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**The Role of Islamic Philanthropic Institutions in Accelerating
the Halal Certification Program for Micro, Small and Medium
Enterprises (MSMEs)**

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Abstract

The food and beverage sector is closely related to the MSME level and Islamic philanthropic institutions have empowered MSME actors in Indonesia, especially mustahik. This study aims to analyze the role of Islamic philanthropic institutions in accelerating the free halal certification program in the micro, small and medium scale food and beverage sector in Indonesia. The research method used is qualitative research with descriptive analysis through various secondary sources such as research articles, books, reports, official websites and other sources related to zakat and waqf institutions and halal certification for MSMEs. This research shows that Islamic philanthropic institutions such as zakat and waqf institutions in Indonesia have a significant role in accelerating the free halal certification program (SEHATI) for MSMEs. This is because MSMEs are very close and have been directly fostered by the Islamic philanthropic institution, so that the level of trust to carry out halal certification has been fulfilled. Islamic philanthropic institutions can promote halal certification through a mentoring process that is carried out routinely through MSME empowerment programs, especially for mustahik.

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Introduction

Indonesia as a country with a majority Muslim population has great economic potential to continue to develop. Indonesia's economic growth is of course not only based on the role of the state, but also the private sector and third sector organizations such as philanthropic institutions. Based on data from the Pew Research Center (2011), the estimated Muslim population in Indonesia in 2030 will reach 238,833,000 or 88% of the total population. In addition, according to the World Giving Index, Indonesia is also ranked first as the most generous country in the world in both 2021 and 2022 (Charities Aid Foundation, 2022). According to this data, there is no doubt that the role of philanthropic institutions, including Islamic philanthropic institutions such as the zakat, infaq, sedekah,

and waqf institutions (ZISWAF) can play a major role in Indonesia's development ecosystem.

Islamic philanthropic activism in Indonesia has become a central issue among academics, practitioners and policy makers. Some civic organizations and state institutions promote Islamic philanthropic activism as a medium for fostering social justice (Alwi et al., 2021). The role of Islamic philanthropy institutions is of course not just poverty alleviation as the goal of the first Sustainable Development Goals. However, Islamic philanthropy institutions have a more than that role, there are at least five aspects of the role including in the fields of da'wah, economic empowerment, education, health, and disaster management.

As the meaning of philanthropy emphasizes the concept of humanity, one of the dominant forms of Islamic philanthropic institutions is the assistance process, especially for *mustahik* zakat. Philanthropy in Islam has a wide scope including zakat, donations, alms, and waqf (endowments). Philanthropic institutions in Islam have a role not only for beneficiaries, but also for donors and the government. First, for the donator, this can eliminate the feeling of greed and can also clean up the possessions. Second, for beneficiaries, Islamic philanthropy can minimize feelings of envy and hatred, so that it can create a spirit of gratitude because the institution facilitates *mustahik* to receive assistance. Third, for the government, Islamic philanthropic institutions can assist development programs and improve people's welfare, thus reducing the burden on the state in ensuring the fulfillment of the needs of the people (Alwi et al., 2021).

Indonesia is a large country with a large population and is at risk of increasing unemployment due to increasingly fierce competition for human resources. One of the efforts to reduce the unemployment rate is to empower Micro, Small and Medium Enterprises (MSMEs) for business actors. MSME is a sector that has proven to be resilient in facing economic dynamics, including during the monetary crisis in 1997-1998 and has become a driving force for economic growth in Indonesia. Therefore, MSMEs are very important in helping Indonesia's development program, especially to reduce unemployment and boost the economy. Data from the Ministry of Cooperatives and SMEs shows that there are 64.2 million MSMEs in Indonesia with a contribution of 61.07 percent to GDP in March 2021 (Rachma & Hertati, 2022).

Efforts to advance MSMEs continue to be carried out by the government, including in assisting the halal certification process. Halal certification is very important to ensure safety for Muslim consumers. In addition, consumer confidence will also grow towards products that have been certified halal. The halal certification process has two schemes, namely the regular scheme with a certain fee and also the self-declared scheme which is intended for food and beverage SMEs without animal-derived ingredients such as meat or fish. For this self-declared scheme, the government has launched a Free Halal Certification (SEHATI) program for MSMEs through Halal Product Process Companion in collaboration with various parties. The government is also encouraging Islamic philanthropic institutions to help accelerate the SEHATI program so that the 2024 target is achieved, namely that halal certification for food and beverage products must be implemented on October 17, 2024 (Yana, 2022).

