

Original Article

The Role of Indonesian Service Companies in Implementing Halal Cargo Policy: A Literature Review

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Abstract:

The global halal industry continues to grow rapidly, with halal logistics playing a critical role in maintaining the halal status of products throughout the distribution process. The halal cargo policy aims to ensure that halal products remain guaranteed throughout the supply chain, including during transportation and storage. In Indonesia, regulations related to the halal cargo policy are outlined in Article 22 of Government Regulation Number 39 of 2021, which regulates halal logistics. However, the implementation of this policy faces several challenges. One of the main challenges is the lack of understanding among service companies regarding the importance of halal certification and how to incorporate it into their logistics systems. In addition, the high costs associated with halal certification and the variation in standards across companies pose significant barriers to policy implementation. This study uses a literature review method to explore the role of service companies in implementing the halal cargo policy in Indonesia. The findings suggest that for successful implementation, there is a need to raise awareness among service companies about the importance of maintaining the halal status of products during distribution. In addition, the development of infrastructure that supports halal logistics, along with the adoption of new technologies such as blockchain and the Internet of Things (IoT), can improve efficiency, transparency, and accountability in managing halal cargo. This study recommends increasing synergy between the government and the service sector to strengthen the implementation of halal cargo policies, which ultimately increases consumer confidence in halal products in the global market.

Keywords: Halal Industry, Halal Logistics, Halal Cargo Policy, Halal Certification, Indonesia, Supply Chain.

Introduction

The development of the era changes every year, one of the sectors of the Halal Industry is experiencing a rapid impact in terms of beverages, food, pharmaceuticals, cosmetics and logistics. In the context of globalization and increasing demand for halal products, the availability of a supply chain that complies with halal standards plays an important role. In 2019, the halal logistics industry in the food and beverage sector led



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with more than 57% of the global market share, and is expected to continue to grow significantly until 2027. The global halal logistics market is expected to reach USD 525.09 billion by 2027. One of the key aspects of the supply chain is halal cargo, which involves the transportation and storage of halal products or warehouses to ensure that the halalness of the product is maintained until it reaches the hands of consumers. Service companies engaged in logistics and transportation, both in their own country or other countries through the export and import process, have a major role in maintaining the stability of halal products. Maintaining halalness in the supply chain does not only apply to Muslim countries but all countries to guarantee halalness. The concern that will occur is that the product is contaminated during the operational process, such as in the shipping process or storage and possibly during the transportation process at the port, so that the way to avoid products being contaminated with goods in the non-halal category, service company providers ensure that the operational procedures carried out have gone through the stages of separating halal and non-halal goods ([Abdul Rahman et al., 2018](#)). Not all service companies or logistics providers have knowledge of halal standardization, so service companies must optimize and adapt to several regulations that are increasingly developing and are able to adapt to adequate infrastructure and procedures to support the implementation of halal cargo policies. Companies are also able to create new business plans in the supply chain including halal logistics.

The process carried out by the shipping party is more susceptible to contamination of the safety of halal and non-halal products. This 21st century, known as a century where everything requires technology, the provisions in the process of a product being said to be halal are not always oriented towards products that are mixed with pork, but rather look at all aspects, as the word of Allah SWT (QS Al Baqarah, 1; 168):

يَا أَيُّهَا النَّاسُ كُلُوا مِمَّا فِي الْأَرْضِ حَلَالًا طَيِّبًا وَلَا تَتَّبِعُوا خُطُوَاتِ الشَّيْطَانِ إِنَّهُ لَكُمْ عَدُوٌّ مُبِينٌ

Meaning: “O mankind, eat of what is lawful and good on earth and do not follow the footsteps of Satan. Indeed, he is an open enemy to you” (Ministry of Religion, 2024).

The verse explains that humans are careful about the food they consume, and the command to stay away from steps that are detrimental because the nature of harm arises from Satan, so halal food must have limitations, namely halal and good (toyyib). This provision does not only apply to the food sector, but also other sectors such as beverages, cosmetics and pharmaceuticals.

