

SYNERGY OF HALAL LITERACY AND SELF DECLARE HELPING MSMES ACHIEVE THE HALAL MANDATORY FOR HALAL TOGETHER

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ABSTRACT

The Indonesian Mandatory Halal Policy presents both opportunities and challenges for Micro, Small, and Medium Enterprises (MSMEs). This article highlights the significance of halal food literacy and the use of the Self Declare program in unlocking potential of MSMEs. By leveraging the synergy between literacy and the Self Declare program, MSMEs can enhance their competitiveness in domestic and international markets, while also tapping into the expanding Muslim consumer base. The article further explores how these tools can aid MSMEs in overcoming obstacles in the Halal Certification process, thereby ensuring compliance with the Mandatory Halal policy. The synergistic strategies proposed include: 1) Offering training and education on halal food and the Self Declare program for MSMEs, facilitated by the government and related institutions, 2) Providing assistance throughout the certification process, and 3) Granting facilities and easing MSMEs' access to the Self Declare program. A strong grasp of halal certification, combined with the efficient use of the Self Declare program, enables MSMEs to meet Mandatory Halal requirements while saving time and costs. The study employs a qualitative approach, gathering data through interviews and documentation. It aims to provide valuable recommendations to stakeholders on improving halal literacy and compliance among MSMEs in Indonesia.

Keywords: Halal food, MSMEs, Halal Certification, Mandatory Halal, Self-Declare, Literacy, Synergy, Strategy, Competitiveness, Muslim Consumers.

INTRODUCTION

In 2022, Indonesia became the country with the largest Muslim population in the world, as in the previous year. According to a report by The Royal Islamic Strategic Studies Center (RISSC), the Muslim population in Indonesia is estimated at 237.56 million people. The Muslim population is equivalent to 86.7% of the domestic population compared globally, the number is equivalent to 12.30% of the world's Muslim population of 1.93 billion people (Munandar & Hasan, 2023; Susilawati & Joharudin, 2023). With the largest Muslim population in the world, it has implemented a Mandatory Halal policy which aims to ensure that all products circulating on the market meet established halal standards. The Indonesian government has responded positively to the importance of halal certification through the issuance of regulations. Namely with Law no. 33 of 2014 concerning Halal Product Guarantees (HPG) which requires all production to be halal certified. Moreover, starting from 17 October 2019 the government lowered derivative regulations from Law no. 33 of 2014 which provides strengthening of previous regulations, and begins actual implementation from what was initially voluntary to mandatory.

Halal certification is one of the instruments that the government must pay attention to so that Indonesia is able to compete in the halal industry (Akim et al., 2019). Based on BPS data, Indonesia will reach around 83.3 million, Micro, Small and Medium Enterprises (MSMEs) in 2024, which is as the driving force of the Indonesian economy (Deny, 2024; Hidayat et al., 2022). *Institute for the Study of Food, Drugs and Cosmetics, Indonesian Ulema Council (LPPOM MUI)* also pays great attention to the quality of its halal certification services. It is not surprising that achievements increase every year. During 2023, LPPOM MUI has attracted 18,701 companies and this number has increased from the previous year (2022) of 11,686 companies (Yana, 2024). Halal Certification is a health and sanitation system with total quality regarding processing procedures and other operations in accordance with Islamic rules which includes raw materials, sanitation and

safety. It is not only limited to meat and poultry products, but also other consumer goods such as medicines, equipment bathing, cosmetics and sweet foods (Habibah et al., 2008) Meanwhile Law no. 33 of 2014 has a very broad target, from MSMEs to large companies. This mandatory halal policy not only functions as a guarantee for Muslim consumers, but also as the main driver for business actors to improve the quality and trust in their products (Atieqoh et al., 2023; Tahliani & Renaldi, 2023). For MSMEs, this policy also opens up great opportunities to enter the increasingly growing halal market both domestically and internationally. However, the challenges faced by MSMEs in fulfilling halal certification requirements cannot be ignored (Sekhar & Radha, 2019; Umbara & Supandi, 2022).