Research related to MSME halal certification has been carried out by (Khairunnisa et al., 2020; Nasution, 2021; Pujiyono et al., 2018; Rachma & Hertati, 2022). Then, research related to Islamic philanthropy and empowerment was carried out by (Adinugraha et al., 2023; Alwi et al., 2021; Murti, 2017; Sholikhah et al., 2021). However, to the best of the researcher's knowledge, there is only one study that focuses on the role of Islamic philanthropic institutions and MSME halal certification conducted in Bangkalan, Madura (Choiri & Ma'adi, 2023). Research related to the role of Islamic philanthropic institutions in encouraging MSME halal certification is important to do, especially regarding how schemes can be implemented. Therefore, this study aims to analyze the role of Islamic philanthropic institutions in an effort to accelerate the achievement of the free halal certification program (SEHATI), especially in the micro, small and medium scale food and beverage sector in Indonesia.

Literature Review

The term 'philanthropy' comes from the Greek language, consisting of two words namely *Philos* (love) and *Anthropos* (man). If translated literally, philanthropy is the conceptualization of the practice of giving, service and association. Therefore, if there is an institution that has the role of the three elements namely giving, serving and association, it is called a philanthropic institution. As for Islamic philanthropy in the historical context, it turns out that it already existed when Islam came to Indonesia, as its embodiment, namely in mosques and Islamic boarding schools. Both of them have a very important role for the development of Islamic da'wah in the country (Alwi et al., 2021; Murti, 2017).

The potential for developing Islamic philanthropic institutions is enormous, especially in a country with a majority Muslim population like Indonesia. The potential for philanthropy is also enormous to be developed as an alternative source of financial support in community empowerment (Murti, 2017; Sholikhah et al., 2021). A philanthropic institution such as the Amil Zakat Agency (BAZ) or the Amil Zakat Institution (LAZ) or the Waqf Institution has an important role in being a driving force for the process of distributing Islamic philanthropic distribution such as ZISWAF. ZISWAF aims to be able to become an axis for economic empowerment of the people. Philanthropic institutions are non-profit institutions in implementing their programs. The function of establishing a philanthropic institution is to improve the welfare of the beneficiaries in the long term and sustainably, meaning that the implementation of the programs that are channeled does not only stop to meet the needs of life for a moment but must be sustainable. Islamic philanthropic institutions in Indonesia are quite focused on developing the independence of mustahik and poor people through economic empowerment of mustahik who are MSME actors, especially in the food and beverage sector. Currently the Indonesian government is committed to achieving halal certification for MSMEs through the SEHATI (Free Halal Certification) program.

The halal industry has the potential to develop and is supported by the gradual implementation of mandatory halal regulations under the Halal Product Guarantee Law No. 33 of 2014. To support this program, the Halal Product Assurance Organizing Agency (BPJPH) encourages universities to establish Halal centers starting in 2019. The Halal Product Assurance Organizing Agency (BPJPH), the Ministry of Religion continues to strive to accelerate the achievement of 10 million halal-certified MSME products in 2022. One of them is by strengthening the collaboration of stakeholders in the SEHATI program, which consists of related Ministries/Institutions, local governments, and other strategic partners (Ministry of Religious Affairs Republic of Indonesia, 2022).

According to Indonesian Law Number 33 of 2014 concerning Halal Product Guarantee, it is emphasized that food, medicines, cosmetics and other products must be halal certified, which does not only apply to large company products but also targets MSMEs. Apart from going through the special self-declaration route for simple products free of charge, most MSME zakat management institutions are institutions that collect, manage, and distribute social religious funds, which are intended to improve the economic level of society, both consumptively and productively. Choiri & Ma'adi (2023) explained that zakat management institutions in Bangkalan Regency have not facilitated the halal certification process for MSMEs. This is due to the absence of socialization from zakat institutions at the central level to play an active role in the program. In addition, there are concerns about the addition of the al-kifayah standard for *mustahik* (beneficiaries/zakat recipients), it needs to be emphasized so that the distribution of zakat is limited for empowerment. Then, the acceleration of the halal certification program is right on target and right based on sharia provisions it is also necessary to identify MSME income so that the mustahik category can still be accommodated.

Micro, Small and Medium Enterprises (MSMEs) are productive businesses owned by individuals or individual business entities that meet the criteria for Micro Enterprises as stipulated in this Law, namely the asset criteria with a maximum of 50 million and the turnover criteria with a maximum of 300 million rupiah. Micro, small and medium enterprises (MSMEs) are an effective alternative in reducing poverty in Indonesia as stipulated in Law Number 20 of 2008 concerning Micro, Small and Medium Enterprises.

