

INDONESIA'S HALAL FOOD: INDONESIA POTENCY IN INTERNATIONAL TRADE AND SUSTAINABLE DEVELOPMENT GOALS

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Abstract

Halal food has become a part of global food needs. Several countries that supply halal food, strive to develop halal ecosystems in the development of halal food in their country. Halal ecosystem development is positively correlated with the country's economic development in the long term. This is because the halal ecosystem runs the supplier network from upstream to downstream, it drives sustainable economic activity. Therefore, the ecosystem development is followed by improvements and adjustments to global provisions that ultimately increase its own competitive advantage that supports sustainable development. Indonesia is a Muslim majority country and has a halal certification institution, but unfortunately Indonesia has not become a country with a competent halal ecosystem. Halal food including the development of halal ecosystems is not a requirement yet to develop in Indonesia. The awareness that the superiority possessed by Indonesia in the form of Muslims majority and the existence of a certification body has not been realized as a potential that needs to be developed. This study uses qualitative methods that examine secondary data using the concept of halal, competitive advantage and economic development. This study aims to figure out Indonesia's potential in international trade in the development of halal food and the positive relation of halal food development with development, especially to the achievement of sustainable development goals. This is because the targets in sustainable development are mutually sustainable, on each the pillars of social development, economic development, environmental development and on legal development and governance.

Keywords; Competitive Advantage, Halal Food, International Trade, Sustainable Development Goals (SDGs)

Introduction

Halal certified products, including food, have become requirement and lifestyle of the global community. There is a phenomenon that halal certification is a global need which the

background of increasing number of Muslim groups and the awareness that fulfilling halal certification is positively related to food security and health, the environment and sustainable development. Likewise, an increase number of halal food requirement is influenced by trends of the consciousness that there is suitability between halal product qualifications and the provisions in the Codex Alimentarius. Halal provisions have also been summarized in the codex which includes commodity supply chains that could be potential chance increase economic growth. This opportunity encourages many countries to develop halal certification and rankings on their commodities.

Halal terminology has become part of international standards in the Codex Alimentarius¹ since 1997. Codex Alimentarius is recognized by the World Trade Organization as an international reference for resolving disputes regarding food security and consumer protection (FAO, 2016). The contents of the Codex Alimentarius include the definition of halal and its use in product packaging to show the halalness of a product. With the halal recognition by international organizations, the concept of halal has become an important instrument in gaining market access and strengthening the competitiveness of domestic products in the international market. Codex Alimentarius is a global standard on guidelines for producing and managing food products in international trade that have been mutually agreed upon based on FAO, WHO and several international institutions relating to food products in international trade such as the FDA and WTO. When a product is declared halal with a halal certificate, it is certainly in accordance with the standard codex alimentarius directly. Therefore, some countries try to develop halal products and establish halal certification bodies to facilitate the management and marketing of products in international trade.

In 2010, the number of Muslims in the world reached 1,599,700 thousand lives, while the number of Muslims in Indonesia was around 209,120 thousand or around 87.296% (Globalreligiuousfuture, 2017). With this large amount, the need for halal products, especially food, is quite large. Indonesia is the country with the highest level of halal food consumption in the world. This can be seen from the amount of consumption expenditure of 154.9 US dollars

¹ Codex Alimentarius (Latin for "Book of Food") is a collection of internationally recognized standards on practices, guidelines and other recommendations relating to food, food production and food security. The agency was founded by the Food and Agriculture Organization (FAO) and the World Health Organization (WHO) in 1963.

(Reuter, 2017). Geographically, Indonesia's economic activity is based on agriculture, so that the agricultural sector is an important part of the economic growth and decent work of the Indonesian people. This condition is a major consideration in formulating policies that have an alignment to the agricultural sector in expanding employment, eradicating poverty and encouraging broader economic development (sudaryanto, 2005). The agricultural sector is part of meeting the food needs of the Indonesian people

Unfortunately, based on the large number of Muslim population and consumption of halal products in the world, Indonesia is not a key player on world supplier of halal products. Based on the 2016 Halal Food Indicator, the United Arab Emirates is the largest halal food supplier and developer country followed by Australia and Pakistan. Even Indonesia is not in the top ten (Reuter, 2017). This is a challenge for Indonesia considering Indonesia as an agricultural country with food commodities and the world Muslims majority. Ideally, with these conditions Indonesia is a pioneer in the development of halal food and beverage products and not just as consumers.

