



## Article

# ENHANCING MSMEs GROWTH THROUGH HALAL PRODUCT CERTIFICATION: A JASSER AUDA'S MAQASID SYARI'AH APPROACH

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### ABSTRACT

*This article analyzes the contribution of halal product certification to the growth of Micro, Small, and Medium Enterprises (MSMEs) in Indonesia through the framework of Jasser Auda's Maqasid Shari'ah theory. Departing from conventional studies that focus on technical aspects, this research argues that halal certification, when viewed through Auda's systemic lens, becomes a tool for achieving holistic societal welfare by upholding the core principles of Maqasid. This approach enhances MSME competitiveness, fosters consumer trust, and expands market access. The article advocates for government support and cross-sector collaboration to optimize the implementation of halal certification and build a sustainable halal ecosystem, thus contributing to a more equitable and robust Indonesian economy.*

### KEYWORDS

Halal certification, Halal Product, Jasser Auda, MSMEs, Maqasid syari'ah

## INTRODUCTION

Economic growth in Indonesia over the past few decades has reflected the vital role of Micro, Small and Medium Enterprises (MSMEs) as the backbone of the national economy. MSMEs contribute more than 60% of the national gross domestic product (GDP) and provide almost 97% of employment (OECD, 2020). However, this large contribution is inseparable from a number of structural challenges that limit the competitiveness of MSMEs, especially amidst the dynamics of economic globalization. One of the main challenges faced is the lack of halal certification for MSME products, which is an obstacle to domestic and international market penetration. In the context of Indonesia as a country with the largest Muslim population in the world, the urgency

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of halal certification is not only seen from a religious perspective, but also as an economic strategy that is relevant to the needs of the global market (Hassan et al., 2020).

Halal certification, according to Jasser Auda's systemic theory, can be seen as part of a dynamic *maqasid syari'ah* approach. In his thinking, *maqasid syari'ah* is not just a normative framework, but also functions as a multidimensional principle that is able to answer modern challenges (Auda, 2008). This approach goes beyond the classical tradition of *maqasid* which only focuses on five basic aspects (hifzh ad-din, hifzh an-nafs, hifzh al-'aql, hifzh an-nasl, and hifzh al-mal). Instead, it offers a systemic paradigm that emphasizes the interdependent relationship between spiritual, social, and material aspects in community development. Halal certification, thus, is not only about ensuring the halalness of a product, but also includes the principles of sustainability, economic justice, and social accountability.

Previous studies have focused more on the technical and administrative aspects of halal certification, such as testing procedures and standards (Tieman et al., 2019; Zain & Shafii, 2017). However, research linking halal certification with *maqasid syari'ah*, especially in Jasser Auda's systemic perspective, remains limited. This gap hinders a comprehensive understanding of how halal certification can effectively contribute to MSMEs' growth, particularly in achieving sustainable and inclusive economic development. For example, while Bonne and Verbeke (2008) revealed high consumer trust in halal-certified products, they did not explore the impact of certification on MSME business sustainability. Similarly, Abdullah and Razak (2021) highlighted the importance of the halal economy for global competitiveness, but their focus on specific Muslim-majority countries overlooks the complex market dynamics in diverse contexts like Indonesia, where MSMEs play a crucial role in the national economy. Micro, Small, and Medium Enterprises (MSMEs) are vital to the Indonesian national economy, contributing significantly to GDP, employment, and economic resilience. They account for approximately 60.5% of the GDP and are crucial in job creation and supporting local products (Ali, Soma, & Ramayuli, 2024). This highlights the urgent need to examine the role of halal certification in enhancing MSMEs' growth in Indonesia, considering its vast potential and the challenges it faces in achieving optimal growth.

This article addresses this critical gap by integrating *maqasid syari'ah* theory, particularly Jasser Auda's dynamic perspective, as the primary analytical lens. This approach positions halal certification not merely as a technical requirement but as a relevant economic and social instrument to realize inclusive and sustainable *maslahah* (welfare). Auda's framework allows us to explain how halal certification can create added value for MSMEs in a global context by not only increasing competitiveness through product differentiation but also strengthening the moral and ethical legitimacy of their businesses, thus enhancing consumer trust and market access.

