

Navigating Barriers to Self-Declared Halal Certification among Culinary MSMEs in Banten

Moh. Nasrudin¹, Rahmatullah²

¹ PC Ikatan Sarjana Nahdlatul Ulama Kabupaten Pekalongan, Indonesia

² Universitas Syekh Nawawi Banten, Indonesia

Corresponding Author:

Moh. Nasrudin,

PC Ikatan Sarjana Nahdlatul Ulama Kabupaten Pekalongan.

Jl. Raya Wangandowo, Kec. Bojong, Kab. Pekalongan, Jawa Tengah, 51156, Indonesia.

Email: moh.nasrudin59@gmail.com

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Abstract

This research explores the lived experiences of culinary MSMEs in Banten, Indonesia, as they navigate the complexities of the mandatory Self-Declare Halal certification scheme. Employing a qualitative phenomenological approach, the research investigates how traditional entrepreneurs perceive and overcome systemic technical and psychological barriers. Findings reveal that while digital literacy gaps and “regulatory anxiety” regarding potential hidden costs initially hinder compliance, entrepreneurs successfully mitigate these obstacles through a multi-layered orchestration of support. This process involves symbiotic collaborations with Halal Product Process Assistants (P3H), strategic use of local social capital, and implementation of micro-innovations in operational management. Upon obtaining certification, a profound semantic shift occurs as the Halal label shifts from a purely spiritual obligation to a strategic market asset, fostering an enhanced entrepreneurial identity and long-term sustainability. The research concludes that optimizing the Halal ecosystem requires transitioning from a rigid top-down regulatory model to a more empathetic, humanized, and localized support system that recognizes the socio-cultural realities of the culinary grassroots.

Keywords: Halal certification, Self-Declare, MSMEs, Phenomenology, Banten.



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INTRODUCTION

The global Islamic economy has undergone a monumental paradigm shift over the last decade, transitioning from a niche religious requirement into a robust, multi-trillion-dollar global industry. Central to this evolution is the concept of Halal, which encompasses not only the permissibility of consumption but also the assurance of quality, safety, and ethical integrity. As the world's most populous Muslim-majority nation, Indonesia has positioned itself at the epicentre of this transformation, viewing the Halal industry as a strategic pillar for national economic resilience (Surur et al., 2024). The Indonesian government, through the enactment of Law Number 33 of 2014 concerning Halal Product Assurance, fundamentally altered the domestic regulatory landscape by shifting Halal certification from a voluntary endeavour to a mandatory legal obligation. This legislative move serves as the bedrock for the nation's ambitious goal to become the global centre of the Halal value chain. However, the implementation of such a massive regulatory overhaul presents unique challenges, particularly for the Micro, Small, and Medium Enterprises (MSMEs) that constitute the backbone of the Indonesian economy (Adinugraha, Rahmawati, et al., 2025).

In contemporary discourse on Islamic economics, MSMEs are recognized not merely as economic agents but also as vital instruments for social justice and community empowerment. Within the culinary sector, these enterprises represent the most dynamic and pervasive segment of the industry. To accelerate the implementation of the Halal mandate for these small-scale actors, the Indonesian government introduced the Self-Declare certification scheme. This mechanism allows MSMEs to certify their products through a Halal fulfilment statement, provided they meet specific criteria, such as using low-risk ingredients and following a simple production process. This policy represents a significant breakthrough in inclusivity, aimed at dismantling the financial and bureaucratic barriers that historically prevented small business owners from obtaining formal certification. By leveraging the role of Halal Product Process Assistants (P3H), the government intends to create a seamless, digitised, and cost-effective pathway toward compliance (Sholeh & Mursidi, 2023). Despite the noble intentions of the Self-Declare policy, the transition from theory to practice reveals a complex tapestry of obstacles that MSMEs must navigate. The digital transformation of the certification process, while efficient in principle, has created a "digital divide" among traditional culinary entrepreneurs. Many MSME owners, particularly those from older demographics or underserved regions, struggle with the technicalities of the SiHalal digital platform and the rigorous documentation required for the Halal Assurance System (SJPH). The psychological burden of navigating a new legal framework often leads to "regulatory anxiety," in which business owners perceive the certification not as an opportunity for growth but as a potential threat to their operational continuity. This tension highlights a critical gap between the top-down policy objectives and the bottom-up reality of the culinary grassroots (Rachman & Sangare, 2023).