MSMEs are a business sector that has a large contribution to economic development growth and

creates sizable job opportunities for domestic workers, so it is very helpful in efforts to reduce unemployment (Hasri et al., 2016). MSMEs play an important role in the wider corporate ecosystem. According to the World Bank, Micro, Small and Medium Enterprises (MSMEs) are defined as follows – micro enterprises: 1–9 employees; small: 10–49 employees; and medium: 50–249 employees. However, local definitions of MSMEs vary from country to country, and are based not only on the number of employees, but also by taking into account other variables such as turnover and assets. There are around 365-445 million MSMEs in emerging markets: 25-30 million are formal SMEs, 55-70 million are micro formal, and 285-345 million are informal enterprises (UNDESA, 2020).

According to research conducted by Rachma & Hertati (2022), one of the efforts to minimize unemployment is by empowering MSMEs. MSMEs play a role as a support in Indonesia's economic growth and even the existence of these MSMEs helps Indonesia in facing the monetary crisis. Penjaringansari Village is one of the urban villages in Surabaya City with creative and innovative HR (Human Resources) potential, so assistance is needed for MSME actors to obtain halal certificates from the MUI (Indonesian Ulema Council). Halal certification plays an important role in ensuring that the business produced by MSME actors is free from illicit products starting from raw materials, production processes to the product halal guarantee system that meets the standards of Institute for the Study of Food, Drugs, and Cosmetics of the Indonesian Ulema Council (LPPOM MUI). Meanwhile, training and assistance for MSMEs in the Penjaringansari Village is carried out through socialization and mentoring for NIB (Business Identification Number) and assistance with halal labels. This assistance effort is to be able to make SMEs aware of the importance of the halal label.

Methodology

This study employs a qualitative methodology and a descriptive way of analysis using desks or secondary research on literature (Tanjung & Devi, 2018). Library research was carried out in this study by collecting various sources both from books, previous research, information from government websites, or reports and other information related to research topics (Yusuf, 2019). A temporary solution to the issue identified at the outset before the study was followed up was found using the library research method, which is a way of data searching or a method of in-depth observation of the theme under study (Habibaty, 2017). This study analyzes previous research literature to analyze the urgency of halal certification, especially for MSMEs and the role of Islamic philanthropy institutions to enhance the achievements of the SEHATI program. This is also the same as research conducted by Choiri & Ma'adi (2023) which analyzed the role of zakat institutions in supporting the process of halal-certified MSME products in Bangkalan, Madura.

Results and Discussion

The Urgency of the Free Halal Certification Program (SEHATI) for MSMEs

Based on data from the State of Global Islamic Economy Report (GRIE) 2022, Indonesia is a country ranked 4th on the Global Islamic Economy Indicator (DinarStandard, 2022). This ranking is based on global trade needs including Islamic finance, halal food, Muslim-friendly travel, modest fashion, pharma and cosmetics, then media and recreation (Coordinating Ministry for Human Development and Cultural Affairs Indonesia, 2021). Indonesia is included in the top 10 categories in three fields, namely Islamic finance (sixth), modest fashion (third), and halal food (second) (DinarStandard, 2022). This shows that Indonesia's potential and opportunities in the halal food category are enormous. Therefore, halal certification is one of the priority things to do at this time.

Muslim spending on halal food globally reached US\$1.27 trillion in 2021 and is expected to reach US\$1.67 trillion by 2025. Indonesia, Bangladesh and Egypt are the three countries with the largest spending on halal food. The halal ecosystem is starting to be considered through various regulations in each country, as well as in Indonesia. The Indonesian government is holding digitalization and online capacity building training for MSMEs that have been affected by financial losses due to the pandemic. In addition, a new halal information system was introduced, including all halal procedures and programs

integrated with halal markets, applications and e-money providers. The Indonesian government also made significant revisions to the Halal Product Guarantee Law No. 33 of 2014 to speed up, simplify and clarify processes, reduce processing time and facilitate certification for micro and small businesses (DinarStandard, 2022).

Halal certification for MSME products is very important, including reaching the global market. As data from the State of Global Islamic Economy Report (GRIE) 2022, the halal food sector continues to grow in non-Muslim majority countries, indicating significant opportunities for stakeholders. The Islamic Food and Nutrition Council of America (IFANCA) has a mission to make halal food accessible to everyone. This is so that consumers can feel that food is halal, safe for health, and preserve core values in the religion of the Muslim community (DinarStandard, 2022). If MSME products are halal certified, they can increase opportunities to enter national and global markets.