It should be noted that the halal supply chain includes all activities of production, management, storage and distribution domestically, export and import. The main point that must be underlined is the procedure carried out when the existence of halal products goes through the process at the port terminal, airport and storage warehouse. This really needs attention from all elements of logistics and becomes a caution in its implementation. The basis of local and foreign community concern is increasingly high, and detailed towards the food consumed, this halal cargo policy is welcomed by the Muslim community. The community is more careful by paying attention to the legality of the halal food to be consumed, through the stages of halal certification or not.

However, the increasingly complex supply chain globally, several indicators have emerged that are a challenge in implementing the halal cargo policy. The implementation of this halal cargo policy is not only focused on the standard operating process of service companies, but also affects all aspects such as efficiency, costs and competitors in an increasingly competitive market.

Various countries have implemented regulations related to halal cargo, but they still vary and often do not comply with operational work standards. Implementation in the field still often experiences gaps. The lack of standardization in this policy has a complex impact, uncertainty in certification, and the potential loss of consumer confidence in the products being transported. Different perspectives when practitioners provide an understanding and interpretation of halal cargo policies, problems that often occur regarding the perception of the halal supply chain which gives rise to different understandings and cross-communications that result in reverse procedures in the process ([Abdul Rahman et al., 2018](#)). Recently, the issue related to the Indonesian state through the Halal Assurance Management Agency (BPJPH) issued a statement that Distribution Services are required to have Halal certification, but the Halal Assurance Management Agency (BPJPH) does not apply to transport vehicles ([Pamuji, 2024](#)). This appeal has become a polemic for service companies that have a large influence, because the continuity of the halal certification policy has an impact on the performance of operational standards, and has experienced changes in the structure and procedures that are carried out. Awareness and understanding that form the basis of the company's role are not carried out, and there is a communication gap. The regulation of the distribution process issued by the Halal Assurance Management Agency (BPJPH) as stated in Article 22 of Government Regulation number 39 of 2021 is able to control the service sector with efforts to harmonize between the Halal Agency and Service Companies that have different interpretations and inappropriate practices, so that they are able to align perceptions to anticipate and provide supervision of the halal product distribution process.

To the best of the researcher's knowledge, there has been no research that emphasizes the issue of the role of service companies in implementing the Halal cargo policy in accordance with Government Regulation Article 22 number 39 of 2021, especially in the process of transportation, repackaging, labeling, loading goods, unloading and warehousing. The researcher's understanding of the process of transportation to unloading goods has a different procedure from the provisions of the Halal cargo policy, so it is susceptible to understanding goods that have Halal certification or not. One of the main objectives of this study is to review the literature on the role of service companies in implementing the halal cargo policy as stated in Government Regulation Article 22 number 39 of 2021. The role of Service Companies is the main basis, to what extent service companies understand and implement the policy in work procedures, costs, and other provisions, the implementation of companies in implementing it is difficult to implement, so this scientific study focuses on how big the role of service companies is to cooperate in implementing the halal cargo policy system in the halal logistics process.

This paper is compiled by starting with a discussion of the definition of halal cargo and the concept of halal cargo policy. This study explains the research method for collecting data from the literature. Section 3 presents the results of the findings that have been obtained by the researcher. At the same time, it outlines and explains all sections for a summary of implications for practitioners and suggestions for further

research, as well as research limitations.

Literature Review

Halal Cargo

The concept of halal cargo refers to logistics management that ensures every stage of product distribution, from packaging to storage and shipping, is in accordance with Islamic law principles. This aims to ensure that halal products are not mixed or contaminated with non-halal or impure goods, maintaining the authenticity and integrity of the halal status of the product throughout the supply chain. According to [Sutopo \(2019\)](#), halal cargo not only includes the distribution of goods, but also the entire logistics management system that includes halal supply chain management ([Sutopo, 2019](#)). This involves transparency in all operational stages to maintain the halalness of the product, from receiving goods to shipping. The implementation of halal cargo warehouses in Malaysia, as explained in the study "Implementing Air Cargo Halal Warehouse: Insight from Malaysia," the implementation of halal cargo is more complex and includes major challenges in ensuring that products remain halal throughout the logistics process. The storage and shipping processes must comply with standards set by regulatory bodies such as the Jabatan Kemajuan Islam Malaysia (JAKIM). This includes strict standard procedures to avoid contamination between halal and non-halal products, as well as intensive training for staff to understand and implement halal principles thoroughly.

