

## INTERNATIONAL JOURNAL OF SOCIAL SERVICE AND RESEARCH

# HALAL CERTIFICATION FOR MICRO AND SMALL INDUSTRIES OF THE FOOD AND BEVERAGE SECTOR IN EAST JAKARTA CITY, BEKASI CITY, AND GRESIK REGENCY

### Wily Mohammad, Nabilla Ryca Maulidiyah

Universitas Padjadjaran, Bandung, West Java, Indonesia SMA Nahdlatul Ulama 1, Gresik, East Java, Indonesia Email: wily17001@mail.unpad.ac.id, nabillarycas18@gmail.com

#### **Abstract**

Halal certification is the one of the most important criteria for Muslims in buying food and beverage. The purpose of this research is to find out the numbers of halal certification among the micro and small industries of the food and beverage sector in East Jakarta City, Bekasi City, and Gresik Regency in running their business. The benefit of this research is that there is certainty and safety for Muslims with halal certification in these three cities in Indonesia, and as the recommendations for the government, academics, and halal activist. The type of this research is descriptive quantitative. The population in this research is the total of micro and small industries in these three cities. Determination of the sample in this research using the Taro Yamane sampling technique, with a significance level of 95%. From the results of these calculations, 395 industries are selected for the research samples. The results of this research are from 395 samples of micro and small industries of the food and beverage sector in East Jakarta City, Bekasi City, and Gresik Regency, 339 (86,8%) are not halal certified. Based on the interview with some samples, there is a lack of understanding, information, and trust in halal certification. It is recommended to academics, government, and halal activists to provide socializations for information and teaching for these industries about halal certification.

Keywords: Halal Certification, Micro and Small Industries, Food and Beverage Sector

Received 1 August 2021, Revised 20 August 2021, Accepted 29 August 2021

#### INTRODUCTION

Linguistically, Islam means obedience, safety, prosperity, peace, and submission to Allah. In terms, Islam is a religion that was revealed by Allah to the Prophet Muhammad SAW to be a guide for human life, the contents of which not only regulate the relationship between humans and Allah, but also regulate the relationship between humans and other humans (Jamal, 2011).

Followers of the religion of Islam are referred to as Muslims. Muslims are people who are obedient to Allah and ready to obey His rules and teachings. In Islam, Muslims have rules governing their relationship with

Allah called ibadah, and rules governing their relationship with humans called muamalah. This muamalah is included in activities such as mutual help, honesty, respect for others, marriage, inheritance, debts, buying and selling, and so on. Muamalah aims so that humans can live justly, peacefully, and lovingly with one another (Munib, 2018).

One of the muamalah activities carried out by Muslims is buying and selling. Buying and selling (al-bai') in Islam is an activity of exchanging something for something else (or with money), by releasing the property rights of one person to another, on the basis of mutual agreement or mutual consent, in

accordance with Islamic rules (Shobirin, 2016). Basically, Allah does not prohibit all forms of buying and selling as long as it does not harm one of the parties, does not violate the rules set out in Islam, and is advised to maintain ukhuwah or brotherhood among human beings (Sarwat & MA, 2018).

One of the main principles in muamalah is maintaining the values of justice. Islam provides humans with justice in property ownership and provides guidelines for owning other people's property in a way that has been regulated in Islamic rules. The application of the principle of justice in economic activities such as buying and selling is in the form of rules prohibiting elements of usury, tyranny, maysir, gharar, and objects of unlawful transactions (Madjid, 2018). This is so that the welfare of society can occur equally.

One of the most important criteria for Muslims in buying food and beverage is that they must be met the halal criteria. Halal is a principal rule in Islam that is used to state that something is permitted or prohibited to be consumed by a Muslim in accordance with what is written in the Qur'an, hadith, or ijtihad of the scholars. The halalness of a food product does not only depend on the halalness of the main ingredients used to make the product but also pays attention to other mixed ingredients that exist from the beginning of production to the hands of consumers. Therefore, it is important for food and beverage business actors to provide clarity on the halal status of a product they sell (Salehudin, 2010). In guaranteeing and providing certainty of the halalness of a product, a comprehensive inspection process is required by a trusted institution known as Halal Certification.