Indonesia Law Number 33 of 2014 concerning Halal Product Guarantee emphasizes that food, medicine, cosmetics and other products must be halal certified, which not only applies to produce of large companies, but also targets Micro, Small, and Medium Enterprises (MSMEs) (Choiri & Ma'adi, 2023). The halal industry has the potential to develop, supported by the gradual implementation of mandatory halal regulations according to Law No. 33 of 2014 concerning Guarantees for Halal Products. To support this program, the Halal Product Assurance Organizing Agency (BPJPH) has been encouraging universities to establish Halal Centers since 2019 (Arsil et al., 2022). Regulations that encourage halal certification will certainly have an impact on MSMEs engaged in food and beverages in Indonesia. Therefore, to direct the positive impact on guaranteeing the halalness of MSME products in Indonesia, the government has also launched a Free Halal Certificate (SEHATI) program for micro and small business actors in the food and beverage sector in Indonesia.

The acceleration of the halal certification process, especially for MSMEs, is supported by the Halal Product Assurance Organizing Agency (BPJPH). In 2022 the SEHATI program was launched for MSMEs with a quota of up to 25,000 halal certificates (Choiri & Ma'adi, 2023). This limited funding from the state through BPJPH needs to be supported by various other institutions such as Islamic philanthropic institutions, organizations, private companies through their social funds to support the process of accelerating the halal certification program for these MSMEs.

The urgency of halal certification for MSMEs can be described as research that has been carried out by several related studies. Choiri & Ma'adi (2023) analyzed how to implement halal certification for MSME actors in Bangkalan, Madura, East Java. The results of this study indicate that the halal task force at the Ministry of Religion of Bangkalan and offices in Bangkalan Regency are still focused on socialization and have not yet entered the technical administrative aspects required by MSMEs such as the Taxpayer Identification Number (NPWP) and Business Identification Number (NIB) which are requirements in the management of halal certification by self-declaring.

To apply for a halal certificate through the self-declaration scheme, business actors are required to have an NIB which can be registered through a website-based system, namely Online Single Submission (OSS). After the NIB is obtained, only then can you apply for halal certification through the SIHALAL system which is also website-based. However, micro and small business actors usually have problems in terms of administrative techniques, especially those related to technology. Therefore, the role of assistants in the process of halal products is very important to accompany from the initial process until the halal certificate is obtained. The use of OSS and SIHALAL can also be done through applications on gadgets so that they are easier to use.

The urgency of halal certification was also conveyed by Khairunnisa et al.(2020)in their research which stated that there was an increase in the turnover of MSME players in Bogor after having halal certification. In addition, halal certification also needs to be carried out in facing global competition (Pujiyono et al., 2018). The era of globalization allows products from other countries to enter Indonesia if they meet the requirements including halal certification, and vice versa. This allows Indonesian MSME products that are halal-certified to be more easily accepted by the national and global markets so that they can improve people's welfare. However, it is necessary to realize that halal literacy and

technology in obtaining halal certification have not been fully understood by MSME actors, especially at the micro and small business level. Therefore, cooperation with various parties needs to be carried out in supporting the halal certification.

Choiri & Ma'adi (2023) in their research explained that MSME actors complained about the various stages of the process that had to be followed and some had to deal with unscrupulous licensing. This makes MSME actors choose not to carry out the halal certification process. In addition, the persistence of MSME actors is also needed because the main data that needs to be input into the system is based on explanations from the MSME actors themselves.

The process of applying for halal certification can be done through this regular route which should be carried out by both MSMEs and large companies. However, the regular route requires a lot of resources and funding. For example, if a meatball seller has beef or chicken as its basic ingredients, then the halal product process must go through a halal supervisor by implementing a halal product guarantee system (SJPH). Apart from going through the regular route, there is also a self-declared line that is intended for MSMEs with simple product categories (one of the conditions is non-meat-based products).

The free halal certification acceleration program through SEHATI organized by the Halal Product Guarantee Agency (BPJPH) can be accessed free of charge by micro and small business actors, namely at the stage of the halal fatwa application process. However, the initial process including administrative completeness of SEHATI requires stages that must be fulfilled by micro and small businesses in the self-declared category (Choiri & Ma'adi, 2023). The stages before submitting for halal certification need to be accompanied carefully because they relate to the data of business actors and also the products proposed.

