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Halal Product Process Assistance Training to Improve Halal Certification of Micro Small Enterprises

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Abstract

Training and mentoring on the halal product process aims to provide understanding and skills to PPH companions, who will then pass on to business actors in applying halal principles in all stages of production, from raw materials to finished products. With appropriate training and mentoring, business actors can understand the importance of halal products and manage production well to meet halal certification requirements. In the long run, halal products will have added value because they are considered safer and more trustworthy by consumers who prioritize product quality and religious aspects. The Halal Resource Development Study and Development Center (PK-PSDH) ITB Ahmad Dahlan Jakarta carried out training and mentoring activities on May 9-12, 2022, attended by 159 participants. Based on the results of the activity, as many as 279 products have obtained their halal certification, 90 data are still in submission, 31 data are submitted, 67 data are finished with LP3H, 31 data are returned, 19 data are returned to the Fatwa Commission, 59 data are canceled, and 3 data are sent to the fatwa commission. Halal training and mentoring will continue to be carried out in the future to assist business actors in improving product quality and consumer confidence, as well as increasing business competitiveness in the global market.

Keywords: Halal Training, Halal Assistance, PK-PSDH, Halal Certificate

INTRODUCTION

The demand for halal products is a mandatory requirement for every Muslim consumer, and certification labeling for halal products provides protection for Muslim consumers and serves as a strategy to meet the global halal food trend, which has become a worldwide trend (Hervina, 2017). The halal food sector has great potential in Indonesia, driven by the increasing number of Muslim populations worldwide, with Indonesia having a Muslim population of 237.6 million people or 86.7% of the total population (Bayu, 2022).

From a consumption perspective, Muslim food consumers in Indonesia spent US\$144 billion on halal products in 2019, making Indonesia the largest consumer in this sector. The contribution of the halal industry to the national economy is also increasing, as evidenced by the increased market share of the halal sector to GDP, reaching 24.3% in 2016 and increasing to 24.86% in 2020 (Jailani & Adinugraha, 2022).

The assurance of product halalness in Indonesia is embodied in Law No. 33 of 2014 concerning Halal Product Guarantee. This law emphasizes that products entering, circulating, and traded in Indonesian territory must have halal certification (Rafianti et al., 2022). In Indonesia, halal certification is carried out by the Indonesian Council of Ulama's Food, Drug, and Cosmetics Assessment Institute (LPPOM MUI). LPPOM MUI provides halal certification to products or services that meet the established halal standards. The halal certification from LPPOM MUI is recognized by many countries worldwide, making this certification a helpful tool for Indonesian products to be accepted in international markets.

The halal certification process involves examining and testing products, ingredients, or production processes to ensure that they do not contain ingredients deemed haram, such as pork, alcohol, or substances that are considered harmful to health. In its implementation, halal and haram issues in the production chain involve various sectors, from business actors to consumers. As a manifestation of the role of Muslim academic communities in the halal supply chain, the Halal Resources Development Study and Development Center (PK-PSDH) at ITB Ahmad Dahlan Jakarta conducts studies, education, training, policy formulation, and science and technology development-based on halal consumption and production products (Pusat Kajian Halal ITB Ahmad Dahlan Jakarta, 2022).

The goal is to increase sustainable economic growth and the development of halal products/services that are a blessing for all creation, based on science and technology (ITB Ahmad Dahlan Jakarta Halal Study Center, 2022). The purpose of this training and coaching is to equip potential Halal Product Guarantee (PPH) partners with knowledge about the legal foundation of halal product guarantees, knowledge about ingredients, etc., related to PPH assistance in Indonesia, to provide assistance to micro and small business owners in meeting halal product certification requirements. This ultimately benefits institutions by becoming part of the PK PSDH commitment to contribute to one of the BPJPH programs, the 100,000 PPH Assistance Program, as part of the halal product guarantee system in Indonesia. The benefit to the community, including micro and small business owners, is an increase in awareness of the importance of the halal product process (Pusat Kajian Halal ITB Ahmad Dahlan Jakarta, 2022).