One challenge in obtaining Halal Certificate is literacy regarding halal food among MSME players which is considered to be still low. Halal food Literacy includes knowledge of halal ingredients, production processes that comply with halal standards, as well as understanding halal regulations and certification procedures. This lack of understanding can hinder MSMEs from accessing potential halal markets. Head of BPJPH, Muhammad Aqil Irham (2023) stated that halal literacy is a very important fundamental thing in the implementation of Halal Product Guarantees (HPG). With adequate understanding of HPG, business actors realize how important it is to guarantee the halalness of their products, so that with awareness they take care of halal certification of their products (BPJPH, 2023b).

Society's awareness and understanding on halal literacy is not only driven by religious factors, but also because of the assumption that halal products provide health and product quality guarantees because they have gone through a long process in the laboratory, so that they can finally obtain halal certification and be permitted to circulate in the community. With awareness of the need for halal products guarantees they used and consumed, they no longer only belong to the Islamic religious community but also belong to all elements of the nation (Marsiati et al., 2022; Pramintasari & Fatmawati, 2017). The self-declare program launched by the government is a part of efforts to facilitate the halal certification process and a practical solution for MSMEs. This program allows business actors to self-declare that their products meet halal standards, they follow established guidelines and regulations provided. However, the success of this program really depends on the level of halal food literacy among MSMEs. Within the framework of this Self declare program, Halal Product Guarantee Organizing Agency (BPJPH) collaborates with various agencies such as the National Zakat Amil Agency, partner universities and local governments to actively carry out outreach and provide periodic quotas to MSEs to take part in the self-declaration program in order to pursue the mandatory halal certification targeted in 2024 especially for food. and beverage products (Pamuji, 2023).

Existing studies on the relationship between literacy synergy and self-declaration help MSMEs in achieving the mandatory requirements, will consist of at least four things. *First*, halal food literacy among business actors (Othman et al., 2017; Pratikto et al., 2023; Ridlwan, 2022; Tieman et al., 2012; Zuhdi et al., 2023), lack of knowledge regarding the process and halal ingredients are one of the main obstacles in the halal certification process for MSMEs (Basir et al., 2018; S. Marzuki, 2012; Rahman et al., 2021). *Second*, the Self declare and Halal Certification Program is how a simplified halal certification program can help MSMEs in meeting halal (Bergeaud-Blackler et al., 2016; Bonne & Verbeke, 2008; Pratama, 2024), the self-declare program allows business actors to declare halal products independently, without going through a long and expensive certification process, and simplify the halal certification process for MSMEs (Dawam et al., 2023; Rohman & Sudiro, 2023). *Third*, synergy between literacy and policy which emphasizes the importance of synergy between halal education and government policy to create a supportive ecosystem for MSMEs (Antara et al., 2016; Rachman & Sangare, 2023). They found that this synergy can increase the effectiveness of the halal

certification program and ensure compliance with established standards (Shafie & Othman, 2006; Talib et al., 2013), and *Fourth* is the Impact of Halal Certification on the Competitiveness of MSMEs. Halal certification can increase product competitiveness MSMEs in the global market. They emphasized that Muslim consumers' trust in halal certified products can increase customer demand and loyalty (Billah et al., 2020; Rasul et al., 2018; Rezai et al., 2012) and a strategy to increase halal literacy to support MSMEs with several approaches, such as training programs tailored to the needs of MSMEs, the use of digital media to disseminate information, and collaboration with educational institutions and religious organizations to expand the reach of halal education and mentoring (Esfandiari et al., 2021; M. A. Khan et al., 2021; M. I. Khan & Haleem, 2016; Putra et al., 2024).

Based on previous studies, we make conclusion that halal food literacy and the **self-declare** program have an important role in supporting MSMEs to achieve Mandatory Halal standards. The synergy between literacy and government policies, such as the self-declare program, can have a significant positive impact on the ability of MSMEs to fulfill halal certification requirements, increase competitiveness and reach a wider market. This research will continue and deepen that study by focusing on the Indonesian context, to provide more specific insights and relevant recommendations for stakeholders. The Mandatory Halal Policy in Indonesia has become the main focus in efforts to ensure that all products circulating in the domestic market meet the established halal standards. The latest developments in Halal food literacy and the implementation of the **self-declare** program reflect systematic efforts to improve the quality and competitiveness of MSME products in the halal market.