Following are some of the terms and conditions for applying for halal certification with a self-declared (Indah, 2022): First, the product is not at risk or uses materials that have been confirmed as halal. Second, the production process is guaranteed to be halal and simple. Third, have annual sales results (turnover) of a maximum of Rp. 500 million as evidenced by an independent statement and having business capital of up to a maximum of Rp. 2 billion rupiah. Fourth, have a Business Identification Number (NIB). Fifth, having locations, places, and processing equipment for halal products (PPH) that are separate from locations, places, and processing equipment for non-halal products. Sixth, have or do not have a distribution permit (PIRT/MD/UMOT/UKOT), Sanitary Hygiene Eligible Certificate (SLHS) for food/beverage products with a shelf life of less than seven days or other industrial permits, for products produced from the agency/ relevant agencies. Seventh, have outlets and production facilities at most 1 (one) location. Eighth, has been actively producing one year before the application for halal certification. Ninth, the products produced are in the form of goods (not services or business restaurants, canteens, catering, and taverns/houses/food stalls).

The next requirement is the tenth; the materials used have been confirmed as halal. This is evidenced by a halal certificate, or included in the list of ingredients according to the Decree of the Minister of Religion Number 1360 of 2021 concerning Materials that are exempt from the Obligation to be Halal Certified. Eleventh, does not use hazardous materials, has been verified as halal by the halal product process assistant. Twelfth, it has been verified as halal by the partner in the process of halal products. Thirteenth, types of products/product groups that are halal certified do not contain elements of slaughtered animals, unless they come from producers or slaughterhouses/poultry slaughterhouses that have been halal certified. Fourteenth, using production equipment with simple technology or done manually and semi- automatically (home business not factory business). Fifteenth, the product preservation process does not use radiation techniques, genetic engineering, the use of ozone (ozonization), and a combination of several preservation methods (hurdle technology). Finally, the sixteenth is complete the documents for submitting halal certification with an online statement mechanism for business actors through SIHALAL.

The following is an overview of the flow of halal certification through self-declaration that can be carried out by business actors after all the initial stages above have been fulfilled.

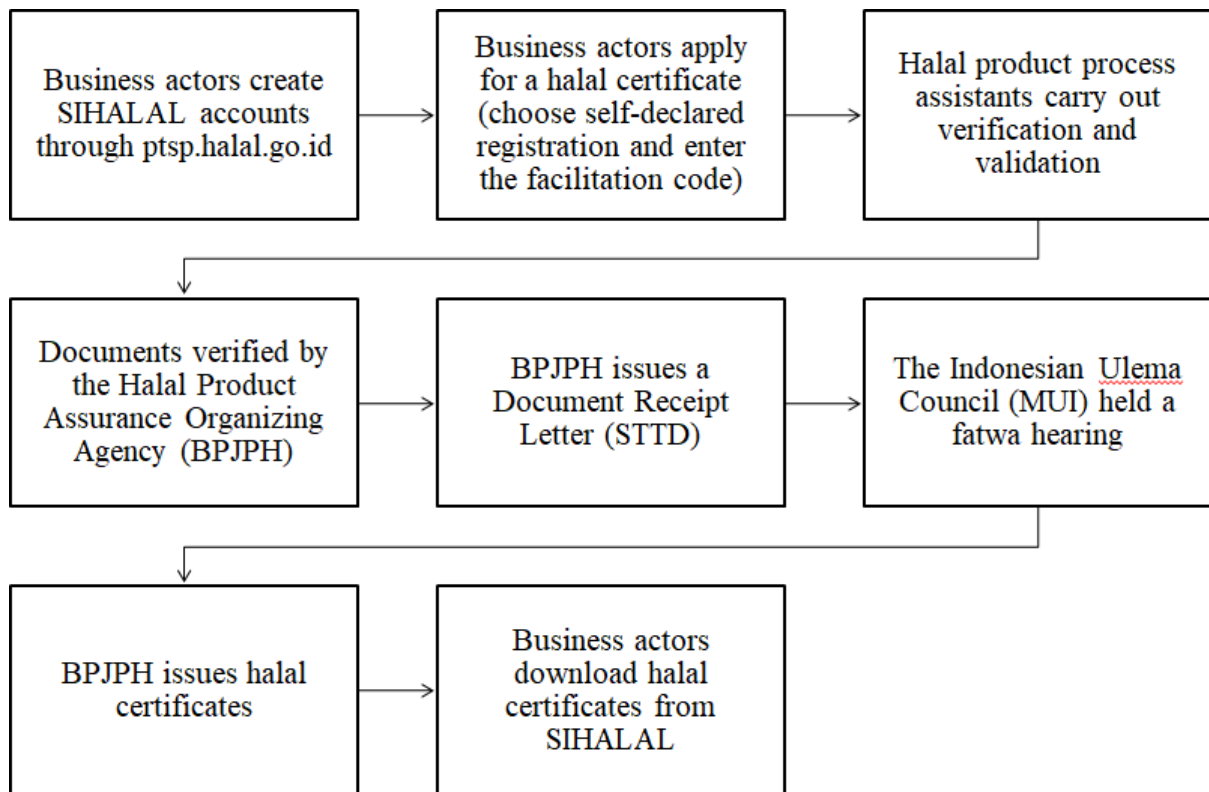


Figure 1. Self-Declare Halal Certification Diagram Process

The Role of Islamic Philanthropic Institutions to Accelerate Halal Certification for MSMEs

