



Competing Global and Local Halal Standards: Indonesia's Strategy in Increasing Halal Food Exports to Muslim Countries After Ratification of SMIIC

Moh. Fathoni Hakim¹, Ridha Amaliyah²

*Universitas Islam Negeri Sunan Ampel Surabaya, Indonesia
Beijing Foreign Studies University, China*

ARTICLE INFO



Article history:

Received 4 June 2024

Accepted 1 October 2024

Published 30 October 2024

Keywords:

Global halal standards, SMIIC, MRAs, Indonesia's strategy

ABSTRACT

This study examines the obstacles and strategies for Indonesia in harmonizing the global halal standards of SMIIC (The Standards and Metrology Institute for Islamic Countries) to enhance halal food exports to OIC (Organization of Islamic Cooperation) member countries. Using a descriptive qualitative approach, data were collected through observations, interviews with halal stakeholders, and documentation. The findings reveal several barriers to harmonization, including the voluntary nature of SMIIC standards, the fact that approximately 35% of OIC countries have not joined SMIIC, and differences in Islamic schools of thought among member countries. Additional challenges include internal constraints, such as the classification of many OIC countries as Least Developed Countries (LDCs), the dominance of halal food suppliers from non-Muslim countries, and market protection policies. To address these challenges, Indonesia has adopted a localization strategy by establishing Mutual Recognition Arrangements (MRAs) with foreign halal certification bodies. By the end of 2024, Indonesia aims to achieve 92 MRAs, which act as a "middle ground" between global and local halal standards and have proven effective in increasing halal food exports to OIC member countries. The implications of this study highlight MRAs as a viable policy model for balancing local and global interests while strengthening Indonesia's economic ties with Muslim nations. This study demonstrates that standard localization within a global framework offers a pragmatic solution to the challenges of halal harmonization, thereby reinforcing Indonesia's role in the international halal market.

Introduction

Islamophobia turns out to be able to unite the views and attitudes of Muslims around the world (Sadia Saeed, 2015).

Unfortunately, this unity of views and attitudes among Muslims around the world differs when it comes to the issue of halal. To this day, Muslim countries have not been able to formulate a universal halal standard that can be accepted in all

* Corresponding author. fathoni_hakim@uinsa.ac.id
DOI: <http://dx.doi.org/10.21580/jdmhi.2024.6.2.23212>

regions. The main reasons for this are differences in schools of thought and the regulations of each country regarding the concept of halal. These differing views on the concept of halal have an impact on international halal trade, as varying halal standards become barriers to trade (Azam & Abdullah, 2021; Bergeaud-Blackler et al., 2016; Fischer, 2016a; Johan, 2018).

In 2011, the Muslim countries that are members of the OIC formulated a global halal standard through SMIIC (*The Standards and Metrology Institute for Islamic Countries*). Until this article was written, 44 OIC member countries had ratified SMIIC, out of a total of 57 Muslim countries that are members of the OIC. Ihsan Ovut (2021), Secretary General of SMIIC, stated that the organization has four main objectives: (1) to prepare halal standards among OIC member countries, (2) to achieve uniformity in standardization, metrology, and laboratory procedures among member countries, (3) to provide technical assistance to member countries that lack certification bodies, and (4) to establish a conformity assessment scheme aimed at accelerating the exchange of halal products among member countries, starting with mutual recognition.

Ovut added that the standards referred to here are consensus-based standards, prepared for the benefit of member countries, with a voluntary nature. Due to global halal standards of SMIIC are voluntary, a dilemma arises. Some member countries fully adopt all the standards agreed upon within SMIIC, while others only partially adopt these global halal standards. As a result, the global halal

consensus within the SMIIC framework does not fully bind its member countries to follow, adopt, and implement all global halal standards and consensus into their national halal regulations and standards.

Therefore, even though Indonesia has ratified SMIIC through Presidential Regulation No. 52/2019, this does not automatically boost the development of its halal industry in OIC member countries. As stated by Arlinda (Expert Staff for International Relations at Indonesia's Ministry of Trade), one of the challenges for Indonesia's halal product exports to OIC countries is the complex halal certification process in each partner country. OIC member countries find it difficult to agree on a universally accepted halal certification (ANTARA: 2019).

In line with the statement above, The Jakarta Post reported on the findings of a Salaam Gateway research entitled "Resolving The Current Inefficiencies in the Global Regulation of Halal Food." Salaam Gateway, a business intelligence platform, is a collaboration between the Dubai Islamic Economy Development Center and the research agency Thomson Reuters. It highlighted that halal food regulations in the global market face significant gaps, including the lack of a unified halal standard. Although the OIC has formulated the international halal standard through SMIIC, in practice, Islamic countries still prioritize their respective national halal concepts. For example, there are different halal standards between DSM (Department of Standards Malaysia) and ESMA (Emirates Authority for Standardization and Metrology) (The Jakarta Post: 2016).

