certificate. In order to complete the application as requested, we hereby attach the following documents:

- 1. Registration form;
- Copy of business license;
- 3. Copy of Halal supervisor appointment letter;
- 4. Name and types of the Product;
- 5. List of materials and ingredients used;
- 6. The detailed production process of the Product in the form of a flow chart;
- 7. Halal Assurance System (SJH) documents.

All the documents attached are true. If in the future, there are statements / documents found to be incorrect, we are willing to accept any sanctions arising from such actions.

Thus, this application letter is made as the requirement to obtain the Halal Certificate in recognition of the Halal status of a product=. Thank you for your attention.

Yours sincerely,	
(Company stamp)	
(	)

# E. Glossary

English Term	Indonesian Term	Abbreviation	Definition
Business Owner /	Pelaku Usaha		Individuals / entity conducting
Business Actor			business activities in Indonesia
Fatwa			Islamic legal opinion regarding
			the legal position or status of
			a certain matter. With regard
			to the Halal Certification, the
			fatwa output is the Halal or
			haram status of a product
			based on the inspection and
			examination performed by the
			LPH.
Government		GR 31/2019	Government Regulation
Regulation No. 31 Year			regarding the Implementation
2019			of Law 33/2014
Halal Assurance	Sistem Jaminan	SJPH	A system designated and
System	Produk Halal		implemented by the business
			entity to ensure the Halal-ness
			of a product.
Halal Auditor	Auditor Halal	-	The person with the
			competency to examine and
			assess the Halal-ness of a
			Product. The LPH appoints
			three Halal auditors to
			examine a product in order to
			obtain the Halal certification
Halal Certificate	Sertifikat Halal	-	Halal recognition of a Product
			issued by BPJPH based on
			written Halal fatwa issued by
			MUI. This document
			guarantees that products
			and/or services meet the
			requirements to be labelled as
			Halal under Islamic law and
			principles
Halal Certification			The procedures taken by a
			business to obtain Halal
			certificate, to prove that
			materials and production
			process comply with the
			prevailing standards

Halal Examination	Lembaga Pemeriksa	LPH	The agency established to
Agency	Halal		conduct inspection or
			examination of products to
			assess the Halal-ness of the
			product.
Halal Product	Jaminan Produk Halal	JPH	Legal certainty of the Halal-
Assurance			ness of a Product that is
			proven with Halal Certificate
Halal Product	Badan Penyelenggara	ВРЈРН	The agency established by the
Assurance Agency	Jaminan Produk Halal		government to conduct the
			implementation of Halal
			Product Assurance (JPH).
Indonesian Ulema	Majelis Ulama	MUI	Deliberation forum for Ulema,
Council	Indonesia		Zuama, and Muslim Scholars.
JPH Supervisor	Pengawas JPH		State civil apparatus
			appointed by BPJPH to
			monitor and supervise the
			Halal Product Assurance (JPH
Law No. 33 Year 2014		Law 33/2014	Is the Law concerning Halal
			Product Assurance (JPH)
Ministry of Religious		MORA Reg	Minister regulation regarding
Affairs Regulation No,		26/2019	the Facilitation of Halal
26 Year 2019			Product Assurance
MUI Fatwa Assembly	Sidang Fatwa MUI		An assembly comprised of
			experts,
			ministries/institutions, and/or
			related agencies conducted to
			determine the Halal status of
			a product. It is part of the
			procedure to obtain a Halal
			certification. The
			determination is stipulated in
			a Decree of the MUI Halal
			Fatwa Assembly ("Decree")
			and signed by the head and
			the secretary of the fatwa
			commission of MUI and
			acknowledged by the
			Chairman of the MUI.
MUI Fatwa Committee	Komisi Fatwa MUI		MUI Fatwa Committee is one
			of the MUI committees tasked
			to produce an Islamic legal
			opinion about legal position
			and status on various matters,

			to alreading the additional of
			including the Halal-ness of a
			product. Members of fatwa
			committee are representative
			of Islamic organizations in
			Indonesia.
MUI Food and Drugs	Lembaga Pengawasan	LPPOM MUI	Halal Certification Agency
Supervisory Agency	Pangan Obat dan		appointed by BPJPH to
	Makanan Majelis		examine products and assess
	Ulama Indonesia		the Halal-ness of a product. It
			was established by the MUI.
Non-Halal Label	Keterangan Tidak		A mandatory labelling placed
	Halal		on Non-Halal Products to
			mark them as Non-Halal
Non-Halal Products	Produk Tidak Halal		Products that are derived
			from non-Halal materials /
			ingredients. Materials include
			raw materials, processed materials, supporting and
			additional materials that are
			derived from animals, plants,
			microbes, or chemical/
			biological / genetically
			modified process
Product			The prevailing laws and
			regulations concerning Halal
			Products defines Product as
			goods and/or services in
			relation with food and
			beverages, medicine,
			cosmetics, chemical,
			biological, genetically
			modified products and
			services used and utilized by
			the community