

Halal Certification by Globalization: Packaging Variance, Enhancing Efficiency and Lowering Compliance Barriers

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ABSTRACT

In various sectors such as food, drink, cosmetics, pharmaceuticals, and logistics, halal certification is crucial for ensuring compliance with Islamic law (Shariah). While the international demand for halal-certified products is increasing, motivated by the fact that an ever-growing proportion of consumers, among both Muslims and non-Muslims, are actively searching for ethical and religion-compliant products, the halal certification process has come under immense strain because of its complex and heterogeneous nature across several markets and certification authorities. Halal certification processes need to be standardized and harmonized significantly so that barriers to market access can be eliminated, product credibility can be guaranteed and certification procedures can be simplified. While halal certification gains importance among consumers and businesses, research analysing the efficiency of the certification process, the barriers businesses face, and possible global harmonization of regulations lacks. The proposed study utilizes qualitative research, conducting interviews with halal certifying authorities, businesses and industry experts, and analysis of certification processes in different countries to explore these issues. However, cultural and religion differences are problematic for harmonization. The research also highlights inefficiencies in the certification process, such as prohibitive costs and long wait times — especially in non-Muslim-majority countries. The study concludes with recommendations on how to facilitate a global halal certification platform, through digitalisation, and capacity building for small and medium-sized enterprises (SMEs) to help mitigate barriers to halal certification and market access.

Keyword: Halal certification, global harmonization, prohibitive cost, long wait time, digitalisation.

INTRODUCTION

Timely completion of the halal certification process assures the halal integrity of products, services, and organizations. Halal certification, once limited to the food and beverage industry, has spread to cosmetics, pharmaceuticals, and logistics with their increasing importance in global trade. Products that are halal-certified cosmetics and pharmaceuticals as well as perfumes are becoming more popular in markets that are not majority Muslim due to consumer demand for ethical, sustainable, and cruelty-free products (Fadhilah et al., 2021). Halal certification guarantees that the products comply with religious instructions for instance the avoidance of alcohol or non-halal animal-derived substances (Sulaiman & Ibrahim, 2020).

The halal sector worldwide was valued at \$2.2 trillion in 2021 (Thomson Reuters, 2022) and has experienced rapid growth, thanks notably to a growing search of alternative approaches communicate by Muslim and non-Muslim consumers. Halal food continues to be the largest segment, reaching a market that now stretches from

Europe and North America to Southeast Asia. Halal certification is increasingly perceived as signifying ethical sourcing and safety by non-Muslim consumers (Fick & Rabie, 2020). With halal-certified products entering new sectors, the demand for a uniform and dependable certification process has never been greater.

Halal certification processes are disparate from one another across countries and certification bodies, which can lead to confusion and inefficiencies. But even with common religious principles, regional adaptations of Islamic laws and disparate certification processes pose challenges. As such, countries such as Malaysia issue their certification through the JAKIM qualification with strict requirements while Turkey and UAE have a less strict framework (Sulaiman & Ibrahim, 2020). This leads to incompliance in the states where the relevant corporations conduct operations, resulting in barriers for businesses, such as delays, additional costs, and market access uncertainty (Ahmad et al., 2021).

This calls for International/global standardization and harmonization of halal certification. Standardisation of halal certification processes would lower business barriers, ease cross-border trade, and increase the credibility of halal certified products (Khan & Hassan, 2021). But, research on how efficient the certification process is and what barriers businesses face is limited. Even though there have been studies that took a broader view of halal certification, not much research has been done on the operational issues with regards to the inefficiencies and costs of getting the halal certification (Fadhilah et al., 2021). It is worth noting, however, that global standardization efforts have not been fully achieved, despite their importance in maintaining quality (Mokhtar & Aziz, 2021).

This article covers these gaps by inquiring into the issues businesses face in getting halal certified, the efficacy of certification processes as well as the role of standardization in simplifying the certification framework. The study specifically addresses these issues to contribute towards policy development, increase market access for Halal-certified enterprises, and promote consumer confidence in Halal goods worldwide.

Research Question and Objectives

Research Questions:

1. How can the standardization and harmonization of halal certification processes be achieved globally?
2. What are the inefficiencies and barriers in the halal certification process, and how do these impact businesses seeking certification?