The next problem is Indonesia's position as the country with the largest Muslim population in the world, but in the halal industry, Indonesia has not been able to become a major world player. Indonesia is only satisfied as the largest country in the

world's halal food consumer market. For more details, it will be illustrated in the following table;

Tabel 1. Indonesia's Position in Halal Industry Development

| No. | Halal Food | Islamic Finance | Halal Travel | Fashion Model | Pharmacy & Halal Cosmetics |
|-----|------------|-----------------|--------------|---------------|----------------------------|
| 1. | UAE | Malaysia | UAE | UAE | UAE |
| 2. | Malaysia | Bahrain | Malaysia | Indonesia | Malaysia |
| 3. | Brazil | UAE | Turki | Singapura | Singapura |
| 4. | Oman | Saudi Arabia | Indonesia | Malaysia | Jordan |
| 5. | Jordan | Kuwait | Maldives | Turkey | Pakistan |
| 6. | Australia | Qatar | Thailand | China | Brunei |
| 7. | Brunei | Pakistan | Tunisia | Italia | Mesir |
| 8. | Pakistan | Oman | Azerbaijan | Prancis | Saudi Arabia |
| 9. | Sudan | Jordan | Jordan | Bangladesh | Bahrain |
| 10. | Qatar | Indonesia | Albania | Srilanka | Azerbaijan |

Source: *Global Islamic Economic Report 2018*

Henceforth, this article will focus on two questions: (1) What are the obstacles and challenges in the harmonization of the global halal standards of SMIIC in Indonesia? and (2) What strategies can Indonesia implement to increase halal food exports to OIC member countries through the global halal standards of SMIIC?

Literature Review

Global and Local Standards Relations

The effort to standardize and universalize halal standards through SMIIC reflects an attempt to create Islamic standards at a

global level. On one hand, there is the Western idea of global standard-setting, while on the other hand, there are Islamic standards as the foundation for achieving the grand vision of a single halal standard. However, the challenge is that creating global standards that emphasize Islamic standards is not as straightforward as formulating global standards on issues like human rights, conflict resolution, the Responsibility to Protect (R2P), or environmental concerns.

In environmental issues, global norms are widely adopted by policymakers at the national and local levels to ensure both effectiveness and environmental sustainability. These national actors often face pressure to align themselves with

international norms and standards (Busch et al., 2005; Jänicke & Jörgens, 2004). Similarly, in the case of human rights issues, global norms are also widely adopted by national policymakers (Cold-Ravnkilde et al., 2018; Krook & True, 2012; Linde, 2014; Pegram, 2015), *Responsibility to Protect* (Acharya, 2013; Prantl & Nakano, 2011; Staunton & Ralph, 2020), standards on conflict resolution (Ben-Josef Hirsch & Dixon, 2021; Zimmermann, 2016), global health norms and standards (Biswas, 2021), food norms and standards (Dunford et al., 2015).

From the various studies on the standards mentioned above, none have specifically examined the relationship between global and local standards in the context of halal issues. The universalization of halal standards in the Islamic world through SMIIC certainly invites special interest for the author.

Global Halal Standard

The successful development of halal standards is considered a dominant factor in a country's success in developing the halal food industry (Fischer, 2016a; Kurth & Glasbergen, 2017). This applies to both Muslim-majority countries such as Malaysia (Fischer, 2016b) and Turkey (Atalan-Helicke, 2015), as well as Muslim-minority countries like Thailand, the United States (Regenstein et al., 2003), the Netherlands (Havinga, 2010), France (Wright & Annes, 2013), and the European Union (Lever & Miele, 2012; Miele, 2016).

Studies on the universalization of halal

standards have been conducted by scholars, such as Johan & Plana-Casado (2023), who examined the implementation of ASEAN halal food guidelines as an effort to universalize halal standards in Southeast Asia. The research findings indicate that this effort has not yet achieved full harmonization. There are still many obstacles, such as the lack of mutual recognition and joint labeling. In another opinion, Khan et al. (2019) stated that conflicting halal standards will create trade barriers, therefore strengthening coordination and strategic collaboration among Halal Certification Bodies (HCB) is necessary. The harmonization of halal standards can begin with the recognition of competent and trustworthy HCBs. In line with this idea, Rahman et al. (2014) interviewed 300 OIC food manufacturers to explore their motivations for adopting the Malaysian Halal Certification. The influence of perceived behavioural control including the processing fees, information exposure and government incentives make them more aware of the benefits of the Malaysian Halal Certification.

Akbar et al. (2023) analyzed the similarities and differences in halal standards, including Pakistan's halal standards, the Standards and Metrology Institute for Islamic Countries (SMIIC), Majelis Ugamma Islam Singapore, Majelis Ulama Indonesia, the GCC Standardization Organization, Jabatan Kemajuan Islam Malaysia, the ASEAN General Guidelines, and the halal standards of Thailand, Iran, and Brunei, through a literature survey. Some of the findings that all standards, except the GSO, allow non-Muslim slaughterers, and

stunning is permitted in all standards except those of Pakistan. In addition, a comparative study was conducted by Abdallah et al. (2021), who compared four different halal standards in Islamic regions (GSO 993:2015, OIC/SMIIC 1:2019, HAS 23103:2012, and MS 1500:2019) regarding their application to slaughterhouses. The comparison results show that Malaysia's halal standard (MS 1500:2019) is the most detailed and specific. The Malaysian halal standard does not recommend stunning, but if it has to be carried out, specific conditions are set by this standard. MS 1500:2019 also regulates the role of a halal checker, while GSO 993:2015 and OIC/SMIIC 1:2019 do not. These disparities highlight the need for standardization and harmonization in the halal food industry.