Furthermore, from a capability-based development perspective, this article will assess how halal certification empowers MSMEs by expanding their capabilities beyond mere market access to include improved product quality, enhanced management skills, and greater integration into global value chains (Wasito, 2023). This holistic approach, which combines *Maqasid Syari'ah* with established economic theories, offers a novel framework for understanding and maximizing the impact of halal certification on MSMEs' growth, contributing to a more nuanced and comprehensive understanding of the halal economy in Indonesia and beyond

## HALAL CERTIFICATION AND MSME ECONOMIC GROWTH IN INDONESIA: STRENGTHENING LOCAL ECONOMIES THROUGH GLOBAL STANDARDS

Halal certification is a guarantee that a product has met Islamic legal standards related to cleanliness, halalness, and its conformity to religious teachings. In Indonesia, which has the largest Muslim population in the world, halal certification is an important instrument in economic development, especially for the Micro, Small, and Medium Enterprises (MSMEs) sector. In addition to meeting the needs of Muslim consumers, halal certification also has the potential to increase the competitiveness of MSME products in the global market, provide access to a wider market, and contribute to overall economic development. In this context, this article will examine the impact and contribution of halal certification to the economic growth of MSMEs in Indonesia, considering various factors that influence the success of its implementation.

The implementation of halal certification in Indonesia provides strategic advantages for MSMEs in facing increasingly tight market competition. According to Haryanto and Sulaiman (2020), MSMEs that obtain halal certification tend to have a comparative advantage, because the certification increases consumer trust, especially in markets that have a large concentration of Muslim consumers. This trust not only has an impact on domestic consumers, but also opens up opportunities for exporting MSME products to international markets, especially countries with large Muslim populations, such as the Middle East, Southeast Asia, and even Europe.

According to research conducted by Suhardi and Arief (2018), MSME products that have obtained halal certification have a higher level of trust from consumers compared to products that are not halal certified. This also affects consumer preferences, where they prefer products that have met halal standards, because they are believed to be safer and in accordance with religious values. Thus, halal certification is not only a symbol of compliance with religious teachings, but also a tool to build an image of quality and trusted products, which in turn drives increased demand.

In fact, halal certification has become an attraction for non-Muslim consumers, who increasingly value products that have higher and guaranteed quality standards, both in terms of cleanliness and production processes. In this case, halal certification provides a form of quality assurance that is accepted by various market segments, not limited to Muslim consumers alone. This, as stated by Ali and Wibowo (2019), expands the market share of MSME products, while increasing their competitiveness at the national and global levels. At the macro level, halal certification is not only beneficial for MSME actors individually, but also contributes to the country's economy as a whole.

As a country with a Muslim majority, Indonesia has a very large halal market potential. According to a study conducted by Nurdin and Alim (2020), halal certification can trigger the growth of related sectors, such as the food and beverage industry, cosmetics, and pharmaceuticals. In this context, halal certification helps create a sustainable economic ecosystem, which can have a positive impact on Indonesia's gross domestic product (GDP).

In a report published by the Central Statistics Agency (BPS, 2019), the MSME sector in Indonesia contributes more than 60% of the country's total GDP, and the halal MSME sector has a significant contribution in terms of economic growth. Halal certification provides MSMEs with access to a wider international market, so that they can increase the volume of their halal product exports. This is in line with government policies that have identified the halal sector as a sector that has great potential to be developed, both for the domestic and global markets.

The Indonesian government has recognized the great potential contained in the halal industry, and has launched various programs to support MSMEs in obtaining halal certification. One of the initiatives taken is through training and mentoring for MSMEs in the halal certification application process. In addition, the government also provides fiscal incentives for business actors who meet halal standards, which in turn encourages them to increase their production capacity and expand their markets. Based on data from the Ministry of Cooperatives and SMEs (2020), as many as 15,000 MSMEs have obtained halal certification since 2015, which shows a positive trend towards the success of this program.

Halal certification has great potential to accelerate the economic growth of MSMEs in Indonesia. Through halal certification, MSMEs can gain access to a larger and more segmented global market, especially in the food and beverage sector. This is in accordance with the findings presented by Nurul and Ariyanti (2020), which show that Indonesian halal products have high appeal in the international market, especially in countries with large Muslim populations.