Banten Province serves as a compelling and highly relevant laboratory for investigating these dynamics. Historically known as a gateway to Islamic civilisation in the Indonesian archipelago, Banten possesses a deeply rooted religious culture that strongly influences its local commerce and culinary traditions. The province boasts a vibrant MSME sector, with thousands of culinary businesses contributing significantly to the regional Gross Regional Domestic Product (GRDP). However, the unique socio-cultural landscape of Banten also presents specific challenges. The intersection of traditional business practices with modern, digitised Halal regulations creates a unique friction point. Exploring how Banten's culinary entrepreneurs perceive, interpret, and overcome the hurdles of the Self-Declare scheme provides essential insights into the broader struggle for Halal compliance in traditional Indonesian society (Jakiyudin & Fedro, 2022).

Current literature on Halal certification in Indonesia has focused mainly on quantitative assessments of interest, the impact of certification on sales, or legal-normative analyses of the Halal Law itself. While these studies provide valuable macro-level data, they often overlook the nuanced, subjective experiences of the individuals behind the businesses (Ahyar, 2020). There is a noticeable lack of research that employs a phenomenological lens to capture the “lived experience” of MSME owners as they navigate the complexities of the Self-Declare process—understanding the “how” and “why” behind their struggles, their moments of breakthrough, and their perceptions of the state’s role is crucial for refining future policies. Without a deep, qualitative understanding of these human experiences, the mandatory Halal mandate risks becoming a mere administrative exercise rather than a transformative economic movement (Effendi et al., 2024).

This research addresses this gap by adopting a phenomenological approach to explore the navigation of obstacles in the Self-Declare Halal certification process among culinary MSMEs in Banten. Phenomenology allows the researcher to set aside preconceived notions and focus solely on participants’ subjective reality. By delving into the consciousness of these entrepreneurs, this research aims to uncover the “essence” of seeking Halal legitimacy in a rapidly digitising economy. It moves beyond identifying barriers to exploring the strategies, social, technical, and spiritual that these individuals employ to navigate the certification landscape successfully. This focus on the “navigation” process is particularly vital, as it highlights the agency and resilience of MSME owners in the face of systemic change (Supriyono et al., 2024).

The urgency of this research is further underscored by the impending “Halal 2024” deadline, after which non-compliant culinary products may face sanctions. This time-sensitive context adds pressure to the MSME experience, making the exploration of their navigational strategies even more critical. If the Self-Declare scheme is to be the primary vehicle for achieving universal Halal compliance for small businesses, we must ensure it is actually drivable for those it is intended to serve. The findings from this research in Banten will not only contribute to the academic discourse on Islamic economics and Halal management but will also provide practical, evidence-based recommendations for policymakers, the Halal Product Assurance Organising Body (BPJPH), and local governments to optimize the certification ecosystem (Purwanto et al., 2020).

This research aligns with the broader objectives of the Maqasid al-Shari’ah (objectives of Islamic law), specifically the protection of religion (*hifz al-din*), life (*hifz al-nafs*), and property (*hifz al-mal*) (Padela, 2022). By ensuring the integrity of Halal products, the state protects the religious practice and health of its citizens. In contrast, a smooth certification process protects the economic livelihoods of small business owners. This research views the Self-Declare process through this holistic lens, examining how administrative compliance serves these higher ethical and social goals. It seeks to determine whether the current system truly empowers the Mustadhafin (the economically weak) or if it inadvertently creates new forms of exclusion.

This research investigates the intricate journey of culinary MSMEs in Banten as they interact with the Self-Declare Halal certification scheme. By synthesising the global importance of the Halal industry with the personal experiences of Banten’s entrepreneurs, the research provides a comprehensive view of the challenges and triumphs inherent in the era of mandatory Halal. The following sections will detail the phenomenological methodology employed, present the thematic findings derived from in-depth interviews, and discuss the implications of these experiences for the future of the Halal industry in Indonesia. This research seeks to give voice to the silent majority of the Halal economy, ensuring their perspectives are integrated into the national narrative of progress and prosperity.

RESEARCH METHOD

This research employs a qualitative phenomenological research design to explore how culinary MSME actors in Banten experience and navigate barriers in the Self-Declare Halal certification process. A phenomenological approach is appropriate because the research seeks to understand the lived experiences, perceptions, and meanings that entrepreneurs construct when interacting with halal regulatory systems, rather than measuring outcomes or testing hypotheses.