As a Muslim majority country, Indonesia through the Indonesian Ulama Council (MUI) on January 6, 1989 established LPPOM MUI. The House of Representatives has also passed the Halal Product Guarantee Act (JPH Law) Number 33 of 2014 (halalmui, 2015). LPPOM issues a halal certificate that synergizes with BPPOM which issues product safety certificates (pom, 2015). Long before the JPH Law was passed, to provide comfort and security for Muslim consumers, Indonesia legally regulated the halalness of food products through Law No.23 of 1992 concerning health, Law No.7 of 1996 concerning Food and Law No. 8 of 1999 concerning Consumer Protection, which was then followed by several regulations relating to food security (Maulidia, 2013). Through the existence of these regulations the implementation is expected to protect domestic and international consumers as users of Indonesian products. However, as the reality above, that Indonesia has not become a key supplier of halal products in the world, even to meet domestic requirement. This can be seen with several cases, that the food circulating in the market is declared unsafe, both by BPOM and LPPOM. As with the use of borax, formalin, chlorine, rhodamine B and body preservatives in food ingredients (republika, 2007). Based on this reality, the security and halalness of the product becomes questionable and needs to get more supervision. Especially if the food product is part of international trade. This situation become

primary input for the government to make policies. The government's halal food policy in its implementation is analyzed based on its context and content. Halal food policy aims not only to protect Muslim consumer society but also as a competency in trade commodities, so this study is analyzed by competitive advantage.

Trade and globalization activities, assigned food needs not only by the abundance of foodstuffs, but also the access to food owned by the community. Especially when these foodstuffs become a trading commodity, then to get these foodstuffs can only be done through trade even though the food is on hand. It can be said here that even though the farmers play an active role in processing food, the farmers cannot easily get the food they have processed. This is because the food they prepared has become a trading commodity. This condition affect to food independence and sovereignty. Food sovereignty and independence are part of the indication of development. Food sovereignty itself consists of three pillars, the first pillar relates to availability, relating to domestic supply and production or local resources in meeting food requirements, second, accessibility (physical and economic affordability), related to the ability of the community to access or fulfill food needs considering food as part of trade commodities that have economic value. the third pillar relates to stability (supply and price stability), namely the sustainability of food supply at prices that can be reached by the community. While food independence emphasizes the management of local resource potential. As an agrarian country, local resources refer to foodstuffs produced from community agricultural activities as potential food resources. Local food resources are foods derived from and made from local products and processed with local resources and wisdom. Local food is an example of traditional knowledge that can be pride to a nation, ethnic group, or community in a particular region because that knowledge gives a regional identity (makanantradisionalsehat, 2017).

Based on these three pillars, the fulfillment of food sovereignty and independence have positively relation with the goals of sustainable development. The goal of sustainable development in Indonesia is the 2030 Agenda is a new development agreement that encourages changes that shift towards sustainable development based on human rights and equality to encourage social, economic and environmental development. Sustainable Development Goals (SDGs) applied to universal, integrated and inclusive principles to ensure that no one will miss or

"No-one Left Behind". SDGs consist of 17 Goals and 169 targets in order to continue the efforts and achievement of the Millennium Development Goals (MDGs) which ended at the end of 2015. The implementation of this agenda in Indonesia is under the National Development Planning Agency (BAPPENAS). Through BAPPENAS, a national action plan (RAN) was developed and the next was a regional action plan (RAD). The action plan was formed and agreed upon by stakeholders involved in achieving the SDGs or the goals of sustainable development, both from the government and the private sector. In this case, mutual cooperation is needed in achieving these development goals. Ministry of National Development Planning / National Development Planning Agency (Bappenas) as coordinator for the implementation of the achievement of Sustainable Development Goals (TPB / SDGs) in Indonesia has carried out various coordination to implement Presidential Regulation (Perpres) No. 59 of 2017 concerning Implementation of Achieving Sustainable Development Goals. One form of coordination that has been carried out by the Ministry of National Development Planning / Bappenas is the preparation of documents for the preparation of action plans for both national and regional levels. The documents are prepared by applying the principles of openness, participatory, and inclusive by involving not only government but also non-government elements consisting of philanthropy and business actors, community organizations and academics both by means of offline and online consultation. Bappenas divides the 17 goals in several pillars to synergize their achievements, including social development pillars (covering targets 1, 2, 3, 4, 5), pillars of economic development (covering targets 7, 8, 9, 10, 17), pillars environmental development (covering 6, 11,12,13,14,15) legal governance and governance pillars (target 16).