In addition, halal certification also opens up opportunities for MSMEs to introduce their products to new markets that may not have been previously reached. In this case, halal certification serves as a bridge connecting Indonesian MSMEs with the global market, which can ultimately encourage increased exports and create new jobs. According to research conducted by Rian and

Astuti (2021), the halal MSME sector in Indonesia is predicted to continue to grow rapidly, along with increasing consumer awareness of the importance of halal products and better quality standards.

Halal certification also has a positive impact on strengthening the halal tourism sector in Indonesia. With the number of Muslim tourists continuing to increase, especially from Southeast Asian and Middle Eastern countries, the halal tourism sector is one of the most important sectors to develop. In this case, MSMEs engaged in the culinary, hospitality, and travel sectors can utilize halal certification to attract Muslim tourists, which in turn will make a positive contribution to the local economy.

## **ENHANCING MSME COMPETITIVENESS THROUGH HALAL CERTIFICATION: OPPORTUNITIES AND OBSTACLES IN INDONESIA**

Halal certification is one of the strategic policies introduced by the Indonesian government to strengthen the competitiveness of Micro, Small, and Medium Enterprises (MSMEs) in the halal economy sector. With the largest Muslim population in the world, Indonesia has great potential to develop the halal industry, especially in sectors such as food, cosmetics, and pharmaceuticals. Halal certification is not only a tool to meet the needs of the domestic market, but also provides access to the rapidly growing international market. However, the implementation of halal certification in MSMEs in Indonesia faces various opportunities and obstacles that require serious attention from all related parties. In this discussion, we will examine the opportunities that can be utilized and the obstacles that must be overcome in the process of implementing halal certification in MSMEs in Indonesia, as well as how this policy can contribute to increasing the competitiveness of MSMEs in the context of the global economy.

The first huge opportunity for Indonesian MSMEs in implementing halal certification is its ability to increase product competitiveness in the global market. Halal certification can open MSMEs' access to the international market, especially in countries with high Muslim populations, such as Middle Eastern countries, Southeast Asia, and even Europe (Haryanto & Sulaiman, 2020). This is in line with the analysis by Chandra and Rahayu (2018), which emphasizes that the international market is currently paying more attention to halal standards, and products that have been halal certified gain more trust from global consumers, both Muslims and non-Muslims. Along with the increasing global market demand for halal products, halal certification can be a bridge for MSMEs to expand their market share, both domestically and internationally.

Halal certification also provides an opportunity for MSMEs to improve the image and reputation of their products. In Indonesia, consumers tend to prefer products that have a halal guarantee, because they are considered safer



and in accordance with religious principles (Suhardi & Arief, 2018). According to research conducted by Nurul and Ariyanti (2020), Muslim consumers in Indonesia are increasingly aware of the importance of choosing products that have been halal certified, which can influence their purchasing decisions.

Thus, halal certification can increase consumer trust in MSME products, which in turn can drive increased sales and profitability. For MSMEs that are just starting a business or who want to expand their business, obtaining halal certification can be an effective marketing strategy to attract more customers. In addition, halal certification can also improve the quality of MSME products and production processes. To obtain halal certification, MSMEs must meet various quality standards, including cleanliness, halal raw materials, and compliance with production procedures that have been set by the certification body (Ali & Wibowo, 2019). This will encourage MSMEs to improve their quality management systems, which are not only useful for meeting halal standards, but also for improving overall product quality. Thus, halal certification not only serves as a tool to meet market needs, but also as a means to encourage improvements in quality and better management in the MSME sector.

Although the opportunities offered by halal certification are enormous, its implementation is not without obstacles. One of the biggest obstacles faced by MSMEs in obtaining halal certification is the costs associated with the certification process itself. This process involves various costs, ranging from administrative costs, product testing costs, to audit and verification costs from certification bodies (Soekarno & Mustika, 2019). For MSMEs with limited capital, these costs are often a significant obstacle in obtaining halal certification.