Therefore, it is important to explore the synergy between halal food literacy and the self-declare program in supporting MSMEs to achieve the Halal Mandatory. By understanding and increasing halal food literacy, MSMEs can make maximum use of the self-declare program, thereby speeding up the certification process and increasing competitiveness in the market. This article aims to examine how halal food literacy and the use of the **self-declare** program can help MSMEs face the challenges of halal certification and achieve Mandatory Halal standards. This article also discusses how Halal food literacy and the **Self declare program** can help MSMEs overcome challenges in facilitating the Halal Certification process in achieving Halal Mandatory, with a synergistic strategy to support this achievement. Synergistic Strategy in the form of: 1) Training and education, the government and related institutions can organize training and education about Halal food and the **self-declare** program for MSMEs. 2) assistance, the government and related institutions can provide assistance to MSMEs in the halal certification process. 3) facilities and conveniences provide facilities and convenience for MSMEs in participating in the self-declare program provided by the government.

LITERATURE REVIEW

Halal food literacy

Halal literacy is a person's or community's knowledge and understanding of a product that they will consume. Whether a product is halal or haram is not only limited to the halal label, but the public must also understand and know whether the goods they consume are made from halal ingredients or not. Halal literacy teaches about differentiating goods and services that are halal or haram, resulting in a better understanding of Islamic law or Sharia (Salehudin & Mukhlis, 2012). MSMEs play an important role in Indonesia's economic future. Currently, the popularity of MSME products that are halal certified is still low compared to large and multinational companies. The conditions of business actors in the production process are still considered conventional. There is no literacy regarding the importance of halal foods and halal certification which needs to be included on product packaging. This actually reduces the selling value and also shows that

understanding of halal foods and halal certification aimed at food products produced by MSMEs is not yet optimal (Tieman et al., 2012).

In fact, there are still many local products that do not have halal certification or halal labels. One of them is due to the inadequate literacy of the community or business actors so that they cannot compete in an atmosphere of conflict of imported products, even though the quality of local products is certainly not inferior to competitors. The importance of halal certification is not only for consumers, but also for companies as marketers who will gain a good image and selling points from business actors. The goal is that the existence of literacy related to this matter can provide benefits and potential for wider market expansion and be able to compete for MSME players (S. Z. S. Marzuki et al., 2012; Rahmat et al., 2023)

Self-declare and Halal Certification Program

The halal certification process can be an effort to shape society into a society with a religious character, especially for the business owners concerned. Business actors are required to be guided by the teachings and guidance of the Islamic religion in producing halal and good food. In this case, three components of good character are needed, namely; moral knowing (knowledge about morals), moral feeling or feelings about morals, and moral action or moral actions (Lickona, 2022). In Indonesia, halal is regulated in statutory regulations, namely Law Number 33 of 2014. Products entering, circulating and traded in Indonesian must be certified halal. The obligation for halal certification for micro and small business actors is based on the statements of micro and small business actors and is also regulated in the Minister of Religion Regulation Number 20 of 2021 concerning halal certification for micro and small business actors, article 2 products by micro and small business actors must certified.

The implementation of halal certification for MSME Business Actors is based on self-declaration that the products being traded are halal products which are carried out based on halal standards set by BPJPH, in order to support the realization of accelerated community welfare, equity and equity. equal distribution of business opportunities, other economic benefits and the ability to face the challenges of life's changes. The principles of halal certification are as follows: 1) guarantee that the product produced complies with halal regulations, 2) guarantee that the product is halal in the entire Halal Product Process, 3) guarantee that there is no contamination of haram materials, both in facilities/equipment, workers, and the environment, 4) maintaining the sustainability of the halal production process (Suriyani, 2024). The halal self-declaration policy for MSEs is indeed more oriented towards ease of doing business for MSEs, while the government takes a role in protecting the public who need clarity on product *halalness* (Rafianti et al., 2022).

