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# Challenges and Opportunities in Implementing a Halal Lifestyle: A Study of Global Halal Regulations

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## Abstract (English)

The halal lifestyle is increasingly becoming a global concern within Muslim societies and beyond. This creates significant challenges and opportunities in implementing halal regulations at the global level. This research aims to analyze halal regulations that apply globally, explore the main challenges faced in implementing them, and identify opportunities related to the development of a halal lifestyle. In this research, we conducted a comprehensive literature review of global halal regulations covering various aspects. We also explore emerging challenges, such as harmonization of standards, certification costs, and monitoring of halal products. In addition, we identify opportunities in developing the halal product industry, including global market expansion and product innovation. The results of this research illustrate the complexity in implementing halal regulations at the global level and highlight the need for coordination efforts between countries and collaboration between stakeholders. The challenge of harmonizing halal standards is also a major focus, with the expansion of the global market and increasing consumer awareness about halal. On the other hand, opportunities in developing the halal product industry are wide open with significant market growth potential. This research contributes to the understanding of global halal regulations and provides valuable insights for governments, producers and other stakeholders in facing challenges and exploiting opportunities in implementing a halal lifestyle at the global level.

# Keywords; Halal Lifestyle, Halal Regulations, Indonesia



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#### INTRODUCTION

The halal lifestyle has become an increasingly important topic in today's global society. This concept not only influences the food aspect, but also penetrates various aspects of life, including fashion, tourism, banking and the cosmetics industry. Interest in the halal lifestyle is fueled by the rapid growth of the Muslim population worldwide and the desire of Muslim communities to adhere to the teachings of their religion in everyday life. Additionally, non-Muslims are increasingly realizing

the importance of products and services that comply with halal principles, as they seek healthier and more sustainable options. However, adopting a halal lifestyle also brings significant challenges and opportunities in the context of increasingly complex global regulations. In this paper, we will examine various aspects of the challenges and opportunities associated with adopting a halal lifestyle, with a focus on global halal regulations.

One of the difficulties for halal product businesses to compete in the market is the formation of regional and international free markets. To take advantage of existing opportunities, of course consistent readiness is needed. The winners in free market competition are business actors who are able to improve quality and commercial partnerships. This will lead to ideal competition where the emphasis is on quality. If the development of halal products continues to be improved in accordance with international norms, then these halal products will be increasingly in demand by the public. In connection with this, efforts need to be made in the academic world to produce knowledge based on halal science. One way is to establish a Halal Center as a center for the study and growth of the halal product sector (Yulia, 2015).

Apart from regulatory challenges, the halal lifestyle also faces obstacles in terms of product and service certification. Legitimate and trustworthy halal certification is very important for consumers who care about halal aspects. Problems with the socialization and education of halal certification give rise to derivative problems which result in a minimum number of food entrepreneurs carrying out halal certification. Apart from the limited facilities and infrastructure that support this direction, the form of information dissemination program is not widely known to the public, let alone the dissemination of halal certification education (Yulia, 2015).

Another challenge is the lack of in-depth understanding of the concept and implications of a halal lifestyle among non-Muslim consumers. In an increasingly multicultural society, halal products and services are increasingly sought after by groups outside the Muslim community. However, a lack of in-depth understanding of halal principles can hinder market growth and create unnecessary misunderstandings. Public education and awareness regarding halal lifestyles could be a solution (Mathew et al., 2014).

Adopting a halal lifestyle has enormous potential as well as difficulties. The global halal market is developing rapidly, which opens up many commercial prospects. There is a large market opportunity for companies that can produce goods and services that comply with halal standards, for both Muslim and non-Muslim groups. Modern information and communications technology can also be used to make it easier to find and purchase halal goods, driving innovation and industrial expansion. (Latifah, 2020)

In this paper, we will further examine the challenges and opportunities associated with adopting a halal lifestyle, taking into account the complex dynamics of global halal regulations and changes in consumer preferences. We will analyze how stakeholders, including producers, governments, certification organizations, and consumers, can play a role in promoting and facilitating a halal lifestyle, more sustainable and inclusive. It is hoped that this paper can provide valuable insight for readers about the challenges and opportunities in implementing a halal lifestyle in this era of globalization.

