

ISSUES AND CHALLENGES OF PROMOTION HALAL CERTIFICATION FOR MUSLIM ENTREPRENEURS IN MALAYSIA

Muhamad Zuhaili Saimanⁱ & Nur Salsabila Yusmaiⁱⁱ

ⁱ (Corresponding author). Senior Lecturer, Academy of Contemporary Islamic Studies (ACIS), Universiti Teknologi MARA (UiTM), Shah Alam. mdzuhaili@uitm.edu.my

ⁱⁱ Degree Student, Academy of Contemporary Islamic Studies (ACIS), Universiti Teknologi MARA (UiTM), Shah Alam. nursalsabila.sy@gmail.com

Abstract	<p><i>This research was conducted to find out the issues and challenges in promoting halal certification in Malaysia. The previous studies that have been established are focusing on issues and challenges for general entrepreneurs which consists of Muslim and non-Muslim in Malaysia. Thus, this research is specified for the issues and challenges in promoting halal certification for Muslim entrepreneurs in Malaysia. Malaysia is one of the countries in the world where the government provides full support in promoting the halal certification process on products and services. It is promoted by government institution which is Department of Islamic Development Malaysia (JAKIM) in providing the halal requirements for the manufacturers and producers in ensuring 'from farm to fork' (sources, processing, preparation, packaging and distribution) are guaranteed clean and hygienic consistent with Hazard Analysis Critical Control Point (HACCP) and other quality assurance standards. This research will be conducted using the qualitative method because it is suitable for the nature of the research. The suitable instrument to collect data is by interviewing a few of staff from Department of Islamic Development (JAKIM). The factors of Muslim entrepreneurs did not interested in having a halal certificate even though by having it, their products can be guaranteed halal and hygienic, they can import their products overseas and as a benchmark their product is safe to consume by consumer without any doubt. This research can help the management of Department of Islamic Development Malaysia (JAKIM) about the challenges of promoting halal certificate. Thus, they can identify the further step in solving the issues and challenges in order to ensure the halal certificate are being promoted whether among Muslim and non-Muslim entrepreneurs.</i></p> <p>Keywords: <i>Product, Muslim, Entrepreneurs, Halal, Certificate.</i></p>
-----------------	---

INTRODUCTION

Based on Manual Procedure for Malaysia Halal (MPPHM) (Domestic) 2020, halal certificate is an official document confirming halal status based on the Malaysian Halal certification Scheme issued by the competent authority to halal certificate applicants (JAKIM, 2020). Halal certificate is a voluntary program for those entrepreneurs who want to develop their business in Malaysia and overseas. Basically, the Malaysian Halal Certification Program is divided into nine schemes, and companies or manufacturers can choose the plan they want to use based on the type of product or service they have. The schemes are, food or beverage, cosmetic, pharmaceutical, food premise or hotel, consumer goods, logistics, slaughterhouse, OEM (original equipment manufacturer) and medical devices. Therefore, for the business that are relating to the schemes given, they can apply a halal application for their product, or services.

This is focus on Muslim entrepreneur in having a halal certificate as to ensure that their products, or services are halal to be consume and apply to Muslim consumer. Even though halal certificate is a voluntary program, but the authorities of JAKIM are encouraging them to have a halal certificate in build up the trust from the consumer. This is because, once a product, or services have a halal certificate, it is guaranteed safe to be consume as there are many standards to apply based on the schemes. For example, the product of foods and beverages are using Malaysian standard MS 1500:2019, Food Act 1983, etc. as their guideline. For services like logistics, there are three standards used based on the services provided. The standards used are, MS 2424-1: 2019 for transportation, MS 2424-2: 2019 for warehousing and lastly, MS 2424-3: 2019 for retailing. From that, it showed that different schemes, different standards that must be followed.

In conclusion, it is mandatory for a Muslim in consuming halal products in their life as it is commanded by Allah SWT. However, to the product that are not having a halal certificate, it does not mean that the products are not halal to be consume. Halal certificate is an official certification that can be as a benchmark to the products, or services that are guaranteed halal.

PROBLEM STATEMENT

The world starts to realize about the need for Muslims dietary requirement and eating which known as halal. Malaysia is one of the countries in the world where the government provides full support in promoting the halal certification process on products and services (Chok, 2013). It is promoted by government institution which is Department of Islamic Development Malaysia (JAKIM) in providing the halal requirements for the manufacturers and producers in ensuring 'from farm to fork' (sources, processing, preparation, packaging, and distribution) are guaranteed clean and hygienic consistent with Hazard Analysis Critical Control Point (HACCP) and other quality assurance standards.

On the other hand, non-Muslim communities also prefer to consume halal food for health and quality reasons as well. They believe that halal food is healthier, and cleaner compared to non-halal food. Therefore, the problem here is when there is a statistic in Malaysia, 60 per cent of halal certificate applicants are non-Muslim entrepreneurs, while 40 per cent is Muslim entrepreneurs (New Straits Times, 2020). *"I am a Muslim entrepreneur. Why do I need halal certification? Even without it, I can sell products easily without any doubts from customers"*. These are the thoughts in the Muslim entrepreneurs' minds (New Straits Times, 2020). However, the statistic in 2020 is a good improvement in halal application as in 2016, 80 per cent of the 746 halal certificates were issued in that state its holders are composed of non-Muslim entrepreneurs (Man, S. & Harun, M. S. 2016).