In this case the link between halal food as a competitive advantage and sustainable development is based on the understanding that halal food is a part of general food requirements. Be needed the awareness that food is not only about the availability of food but the sustainability of its existence and management. Some of the studies that can be used as references among other Oni Farihah's opinion on Consumer Protection Efforts Against Products that List Halal or Haram Labels, that consumers have a choice on the products offered especially with globalization that facilitates imported products, thus requiring certainty of halal products that offered (Farihah, 2015). Based on this, halal and halal-certified products are not only aimed at consumers, but also

for producers. If the producers able to meet consumer needs, it will indirectly increase the competitiveness of the product. Next literature according to Nur Hasan in the Analysis of Soybean Production and Demand to Develop Strategic Policy of Food Self Sufficiency: A System Dynamics Framework. Using a dynamic system approach (Hasan, 2015) shows that one strategy to self-sufficiency is improve product quality to be able to compete in trade. This quality improvement in addition to improving the quality of superior seeds also through improving product processing becomes a competent commodity. Commodity competencies can be achieved by meeting standards. One of the standards needed for food commodities is the halal standard. Halal standards can be met through halal certification.

Other studies are related to halal food with the title Malaysia as International Halal Food Hub: Competitiveness and Potential of Meat-based Industries by Pazim Othman, Irfan Sungkar and Wan Sabri Wan Hussin (Pazim, 2009). Stressing that halal food with all its standards and certifications is not only for Muslims, but also for non-Muslims because food is a universal thing that is needed by all humans. This is in line with the basic principles of Islamic understanding of "Rahmatan Lil Alamin" which confirms that Islam brings benefit (benefit) to all humanity. With a case study of Malaysia's efforts to improve the superiority of halal meat products, to increase the superiority of halal beef products, it is necessary to understand that beef is a universal food ingredient. Halal meat management must be universal to meet the needs of all groups. Because the concept of halal will be related to other concepts in the teachings of Islam and this is what has not been fully realized by Malaysia, including other OIC countries. In connection with this awareness, Abdul Raufu Ambalia and Ahmad Naqiyuddin Bakar also reviewed in the People's Awareness on Halal Foods and Products: Potential Issues for Policy-Makers (Raufu,2014), that halal food is not only concerned with government policies and efforts in fulfilling halal certification requirements and developing institutions halal, but also related to public awareness of halal food. This awareness becomes part of the demands of the community in making decisions. So that if the community is aware of the importance of halal food, the certification process and institutions will run on the path.

Halal certification in food is a special standard that shows food integrity. This was stated by Mohd Helmi Ali, Norhidayah Suleiman, Eleven shades of food integrity: A halal supply chain

perspective (Helmi, 2018), that food is an integrated or intact commodity which includes various provisions. Food integrity is not only related to good quality of food products, but also related to health, safety, religion and culture. So that whole foods are quality food. Standards as quality food must be met in each supply chain process.

Based on these studies, halal certified food has a competitive advantage that goes through a long process throughout its supply chain. So that halal food creates excellence results in every series of processes. This advantage certainly creates its own competitiveness. The ability to be compete shows the existence of each of these processes. With existing the existence, it will support the sustainability of every actor involved in the process in halal food. Likewise with the condition of Indonesia, as a Muslim, agrarian country and has a halal certification institution, how does Indonesia utilize halal food as a competitive advantage potency in international trade and support to achieve sustainable development? This question is the focus in the study of this paper.

Method

This study uses a qualitative approach. Qualitative research is done by processing the data into a description of the research analyzed for the data. In the process of data collection, validation will be greatly influenced by the interpretation in analyzing data and the implementation of theories related to the topics discussed. Thus, this study applies a qualitative approach that aims to describe the competitive advantages of Indonesian halal food in international trade and its contribution to sustainable development. This type of descriptive-analytical research describes and tries to find scientific explanatory explanations (Nazir, 2009). This approach was chosen because it has a broader view in finding patterns of relationships between concepts (Idrus, 2009). Especially the concept of halal, competitive advantage and sustainable development. Data obtained using literature study, then analyzed using the concepts that have been described.