Regarding the issue of differing halal standards mentioned above, all scholars agree on placing collaboration and cooperation as key strategies to eliminate these differences. However, the specific forms of collaboration and cooperation may vary depending on the context. In this study, the author aims to examine Indonesia's strategy in addressing the challenges of differing halal standards after the ratification of the global halal standard SMIIC.

Method, Data, and Analysis

The method used in this study is qualitative with an exploratory approach. According to (Creswell, 2018), qualitative research is a type of study that explores and

seeks to understand the meaning individuals or groups ascribe to social problems. The exploratory approach is used because it aligns with the research objective of describing social events to reveal real occurrences in the field, while also uncovering hidden values. This approach is more sensitive to descriptive information and aims to maintain the integrity of the object being studied (Strauss and Corbin, 2009).

The data collection techniques used in this research are: documentation, in-depth interviews, and observation. According to (Bryman, 2012), the primary requirement for qualitative research is achieving a high level of data saturation.

The selection of informants in this study uses purposive sampling, which involves identifying several key informants at the outset, with specific objectives aligned with the research theme. In this case, the researcher will select informants who are considered knowledgeable about the issues and capable of providing information to be further explored during data collection.

The researcher conducted a document study on several data sources such as the SMIIC halal food standard (General Requirement for Halal Food OIC/SMIIC 1:2019) and Indonesia's General Requirements for Halal Food (SNI 9904:2021). In-depth interviews were used for data collection and to confirm empirical data from the research subjects. The data to be collected through these in-depth interviews involve several key informants from halal standard stakeholders, such as the Directorate of

Standard System and Harmonization Development of the National Standardization Agency (BSN) and the standards development and international cooperation section of BPJPH. These two national bodies are responsible for policy formulation, synchronization, and harmonization in standards development, ensuring compliance with international obligations in the field of standardization.

Additionally, the researcher also sought to identify the perspectives of other halal stakeholders, such as the Ministry of Trade and the Ministry of Foreign Affairs, regarding strategies for increasing halal food exports to OIC member Muslim countries. In-depth interviews were chosen based on their ability to provide deep, rich, and thick data. The instruments used in these in-depth interviews include an interview guide, field notebook, recorder, camera, and pen. These tools were prepared by the researcher to comprehensively record the interview process, ensuring that all data is collected appropriately and sufficiently.

The subjects of this study are individuals who are knowledgeable about and involved in the harmonization of SMIIC global halal standards in Indonesia, as well as those who develop various strategies for Indonesia to enhance halal food exports to OIC member Muslim countries. The characteristics of the informants selected for this research activity are as follows: (1) The team responsible for standards development and international cooperation, both within the National Standardization Agency (BSN) and the Halal Product Assurance Organizing

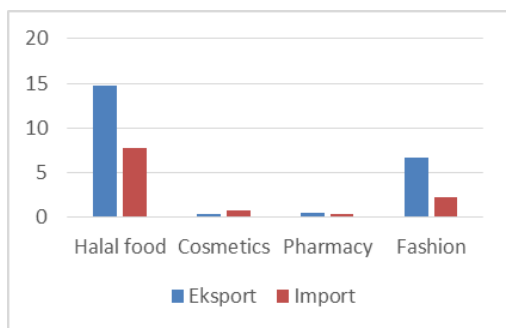
Agency (BPJPH). (2) Indonesia Trade Promotion Center, Ministry of Trade of the Republic of Indonesia. (3) Commercial Attache of the Embassy of the Republic of Indonesia. Based on the above criteria, the researcher selected several informants who are directly involved in the formulation of strategies for the harmonization of SMIIC global halal standards and strategies to enhance halal food exports to OIC member Muslim countries.

Result and Discussion

The Reality of Indonesia's Halal Food Exports to OIC Countries

OIC Muslim countries represent a promising halal market. The OIC, consisting of 57 member countries with a total Muslim population of 1.86 billion people, or around 24.1% of the world's total population, naturally holds a strong appeal for global halal product producers. Compared to other halal products, Indonesia's halal food exports to OIC countries rank at the top, surpassing other halal products such as cosmetics, fashion, and pharmaceuticals. This is in line with the report from the State of Global Islamic Economy Report (2022), which predicts that the halal food market will become one of the largest consumer markets in the world. For more details, the export-import map of Indonesia's halal products to OIC member countries will be presented in the following table format

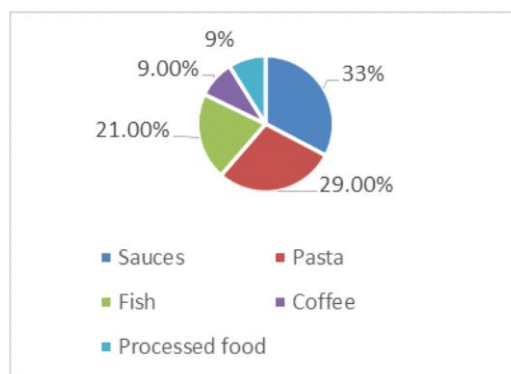
Table 2. Map of Indonesia's Halal Product Exports and Imports to OIC Countries for the Period of Jan-Oct 2023 (Billion USD)