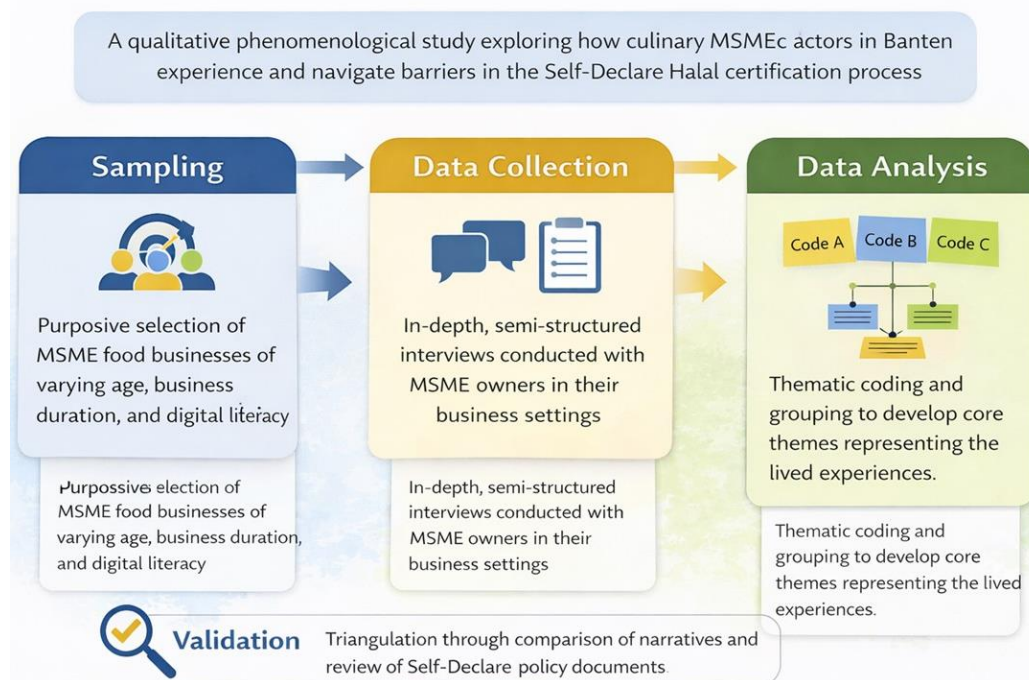


Figure 1. Research methodology

Data were collected through in-depth, semi-structured interviews with culinary MSME owners who had attempted or completed the Self-Declare Halal certification process. Participants were selected purposively to ensure relevance, focusing on small-scale food businesses that represent diverse ages, business durations, and levels of digital literacy. This sampling strategy allowed the research to capture variation in experiences while maintaining depth and contextual richness. Interviews were conducted in natural business settings to ensure authenticity and to encourage participants to reflect openly on technical, psychological, and social challenges encountered during certification.

The data analysis followed a thematic phenomenological procedure. Interview transcripts were read repeatedly to achieve immersion and to bracket the researcher’s assumptions. Open coding was used to identify significant statements regarding obstacles, coping strategies, and perceptions of halal certification. These codes were then grouped into broader meaning units and refined into core themes that represent the essence of participants’ experiences. Analytical rigour was ensured through constant comparison across transcripts and reflexive memo writing. To enhance credibility and trustworthiness, the research applied triangulation by comparing narratives across participants and consulting relevant policy documents related to Self-Declare certification. This methodological approach provides a robust foundation for capturing the human dimension of halal governance and contributes nuanced insights into the lived realities of MSMEs within Indonesia’s evolving halal ecosystem.

RESULTS AND DISCUSSION

Resistance and Acceleration Spectrum: Technical and Psychological Barriers Facing MSMEs

The empirical evidence gathered from culinary MSME owners in Banten reveals a complex interplay between the desire for business acceleration and the structural resistance rooted in technical and psychological barriers. While the Indonesian government envisions the Self-Declare scheme as a fast-track mechanism for Halal compliance, the lived experiences of entrepreneurs in Banten suggest that this “acceleration” remains unevenly distributed. The findings demonstrate that the spectrum of resistance is not merely a refusal to comply with religious standards but rather a manifestation of systemic friction within the digital and administrative architecture of the Halal Product Assurance Organising Body (BPJPH) (Santoso & Rachman, 2023).

The first significant theme emerges from the analysis of digital and administrative literacy. The data illustrate that the SiHalal digital platform, intended to serve as a streamlined gateway for certification, ironically functions as a formidable technical bottleneck for a substantial portion of the Bantenese culinary sector. Participants consistently highlight that the user interface and the mandatory digital uploads require a level of technological efficacy that many traditional entrepreneurs have not yet mastered. This technical friction manifests most acutely during the initial registration phase, where the requirement for digitalised identification and business licensing documents creates an immediate sense of exclusion. The entrepreneurs characterise the SiHalal ecosystem as an environment that favours “digital natives” while marginalising those whose business models remain rooted in physical, non-digitised operations (Santoso & Rachman, 2023). Beyond the interface itself, the burden of administrative literacy extends into the construction of the Halal Assurance System (SJPH) manual. The research findings indicate that the requirement to document every ingredient and process in accordance with formal SJPH standards imposes a significant cognitive load on MSME owners. Most participants view the manual not as a tool for quality assurance, but as an alien bureaucratic requirement that disrupts their natural operational flow. This disconnect suggests that the “Self-Declare” nomenclature is somewhat paradoxical; while the declaration is personal, the documentation remains tethered to a rigid, standardised framework that requires external assistance. This technical gap necessitates a heavy reliance on Halal Product Process Assistants (P3H), transforming what was intended as an autonomous process into a dependent one. The discussion of these findings implies that without a more intuitive, mobile-centric simplification of the SJPH manual, the digital divide will continue to stymie the acceleration of Halal certification in Banten (Hamidatun & Pujilestari, 2022).