Halal certification is a process to obtain a halal certificate through several stages of inspection to prove that the ingredients, production process, and halal assurance system meet the standards of the Food, Drugs and Cosmetics Research Institute of Indonesian Ulema Council (LPPOM MUI). The purpose of halal certification is to provide certainty of the halal status of a product as a form of fulfilling consumer rights. Consumer confidence in the halalness of a product will affect the number of consumer purchases of the product. In the past, the application for halal certification by producers was voluntary. However, after the enactment of the Law of the Republic of Indonesia Number 33 of 2014 concerning Halal Product Guarantee, the application for halal certification by producers is mandatory. The provisions regarding the mandatory halal certification for all products are contained in article 4 which states that: "Products that enter, circulate, and are traded in the territory of Indonesia must be certified halal". Still referring to the law above, the implementation of the obligation for halal certification for all products in Indonesia will take effect in the next 5 years since the law was enacted. This means that 2019 is the year of implementation of the law so that all products, including food products, must be halal certified (Abdullah, 2018).

Halal certification is useful for eliminating consumer doubts about the halalness of the food product. On the other hand, producers find it difficult to dismiss the issue considering that producers do not have proof of halal certification issued by the MUI. However, in practice in Indonesia, even though Indonesia is a country that has majority of Muslim, the understanding of the Indonesian people towards the importance of halal food and halal certification is still relatively low. One of the problems lies in the perception that people think that because Muslims are the majority, so that all products traded by Muslims are halal without further confirming. So that, producers consider that there is no need for halal certification to attract public trust (Anggriawan, 2020).

According to the Central Bureau of Statistics, an industrial business is a business unit that carries out economic activities, aims to produce goods or services, is located in a certain building or location, and has its own administrative record regarding production

and cost structure and there are one or more persons who are responsible for the business. Micro Industry is an industrial company whose workforce is between 1-4 people, while Small Industry has a workforce of 5-19 people. Micro and Small Industries of the Food and Beverage sector can be categorized in the Indonesian Standard Classification of Business Fields with codes 10 and 11 (Statistik, 2015).

East Jakarta City, Bekasi City, and Gresik Regency have an area of 182.7 km<sup>2</sup>, 210.5 km<sup>2</sup>, and 1,194 km<sup>2</sup>, respectively. With this area, according to data from the Central Statistics Agency, each region has a proportion of Muslims who make up the majority, namely 2.8 million people (88.62%), 2.1 million people (86.99%), and 1 million people. ,3 million people (98.53%). Seeing these data, means that it is very important that the halal certification in the micro and small industries of the food and beverage sector in the three cities should be done, so that it will provide security and comfort for Muslims in particular and all citizens in general.

This research is very important because food and beverage are basic needs that are very important for humans and halal is important in Islam. The formulation of the problem in this research is how far is Halal Certification in the micro and small industries of the food and beverage sector in these three cities. The purpose of this research is to find out the numbers of halal certification among the micro and small industries of the food and beverage sector in East Jakarta City, Bekasi City, and Gresik Regency in running their business. The benefit of this research is that there is certainty and safety for Muslims with halal certification in these three cities in Indonesia, and as the recommendations for the government, academics, and halal activist to socialize the halal certifications to industries in their city.

#### **METHOD**

The type of this research is descriptive quantitative, which aims to obtain information about the phenomena studied using data in the form of numbers to be able to describe and explain the impact of these phenomena. In addition, in order to find solutions to problems (Ferdinand, 2014). Related to this research, the descriptive method will describe descriptive statistical analysis, frequency distribution, average statistics, and comparative analysis results.

The population can be defined as a collection of subjects, variables, phenomena, or concepts. The sample is part of the population that can represent all representatives of members of the population (Hasbullah & Sajiman, 2020). The population in this research is the total of micro and small industries in East Jakarta City, Bekasi City, and Gresik Regency according to the Central Statistics Agency, which is 31.318 businesses. Determination of the sample in this research using the Taro Yamane sampling technique, with a significance level of 95%. From the results of these calculations, it is found that the number of samples in this research is 395 industries.

The sampling technique uses Cluster Random Sampling, which is sampling based on a certain area. The use of this sampling technique is to divide geographically different groups, in order to save more costs and energy in meeting respondents who are the subject or object of research (Yani, n.d.). The areas where samples were taken in this research include the City of East Jakarta as many as 132 industries, Bekasi City as many as 131 industries, and Gresik Regency as many as 132 industries.

Types and sources of data in this research are primary data sourced directly from the first party, obtained through observation and interviews. Observations were made to determine whether the micro and small food and beverage industry have Halal Certification or not. In addition, interviews were used with random

respondents as additional findings to find out why they did not provide Halal Certification to their businesses.