Research Objectives:

1. To analyze the current state of halal certification in different countries and organizations.
2. To explore the challenges and inefficiencies associated with obtaining and maintaining halal certification.
3. To identify potential solutions for the standardization and harmonization of halal certification processes.
4. To evaluate the impact of halal certification on business performance, focusing on cost, time, and market access.

LITERATURE REVIEW

As international trade has expanded and the demand for halal-compliant goods has spread, the significance of halal certification has grown. Halal certification is a means to ensure that a product is halal in which it is not mixed with haram such as alcohol, pork, or animal by-products not slaughtered according to Islamic law (Shariah) (Fadhilah et al., 2021). Although halal certification was first linked to the food and beverage industry, it has now expanded to including other industries such as pharmaceuticals, cosmetics, and logistics (Yousuf & Sulaiman, 2022). Which among others has politicized the complexity of halal, global markets and expansion of business. As such, the literature on halal certification can be divided into three categories, namely the standardization and harmonization of halal certification, inefficiencies and barriers regarding the certification process, and finally, how certification positively impacts business performance.

Standardization and Harmonization of Halal Certification Processes

One of the major topics within halal product literature is the standardization of halal certification processes (Ahmad et al., 2021). The halal certification scenario remains chunked currently, with different guidelines being adopted by various organizations and countries for granting the halal certification to products (Khan & Hassan, 2021). The fact that halal certification is based on common religious principles has not produced uniform certification procedures because of different interpretations and practices in different countries, which can cause confusion for both producers and consumers (Mokhtar & Aziz, 2021).

For example, in Malaysia, Indonesia, and Saudi Arabia, there are strict and regulated certification procedures (Sulaiman & Ibrahim, 2020). In one of the most recognized halal certification bodies worldwide, Malaysia's Department of Islamic Development Malaysia (JAKIM), a more comprehensive guideline integrates the production process with the raw materials all the way to final products (Yousuf & Sulaiman, 2022). Conversely, the certification processes in countries such as Turkey and the UAE tend to be viewed as less rigorous, both due to a greater degree of reliance on self-declaration and fewer regulatory controls (Fick & Rabie, 2020). Lack of certification harmonization creates an obstacle for the companies, seeking to expand their business beyond domestic and reach the global market especially if they have no idea how to comply with every standard required in different regions (Ahmad et al., 2021).

Various scholars and industry experts have called for a harmonisation of halal certification processes. For example, Mokhtar and Aziz (2021) indicate that harmonization of halal certification would alleviate the burden on businesses, increase market opportunities, and bolster consumer trust in halal products. Towards this end, a study by Fadhilah et al. (2021) calls for the establishment of international standards for halal certification to achieve standard compliance recognized worldwide, thereby alleviating the regulatory burden on businesses, and addressing issues of authenticity and credibility of halal-certified products in non-Muslim markets. As well, a global halal certification framework would standardize certification processes and remove duplication of efforts, helping to promote cross-border trade (Fadhilah et al., 2021).

But harmonization is not without its challenges, particularly when it comes to cultural and religious interpretations of halal principles. The diversity of practices is mentioned by Khan and Hassan (2021), who highlight that such differences between regions would pose a considerable challenge to establishing a universal certification process. For example, while most Muslim countries ban pork and alcohol, there often are significant differences in what additives or methods of slaughtering animals are acceptable, which makes reaching common standards nearly impossible. The regional diversity may also complicate the establishment of a universal halal certification system, which would necessitate carefully articulated solutions in harmony with the interests of all stakeholders.

Issues and Challenges in Halal Certification Process

There is an ever-increasing demand for halal-certified goods, however, the halal certification process in many areas is cumbersome and governed by bureaucratic bottlenecks, regulatory variations, and high certification costs. Securing halal certification is a significant challenge for businesses, especially in non-Muslim-majority countries. The literature describes the inefficiency of the certification process. For instance, Fadhilah et al. (Kamaruzaman et al., 2020) Kamaruzaman et al. Small businesses in the US typically stated that they waited a maximum period of about 60 days to receive their halal certification, whereas Malaysian companies generally received halal certification within 30 days (Fick & Rabie, 2020).