The potential for MSME development is quite good in poverty alleviation, because it turns out that the MSME sector has a large contribution to employment, which absorbs more than 99.45% of the workforce and contributes to GDP of around 30% (Supriyanto, 2006). MSME empowerment needs to be done so that the welfare of MSME actors can be achieved. This empowerment can be carried out through Islamic philanthropic institutions such as zakat and waqf institutions. A philanthropic institution such as BAZ/LAZ has an important role in being a driving force for the process of distributing Islamic philanthropic distribution such as ZISWAF (Murti, 2017).

Islam strongly encourages charity to eradicate social inequality and ensure that riches do not solely benefit the wealthy. Islamic philanthropy or Islamic social finance has enormous potential to help economic growth. Socialization regarding the terms Islamic social finance and Islamic philanthropy still needs to be enhanced because it has been optimized to help economic growth, specifically in micro-enterprises (Adinugraha et al., 2023). The potential for developing Islamic philanthropy is enormous in the form of the generosity of Muslims through zakat, infaq, shadaqah, and endowments. If managed productively, Islamic philanthropy in the form of ZISWAF will be able to carry out maximum functions, such as providing public facilities, economic empowerment, and so on (Murti, 2017).

Islamic philanthropic institutions can also cooperate in distributing ZISWAF from donors for MSME assistance, including assistance with halal certification. Murti (2017) explains that infaq is not only material in nature, such as money, goods, but can also be non-material in the form of skills and expertise. This instrument does not target individuals per individual, but groups of people who will later be useful for their welfare. Therefore, MSMEs under the guidance of Islamic philanthropic institutions can be grouped first so that the assistance can run effectively.

The role of Islamic philanthropic institutions can be maximized when the benefits distributed are not only consumptive, but also productive which in the end will provide capital for mustahik (Murti, 2017). This ecosystem will then create a pattern of fair distribution in accordance with the teachings of

the Koran. When viewed from the aspect of empowerment, the people's economy will also increase through financial assistance and assistance received by MSME actors from Islamic philanthropic institutions to arrange halal certification for their products.

The Ministry of Cooperatives and SMEs noted that there were 65.47 million MSMEs in Indonesia and continued to grow as Covid-19 hit. Based on the number of business actors, the majority of the MSME sector consists of culinary, fashion and agribusiness businesses (Ministry of Cooperatives and Small and Medium Enterprises of the Republic of Indonesia, 2021). The MSME sector in Indonesia is a sector that has survived during the pandemic due to the many layoffs and sluggish business cycles so that people survive by setting up micro- enterprises. According to the Ministry of Cooperatives and MSMEs, the development of the halal industry in Indonesia must go hand in hand and be aligned to support MSMEs through various accelerations. This includes simplification and acceleration of licensing, halal certification facilities, and fostering halal incubation in various fields (Ministry of Cooperatives and Small and Medium Enterprises of the Republic of Indonesia, 2021).

The concept of community in Islam has three objectives, namely people oriented, *maslahah* oriented, and *falah* oriented. People oriented means that development is based on human bases and interests, human resources are the key to civilization. Furthermore, *maslahah* oriented, development based on the general benefit, not a particular group, so that this principle prevents inequality and sustainable poverty. Then there is the concept of *falah* oriented, meaning victory in both the world and the hereafter. This means that this concept must also be useful according to Islamic law (Choiri & Ma'adi, 2023). Efforts to accelerate halal certification for micro and small businesses, especially *mustahik*, by Islamic philanthropic institutions are one form of building the welfare of the people.

Building the people's economy through free halal certificate facilities for MSMEs can also be carried out through community empowerment strategies (Choiri & Ma'adi, 2023). This concept encourages *mustahik* groups to be able to create job opportunities independently. According to Law Number 23 of 2011 concerning Zakat Management it is explained that the definition of zakat management is the process of implementing, coordinating supervision in the collection, distribution, and utilization of zakat.