The second core finding examines the psychological barriers that underpin resistance to certification. Despite the government’s repeated assertions that the Self-Declare program is free (Sehati), a pervasive scepticism about “hidden costs” remains deeply embedded in the collective consciousness of Bantenese entrepreneurs. The data reveal that this fear is rarely about the official certification fee itself but rather concerns the secondary financial implications. Participants express anxiety that formalising their business through the Halal system will automatically trigger increased scrutiny from tax authorities or result in future mandatory costs for laboratory testing and renewal. This “psychological tax” creates a significant deterrent, where the perceived risk of government oversight outweighs the perceived benefit of a Halal label (Saville & Mahbubi, 2021). This bureaucratic phobia is further compounded by the complexity of the process, which many participants interpret as a deliberate barrier. The phenomenology of their experience suggests that “complexity” is synonymous with “uncertainty.” For many small-scale fryers or street food vendors in Serang or Pandeglang, the prospect of engaging with a national regulatory body feels disproportionately large given their localized market reach. This creates a state of psychological paralysis, where the entrepreneur chooses to remain in the informal sector to avoid the perceived “entrapment” of formal regulation. This finding underscores the BPJPH’s critical need to decouple Halal certification from broader fiscal or regulatory surveillance in its public messaging to build trust within the MSME community.

The third thematic layer focuses on the distortion of information as it travels from the central policy hubs in Jakarta to the local grassroots in Banten. The research identifies a significant information gap characterised by semiotic distortion, where the nuances of the Self-Declare policy are lost in translation. While the central government utilises social media and national news outlets to promote the program, the entrepreneurs in Banten primarily rely on informal social networks, local religious leaders, and “mouth-to-mouth” communication. This reliance on informal channels often spreads misinformation about the Self-Declare criteria, leading many business owners to believe they are ineligible when, in fact, they are the primary targets of the policy (Chulsum Layyinatul Chasanah & Shofiyullah Muzammil, 2024). The analysis of this information gap suggests that the central government’s “one-size-fits-all” communication strategy fails to account for Banten’s unique socio-cultural landscape. In many instances, the technical language of “Sertifikasi Halal” is perceived as an academic or elite concern rather than a practical business necessity. The findings indicate that information reaches the local level in a fragmented state, often arriving too late or without the necessary localized context to be actionable. This distortion leads to a “waiting game” mentality, where entrepreneurs delay their applications until they see a peer successfully navigate the system. Consequently, the acceleration of the Halal mandate in Banten is driven not by top-down policy dissemination, but by localized social proof and the manual intervention of P3H volunteers who bridge the information divide.

In the broader context of Islamic Economics, these findings highlight a tension between the Maqasid al-Shari’ah (objectives of Islamic law) and the practicalities of modern governance. While the policy aims to protect the consumer (*hifz al-nafs* and *hifz al-din*), the administrative hurdles may inadvertently harm the producer’s economic livelihood (*hifz al-mal*). The discussion suggests that for the Self-Declare scheme to serve as an honest accelerant, the BPJPH must move beyond mere digitisation toward the “humanisation” of the process. This involves refining the SiHalal platform to be more forgiving of low digital literacy and transforming the SJPH manual into a pictorial or vernacular-based guide that aligns with the everyday language of Bantenese culinary traditions (Surur, Adinugraha, et al., 2025).

The psychological resistance identified in this research also points to a more profound crisis of trust that must be addressed through transparent, community-led advocacy. If the perception of hidden costs remains unaddressed, the Self-Declare scheme will continue to be viewed with suspicion rather than as an empowerment tool. Furthermore, the information gap must be closed by empowering local Bantenese institutions, such as traditional Islamic boarding schools (*pesantren*) and local market cooperatives, to serve as the primary conduits of Halal policy. By grounding the certification process in the local social fabric, the government can transform the current spectrum of resistance into a unified momentum for economic acceleration (Adinugraha, Surur, et al., 2025).