Sources: Ministry of Trade 2023

In addition to the dominance of the halal food sector compared to other halal products such as cosmetics, pharmaceuticals, and fashion, the table above also shows that Indonesia's trade balance with OIC member countries is in surplus. Indonesia's halal food exports to OIC countries for the period of January-July 2023 amounted to USD 14.3 billion, while halal food imports stood at USD 7.9 billion, resulting in a surplus of USD 6.4 billion in the halal food trade balance. Similarly, the pharmaceutical sector saw a surplus of USD 0.25 billion, and the fashion sector recorded a surplus of USD 4.5 billion. Only the cosmetics sector experienced a deficit of USD 0.43 billion. From this, it can be concluded that Indonesia's halal food sector has significant potential for further development. Indonesia has several key halal food export products, such as sauces and processed sauces, pasta, processed fish, coffee and its derivatives, tea, and processed foods. The countries that receive Indonesia's halal food products include Malaysia, Saudi Arabia, Nigeria, the United Arab Emirates, and Jordan.

Figure 1. Indonesia's Key Halal Food Export Products to OIC Countries



Sources: Ministry of Trade 2023

Obstacles and Challenges in Harmonizing Global Halal Standard SMIIC-OIC in Indonesia

SMIIC's aspiration to establish a single halal standard still faces many challenges. One key issue is that SMIIC is voluntary in nature, which seems to conflict with its ambitious goal of creating a single halal standard. In practice, even though OIC member countries have joined and ratified the SMIIC, this has not automatically made halal transactions between member countries easier. Harmonization of halal standards between the selling and buying countries is still needed, even when both have ratified SMIIC. This challenge was highlighted by Heru Suseno (Director of Agro, Chemical, Health, and Halal Standards Development) stated that in addition to being voluntary, the standards set by SMIIC do not sufficiently accommodate the local halal standards that have already been developed by OIC member countries, including Indonesia.

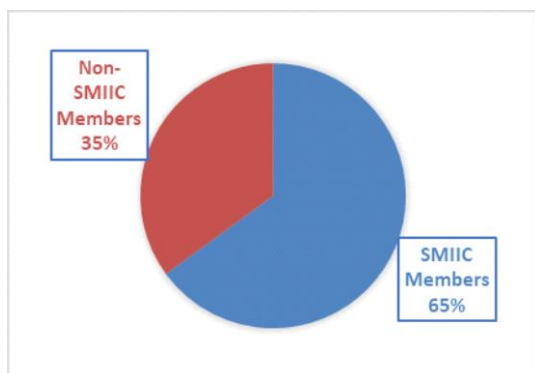
This creates a gap and differences in halal standards between member countries, even though they have ratified SMIIC. Suseno has recommended to SMIIC, during a visit from their representatives to the BSN office, that SMIIC's standardization and conformity assessment (SPK) should be reviewed, taking into account the differences in halal standards among member countries, so that SMIIC's SPK can be more widely adopted by member states. A proper first step would be for SMIIC to identify and understand the SPK systems in each member country, in order to formulate standards that can be accepted by all members (Suseno, Aug 2023).

In line with the previous statement, the head of the Indonesian Trade Promotion Center (ITPC) in Dubai, Muhammad Khomaini, emphasized that even though Indonesia has ratified SMIIC, there is no guarantee that halal transactions between member countries will become easier. For example, Indonesia's experience exporting halal products to the UAE shows that products must still meet the UAE's halal standards, despite the UAE also being a member of SMIIC. These adjustments are necessary to obtain the UAE's halal certification and logo. All products entering the UAE must have certification and a logo from the government. The Indonesian government, through ITPC Dubai, is currently working on discussions to align halal standards between the two countries. At present, Indonesia is in the final stages of aligning its halal food standards with ESMA (Emirates Authority for Standardization and Metrology (Khomaini, Jun 2023)

From the information provided, it is clear that even though Indonesia and the UAE are both permanent members of SMIIC, they cannot automatically conduct halal transactions under the umbrella of the international SMIIC halal standards. There still needs to be alignment and recognition from the receiving country, which in this case is demonstrated by the requirement for UAE halal certification. If SMIIC's standardization and conformity assessment (SPK) can better identify and incorporate the halal standards practiced by each member country, the potential to achieve a unified halal standard becomes much greater. However, the lack of synchronization between member countries' standards remains a key challenge and barrier to realizing this goal.

The second challenge is the fact that SMIIC's halal standards have not been fully accepted by all OIC member countries. More than 30% of OIC member states have yet to ratify the SMIIC standards. According to SMIIC membership data, out of 57 OIC member countries, 43 have become permanent members of SMIIC. However, among these 43 countries, 6 have not taken any active steps, neither participating nor observing. As a result, only 37 countries are actively involved in SMIIC, which represents about 65% of the total OIC membership. In other words, 35% of OIC member countries have not yet joined SMIIC, creating a significant barrier to the wider implementation of a unified halal standard across the OIC.