The importance of a clear management system and a thorough understanding of halal operational standards throughout the supply chain is key to the success of halal cargo implementation. In addition, training to ensure a strong understanding at all levels of the organization is essential to ensure that all stages of halal cargo distribution are carried out properly.

Indonesia's Halal Cargo Policy

Indonesia, which has the largest Muslim population in the world, has begun the process of developing a halal cargo policy as part of an effort to strengthen the Islamic economy. This policy is governed by the Law of the Republic of Indonesia, which is stated in Law Number 33 of 2014 concerning Halal Product Guarantee. According to [Farid \(2021\)](#), this regulation includes halal certification for products and services, including the logistics sector which also plays a role in it ([Farid Wajdi & Diana Susanti, 2021](#)). Business actors are required to comply with the halal standard rules set by the government, including the use of halal-certified logistics facilities.

The Role of Service Companies in the Implementation of Halal Cargo

Service companies, especially those in the logistics world, have a strategic role in implementing halal cargo policies. According to [Khan \(2018\)](#), logistics or service companies are required to provide facilities such as halal warehouses, separate transportation fleets for halal and non-halal products, and training or insight for workers related to the halal product process ([Khan et al., 2018](#)). In addition, companies are also expected to collaborate with the government and halal certification institutions to ensure compliance with applicable regulations.

Companies have a sense of responsibility in building an integrated halal logistics

ecosystem. This ecosystem includes the use of technology for tracking goods, providing documentation that complies with halal standards, and communicating with various parties involved in the halal supply chain. According to the findings in the journal "Challenges faced by Halal Warehouse during the Implementation of Islamic Shariah Compliance: Malaysian Perspective", one of the challenges faced by logistics service companies is ensuring that all operational processes, from storage to distribution, comply with sharia principles consistently. This includes strictly separating halal and non-halal products to prevent cross-contamination and ensuring that the cleanliness of the facilities meets halal standards. This emphasizes the importance of training the workforce in understanding the concept of halal and its implications in logistics operations. This is relevant in the Indonesian context, where there is still a lack of awareness about the importance of implementing halal throughout the supply chain. By providing adequate training and education, companies can increase the capacity of the workforce to ensure that the logistics process runs according to applicable halal standards. However, the halal cargo process requires technology to support the implementation of halal logistics. The use of a digital-based management system allows companies to track the halal status of products in real-time, provide transparency to consumers, and ensure that the entire process meets sharia requirements.

The application of this technology can also help service companies in Indonesia to compete in the global market, considering that more and more countries are implementing strict halal standards in their supply chains. Leveraging lessons from Malaysia's experience, service companies in Indonesia can be better prepared to face the challenges in implementing halal cargo. By strengthening collaboration with various stakeholders, providing adequate infrastructure, and integrating technology into logistics operations, companies can play a key role in supporting the growth of the halal sector in Indonesia. This not only increases competitiveness in the domestic market, but also opens up huge opportunities for expansion into international markets that are increasingly recognizing the importance of halal in the logistics supply chain.

Indonesia's Halal Cargo Potential

Indonesia, as the country with the largest Muslim population in the world, has a great opportunity to become a major center for the development of the halal cargo industry. Based on a study conducted in Malaysia regarding the implementation of halal warehousing, there are many opportunities that are relevant to conditions in Indonesia. The study revealed that the demand for halal logistics services continues to increase, especially in the global market which is increasingly aware of the importance of compliance with Islamic sharia principles. This shows that there is great potential for adaptation in the Indonesian context, which has a much larger consumer base ([Ismail et al., 2023](#)).