Synergy between Literacy and Halal Policy

Strengthening the halal industry is needed to improve the economy. Apart from the food sector, Indonesia still does not have the best index for other types of halal industrial sectors, especially those related to the lifestyle industry. The community and stakeholders do not yet have a high awareness of the urgency of developing the halal industry with a very good prospects (Nasution, 2020). The determination of halal certification in Indonesia is regulated through several policies by the government, administrative requirements and sanctions regarding halal certificates, namely: 1) Law Number 33 of 2014 concerning Halal Product Guarantees, 2) Regulation Number 39 of 2021 concerning Implementation of the Halal Product Guarantee Sector, 3) Regulation of the Minister of Religion Number 20 of 2021 concerning Halal Certification for Micro and Small Business Actors, 4) Decree of the Head of BPJPH Number 33 of 2022 concerning Technical Instructions to Accompany the Halal Product Process in Determining Halal Certified Obligations for Micro Business Actors and Small based on statements from business actors, 5) Decree of the Head of the Halal Product Guarantee Organizing

Agency Number 77 of 2021 concerning Determination of Technical Guidelines for Facilitating Free Halal Certification for Micro and Small Businesses and 6) Decree of the Head of the Halal Product Guarantee Organizing Agency Number 122 of 2022 concerning Technical Instructions for Facilitation Free Halal Certification for Micro and Small Enterprises in 2022 (Kemenag.go.id., 2022).

The public's literacy level is still low regarding halal law. They know whether a product is halal or haram only from the packaging that has a halal label. Nowadays, there are so many products that don't use the halal label. Seeing these conditions, several MSME actors have made changes by managing the halal certification process for their products, thereby increasing public confidence in making purchases, which of course has an impact on product sales turnover. However, on the other hand, there are still many MSME players who are not aware of the importance of obtaining halal certification (Yuwana et al., 2021). Halal certification for small and medium businesses has been facilitated by the government, namely through the Free Halal Certification (SEHATI) program. The SEHATI program is carried out in stages with the aim of halal certifying 1 million small and medium businesses by 2024. This program is expected to be able to educate the public, especially business actors, to know halal products are haram, recognize unclean products, recognize ingredients (critical points for halal products), halal guarantee system (11 mandatory criteria) and halal certification mechanisms and procedures (Jakiyudin et al., 2022).

The government provides a free halal certification program (SEHATI) with a self-declaration scheme for micro and small enterprises. The SEHATI program aims to: 1) encourage business actors to carry out production activities in accordance with sharia provisions, 2) be able to provide support and strengthening for halal products produced by business actors and MSMEs, 3) be an effort to increase the number of business actors who comply with the provisions of halal products and 4) become a value added product to be able to compete both in the form of trade locally and internationally (Nurhidayah et al., 2024).

The Impact of Halal Certification on the Competitiveness of MSMEs

In the international trade system, the issue of product halal certification and marking has received good attention in order to provide protection for Muslim consumers throughout the world as well as a strategy to face the challenges of globalization with the implementation of the free market system within the framework of ASEAN-AFTA, NAFTA, the European Economic Community and the Trade Organization. International (World Trade Organization). The international trade system has long recognized halal provisions in CODEX which are supported by influential international organizations including WHO, FAO and WTO. Producing countries will export their products to Islamic countries, including Indonesia. In international trade, the "halal label/mark" on their products has become an important instrument for gaining market access to strengthen the competitiveness of domestic products in international markets (Abadi, 2011). The halal industry has attracted the attention of various groups, even at the global level, both from the government and business actors. Every **Muslim** is obliged to pay attention to the common good and wrong Rahman & Nahrowi, 2014; Rahman et al., 2021)

Halal products that are consumed by Muslim communities are not only produced by Muslim countries. There are at least two challenges in developing Indonesia's halal industry, namely external and internal, where one external factor is the existence of several other Islamic countries that are competitors, such as Malaysia. In fact, many Muslim products are actually produced and exported by countries where the majority of the population is non-Muslim, which influences the perspective of the global community that halal is an international issue and not only for Muslim communities. Some MSMEs actors still do not realize the importance of halal certification, even though halal

certification can improve product selling value and product competitiveness in the global market. One of the challenges in developing halal products in the global market is the lack of understanding among MSME players about the potential of halal products and the need for halal certification which can increase their business growth. Even though halal certification has been accepted by the world community as a product standard that needs to be met to ensure its halal guarantee. (Qoni, 2022)