The data analysis technique is used in the form of validity test on condition that the Pearson Correlations value is greater than Rtable (N=400, 0.098), reliability test on condition that Cronbach's Alpha value is greater than R-table (N=400, 0.098),frequency distribution, and descriptive statistical analysis to determine the average (mean), range statistics, standard deviation, and variance statistic using the SPSS application. Then it can be determined how many industries have Halal Certification in the

area. In addition, the results of the interviews will be described as additional findings.

#### **RESULTS AND DISCUSSION**

The results of the validity test using SPSS showed that all the observations that were transformed into numbers showed a Pearson Correlation value of 0.142. While the reliability test shows the Cronbach's Alpha value of 0.186. Both values are greater than the R-table, which is 0.098. This means that all data used in this research are valid and reliable.

The analysis of the frequency distribution using SPSS shows the results shown in the following table:

Table 1
Frequency Distribution Table

Sub- Category	Area	Frequency	Percentage	
Halal	East	24	6,075%	
Certified	Jakarta			
	City			
	Bekasi	24	6,075%	
	City		·	
	Gresik	8	2,05%	
	Regency		·	
Not Halal	East	108	27,34%	
Certified	Jakarta			
	City			
	Bekasi	107	27,07%	
	City			
	Gresik	124	31,39%	
	Regency			
		395	100%	
East		132	33,4%	
Jakarta				
City				
Bekasi City		131	33,2%	
Gresik	·	132	33,4%	
Regency				
•	·	395	100%	
	Sub-Category Halal Certified  Not Halal Certified  East Jakarta City Bekasi City Gresik	Sub- Category  Halal East Certified Jakarta City Bekasi City Gresik Regency  Not Halal Certified Jakarta City Gresik Regency  Regency  Bekasi City Gresik Regency  Bekasi City Gresik Regency  Gresik Regency	Sub- Category Halal Certified  Bekasi City  Gresik Regency  Not Halal Certified  Bekasi City  Gresik Regency  107 City  Gresik Regency  395  East Jakarta City  Bekasi City  Bekasi City  131 Gresik Regency  132	

Based on the results in the table above, from the 395 samples, 56 samples are Halal Certified (14.2%), while 339 samples are Not Halal Certified (85.8%). Then, the number of samples whose data were obtained in East Jakarta City are 132 samples (33.4%), from Bekasi City are 131 samples (33.2%), and from Gresik Regency are 132 samples (33.4%).

In East Jakarta City, only 24 samples are Halal Certified (18,04%) and 108 samples are Not Halal Certified (81,96%). In Bekasi City, only 24 samples are Halal Certified (18,18%) and 108 samples are Not Halal Certified (81,82%). In the Gresik Regency, only 8 samples are Halal Certified (6.01%) and 124 samples are Not Halal Certified (93,99%).

The descriptive statistical analysis using SPSS shows the results shown in the

following table:

Table 2
Descriptive Statistical Analysis Table

Category	Halal Certification	Area
N Statistic	395	395
Range Statistic	1,00	2,00
Average (Mean)	1,86	2,00
Standard Deviation	0,349	0,818
Variance Statistic	0,122	0,670

Based on the results in the table above, N statistic shows 395 both in Halal Certification and Area, so all of the sample of this research are 395 samples. The range statistics of the data are 1,00 and 2,00. The average (mean) of the data are 1,86 and 2,00. The standard deviation of the data are 0,349 and 0,818. The variance statistic of the data are 0,122 and 0,670.

Based on the data above, it can be seen that only very few micro and small industries of the food and beverage sector in the three cities where this research is conducted are halal certified. Only 56 samples are halal certified, the remaining 339 are not. This is very unfortunate, especially since these three cities are cities that have a Muslim majority population. Moreover, micro and small industries of the food and beverage sector are important in the basic needs of Muslims.

In interviews taken from several samples to be used as additional findings, we found several reasons why they have not been halal certified, which are as follows:

 Some of the industries think that the halal certification doesn't matter to their business, because they do not feel confident that halal certification can affect buyer interest in their food products.

- Some of the industries think that if they serve food and beverage with halal main ingredients, it considered as halal product.
- Some of the industries think that to be halal certified, they must pay some money and wait for a long time, while they only have not much money as capital and a little time.
- Some of the industries think that already used to not being halal certified, the important thing is that the dishes they serve are delicious and satisfy consumers.
- 5. Some of the industries don't know how to register their product to be halal certified.