One important aspect in the development of halal cargo is the need for standardization of logistics infrastructure and operations in accordance with sharia principles. In the Indonesian context, the adaptation of technology and the development of facilities such as halal warehouses and separate transportation fleets for halal and non-halal products are promising opportunities. Collaboration between the government, certification bodies, and industry players can encourage the strengthening of the halal logistics system, with Malaysia's successful experience in building a global halal logistics network, Indonesia can learn from it to integrate this concept into its

national policy ([Ismail et al., 2023](#)). The importance of awareness and education about halal logistics among industry players. This is relevant to the conditions in Indonesia, where many small and medium enterprises (SMEs) need guidance to start integrating halal services. The great potential of halal cargo is also supported by increasing consumer awareness of the importance of halalness not only in food products but also in their distribution process.

Indonesia can take advantage of this large domestic market potential as a first step before expanding the halal cargo network to the international market, with planned strategic steps, Indonesia can maximize opportunities from the growing halal cargo market, in addition, the development of a digital ecosystem for tracking and documentation of halal goods can be a significant added value, helping to increase Indonesia's competitiveness in the halal logistics industry at the global level. This is also a catalyst for making Indonesia a major player in the international halal supply chain.

Methods

The research method used in this study is a literature review approach, which serves as the main framework in understanding the role of Indonesian service companies in implementing halal cargo policies. The literature review approach was chosen because of its ability to explore, analyze, and integrate findings from various previous studies that are relevant to the topic being studied. By using a literature review, researchers can gain a comprehensive understanding of issues related to halal cargo policies, including challenges, implementation, and the role of service companies in maintaining product halalness in the distribution process.

This literature review also provides an opportunity to explore various views and theories that have been discussed in previous studies, both related to halal logistics, halal cargo policy regulations, and the use of technology in maintaining product halalness. This allows researchers to build a strong theoretical foundation that underlies the understanding of the implementation of halal cargo policies in Indonesia. In addition, this approach also allows researchers to identify existing research gaps, so that they can provide new contributions to the development of knowledge on this topic.

Through a literature review, researchers can identify various challenges faced by Indonesian service companies, such as high halal certification costs, lack of understanding of halal regulations, and limited infrastructure and technology that support halal cargo. By analyzing various previous research results, it is hoped that this study can provide useful recommendations to improve the implementation of halal cargo policies in Indonesia, both in terms of understanding, infrastructure, and adoption of relevant technology.

Literature review as the main method to analyze the role of Indonesian service companies in implementing halal cargo policies. Through literature review, researchers can explore various previous studies, international standards, and policies implemented by Indonesian service companies related to halal logistics, such as MS2400 and Global Halal Standard, and specifically related to the Indonesian Halal cargo policy stipulated by the Halal Assurance Management Agency (BPJPH) as stated in Article 22 of Government Regulation number 39 of 2021.

The focus points studied in the Literature Review process are as follows:

- a. Halal cargo policy, including global halal standards as set by the Indonesian Ulema

Council's Food, Drug, and Cosmetics Assessment Institute (LPPOM MUI).

- b. Implementation of halal logistics by service companies in Indonesia, as well as studies on the efficiency, challenges, and opportunities of this policy.
- c. The use of technology in halal logistics, such as blockchain systems for halal tracking, as found in reports from DinarStandar (2020) and the Global Islamic Economy Report ([Dinar Standard, 2021](#)).

Supporting the research process with the literature review method, the data sources used in this study come from secondary sources, such as scientific articles, industry reports, government policies related to Indonesian halal cargo policies, and international standards that have been implemented by several countries. This data is collected from academic journals, books, market research reports, and publications related to halal policies published by the Global halal authority and Indonesian halal.

Data collection is carried out by evaluating various sources of continuous and accurate information, especially research that has been conducted in the context of halal cargo. Articles published in leading academic journals such as the Journal of Islamic Marketing, reports from the International Halal Authority Board (IHAB), and policy documents such as MS2400 will be the main focus of data collection, especially optimizing journals published in the last 5-10 years.