METHODS

This research uses a qualitative approach. Data collection was carried out using interview, observation and documentation techniques. Interviews were conducted with business actors (MSMEs) both those who have received halal certification and those who have not, Halal Inspection Institute (LPH), the Halal Task Force at the Provincial Regional Office of Religion and Halal Product Process Assistance Agency and halal assistants. The data sources used are primary data and secondary data. Primary data is data obtained directly from the research object, namely data obtained from direct interviews with business actors. And secondary data comes from interviews with LPH, Halal Task Force and Halal Assistants. Observation and documentation are used to gather data regarding the implementation of halal certification, whether through self-declaration or not. Research data was collected from the research location purposively at the research location. In the process, the researcher determines the research informants by looking at the instruments that have been prepared previously in order to obtain research informants, namely business actors in each location. In the data collection process, researchers began with a literature study to map aspects related to issues in conducting research related to **halal** certification and self-declaration. The data analysis technique used in this research is qualitative data analysis as proposed by Huberman (2000), namely reducing data, presenting data or organizing data, then drawing conclusions. Data reduction is carried out after all the data has been collected by sorting which data is related and needed to answer the research question. Data classification based on the research questions is then presented and organized in the form of a data-theory discussion. After that, conclusions are drawn.

RESULTS

This research has collected data through in-depth interviews and documentation studies related to Halal food literacy and the implementation of the among MSMEs and the general public, the results of which can provide Self-declare program insight into the effectiveness of the synergy between Halal food literacy and the Self-declare program in achieving the Halal Mandatory.

Halal Literacy Level among MSMEs

The industry has great potential to become stronger and develop with the birth of supporting regulations, namely the requirement to guarantee halal products in the form of halal certification. This regulation is contained in Law Number 33 of 2014 concerning Halal Product Guarantees which has been in effect since 17 October 2019. This regulation is also supplemented by Government Regulation Number 31 of 2019 concerning Implementing Regulations of Law Number 33 of 2014 concerning Halal Product Guarantee. The existence of this law has changed halal certification, which was previously obligatory or voluntary, to mandatory. It is hoped that the halal certification policy will encourage halal SMEs to continue to develop and have export quality as halal products. So, Indonesia's proportion of halal products in the world is increasingly being taken into account. Obtaining halal certification is an important step for MSMEs who want to expand their market and increase consumer confidence, especially among Muslim consumers who need halal guarantees on the products they consume. That way, MSMEs can feel the benefits of having a halal logo on their products.

There are several benefits for MSMEs from obtaining a halal certificate, including protecting Muslims from non-halal products. Moreover, Indonesia's population is dominated by Muslims, not all of whom understand whether the products they buy are halal or not. (stated by Titik as The Riau Islands Halal Task Force delivered on Wednesday, June 19 2024: <https://www.obsessionnews.com/sebanyak-13-ribu-umkm-di-kepulauan-riau-telah-tersertifikasi-halal/>)

Based on data from the Ministry of Cooperatives and Small and Medium Enterprises (Kemenkop UKM), in 2019 there were 63.9 million micro-scale businesses, while there were 193,959 small-scale businesses. Of this number, data from BPJPH shows, in the time period between 17 October 2019 and 4 June 2022, 33,296 micro-scale businesses registered for halal certification, while 5,802 were registered for small scale and 3,935 were registered for medium scale. Several MSME players have made changes by managing the halal certification process for their products, so as to increase public confidence in making purchases, which has an impact on increasing product sales turnover. However, the number of business actors implementing this certification is not comparable to the number of MSME products circulating without halal certification

They know whether a product is halal or haram only from the packaging which has a halal label. Especially nowadays, there are so many products that don't use the halal label. Seeing these conditions, several MSME players have made changes by managing the halal certification process for their products, thereby increasing public confidence in making purchases, which of course has an impact on product sales turnover. Many MSMEs still don't care that the food and cosmetic products they sell need to be guaranteed halal because these foods and drinks will be consumed by the wider community. The results of research conducted by Siska and Dony (2023) show that cracker entrepreneurs in Dakiring Village, the community does not have knowledge and trust in halal label certification. Their opinion is because they believe that the ingredients and **products**, they use are guaranteed to be halal, so they think that there is no need for a halal label for their products. regarding the lack of understanding and knowledge of halal certification issues as conveyed by business actors (interview results during research on Halal Certification: as Symbolic Capital for Food and Beverage Businesses in 2021:

It's complicated bro, Jane (the halal certificate) is important. But if it's me, I'll be the one to take care of my child. Because I process everything myself down to marketing. And it also seems like getting a halal certificate is expensive, bro. In times like these, we haven't really thought about getting a halal certificate, even if we have the desire. (Gethuk Goreng SS, interview in 2021)
Now it's like this bro, my taxes are in order. Well, sometimes people who are not orderly are in Jorna bae. Well, that's the same as a halal certificate. There are many who don't take care of halal certificates. So, what's next.... Apart from that, my product is clear. God willing, it's clearly halal, the ingredients are made from cassava. That's how it is, (Gethuk Goreng A, interview in 2021)

Effectiveness and Contribution of the self declare program

At the end of 2020, the government opened a free halal certificate service for micro, small and medium enterprises (MSMEs) through the self-declare service. If previously a halal certificate could only be obtained through a paid service route, then after this self-declare service exists, business actors who fall into the MSME category can apply for their products to get a halal certificate for free. The **self-declare** program has been implemented with varying degrees of success. Most MSMEs who participated in this program reported that the self-declaration process helped them reduce administrative burdens and certification costs. However, others experience difficulties due to a lack of in-depth understanding of the correct procedures. MSMEs that have a higher level of halal literacy tend to be more successful in utilizing this program than those that have low halal literacy. The **self-declare** program has helped many MSMEs overcome the cost and time barriers associated with the halal certification process. However, the success of this program really depends on the level of halal literacy of business actors. Therefore, increasing halal literacy must be a priority to ensure that the **Self declare program** can be implemented more effectively. Training that focuses on the practical and technical aspects of self-declaration is essential to ensure that MSMEs can make optimal use of

this program. This is what was conveyed by several MSME business actors who took part in the Self-declare program:

The Free Halal Certification Program organized by BPJPH is very good and helps businesspeople or traders, especially small traders, in applying for certification. It is very good and really helps us in completing the certificate registration process until the SH is issued and the process is not complicated, it's just that it doesn't end very well. long time (interview with the "INDTAN" business actor, namely the manufacture of Smoked Tuna Fish. whose address is in the Tanjung Pinang area in July 2023)

The registration process is handled by the halal assistant. We are asked to prepare the specified documents. Also convey the ingredients used in the cakes we produce. We hope that the Free Halal Certification registration activities will continue and the quota will be increased so that small food and drink traders can get their certificates (interview with the entrepreneur "Qona'ah Kue" a home production company operating in the bakery sector in July 2023 in Tanjung Pinang)

Self-declare of halal certification is a certification scheme created with the aim of making it easier for micro and small businesses in obtaining halal certification. In fact, the number of halal certifications by **self-declare** is still small compared to other types of halal certification and is still very far compared to the number of MSEs in Indonesia. The review of the strengths and weaknesses of this program will **help to** formulate a strategy in increasing the number of halal certifications through **self-declare** in Indonesia. This also helps obtain halal certification as an effort by MSME players who want to expand their market and increase consumer confidence, especially among Muslim consumers who need halal guarantees on the products they consume. In anticipation of the 2024 Halal Certification obligation (Halal Mandatory), BPJPH will certify products from upstream to downstream industries after an internal team was formed to create communication and outreach guidelines across ministries, institutions and business associations. Strengthening the network of small and medium enterprises (MSMEs) that are ready to develop throughout the world. The government facilitates people who need information about halal products. On the other hand, the self-declare halal policy for MSEs focuses on ease of business for MSEs, although the regulations state that halal declarations cannot be carried out without supervision from the relevant agencies

Synergistic Strategy to Increase Compliance with Halal Mandatory

The Halal Product Guarantee Agency of Ministry of **Religious** Affairs as The Indonesian government has created an accelerated halal certification program for MSEs with certain criteria through the SEHATI (free halal certification) program with a halal declaration mechanism for business actors (self-declare). The Indonesian Minister of Religion, Yaqut Cholil Qoumas, stated that the Free Halal Certification (SEHATI) program has three advantages, namely: First, this program is a representation of the Minister of Religion's concern for Muslims in Indonesia in protecting Muslim communities from being able to consume halal products. The second is SEHATI which is a form of government concern in strengthening MSEs in terms of halal products so that they get added value and are competitive in the products they produce. Third, the SEHATI program is one of the capital for MSE products to be able to penetrate the international market with halal products. The government has taken various strategic steps, including simplifying the halal certification process, which previously took more than three months, but now only takes a maximum of twenty-one days.

