# Problematics of Halal Product Service Development (Halal Center) at Balitar Islamic University

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#### Abstract

This research aims to evaluate and identify the challenges faced by the Halal Center at Balitar Islamic University (UNISBA), Blitar, as well as provide recommendations for improving halal certification services. The research method used is normative law with a statutory and conceptual approach. Data was collected through legal documents, literature and scientific journals, with qualitative analysis to connect the data with legal theory. The research results show that the UNISBA Halal Center faces challenges related to limited resources, public awareness and regulatory bureaucracy. However, the Halal Product Process Companion (PPH) training that was held showed high enthusiasm and an urgent need for assistance in halal certification. Recommendations include simplifying certification procedures, providing subsidies, and increasing awareness about halal standards to support the growth of the halal industry at local and national levels.

Keywords : Halal Services, Problems; Halal Products.

### **INTRODUCTION**

Halal is an important concept in Islam that covers all aspects of life, especially in food consumption and product use (Hanifah & Rahman, 2020). In the midst of increasing global awareness of the importance of halal products, various countries, including Indonesia, have adopted strict regulations to ensure products circulating on the market meet halal standards (Setiawan & Prasetyo, 2021). Indonesia, with the largest Muslim population in the world, has a big responsibility in ensuring the availability of safe and quality halal products for public consumption. In line with this, the Indonesian government has implemented the Halal Product Guarantee Law (UU JPH) which regulates the halal certification process for products circulating on the market (Sari & Hidayati, 2022).

Halal product services in Indonesia are increasingly developing in line with increasing consumer needs. This is reflected in the increasing number of halal certification institutions, testing laboratories, and halal centers spread across various regions (Utami & Lestari, 2023). The halal center (halal center) is one of the important entities in the certification and education process regarding halal products. Apart from conducting testing and certification, halal centers also play a role in increasing public and industry players' awareness regarding the importance of halal certification and the legal and religious implications of the products consumed (Nasution & Sihombing, 2021).

One institution that plays an active role in halal product services is Balitar Islamic University, Blitar. As an Islamic-based educational institution, Balitar Islamic University is committed to supporting the development of halal products through the establishment of a Halal Center. The Halal Center at Balitar Islamic University functions as a forum for testing, certification and research related to halal products. Apart from that, the Halal Center also functions as a center for education and outreach regarding the importance of halal products among students and the surrounding community.

However, even though it has been established, the Halal Center service at Balitar Islamic University is not free from various challenges and problems. One of the main problems is limited resources, both in terms of experts, facilities and funding. This limitation affects the effectiveness and efficiency of the services provided by the Halal Center. Apart from that, the low awareness and understanding of the community and business actors around Blitar regarding the importance of halal certification is also a challenge in itself. This causes low participation by the community and business actors in utilizing the services provided by the Halal Center.

Apart from that, there is still a gap between the regulations set by the government and their implementation in the field. The Halal Center at Balitar Islamic University often faces bureaucratic and regulatory obstacles that slow down the certification process. In addition, technological developments and globalization bring new challenges to the process of guaranteeing halal products, where the Halal Center must continue to adapt to these changes to remain relevant and effective.

Considering the important role of the Halal Center in supporting the availability of halal products and the challenges it faces, this research aims to evaluate and identify various problems faced by the Halal Center at Balitar Islamic University. By understanding these obstacles, it is hoped that this research can provide constructive recommendations for improving halal product services, both from an internal Halal Center perspective and in terms of regulatory support and public awareness. It is also hoped that this research can contribute to the development of a better halal guarantee system in Indonesia, especially in Blitar.

# **RESEARCH METHODOLOGY**

This research uses normative legal research methods with a statutory approach and a conceptual approach. The normative legal research method was chosen because this research focuses on the analysis of legal norms governing halal product guarantees, especially those relating to Halal Center services at Balitar Islamic University, Blitar. The legislative approach is carried out by examining various relevant laws and regulations, such as the Halal Product Guarantee Law (UU JPH) and other related regulations, in order to understand the legal framework underlying the operation of the Halal Center (Setiawan & Prasetyo, 2021). In addition, a conceptual approach is used to examine the basic concepts that underlie the importance of halal certification and the role of the Halal Center in supporting the implementation of halal product guarantees in Indonesia. This approach allows researchers to explore theoretical understanding of the importance of halal product services in the context of Muslim communities, as well as identify the challenges faced in its implementation (Nasution & Sihombing, 2021). The data used in this research comes from secondary data sources which include legal documents, literature, scientific journals and related research reports. The data analysis technique was carried out qualitatively by interpreting and linking the data obtained with relevant legal theories (Rachman & Zainuddin, 2023). This analysis aims to find answers to the problems identified, as well as provide appropriate recommendations to increase the effectiveness of Halal Center services at Balitar Islamic University, Blitar.

# **RESULTS AND DISCUSSION**

## **Research result**

The Halal Center of Balitar Islamic University (UNISBA) Blitar recently held Halal Product Process Companion Training (PPH). This training is part of the UNISBA Halal Center's efforts to increase the capabilities of Micro and Small Enterprises (UMK) in understanding and implementing the halal certification process in accordance with the standards set by the government. This activity was not only attended by business actors from Blitar Regency and City, but also from various regions in Indonesia, showing the widespread reach and influence of the UNISBA Halal Center.