The data analysis technique in this literature review uses a thematic synthesis approach initiated by Braun & Clarket by combining all knowledge patterns and then identifying general patterns and trends related to the role of Indonesian service companies in halal cargo ([Clarke & Braun, 2017](#)). In this process, researchers will group information from various relevant sources into main themes, such as the challenges of Halal cargo policy regulations outlined and determined by BPJPH in implementing Halal cargo policies, the role of implementing technology by supporting halal cargo tracing and supporting efficiency in the supply chain process, and the ease of implementing Halal cargo policies implemented by service companies, such as costs, time and operational work standards to maintain and competitiveness of the Company in international trade.

Efforts to ensure the truth and suitability of the facts of the analysis in the field in the research results, this literature review is carried out in a structured and systematic manner supported by relevant and credible sources, such as peer-reviewed articles and international standards used to provide a comprehensive and in-depth picture of the role of service companies in implementing halal cargo policies. The method used in this model has various limitations by not having primary data sources, so that in this research process it is conceptual and depends on the results of previous research with a time span of 5-10 years.

Results

Implementation of Halal Cargo

Several international standards applied in halal logistics, such as MS2400: Halal Logistics which has been implemented by Malaysia, have a significant impact on maintaining the halalness of products throughout the transportation process. The table below illustrates the implementation of halal standards in various international logistics companies:

Country	Halal Standards	Implementation of Service Companies
Malaysia	MS2400	DIGI Logistics, Pos Malaysia
Indonesia	Halal Assurance System	JNE, Garuda Indonesia Cargo
United Arab Emirates	UAE Halal Standards	Emirates SkyCargo, Aramex
Türkiye	TSE Halal Standards	Turkis Airlines Cargo

Source: Global Halal Logistics Industry Report (2021)

The Indonesian Halal Standard uses the rules issued by the Halal Product Guarantee Agency (BPJPH) with halal standardization through the Halal Assurance System (HAS). BPJPH is responsible for halal certification in accordance with Law Number 33 of 2014 concerning Halal Product Guarantee (JPH). This system regulates the production, distribution, and consumption processes of halal products to guarantee the quality and halalness of products from upstream to downstream. In the implementation process, BPJPH collaborates with LPPOM MUI (Food, Drug, and Cosmetics Assessment Institute of the Indonesian Ulema Council) to conduct audits of products that wish to obtain Halal certification. This standard also involves several related institutions to ensure that the production process, raw materials, and facilities used meet halal requirements. The Halal Standard used by BPJPH is the Halal Assurance System (HAS) which includes several points, including:

- Control of raw materials and additional materials: All materials used in the production process must come from halal sources.
- Sharia-compliant production process: Every step in the production process must be free from contamination of haram materials.
- Handling and distribution: The distribution, storage, and delivery of products must be arranged in such a way as to maintain the halal status of the product until it reaches the hands of consumers.

The form of optimization by ensuring that halal has been in accordance with the specified standards, the company implements the Halal Assurance System (SJH) which includes halal policies, accurate operational standards, employee training, and structured documentation. Companies that have implemented in accordance with the established procedures will receive a Halal certificate and have the right to use the halal logo on products that have been produced. The function of this Halal certification is to provide consumers from worry, fear and anxiety, towards products consumed by Muslims who prioritize the halalness of products.

Halal Certification for Service Companies

The implementation of halal certification is not always oriented towards marketing tools, but also as a form of company integrity in ensuring products comply with sharia standards. This certification shows the company's commitment to product quality and consumer trust, especially for the Muslim market. According to a literature review by Sharif (2019), halal certification has a significant influence on consumer trust, especially among Muslims, because it guarantees that the product is free from haram elements and is processed in accordance with sharia principles ([Shariff & Ahmad, 2019](#)).