## **METHOD**

The literature review method was used in this research. Research that examines or critically reviews knowledge, ideas, or findings found in an academically oriented body of literature and develops its theoretical and methodological contributions to a particular topic is known as literature research or literature review. (Creswell, 2009). The methodology of this research is descriptive analysis, which is a normal summary of the data collected followed by interpretation and justification so that the reader can fully understand.

#### RESULTS AND DISCUSSION

## Halal Lifestyle Concept

Lifestyle is a way of living that is in accordance with Islamic principles and laws and has a positive impact on a person's physical, mental and spiritual health. This theory is based on the basic principles of the Islamic religion and ensures that every aspect of daily life, including eating, dressing, working, and sleeping at night, conforms to Islamic law.

(Ahmad & Ahmad, 2016) Lifestyle is a person's way of living life in accordance with universal principles. It is defined as a set of attitudes, habits or properties related to a particular person or group and it includes patterns of work behavior and free time activities as a basis for the individual including activities, opinions, values and interests.

(Ahmad & Ahmad, 2016) Apart from that, the halal concept is the only global concept. Since the past decade, there has been a growing awareness of the need to have halal practices in people's daily lives. However, this awareness is more often directed at products such as food, health products, financial products, clothing, etc. Halal must cover all aspects of human life, especially those closely related to Islam and is established as a Muslim's way of life.

(Murti, 2017) A halal lifestyle is very important to apply to every person who identifies himself as an Islamist because a halal lifestyle encourages obedience to Islamic law and encourages people to live their lives according to Islamic law. (Aziz & Ahmad, 2018) Halal also implies that what is

permitted and what is prohibited are mutually exclusive; this is a principle established by Islamic law, and anyone who engages in prohibited behavior will face the wrath of Allah SWT. Halal and haram are two aspects of Sharia, or the Islamic legal system, that govern daily life. What stands out between halal and haram is makruh, which has a higher price tag than haram goods and less specific laws. Halal and haram are two concepts that Allah SWT mentioned in the Qur'an, and Rasulullah SAW explained them through the sunnah.

(Novitasari, 2014) A person's halal lifestyle can be interpreted as a product of Islamic teachings and principles. Any item that is halal and religiously approved will be understood by anyone promoting a homosexual lifestyle. In addition, someone who practices a halal lifestyle in a secular way is someone who attends Koran as often as possible, obeys the prohibitions and performs worship of Allah (SWT), such as eating halal food and keeping away haram objects during prayer. Apart from that, halal living is a lifestyle choice that emphasizes three main components, namely faith, food and enjoyment.

## The Relationship between Halal Lifestyle and Religion and Culture

The relationship between halal life, religion and daily life is very complex and close. Halal living is based on Islamic principles and is often violated by the societies in which Muslims live. Here are several methods for halal living related to religion and ethics:

- 1. Religious Principles: Halal living is a long-standing manifestation of Islamic teachings about religion. The principles of halal (that which is permitted) and haram (that which is prohibited) are defined in Islam according to sharia law. Therefore, halal living encourages respect for religious norms in many areas of daily life, such as food, clothing, work, and daily activities. This is an opportunity to live your life according to the teachings of Islam.
- 2. Food and Drink: The two most well-known aspects of the halal lifestyle are food and drink. Muslims must consume food that is halal and in accordance with Islamic law. This can provide a wide variety of culinary traditions and variations in various countries and cultures.
- 3. Clothing: Living a halal lifestyle also encourages the use of clothing that complies with Islamic law, such as covering the private parts. However, the type of papyrus used can vary depending on local culture. For example, Muslim immigration patterns in the Middle East may be different from those in Southeast Asia.
- 4. Marriage and Family: The concept of family in Islam is very important, and halal living practices tend to follow lifestyle principles marriage and family in line with religious beliefs. Islam defines marriage as a bond modified by sharia law, and Muslim communities around the world have different marriage traditions.

- 5. Influence of Local Culture: Despite the fact that homosexuality is permitted in Islamic law, these individuals are regularly subject to local culture. This can be done in ways that suit each individual's culture, such as in cooking traditions, wedding ceremonies, and other social practices.
- 6. Economics and Business: In business and economics, a halal lifestyle is in line with Islamic principles. This affects how business is run, including the use of usury and businesses that compromise Islamic principles. In some countries, sharia-compliant banking and economic policies are important components of halal living.

Thus, the halal lifestyle is the result of a complex interaction between religion and culture. It reflects the way Muslims live their lives according to the principles of the Islamic religion while taking into account their local culture. This makes it a unique and diverse concept throughout the Islamic world.