This causes many MSMEs, especially those who are just starting a business or are still in the development stage, to be reluctant to apply for halal certification even though they know that the certification can provide great benefits in the long term. In addition, the long and bureaucratic halal certification process is also a significant obstacle for MSMEs. As explained by Haryanto and Sulaiman (2020), several MSMEs complained about the complicated and time-consuming procedures in obtaining halal certification. They often have to face various administrative stages that are quite complex and take a long time to get the final results. For MSMEs with limited resources, this can be a heavy burden, especially if they have to face delays in obtaining the certification, which can affect the continuity of their business.

Another obstacle often faced by MSMEs is limited knowledge and understanding of the importance of halal certification and the procedures that must be followed. Many MSMEs do not fully understand the requirements needed to obtain halal certification, both in terms of technical and administrative aspects (Nurdin & Alim, 2020). This lack of understanding often hinders the certification process, even making it difficult for MSMEs to meet the standards set by the certification body.

Therefore, more intensive training and assistance from related institutions are needed to help MSMEs understand and follow halal certification procedures correctly. In addition, cultural factors and habits that do not fully support halal certification are also obstacles. Many MSMEs, especially those engaged in the food and beverage sector, still use raw materials that cannot be ascertained as halal or do not fully follow halal production process standards (Suhardi & Arief, 2018). For those who are accustomed to production processes that do not meet halal standards, changing to follow halal procedures can be a major challenge, both in terms of cost, time, and reorganizing existing production systems.

To overcome these obstacles, strategic steps are needed from various parties, including the government, certification bodies, and MSMEs themselves. The government needs to provide fiscal incentives or financial assistance for MSMEs who want to obtain halal certification. As suggested by Ali and Wibowo (2019), incentives in the form of certification cost subsidies or technical assistance can ease the burden borne by MSMEs. In addition, the government can also accelerate the administrative process and improve the service system at certification bodies so that MSMEs can more easily access halal certification.

Certification bodies can also play an active role in providing training and education to MSMEs regarding the importance of halal certification and how to obtain it. This will help increase MSMEs' understanding and awareness of the benefits of halal certification, while minimizing errors in meeting existing requirements. According to research by Suhardi and Arief (2018), certification bodies that are active in providing guidance to MSMEs can accelerate the certification process and reduce the uncertainty experienced by business actors.

In addition, MSMEs must also be more proactive in improving their quality management systems, both in the selection of raw materials and in the production process. By following halal standards, MSMEs not only increase the competitiveness of their products in the market, but also strengthen their position as business actors who care about quality and consumer satisfaction. Through these efforts, obstacles in the implementation of halal certification can be minimized, so that MSMEs can seize existing opportunities to grow and expand their markets.

## **MAQASID SYARI'AH IN THE CONTEMPORARY HALAL ECONOMY: AUDA'S PERSPECTIVE ON MSME DEVELOPMENT IN INDONESIA**

*Maqasid Syari'ah* as a discipline of Islamic legal studies has undergone a long epistemological journey from the classical era to the contemporary era. In its early history, *maqasid* was introduced to explain the normative objectives of Islamic law which were not only based on

literal texts, but also on the spirit and fundamental values it upheld. Imam al-Juwaini, one of the pioneers of *maqasid* studies, introduced the idea that Islamic law aims to safeguard basic human interests, which were later termed al-kulliyyat or universal interests (Kamali, 2008). This thought was refined by Imam al-Ghazali, who divided *maqasid* into five fundamental categories: protection of religion, soul, mind, descendants, and property. This framework became the foundation for the approach to Islamic law for centuries to come. While the classical formulation of *maqasid* laid a strong foundation, the evolution of *maqasid* in the modern era has brought significant expansions and reconstructions, particularly in response to contemporary challenges (Ibrahim, Rahman, Saifuddeen, & Baharuddin, 2019).

However, the development of *maqasid* did not stop at the classical formulation. In the modern era, scholars such as Muhammad al-Tahir Ibn Ashur and Jasser Auda reconstructed *maqasid* to be more relevant to contemporary social, economic, and political dynamics. Ibn Ashur expanded *maqasid* by adding social dimensions, such as justice, balance, and solidarity, which not only involve individuals but also society collectively (Ibn Ashur, 2006). Among these modern contributions, Jasser Auda's Systems Approach stands out as a groundbreaking methodology that warrants further exploration due to its emphasis on interdisciplinary methods and systemic thinking.