In the context of Southeast Asia, countries such as Malaysia and Indonesia have an important position because halal certification in these two countries is widely recognized and considered credible. This is due to the existence of a comprehensive halal assurance system and government involvement through official institutions such as BPJPH in Indonesia. Halal certification in these countries not only increases the trust of Muslim consumers but also opens up greater opportunities for global expansion, especially in Muslim-majority countries.

Especially in the halal logistics industry, companies that obtain halal certification have higher competitiveness in the international market. Halal logistics covers not only food products, but also the entire process of transportation, storage, and packaging that ensures no contamination with non-halal materials. The existence of this certification allows logistics companies from Indonesia to gain more trust from global consumers, especially those from the Middle East and the Organization of Islamic Cooperation (OIC) countries, where the demand for halal-certified products continues to increase.

According to [Tieman \(2013\)](#), the integration of halal certification into the global supply chain is an important aspect in supporting international trade in halal products, with Malaysia and Indonesia leading the way in developing halal logistics standards and systems ([Tieman, 2013](#)). Companies that comply with halal standards not only meet local regulations, but also enhance their reputation in the eyes of the global market, creating new opportunities in this highly competitive industry.

Technology in Halal Logistics

The presence of technology in halal logistics not only increases transparency but also encourages improved operational standards at various points in the supply chain. The use of digital tracking systems allows real-time data integration, where every stage in the logistics process from production to distribution can be monitored and guaranteed to be halal ([Syazwan Ab Talib & Bakar Abdul Hamid, 2014](#)). This helps prevent cross-contamination which is often a challenge in maintaining halal certification throughout the distribution chain.

According to the State of The Global Economy Report (2021), the adoption of technologies such as the Internet of Things (IoT) and Blockchain further supports halal logistics by providing a system that is not only safe but also transparent to consumers. With more efficient tracking, Muslim consumers can more easily ensure that the products they buy meet halal requirements. According to Bruil (2010), the use of this technology can increase shipping efficiency and ensure that halal products maintain their quality throughout the distribution chain ([Bruil, 2010](#)).

In addition, a report from DinarStandard also stated that logistics companies that implement blockchain in the halal supply chain show increased consumer trust, especially in the international market. With data clarity and the ability to track product history, the risk of errors and non-compliance with halal principles can be minimized. This efficiency also helps companies reduce operational costs and speed up the delivery process, making halal logistics one of the important pillars of the global halal economy ([Tan et al., 2012](#)).

This technology also allows companies to meet the increasingly stringent standards of halal certification authorities in various countries, including Indonesia and Malaysia, which are pioneers in implementing global halal standards.

Challenges of Implementing Halal Cargo Policy

The implementation of the halal cargo policy found several challenges found in the literature including a lack of understanding regarding the importance of halal logistics in several countries and the additional costs required to obtain halal certification. According to DinarStandar (2021), more than 78% of logistics companies in Indonesia have not obtained halal certification due to cost issues and time-consuming processes. The challenges faced are the lack of synergy between the Halal Product Guarantee Agency (BPJPH) and Service Companies in Indonesia to implement the Halal cargo policy, and the lack of socialization to transportation providers or Service Companies. Even though there are strict standards and regulations, there are still many logistics service companies that have not implemented halal cargo optimally due to low demand from non-Muslim companies and a lack of understanding of halal certification ([Iberahim et al., 2012](#)). Halal cargo policy activities are new for service companies in Indonesia because they have differences in terms of conventional practices. Knowledge of Sharia principles is not possessed by all companies in terms of halal transportation and halal warehouses ([Abdul Rahman et al., 2018](#)).

The table below illustrates some of the major challenges faced by logistics services companies:

Table 1. Challenges for service companies in implementing halal cargo policies

Challenges	Explanation
Certification Costs	The certification process is expensive and takes time, especially for small-scale companies
Inadequate infrastructure	The certification process in some countries still experiences limitations in terms of special infrastructure
Lack of market awareness	Non-Muslim markets have the potential to not care about halal standards in the supply chain

Halal Logistics Market Opportunities and Growth in Indonesia

The halal logistics market is expected to grow significantly in the coming years, especially in Southeast Asia and the Middle East. Based on the State of the Global Islamic Economy Report (2021), the halal logistics sector is expected to grow at a CAGR (Compound Annual Growth Rate) of 7% until 2025, with an estimated market value of USD 305 billion.