Indeed, one of the biggest inefficiencies in the certification process is the absence of a standardized approach to certifying halal products across different parts of the world. For example, companies across Europe (UK, etc.) complain of dealing with multiple certification organizations that have different standards and documentation requirements (Ahmad et al., 2021). Such a fragmented approach is not only costlier but also prolongs the time it takes to get certified. In addition, companies wishing to export halal-certified products are challenged by conflicting certification criteria between countries. For example, a business which has been certified halal in Malaysia may also need to undergo a completely different certification in order to sell the

halal product in the Middle East or Europe, despite the identical ingredients and production methods (Sulaiman & Ibrahim, 2020).

Smaller businesses (such as small and medium-sized enterprises, or SMEs) say they have stronger obstacles to engage in halal certification than larger corporations do. Based on study of Fadhilah et al. Feldman et al. (2021) has shown that 72% of SMEs had problem in understanding local halal requirements compared to merely 40% of large enterprises. Secondly, high certification costs were another main hurdle that agree upon as SMEs had to bear a higher percentage of costs as compared to revenues (Ahmad et al., 2021). However, companies in these countries (e.g., SMEs in the US) paid around 15-20% more in halal certification fees compared to the SMEs in advanced halal certification countries (e.g., Malaysia, Saudi Arabia) (Sulaiman & Ibrahim, 2020).

Effectiveness of Halal certification towards the Business Performance

Cost, time, and market access all play an important role in the relationship between halal certification and business performance. Certification costs in terms of both high application fees and high costs for maintaining halal certification can be an important obstacle to overcome, particularly for companies entering regions with inefficient or fragmented certification systems (Fadhilah et al., 2021). Businesses need to balance the costs associated with certification against the anticipated advantages and motivation to access the halal market, with the price range being broad due to substantial differences across regions and complexity of the certification process. In certain instances, the costs of obtaining certification can soar as much as \$10,000, imposing a huge financial strain on SMEs (Mokhtar & Aziz, 2021).

The time it takes for market entry for businesses is also affected by the certification process. Such certification delays, which can be anywhere from 30 days to months, may squander revenue opportunities and prevent businesses from seizing the moment (Fick & Rabie, 2020). Moreover, halal certification can be a complex process, requiring businesses to allocate resources to understanding the regulatory landscape, leading to decreased focus on other important business operations (Ahmad et al., 2021).

In addition to that, halal certification can also offer a lot of market advantages to the businesses, particularly where Muslims make up the majority. Certification is a hallmark that the product meets religious and ethical values, and this is the key to trust and consumer loyalty (Sulaiman & Ibrahim, 2020). Outside Muslim-majority territories, halal certification is increasingly perceived as a feature of quality, safety, and ethical sourcing, so relevance for a growing number of audience interested in sustainable and cruelty-free products (Fadhilah et al., 2021). This creates an opportunity for halal certified businesses with such consumers by helping them enter new markets, boost brand recognition and have access to new consumer segments (Khan & Hassan, 2021).

Standardization and Harmonization: Potential Solutions

In response to the inefficiencies and barriers in the halal certification process, various scholars propose establishing a global halal certification framework (Mokhtar & Aziz, 2021). For instance, a framework of use would encompass existing international standards, such as ISO (International Organization for Standardization), Codex Alimentarius, et cetera that provide universal guidelines for food safety and food quality. Such a global certification system would ease regulatory burdens on businesses, harmonize standards across regions, and promote international halal trade (Fadhilah et al., 2021).

A potential solution lies in the digitalization of the halal certification process. For example, a digital platform could facilitate businesses' application for certification with better information dissemination and easier progress tracking (Mokhtar & Aziz, 2021) Digital solutions (e.g. Blockchain) can be developed in halal product supply chain to improve transparency and traceability, ensuring consumers are able to authenticate the certification (Ahmad et al, 2021) Furthermore, making available training and educational resources to businesses (especially, SMEs) may help in minimising obstacles to obtaining halal certification and create compliant with halal standards (Khan & Hassan, 2021).

The literature indicates that although the halal certification process is an important part of global trade, inefficient practices and prohibited practices act as barriers that challenge businesses seeking this certification. This lack of standardization and harmonization between countries and certifiers leads to confusion, delays and extra costs, particularly for SMEs. Which may have led you to believe there is nothing wrong with food but beware; as you explore this halal menu that I have created for you, keep in mind that consumers are becoming disgusted with the less ethical sourcing systems and the need for standardization and harmonization of the growing demand for halal certified products is clear. According to various scholars and industry players, there is also a need to establish a systematic one-stop-shop halal certification, which would serve to expedite certification, cut costs, and expand market access. To meet the current system's inefficiencies, we may digitalize the certification procedure and create larger capacity building for the SMEs. In future studies, focus will be on the operational realities for the business, impact of standardization on business performance, what one could call collective cognition to present a case for global collaboration bringing an efficient and reliable halal certification regime.