As stated by Secretary of BPJPH, "The free or **Sehati** halal certification program for MSEs, which is implemented through a self-declaration mechanism, can in a relatively short time encourage the active involvement of business actors to play an active role in halal certification. The **Sehati** Program with a self-declaration mechanism, in a relatively short time, is able to provide opportunities for multi JPH actors and encourage their involvement, from halal product process assistants to business actors" (BPJPH, 2023a) Self-Declaration itself does not necessarily mean that business actors can declare their products halal, but there is still a mechanism that regulates it. Self-declaration must fulfill certain requirements, including assistance from a registered Halal Product Process

(PPH) assistant and a halal determination process by the MUI Fatwa Commission. Accelerating certification for Micro, Small Enterprises is encouraged by accelerating facilitation through a Business Actor Statement/Self Declare. To be able to carry out self-declaration, it is necessary to have a Halal Product Process Companion (HPP Companion). The HPP Companion Institution according to Regulation of the MRA No. 20 of 2021 must oversee the companions. In the certification process through the self-declare scheme, the competence of the companion is very important because the companion must guide business actors in implementing HPGS (Halal Product Guarantee System) as well as assist in the registration process until the issuance of a halal certificate. In addition, HPP companions or assistants must verify and validate the **halalness** of products that are certified.

According to the Head of BPJPH, PPH companions are individuals who carry out the PPH mentoring process. These PPH Assistants are tasked with assisting the halal certification process with a self-declaration mechanism. Usually, recruitment of PPH Assistants is carried out by the Halal Product Process Assistance Agency (LPPPH). "But this time, we will carry it out centrally via the ptsp.halal.go.id page,"

We as P3H hope that LP3H, the Halal Task Force of the regional Ministry of Religion and BPJPH certainly have an obligation to continue to provide knowledge regarding ingredients, rules and regulations which serve as guidelines for PPH assistants. Offline training is very important so that after passing the training you can understand, so that when you meet with MSE you can immediately provide assistance in the field until you can get Shnya. (Interview with PPPH at LP3H UIN Yogyakarta, June 2023)

The following is the flow of the self-declare halal certification process:



The synergy between halal literacy and the self declare program shows that a holistic approach that combines education, mentoring and technical support can increase MSME compliance with halal requirements. Continuous training supported by the government and relevant institutions must be an integral part of this strategy. In addition, the use of digital technology to disseminate halal information and education can expand the reach of this program and increase MSME participation.

Impact on MSME Competitiveness

Halal certification not only increases market access but also improves the product's image in the eyes of consumers, thereby providing a competitive advantage for MSMEs. Increased competitiveness shows that investment in Halal food literacy and the self declare program are strategic steps for the sustainability and growth of MSMEs. The business potential for halal products is huge. For being able to take advantage of this opportunity, the challenges they face are they must have adequate literacy, understand market opportunities, carry out good production, and always ensure the **halalness** of their products. The halal self-declaration certification, which has been implemented since 2021, is a form of convenience provided by the government to MSEs. Self-declaring halal certification is also a strategic step for the government to empower MSEs so that their products have halal standards as added value so that their products are able to compete in both domestic and global markets.

Halal certification can also help MSME players to market their products more widely, especially in the Muslim market which is increasingly large and demands products that are truly halal. Another advantage that non-Muslim traders get by having a halal certificate for their products is that they can participate in free market trade, which of course by having a wider market can reach countries outside Indonesia. By having halal certification, MSMEs can expand their markets throughout the world, because halal certification is recognized internationally and can open up greater export opportunities

CONCLUSION

Halal literacy and the **self-declare** program have an important role in helping MSMEs achieve the halal mandatory. A good halal literacy level can increase the effectiveness of the **self-declare** program, while the **self-declare** program can reduce obstacles in the halal certification process. The synergy between these two factors can provide significant benefits for MSMEs, including increasing competitiveness in domestic and international markets as well as increasing consumer confidence in the products produced. Support from the government and related institutions in the form of training, mentoring and providing facilities is very important to ensure the successful implementation of halal certification among MSMEs. The need for a more comprehensive and structured educational program is very urgent to increase MSMEs' understanding and awareness of the importance of halal standards.

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