Auda introduces the Systems Approach in *Maqasid al-Shariah*, a methodology distinguished by its application of modern systems theory as an analytical framework for Islamic law. This approach moves beyond a mere focus on textual norms, emphasizing instead the broader objectives that *Shariah* aims to achieve. In Auda's view, Islamic law functions as a dynamic, open, and complex system. This perspective contrasts sharply with traditional approaches, which often treat Islamic law as a rigid and closed set of rules reliant solely on literal textual interpretation (Auda, 2008). This dynamic nature of Islamic law is further exemplified in its openness and interconnectedness, as highlighted in Auda's framework.

One defining aspect of Auda's systems approach is its emphasis on openness and interconnectivity within the framework of Islamic law. According to Auda, *Shariah* cannot be understood in isolation from the social, cultural, and political contexts in which it operates. As an open system, *Shariah* is both influenced by and exerts influence upon the surrounding social realities. Consequently, *Maqasid* is not merely a set of normative objectives but also serves as a guiding principle to ensure that Islamic law remains relevant in contemporary contexts (Auda, 2007).

Another unique feature of Auda's approach is his incorporation of complexity theory, which examines how various elements within the Islamic legal system interact and influence one another. In this regard, he rejects linear approaches that separate legal rules from their contextual underpinnings. Instead, Auda envisions *Shariah* as an adaptive network capable of evolving



in response to changing circumstances. This perspective creates space for innovation within Islamic law while preserving the fundamental essence of Maqasid (Auda, 2008).

Auda also critiques the reductionist tendencies commonly found in traditional *usul al-fiqh*, where legal texts are interpreted without adequately considering the complexities of human realities. He asserts that Maqasid should be viewed as the core of Shariah and that legal rulings must consistently aim to achieve justice, public welfare, and human well-being in a comprehensive manner. Expanding upon the traditional objectives of Maqasid—namely, the protection of religion, life, intellect, lineage, and property—Auda proposes a broader, more inclusive framework that incorporates principles such as freedom, human rights, and environmental sustainability (Tohari & Kholish, 2020).

Within this framework of thought, *maqasid syari'ah* is transformed from merely a normative instrument into a dynamic and applicable analytical tool. This is very relevant to understanding the urgency of halal certification as a mechanism for developing MSMEs in Indonesia. Halal certification not only represents compliance with sharia principles, but also becomes a strategic instrument to strengthen economic competitiveness, build consumer trust, and expand market access. The *maqasid* perspective provides a framework for understanding how halal certification can holistically align economic goals and spiritual values.

From the perspective of *maqasid syari'ah*, the development of MSMEs through halal certification can be seen as part of an effort to achieve *maslahah* or public welfare. Halal certification, basically, involves protecting the five basic interests formulated in classical *maqasid*. *Hifzh al-mal*, for example, emphasizes the importance of managing and protecting assets. In this context, halal certification helps MSMEs increase their competitiveness by meeting globally recognized quality standards, thus opening up opportunities to reach a wider market, both nationally and internationally (Dusuki & Abdullah, 2007).

In addition, *hifzh an-nafs* or protection of the soul is also relevant in the context of halal certification. Consumers have the right to products that are not only halal but also safe and of high quality. Halal certification provides assurance to consumers that the products they consume meet health and safety standards. Thus, *maqasid syari'ah* provides a normative basis for prioritizing consumer protection as an integral part of MSME development.

The *maqasid syari'ah* approach also allows for a deeper analysis of the social and structural dimensions of halal certification. In Jasser Auda's systemic theory, *maqasid* does not only focus on individual goals but also includes collective dimensions, such as social justice and economic empowerment (Auda, 2008). In this context, halal certification can be seen as part of an effort to create an inclusive economic ecosystem, where MSMEs,

as the backbone of the national economy, are empowered to contribute to sustainable economic growth.