This is because of the Muslim entrepreneurs consider every product they produce is halal and it is more critical when the concept of halal is being understood when there is no element of pork and the usage of wine in the ingredients processed raw materials. From this statistic, it is proven there are many Muslim entrepreneurs are not aware of the importance of the halal certification and they even did not interest in having it. Meanwhile, for the non-Muslim perspective, the halal certificate is the key for them in upgrading their business to give trust and there are no doubts of halal status for Muslim consumer consuming their products or services. Because of that, there are issues of fraudulent use of halal logo occur by non-Muslim entrepreneurs (Sinar Harian, 25 January 2019). This is to show that the importance of having a halal certificate is being prioritize by the non-Muslim entrepreneurs.

In addition, from the perspective of authorities of Department of Islamic Development (JAKIM), they are hoping that the statistic of halal application can be improved by the majority of halal certificate holder are from Muslim entrepreneurs. Therefore, this research was conducted to find out the issues and challenges in promoting

halal certification in Malaysia. From that, the competent authority can improve their skills in promoting the halal certificate to Muslim entrepreneurs.

LITERATURE REVIEW

An increasing number of halal certifications' applicants shows the increasing of awareness towards the halal status in Malaysia. Malaysia is targeting countries where Muslim live extensively in the implementation of halal certificate and standards and this is because Muslims represent almost 20% of the world's population (Yildirim, 2019) . Moreover, by 2025, this figure is expected to reach to 30% (Yildirim, 2019). The demand for halal industry in Malaysia is increasing rapidly as it is a global benchmark where the products and services can across the border to overseas.

Therefore, Malaysia is doing the best in establishing and promoting halal industries to Muslim and non-Muslim countries. According to the research by Yildirim, A. (2019), Malaysia is willing to position themselves in being the center for halal industry as Malaysia is the only country that gets full support from the government for the halal certification. This is the main difference with other countries which the developing of halal certification mostly done by individual basis or non-governmental organizations (NGO). After all, with the government support, Malaysia is one step close to be the best international well-known country in this industry (Yildirim, 2019). In addition, the research by Asa, R.S. (2017), support the statement which Malaysia is aggressively promoting itself as a leader in the global halal industry. Hence, the government of Malaysia take the further actions in supporting the development of halal certification. In achieving the goals of creating a halal hub, the Malaysian government must quickly become the center for the certification of halal products. By having halal certification, it also can give the effect to the financial performance of halal food companies. This can be proven from the research by Dasima Nordin et al. (2016). It been examined the impact of halal certification on halal food and beverages companies' financial performance and accessed the company financial performance after getting halal certification by the influence of customer satisfaction. The research showed there is an increasing company's financial performance as halal certification contains the most ultimate level quality standards. This is due to the customer awareness on halal products is rapidly increases and customers' demands are constantly charging. From the previous research, it showed the importance and benefit of halal certification in Malaysia. It is to ensure Malaysia can be the global halal industry which every country can refers to Malaysia as their reference about halal products and services.

Besides, in making Malaysia as a center for halal hub, based on the research by Ab Talib, M.S. et al. (2020), mentioned about the role of government in promoting halal logistics in Malaysia. Halal logistic is important as it is a key element behind the massive and expanding halal industry. Malaysia is regarded as a center of halal industry. That its halal logistics system is considered one of the most advanced in the world. Thus, the role of government in promoting halal logistic is from the existence of standards been used in the halal logistic which is MS2400 that are divided into three parts (Part 1: Transportation, Part 2: Warehousing, Part 3: Distribution). This is one of the efforts of the government in ensuring a streamlined halal logistic operation that gives logistic firms the guidance on how to navigate through the logistics service. Other than that, the government can provide a financial incentive for the halal logistics service. It is to encourage more logistics firms to be halal certified and increase halal industry and generate the economy.

Moreover, in ensuring Malaysia as global halal industry, other than halal logistic, from the research by Latiff, J.A and Omar, K.C. (2019), there are also issues and challenges in implementation of halal medical devices certification in Malaysia. Malaysia is a pioneer and a first mover in developing halal industry and has expanded globally for the huge market for both Muslim and non-Muslim countries. It is to ensure the pharmaceutical products that had been reclassified and registered under medical device is certified halal. This can help to improve Malaysia as the center for halal industry.

However, in making Malaysia as a global halal industry, there are also challenges in halal certification in Malaysia. This can be showed from the research by Yildirim, A. (2019), it explained about the challenges in Malaysia for halal certification. One of the challenges mentioned, in the form of the government-based applications of halal certification, the Department of Islamic Development (JAKIM) is trying to control the halal certification and the logo by questioning rationality some products or services demanding to be halal. From this, it is showing that JAKIM had lack of implementation of halal safety and trust. Some of the ministers put forward that there seem to be a lack of assistance given to JAKIM by the Ministry of Domestic Trade and Consumer Affairs (Yildirim, 2019).

It is supported with the research from Pauzi, N. and Man, S. (2019), it also mentioned about the challenges of halal certification in Malaysia. One of the challenges is, the absence of specific legal provisions related to halal like Halal Act. This is because, the main challenge which precludes the enactment of this act is related to constitution where halal is related to religion Islam, then it falls under the jurisdiction of the state (Man, 2019). From that, the constitutional issues will rise if there is an enactment of a law at the level federation like Halal Act as it touches the things under state jurisdiction.