Discussion

Analyzing halal food as a competitive advantage related to the ability of the organization or product to compete and outperform its competitors. This study was pioneered by Michael Porter and immediately received attention in the field of management. So that his thoughts are

often cited to explain phenomena in international management and trade. According to Hui-Ling Wang, there are two dominant views on competitive advantage, namely Market Based View (MBV) and Resources Based View (RBV). That a product or organization is able to compete and to excel can be seen and achieved from these two things. In MBV, industry factors and external market orientation are the main determinants of product or organizational performance. Market as part of determining the achievement of excellence. Whereas in the RBV, the internal environment of the institution or institution encourages the achievement of excellence. This opinion is quoted from the thoughts of Michael Porter (Chaston, 2012), in his book entitled "The Competitive Advantage of Nations" states there are four main factors that determine why a country has a successful international industry, namely:

- 1) Factor conditions, namely how conditions of production factors in a country such as infrastructure and other things that can support to industrial power
- 2) Demand conditions, namely the characteristics of domestic consumers of products or services from an industry
- 3) Supporting and related industries, namely the presence of industries that provide raw materials and related industries that have international competitiveness.
- 4) Competition, structure and corporate strategy, namely how the state conditions and regulates industry and its relation to domestic competition

These four factors influence the environment in which domestic companies operate and compete to create competitive advantage. Its own competitive advantage goal is to create profits and supportive positions against forces that determine industry competition. A company is said to have a competitive advantage when the company has something that no competitor has, does something better than another company, or is able to do something that other companies cannot do. Based on this coverage, the following models were created:

A	Percentage of Indonesian halal food in the world (the amount of Indonesian halal food circulating in the world)
B	Percentage of Indonesian halal food consumers in the world (number of Indonesian

	halal food consumers in the world)
C	Indonesian halal food needs
D	Indonesian halal food imports

With analysis:

A > B	Competitive
A < B	Not Competitive
C > D	Competitive
C < D	Not Competitive

In this study more emphasis on the trade of Indonesian halal food products to international trade. By looking at the number or percentage of Indonesian halal food circulating in the world. This view refers to Porter's opinion about market based view that this model explains five external driving factors that must be considered by an organization in order to be able to gain competitive advantage in the business environment, namely the threat of new players in business, competition among companies in the industry, threat of substitute products or services, supplier strength, and buyer strength (jakartaconsulting, 2015). Based on this scope, to get competitiveness, Indonesian halal food products must pay attention to external conditions, especially with the presence of certified halal food products in international trade. Countries that have bodies or institutions authorized to provide halal certification are not only dominated by countries with a majority of Muslims. Several countries in Asia and Europe have developed halal certification institutions even though the country is a Muslim majority of non-Muslims country. For examples in Asia there are Thailand, Taiwan, Hong Kong and Japan while in Europe there are Belgium, Poland and the Netherlands, even the United States (halalmui, 2016). Based on the 2016 global trade atlas, Indonesia only supplies 3 percent of the world's halal food. While Indonesia is a major consumer country of halal food in the world.(international trade center, 2016)

Indonesia's Muslim population is around 85% of the total population of Indonesia. This means that if the population of Indonesia in 2017 is around 256,603,197, the number of Muslims

is around 218,112,717 people, and this number constitutes one third of the world's Muslims, which is 3%. The domestic halal food market is quite large, so it is actually quite easy for Indonesian halal food producers to market food products in the country considering their needs are also quite large. In addition, with globalization and a shift in understanding and trends in the use of halal food products, the market share is not only limited to Muslim countries, but also other potential markets with non-Muslim consumers. By utilizing natural resources, it will be very beneficial for Indonesia. Potential markets, as the term implies, need to get attention to develop the Indonesian market. Market based view is based on secondary data by comparing the percentage of Indonesian halal food products in the world (share of halal food exporters), with a percentage of 3% and the percentage of Indonesian halal food consumers, taken from the number of Indonesian Muslims, namely 3%, then halal food products based on MBV is balanced / series with a stagnant position, because $A = B$.

A = Percentage of Indonesian halal food products in the world (Indonesia as a halal food exporter = 11th position at 3% (0.03))

B = Indonesian halal food consumers = roughly the number of Indonesian Muslims = (Indonesia's population = 256,603,197. The number of Muslims is 85% of the Indonesian population, then around 0.03 (3%))

This stagnant explanation is not just not competitive at all. This is essentially Indonesia has considerable potential in the development of certified halal food products that are supported by an agrarian culture. On the other hand, Indonesia's halal food needs are also quite large considering the majority Muslim population which is also a potential market for world halal food.