Year	Market Value (Billion USD)
2020	210 USD
2021	225 USD
2022	245 USD
2023	260 USD
2024	280 USD
2025	305 USD

Source: State of the Global Islamic Economy Report (2021)

Indonesia has great potential for halal logistics growth, this potential has a very large development for the coming years, due to demand from neighboring countries such as Singapore and Malaysia. According to the State of the Global Islamic Economy Report (2021), halal logistics in Indonesia is estimated to grow up to a CAGR of 8% by 2025, so this opportunity provides an opportunity for the Indonesian government to increase regulations that have a positive impact while encouraging the implementation of halal logistics throughout the supply chain.

Year	Halal Logistics Market Value in Indonesia
2020	15
2021	16.2
2022	17.5
2023	19
2024	21
2025	23

Source: State of the Global Islamic Economy Report (2021)

Facing the challenges that arise, there needs to be a solution to problems such as certification costs, infrastructure limitations, by cooperating between the Government and service companies in Indonesia, the government needs to move quickly to build halal infrastructure, and prioritize facilities to encourage halal logistics activities, such as halal warehouses in Malaysia, ports that have halal standards for work procedures, so that they can support the growth of the industry in all lines, by meeting the needs of demand in countries that prioritize halal, and anticipating the occurrence of cross-products of halal and non-halal goods. Not only that, there needs to be government efforts to increase awareness of service companies about halal logistics, with continuity between the government and companies to take advantage of the large market opportunities.

Conclusion

The results of this discussion are that the development of the halal industry has great potential in the logistics market, especially in the halal logistics sector for food and beverages. The rapid growth of this sector, which has been recorded significantly since 2019, shows that the demand for halal products globally continues to increase. Therefore, the halal logistics sector, especially those covering the halal supply chain and cargo, is an important part of ensuring the stability of halal products from upstream to downstream. Halal cargo practices have a very important role in maintaining the halalness of products, from storage to transportation.

In fact, in its implementation, there are several major challenges that must be faced. One of the biggest challenges is the concern about the occurrence of cross-contamination of halal and non-halal products during the transportation, storage, or packaging process. These processes must be carried out with strict standards to ensure

there is no cross-contamination between halal and non-halal products. In addition, the regulatory gap in various destination countries also adds to the complexity of implementing halal cargo, especially related to different standards between countries. Lack of understanding of these regulations is the main cause of difficulties in maintaining the halalness of products.

The existence of technology can also play an important role in overcoming this challenge. Digital tracking or tracing technology provides great benefits in ensuring transparency and openness of service companies to consumers regarding the halal status of products that have been sent. With this technology, consumers can be sure that the products received are still in accordance with sharia principles and guaranteed halal.

In Indonesia, policies related to halal cargo are regulated in Article 22 of Government Regulation Number 39 of 2021. Although there are clear regulations, the practice of implementing them still experiences obstacles. Some of the challenges faced by logistics service companies in Indonesia include high halal certification costs, inadequate infrastructure, and lack of understanding and awareness of companies regarding the importance of halal certification. Not all companies in Indonesia are sharia-based, so awareness and understanding of the importance of maintaining product halalness in the logistics process are still low.

For this reason, logistics service companies play a very important role in supporting the implementation of halal cargo policies in Indonesia. There needs to be wider socialization for logistics service companies to understand and comply with existing halal cargo regulations. In addition, support for the development of infrastructure and technology that can support halal products, such as digital tracking, is also very necessary to increase the competitiveness of companies and ensure that halal products remain halal throughout the supply chain. Synergy between the government, logistics service companies, and technology will strengthen the implementation of halal cargo policies in Indonesia.

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