In the era of globalization, halal certification is not only a domestic demand but also part of a strategy to face the challenges of the international market. The global halal market is projected to reach trillions of US dollars, covering the food, pharmaceutical, cosmetic, and financial sectors (Thomson Reuters, 2019). For Indonesia, as the country with the largest Muslim population in the world, halal certification is a strategic opportunity to become a major player in the global halal economy. From the perspective of *maqasid syari'ah*, this opportunity not only means economic benefits but also the responsibility to promote Islamic values globally.

Halal certification is also relevant to the principle of sustainability which is increasingly becoming a concern in international trade. In contemporary *maqasid* theory, sustainability is considered an integral part of *maslahah*. This includes economic, social, and environmental sustainability, all of which are relevant to the development of MSMEs (Opwis, 2010). Thus, halal certification is not only a tool to meet the needs of Muslim consumers but also as part of Indonesia's contribution to a more equitable and sustainable global economy.

While the encyclopedia of Islamic law states that the word *halal* is anything that causes a person not to be punished if he uses it, or something that is permissible according to *syara'*. The meaning of halal food is food that is permissible for a Muslim to eat. Islam allows a Muslim to eat food that is halal *thoyyib* and forbids eating food that is *haram*. As in the rule of *fiqh* which states: that basically all food in this world is lawful for consumption, unless there is evidence forbidding it either from the Qur'an or hadith, the following rule reads: "The origin of everything is permissible as long as it is not there is reason to forbid it." (Firdaus, Ma'arif, & Rouf, 2025)

This fundamental principle of halal, which emphasizes permissibility and adherence to Shariah principles, forms the basis for the development of the halal industry and the implementation of halal certification. This certification process, guided by the principles of *Maqasid Syari'ah*, plays a crucial role in enhancing the competitiveness and growth of Micro, Small, and Medium Enterprises (MSMEs) in Indonesia.

The development of the Micro, Small, and Medium Enterprises (MSMEs) sector in Indonesia is not only a national economic agenda, but also a form of moral and social responsibility to create a balance between worldly and hereafter needs. Halal product certification, in this case, is not merely an administrative mechanism, but also a strategic instrument to strengthen the competitiveness of MSMEs amidst the dynamics of the global economy. The perspective of the *maqhasid syari'ah* theory developed by Jasser Auda provides an in-depth analytical framework for understanding how halal certification can contribute

to sustainable economic development (Auda, 2008).

Jasser Auda views *maqhasid shari'ah* as a systemic approach that goes beyond the normative framework of traditional *shari'ah*. In this theory, *shari'ah* is understood as a dynamic and contextual system, with the main objective of achieving the welfare of humanity. The five main objectives of *shari'ah*, namely the protection of religion (*hifz al-din*), soul (*hifz al-nafs*), reason (*hifz al-aql*), descendants (*hifz al-nasl*), and property (*hifz al-mal*), are the main foundations in public policy analysis, including halal certification (Auda, 2008).

In the context of halal certification, the protection of religion (*hifz al-din*) is the most fundamental dimension. Halal certification ensures that products consumed by the Muslim community are in accordance with the principles of *shari'ah*. Law Number 33 of 2014 concerning Halal Product Assurance (JPH) in Indonesia is the legal basis that emphasizes the importance of halal certification as a national obligation (Indonesia, 2014). This is in line with a study conducted by Fischer (2016), which shows that strict halal regulations in Muslim-majority countries give Muslim consumers greater confidence in local products.

In addition, life protection (*hifz al-nafs*) is also an important aspect in halal certification. Halal standards not only cover the halalness of raw materials, but also aspects of cleanliness, safety, and health. A study by Tieman et al. (2013) confirmed that Muslim consumers have high expectations for halal products that also meet global food safety standards. Thus, halal certification not only provides religious assurance but also answers consumer needs for safe and quality products.

Protection of property (*hifz al-mal*) is relevant in the context of developing the MSME economy. Halal certification provides significant added value to MSME products, enabling them to penetrate the global halal market which is estimated to reach USD 2.3 trillion by 2024 (Thomson Reuters, 2020). In a study by Bonne and Verbeke (2008), halal certification was shown to increase Muslim consumer loyalty to certain products, which ultimately had a positive impact on producer income.