LITERATURE REVIEW

MSE (Micro Small Enterprise)

Micro, small, and medium-sized enterprises (MSMEs) are an important sector in the Indonesian economy, as they provide jobs for millions of people and support sustainable economic growth. Here are some facts about MSMEs in Indonesia (Kolanus et al., 2020):

- MSMEs play a crucial role in the Indonesian economy, contributing around 60% of the GDP and providing employment for about 97% of the workforce.
- The MSME sector in Indonesia is very diverse, including businesses in trade, 2. services, and manufacturing.
- Most MSMEs in Indonesia still operate on a small scale and are limited to local 3. markets.
- One of the main challenges facing MSMEs in Indonesia is access to capital, education, and training needed to improve the quality and productivity of their businesses.
- The Indonesian government has launched various programs and policies to support MSMEs, including providing access to credit and training, reducing business costs, and forming partnerships with large companies.
- In recent years, digital technology has become an increasingly important factor in facilitating the growth and development of MSMEs in Indonesia, including through e-commerce platforms and digital financial services.
- MSMEs in Indonesia also have great potential to enhance global competitiveness, especially through improving product quality and diversifying export markets (Kolanus et al., 2020).

Halal Certification

Halal certification is the process of evaluating products or services to determine whether they are halal or not in accordance with Islamic principles. Halal is a term used to describe materials or products that are considered permissible for consumption or use by Muslims. Halal certification is necessary to ensure that the product or service meets the halal standards established by religious authorities (Ilham, 2022).

Halal Product Process Assistant (PPH)

A halal product consultant is a person or team who assists manufacturers in ensuring that their products meet halal requirements and obtain halal certification from trusted certification bodies (Setiawan, 2023). The consultant helps the manufacturer to identify suitable halal ingredients, provides advice on production processes that comply with halal principles, assists in applying for halal certification, and conducts internal audits to ensure that all aspects of production continue to meet halal requirements (Rafianti et al., 2022).

Halal product consultants typically have in-depth knowledge of halal principles and halal certification requirements from trusted certification bodies. The consultant can also help manufacturers identify opportunities to improve product quality while still meeting halal requirements (Putro et al., 2022).

PK-PSDH ITB Ahmad Dahlan

PK-PSDH (Center for Halal Resources Development and Studies) is a study center at Ahmad Dahlan Institute of Technology and Business that focuses on development, education, and research in the field of halal. Its main goal is to promote the sustainability of the halal industry and facilitate innovation and development of halal products in Indonesia (Pusat Kajian Halal ITB Ahmad Dahlan Jakarta, 2022).

As one of the leading halal study centers in Indonesia, PK-PSDH ITB Ahmad Dahlan has been active in providing training and education in the halal industry, including halal certification and capacity building for the halal industry. Additionally, PK-PSDH ITB Ahmad Dahlan also conducts research and development of halal products, and provides consulting and mentoring services for companies in the halal certification process (Pusat Kajian Halal ITB Ahmad Dahlan Jakarta, 2022)...

PK-PSDH ITB Ahmad Dahlan collaborates with various institutions and companies to promote the halal industry in Indonesia and help strengthen the capacity of the halal industry domestically. In this regard, PK-PSDH ITB Ahmad Dahlan acts as a consulting institution, research and development center for halal products, and a knowledge center in the field of halal in Indonesia (Pusat Kajian Halal ITB Ahmad Dahlan Jakarta, 2022).

Previous Research

Halal certification can provide a competitive advantage for businesses, especially in the halal industry. This is because halal certification ensures that the products meet the halal requirements and are therefore deemed safe and lawful for Muslim consumers (Hervina, 2017; Putro et al., 2022). Additionally, halal certification can also improve the brand image and reputation of a business, which can lead to increased trust and demand for their products. However, it is important to note that obtaining halal certification requires proper knowledge and understanding of the halal certification process and requirements (Istianah & Dewi, 2022; Rafianti et al., 2022). As mentioned, some business people may face challenges in filling in data online and may require assistance and support from competent parties (Ilham, 2022).

Overall, promoting the halal industry and providing education on halal certification can have a positive impact on businesses and consumers alike (Faridah, 2019). It can help businesses expand their market and improve their reputation, while also providing assurance and trust for consumers seeking halal products (Warto & Samsuri, 2020).

RESEARCH METHODS

Time and place of implementation

The training was conducted online from May 9th to May 12th, 2022. The PPH mentoring was conducted in the respective areas of the participants who had registered as PPH Mentors by BPJPH.