Therefore, from the previous research, it is focus on promoting halal certification in ensuring Malaysia to be the global halal market and be the center for certification of halal products and services. From that, it is focused on the importance and benefit of having halal certification. In making Malaysia as a center for halal industry, there are a few elements been mentioned to be reinforced like halal logistics and halal medical devices. Moreover, the previous research also mentioned about the challenges of halal certification in Malaysia which in the form of general (government, halal applicant, halal lab, etc.). Therefore, this research is about the issues and challenges in promoting halal certification, focus on the Muslim halal applicants in Malaysia. From that, this research will be a platform in meeting the gap of research based on the halal certification.

Amin, A.U.M. et al. (2020) mentioned about there is more than 60 percent of Korean Food Entrepreneurs successful in obtaining halal certification which they can face the challenges following the guideline of Malaysian Halal Certification for Korean Food Restaurants in Malaysia. One of the challenges they faced is, they must appoint dedicated staff to monitor the implementation of halal elements in the company to make sure the process of halal food is done based on Shariah.

This is difference with the research from Arif, S. et al. (2021) explained the obstacle in securing halal certification in the side of Home-Based Business (HBB) Food and Beverages Entrepreneurs in Malaysia. The difference is appeared as HBB Entrepreneurs is a micro business and it is using limited employees which is some of them are their family members. They are operating from home premises without the involvement of factories or shops. Hence, the obstacle for them in having a halal certificate is when there is stringent guidelines and procedures of Malaysia Halal Standard. They failed or delayed for applying halal certification cause of the misconceived notion that the process involves expensive costs, stringent procedures, complex requirements, and tedious processes. It is supported from the research by Nur Shuhada & et al. (2018), the research also stated about the challenges of halal adoption among Small and Micro Enterprises (SME) in Malaysia. Even though the demand of halal is increasing, the SME companies still behind in terms of halal certification due to several issues (financial constraint, management issues and lack of knowledge). According to the research, it showed that there are 60% of SME companies failed in adoption a halal certificate for their company. It is also mentioned in the research by Bakar, A. A. et al. (2017), which the challenges of implementation halal food certification among Bumiputera Small and Medium Enterprises (SME) are, financial constraint (major reason), lack of human resources, time constraints, lack of management system and facilities, premises, and technology, last but not least, lack of experience in the aspect of business and marketing. These are the challenges of why SME companies are failed in having a halal certificate.

However, in the challenges of having a halal certificate, there are many benefits of practicing halal practices on organizational performance among food industries (SMEs) in Malaysia. This is proved by the research from Othman, D.B., et al. (2019). Therefore, the benefits of having a halal certificate are, the products are guaranteed halal and tayyib in the form of food hygiene and safety, ingredients, equipment and utensils, packaging, storage, processing, transportation, and waste management. Moreover, there will be an internal process in the organization which it works on fulfil any procedures related to Malaysian halal certification application. For example, the basic information of the halal application (company profiles, company registration, standard operating procedures, and processes), training programs for the employees, laboratory analysis records, periodic monitoring records and all the form of halal documentation.

Besides, there are also other entrepreneur from other countries like in the research by Giyanti, I. and Indriastiningsih, E. (2019). It focuses on SME Entrepreneurs in Surakarta City, Indonesia. Indonesia is a country with the largest Muslim population in world. From that, there are several of SME Entrepreneurs did not care about halal status of their product or services. The research is made at Central Java which only 0.01 percent or 494 SME that are having a halal certificate. This occurred because of the entrepreneurs are assuming their products are already healthy and they are using halal ingredients. Hence, they did not need to take care of halal certification. Furthermore, based on the research by Sudarmiatin, S. et al. (2020), it supported about there are 10% of micro business in Indonesia that have a halal certification. This is due to the lack of knowledge of the procedure and the cost required. The complicated procedure has made the companies need times and money to carry out of it. Other than that, the employers did not realize the real impact of having a halal certification for the companies which will increase the sales turn over and build confidence in the products.

This condition is difference with the research from Sriviboone, S. and Komolsevin, R. (2017) which about the perception of Thai Entrepreneurs toward halal certification. Thai Entrepreneurs seen that there are many benefits for the entrepreneurs when they are receiving a halal certificate. Some of the benefits are they can get the trust among Muslim consumers, and they can expand their products to prospective Muslim customers in domestically or internationally. This can be supported by the research of Asa, R. S. (2017) when mostly of the non-Muslim entrepreneurs began to understand the significance of halal products as consumers start demanding them.

Thus, from the previous research, it is focusing on challenges in obtaining halal certification from many types of entrepreneurs which are Korean Food Entrepreneur, Home-Based Business Food and Beverage Entrepreneurs, SME Entrepreneurs in Indonesia, and Thai Entrepreneurs in getting halal certification in Malaysia, Indonesia, and Thailand. Meanwhile, this research is about the issues and challenges in promoting halal certification which focusing on Muslim entrepreneurs, specifically in Malaysia. This is to help the Muslim entrepreneur develop their products and services as being the guaranteed halal products and get the trust from the consumer.