Figure 2. Percentage of OIC Countries in SMIIC Membership



Source:

<https://www.smiic.org/en/members>

In the development of a single halal standard through SMIIC, there are certainly several challenges. These challenges can be both external and internal challenges. From the external side, one of the key difficulties is the reality that many OIC (Organization of Islamic Cooperation) member states are classified as Least Developed Countries (LDCs). This economic disparity creates significant hurdles for SMIIC's mission, as LDCs often lack the resources and infrastructure necessary to fully align with standardized regulations, including halal certification standards.

This condition also makes it challenging for member states to come together with a unified understanding, particularly when it comes to formulating a global halal standard that is consistent across the Muslim world. Moreover, many OIC member states, due to their LDC status, do not yet have competitive, marketable commodities or products that are suitable for halal transactions among OIC members, limiting the scope of intra-OIC

halal trade.

This condition was agreed by several informants, one of whom was a senior diplomat who had long served in the Middle East, Dede Achmad Rifa'i. He stated that many of the OIC member countries are classified as LDCs, especially countries in the African Region. Of course this creates its own challenges for the OIC when developing international halal standards through SMIIC. The next challenge, so far there has been no absolute unity among OIC member countries, so that in many cases and conflicts in the Islamic world itself, the contribution of the OIC is still not visible. As the second largest international organization after the UN, the OIC with 57 member countries should be a symbol of Islamic unity in the world. (Rifa'i, July 2022).

In terms of security, the OIC (Organization of Islamic Cooperation) is often seen as standing on an "ivory tower," disconnected from effective crisis resolution. Since its establishment in 1969, the OIC has been confronted with several security-related events, such as the East Pakistan crisis (1971), the Soviet intervention in Afghanistan (1979), the Iran-Iraq War (1980), Israel's invasion of Lebanon (1982), the U.S. invasion of Afghanistan (2001), and the U.S. invasion of Iraq (2005). Ideally, the OIC should have played a leading role as a facilitator and mediator in these conflicts, but in practice, its involvement was mostly limited to issuing statements of condemnation, without concrete actions or resolutions. This lack of effective intervention has led to criticisms

that the OIC has not successfully addressed the various security crises in the Muslim world (Sharifi, 2014).

A similar pattern can be observed in the OIC's efforts to establish a single halal standard through SMIIC (Standards and Metrology Institute for Islamic Countries). Despite the fact that SMIIC was established over a decade ago, not all OIC member states have ratified and joined the organization. This slow adoption reflects the broader challenges the OIC faces in fostering unity and cooperation among its members, both in terms of security and economic or regulatory frameworks like the halal standard. The challenges of harmonizing halal standards mirror the OIC's broader struggle to assert a cohesive and effective role in addressing issues across its diverse membership.

From an external perspective, one of the major challenges is the fact that non-Muslim countries have become key suppliers of halal food to OIC member states. According to available data, countries like Brazil, Australia, and New Zealand, which are not part of the OIC, are leading suppliers of halal food products to Muslim-majority countries. This reality has led to a degree of indifference and even neglect among some OIC member countries towards the OIC's efforts to unify halal standards through SMIIC.

All informants agreed that this external situation has contributed to a lack of urgency or interest from some OIC countries in pushing for standardized halal regulations. Since these non-OIC countries are successfully fulfilling the halal food demand, some OIC nations have become

less committed to the process of harmonizing halal standards under SMIIC. This dynamic underscores a significant external challenge to the creation of a single halal standard, as economic realities and established supply chains can influence the political and regulatory priorities of OIC members.

Indonesia's strategy in increasing halal food exports to OIC member countries after ratifying SMIIC

The next discussion is how to see Indonesia's strategy in increasing halal food exports to OIC member countries. On the one hand, Indonesia has tried to be part of universalization of halal standards through SMIIC. Since 2019, Indonesia has become a participating member of SMIIC. A P member is a country that actively participated in the technical committees and working group of SMIIC. There are eight international standards/norms set by SMIIC (Standards and Metrology Institute for Islamic Countries) in which Indonesia actively participated in the formation process (participating roles) and also adopted these standards. These include Halal Food Issues (TC1), Halal Cosmetics Issues (TC2), Tourism and Related Services (TC5), Textile and Related Products (TC9), Halal Supply Chain (TC10), Halal Management System (TC11), Halal Pharmaceuticals Issues (TC16), and the SMIIC Committee on Standards for Conformity Assessment (CCA).

On the other hand, SMIIC's efforts to realize a single halal standard in the Islamic world still face many obstacles as discussed previously. The difficulty in achieving single halal standard is not only influenced

by internal factors, such as differences in religious schools of thought, economic and political interests, but also by external factors, such as overlapping norms and halal standards. Annisa (2020) provides an example of this overlap with Indonesia's experience. Indonesia is working to build a consensus on halal standards not only through SMIIC-OIC but also with ASEAN (One halal ASEAN standard). The availability of multiple halal standard references can lead to confusion for a country in determining which standard is the best to adopt as a guideline.