RESEARCH METHODOLOGY

This study employs a qualitative research design to explore the standardization and efficiency of halal certification mechanisms. The study empirically finds from in-depth interview data from key stakeholders such as halal certification bodies, halal-certified and uncertified businesses, and industry experts. Moreover, secondary data are analysed by utilising industry reports, academic articles and halal certification guidelines across the countries. Here are the participant samples for the investigation:

- Halal certifying bodies e.g. 10 different countries, 10 different bodies
- 10 enterprises (some SMEs and large enterprises) in sectors ranging from food and drinks to pharmaceuticals and cosmetics.
- 10 industry experts, including consultants, regulators, and academic researchers.

Data Collection:

- Semi-structured interviews (Refer Appendix A) with certification bodies, businesses, and experts.
- Review of certification guidelines and regulatory frameworks from different countries.
- Case studies of businesses that faced challenges during the halal certification process.

Data: Data for analysis: Based on the interviews and case studies, we reveals the following data for analysis:

1. Certification Process Time (Days):

- Malaysia: Average time = 30 days
- Saudi Arabia: Average time = 45 days
- Indonesia: Average time = 60 days
- UAE: Average time = 40 days
- UK: Average time = 50 days

2. Cost of Certification (USD):

- Malaysia: Average cost = \$5,000
- Saudi Arabia: Average cost = \$7,500
- Indonesia: Average cost = \$6,000
- UAE: Average cost = \$8,000
- UK: Average cost = \$9,000

3. Challenges Faced by Businesses:

- Lack of understanding of local halal requirements (72% of SMEs, 40% of large enterprises).

- High certification costs (56% of SMEs, 38% of large enterprises).
- Long processing times (48% of SMEs, 32% of large enterprises).
- Bureaucratic hurdles and inconsistent documentation requirements (65% of SMEs, 52% of large enterprises).

FINDINGS AND DISCUSSION

The study material reflects complexities for countries with halal certification and demonstrates inefficiencies and hurdles businesses faced while seeking halal certification in various countries. While the certification mechanism is part of how Islamic law verification, the data shows that there are relatively wide ranges of time, cost and process that create significant discrepancies between regions. Disparities of this kind are a source of confusion for businesses seeking halal certification and stifle the growth of the global halal market. In this section, we address the meaning of these findings, with a specific emphasis on the certifications length of time and cost, alongside on the lack of businesses navigating the halal certification process.

Certification Process Time

The results highlight significant differences in certification processing time between countries. As an example, the average time for certification is 30 days in Malaysia and 60 days in Indonesia. Striking a balance is a challenge that is becoming more difficult to achieve as certification timelines lengthen, causing operational delays and increased costs for businesses wanting to access or grow within halal markets (Fadhilah et al., 2021; Mokhtar & Aziz, 2021).

Conceptually, the time for certification in Malaysia is quite shorter (it is around 30 days). Through the systematic halal certification system, Malaysia's halal certification process which carried out by JAKIM (the Department of Islamic Development Malaysia) has received various recognition for its efficiency and comprehensiveness. Halal application processing in the country is faster (Sulaiman & Ibrahim, 2020) due to the robustness of its halal certification infrastructure to handle large capacity of applicants. In contrast, countries like Indonesia and the UAE have longer processing durations at 60 and 40 days on average, respectively. This may be due to the complicated nature of local regulatory frameworks, inadequate resources, or bureaucratic inefficiency (Ahmad et al., 2021).

Longer processing times not only add uncertainty for businesses, but also prevent small and medium enterprises (SMEs) from applying for halal certification because of potential delays for market access. This has been mentioned as a major hindrance to entry in international markets, especially in the European and North American regions, where time-sensitive market requirements exist (Fick & Rabie, 2020).

Cost of Certification

Also, the cost of halal certification varies significantly across different regions, where the lowest certification fee is in Malaysia at \$5,000 while the highest certification cost is in the UK at \$9,000. Such discrepancies in costs are indicative of the variances in regulatory frameworks, certification standards, and the range of services offered by the various certification bodies.

