THE IMPORTANCE OF HALAL FOOD MANAGEMENT IN INDONESIA

Feri Kusnandar

Department of Food Science and Technology & SEAFAST Center
Bogor Agricultural University

OUTLINE

The Importance of Halal Foods

Halal Food Principles and Regulation

Principle of Halal Food Production

Halal Certification and Labeling in Indonesia

Principles of Halal Assurance System (HASS)
The Importance of Halal Foods

CONSUMER’S PROTECTION PERSPECTIVES

- Muslims in the world: more than one third of human population on earth.
- Indonesia has the largest Muslim population in the world (88%, ±205 millions).
CONSUMER’S PROTECTION PERSPECTIVES

- Muslims are required to consume only “halal” (permitted) foods.
- The product halalness is a sensitive issue.
- The development of food processing technology (ingredients, food additives, processing aids) makes a “simple” halal food become a complex one.

HOW COMPLEX FOODS WE CONSUME

Ingredients
- Ground beef
- Enriched flour (niacin, iron, thiamine mononitrate, riboflavin, and folic acid),
- Water
- Sugar (sucrose or high fructose corn syrup)
- Sesame seeds
- Vegetable shortening
- Salt
- Wheat gluten
- Yeast food (calcium sulfate, potassium iodate and/or ammonium sulfate)
- Dough conditions (polysorbate 60, calcium peroxide salts, calcium sulfates, phosphates, and ammonium salts),
- Dough strengtheners (sodium and/or calcium-2-steroylactylate or ethoxylated mono- and diglycerides)
- Dough softeners (mono- and diglycerides, and/or protease enzyme), mold inhibitor (calcium propionate)
- Preservative (potassium sorbate),
- Oxidation/reduction additives (ascorbic acid azodicarbonamide, potassium/calcium iodate, alpha-amylase)
- Leavening agent (monocalcium phosphate)

http://jessfastfood.tripod.com/
Ingredients

- Bleached enriched flour (bleached flour, niacin, ferrous sulfate, thiamine mono-nitrate, riboflavin, folic acid),
- Water
- Hydrogenated vegetable oil (soybean, cottonseed) with citric acid added to protect flavor
- Baking powder (baking soda, sodium aluminum phosphate, sodium acid pyrophosphate)
- Cultured lowfat buttermilk (nonfat milk, whey protein concentrate, whey, cream, dairy cultures)
- Sugar
- Salt
- Sodium caseinate
- Corn syrup solids
- Egg whites
- Natural flavor
- Carrageenan
- Dextrose
- Nonfat milk.

THE IMPORTANCE OF HALAL FOODS:
INDUSTRY PERSPECTIVES

- Demand for halal foods and other Islamic consumer goods are increasing.
- Large opportunities for halal food business – domestic and international trade.
- Food industries are globally looking at the “halal” concept as a new tool for marketing.
- To tap this lucrative market, food industries must understand and appreciate the religious and scientific basis of halal requirement.
The global market value for trade in Halal foods is estimated at US$547 billion a year.

http://www.dagangasia.net
Halal Principles and Regulation

SOME TERMINOLOGIES

- **Halal**: permissible and lawful as stated in the Quran or Hadith.
- **Haram**: prohibited. It is directly opposite of halal.
- **Halal food**: food categories that are permitted to be consumed by Muslims. Anything is permitted to be consumed in exception to that of specifically prohibited by Islamic laws as stated in the Quran or Hadiths.
- **Thoyyib food**: wholesome foods in terms of safety and quality.
- **Haram foods**: Foods that do not comply with the Islamic law and are prohibited to be consumed by Muslims.
HALAL PRINCIPLES IN ISLAM

- Islamic rules cover any aspects of human life, including foods suitable for Muslim consumption.
- The rules of Islamic law bring freedom for people to eat and drink as long as the food is not prohibited (haram).
- The haram status is the right of God.
- The consumption of halal foods is a part of worship to God.

MAJOR GUIDELINES OF HALAL FOOD RULES IN ISLAM

- The basic criteria for halal foods refers to the Holly Quran (the divine book from God to Prophet Muhammad as a guideline for human kind) and Hadits (the Islamic traditions and practices shown by Prophet Muhammad).
- Any food materials in “gray areas” need legal opinion (“Fatwa”) from credible Islamic scholars (“Ulama”) to determine their halal status.
**ISLAMIC RULES RELATED TO FOODS**

- Holy Quran has numerous injunctions instructing Muslims to choose and consume foods and drinks, lawful and wholesome ("halal" and "thoyyib") and forbid "haram" (unlawful) items.
- Many Hadiths support verses from the Quran in regards to halal and haram matters.