Next is based on resources based view, as well as the scope and definition so that in order to compete, the organization must have resource excellence and be able to manage it as a form of competitive advantage. The most important step is to determine potential key resources, including various resources that are owned as an effort to gain competitive advantage. With keyword resources, resources are not only limited to natural resources but also human resources. in natural resources it is clear, that in food products, Indonesia has the advantage of being an

agricultural country that produces food products both from agriculture, plantations, fisheries and livestock. The results of these activities are generally easily distinguished between halal food products and non-halal categories. even this crop without being processed can become part of trade commodities including international trade. The thing that should be a concern is that with globalization and the development of international trade provisions, when making these results as part of international trade commodities, it must pay attention to these provisions. Codex alimentarius is one of several provisions in trading food products. Among other things related to the packaging process and the distribution of these products. In this case it can be said to be able to compete, Indonesian food commodities that have not been processed should also pay attention to these provisions in order to be able accepted by the international market.

Globalization carries out social, cultural and even political values in the trade of food products, including halal food products. for examples processed food products that use additional meat, milk or cheese. This additional use also requires tracking the security and halalness of the product. If the addition is deemed not in accordance with market conditions, then it is possible to reject the product in trade. This is a non-tariff trade barrier condition. Abundant natural resources are not enough to make Indonesia a country with competitive food products. But also need to pay attention to the applicable provisions including maintaining good relations with other actors in international relations.

In human resources, understanding producers and consumers of halal food products needs to be of particular concern. In this case even though Indonesia is a Muslim-majority country, it does not mean awareness and understanding of the use of halal food products is high. On the government side, the establishment of a halal certification institution is the right step. It's just that the weakness is that there are still rules that are not comprehensive and weak monitoring. Since the halal certification institute was formed in 1989, it was only in 1994 that halal certification was issued. Up to 2015, of the total certification that had been issued, only about 9 percent were not food products or restaurant providers (halalmui 2017). It can be said that attention and the need for halal food is quite large. In addition, because certification is only valid for 2 years, monitoring of food products in circulation is needed. Entrepreneurs or producers are expected to have the awareness to re-register their food products or businesses.

Whereas for consumers, plural community and culture, influence the understanding of halal food products. For examples in some communities in Indonesia, there is a habit of eating animal blood, called marus, which produced from livestock which is categorized as halal (beef, buffalo, goat, chicken). Because the habit is used to it, some people often assume that it must be categorized as halal. Actually, this condition is not only experienced and faced by Indonesia, but also countries with multicultural conditions or pluralism. Although Indonesia is predominantly Muslim, the existing diversity have placed Indonesia as a multicultural country with a different cultural background. Until now the culture still accompanies the implementation of religious provisions including halal.

Indonesia is a country of mixed religion & culture, show that pluralism with high tolerance can be used as a capital to support the development of halal food in Indonesia, this is because Muslims in Indonesia besides as a majority group, they as well as civil society groups that are able to influence and play a role in government policy (well-established Muslim presence). Based on this condition, the Muslim group developed a pioneered standards and certification institution considering that halal food consumers are very large, as well as food producers who are supported by agrarian conditions (consume and produce). Disparity in world halal food fulfillment, automatically making halal food as a trade commodity. This food position as a commodity attracts the attention of multinational economic actors who are not only domestically but also abroad (multinational presence) (Internationaltradecenter, 2015). The existence of this multinational company encourages the implementation of halal food certification, because through certification, food products easily gain the trust from the consumers. On the other hand, the tendency to globalize products is the existence of a product cycle. The thought developed by Raymon Vernon shows that at the beginning of the life cycle of a product all parts and labor associated with the product come from the area where the product was found, in this case is the home country. After the finished product, adopted and used in the world market, the production process gradually moves from home country to host country (Hill, 2007). In some situations, the product becomes the country's original imported goods. The production process of goods originating from home country, in this case including food products, is no longer concentrated in the home country, but is also divided into the host country, especially

if the host country has raw materials or resources which needed in making these food products. The production process at host country involves small-scale entrepreneurs, local / domestic micro and medium-sized enterprises, SMEs (local SMES and Micorenterprises). SMEs activities, especially in this case are halal food products, must be halal certified as an economic boost (halal as an economic driver). Because halal food products have become part of international trade provisions, especially listed in the codex alimentarius, this provision is part of the provisions of international trade regimes which are also part of political platform. With the word meaning, international actors can use this halal issue as part of political policy to achieve goals and interests.