The results of this research demonstrate that the path to a 100% Halal-certified culinary sector in Banten is paved not only by digital codes but also by entrepreneurs’ psychological and social readiness. The “navigation” of these obstacles is an active process of negotiation between the state’s regulatory ambitions and the MSME owners’ survival instincts. To achieve a truly inclusive Halal ecosystem, the regulatory framework must evolve from a rigid, top-down enforcement model to a more flexible, empathetic, and localized support system that recognizes the diverse realities of Indonesian culinary grassroots.

Navigation Orchestration: Adaptation Strategies and the Role of Halal Product Process Facilitators

The transition from recognising regulatory hurdles to actively navigating the Self-Declare certification process represents a critical evolution in the entrepreneurial journey of culinary MSMEs in Banten. The research findings suggest that successful navigation is rarely an isolated effort but rather an “orchestration” involving a multi-layered support system. This section

analyses how entrepreneurs synchronise the technical guidance of Halal Product Process Assistants (P3H) with the informal strength of local social capital and their nascent innovations in operational management. The data reveal that the “acceleration” of certification in Banten depends heavily on the quality of these interactions, which transform a rigid legal requirement into a manageable community-led movement (Surur, Khobir, et al., 2025).

The primary catalyst for successful certification emerges from the symbiotic relationship between the entrepreneur and the Halal Product Process Assistant (P3H). The findings indicate that the P3H serves as much more than a technical facilitator; they function as a “cultural and digital translator” who bridges the gap between the complex SiHalal ecosystem and the traditional realities of the Bantenese kitchen. Participants consistently report that the mere presence of a P3H facilitator alleviates the “regulatory anxiety” identified in earlier stages of the research. This interaction is characterised by a high degree of trust, in which the P3H provides the necessary technical expertise while the entrepreneur provides granular data on production processes. The data shows that the most successful certification outcomes occur when the P3H adopts an empathetic, “door-to-door” approach, moving beyond administrative checklists to provide hands-on guidance in ingredient screening and digital document uploading (Kartika, 2024). The discussion of this symbiosis reveals a critical insight into the nature of digital governance in the Islamic economy. While the Self-Declare policy was designed as an autonomous digital process, the reality in Banten demonstrates that “human-in-the-loop” intervention remains indispensable. The P3H acts as a buffer against technical frustration, preventing MSME owners from abandoning the process when faced with platform errors or documentation complexities. The P3H often serves as a psychological anchor, reassuring entrepreneurs that formalising their business is a path toward empowerment rather than state surveillance. This finding suggests that the success of Indonesia’s mandatory Halal mandate is inextricably linked to the sustainability and competency of the P3H workforce, who serve as the frontline ambassadors of the Halal value chain.

The second significant thematic finding highlights the utilisation of social capital as a primary engine for information dissemination and technical problem-solving. In the Bantenese context, the “Paguyuban” (traditional community associations) and extended family networks play a pivotal role in democratizing access to Halal certification. The research reveals that many entrepreneurs only begin their certification journey after witnessing a trusted peer or family member successfully navigate the system. This “social proof” serves as a powerful motivator, effectively neutralising the scepticism and misinformation prevalent in the early stages. The findings indicate that culinary MSMEs in Banten frequently utilise WhatsApp groups and local community gatherings to exchange tips on ingredient sourcing and to share their experiences with specific P3H facilitators. This reliance on social capital represents a form of “communal resilience” that compensates for the perceived deficiencies in top-down government communication. In many cases, family members, particularly the younger, more digitally literate generation, provide the essential technical support required to navigate the SiHalal portal. This intergenerational transfer of knowledge allows traditional business owners to maintain their focus on production while their children or younger relatives handle the “digital bureaucracy.” The discussion of these findings underscores that Halal certification in Banten is not just an individual business milestone but a collective community endeavour. For policymakers, this suggests that the most effective way to reach the “hard-to-reach” segments of the culinary industry is by leveraging existing social structures and community leaders to serve as advocates for the Halal mandate (Rachman & Sangare, 2023).

