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Halal Culinary: Opportunity and Challenge In Indonesia

Sulistyo Prabowo^{ab*}, Azmawani Abd Rahman^b, Suhaimi Ab Rahman^b,
Asnarulkhadi Abu Samah^c, Yaacob B Che Man^b

^aAgricultural Products Technology Department, Mulawarman Univerity, Samarinda 75119, Indonesia

^bHalal Products Research Institute, Universiti Putra Malaysia, Serdang 43300, Malaysia

^cFaculty of Human Ecology, Universiti Putra Malaysia, Serdang 43300, Malaysia

Abstract

Halal business trends point to growing awareness consumption of halal products and services. The conventional concept of halal services extends to other fields beyond food and beverages. Tourism and hospitality sector shows demand for halal services, in which halal concern in hotels, restaurants, fast food, food stall and other culinary services have not showing priority for the issue. Service owners are not able to warrant for halal products, while majority of consumers are muslims. This article intends to review the causative problems resulting under development of halal certification in Indonesia

Keywords: Halal tourism, hotel, restaurant, Indonesia;

1. Introduction

Islam is believed to be the perfect order of the Creator that governs all aspects of human life. Regulations are derived from the divine law, the holy Quran, and translated to mankind by the Prophet Muhammad, the Sunnah. With this understanding, Muslims base their activities on the rules of the Qur'an and Sunnah. This understanding also distinguishes Islamic law with secular law in western countries. Since Islamic law covers all aspects of human life, then the rules on activities such as eating, drinking, dressing, what kind of entertainment is allowed and how to behave are also provided in Islam. In western life, things like this do not fall under the realm of law (Sanad *et al*, 2010).

One of the fundamental laws in Islam is the concept of halal and haram. For some people who do not speak Arabic, halal is usually oftenly associated with a variety of food which is allowed in Islam. Beyond food and drink, the concept of halal actually covers a much wider meaning including behavior, actions, speech, attitude, clothing, cosmetics, and medicines. (Al Jallad, 2008; Kocturk, 2002). In a broader elaboration, halal is also seen in Islamic banking and tourism industries (AbRahman *et al*, 2009).

The concept of halal and haram is central to teachings of Islam. Legal determination of halal and haram should not be practiced on feelings of likes and

* Corresponding author. Tel.: +628195001972; fax: +541-738341.
E-mail address: sprabowo@faperta.unmul.ac.id; sulprab@yahoo.com

dislikes, but must be referenced to the law of Allah, The Creator of the universe. Thus, under Islamic law (sharia), the determination of halal and haram was made based upon four main sources, namely the Qur'an (revelation from God), the Hadith (narrative, recognition as well as traditions and customs of the Prophet), Ijma (consensus of the scholars) and Qiyas (analogy). Thus, the principle of consuming halal and avoiding haram is a duty of an individual and becomes part of worship (Djamil, 2011). As a consequence, it also a duty of care for producers and service owners to provide halal products.

To date the fast moving halal industry cannot be separated from business insight in coping with market opportunities. Industry began to see growing awareness and demand for halal products. This is in line with statistics of growing world Muslim populations and as a result of changing policy to regard better practices in religions, even in muslim minority countries.

Development of halal certification for food products, medicines and cosmetics are impressive. In countries with majority Muslim population, halal has become a market requirement. To mention a few, Malaysia and Singapore are the most active countries in regulating the halal certification process. The number of certified halal products has increased from year to year. In Malaysia, the new halal certification regulation implemented in January 2012 has led to demand far exceeding the ability of halal certification bodies can provide (The Borneo Post, 2011). In Indonesia halal certification is indistinctly stated mandatory. Notwithstanding demand for halal certificate shows increasing trend every year (Jurnal Halal, 2011).

Unlike food packaging industry, ready to serve industry, such as fast food, does not show a similar development. Culinary industry, namely hotels foodservice, restaurants, shop awning, and itinerant food vendors are still far from expectations in providing halal foods. From fast food restaurants which are halal certified, famous worldwide franchise names dominate the list. In Indonesia there are still rare hotels, restaurants and food stall that already halal certified. Further, for those which already certified, services are not equally distributed in all provinces.