In another opinion, Elvina (2023), one of the members of the technical committee for compiling Indonesian halal standards stated that Indonesia's halal standards not fully adopted the SMIIC halal standards. The general requirements for halal food in SNI 99004:2021 only partially refer to what has been established in the General Requirements for Halal Food OIC/SMIIC 1:2019. This is further supported by research findings that highlighted the remaining differences in halal standards between SMIIC, Indonesia, and Malaysia, particularly concerning the use of alcohol and ethanol, as well as aspects of animal slaughter (Lutfika et al., 2022)

The situation described above will make it difficult for Muslim countries to conduct halal industry transactions among OIC (Organization of Islamic Cooperation) member states. All informants pointed out that Indonesia's membership in SMIIC (Standards and Metrology Institute for Islamic Countries) does not automatically facilitate the export of Indonesian halal

products to other OIC member countries. When engaging in halal product transactions, Indonesia must still adjust its standards to align with the partner country. Indonesia establishes Mutual Recognition Agreements (MRA) with export destination countries, even when both countries are members of SMIIC

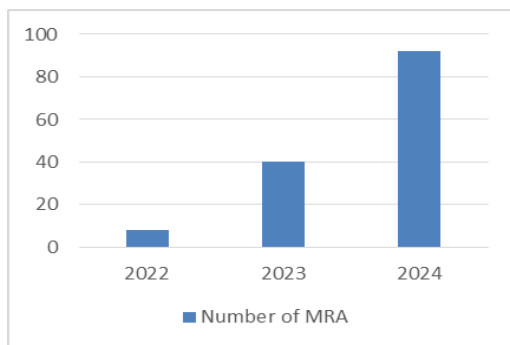
SMIIC is part of global governance that regulates and establishes agreements on global halal governance. The norms and rules within SMIIC are essentially shaped by shared ideas from the international system. In the initial stage, a set of ideas exists at the macro level of the international system/structure, which is then internalized by the actors of each country. Subsequently, the relationships between agents under the system/structure interact, influencing the formation of their respective identities. Thus, identity is intersubjective, and its construction occurs due to both internal and external influences from the structure.

The synergy between identity (ideas) and interests (material) can be formed because interests motivate the formation of identity. Interests serve as a precondition for identity, as a country cannot understand what it wants until it understands its identity. Both identity and interests exhibit varying degrees of diversity. The diversity in identity and interests within SMIIC is what researchers see as the main reason why the SMIIC halal standard is less binding and remains voluntary in nature.

The establishment of Mutual Recognition Agreements (MRA) has thus become the

Indonesian government's primary strategy for increasing halal food exports to OIC Muslim countries. Adjusting standards through MRAs also serves as a reference framework for improving the quality of halal products intended for export. Below is an illustration of the increase in the number of MRAs between Indonesia and foreign halal institutions over the past three years.

Table 3. Increasing number of MRA between BPJPH and Foreign Halal Institutions



Source:
<https://bpjph.halal.go.id/en/detail/h20-2024-close-d-producing-52-mr-as-to-communicate-on-strengthening-the-global-halal-ecosystem>

The table above shows a significant increase in the number of Mutual Recognition Agreements (MRA) established between Indonesia and foreign halal institutions. In 2022, there were only 8 MRAs, but this number grew by 32 in 2023, reaching a total of 40, and further increased to 92 MRAs in 2024. Mutual Recognition Agreement (MRA) is still necessary for Indonesia when exporting halal products to OIC (Organization of Islamic Cooperation) member countries, because in practice, a single halal standard has not yet been established under the

SMIIC (Standards and Metrology Institute for Islamic Countries) framework.

In explaining the MRA, Rifa'i (2023) pointed out several objectives of MRA, namely: (1) Simplifying export procedures. MRAs allow countries to mutually recognize each other's halal certification standards, reducing the need for re-certification in the destination country. This streamlines export processes, reduces costs, and speeds up market access, which is crucial for countries like Indonesia with large halal product exports. (2) Improving product quality and competitiveness in the global halal market by building trust in halal standards. (3) Reducing barriers and promoting smoother trade relations with key OIC countries. Khomaini (2023) adds that building trust through MRAs requires synergy among stakeholders, such as the Ministry of Trade, Ministry of Industry, and Ministry of Foreign Affairs.

The strategy for enhancing the MRA can be understood through the concept of localization, as it is part of the response to the global SMIIC halal standard entering the national space of each member. Acharya (2004) emphasizes that global standards cannot be simply accepted as a given; global standards can also be rejected when they spread to the national level. In Acharya's view, when international standards encountered cascading and enter the national-domestic space, a process called localization. Acharya believed that local actors play a highly significant role in influencing international standards. Thus, the localization of norms and standards is understood as a process of redefining international standards by embedding local

characteristics and features into those global standards.

The strategy of establishing agreements between two or more countries through the MRA (Mutual Recognition Arrangement) framework with OIC countries such as the UAE, Turkey, Egypt, and Pakistan thus becomes part of the norm localization process. This is because MRAs agree upon and regulate the interests of each country in the halal industry. Although these countries are already permanent members of SMIIC, there are still local interests that have not been fully accommodated by the international structure of SMIIC. Therefore, these local interests are "negotiated" locally by forming new agreements in the form of MRAs among the concerned parties.

Conclusion

Based on field findings and data collection, the author has drawn several conclusions. First, the efforts to universalize halal standards within the Islamic world have not yet been fully realized, as member countries of SMIIC (The Standards and Metrology Institute for Islamic Countries) are not automatically able to conduct halal transactions with each other. Harmonization of halal standards is still needed between seller and buyer countries, even if both have ratified SMIIC. Another challenge is that not all OIC (Organization of Islamic Cooperation) member countries have fully joined as members of SMIIC. As many as 20 out of the 57 OIC member countries, or approximately 35%, have not

yet joined SMIIC. This presents a significant obstacle in the efforts in realizing single halal standards across the Islamic world.