Despite its great potential, the implementation of halal certification in Indonesia faces various challenges, especially for MSMEs. One of the main obstacles is the cost of certification which is considered high by MSMEs. According to a study conducted by Wilson and Liu (2010), the cost of certification is often the main barrier for small business actors to comply with halal regulations. This is exacerbated by the lack of technical and administrative understanding among MSMEs, as found in a study by Lever and Miele (2012).

In this context, the theory of *maqhasid sharia* demands flexibility and adaptability of policies to ensure that *sharia* objectives are achieved without burdening certain groups. Auda (2008) emphasized the importance of an

inclusive approach in implementing sharia, which takes into account the social, economic, and cultural context. The government can provide special subsidies or incentives to support MSMEs in the halal certification process, as done by Malaysia through the Halal Industry Development Corporation (HDC), which offers financing and training schemes for MSMEs (Fischer, 2016).

Halal certification has a significant economic impact, not only in increasing the competitiveness of MSME products in the domestic market, but also in opening access to the global market. A study by Tieman et al. (2013) shows that products with halal certification have a greater competitive advantage in the international market, especially in countries with large Muslim populations. For example, halal food products from Indonesia have successfully penetrated the export market to the United Arab Emirates, which is one of the world's halal trade centers (Thomson Reuters, 2020).

In addition to the economic impact, halal certification also has important social implications. Halal certification increases consumer trust in MSME products, which in turn strengthens the relationship between producers and consumers. In the perspective of maqhasid sharia, this reflects the values of justice and trust (*amanah*), which are the main foundations in Islamic economic relations (Bonne & Verbeke, 2008).

The theoretical implications of this study are relevant to be used as a role model in the development of halal certification systems in the world. The dynamic and inclusive maqhasid sharia approach allows the development of a halal certification model that is not only oriented towards normative compliance, but also considers aspects of economic sustainability, social inclusion, and technological innovation.

For example, the integration of blockchain technology into the halal certification system can increase the transparency and efficiency of the certification process. This technology allows real-time product tracking from upstream to downstream, so that consumers can easily verify the halalness of products (Zhang et al., 2021). This innovation is in line with the principle of *hifz al-aql*, which emphasizes the importance of using reason and technology to achieve the welfare of the people.

In addition, collaboration between the government, certification bodies, universities, and the private sector can strengthen the halal certification system in Indonesia. A study by Wilson and Liu (2010) showed that cross-sector partnerships are essential to create a sustainable halal ecosystem. In the Indonesian context, the Halal Product Assurance Agency (BPJPH) can take a central role in coordinating these efforts.

## CONCLUSION

Halal product certification in Indonesia plays a strategic role in the development of Micro, Small, and Medium Enterprises (MSMEs). From the perspective of Jasser Auda's Maqasid Shari'ah theory, halal certification is

not merely an instrument of compliance with Islamic law. It also serves as a mechanism for achieving holistic societal welfare. Halal certification safeguards the dimensions of religion, life, intellect, lineage, and property, which constitute the core tenets of Maqasid Shari'ah. Through adaptive, inclusive, and innovation-driven implementation, halal certification can enhance MSME competitiveness, bolster consumer confidence, and facilitate access to the expanding global market. These findings affirm the relevance of the systemic Maqasid Shari'ah approach in public policy analysis, particularly within the context of the halal industry. This perspective offers a dynamic conceptual framework for understanding the interplay between Shari'ah values and the practical needs of contemporary society. Consequently, halal certification should be viewed as an integral component of an equitable economic system wherein spiritual and material values are mutually reinforcing. In practice, concrete measures are required to address the challenges associated with halal certification implementation, especially for MSMEs. The government, through the Halal Product Assurance Agency (BPJPH), needs to broaden the accessibility of halal certification by providing subsidies, training programs, and technical assistance to MSMEs. Furthermore, the integration of technologies such as blockchain into the certification process can enhance transparency and efficiency, thereby strengthening consumer trust in halal products. Cross-sector collaboration, encompassing universities, research institutions, and the private sector, constitutes a crucial agenda for establishing a sustainable halal ecosystem.

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