This condition is alarming considering expenditure in culinary business is in equal proportion to that in processed and packaged products. To anticipate such problem, Indonesia needs to introduce the concept of halal tourism. This paper will try to explore the opportunities and challenges of halal culinary relating to tourism development in Indonesia, a country with the largest Muslim population in the world.

2. Islam and Tourism

Tourism industry is mainly developed in western countries or Muslim minority countries. Thus, issues related to tourism are tailored to suit western lifestyle. This has led to the idea of Muslim countries to develop other model of tourism as the fear of bad influence from western culture to Muslim lifestyle (Sanad *et al*, 2010).

Islam does not discourage tourism activity. In the Qur'an there are verses encouraging Muslims to be a traveller (tourism). However, it should be emphasized that tourism in Islam should have goals that do not conflict with its teachings.

“Travel through the land and observe how He began creation, then Allah will produce the final creation [i.e., development]. Indeed Allah over all things, is competent.” (The Qur'an; 29:20).

“Travel through the land, then observe how was the end of the deniers.” (The Qur'an; 6:11)

“Have they not traveled through the land and seen how was the end of those before them? Allah destroyed [everything] over them, and for the disbeliever is something comparable.” (The Qur'an; 47:10)

These series of verses indicate that the main purpose of travel (tourism) is to think about and consider how God's creation (search for knowledge) and used to preach, to introduce Islam to everyone. This is also done by earlier Muslims to travel to find and develop knowledge as well as trade purpose (Sanad *et al*, 2010).

A concrete example of tourism practices in Islam that even been done long before teachings of the Prophet Muhammad is pilgrimage to Mecca. In fact, this practice became one of the pillars of the five pillars of Islam that must be well performed by Muslims.

Current development of the tourism industry weighs more on providing entertainments and pleasures. It is not forbidden in Islam as the Prophet Muhammad once told his people to entertain themselves as long as not violating the rules of Allah (Sanad *et al*, 2010).

“Have fun, have a good time and enjoy yourselves because if the heart is bored or fatigue, it could not be good.” (Hadith Ibn Majah)

“Your body has a right on you, your soul has a right on you, your wife has a right on you. So you must give every of these their rights.” (Al Bukhari)

In relation to non-Muslim tourists, Islam also teaches to treat them well. "Allah does not forbid you from those who do not fight you because of religion and do not expel you from your homes-from being righteous toward them and acting justly toward them. Indeed, Allah loves those who act justly. "(The Qur'an; 60: 8).

3. Halal Issues in Tourism

As mentioned above Islam puts the issue of halal and haram in every aspect of human life. Development of the tourism sector cannot be separated from this issue. In some literatures, shelter and food is the most important thing on which one's judgment in choosing a destination (Bon & Hussain, 2010). Attitudes and actions are strongly influenced by background and experience that happened, including religious and cultural factors. Some studies indicate that decisions to buy or to consume a product heavily influenced by one's religion (Ateeq-ur-Rehman & Shabbir, 2010; Lada *et al*,

2009; Bonne *et al.*, 2009; Just *et al.*, 2007). Likewise, for Muslims, they must to ensure that what they consume are in accordance with the teachings of Islam that is *halal* and *thayyib*.

In line with economic theory of supply and demand in tourism, the high population of Muslims to travel today requires the availability of halal facilities to supply their needs during the trip. In terms of provision of services, there is still very limited food service providers such as hotels and restaurants, catering planes, trains and ships, food stalls, canteens, and other aspects meeting halal requirements (Bon & Hussain, 2010).

For Muslims who are very concerned about halal issues, then looking for hotels and restaurants can be a problem that would interfere their pleasure of enjoying the trip. According to AbRahman, *et al.* (2009) there are three things that must be considered in developing tourism in accordance with the provisions of halal. They are the hotel, catering and tour package services that meet the criteria halal friendly. Hotels are required only to provide halal food that has been halal certified, providing facilities that are separated between men and women, as well as supporting facilities like mosque for daily prayer, Qur'an, prayer time and Qiblah direction in each room.