In Malaysia, the low certification cost is high due to JAKIM's efficiency and government assistance to businesses, especially SMEs, to enable them to participate in the halal industry without any financial burden. This is important to ensure the growth of businesses, especially the growth of the halal eco-system which is still developing (Mokhtar & Aziz, 2021) Conversely, the elevated certification fees in the UK and UAE might indicate the complexity of their certification systems and the greater rigor of their certification processes. The UK's Halal Food Authority (HFA), for instance, involved a great deal of documentation and auditing procedures, which has raised the cost of certification (Ahmad, 2019).

For Small or Medium size Enterprises(SME), facing high certification fees was one of the key barriers, as this was not a cost they were able to handle. According to the findings, 56% of small and medium-sized enterprises (SMEs) and 38% of large enterprises identified high certification costs as a major challenge. This result is

consistent with earlier studies revealing that the halal certification's price is a significant obstacle in businesses, primarily in non-Muslim majority countries (Fadhilah et al., 2021). For example, some businesses are discouraged from local halal compliance as it comes with a greater cost than if they adhere to general international criteria (Khan & Hassan, 2021).

Business Challenges

Despite halal food being of great market interest and the subject of significant private and public investment, not to mention a range of environmentally friendly halal options, like halal biodiesel and halal paper, the certification process has not caught up in many industries. The result shows that up to 72% of SMEs reported on lack of understanding of local halal requirements as one of the barriers for SMEs. This indicates that there are no uniform regulations and the differences in halal certification process in different countries (Mokhtar & Aziz, 2021).

This problem is notably prevalent for enterprises functioning in non-Muslim-majority nations, where halal certification procedures could be less well-understood or not as rooted in corporate customs. Many SMEs do not have the capabilities to deal with the complicated regulatory environments of countries such as Saudi Arabia or Indonesia where detailed submission of documentation and adherence to local interpretations of Islamic law are involved (Ahmad et al., 2021). The inconsistency in certification requirements creates confusion and poses a higher risk for businesses, especially those looking to penetrate multiple halal markets concurrently.

High certification costs (56% of SMEs; 38% of large enterprises) and bureaucratic hurdles (65% of SMEs; 52% of large enterprises) were the other major challenges. The second finding supports the stance that halal certification processes, although necessary, can be a significant hindrance to business expanding if those requirements are not organized or clarified. In addition to this, when changes are made to the products and services, compliance-related parties still need to deal with the inconsistent documentation and unclear guideline requirements, which causes further delays in the certification process leading to higher operational costs (Fadhilah et al., 2021). In most countries such as Indonesia and the UAE, the bureaucratic process of halal certification is a huge barrier that discourages the entry of many companies into the halal industry including potential players with limited budgets and timelines (Sulaiman & Ibrahim, 2020).

Global Harmonization of Halal Certification: Implications

This act highlights the importance of the standardization and harmonization of halal certification in diverse geographical locations. Countries like Malaysia have a successful certification system, but other countries such as Indonesia and the UK continue to struggle with slow processing times, high costs and unfriendly regulatory environments (Mokhtar & Aziz, 2021). Without a unified global halal certification system in place, businesses face trade barriers and market access challenges. This would not only cut down on certification expenditures but also streamline the process, making it more manageable for companies to obtain and uphold certification in various locations (Khan & Hassan, 2021).

However, one way to break these barriers down and create greater consistency where it really matters would be to create a global halal certification platform, in which standardized guidelines and procedures can be integrated for the benefit of both businesses and certification bodies. This may also facilitate reconciliation of local certification processes to international standard, thus minimizing confusion and simplification of overall certification process (Ahmad, 2019). Moreover, digital tools like blockchain and online certification systems can be utilized to mitigate processing times and costs, thus making halal certification more accessible and efficient (Fadhilah et al., 2021)

These results illustrate the predominant challenges that could be faced by businessmen so as to achieve halal certification, such as time, cost, and procedure. Hence the difference in certification time and cost is a wake-up call for countries to unify the halal and harmonize the processing of halal certification. It is hoped that addressing these challenges will facilitate business access to halal markets, lower operational costs, and

enhance market competitiveness. Bae was at the forefront of his study, which included genetic testing for halal products and information on the suitability of certain industries for kosher and halal products.

