



Voluntary Report - Voluntary - Public Distribution

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Report Name: Clarifications on Decree 748 on Type of Product Required to be Halal Certified

Country: Indonesia

Post: Jakarta

Report Category: WTO Notifications, Retail Foods, FAIRS Subject Report, Special Certification - Organic/Kosher/Halal

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Report Highlights:

On July 2, 2021, Indonesia notified Ministry of Religious Affairs (MORA) Decree 748/2021 regarding Types of Products Mandatory to be Halal Certified as G/TBT/N/IDN/134 to the WTO TBT Committee and again on December 1, 2021 as G/TBT/N/IDN/134/Add.1. Although this decree entered into force January 1, 2022, its enforcement will not begin until October 17, 2024.

THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT POLICY On July 2, 2021, the Government of Indonesia (GOI) notified MORA Decree 748/2021 regarding Types of Products Mandatory to be Halal Certified to the WTO TBT Committee as <u>G/TBT/N/IDN/134</u>. However, rather than being a draft decree for WTO members to comment on, Decree 748 had already been adopted prior to notification. On December 1, 2021, the GOI re-notified Decree 748 to the WTO as <u>G/TBT/N/IDN/134/Add.1</u> to reiterate that the measure had been adopted on June 29, 2021 and would enter into force on January 1, 2022.

MORA Decree 748/2021 replaces MORA Decree 464/2020. Like its predecessor, MORA Decree 748 provides an extensive list of products that are required to obtain halal certification. Appendix I of this <u>unofficial English translation</u> of MORA Decree 748 enumerates the various product types affected, including food and beverage products, drugs and medicine, cosmetics, chemical products, biological products, genetically engineered (GE) products, and consumer goods. Over 1,200 food products, 150 beverage products, and 250 additives are listed in Appendix I under the following product categories:

• Milk and its analogue	• Bakery products	• Ready-to-eat snacks
• Fat, oil, and oil emulsion	• Meat products and meat processed products	• Ready-to-eat food
• Edible ice, including sherbet and sorbet	• Fish and fishery products include mollusks, crustaceans and echinoderms by processing and adding food additives	• Food additives
• Fruits and vegetables by processing and adding food additives	• Processed egg and processed egg products	• Other Materials Group
• Confectionary/candy and chocolate	• Sugar and sweeteners, including honey	• Beverages with processing
• Cereals and cereal products that are derivative products of cereal seeds, roots and	• Salt, spice, sup, sauce, salad, as well as protein products	• Beverage substances group
tubers, nuts and pith with	• Processed food for special	

nutrition needs

processing and adding food

additives

In addition to requiring most food and beverage products to be certified halal, Decree 748 also stipulates the following related services must be certified halal: slaughtering services, processing services, storage services, packaging services, distribution services, sales services, and serving services. FAS Jakarta recommends U.S. producers and shippers confirm with their importers that their processes will not face compliance issues when exporting to Indonesia.

Decree 748 removed a few products that had previously been included on the list of mandatory product types in Decree 464 such as: fresh and frozen fruits, fresh and frozen vegetables, eggs, and several food additives and food processing aids. These products were determined to be halal by their nature and so do not require certification. Decree 748 also notes that certain products and services such as chemical products, biological products, and GE products, as well as serving services are subject to this requirement only if they are related to food, beverages, medications, and cosmetics. Regarding non-food consumer goods, this requirement only applies to products originating from or containing materials originating from animals.

Decree 748 is meant to serve as a reference guideline for GOI agencies and the private sector by setting forth the specific products and services that are subject to halal certification. It is meant to help businesses identify the products for which they need to obtain halal certification, determine the number of registration forms required for halal certification based on the number of product types being registered, and calculate the costs for halal certification based on the number of product types being registered. Businesses applying for halal certification for retail products through the Halal Product Assurance Organizing Agency (BPJPH) can be importers, exporters, producers, or producer representatives in Indonesia.

Although all food and beverage products listed in Appendix I need to be halal certified, one halal certificate is needed for each product type, not for each product. For example, if an importer needs halal certification for a shipment of waxed apples, strawberry jam, and frozen potatoes for retail, since these products all fall under the same category of "Fruits and vegetables by processing and adding food additives," BPJPH will issue one halal certificate with one certificate number listing all three products (not one certificate for each product). However, if an importer requests halal certification for ice cream, non-dairy ice cream, and sorbet, BPJPH will issue three halal certificates with three different certificate numbers because these products respectively fall under the categories of "Milk and Its Analogue", "Fat, Oil, and Oil Emulsion", and "Edible Ice, including Sherbet and Sorbet." The halal certification fee paid to BPJPH is calculated based on the number of product categories involved, not the number of products. However, this fee is in addition to the cost of product inspection conducted by the halal inspection agency which charges per product inspected. So far, three halal inspection agencies in Indonesia have been accredited by BPJPH to provide this service: LPPOM, Sucofindo, and Surveyor Indonesia.

According to BPJPH, although Decree 748 officially entered into force on January 1, 2022, like all other decrees derived from the 2014 Law on Halal Product Assurance, it will not be enforced until the end of the grace period that the BPJPH has instituted for food and beverage products, i.e., October 17, 2024. Information on other decrees derived from the 2014 Halal Law that have been published so far can be found in the following FAS Jakarta GAIN reports:

- ID1913: GOI Issues New Implementing Regulation on Halal Product Assurance
- ID2021-0017: Indonesia Halal Overview
- ID2021-0045: Update on Indonesia Halal Regulations

Attachments:

No Attachments.