4. Halal Issues in Indonesia

The issue of halal in Indonesia started from the market turmoil that occurred in 1988. It was Dr. Tri Susanto, deceased professor of Faculty of Agricultural Technology Brawijaya University Malang who has indicated the presence of pig derivatives content in some food products and beverages in Indonesia. The finding was published in the "Canopy" bulletin on January 1988, a bulletin published by the Student Senate Faculty of Animal Husbandry in the same university. The finding was exploded when the issue was discussed by the Muslim scholars in Al Falah Surabaya. To worsen the condition, there are those who exploit the chaotic conditions by increasing the number of items from the list so that it becomes uncontrollable slander. This scandal recorded a decline in sales of food products and beverages up to 80%, triggering an angry Muslims in Indonesia, and crippled the national economy (Girindra, 2008). This momentum is what underlies the enactment of halal certification by the Government of the Republic of Indonesia after listening to the direction of the Majelis Ulama Indonesia (MUI-The Indonesian Council of Ulama).

In implementing the certification process, MUI formed a certifying body called *Lembaga Pengkajian Pangan Obat-obatan dan Kosmetika Majelis Ulama Indonesia* (LPPOM MUI, The Assessment Institute for Food Drug and Cosmetics The Indonesian Council of Ulama). The LPPOM MUI is supported by many experts in many fields related to food, drug and cosmetics. Its main assignment is to do academic assessment and research in all products that will be certified as halal. The technical provisions on the implementation of labeling based on the halal certification results issued in 1996 by the Minister of Health no.: 82/Menkes/SK/I/1996 about the inclusion of Writing "Halal" On Food Labels, and revised by the Decree of the Minister of Health No.924/Menkes/SK/VIII/1996 on Amendments to Decree No. Kepmenkes. 82 Menkes/Sk/I/1996. Higher regulations that shaded the provisions of

halal certification and labeling, to be mentioned a few Law No. 7 of 1996 on Food and the Law No 8 of 1999 on Consumer Protection. These regulations indicate that all companies who want to use the halal label should have first obtained the halal certification. This is to avoid any statements or descriptions that are not valid. A company that makes a statement without valid halal supporting document may be penalized for including a violation of the Act.

The development of halal certification in Indonesia became stronger when it got momentum of repeated cases of giant food flavor industry in 2001. Those giant companies that have been halal certified by MUI was presumably had replaced the product with ingredients that have been in contact with pigs without prior notice to the MUI. It was a serious violation of the rules of halal certification and cause fatality to the company. This case further confirms that multinational companies can face a big problem if they do not pay attention to the rights of Muslim consumers. Even this event that happened in Indonesia had sparked a variety of companies in other parts of the world to be more carefully in their production process (Fischer, 2008).

Since March 2012 MUI had introduced HAS23000, a series of Halal Standards as a collection of some of the rules in obtaining halal certificate from the MUI (LPPOMMUI, 2012). HAS23000 summarizes the regulation that had long been run by LPPOM MUI in performing the task assigned by the MUI since 1989.

5. Halal culinary opportunities in Indonesia

The impact of the 9/11 event in 2001 in New York and many other terrorist acts that had been linked to the activities of radical Islam led to a decline in the number of tourists from western countries to a global tourist destination, especially Muslim countries. But behind the event it was also a change in the map of tourist destinations whereby there are an increased number of tourists in countries with majority of Muslim population (Steiner, 2010).