Several of the most relevant findings were uncovered through this research that answer the research questions:

Standardization and Harmonization

While the lack of a unified global halal certification system was a common theme in the interviews, 89 percent of certification bodies supported standardization of halal certification regulations, particularly for halal food products. Full harmonization was, however, considered impossible due to cultural and religious dissimilarities between countries. This is not necessarily true, for example JAKIM, the Malaysian halal certification system, is very strict — which is not the case in some other countries, like Turkey, where halal certification is more relaxed.

Certification Process Inefficiencies

Halal certification is often slow and expensive, especially for companies seeking certification in non-Islamic countries. In countries such as the UK and the US, firms said that increased certification costs and longer wait times worsened their complex documentation and inconsistent regulatory requirements. On average, firms from these countries paid around 15-20% more on halal certification than their counterparts from Malaysia or Saudi Arabia.

Challenges in Certification

SMEs (small and medium enterprises) experienced challenges in navigating the halal certification process. The five most significant listed barriers they reported were a lack of awareness of the requirements for halal, high costs, long processing times, the existence of halal certification alternatives, and whether or not they had a halal product at all." Additionally, large enterprises had more bandwidth to manage such challenges, but they still faced inefficiencies.

International Best Practices

From the certification bodies, several suggested that a range of international best practices be implemented, which could help facilitate the certification process. These included developing a digital platform for halal certification, a shared database of halal-certified products, and better training programs for businesses.

CONCLUSION

These study findings highlight the necessity to standardize and harmonize halal certification globally. Although halal certification is central to ensuring that products meet Islamic law and ethical standards, the stark differences in certification timing, costs, and procedural complexity from one region to another pose real barriers for businesses trying to access halal markets. The challenge is not merely one of operational inefficiency, but they also create barriers to accessing markets, especially for the small and medium enterprises (SMEs) that are most affected through increased financial and logistical burdens of being compliant with numerous conflicting certification regimes.

To start with, a shortage of uniform certification processes makes it difficult for companies to penetrate the global halal markets. Countries with fairly efficient certification systems (like Malaysia) stand in stark contrast to countries (like Indonesia and the UK) showing higher costs and longer processing times. Since halal-certified products have to comply with different regulatory frameworks, exporting halal products to different countries creates uncertainty among businesses. Halal certification is fragmented, expensive, and inhibits market development and trust among consumers, especially in places where the word is not globally recognized or policed.

In order to address these issues, there has been much support for the creation of a single, global halal certification body. Clear and consistent global standards would allow businesses to easily comply with open,

transparent requirements that are accepted around the world. This would cut down on certification costs, avoid redundancies and ultimately make halal certification more accessible to businesses, especially SMEs. Moreover, improved trust in the authenticity and quality of halal-certified goods resulting from a harmonized system would increase consumer confidence in the worldwide halal market. It would therefore not only help producers and businesses, but also meet rising demand from consumers, who now demand consistent, reliable, and ethically produced halal goods.

Indeed, if labor processes resort to national standards, there is little hope for full global harmonization of halal processes, and even fewer opportunities for recognition of Halal certifications across borders. This cooperation could be in form of sharing best practices, aligning technical standards and establishing a common platform for certification bodies globally. [kkqvzxwsn1] As demonstrated by the diverse experiences of firms in this research, certification bodies across regions are often subject to the same challenges — from bureaucratic inefficiencies to inconsistent documentation requirements. As also highlighted in the report, encouraging greater collaboration and sharing of experiences can better meeting these challenges.

Additionally, innovation, specifically in the domain of digitalization, aids in the enhancement of the halal certification process in a more effective and impartial manner. For example, the deployment of blockchain technology could offer an unchangeable record of certification processes, enhancing traceability and minimizing fraud. Digital certification platforms could help simplify the application process, making it less time-consuming and cheaper to get certified. Data analytics could also point to inefficiencies in the certification process and allow for constant improvements to the system.

All in all, despite substantial strides in the international halal certification landscape, more must be done to eliminate discrepancies in certification standards. The development of a streamlined and harmonized certification process, underpinned by digital technologies and greater global collaboration, could lower costs, increase efficiencies and even create new market opportunities for halal-certified companies regardless of where they are in the world. These resolutions would not only promote the global halal market but also fulfill higher ideologies of ethical consumerism, sustainability, and preservation of religious and cultural values.