It can be found that the things above are the result of a lack of understanding, information, and trust in halal certification. In fact, halal certification is important for Muslims. Not looking at the profit, but halal is about the safety and quality of ingredients, places, cooking utensils, and many more. Also the blessing from Allah will be given to the industry who believes in the importance of halal certification.

#### CONCLUSION

The conclusions in this research are as follows: 1) From 395 samples of micro and small indutries of the food and beverage

sector in East Jakarta City, Bekasi City, and Gresik Regency, 339 samples (86,8%) are not halal certified. It is recommended to these industries carry out halal certification in order to ensure the safety of all Muslims in the three cities in the food and beverage sector. For the government, implementing rules to require halal certification is also a good thing, considering that the majority of residents in the three cities are Muslim. This not only benefits Muslims, but also the entire community in these three cities. 2) Based on the interview with some samples, there is a lack of understanding, information, and trust in halal certification in some micro and small industries of the food and beverage sector. It is recommended to academics, government, and halal activists to provide socializations for information and teaching for these industries about halal certification.

#### **REFERENCES**

- Abdullah, I. (2018). Mandatory Sertifikasi Halal dan Keberlansungan Dunia Usaha. Tersedia Online Pada Https://Republika. Co. Id/Berita/Jurnalisme-Warga/Wacana/17/12/28/P1npq4396-Mandatory-Sertifikasi-Halal-Dan-Keberlansungan-Dunia-Usaha, Diakses, 9. Google Scholar
- Anggriawan, Teddy Prima. (2020).
  Perlindungan Konsumen Pangan Pada
  Negara Mayoritas Muslim Ditinjau dari
  Peraturan Pemerintah Nomor 69 Tahun
  1999 Tentang Label Dan Iklan Pangan.
  Widya Pranata Hukum: Jurnal Kajian
  Dan Penelitian Hukum, 2(2), 48–60.
  Google Scholar
- Ferdinand, Augusty. (2014). Structural Equation Modeling Dalam Penelitian Manajemen, Semarang. *Badan Penerbit Universitas Diponegoro*. Google Scholar
- Hasbullah, Hasbullah, & Sajiman, Supardi Uki. (2020). Survey Kemampuan Komunikasi

- Matematika Melalui Kecerdasasan Emosional Siswa Madrasah Aliyah di Jakarta Selatan. *SINASIS* (Seminar Nasional Sains), 1(1). Google Scholar
- Jamal, Misbahuddin. (2011). Konsep Al-Islam dalam Al-Qurâ€<sup>™</sup> an. *Al-Ulum*, *11*(2), 283–310. Google Scholar
- Madjid, Siti Saleha. (2018). Prinsip-prinsip (asas-asas) Muamalah. *Jurnal Hukum Ekonomi Syariah*, *2*(1), 14–28. Google Scholar
- Munib, Abdul. (2018). HUKUM ISLAM DANMUAMALAH (Asas-asas hukum Islam dalam bidang muamalah). *Al-Ulum Jurnal Pemikiran Dan Penelitian Ke Islaman, 5*(1), 72–80. Google Scholar
- Salehudin, Imam. (2010). Halal literacy: A concept exploration and measurement validation. *ASEAN Marketing Journal*, 2(1), 1–12. Google Scholar
- Sarwat, Ahmad, & MA, Lc. (2018). *Fiqih Waqaf*. Uin Raden Fatah Palembang.
  Google Scholar
- Shobirin, Shobirin. (2016). Jual Beli Dalam Pandangan Islam. *BISNIS: Jurnal Bisnis Dan Manajemen Islam*, *3*(2), 239–261. Google Scholar
- Statistik, Badan Pusat. (2015). Profil Industri Mikro dan Kecil. *Badan Pusat Statistik. Jakarta*. Google Scholar
- Yani, Jenderal Achmad. (n.d.). Sugiyono. 2017. Metode Penelitian Kuantitatif, Kualitatif, Dan R&D. Bandung: Alfabeta. Ferrari, JR, Jhonson, JL, & McCown, WG (1995). Procrastination And Task Avoidance: Research Theory, Treatment. New York: Plenum Press. Yudistira P, Chandra. Diktat Kuliah Psikologi Psikometri. Fakultas *Universitas*. Google Scholar



© 2021 by the authors. Submitted for possible open access publication under the terms and conditions of the Creative Commons Attribution (CC BY SA) license (https://creativecommons.org/licenses/by-sa/4.0/).