# Overview of International Halal Regulations

Overview of International Halal Regulations:

## 1. Definition of Halal:

Halal is an Arabic word that means "permissible" or "in accordance with Islamic sharia." In the context of food and beverages, halal refers to products that are produced, processed and prepared in accordance with Islamic rules. This includes raw materials, production processes, and the use of certain additives.

# 2. Halal Authority:

Various countries and organizations have authorities responsible for issuing halal certification. For example, in Saudi Arabia, the Islamic Religious Council (Presidential Assembly for Religious Affairs) has an important role in providing halal certification. In other countries, such as Malaysia, the Malaysian Islamic Progress Department (JAKIM) has a similar role.

## 3. International Halal Standards:

There are several international standards that are used as guidelines in compiling halal regulations. One of the most recognized is standard issued by the International Organization for Standardization (ISO) with number ISO 17065:2012. In addition, the World Halal Organization (WHA) also seeks to develop international standards that can be accepted by Muslim countries and organizations around the world.

# 4. Basic Principles:

The basic principles of international halal regulations include:

- The ingredients used must be halal, that is, ingredients that are permitted in Islam.
- Products must be processed and produced with clean equipment and not contaminated by haram or unclean materials (impurities).

- Products must be supervised by a competent halal authority and obtain valid halal certification.
- Product labeling must be clear and honest, so that consumers can identify halal products easily.

## 5. Controversy and Differences:

Despite efforts to harmonize international halal regulations, there are still differences in the interpretation and implementation of the rules between various countries and halal authorities. This can cause confusion and uncertainty for manufacturers and consumers.

6. Halal Issues in the Food and Beverage Industry:

The food and beverage industry is one of the main sectors affected by international halal regulations. Manufacturers must ensure that their products comply with halal regulations to meet the demands of Muslim consumers who want to consume products that comply with their beliefs.

- 7. Importance of Halal Certification:
- 8. Halal certification is an important step in ensuring products meet halal standards. This gives Muslim consumers confidence that the product complies with halal principles.

Implementation of Halal Regulations in Indonesia

The implementation of halal regulations in Indonesia has become an important issue in order to maintain and ensure the halalness of products consumed by the Muslim community, which is the majority of Indonesia's population. In 2019, Indonesia issued Law Number 33 of 2014 concerning Halal Product Guarantees, which is the main legal basis for regulating and supervising the production and sale of halal products in this country, Indonesia. However, the implementation of these halal regulations faces various challenges challenges and complexities in practice. One of the main challenges in implementing halal regulations in Indonesia is the enormous scale and diversity of the food and beverage industry in this country.

Before the enactment of Law Number 33 of 2014 concerning Halal Product Guarantees (UU-JPH), regulations regarding halal product guarantees were still scattered in various other laws and regulations, contained in the Minister's SKM, Presidential Instructions, Food Law, Consumer Protection Law and other. The birth of UUJPH is a new breakthrough for the Government to provide legal certainty to consumers regarding the guarantee of halal food and beverage products, both products originating from domestic production and those originating from imports from other countries. The presence of UU-JPH provides guidance on how to cultivate, process, produce and market products as well as provide halal product information to consumers. Prior to the enactment of the JPH Law, there were several related laws and regulations which served as the legal basis for providing consumer protection for halal products. Juridically, the first regulation governing the

implementation of halal in Indonesia begins with the Regulation of the Minister of Health of the Republic of Indonesia No.280/Men.Kes/Per/XI/76 concerning Provisions for the Distribution and Marking of Food Containing Ingredients Derived from Pork. This regulation stipulates that all products produced domestically or imported that contain pork and its derivatives must include a warning sign in the form of a picture of pork and writing that says "Contains Pork" which is colored red and is in a red square box (Hutagalung, 2021). After that, on August 12 1985, the Government issued a Joint Decree of the Minister of Health and the Minister of Religion of the Republic of Indonesia Number: 427/Menkes/SKB/VIII/1985 and Number 68 of 1985 concerning the Inclusion of the Writing "Halal" on Food Labels. So on this basis, LPPOM MUI was formed by the MUI in 1989 as the party that carries out inspections of food products and issues halal certificates (Charity, 2017). However, LPPOM MUI only effectively carried out halal certification in 1994.