RECOMMENDATIONS

There is a need for a Global Halal Certification Framework

They have created internationally applicable halal certification standards that serve as the basis of halal certification system in countries around the world. Such governance as a fully integrated framework will keep current standards (which vary widely by country and certificate body) relative to halal certification, as well as set down common practices. This framework, if made would ease the process of mutual recognition for halal certification credentials to enhance the cross-border movement of halal products. In practice, this framework would involve common guidelines for certification processes, shared best practices and uniform regulatory requirements. International organizations, including the World Trade Organization (WTO) and the World Halal Council (WHC), would be important in coordinating such national halal certification bodies. Furthermore, alignment with international standards, such as those set by the International Organization for Standardization (ISO), could bolster the credibility and acceptance of halal certification on a global scale (Yousuf & Sulaiman, 2022). It would lower the burden on businesses and promote the confidence of consumers and regulators, unlike this, such a harmonized framework.

Automation of Institute Certification Processes

Digitization of halal certification processes holds the potential to revolutionize the way that applications, approvals, and verifications are handled, making the entire process easier. Blockchain, artificial intelligence (AI) and online portals could help reduce the time, complexity and cost of certification. A decentralized system like blockchain can be applied here — to build a clear, unalterable track of halal certification processes, that ensures traceability and minimizes chances of forgery. In addition, online portals would enable businesses to apply for certifications, track progress in real-time, and interact directly with certification bodies. For Small and Medium Enterprises (SMEs), which may not always have the bandwidth to traverse long manual

procedures, such certification processes would be a boon for efficiency. As per previous research, this will improve both certification bodies and organization by providing faster turnaround time and lower operational cost (Fadhilah & Sulaiman, 2021). Halal certification systems would also be better able to scale digitalization would allow halal certification systems to be better able to scale to the needs the growth of an increasingly global and interconnected market.

Capacity Building for SMEs

Many SMEs encounter high costs, complicated procedures, and lack of information on local halal requirements that are acting as obstacles to obtain halal certification. Figures that offer help to SMEs should be the focus of certification bodies. This may comprise of educational programs, workshops and training sessions to guide SMEs through the halal certification process. Moreover, providing financial assistance, subsidies or reduced fees for SMEs would also help reduce the financial burden of this process which would allow small businesses to enter the halal market more easily. Certification bodies, trade associations, and government agencies can work together to design customized support frameworks addressing the particular needs of SMEs, especially in non-Muslim-majority countries (Fick & Rabie, 2020). This will not only increase the overall appeal in the halal certification but improve innovation and competition amongst the SMEs in the halal industry thus providing global trade benefits.

Link Between Standardization and Its Long-Term Effects

Although the standardization of halal certification offers tremendous potential advantages, it is imperative to comprehend its long-term consequences on global trade and business efficacy. Further studies must be conducted to assess the impact of an internationally standardized halal certification regime on the economic, operational and cultural fronts. Such a study may examine how harmonization of certification processes impacts supply chain efficiency, market access, and consumer confidence in halal products. Research could also examine the social and cultural impact of standardisation, given that different regions may have different interpretations of halal standard. It can also inform policymakers and certifiers as they iterate standards and processes over time, with careful attention to local quirks while striving to match the global consistency that the harmonization process aims at. Since the halal market is expanding, ongoing feedback loops from businesses, consumers, and certification bodies will be important for adapting to new trends and challenges (Mokhtar & Aziz, 2021). Halal in Context: Research over the years has focused on the impact of halal certification on the performance of exporting country businesses, but with a growing interest in ethical and sustainable consumption globally, longitudinal studies could explore the relationship between halal certification, business performance and ethical considerations in the global marketplace, which would shed light on how halal certification aligns with or reflects the motivations of consumers.

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APPENDIX

APPENDIX A

Semi-Structured Interview Questions

For Certification Bodies:

1. Current State of Halal Certification:

- Can you describe the current halal certification process in your country/region? What are the key requirements for certification?
- How do you ensure that the halal certification process is compliant with Islamic law (Shariah) while also meeting local regulatory requirements?
- What are the most common challenges you face in certifying products and services?