RESEARCH METHODOLOGY

The design research of this article is use the qualitative research. This research was a descriptive qualitative study. The main objective of this study is to identify the issues and challenges in promoting halal certification for Muslim entrepreneurs in Malaysia. Therefore, in achieving the objectives of this research, the researchers used a qualitative research design that typically uses questions such as how, what, and why. In this research by case study, the researcher has to obtain the information about the case of the percentage of halal certification applicant as it is showed that the percentage of Muslim entrepreneurs is low than non-Muslim entrepreneurs in applying a halal certificate. Apart from that, the sources for this research are, the researcher use observations, interviews, and documents in getting the information of the case.

By making a data collection, the researcher enable to get the data from a person or an organization in answering the questions as an information in this research. The data of collection of qualitative method for this research is in the form of interviews the informant. Therefore, the interview occurred by online (Google Meet) as all the staff of Department of Islamic Development Malaysia (JAKIM) are working from home during Movement Control Order (MCO). The informant been choosing from the higher officer to answer the questions and number of informants are based on the saturation data of this research. The type of form in this interview is semi-structured where there is also added questions based on the experiences shared by the respondents. The interviews took about 45 minutes for a respondent and been recorded by the application of Google Meet. Hence, the collection of data is divided into two sources which are primary data sources and secondary data sources.

Interview session is the instrument used in this research. There are three sections in the set of questions which are, Section A, Section B and Section C. For section A, it consists of the institutional backgrounds which contains three questions in the general form of the organization of JAKIM. Meanwhile, for section B and section C consists of questions in achieving the objective of this research. The list of interview questions and transcript has stated in attachment 1.

Semi-structured questions been conducted in the interview. This occurred when the researcher asks predetermined questions and added some unplanned questions in advance. Semi-structured questions are combining structured and unstructured questions in order to achieve the objective of this research. It is the opportunity for the researcher spontaneously asking the informants added questions related to the research.

FINDING AND DISCUSSION

Data shows that the number of halal applications among bumiputra is less compared to non-Bumiputera. This statistic has been shared by Madam Nursyazrin binti Nazee Mudeen, staff in the Department of Islamic Development Malaysia (JAKIM) who is responsible in promoting and creating halal awareness program toward industries in Malaysia where the exact percentage of halal certificate applicant in year 2020 is, 70-80% of halal certificate applicant is from non-Bumiputera while Bumiputera halal applicant is from 20-30% (Mudeen, 2021).

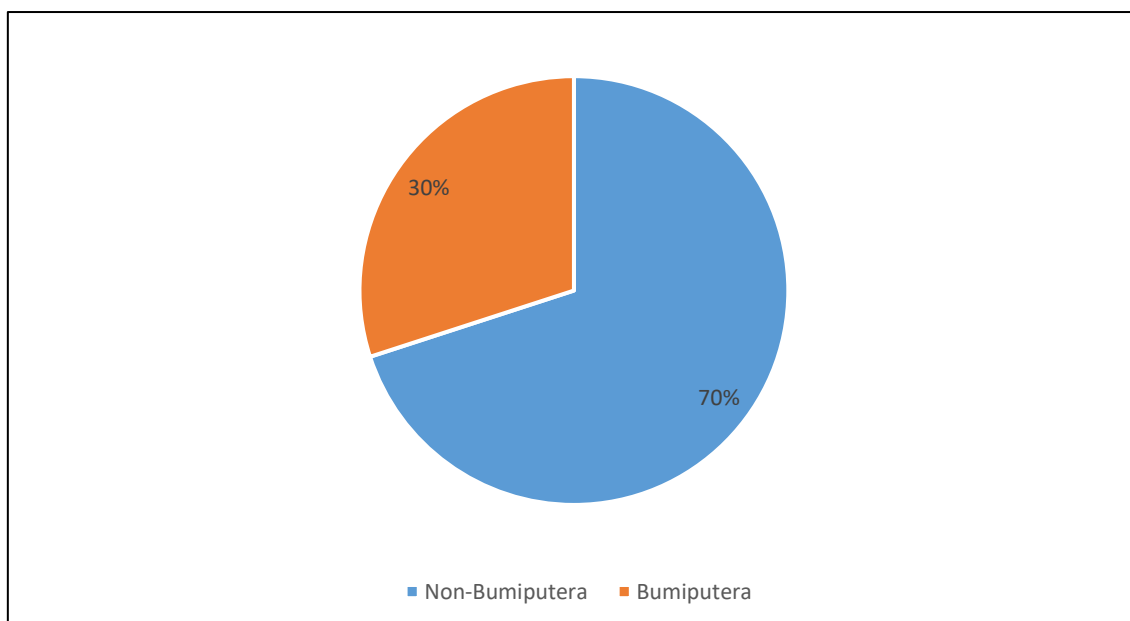


Figure 1: Percentage of Halal Certificate Applicant in Year 2020

In promoting the halal certificate for Muslim entrepreneurs in Malaysia, here are some issues which cause the lack of halal application among Bumiputera :

Comfortable with Their Status as Muslim

Comfortable factor as a Muslim is the reason that indicates the lack of halal application among Muslim. For them, being a Muslim is enough and does not need a halal certificate. Meanwhile, having Halal certification in today is super-challenging world means being able to create quality, safety and quality in services or products. To be precise, the halal certificate is a document that guarantees that products and services have been ensure that the sources of ingredients are halal and deal only with suppliers having halal certification. This is because, halal is considered from the source comes until the distribution is being monitored.