Distribution of benefits with the concept of empowerment is an effort to distribute zakat, *infaq*, *shodaqah* or other social funds to *mustahik* so that they are more economically independent (Choiri & Ma'adi, 2023). Imam Al-Syairazi explained that if an indigent person is able and has manpower he should be given the tools to work, and if he has trade knowledge then he should be given business capital, so he can buy merchandise or develop his business (Furqon, 2015). In the context of this study, halal certification of a product, especially that owned by MSME actors, is one of the efforts to develop a business. This is because with the existence of a halal certificate, it can increase public trust, attract investors to help with capital, and also provide guarantees to consumers. When a product can increase its sales, it will also have an impact on zakat receipts from these MSME actors. So that Islamic philanthropic institutions such as zakat and *waqf* institutions have a role in this halal industrial ecosystem on an ongoing basis.

Choiri & Ma'adi (2023) in their research explains the strategies that need to be carried out by zakat institutions in supporting halal certification of MSME products as follows: First, there is openness in the MSME registration process that will access financing for the halal certification process. Second, zakat institutions need to pay attention to the eligibility aspect through a survey so as to ensure that it meets the *mustahik* criteria and *fiqh*. Third, there are *mustahik* groupings, such as MSME groups, labor groups, or workers' groups. This is to avoid fraud in the distribution process. Fourth, assistance is carried out with the role of zakat institutions accompanied by periodic coaching to ensure that the process runs according to applicable regulations. Fifth, there are third parties such as educational institutions or halal study centers in overseeing the halal certification process. Sixth, there is regular supervision, control, and evaluation.

The Indonesian government through the National Sharia Economic and Finance Committee (KNEKS) also supports the acceleration of the development of MSMEs in the halal industry in various aspects. One of them is through the Division of Sharia Social Funds; KNEKS organizes training for prospective assistants in the process of halal products. Collaboration with various parties is carried out in organizing training to increase the number of assistants to process these halal products. For example, KNEKS collaborated with the National Amil Zakat Agency (BAZNAS) and the World Halal Center Nahdlatul Ulama (WHC NU) in March 2023. Amil Zakat Institutions can assist MSMEs in managing the halal certification process with a self-declared scheme. Apart from that, KNEKS also encourages the existence of Halal, Safe and Healthy Culinary Zones (KHAS Zones) based on programs from sharia social funds (Jamilullah, 2023). KNEKS has also collaborated with various other parties, such as with the Halal Inspection Institute (LPH) in universities and also with the Zakat Forum.

In relation to the role of zakat institutions in helping micro and small businesses for mustahik, in the opinion of Choiri & Ma'adi (2023), the categorization of the poor in contemporary zakat fiqh is the limit of adequacy (had al-kifayah) namely the acquisition of a decent life, not only in the amount of money earned. Therefore, there needs to be firmness for zakat institutions in determining mustahik who will be assisted in the halal certification process for their food and beverage business. According to Imam Nawawi and Ibnu Hazm, a decent life includes primary and secondary needs, some also mention the standard of living based on nisab (Sahroni et al., 2018).

Based on the income aspect, those included in the MSME category in Indonesia are businesses with an income of less than 500 million rupiah per year. If so, then the MSME classification with a certain limit has exceeded the nisab category of gold zakat of 85 grams per year. These MSMEs are already included in the muzakki category so they are not allowed to access assistance from zakat institutions as mustahik. MSMEs with incomes that do not meet their needs or work solely to fulfill had al-kifayah are micro and small businesses that are included in mustahik so they need to be assisted in a free halal certification program through zakat institutions (Choiri & Ma'adi, 2023). However, Islamic philanthropic institutions can also optimize funds other than zakat such as infaq and alms to help other MSME actors who are not mustahik but need assistance. This can increase public trust in related zakat and waqf institutions. The long-term impact is the potential for MSME actors who are also assisted to become muzakki or permanent donors at related zakat institutions.

The Efforts of Islamic Philanthropic Institutions in Encouraging the SEHATI Program

Islamic philanthropic institutions play a significant role in empowering the community's economy, especially in the micro and small business sector. This is because Islamic philanthropic institutions such as zakat and waqf institutions are institutions that deal directly with the lives of these business actors which are supported through productive business funding from ZISWAF. Therefore, efforts to empower the community by these institutions can also be optimized through assistance in the free halal certification process (SEHATI) so that products from mustahik or beneficiaries are more guaranteed to be halal.