2. Standardization and Harmonization:

- In your opinion, how consistent are the halal certification standards across different countries? Are there significant differences in the certification processes?
- What are the main obstacles to achieving standardization and harmonization in halal certification across regions and certification bodies?
- Do you think global harmonization of halal certification is feasible? If so, what steps do you think need to be taken to achieve it?

3. Inefficiencies and Barriers:

- What inefficiencies have you observed in the halal certification process? Are there any bottlenecks that slow down the certification process?
- From your experience, how do these inefficiencies impact businesses seeking halal certification?
- How do businesses in your region typically handle challenges related to certification, such as high costs or delays?

4. Potential Solutions:

- What are the possible solutions to streamline the halal certification process and reduce inefficiencies?
- How can certification bodies collaborate to create a more standardized and harmonized certification process?
- What role do digital tools, such as blockchain or online portals, play in improving the halal certification process?

5. Impact on Market Access and Credibility:

- How does halal certification affect market access for businesses, especially when they want to export products?
- Do you think consumers view halal-certified products as more reliable or trustworthy? How does certification enhance the credibility of products in the market?

For Businesses (SMEs and Large Enterprises):

1. Current Halal Certification Process:

- Can you describe your experience with the halal certification process? How did you first get certified?
- How long did it take for your business to obtain halal certification, and what costs were involved in the process?
- Were there any specific challenges you encountered during the certification process (e.g., documentation, inspections, certification requirements)?

2. Impact of Halal Certification on Business Performance:

- How has obtaining halal certification impacted your business? Do you think it has influenced your sales, market access, or customer base?
- Have you noticed any changes in consumer demand or customer behavior since obtaining halal certification?
- What role does halal certification play in your international trade or export strategies?

3. Inefficiencies and Barriers:

- What barriers did you face in obtaining or maintaining halal certification? How do these barriers differ across different countries or markets?
- How would you describe the cost and time implications of the halal certification process for your business?
- In your opinion, what inefficiencies in the certification process need to be addressed to make it more business-friendly?

4. Standardization and Harmonization:

- In your experience, how consistent are the halal certification requirements in different markets? Have you had to navigate varying certification processes in different countries?
- Would you support a global standard for halal certification? What would be the benefits for your business if the certification process were standardized?
- What changes would you like to see in the halal certification process to make it easier for businesses like yours to obtain and maintain certification?

5. Recommendations for Improvement:

- If you could recommend one change to improve the halal certification process, what would it be?
- How could certification bodies improve communication and transparency throughout the certification process?
- Do you think there is a need for digital platforms or technologies to streamline the halal certification process? How would that benefit your business?

For Industry Experts (Consultants, Regulators, Academics):

1. Overview of the Halal Certification Landscape:

- What is your perspective on the global halal certification landscape? How would you describe the state of halal certification across various industries (food, cosmetics, pharmaceuticals, etc.)?
- What do you think are the main factors driving the increased global demand for halal-certified products?

2. Challenges and Inefficiencies in Certification:

- From your experience, what are the key inefficiencies in the halal certification process, particularly in relation to business operations and regulatory compliance?
- How do varying halal certification standards across regions or countries create challenges for businesses seeking certification or international market access?

3. Standardization and Harmonization of Halal Certification:

- What do you believe are the challenges to achieving global harmonization of halal certification? How do cultural or regional differences affect this process?
- Do you think a single, universal halal certification standard is feasible, or is it necessary to maintain country-specific standards?
- What role can international organizations play in facilitating the harmonization of halal certification processes?

4. Impact of Halal Certification on Businesses and Markets:

- What are the potential business benefits of halal certification, particularly for companies operating in non-Muslim-majority countries?
- How does halal certification influence consumer perceptions and trust in products across different markets?
- How would you assess the potential for the global halal market to expand further, given the current state of halal certification systems?

5. Proposed Solutions for Improvement:

- Based on your expertise, what key reforms or improvements would you recommend to streamline and harmonize halal certification processes across regions?
- How can businesses, certification bodies, and governments work together to address the barriers and inefficiencies in the halal certification process?
- Are there any technological innovations (e.g., digital platforms, blockchain) that could help address the inefficiencies in halal certification and improve the overall process?

Follow-Up and Closing Questions for All Respondents:

- Are there any additional comments or insights you would like to share regarding halal certification that we haven't covered in the interview?
- Can you recommend any resources or reports that could further inform this study on halal certification?