Some of Muslim entrepreneurs' perception is they are already a Muslim and absolutely they are not using non-halal ingredients like wine or pig. However, this is totally a wrong perception and view. By hiding back under status core will only make people not having any idea to boost up their business into another level. While, on the other hand, there are a Muslim Entrepreneurs take advantages and make it as one of their value added to enables them in marketing their products to various countries mainly in the countries where Muslims are more in number. They know that by having halal certification enables to penetrate in the halal market easily. While exporting products, it helps to meet the requirements of importing countries. For these Muslim entrepreneurs, their perception is by having a halal certificate and they are Muslim, it can build up more confidence for consumer in consuming their products without any doubt. Therefore, it is important to increase the level of awareness of having a halal certificate towards Muslim entrepreneurs where halal is not only what we serve to the consumer, but all the process (from farm to fork) is guaranteed halal.

The Presence of Intermediate Dealer or Middleman in Application of Halal Certificate

Some of Muslim entrepreneurs feel like applying halal certificate is a complicated procedure. Local companies incur losses of thousands of ringgits as a result of the actions of business consultants who are also middlemen to profit in halal certification applications. The incident was discovered through complaints received and reported the consultant's actions by the industries. This occurred by the existence of intermediaries which offered to help them in applying halal certificate. Irresponsible actions involving consultants are a factor to Muslim entrepreneurs find it difficult to get halal certificate, the fee is expensive and the process for them need to deal with various bureaucratic and effect the timing of their application.

This factor in line with the statement issued by the Former Director of the JAKIM Malaysian Halal Council Secretariat, Datuk Dr Sirajuddin Suhaimee. Thus, from this point, some of Muslim entrepreneurs did not want to apply for halal certification and set the principle or staying with their wrong perception of not applying for halal certification. Basically, JAKIM have sets a high standard in halal certification must complied with not only halal but also *tayyiban*. The standard is used by 46 countries and 84 recognized Foreign Halal Certification Bodies & Authorities worldwide. Thus, the process is not difficult but there are things that need to be kept and follow to comply.

In addition, according to Datuk Dr. Sirajuddin Suhaimee, industry players can apply for a halal certificate by dealing directly with the JAKIM's officer and the State Islamic Religious Department (JAIN) without using intermediaries or agents (Sinar Harian, 2019). He explained that if entrepreneurs or industry players really understand the standard procedures in applying halal certificate for their products, it is not difficult as touted by some parties.

There is also an issue where the middleman has imposed high and extreme fees to help for applying halal certification. This is one of the causes why the charge for halal

certificate is expensive. Hence, the Department of Islamic Development Malaysia (JAKIM) responsible in avoiding these irresponsible halal consultants. In JAKIM, there are divided into two department which Halal Management Department and Secretariat of the Malaysian Halal Council (SMHM). There are two sections in SMHM where they are in responsible to eliminate the irresponsible halal consultants. The sections are, Halal Professional Board (HPB) and Malaysia International Halal Academic (MIHA). HPB recognized by JAKIM in giving specific training and complete modules for institutions in the purpose of education. This is due to the institutions who intend in giving halal training for halal executive and halal committee in the company or industry. For now, there are 32 registered halal training provider (2018-2021). All the registered halal training provider provided an awareness to help the industries.

Table 1.0 : List of Registered Halal Training Provider (2018-2021)

NO.	REGISTERED HALAL TRAINING PROVIDER (2018-2021)
1	Universiti Teknologi Malaysia
2	Kolej UNITI
3	Universiti Sains Islam Malaysia
4	International Islamic University Malaysia
5	University Of Malaya
6	Universiti Utara Malaysia
7	Kolej Universiti Agrosains Malaysia
8	Kolej Profesional Baitulmal Kuala Lumpur (KPBKL)
9	University Of Kuala Lumpur
10	Universiti Teknologi Mara (ACIS UiTM) & Universiti Teknologi Mara (MITRANS)
11	Universiti Kebangsaan Malaysia
12	University Malaysia Sabah
13	Kolej Universiti Islam Antarabangsa Selangor (KUIS)
14	Cyberjaya University Of Medical Sciences' Halal Science Centre (CUCMS)
15	Universiti Malaysia Pahang
16	Sirim Berhad
17	Management & Science University Shah Alam (MSU)
18	Halal Industry Development Corporation (HDC)
19	Gae Resources Sdn Bhd (Halal Academy)
20	Politeknik Metro Kuantan
21	Politeknik Sultan Ahmad Shah (POLISAS)
22	Politeknik Sultan Idris Shah (PSIS)
23	Politeknik Tuanku Syed Sirajuddin
24	Politeknik Merlimau Melaka
25	JCP Professional Services Sdn Bhd
26	PIJ Halal Ventures Sdn Bhd
27	Upaya Vista Sdn Bhd
28	Kazai Innovative Ideas Solution
29	Ocena Halal Academy
30	Global Haltech Sdn Bhd (GH)
31	Exclusive Continent Sdn Bhd
32	Universiti Putra Malaysia

Note: Department of Islamic Development Malaysia (JAKIM) (Secretariat, 2019).