Beyond external and social support, the research identifies a significant trend of “Independent Innovation” within the internal operations of MSMEs. Once the initial barriers of fear and confusion are overcome, entrepreneurs begin to implement simple yet effective changes to align their businesses with the Halal Assurance System (SJPH) standards. One of the most common innovations observed is the systematisation of raw material documentation. To avoid

the complexities of digital record-keeping, many Bantenese entrepreneurs have developed physical “Halal Folders” or “Ingredient Walls” where they store labels, receipts, and Halal certificates from their suppliers. This physical manifestation of the SJPH manual allows them to maintain compliance without disrupting their traditional workflow. The data reveals that entrepreneurs are increasingly proactive in “ingredient screening,” actively seeking suppliers with Halal certification to simplify their Self-Declare process. This shift in procurement behaviour indicates a growing awareness of the “halal integrity” of the entire supply chain. Some participants even reported redesigning their kitchen layouts to ensure a clear separation between production areas and potential contaminants, despite operating in minimal spaces. These micro-innovations demonstrate that the certification process catalyses broader professionalisation in the MSME sector (Adinugraha et al., 2024). By adopting these simple management practices, culinary entrepreneurs in Banten are not only securing legal labelling but also improving the overall quality and safety of their products.

The discussion of these independent innovations aligns with the Maqasid al-Shari’ah principle of *hifz al-mal* (protection of wealth) and *hifz al-nafs* (protection of life). By streamlining their documentation and improving hygiene standards, MSMEs are protecting their economic assets, increasing marketability, and simultaneously ensuring the well-being of their consumers. The research suggests that the Self-Declare process, when navigated successfully, fosters a “culture of quality” that transcends mere certificate acquisition. This professionalisation of the informal sector is a vital component of Indonesia’s broader economic strategy to elevate MSMEs into the formal value chain (Wilkins et al., 2019). The synthesis of these findings, symbiosis with P3H, utilisation of social capital, and independent innovation, creates a comprehensive picture of the “Banten Model” of Halal navigation. It is a model characterised by the blending of modern regulation with traditional social structures. The “orchestration” described here is not a rigid, choreographed performance but a fluid and adaptive response to a changing regulatory environment. The results clearly show that while the obstacles to certification are technical and psychological, the solutions are predominantly social and relational. The success of the Halal mandate in Banten is a testament to the resilience of its entrepreneurs and the strength of its community networks.

In interpreting these results, it is essential to recognize the role of “local wisdom” in the Halal certification process. The Bantenese value of “Gotong Royong” (cooperation) is evident at every stage of the navigation process, from the P3H who works beyond their official hours to the neighbour who helps upload a business license. This social cohesion is the primary driver of the region’s acceleration. However, the discussion must also acknowledge the fragility of this orchestration. The heavy reliance on P3H facilitators and social capital suggests that if these support structures are weakened through a lack of funding for P3H programs or a breakdown in the community, the momentum for Halal certification could stall (Hanafiah et al., 2024).

The findings of this research provide a roadmap for optimizing the Halal ecosystem in Indonesia. To sustain the acceleration of certification, the government must move beyond a “digital-only” approach and continue to invest in the human infrastructure that makes the system navigable for the masses. The “Banten Model” demonstrates that when the state provides the regulatory framework and the community provides the navigational support, even the smallest culinary business can find its place in the global Halal economy. The “orchestration” of these efforts ensures that the Halal mandate is not a burden to be avoided, but a standard to be embraced for the benefit of both producers and consumers. The discussion concludes that the navigation of Self-Declare in Banten is a successful example of “localized governance,” where national policies are reinterpreted and implemented through local social lenses. This process not only achieves the immediate goal of Halal certification but also strengthens the overall resilience and competitiveness of the MSME sector. By recognising and supporting these organic navigation strategies, the BPJPH can ensure that the journey toward 100% Halal compliance is an inclusive and empowering experience for all Indonesian entrepreneurs.

The Essence of Certification: Redefining Halal Labels Between Compliance and Competitiveness

Halal certification is not merely perceived by micro, small, and medium-sized culinary entrepreneurs in Banten as an administrative or regulatory requirement. Instead, it emerges as a deeply meaningful phenomenon that reshapes religious understanding, business identity, and long-term entrepreneurial orientation. Through a phenomenological lens, the findings uncover how halal certification is interpreted after it is successfully obtained, highlighting a dynamic reconstruction of meaning situated between spiritual obedience and market rationality. At the most fundamental level, participants described halal certification as a form of “*izin langit*” or divine permission. Prior to certification, halal was predominantly understood as an internal moral commitment rooted in Islamic faith, sincerity of intention (*niyyah*), and personal accountability before God. Entrepreneurs consistently expressed that operating a halal business was initially driven by fear of religious transgression and the desire to ensure that income (*rizq*) remained lawful (*halal*) and blessed (*barakah*). In this phase, halal functioned as an ethical boundary rather than a strategic asset. Business practices were guided by conscience, inherited religious values, and informal community norms rather than standardised procedures (Sadali et al., 2024).