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**HALAL PRINCIPLES IN ISLAM**

- Muslims are requested to only consume "halal" (lawful) and "thoyyib" (wholesome) foods:
  
  'O Mankind! Eat of that which is **lawful ("halal") and wholesome ("thoyyib") in the earth, and follow not the footsteps of the devil! Lo! He is an open enemy for you" (Al-Baqarah: 168)
QURAN RELATED TO “HARAM” (FORBIDDEN) FOODS

“He has forbidden you dead meat, blood, and the flesh of swine and that on which any other name hath been invoked besides that of God”

(Al-Baqarah: 173)

“HARAM “ (UNLAWFUL) FOODS AND DRINKS

- Animal origin:
  - Pork and its by-products/product derivatives
  - Blood and its derivatives
  - Carrion
  - Meat and meat derivatives from halal animals (exp: poultry, beef) that are not slaughtered according to Islamic guideline.

- Plant origin (“Khamr” or intoxicants of all types)
  - Alcoholic drinks (wine, beer, hard liquor)
  - Drugs and narcotics

- Formulated food products, ingredients, food additives, processing aids or growth media containing or contaminated by haram materials
CRITICAL ANIMAL PRODUCTS
(INGREDIENTS, FOOD ADDITIVES, PROCESSING AIDS)

- Fat
- Protein isolate/concentrate
- Gelatine
- Colagen
- Fat and its Derivatives (E430-E436)
- Salt or ester of fatty acids (E470-E495)
- Glicerole/glicerine (E422)
- Amino acid
- Edible bone phosphate (E521)
- Di/tricalcium phosphate
- Blood powder
- Casing
- Capsul
- Growth media
- Hormone (exp: insulin)
- Pancreatic enzyme (amylase, lipase, pepsin, tripsin)
- Taurin
- Placenta
- Shortening
- Milk product and its derivatives (cheese, whey, lactose, casein/caseinate)
- Activated carbon
- Brush

NATIONAL REGULATION RELATED TO HALAL FOODS

- **Food Law (#7/1996):**
  - Halal statement is voluntary
  - Food producers must be responsible for the truth of halal statement.

- **Food Label and Advertisement Law (#69/1999):**
  - The halal statement by food producers must be initially assessed by an authorized and competent institution:
    - must meet the requirement of halal food production
PRINCIPLE OF HALAL FOOD PRODUCTION (LPPOM MUI)

- All raw materials, ingredients, food additives and processing aids used in a halal food production must meet halal requirement.
- Production facilities (water, building, processing equipment, warehouse, etc), and personnels are freed from contamination sources and meet sanitation requirement.
- Processing equipments must be dedicated for only halal food production.
- No possible cross contamination during material handling, food processing, product storage, distribution and sale.
PRINCIPLE OF HALAL FOOD PRODUCTION (LPPOM MUI)

- If the equipment is used for non-halal foods, proper cleaning procedures must be applied in order to halal production is segregated from non-halal.
- All equipments used for producing products that contained pork and its derivatives can not be used in a halal production line.
- Sanitation treatment must completely remove any contaminants and “najees” (filthy)

HALAL PRODUCTION FOR MEAT AND POULTRY BASED FOOD PRODUCTS

- Animals must be categorized as "halal animals"
- Halal animals must be slaughtered in accordance with Islamic slaughtering rules
  - The slaughterer person: Muslim
  - Instrument: sharp knife
  - The cut: slaughtering point
  - The invocation: pronouncing the name of God
- Animal derivative products from halal animals slaughtered in accordance with Islamic rules are halal (such as enzymes)
- Animal-based or derivative products from haram animals are haram
Halal Certification and Labeling in Indonesia

Principle of Halal Assurance System

AGENCIES RELATED TO HALAL CERTIFICATION AND LABELING

- Indonesian Council of Ulama or MUI:
  - The Assessment Institute for Foods, Drugs and Cosmetics (AIFDC) or LPPOM
  - “Fatwa” Commission
- National Agency for Drug and Food Control (NADFC) or BPOM: for processed packaged foods
- Department of Agriculture: for primary meat and poultry
LPPOM MUI

- To assess the halalness of foods (processed foods, food ingredients, food additives, processing aids), medicines and cosmetics both local and imported products.
- To submit the assessment documents to a Fatwa Commission of MUI

FATWA COMMISION OF MUI

- Fatwa Commission is an independent body under MUI, which will review and decide the halal status of products being halal certified.
- Provide Islamic legal opinion about law status of a certain case.
NADCF (BPOM)

- Join in halal assessment of processed packaged foods, especially to assess the aspect of sanitation and hygiene implementation in food producers.
- Permit food producers to place halal information (logo) on food packaging for processed packaged foods.
- The halal permit is given as soon as a food product is halal certified by MUI and the food producers meet GMP requirement.