Besides, for Malaysia International Halal Academy (MIHA), it being categorized as a mentor and consultant recognized by JAKIM. It followed all the modules provided by JAKIM, being updated directly from JAKIM, and monitored by JAKIM periodically as they are offering training services to help in growing the industries towards having a halal certification. Total number of MIHA are 25 registered companies. Therefore, all training

providers who wish to become MIHA RS are required to comply with the guidelines which can be obtained through the Circular of the Secretariat of the Malaysian Halal Council Number 1 Year 2019 at www.halal.gov.my.

Thus, from these departments in JAKIM, the halal applicant can be more aware on the existence of intermediaries or any agent offering their service to help them in applying halal certificate. Other than that, halal certification fraud also can be avoided.

The Muslim Entrepreneurs Did Not Meet The Minimum Criteria And Requirement

Minimum requirements are important to ensure the Muslim entrepreneurs have a proper guideline in applying a halal certificate. For example, the number of Muslim workers, the business must have SSM License (Suruhanjaya Syarikat Malaysia) and been registered under local authority (PBT). However, some of Muslim entrepreneurs are failed under review of local authority which is they did not have their own premise for the process of products. This is because, in Manual Procedure for Malaysia Halal (MPPHM) (Domestic) 2020, it is stated that the premise for the processing areas shall not be used for purposes other than the processing and handling of halal certified products unless halal control mechanisms are implemented (Department of Islamic Development Malaysia, 2020). This is focused on the homemade products which usually the processing areas is in the same area with their kitchen for their daily activities in their house.

Beside on the view of challenging in this case, there are two challenges in promoting halal certificate to Muslim entrepreneurs which are inappropriate campaign and the existence additional certificate like that :

1. A Campaign That Gives The Wrong Interpretation Towards Halal Product and Services

This is the one of the challenges in promoting halal certificate. There is inappropriate campaign going 'viral' in Malaysia which is 'Buy Muslim First' Campaign. This campaign been introduced from around the end of the year 2018 pioneered by a Malaysian Islamic Non-Governmental Organization (NGO). It defined as a campaign that encourages Muslim consumers in prioritizing Muslim's products. In fact, this campaign did not aim to boycott non-Muslim products, but rather to prioritize Muslim products which are more guaranteed the status of halal. Moreover, the existence of this campaign is due to discrimination from non-Muslim suppliers where they charge high prices to Muslim entrepreneurs (Nurul Zubaidah & et. al, 2019).

It is the challenges in promoting halal certificate because the consumer will buy Muslim product first rather than prioritize halal product. Muslim product does not mean it is halal to be consume. Consequently, there are many non-Muslim entrepreneurs, but a halal certificate holder got affected from the campaign. For instance, from the issue of company Ah Cheng Laksa. The owner of this company is non-Muslim, but the central kitchen for the food premises registered in the name of Ah Cheng Laksa Sdn Bhd at the USJ 1 Industrial Park, Subang Jaya, Selangor has been certified halal and their franchises are also a halal certificate holder recognized by JAKIM.

In this challenge, the government, and Department of Islamic Development Malaysia (JAKIM) must have an initiative to overcome the lack of attraction of Muslim entrepreneurs in having a halal certificate. The government will increasing the level of awareness in having a halal certificate by keep promoting halal certificate. There are many awareness programs conducted by JAKIM yearly such as Program Facilitate to industry players as a platform to listen and resolve issues, halal industry awareness talk and campaign, two halal discussion platforms, halal awareness campaign in social media, and halal awareness to consumer. This is to ensure the awareness of Muslim entrepreneurs to have a halal certificate is not a vain hope.

2. The Existence Of Additional Certificate

The additional certificate here means Muzakki Certificate which being introduced by The Kedah State Zakat Board (LZNK) as the effort in helping Muslim entrepreneurs in

promoting their product and that are affecting cause of pandemic Covid-19. Zakaria Othman, as LZNK Chief Executive Office had mentioned about the Muzakki Certificate was supplied with a special serial number which was monitored from time to time to prevent certificate fraud (Rahman, 2020). It is also supplied with the Sahabat Zakat Kedah logo which functions like the halal logo of the Malaysian Islamic Department (JAKIM) to be used on the packaging to build up confidence among consumers that the product is a Muslim product who is also a zakat payer. In addition, according to Zakaria Othman, LZNK received business zakat of RM41.7 million from 4,427 zakat payers in 2019 and in 2021, they are expecting there will be a decline in business zakat payments due to the pandemic of Covid-19.

However, Sahabat Zakat Kedah (SZK) was not created to replace the halal logo (Zakat Kedah, 2020). It is the appreciation sign to the zakat payers. On the other hand, the idea of the existence of Muzakki certification is from the 'Buy Muslim First' (BMF) Campaign. It is the effort in helping Muslim entrepreneurs in their business and can be the proof that the company is a zakat payer in the state. Other than that, this effort is for all types of business, not limited to food companies only. For the time being, there 130 Muzakki certification certificates had been issued (Kedah, Pelancaran Sijil Pengesahan Muzakki, Permudahkan Pembayar Zakat, 2020). This certificate can display it at their business premises or official vehicles and the packaging of the product.

Literally, Muzakki Certificate is a good initiative in ensuring the company is paying zakat. Nevertheless, the company should prioritize of having a halal certificate first and can add Muzakki certificate as an additional value in building trust and confidence to the consumers. However, in fact, there is company prioritizing of having Muzakki certificate rather than halal certificate. They are using Muzakki certificate to promote their product. This situation is worrisome as there is unidentified sources of their products and the process of processing product cannot be guaranteed the hygiene value. It is because, having Muzakki certificate did not guaranteed that the products processed are using halal certified sources. Therefore, it should be halal certificate and Muzakki certificate are going along in helping Muslim entrepreneurs developing their products.