However, once halal certification was formally obtained, a significant semantic shift occurred. Halal began to be interpreted not only as divine approval but also as “*izin pasar*” or market authorisation. Certification transformed halal from an inward moral assurance into an outward-facing signal that communicates credibility, safety, and professionalism to consumers. Participants repeatedly emphasized that the halal label serves as a language understood by the market, especially in increasingly competitive, trust-sensitive food environments. This shift does not indicate a rejection of religious meaning, but rather an expansion of it. Halal becomes simultaneously sacred and strategic, embodying what Islamic economics conceptualises as the integration of ethical values and economic rationality (Rudnycky, 2014). This dual meaning illustrates how halal certification mediates between transcendental accountability and market competitiveness. Entrepreneurs recognized that, while God remains the ultimate source of legitimacy, the contemporary market requires visible, standardised proof of compliance. In this sense, certification acts as a bridge that translates religious obedience into economic value. The findings support the argument that halal certification functions as a form of institutionalised trust, reducing information asymmetry between producers and consumers while reinforcing moral legitimacy. This resonates with the broader discourse in Islamic economics, which positions halal not as a constraint on growth but as a value-generating mechanism within ethical markets.

Halal certification profoundly transforms the identity of culinary MSMEs. Participants consistently described feelings of pride, dignity, and increased self-worth following certification. Prior to certification, many entrepreneurs perceived their businesses as small, informal, and socially invisible. The lack of legal-formal recognition often led to feelings of inferiority, particularly when competing with larger or more established brands. Certification altered this self-perception by positioning them as legitimate economic actors who meet nationally recognized standards (Öztürk, 2024). This transformation of identity extends beyond emotional affirmation. Halal certification reshapes how entrepreneurs narrate their businesses to others and to themselves. Business owners began introducing their products with greater confidence, explicitly highlighting halal certification as a marker of quality rather than mere compliance. This narrative shift reflects a process of symbolic elevation, where certification becomes a source of social capital. Entrepreneurs reported feeling more comfortable engaging with new distribution channels, participating in exhibitions, and approaching institutional buyers. The halal label, therefore, operates as a mechanism of empowerment that reduces psychological barriers and enhances entrepreneurial agency.

From a phenomenological standpoint, this identity transformation reflects the internalisation of institutional recognition. Certification does not merely add a logo to packaging;

it reconstructs the entrepreneur’s sense of belonging within the formal economy. This finding aligns with theories of recognition in economic sociology, which argue that legal acknowledgement plays a critical role in shaping self-confidence and market participation. In the context of halal economics, certification affirms that religiously compliant businesses are not peripheral but central to modern economic systems.

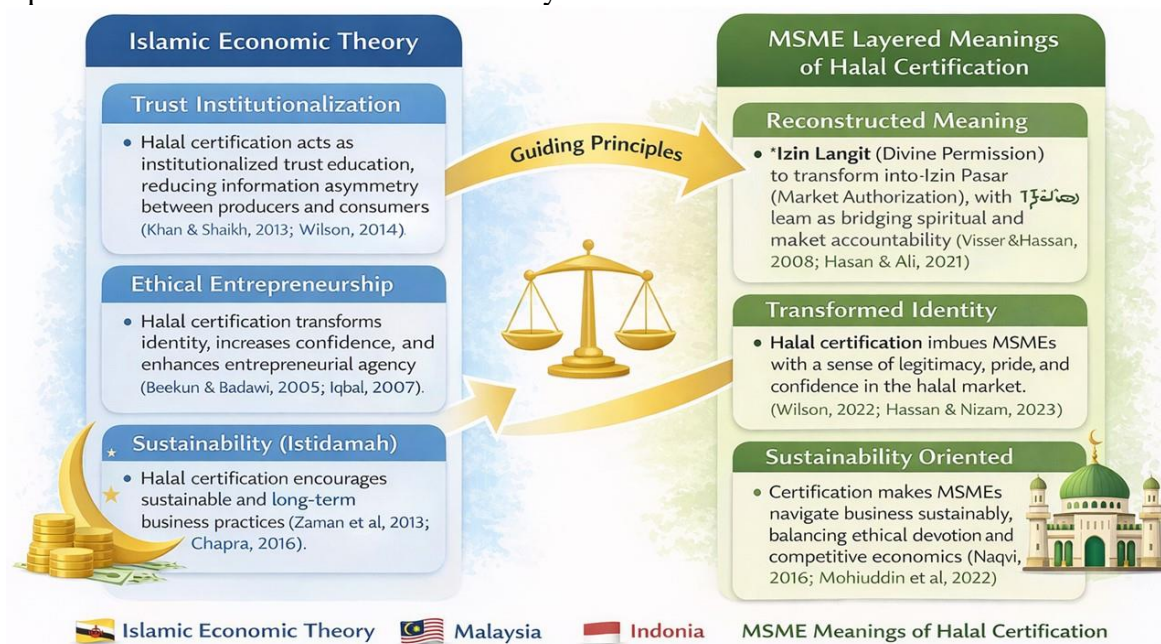


Figure 2. Integrate Islamic economic theory with the Meanings of Halal Certification