HALAL CERTIFICATION

Halal Certification

Halal Certification is a process to obtain halal certificate through several steps to prove that materials, production process and Halal Assurance System comply to the halal requirement/standard.

Halal Certificate

Halal Certificate is issued by MUI to state the halalness of a product based on audit process performed by LPPOM – MUI.
HALAL CERTIFICATION REQUIREMENT

- LPPOM requirements to prove halalness of materials:
  - Halal certificates from approved halal certifying bodies for animal/animal derived materials or other complex and critical materials.
  - Detail specification and flow process of critical ingredients, food additives, and processing aids: tracibility to sources of materials
  - Laboratory analysis results if necessary.

HALAL CERTIFIED PRODUCTS (PROCESSED FOODS INGREDIENTS, FOOD ADDITIVES, PROCESSING AIDS, PHARMACEUTICALS)

<table>
<thead>
<tr>
<th>Year</th>
<th>Halal Certificate</th>
<th>Products</th>
<th>Companies</th>
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<tbody>
<tr>
<td>2005</td>
<td>969</td>
<td>2408</td>
<td>414</td>
</tr>
<tr>
<td>2006</td>
<td>1123</td>
<td>12533</td>
<td>443</td>
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<tr>
<td>2007</td>
<td>1013</td>
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<td>2008</td>
<td>921</td>
<td>10242</td>
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<tr>
<td>2009</td>
<td>470</td>
<td>10550</td>
<td>353</td>
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<tr>
<td>2010 (May)</td>
<td>309</td>
<td>11779</td>
<td>327</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>4805</strong></td>
<td><strong>56148</strong></td>
<td><strong>2573</strong></td>
</tr>
</tbody>
</table>

Source: LPPOM MUI
FOOD COMPANIES IN OTHER COUNTRIES RECEIVED HALAL CERTIFICATE FROM LPPOM-MUI

Source: LPPOM MUI

LPPOM NETWORKING WITH HALAL CERTIFYING BODIES IN SEVERAL COUNTRIES

<table>
<thead>
<tr>
<th>Countries</th>
<th>Halal Certifying Bodies</th>
<th>Countries</th>
<th>Halal Certifying Bodies</th>
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<td>10</td>
<td>Turkey</td>
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<tr>
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<td>Brunei</td>
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<td>New Zealand</td>
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<td>England</td>
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</tbody>
</table>

Source: LPPOM
PRINCIPLE OF HALAL ASSURANCE SYSTEM (HAS)

- The food processors apply a HAS to ensure the sustainability of halal food production.
- It is possible to integrate the HAS with other management systems.
- LPPOM has developed HAS guidelines.
- HAS implementation is prerequisite in a halal certification process.

FLOW PROCESS OF HALAL CERTIFICATION

Preparation of Halal Certification Documents

Setting up of Halal Assurance System

Halal Manual and Standard Operating Procedure Establishment

Halal Manual and Standard Operating Procedure Implementation

Internal Audit & Evaluation

Revision

Application for Halal Certification

Halal Assurance System Audit

Revision

Plant Audit

Revision

Evaluation

FATWA COMISSION

HALAL CERTIFICATE

Source: LPPOM
CHALLENGES

- Harmonize and develop a halal assessment system that is acceptable globally as an international standard.
- **Scientific aspects**: analyze haram materials in a complex food matrix.
- **Increased number of doubtful** (gray area) food ingredients/additives/processing aids: needs fatwa of Islamic scholars.
- **Cost effectiveness**: to minimize the increase of cost production due to implementing a halal system.
- **Problems faced by small-medium scale food producers** to comply with halal production standard: cost, human resources, and access to halal materials.

HALAL INDONESIA

**Jakarta Declaration on Halal Standards**

W.E., THE PARTICIPANTS of the ‘International Meeting on Halal Standards’ held on the 25th day of July 2010 in Jakarta – Indonesia, realizing the need to formulate and adopt a uniform world Halal Certification Standards for the Halal Certification Bodies/Authorities since 1999, do hereby agree to utilize the research and presentations during this meeting in order to expedite formulation and adoption a uniform world Halal Certification Standards.
Thank You