CONCLUSION

From this research, the recommendations can be divided into three parts. It is for the improvement for based on this research have been made. The parts are for Muslim industries, the government and other researcher.

For Muslim industries, if they are interested in having halal certification for their products or services, they have to directly apply it with the Department of Islamic Development (JAKIM). This is to avoid from paying high fee paying for the irresponsible intermediate or middleman. Moreover, halal certification applicant is not as hard as people mentioned about it. If the company give the full commitment in the halal certification application, it is easier than what they are thinking. Halal certification can be added value to the company who want to develop their products or services not only in Malaysia, but their products or services can be exported to overseas. This can increase their financial performance of company and build up more confidence and trust from their consumers.

Furthermore, for the government, they can improve more promotion on halal certification especially for the Muslim entrepreneurs. By having multi-national company that want to help small business to develop their products is one of the good improvements in promoting halal certification among Muslim entrepreneurs. It can encourage more especially for the small business owner on having a halal certificate as by having it, there are many significances for their company.

For the improvement to other researcher, the data can be added by interviewing the industries itself. This is to know both of opinions about having a halal certificate. It is because, this research is focusing on the data shared by the officer of JAKIM and some of the journal and article that discussed about the challenges in having halal certification in

Malaysia. Therefore, the other researcher can get more accurate data from the Muslim industries to align with what been shared from the JAKIM's officer.

As the conclusion, the purpose for this research is due to problems where the statistic of halal certification applicant showed, the majority of it are from non-Muslim entrepreneurs. Thus, it arises a question of why Muslim entrepreneurs did not interest with having a halal certification even though everyone know that the halal certification gives many significances to people especially for the business owner. From the data shared, it is not all Muslim entrepreneurs did not interest with having a halal certification, but, with their surrounding condition and the variety of threat, it leads to them for not having a halal certification. Therefore, it is our responsible to promote more about halal certification especially for Muslim entrepreneurs in Malaysia. This is to help them in generating their income and give more opportunity to Malaysia in becoming the center for halal hub around the world on one fine day.

REFERENCES

Book

Natasha Mack, C. W. 2011. *Qualitative Research Methods: A Data Collector's Field Guide*. USA: Family Health International.

Journal

- Ab Talib, M.S., Pang, L.L. and Ngah, A.H. 2020. *The role of Government in Promoting Halal Logistics: a Systematic Literature Review*. *Journal of Islamic Marketing*, Vol. 12 No. 9, pp. 1682-1708
- Aiedah Abdulk Khaleka. 2012. *Young consumers' attitude towards halal food outlets and JAKIM's halal certification in Malaysia*. International Halal Conference, 26-34. Kuala Lumpur: Elsevier Ltd.
- Amin, Al Uyuna Mohd, Zalina Zakaria & Alina Abdul Rahim. 2020. *Halal Certificate of Korean Food in Malaysia : The Challenges and Steps Ahead*. *The Journal of Muamalat and Islamic Finance Research*. Vol. 17. No. 2 Dec 2020. Pp. 61-74.
- Asa, R. S. 2017. *Malaysian Halal Certification : It's Religious Significance and Economic Value*. *Shariah Journal*. Vol. 5 No. 1 (2017) 137-156.
- Azmi, Y. Y. 2012. *Entrepreneurs' Social Responsibilities From Islamic Perspective: A study of Muslim Entrepreneurs in Malaysia*. *Procedia - Social and Behavioral Sciences*, 58, 1131-1138. Kuala Lumpur: Elsevier Ltd.
- Azmi, Y. Y. 2012. *Entrepreneurs' Personality from Islamic Perspective: A Study of Successful Muslim Entrepreneurs in Malaysia*. *Journal IPEDR* 46(16) , 86-90.
- Bakar, Azizi Abu, Ram al-Jaffri Saad, Siti Khalilah Basarud-din. 2017. *Assessing Challenges of Implementation Halal Food Certificate Among Bumiputera Small and Medium Enterprise*. *Journal of Humanities, Language, Culture and Business*. Vol. 1. No. 2. Pp. 34-39.
- Chok, Y. A. 2013. *The Role of Halal Awareness, Halal Certification, and Marketing Components in Determining Halal Purchase Intention Among Non-Muslims in Malaysia: A Structural Equation Modeling Approach*. *Journal of International Food & Agribusiness Marketing*, 1-23.
- Dasima Nordin, Rozita Husain, Astri Yulia, Suria Abu Basar & Mohd Fuad Salleh. 2016. *The Effect of Halal Certification on Financial Performance of Halal Food Companies in Malaysia*. *Proceedings of UNISEL Bestari Research Projects 2016*. Pp. 93-99
- Giyanti, I. and Indriastiningsih, E. 2019. *Impact of Halal Certification on The Performance of Food Small Medium Enterprises*. *Jurnal Ilmiah Teknik Industri (JITI)*. Vo. 18 (2), Des 2019, 116-123.
- Latiff, J.A and Omar, K.C. 2019. *Issues and Challenges in Implementation of Halal Medical Device Certification in Malaysia*. *Halal Journal*. No.3 (2019) 109-116.