Based on these some understandings, ideally Indonesian halal food products are able to compete in international trade, because existing resources and raw materials are easily available and found in Indonesia. However, the challenge of providing and developing halal food products is not only related to the fulfillment of food needs, but also in providing halal certification for these food products. The amount and variety of food, both processed and not are very much. Coupled with the presence of food and imported food products requires supervision and attention from the government with regard to the certification or halal label. At present, the Indonesian Ulama Council (MUI), the leading Muslim clerical body in Indonesia, collaborates with the Food and Drug Research Institute (LPPOM), the Food and Drug Analysis Agency, as the only national halal certifier. LPPOM MUI was established in 1998, in collaboration with the Ministry of Religion, Ministry of Agriculture and Ministry of Cooperatives and SMEs, Ministry of Trade, Ministry of Industry, Ministry of Maritime Affairs and Fisheries, Ministry of Tourism and Economic Creative and a number of universities in Indonesia.

Apart from halal certification itself, LPPOM MUI also recognizes other halal certificates which issued by organizations that have been recognized and approved by the MUI. In 2017, the Ministry of Religion of the Republic of Indonesia took over halal certification by establishing a Product Guarantee Organizing Agency (BPJPH). This new body will facilitate the administration of halal certification, which involves receiving all applications, collecting fees, and issuing certificates. The role of the MUI is limited to issuing fatwas and conducting an audit process, which will also be given to other organizations such as universities and civil society to accelerate

the work. Based on MUI data from 2012 to October 2017 the number of products that have obtained halal certification is 259,984 products. Keep in mind that halal certification is only valid for two years and then re-registered or revoked the certification. So that the report on the amount of halal food certified by the MUI cannot be separated from this condition. This amount is roughly still lacking because considering that food produced from agriculture and have not be processed yet is generally halal food. It's just that when these foodstuffs become commodities of international trade, halal certification or provision is needed that not only relates to the content of the food, but also relates to the process of preparing, storing, packing and distributing of food should be guaranteed that the food does not intersect with prohibited material according to Islamic sharia.

The existence of globalization and diverse of food needs has encouraged the import food, including halal food. In this regard, LPPOM MUI has collaborated with foreign certification institutions from other countries that have been considered competent. So that the imported food that has been certified by the institution only gets supervision from LPPOM MUI. Whereas for imported foods that have not received certification or halal labels, importing companies are expected to voluntary to register these food commodities. This voluntary means that there is no compulsion for importers. This is what requires the foresight of consumers to choose food. If the imported food has registered the commodity and obtained certification, then it is applied the same as the domestic food certification, which is a period of 2 years and then re-registers the commodity. If within 2 years do not re-register the commodity or after reviewing the commodity is not in accordance with Islamic principles, then the food commodity can be withdrawn from the Indonesia market. Provisions concerning imported food based on them are Law (Act) No. 8, 1999, concerning Consumer Protection; UU no. 36 of 2009 concerning Health; and Law No. 18, 2012 concerning Food, Government Regulation No 69, 1999 concerning Food Labels and Advertising; Minister of Religion Decree No. 518 of 2001 concerning Guidelines and Procedures for Inspection and Determination of Halal Food; and Minister of Religion Decree No. 519, 2001 concerning Implementing Agency for Halal Food Inspection (halalcorner, 2014). based on data from the BPS (Social Statistics Agency) (BPS, 2016) relating to the import of consumer goods totaling US \$ 10,875,500 million (including fuel and transport), while without fuel and

transportation reached 8,727,800 million US \$. Based on a report from the Global Halal Food Trade, it shows that the value of Indonesia's food imports reached 14.3 billion US dollars. Its share was 7.4 percent of total halal food consumption which reached 193.6 billion US dollars in 2015 (ekonomisyariah, 2016). Based on these data, even though Indonesia was a product market share, compared to the value of imports of consumer goods, the number was still low.