Apart from that, enforcement of halal regulations in Indonesia is also related to halal certification issued by the Institute for the Study of Food, Drugs, and Cosmetics of the Indonesian Ulema Council (LPPOM MUI). Halal certification in Indonesia was taken over by the Indonesian Ulema Council (MUI), which is a civil society movement that has support from the state. However, after the issuance of the JPH Law, the authority for halal certification was transferred to the Halal Product Guarantee Administering Agency (BPJPH), which is an independent state institution under the Ministry of Religion of the Republic of Indonesia. This was also followed by several changes to several policies related to halal certification. Halal certification, which was initially voluntary and did not have strong legal legitimacy, has now become mandatory for business actors. Implementation of the JPH Law began on 17 October 2019 and will be carried out in stages (Faridah HD, 2019).

In implementing efforts there needs to be good cooperation between the government, business actors and the community. Furthermore, it is important to note that the implementation of halal regulations also has a significant economic impact, especially in terms of the costs of halal certification. Despite a number of challenges in implementing halal regulations, the Indonesian government continues to strive to ensure that halal products can be easily accessed by the Muslim community. This effort includes training for producers to understand halal certification requirements. In this context, cooperation between government, industry and certification authorities such as the MUI is the key to success in implementing halal regulations). With the various complexities and challenges faced, the implementation of halal regulations in Indonesia remains an important focus in efforts to maintain the trust and halalness of products consumed by the large Muslim community in this country. Collaboration between government, industry and other related parties is key in overcoming various obstacles that arise in this process.

## Challenges in implementing a halal lifestyle

Challenges in implementing a halal lifestyle, especially related to issues of certification and supervision, are important issues in the world of halal food and products. Muslim communities around the world are increasingly aware of the importance of consuming products that comply with the halal principles of their religion. However, there are several problems that must be addressed in this implementing a halal lifestyle, especially related to certification and supervision that ensures the halalness of the products consumed.

The largest Muslim population in the world is in Indonesia. In fact, Indonesia has a great opportunity to create a halal-based industry thanks to this. Undoubtedly, this is a difficult path to take in order to compete in the global halal industry market. According to Marketline Halal is a procedure related to religious beliefs that is difficult to regulate and ensure, and the absence of halal certification can be a challenge for future development because this is an important element of consumer trust. Challenges of Halal Product Development in Indonesia Halal product development in Indonesia faces several challenges that are the same as global challenges, namely the difficulty of monitoring and ensuring the quality of halal products, the lack of halal certification, the continuous need to uphold the integrity of halal regulations, the difficulty of halal companies to obtain financing support and investment, scarcity of raw materials and substitutes, low awareness of halal products outside the non-food sector, as well as the need for skilled labor (Astuti, 2020).

In overcoming these challenges, cooperation between governments, certification organizations, manufacturers and Muslim communities is essential. Efforts to harmonize halal standards and increase supervision of halal products are key steps in maintaining integrity and trust in halal products in the global market.

# Opportunities to adopt a halal lifestyle

The adoption of a halal lifestyle has opened up great opportunities for the growth of the halal product industry throughout the world. The rapid growth of the Muslim population and awareness of the importance of consuming products that comply with halal principles have created attractive opportunities for business people. In this context, the following discussion will explain several key opportunities that arise in implementing a halal lifestyle, with a focus on the growth of the halal product industry.

In 2010, Muslims made up 24% of the world's population, or 1.8 billion people, which placed them in second place. By 2050, that percentage is projected to increase to 27%. With the size of the Muslim community and the Muslim population continuing to grow, there will be greater demand for halal goods and services, which will open up fantastic potential for halal businesses. To strengthen

the economy, including the Indonesian economy, the huge potential of the halal sector must be utilized properly (Ula'M, 2023).

Because the halal lifestyle is considered to have been successful in encouraging the growth and development of the sharia economy, especially in Indonesia, the necessary knowledge, resources and government policy support are needed to balance this growth, both as actors in the sharia economy and as consumers of the sharia economy. Various initiatives must be carried out to increase community capacity, especially in the areas of the halal value chain which has the potential to be very profitable and competitive, sharia economics, business actors at the Micro, Small and Medium Enterprises (MSME) level as the main drivers of the halal value chain, as well as optimizing the use and strengthening various digital economic platforms (Rachim & Santoso, 2021).