- Man, S. & Harun, M. S. 2016. *Pensijilan Halal Dalam Kalangan Usahawan Perusahaan Kecil Dan Sederhana (PKS) Di Semenanjung Malaysia: Isu Dan Permasalahan*. Dlm. Luqman Hj Abdullah, Rushdi Ramli & Nor Fahimah Mohd Razif (Eds.), *Maqasid Al-Shari'ah: Aplikasi Dalam Aspek Muamalat dan Kehartaan*(199-214). Kuala Lumpur: JFU APIUM.
- Nur Shuhada Abu Basir, Chemah Tamby Chik, Sabaianah Bachok, Noradzhar baba, Rasidah Hamida & Maria Mohd Salleh. 2018. *Motivasi Factors For Halal Certification Adoption among Small and Micro Enterprises in Malaysia*. *International Journal of Supply Chain Management*. Vo. 7. No. 4 (August 2018). 391-396.
- Nurul Zubaidah Mustaffa, Sarah Aqilah Mazuki, Sharifah Musfirah Tuan Azmi, Wan Nor Naimah Husna Wan Mansor, Wan Nur Syahirah Wan Yusof, and Wan Mohd Yusof Wan Chik. 2019. *Kempen "Buy Muslim First": Analisis Menurut Maqasid Shariah*. In: *The International Conference on Islamic Civilization and Technology Management*, 23-24 Nov 2019, Kuala Terengganu.
- Pauzi, N. & Man, S. 2019. *The Challenges and Elements of Local Wisdom in Malaysia Halal Certification*. *Jurnal Fiqh* 16(1), 165-190.
- Sazelin Arif, N. L. 2021. *Obstacles in Securing Halal Certification in Malaysia: A Study on Home-Based Business (HBB)*. *Walailak Journal of Social Science* 14(3), 1-19.
- Sriviboone, S. and Komolsevin, R. 2017. *Value Orientation and Quality of Halal Certification in Cosmetics Business*. *The Asian Conference on Arts & Humanities 2017 Official Conference Proceedings*.
- Sudarmiati, S., Khoirul Anam, F., & Wafaretta, V. 2020. *The Intention of Halal Certification by Micro Business*. *KnE Social Sciences*, 4(9), 141-155.
- Yildirim, A. 2019. *Halal Certification and Its Application in Malaysia*. *Amasya Theology Journal*, 143-165.

Document

- Department of Islamic Development Malaysia, J. 2020. *Manual Procedure for Malaysia Halal (MPPHM) (Domestic) 2020*. Putrajaya: JAKIM.
- Secretariat, M. H. 2019. *List of Registered Halal Training Provider (2018-2021)*. Putrajaya: Department of Islamic Development Malaysia

Internet

- Jumlah peniaga 'informal' meningkat sejak Covid-19. Utusan Malaysia. <https://www.utusan.com.my/nasional/2021/03/jumlah-peniaga-informal-meningkat-sejak-covid-19/> (accessed on 13th August 2021).
- Kerajaan galak pengusaha bukan Islam peroleh sijil halal JAKIM. Sinar Harian. <https://www.sinarharian.com.my/article/9685/BERITA/Nasional/Kerajaan-galak-pengusaha-bukan-Islam-peroleh-sijil-halal-JAKIM> (accessed on 11th August 2021)
- Malaysia a true entrepreneurial nation by 2030. <https://www.thesundaily.my/local/malaysia-a-true-entrepreneurial-nation-by-2030-YK1095032> (accessed on 13th August 2021).
- Mohon Sijil Halal Tidak Sesukar Mana. <https://www.sinarharian.com.my/article/61244/SUARA-SINAR/Lidah-Pengarang/Mohon-sijil-halal-tidak-sesukar-mana> (accessed on 11th August 2021)
- Pelancaran Sijil Pengesahan Muzakki, Permudahkan Pembayar Zakat. LZNK. <https://www.zakatkedah.com.my/pelancaran-sijil-pengesahan-muzakki-permudahkan-pembayar-zakat/> (accessed on 9th August 2021).
- Sijil Muzakki dan Logo Sahabat Zakat Kedah: Tanda Sokongan LZNK Kepada Para Pembayar Zakat Perniagaan. LZNK. <https://www.zakatkedah.com.my/sijil-muzakki-dan-logo-sahabat-zakat-kedah-tanda-sokongan-lznk-kepada-para-pembayar-zakat-perniagaan/> (accessed on 9th August 2021).

Why Muslim entrepreneurs should obtain halal certification.
<https://www.nst.com.my/opinion/columnists/2020/09/627309/why-muslim-entrepreneurs-should-obtain-halal-certification> (accessed on 13th August 2021).

Zakat Kedah Introduces Muzakki Certificate.
<https://www.bharian.com.my/berita/nasional/2020/06/695517/zakat-kedah-perkenal-sijil-muzakki> (accessed on 9th August 2021)

Interview

Mudeen, N. N. 2021. Issues and Challenges of Promotion Halal Certificate for Muslim Entrepreneurs in Malaysia. (N. S. Mubin, Interviewer)

Disclaimer

Opinions expressed in this article are the opinions of the author(s). Al-Qanatir: International Journal of Islamic Studies shall not be responsible or answerable for any loss, damage or liability etc. caused in relation to/arising out of the use of the content.