Based on the data obtained, the RBV analysis as a competitive advantage can be seen from:

C	Indonesian halal food needs → 157 billion US \$
D	Indonesian halal food imports → 14.3 billion US \$

$$C - D = E \rightarrow 157 \text{ billion US \$} - 14.3 \text{ US \$} = 142.7 \text{ US \$}$$

Thus $D < E$; which means competitive.

Based on this data, it can be said that the halal food policy implemented by the Indonesian government based on the RBV is quite competitive, while the MBV has the potential to compete in the international market by expanding the halal food commodity market. it can be said that Indonesian halal food has not been able to compete in international trade. Indonesian halal food is still struggling to the fulfillment of domestic needs while food on the one hand has become a highly competitive trading commodity. Trade competitions that are not able to be followed will have an impact on the sustainability of these foods, especially with the existence of imported food.

The management of local resources that can be done is processing food ingredients to increase their economic value. Increasing the economic value of the foodstuff will also increase the income of both producers and workers, which in turn is expected to increase the ability to access food. The ability to access these foodstuffs is a goal in the development and management of halal certified food. This means that halal food has the potential to develop management of local food resources that are expected to encourage food independence.

In Indonesia's national interests, food independence is part of the national economic development pillar. This is seen in the three pillars of national development. Therefore,

Indonesia's national interests in the field of food are part of the national development in TRISAKTI, namely; sovereign in politics, self-sufficient in the field of economics and personality in culture (Kemenko Perekonomian, 2015). Indonesia's national interests in the field of food are part of the main targets of national development set out in the RPJMN (National Medium Term Development Plan) 2015 - 2019 specifically related to the economic field, namely food security. Food development is carried out to meet the basic needs of sustainable human beings based on food sovereignty, food independence and food security. Fulfillment of these basic needs must prioritize domestic production by utilizing local resources and local wisdom.

Sustainable food development in line with sustainable development goals. Sustainable development is defined as development that can be felt by the next generation. 193 UN member states adopted by acclamation a document entitled "Transforming Our World: The 2030 Agenda for Sustainable Development" or "Transferring Our World: The 2030 Agenda for Sustainable Development". SDGs have 5 foundations, namely human, planet, welfare, peace, and partnerships that want to achieve the three noble goals in 2030 in the form of ending poverty, achieving equality and tackling climate change.

To achieve these three objectives, 17 Global Goals were compiled. These objectives include: 1. *Without Poverty*; not poverty in any form throughout the world, 2. *Without Hunger*; there is no more hunger, achieving food security, improving nutrition, and encouraging sustainable agricultural cultivation. 3. *Good health and well-being*; guarantee a healthy life and promote the welfare of life for all people in all ages. 4. *Quality education*; guarantee quality education equity and improve learning opportunities for everyone. Ensuring inclusive and equitable education and encouraging lifelong learning opportunities for everyone. 5. *Gender Equality*; achieving gender equality and empowering mothers and women, 6. *Clean water and sanitation*; guarantee the availability of clean water and sustainable sanitation for everyone. 7. *Clean and affordable energy*; guarantee access to affordable, reliable, sustainable and modern energy sources for everyone. 8. *Economic growth and decent work*; support sustainable and inclusive economic development, full and productive employment and decent work for everyone. 9. *Industry, innovation and infrastructure*; build quality infrastructure, encourage inclusive and sustainable industry improvement and encourage innovation. 10. *Reducing gaps*; reduce the gap

both in the country and among countries in the world, 11. *Sustainability of cities and communities*; build cities, inclusive, quality, safe, resilient and sustainable settlements. 12. *Responsible Consumption and production*; guarantee the sustainability of consumption and production patterns, 13. *Action on climate*; act quickly to reduce climate change and its effects, 14. *Underwater life*; preserve and maintain the sustainability of the sea and the life of marine resources for the development of sustainable development. 15. *Life in land*; protect, restore and improve the sustainability of the use of terrestrial ecosystems, manage forests sustainably, reduce barren lands and land swaps, combat decline, stop and restore soil degradation and stop biodiversity loss. 16. *Strong and Peaceful Institution of Justice*; enhancing peace including the community for sustainable development, providing access to justice for all people including working together and being responsible for all circles and building effective, accountable and inclusive institutions throughout all levels. 17. *Partnership to achieve goals*; strengthen implementation and revive global partnerships for sustainable development. All of these goals are interrelated, so that the achievement of one goal will be related to other goals.