The PPH training held uses a hybrid method, combining online and offline learning, which allows greater flexibility and accessibility for participants. A total of 112 participants took part in this training, covering 19 sub-districts in Blitar Regency, 3 sub-districts in Blitar City, as well as 10 sub-districts from outside the city, including from areas such as Tulungagung, Trenggalek, Ponorogo, Kediri, Nganjuk, Cirebon, Garut, Banyuwangi, Malang, and Pasuruan. This reflects the high enthusiasm and urgent need for assistance in the halal certification process in various regions.

Head of the UNISBA Halal Center UPT, Maratus Solikah, M.Pd, explained that this training not only aims to provide technical knowledge regarding the halal certification process, but also to equip participants with the practical skills needed to assist MSEs in their respective regions. In this training, UNISBA Chancellor, Dr. Soebiantoro, M.Si, was also present and symbolically handed over halal certificates to participants who had successfully completed the training. This is an important step in ensuring that MSEs in various regions have access to quality halal certification services.

Furthermore, the UNISBA Halal Center has received a quota of 1,000 free halal certification applications from the government every month. This is a great opportunity for MSEs to obtain halal certification without having to face significant costs. The Head of the UPT Halal Center UNISBA encouraged the participants to make the best use of the quota, both by MSEs in Blitar and from outside the city. This initiative shows the commitment of the UNISBA Halal Center in supporting the national program to expand access to halal certification, which is in line with the government's target to achieve one million halal certifications by 2023.

From the results of this training, it can be seen that the UNISBA Blitar Halal Center plays a strategic role in developing the halal industry at the local and national levels. With support from various parties, including the government, the Halal Center is able to become an effective facilitator in the halal certification process for MSEs. The success of this program is also an important indicator that the strategy of strengthening human resources and empowering MSEs through training and mentoring carried out by the UNISBA Halal Center has gone well and has had a positive impact.

Overall, this activity reflects how the UNISBA Blitar Halal Center not only functions as a certification center, but also as the main driving force in increasing awareness, understanding and ability of business actors to comply with halal standards. The effective implementation of this training program is a model that can be replicated by other institutions in supporting the growth of the halal industry in Indonesia.

#### Discussion

The Halal Center of Balitar Islamic University (UNISBA) Blitar recently held Halal Product Process Companion Training (PPH) as part of efforts to increase the capabilities of Micro, Small Enterprises (UMK) players in understanding and implementing the halal certification process in accordance with standards set by the government. This training, which lasted for four days, used a hybrid method and was attended by 112 participants from various regions in Indonesia. This initiative reflects the high enthusiasm and urgent need for assistance in the halal certification process in various regions, and emphasizes the strategic role of the UNISBA Halal Center as a facilitator in the development of the halal industry at the local and national level.

In line with Vice President Ma'ruf Amin's statement at the BSI International Expo 2024, sharia economics and finance have great potential to become a new stream of national economic growth. In this context, the Halal Center at Balitar Islamic University has the potential to contribute significantly to the development of sharia economics through integrated management of the halal industry with academic and research activities. However, this potential is not without challenges that need to be overcome, especially in ensuring compliance with strict halal standards.

One of the main challenges faced by the UNISBA Halal Center is the halal certification process which often requires significant time and costs, especially for MSEs. To overcome this, the Halal Center needs to increase the efficiency of the certification process by simplifying procedures, reducing testing time, and providing subsidies or assistance to MSEs. This is important to ensure that MSEs can meet halal standards without facing excessive burdens, thereby enabling them to be more competitive in the global halal market.

In addition, sustainability in halal products must be a top priority. The use of environmentally friendly raw materials in halal products will help create products that not only meet the needs of today's consumers, but also protect the environment for future generations. This approach must be integrated into research and development activities at the UNISBA Halal Center, making it an integral part of the university's halal industry development strategy.

Another challenge is increasing understanding of halal standards among producers and consumers. This requires collaboration between the Halal Center and faculties, research institutions and external parties to provide comprehensive education, outreach and training. Increasing this awareness and understanding will encourage demand for halal products and support the sustainable growth of the halal industry.

Referring to the Indonesian Halal Industry Master Plan 2023-2029, there are four relevant strategies to be implemented by the Halal Center at Balitar Islamic University. The first strategy is increasing productivity and competitiveness through strengthening the halal value chain, developing competent human resources, strengthening halal industry players such as MSEs, and strengthening innovation and technology-based startup incubation. Second, implementing and strengthening policies and regulations to support certification and traceability of halal products. Third, strengthening finance and infrastructure by providing inclusive sharia financial support and strengthening halal industrial infrastructure at universities. Fourth, strengthening halal brand and awareness through promoting halal lifestyle among students and the community, as well as expanding international cooperation networks.

By integrating the results of PPH training and the challenges faced in developing halal services, the UNISBA Blitar Halal Center can play a more effective role in

supporting national sharia economic growth. It is hoped that the implementation of these strategies will increase the competitiveness of halal products in the global market, as well as strengthen the contribution of the UNISBA Halal Center in developing the halal industry in Indonesia.

## CONCLUSION

In conclusion, the Balitar Islamic University (UNISBA) Blitar Halal Center has demonstrated its strategic role in developing the halal industry through Halal Product Process Companion (PPH) training, which has succeeded in increasing the capability of MSEs in meeting halal standards. With the main challenges being cost and time in the certification process, increasing product efficiency and sustainability is an urgent priority. The recommendation is that the UNISBA Halal Center needs to strengthen collaboration with various parties to speed up the certification process, promote environmentally friendly materials, and increase public awareness of the importance of halal certification to encourage sustainable growth of the halal industry.

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