Second, there are both internal and external challenges that arise in the effort to implement a single halal standard under SMIIC. The internal challenges include the fact that many OIC member countries are classified as LDCs (Least Developed Countries). Additionally, it is rare for the OIC to serve as a solution to the various problems faced by its member countries. As for the external challenges, a significant portion of halal food suppliers actually come from non-Muslim countries outside the OIC, such as Brazil, Australia, and New Zealand.

Third, over the past three years, the author has observed an increase in the number of standards conformities made by the Indonesian government through the establishment of MRAs (Mutual Recognition Agreements) after ratification of the global halal standard under SMIIC. By the end of 2024, the number of MRAs between Indonesia and foreign halal certification bodies is expected to reach 92 agreements. As a result, MRAs can now be viewed as a "middle way" in the midst of the competition between global and local halal standards.

Acknowledgements

I would like to thank the Indonesian Ministry of Religious Affairs (MoRA) and all parties who have provided support for this research.

References

Journal

- Abdallah, A., Rahem, M. A., & Pasqualone, A. (2021). The multiplicity of halal standards: a case study of application to slaughterhouses. In *Journal of Ethnic Foods* (Vol. 8, Issue 1). BioMed Central Ltd. <https://doi.org/10.1186/s42779-021-00084-6>
- Acharya, A. (2004). How ideas spread: Whose norms matter? Norm localization and institutional change in Asian regionalism. In *International Organization* (Vol. 58, Issue 2, pp. 239-275). <https://doi.org/10.1017/S0020818304582024>
- Acharya, A. (2013). The R2P and norm diffusion: Towards a framework of norm circulation. *Global Responsibility to Protect*, 5(4), 466-479. <https://doi.org/10.1163/1875984X-00504006>
- Akbar, J., Gul, M., Jahangir, M., Adnan, M., Saud, S., Hassan, S., Nawaz, T., & Fahad, S. (2023). Global Trends in Halal Food Standards: A Review. In *Foods* (Vol. 12, Issue 23). Multidisciplinary Digital Publishing Institute (MDPI). <https://doi.org/10.3390/foods12234200>
- Atalan-Helicke, N. (2015). The halal paradox: negotiating identity, religious values, and genetically engineered food in Turkey. *Agriculture and Human Values*, 32(4), 663-674. <https://doi.org/10.1007/s10460-015-9585-z>
- Azam, M. S. E., & Abdullah, M. A. (2021). Halal Standards Globally. *Halalpsphere*, 1(1), 11-31. <https://doi.org/10.31436/hs.v1i1.20>
- Ben-Josef Hirsch, M., & Dixon, J. M. (2021). Conceptualizing and assessing norm strength in International Relations. *European Journal of International Relations*, 27(2), 521-547. <https://doi.org/10.1177/1354066120949628>
- Bergeaud-Blackler, F., Fischer, J., & Lever, J. (2016). Halal Matters: Islam, Politics and Markets in Global Perspective. In *Halal Matters: Islam, Politics and Markets in Global Perspective*. Taylor and Francis Inc. <https://doi.org/10.4324/9781315746128>
- Biswas, S. (2021). The Coronavirus Pandemic and Global Governance: The Domestic Diffusion of Health Norms in Global Health Security Crises. *Jadavpur Journal of International Relations*, 25(2), 208-234. <https://doi.org/10.1177/09735984211042094>
- Bryman, A. (2012). *Social Research Methods* (4th ed.). OXFORD University Press.
- Busch, P. O., Jörgens, H., & Tews, K.

- (2005). The global diffusion of regulatory instruments: The making of a new international environmental regime. In *Annals of the American Academy of Political and Social Science* (Vol. 598, pp. 146-167).
<https://doi.org/10.1177/0002716204272355>
- Cold-Ravnkilde, S. M., Engberg-Pedersen, L., & Fejerskov, A. M. (2018). Global norms and heterogeneous development organizations: Introduction to special issue on New Actors, Old Donors and Gender Equality Norms in International Development Cooperation. In *Progress in Development Studies* (Vol. 18, Issue 2, pp. 77-94). SAGE Publications Ltd.
<https://doi.org/10.1177/1464993417750289>
- Creswell, J. W. (2018). *Qualitative, Quantitative, and Mixed Methods Approaches* (5th ed.). London. SAGE Publication.
- Dunford, E. K., Guggilla, R. K., Ratneswaran, A., Webster, J. L., Maulik, P. K., & Neal, B. C. (2015). The adherence of packaged food products in Hyderabad, India with nutritional labelling guidelines. *Asia Pacific Journal of Clinical Nutrition*, 24(3), 540-545.
<https://doi.org/10.6133/apjcn.2015.24.3.08>
- Fischer, J. (2016a). *Islam, Standards, and Technoscience*.
<https://doi.org/http://dx.doi.org/10.4324/9781315667065>
- Fischer, J. (2016b). Manufacturing halal in Malaysia. *Contemporary Islam*, 10(1), 35-52.
<https://doi.org/10.1007/s11562-015-0323-5>
- Jänicke, M., & Jörgens, H. (2004). *New approaches to environmental governance*.
<https://www.researchgate.net/publication/40713811>
- Johan, E. (2018). *New challenges in ASEAN Regional Market: International Trade Framework on Halal Standard*.
<http://halalmedia.net/unified-halal-standard->
- Johan, E., & Plana-Casado, M. J. (2023). Harmonizing Halal in ASEAN: Analysis of Halal Food Guidelines under the ASEAN Way Approach. *Journal of ASEAN Studies*, 11(1), 43-67.
<https://doi.org/10.21512/jas.v11i1.9682>
- Khan, M. I., Khan, S., & Haleem, A. (2019). Using integrated weighted IRP-Fuzzy TISM approach towards evaluation of initiatives to harmonise Halal standards. *Benchmarking*, 26(2), 434-451.
<https://doi.org/10.1108/BIJ-04-2018-0086>
- Krook, M. L., & True, J. (2012). Rethinking the life cycles of international norms: The united nations and the global promotion of

