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Report Highlights:

Following the issuance of Government Regulation No. 39/2021, which is an implementing regulation of Law 33/2014 on Halal Product Assurance, the Government of Indonesia (GOI) published five implementing regulations. This report provides an overview of the five regulations and their potential implications for Indonesia's trading partners.

Background

On February 2, 2021, Indonesia enacted GR 39/2021, an implementing regulation of Law 33/2014 on Halal Product Assurance, otherwise known as the “Halal Law.” Titled “The Organization of Halal Product Assurance,” GR 39/2021 provided some clarification to the scope, intent, and practical implementation of Law 33/2014 (see GAIN Report titled [Indonesia Halal Overview](#).) The following five implementing regulations of GR 39/2021 have been issued:

- **Ministry of Religious Affairs (MORA) Decree No. 558/2021** regarding the Halal Certification Service on May 3, 2021;
- **MORA Regulation No. 8/2021** regarding the Appointment and Termination of Halal Product Assurance Supervision on May 5, 2021;
- **Halal Product Assurance Organizing Agency (BPJPH) Decree No. 57/2021** regarding the Halal Product Assurance System Criteria on May 20, 2021;
- **Ministry of Finance Regulation No. 57/PMK.05/2021** regarding the Service Tariff of the Public Service Agency of the Halal Product Assurance Organizing Agency at the Ministry of Religious Affairs on June 3, 2021; and
- **MORA Decree No. 748/2021** regarding Types of Products Required to be Halal Certified on June 29, 2021.

Because the first two regulations (No. 558/2021 and No. 8/2021) only apply to domestic stakeholders, this report provides an overview only for the last three regulations which pertain to imported products.

BPJPH Decree 57/2021

On May 20, 2021, the Head of MORA’s Halal Product Assurance Organizing Agency (BPJPH) signed Decree No. 57 on the Halal Product Assurance System Criteria. This decree, which sets forth the requirements for obtaining halal certification from BPJPH, replaces the Halal Assurance System (HAS)-23000 previously issued by the Indonesian Council of Ulama (MUI)’s Assessment Institute for Foods, Drugs, and Cosmetics (LPPOM). Although LPPOM is no longer the halal authority and not issuing halal certificates, its Halal Assurance System documents will still be valid for the next three years. The scope of the decree’s requirements includes materials, processes, and end products, as well as services for slaughtering, procuring, processing, handling, storing, packaging, distributing, selling, and presenting products. These requirements are mandatory for all domestic producers regardless of size.

Foreign suppliers of halal raw materials, food additives, food processing aids, and slaughtering products do not need to comply with this decree as their products are subject to certification by foreign halal certifiers recognized by BPJPH. However, finished retail products exported to Indonesia are subject to the requirements of this decree as their halal certificates must be issued by BPJPH. An unofficial English translation of this decree is available [here](#).

Ministry of Finance (MOF) Regulation 57

On June 3, 2021, the Ministry of Finance issued Regulation No. 57/PMK.05/2021 regarding “The Service Tariff of the Public Service Agency of the Halal Product Assurance Organizer Agency at the Ministry of Religious Affairs.”

This regulation provides a list of set fees for halal certification services, including:

- halal certification of goods and services,
- the accreditation of halal examination agencies,

- the registration of halal auditors,
- trainings for halal auditors and halal supervisors, and
- competence certification for halal auditors and halal supervisors.

The service of halal certification of goods and services includes the registration of foreign halal certificates issued by approved foreign halal certifiers. All foreign halal certificates must be issued by GOI-approved foreign halal certifiers and registered with BPJPH. The fee for halal certification of goods and services, including registering a foreign halal certificate, costs between 300,000 to 5,000,000 rupiah (\$21 to \$351) per certificate. However, the service fee for foreign businesses or large companies (i.e., companies that have a net worth greater than 10 billion rupiah (\$701,333), including land and buildings, and sales of over 50 billion rupiah (\$3,506,665) per year) could be up to 150 percent of the stated upper limit. Therefore, the cost of registering a foreign halal certificate could potentially reach 7,500,000 rupiah (\$526) per certificate. Meanwhile, the halal certification service fee is waived for domestic small businesses (i.e., local companies that have a net worth of no more than 200 million rupiah (\$1,403), excluding land and buildings, whose sales are less than 1 billion rupiah (\$70,133) per year). Foreign businesses, regardless of size, are required to pay these halal certification service fees.

This regulation does not state the fee for the service of foreign halal certifier recognition. BPJPH will determine the fee and publish it in a future decree. An unofficial English translation of this regulation is available [here](#).

On November 3, 2021, the GOI notified this regulation to the WTO as [G/TBT/N/IDN/138](#). The deadline for comments on this draft regulation is January 1, 2022.

Ministry of Religious Affairs (MORA) Decree 748

On July 2, 2021, Indonesia notified draft MORA Decree 748 regarding Types of Products and Consumer Goods Products Mandatory to be Halal Certified to the WTO TBT Committee as G/TBT/N/IDN/134. However, rather than being a draft decree for WTO members to comment on, the GOI actually signed Decree 748 into law on June 29. Decree 748 is an implementing regulation of GR 39/2021 and replaces MORA Decree 464/2020. Like its predecessor, MORA Decree 748 provides an extensive list of product types that are required to obtain halal certification, based on Law 33/2014 and subsequent implementing regulations. The list covers 50 product types, including food, beverages, drugs and medicine, cosmetics, chemical products, biological products, genetically engineered (GE) products, consumer goods, slaughtering services, processing services, storage services, packaging services, distribution services, sales services, and serving services. However, Decree 748 removed some products that are by their nature considered halal, which 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. Decree 748 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 consumer goods, this requirement only applies to products originating from or containing animal materials. Decree 748 will come into effect on January 1, 2022.

An unofficial English translation of Decree 748 is available [here](#).

On December 1, 2021, the GOI re-notified Decree 748 to the WTO as [G/TBT/N/IDN/134/Add.1](#). The stated reason for notifying this addendum is to reiterate that the measure had been adopted on June 29, 2021, and will enter into force January 1, 2022

Forthcoming Regulations

BPJPH is reportedly still in the process of developing a regulation on materials that are not required to be halal certified (also known as the halal positive list) and a regulation on the recognition of foreign halal certifiers. The former is expected to be finalized in January 2022 and the latter was recently notified to the WTO on December 1, 2021 by the GOI as [G/TBT/N/IDN/139](#) with the title “Foreign Cooperation on Halal Product Assurance.” The deadline for comments on this draft regulation is January 29, 2022.

Attachments:

No Attachments.