Figure 2 demonstrates that halal certification triggers substantive changes in business management practices, particularly in relation to sustainability. Entrepreneurs reported that the certification process compelled them to adopt more disciplined, transparent, and forward-looking operational strategies. Documentation requirements, ingredient traceability, and hygiene standards introduced a new level of organisational awareness. While initially perceived as burdensome, these requirements gradually became internalised as tools for improving consistency and efficiency. This internalisation marks a shift from reactive compliance to proactive governance. After certification, entrepreneurs expressed greater awareness of risk management, supplier selection, and process standardisation. Halal was no longer treated as a static label obtained once, but as a continuous responsibility that shapes daily decision-making. This finding highlights how halal certification fosters a culture of accountability that extends beyond religious compliance into professional business conduct.

Significantly, this transformation also influences long-term business orientation. Many participants articulated aspirations for expansion, diversification, and intergenerational continuity that were absent prior to certification. Halal certification created a sense of future legitimacy, encouraging entrepreneurs to view their businesses as sustainable enterprises rather than temporary income sources. This orientation aligns with the Islamic economic principle of *istidamah*, which emphasizes continuity and long-term benefit over short-term gain. The navigation between spiritual commitment and market demands also reshapes how entrepreneurs understand success. Profit is no longer measured solely in monetary terms; it is now evaluated alongside ethical integrity and social contribution. Participants expressed a more substantial commitment to maintaining halal integrity, even in the face of cost pressures or operational challenges. This suggests that certification reinforces moral resilience by institutionalising values that might otherwise erode under competitive stress (Darmalaksana, 2023).

Based on a theoretical perspective, these findings challenge the dichotomy that often separates religious compliance from economic competitiveness. Instead, the research

demonstrates that halal certification operates as a hybrid institution that simultaneously satisfies moral, legal, and market logics. This hybridity is central to the resilience of halal-based enterprises in contemporary economies. By embedding ethical values within standardised frameworks, halal certification enables MSMEs to compete without compromising religious principles (Nafis et al., 2024).

The results also have important implications for halal policy and development strategies. The phenomenological insights reveal that certification programs should not be framed solely as regulatory interventions, but as processes of meaning construction and identity formation. When entrepreneurs perceive certification as recognition rather than surveillance, compliance becomes voluntary and internalised rather than imposed. This insight underscores the importance of supportive institutional narratives that emphasize empowerment, dignity, and value creation. This research reveals that halal certification represents a profound transformation in how culinary MSMEs in Banten understand their faith, their businesses, and their futures. Halal evolves from an internal moral obligation into a multidimensional institution that integrates divine accountability with market legitimacy. Certification reconstructs entrepreneurial identity, enhances confidence, and embeds sustainability-oriented practices within daily operations. These findings affirm that the essence of halal certification lies not only in legal compliance but in its capacity to harmonise ethical devotion and economic competitiveness within a unified entrepreneurial vision.

CONCLUSION

This phenomenological research concludes that the journey of culinary MSMEs in Banten toward Self-Declare Halal certification represents a profound negotiation between traditional spiritual devotion and modern administrative requirements. The research finds that while technical bottlenecks within the SiHalal platform and psychological anxieties concerning potential “hidden costs” create a spectrum of initial resistance, these barriers are primarily manifestations of a systemic digital and information divide rather than a refusal of religious standards. Successful navigation of this landscape occurs through a dynamic “orchestration” of support systems, in which the symbiotic relationship with Halal Product Process Assistants (P3H) and the strategic mobilisation of local social capital, anchored in the Bantenese tradition of Gotong Royong, effectively bridges the technical and literacy gaps. Obtaining the Halal label triggers a significant reconstruction of entrepreneurial meaning and identity. Entrepreneurs successfully transition from viewing Halal solely as an internal moral commitment or “Izin Langit” to recognising it as a critical market authorisation or “Izin Pasar” that fosters institutional trust and enhances competitive agency. This process ultimately professionalises the informal sector, embedding a culture of accountability and long-term sustainability (*istidamah*) into daily business operations. Consequently, the research highlights an urgent need for the government to move beyond rigid digitisation toward a “humanized” and localized regulatory framework. By empowering local institutions and recognising the resilience of culinary grassroots, the Halal mandate can transform from a perceived administrative burden into a genuine engine of inclusive economic empowerment and social justice.

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