- gender equality. *European Journal of International Relations*, 18(1), 103-127. <https://doi.org/10.1177/1354066110380963>
- Kurth, L., & Glasbergen, P. (2017). Serving a heterogeneous Muslim identity? Private governance arrangements of halal food in the Netherlands. *Agriculture and Human Values*, 34(1), 103-118. <https://doi.org/10.1007/s10460-016-9698-z>
- Lever, J., & Miele, M. (2012). The growth of halal meat markets in Europe: An exploration of the supply side theory of religion. *Journal of Rural Studies*, 28(4), 528-537. <https://doi.org/10.1016/j.jrurstud.2012.06.004>
- Linde, R. (2014). The globalization of childhood: The international diffusion of norms and law against the child death penalty. *European Journal of International Relations*, 20(2), 544-568. <https://doi.org/10.1177/1354066113475464>
- Lutfika, E., Kusnandar, F., & Hunaefi, D. (2022). Comparative Analysis and Harmonization of Global Halal Standards. In *International Journal of Halal Research* (Vol. 4, Issue 1).
- Miele, M. (2016). Killing Animals for Food: How Science, Religion and Technologies Affect the Public Debate About Religious Slaughter. *Food Ethics*, 1(1), 47-60. <https://doi.org/10.1007/s41055-016-0004-y>
- Pegram, T. (2015). Global human rights governance and orchestration: National human rights institutions as intermediaries. *European Journal of International Relations*, 21(3), 595-620. <https://doi.org/10.1177/1354066114548079>
- Prantl, J., & Nakano, R. (2011). *Global Norm Diffusion in East Asia: How China and Japan Implement the Responsibility to Protect*. www.rsis.edu.sg/nts.
- Rahman, R. A., Mohamed, Z., Rezai, G., Shamsudin, M. N., & Sharifuddin, J. (2014). Exploring the OIC Food Manufacturer Intention Towards Adopting Malaysian Halal Certification. *American Journal of Food Technology*, 9(5), 266-274. <https://doi.org/10.3923/ajft.2014.266.274>
- Regenstein, J. M., Chaudry, M. M., & Regenstein, C. E. (2003). "The Kosher and Halal Food Laws". In *Comprehensive Reviews In Food Science And Food Safety* (Vol. 2). www.ift.org/publications/crfsfs
- Sadia Saeed. (2015). The Charlie Hebdo Affair and the Spectre of Majoritarianism. *Economic & Political Weekly*, 1(23), 37-41. <https://www.epw.in/journal/2015/23/perspectives/charlie-hebdo-affair-and-spectre-majoritarianism.html>
- Staunton, E., & Ralph, J. (2020). The Responsibility to Protect norm cluster and the challenge of atrocity prevention: an analysis of the

European Union's strategy in Myanmar. *European Journal of International Relations*, 26(3), 660-686. <https://doi.org/10.1177/1354066119883001>

Dubai, June 2, 2023

Dede Achmad Rifa'i, Embassy of The Republic of Indonesia in Tripoli, Libya, July 5, 2023

Wright, W., & Annes, A. (2013). Halal on the menu?: Contested food politics and French identity in fast-food. *Journal of Rural Studies*, 32, 388-399. <https://doi.org/10.1016/j.jrurstud.2013.08.001>

Zimmermann, L. (2016). Same same or different? Norm diffusion between resistance, compliance, and localization in post-conflict states. *International Studies Perspectives*, 17(1), 98-115. <https://doi.org/10.1111/insp.12080>

Act (Statue/Legislation)

General Requirements for Halal Food
Badan Standardisasi Nasional SNI
99004:2021.

General Requirements for Halal Food
OIC-SMIIC 1:2019

Presidential Regulation (Perpres)
No.52/2019. Retrieved from
<https://peraturan.bpk.go.id/Details/121650/perpres-no-52-tahun-2019>

Interview

Heru Suseno, Director of Development of Agro, Chemical, Health and Halal Standards, The National Standardization Agency of Indonesia, July 14, 2023

Muhammad Khomaini, Head of ITPC
(*Indonesian Trade Promotion Center*)