Preparation for Training and Assistance

Before the activities were carried out, preparations were made to ensure that the training and mentoring activities run smoothly. The following is the preparation process conducted by PK PSDH:

Activities | Timeline Created Term of References (TOR) 19-24 Apr 22 24-Apr-22 1. Committee meeting 2. Distribution of the list of training participants 26-Apr-22 1. Zoom link creation 2. Creating Flyers and Virtual Backgrounds 3. Make formal invitations to speaker 4. Distribution of the list of training participants 27-Apr-22 1. Distribution of invitations 2. Distribution of the list of training participants 28-29 Apr 22 1. Distribution of invitations 2. Distribution of the list of training participants 3. Requests for post test questions to the presenters 6-May-22 Making a test form link and testing questions and certificates 7-May-22 Halal bihalal online and activity preparation progress meeting 8-May-22 Rehearsal for PPH Assistance training activities 9-May-22 1. Implementation of Training Days I-IV 2. Report

Table 1. Timeline of Preparation for Period 1 PPH Assistance Training

The preparation began with the preparation of the TOR within a week, which was from April 19 to April 24, 2022. The TOR was processed to produce a proposal for the targeted activities. The preparation continued until the implementation of the halal certificate training and assistance activities, which was on May 8, 2022, by conducting a rehearsal with the committee. The following are the preparatory steps taken:

- 1. Preparation of training modules: PK PSDH ITB Ahmad Dahlan prepares training modules that cover the theory and practice of PPH guidance. The modules are designed to meet the needs of participants and to be easily understood.
- 2. Selection of trainers: PK PSDH ITB Ahmad Dahlan selects competent and experienced trainers in the field of PPH to deliver the training.

- 3. Technical preparation: PK PSDH ITB Ahmad Dahlan prepares the technical requirements for the online training, including the platform, internet connectivity, and other necessary equipment.
- 4. Participant selection: Participants are selected based on predetermined criteria and registration is done online.
- 5. Preparation of mentoring guidelines: PK PSDH ITB Ahmad Dahlan prepares guidelines for PPH mentoring that cover the steps to be taken in guiding PPH for businesses.
- 6. Selection of mentors: PK PSDH ITB Ahmad Dahlan selects competent and experienced mentors to assist in the PPH mentoring process.
- 7. Coordination with BPJPH: PK PSDH ITB Ahmad Dahlan coordinates with BPJPH to ensure that the training and mentoring programs are in accordance with their standards and procedures.

PPH Assistance Training

The first period of PPH Assistance Training was conducted by the Halal Resource Development and Study Center of the Bandung Institute of Technology Ahmad Dahlan (PK PSDH ITB Ahmad Dahlan) online from May 9th to May 12th, 2022. The total number of participants in the training was 159, consisting of both internal lecturers and students enrolled in the Rural Bachelor's Program.

PPH Assistance

PPH Assistance is provided by PPH assistants, who gather data on businesses, either directly or through the Si Halal Pendamping system. They then arrange agreements with business owners to provide on-site assistance, review production systems, make necessary corrections to comply with halal production regulations, direct business owners to create accounts, and complete the required documentation for halal certification application on the Si Halal account. The PPH assistants then verify and validate the documentation on the PPH Assistance account, return incomplete documentation for additional completion, and submit the completed documentation to the BPJPH. The PPH assistance institution in this case is the PK PSDH ITB Ahmad Dahlan, which provides guidance, motivation, and strategies for PPH assistants and monitors the assistance process through the Assistance Institution account.

RESULTS AND DISCUSSION

Halal certification is very important for manufacturers who want to market their products to Muslim consumers in Indonesia and around the world. In recent years, the demand for halal products has increased significantly, making halal certification increasingly important for businesses that want to compete in the global market. To achieve this stage, guidance is needed for the halal certification process.

PPH guidance is a series of activities to ensure the halal status of a product through verification and validation processes against the halal statement of the business actor. Training and guidance will be scheduled regularly to assist business actors and to support the government program in 2024 that all MSME products are halal certified. In many cases, the halal product process guide is a halal consultant or an accredited halal consultation institution with experience in the field. They can also assist manufacturers in understanding the halal regulations and requirements in their country or region. With the help of halal product process guides, manufacturers can ensure that their products meet halal requirements and obtain reliable halal certification, which can improve competitiveness and consumer confidence in their products.