The millennial generation is closely related to technology because of its unique traits, such as an entrepreneurial spirit, desire to collaborate, desire to use communities as a network, and proficiency in using technology in the digital era. These traits contribute to the success of this generation in encouraging the growth of a halal lifestyle (Ula'M, 2023).

Overall, the growth of the halal products industry is an exciting opportunity, driven by strong demand from Muslim consumers who are increasingly aware of the halalness of the products they consume. Innovation in research and development of halal products also provides significant opportunities. The halal products industry continues to look for ways to develop more varied and innovative products to meet the needs of increasingly discerning consumers.

. With increasing attention to compliance with halal principles, the industry has great growth potential in the future.

# Halal Lifestyle Promotion

The promotion of a halal lifestyle as a sustainable choice has become an increasingly important debate in today's global society. The halal lifestyle covers various aspects, from food and drink to clothing, banking and cosmetics. This not only fulfills religious needs, but also has a positive impact in environmental, social and economic aspects. Below, we will discuss why promoting a halal lifestyle can be a sustainable choice, supported by relevant references.

## 1. Environmental Maintenance

The halal lifestyle encourages consumers to choose products and services that comply with ethical principles, including environmental protection. For example, halal food often involves more sustainable farming practices, such as the use of natural fertilizers and better waste management. This is in line with the concept of sustainable development which emphasizes the importance of preserving natural ecosystems.

## 2. Local Economic Empowerment

A halal lifestyle can support local economic empowerment. When consumers choose halal products and services, this often involves small and medium-sized businesses based in local communities. This can improve income and creates job opportunities at the local level, which in turn strengthens regional economic stability.

## 3. Health and Wellness

Many aspects of a halal lifestyle, especially in food and drink, support health and well-being. Halal products are often stricter in quality control and safety, which can help reduce the risk of food-related illnesses. Apart from that, halal food made with natural ingredients can also provide greater health benefits.

# 4. Openness to Cultural Diversity

Promotion of a halal lifestyle also encourages openness to cultural diversity. Halal principles encourage respect for culinary and cultural diversity, which can enrich people's experiences in terms of food and drink choices. This can promote tolerance and intercultural understanding which is important for social harmony.

## 5. Social justice

A halal lifestyle can also support the principles of social justice. This covers aspects such as workers' rights in the halal food and beverage industry, as well as consumer rights. In this context, the promotion of halal lifestyles can lead to more ethical business practices and support greater social justice

The development of halal certification goes hand in hand with the promotion of halal goods. Without a strong attitude, sufficient material and content, it will be difficult for us to compete in the era of globalization with all the potential, energy sources, commodities and resources that we have. This will be needed for the development of halal product businesses to realize reliable, tough and extraordinary readiness (Yulia, 2015). This is an important step towards a society that is more friendly to the various challenges faced by the world today. Through understanding and supporting a halal lifestyle, we can create positive changes in many aspects of our daily lives.

#### **CLOSING**

Halal lifestyle is a concept related to fulfilling daily needs in a way that is in accordance with halal principles in Islam. This concept involves aspects of food, drink, clothing and other daily activities that must comply with Islamic sharia. In the era of globalization, the concept of a halal lifestyle is becoming increasingly important for Muslims who want to live a life in accordance with their religious beliefs.

Global halal regulations are an effort to regulate and harmonize halal standards and certification throughout the world. Initiatives such as the development of international halal certification and the introduction of global halal labels aim to make it easier for Muslim consumers to identify products that comply with halal principles. However, challenges arise in efforts to achieve global agreement on these standards. There are several challenges faced in implementing a halal lifestyle. One of them is the lack of clarity or diversity in the interpretation of what is considered halal or haram. In addition, there are difficulties in obtaining adequate halal products in some regions, especially abroad. Another challenge is ensuring compliance in complex global supply chains.

Although there are challenges in adopting a halal lifestyle, there are also opportunities that can be exploited. The growing market for halal products worldwide opens up significant business opportunities for manufacturers and traders who can meet this demand. In addition, global halal regulations can facilitate international trade for halal products, opening the door to economic growth in various countries. In conclusion, adopting a halal lifestyle is a challenge, especially in the context of globalization, but it also brings great economic opportunities. Global halal regulations are an important step in creating a clearer and more coordinated framework to support the fulfillment of halal principles in everyday life. Despite the challenges along the way, attention to the halal lifestyle continues to grow and can become an important part of the identity and consumption choices of Muslims around the world.

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