As the research focus, halal food linkages and sustainable development will involve several objectives or targets. Research restrictions are needed to facilitate discussion and analysis. If halal food is seen as a part of trade commodities, then its fulfillment is part of economic activities including economic growth. In the SDGs, achieving economic growth is part of the target 8. Target 8 focuses on decent work and economic growth with the aim of increasing inclusive and sustainable economic growth, productive and comprehensive employment opportunities and decent work for all. There are several sub targets in target 8. One sub target that could related to the competency development of halal food is sub target 8.3. Target 8.3. aims to promote development policies that support productive activities, create decent employment, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro, small and medium enterprises, including through access to financial services.

As in the national development goals for the welfare of the community, the achievement of SDGs is the target of 8.3. aimed at community welfare. The Steps that can be taken are to encourage the growth of micro, small and medium enterprises or SMEs. SMEs are part of an inclusive society. Direct community involvement in development is the focus of various parties.

This is because the people will immediately feel the results of development. The assumption is if the community feels the results of development directly, then the welfare of the community will also be created. SMEs including home industry is one of the pillars in economic development and community welfare. In its implementation, it is necessary to involve several sectors or institutions that work together to support it. For example; the program developed by Bappenas on the development of SMEs is in line with the program for increasing welfare income for families (UPPKS) under BKKBN (National Population and Family Planning Agency), or in line with the Creative Economy Agency (BEKraf), Border Management Agency, Food Security Agency (BKP) and or also the Ministry of Public Works and Public Housing (PUPR). This connection is expected to synergize by eliminating sectoral ego to facilitate the achievement of development goals and people's welfare.

Likewise with the achievement of the goals of food independence. Food independence, one of which is emphasizing the ability of the community to get food access. To be able to access food, capital is needed to access, this is because food has become a trading commodity. So that there is a correlation, that to be able to meet food needs also needed capital in this case is money. Ownership of money is presented as a manifestation of human welfare. So that to achieve food independence, money is also needed to be able to access food. So to be able to access food, the community must be prosper. One of the benefits can be achieved through the development of SMEs including the IRT in the UPPKS program. This UPPKS program is the forerunner of SMEs that involve inclusive communities. Continuity and synergy are key to achieving SDGs.

Efforts to improve the welfare of the community are very important especially in development. Inclusive development involves broad community participation. In this case involving SMEs and IRT (Home Industry). Education and socialization are an important part of social engineering to run food self-sufficiency programs through the development and diversification of foodstuffs for the Food Security Agency. Moreover education is related to the standardization of food (food and beverages) that are in accordance with human health and safety. This step is a stage in achieving the comparative advantage of Indonesia's food development and security. The next step is to achieve a competitive advantage in the development and diversity of Indonesian food that distinguishes Indonesian food products from

other countries. The potential that Indonesia has achieved as a majority Muslim country is as a supplier of halal food and as a reference for the world's halal products. The weakness of the government and society in realizing the development of this potential makes Indonesia ultimately lags behind other countries, even countries with a majority of non-Muslim communities. Halal products are part of the competitive advantages that are in demand in the global market. It is unfortunate if the government and society do not exploit this potential. The utilization of this potential is expected to contribute to the welfare of the community, especially in the achievement of the 8th Sustainable Development Goals in Indonesia.

Conclusion

Halal food and development goals at a glance are not related to each other. However, if viewed from the nature of halal food, that halal certified food has a competitive advantage with higher economic value is a potential that needs to be developed by Indonesia. Considering that Indonesia is a Muslim majority country, agrarian and has a halal certification institution. Unfortunately the potential for competitive advantage has not been used properly to be able to compete in international trade. the global halal market is very broad which is not only in demand by Muslim countries but also non-Muslims. The utilization of halal food potential for global needs will place sustainable economic growth including creating jobs. The thing to remember is that food is part of both domestic and international trade commodities which are colored by price stability. As a commodity, to get it is no longer just farming, hunting and gathering, but there are economic values that are a consequence of trading activities. So that to get food is needed the ability of the purchasing power of the people. When people do not have the purchasing power of food needs, even if there is sufficient food availability, food independence will not be achieved. Thus, a strategy is also needed to increase the purchasing power of the people. The ability to buy power is closely related to the level of welfare. Welfare is positively correlated with economic ability that could be achieved by encourage inclusive community in SMEs to fulfill halal provision as competitive advantage.

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