Research conducted by Arsil et al. (2022) regarding the Halal Center collaboration development strategy shows that there are seven actors in this matter, namely BPJPH, Government, Private Companies, Halal Centers, MSMEs, Consumers and Professional Certification Institutions (LSP). Then the objectives of the cooperation strategy are to strengthen the Halal Center, accelerate MSME halal certification, and strengthen inter-agency performance. Strategies that can be implemented are cooperation with the private sector, cooperation in utilizing government assistance funds, and collaboration with Professional Certification Institutions. The research concluded that the factors that influence the cooperation of the Halal Center with other institutions are capital and agency policies and the main cooperation strategy is through the use of government assistance funds. In the previous

research, there has been no strategy for cooperation with Islamic philanthropic institutions.

This research tries to describe various possible efforts that can be made by Islamic philanthropic institutions in encouraging the SEHATI program. Three efforts that can be made are:

Collaboration with the National Sharia Economy and Finance Committee

Islamic philanthropic institutions can apply for cooperation with the National Sharia Economic and Finance Committee to be able to propose amil and their volunteers as assistants in the process of halal products. Then, KNEKS can connect with the Halal Inspection Agency to conduct training and facilitate micro and small business actors assisted by related Islamic philanthropic institutions to obtain halal certificates. This can benefit various parties; Islamic philanthropic institutions can have resources that are not only experts in distributing benefits but also assist directly in the halal certification process. The mustahik can fulfill their needs to be economically independent not only in terms of funding and management but also halal certification.

Collaboration with Universities through the Campus Zakat Program

Merdeka Belajar Kampus Merdeka (MBKM), which was initiated by the Ministry of Education, Research and Culture at this time, allows students to study directly at institutions or companies in full in one semester. Islamic philanthropic institutions through the Campus Zakat program can optimize students who enter the program to be encouraged to take part in training as assistants in the process of halal products. It is intended that after the Campus Zakat program is completed, students besides having skills in managing ZISWAF also have competence in mentoring MSME actors. If you rely only on the amil to assist in the processing of halal certificates, it will not be optimal due to time constraints. However, if a team can be formed with Zakat Campus students, then the results can be more optimal and sustainable.

Cooperation with Private Companies

As an Islamic philanthropic institution, it is only natural to have cooperation with private companies, especially in the distribution of company zakat or zakat from the company's employees. In addition to zakat funds, Islamic philanthropic institutions can also collaborate to distribute Corporate Social Responsibility (CSR) funds. To support the acceleration of the SEHATI program, it would be better if there was an allocation of funds from zakat, infaq, alms, endowments, or CSR from private companies channeled through Islamic philanthropic institutions to assist in assisting halal certification for micro and small business actors. This will have a positive impact not only on micro and small businesses but also companies that channel their social funds to Islamic philanthropic institutions. Islamic philanthropic institutions can create branding as an institution that encourages their mustahiq to pay attention to the halal guarantee of their business products. When it is halal certified, products from mustahik can be distributed more widely because it is trusted and guaranteed. One of the requirements for a product to enter a large-scale shopping center is that it is halal certified.

Conclusion

Islamic philanthropic institutions in Indonesia play a significant role in building awareness in empowering communities to achieve prosperity. The mentoring process is one of the roles of Islamic philanthropic institutions for mustahik or beneficiaries who really need it. Efforts to accelerate the achievement of the free halal certification program (SEHATI) launched by the government need to be supported, including by Islamic philanthropic institutions. This is because Islamic philanthropic institutions are very close to empowered micro and small business actors in the regions. The trust factor of business actors in companions also affects the smoothness of the halal certification process. Activists of Islamic philanthropic institutions need to understand the halal certification process to encourage economic growth for the micro and small business actors they support. Strategic cooperation needs to be carried out so that it has a significant impact. This research is expected to be a basis for policy recommendations, especially for Islamic philanthropic institutions in establishing a

mustahik assistance scheme in their empowerment program. In addition, for the government, this research is expected to illustrate the need for strategic collaboration to accelerate the achievement of the SEHATI program through Islamic philanthropic institutions. For academics, this research still has limitations because it is

still at the conceptual level. Future research can elaborate on the potential possibilities that can be carried out by conducting interviews with stakeholders, such as BPJPH, KNEKS, zakat and waqf institutions, halal inspection institutions, and also MSME actors. Future research can also explore best practices that have been carried out so far to achieve the target of halal certification for MSMEs.

Author's Contribution

LM created and designed analyses, collected the data for the literature review; performed the analysis, and wrote the paper. EY collected the data for the literature review and wrote the paper.

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Declaration of Competing Interest

The authors declare that we have no known competing financial interests or personal relationships that could have appeared to influence the work reported in this paper.

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