PK-PSDH ITB AD held online training on May 9-12, 2022. After completing the PPH Guidance Training, PK-PSDH ITB AD administratively reported the passing participants to BPJPH, then BPJPH verified the data and issued a registration number for the passing participants. On May 28, 2022, the participants started to conduct guidance to micro and small businesses in their respective areas. The next activity was held on September 14, 2022, where PK-PSDH ITB AD conducted a reinforcement for PPH guides through an online platform. This activity was done as a refreshment and strengthening of the material and practical guidance for PPH guides in assisting business actors. Based on data from the Halal Information System (SIHalal), the achievement of the SEHATI22 program activity by PK-PSDH ITB AD, 279 certificates were issued, 90 data were still in submission, 31 data were submitted, 67 data were completed by LP3H, 31 data were returned, 19 data were returned to the Fatwa Commission, 59 data were canceled, and 3 data were sent to the Fatwa Commission. The following are the results of the activities that have been carried out.:

Table 2. Companion Achievements PPH PK-PSDH (SEHATI22)

Category	Total	
Submission Draft	90 Data	
Submitted PU	31 Data	
Completion of Assistance	0 Data	
Completed LP3H	67 Data	
Accepted by the Fatwa	0 Data	
Returned	31 Data	
Returned by Fatwa	19 Data	
Canceled	59 Data	
Rejected	0 Data	
Sent to the Fatwa Commission	3 Data	
Fatwa Trial Process	0 Data	
Published STTTD	0 Data	
End of Fatwa Session	0 Data	
Certificate Issuance	0 Data	
Finished	279 Data	

Training and mentoring are very useful, especially for entrepreneurs. The aim is to improve knowledge and understanding of halal principles, both from a religious and government regulation perspective, to enhance the ability of business people to implement an effective and efficient halal management system, strengthen the company's image and reputation by having halal certification that can increase consumer confidence in the products produced, increase competitiveness of the company with halal products that can reach a wider market, both domestically and internationally, increase awareness of the importance of maintaining the cleanliness, safety, and health of products, so as to provide benefits to consumer health, foster a sense of social responsibility and good business ethics in maintaining the quality and safety of products produced..

The research conducted by Putro (2022) aims to determine the effect of halal certification training and mentoring on improving product quality and increasing the number of customers in the food sector SMEs. The results showed that halal certification training and mentoring have a significant effect on improving product quality and increasing the number of customers in the food sector SMEs. In addition, research conducted by the Chusna (2022) aims to determine mentoring in obtaining halal certificates for culinary sector SMEs in Penjaringansari Village, Surabaya City. The results showed that this mentoring effort is able to raise awareness among SMEs about the importance of halal labeling and educate them in maintaining the quality of their products so that in this rapidly developing era, the products produced can compete with other products.

The study conducted by Siska (2020) aimed to determine the impact of halal certification training on the performance of UMKM food and beverage businesses. The results showed that halal certification training has a positive impact on the performance of UMKM food and beverage businesses, especially in improving product quality, consumer trust, and business competitiveness. The study conducted by Maksudi, Bahrudin and Nasruddin (2023) aimed to identify the factors that influence food producers' decisions to participate in halal certification training and mentoring. The results showed that factors such as the need for information, ease of access, and benefits obtained are factors that influence food producers' decisions to participate in halal certification training and mentoring.

From the above studies, it can be concluded that halal certification training and mentoring have a positive impact on product quality, consumer trust, and business competitiveness, especially for UMKM in the food sector. However, efforts are still needed to expand the coverage of halal certification training and mentoring and improve access and benefits obtained by food industry players.

CONCLUSION

The purpose of halal training and mentoring is to improve the understanding and ability of business actors to apply halal principles in the production, distribution, and marketing processes of their products. The results of halal certification training and mentoring activities that have been carried out by PK-PSDH ITB AD show that 279 halal certificates have been issued through the mentoring process. This activity will continue to be carried out to increase awareness and information on halal certification. Halal training and mentoring in the future can help business actors improve product quality and consumer confidence, as well as increase business competitiveness in the global market.

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