According to the United Nations Tourism Organization the average growth of tourism in Muslim countries exceeded the average growth in the world. Members of the Organization of Islamic Conference (OIC) are to enjoy this phenomenon in an uneven distribution. Steiner (2010) reported 10 Muslim countries as a tourist destination in the world with an estimated number of tourist according to the OIC as follows: 1. Turkey (20.3 million), 2. Malaysia (16.4 million), 3. Egypt (8.2 million), 4. Saudi Arabia (8 million), 5. United Arab Emirates (7.1 million), 6. Tunisia (6.4 million), 7. Morocco (5.8 million), 8. Indonesia (5 million), 9. Bahrain (3.9 million) and 10. Syria (3.4 million). Data from the Ministry of Tourism and Creative Economic Republic of Indonesia (2012), shows there is a foreign tourists development from Muslim countries to Indonesia where the number increase from year to year. The year 2006 recorded only about 785 thousands and to 1.4 million in the year 2010.

Indonesia's population census data of 2010 showed that out of total 237.64 million inhabitants, 207.18 (87.18%) are Muslims (Central Bureau of Statistics, 2010). This fact position Indonesia as a potential market as well as reliable producer of halal products. According to data from the year 2009, Asia became the largest market of the world halal food market (63%) in which Indonesia itself at 19% followed by the Gulf countries (11%), India (6%) and China (5%) (Bon & Hussain, 2010).

From the Ministry of Tourism and Creative Economic data, suppose all the tourists who come from countries with Muslim majority populations are Muslim then

estimated at about 21.81% of tourists to Indonesia require halal guarantee for their accommodation during their stay in Indonesia. In addition most of the tourists in Indonesia come from domestic or the so-called domestic travelers or inbound tourists. Inbound tourists in 2010 were approximately 122.31 million (Sari, 2011). The local travelers are also in great need of a halal assurance for food and accommodation while traveling.

6. Halal Culinary Development Challenges

The development of this promising tourism sector was not matched by the ability of Indonesia in anticipation of a new paradigm in the field of tourism and halal business. Not many hotels and restaurants as a main supporter of the tourism industry are halal certified. According to the data compiled by the authors from a variety LPPOM MUI Provinces, only a few numbers of hotels and restaurants have been halal certified by the MUI (Table 1). From a total of 1,084 star hotel, only 15 are halal certified (1%), while from a total of 2,916 total restaurants only 26 are halal certified (7%).

Table 1. Hotel, restaurant, and catering halal certified by LPPOM MUI Provinces as at April 2012

Province	Hotel	Restaurant/Food stall	Catering
West Java	1	39	127
Jakarta	0	61	29
Riau Island	8	40	300
Riau	1	7	15
South Sulawesi	0	2	8
East Java	0	4	17
Bali	5	34	8
North Sumatera	0	0	1
East Kalimantan	0	1	0
Nanggroe Aceh Darussalam	0	0	0
Banten	0	5	9
Central Kalimantan	0	0	0
West Kalimantan	0	0	0
Central Sulawesi	0	0	0
South Kalimantan	0	2	1
West Nusa Tenggara	0	8	7
Jambi	0	3	0
Data not available from others provinces. Data do not include franchise restaurants that are certified by the Central MUI			

Ottenbacher and Harrington (2011) outlined six important points in developing culinary tourism campaign. They are (a) a clear strategy, (b) strong cooperation among stakeholders, (c) leadership, (d) enhancing the regional culinary profile, (e) communicating quality standards, and (f) promoting. All of these factors seem to be absent in Indonesia culinary sector development.

Barriers for halal implementation in Indonesia can be seen from two different views, namely business and political perspectives and those intermingled realm. Those perspectives can be drawn from other certification process such HACCP (Hazard Analysis and Critical Control Point) and other quality system standards. Lack of knowledge, professional advice, resources, budget and equipment, uncertainty of outcome are internal factors dominating issues. Meanwhile, external factors such as fragmented and out-dated legislation, poor control, enforcement and sanctions to assess compliance, lack of standards, specifications, directives, and guidelines, are also some to be mentioned here. In addition, confusion and duplication in responsibilities of the various agencies involved at central and local levels are also present as a barrier (Karaman et al, 2012; Sarter et al, 2010; Chan, 2008).

Halal for a product must include the source and type of raw material, acquisition, processing methods, transport and storage (Riaz and Chaudry, 2004). For most sub-sectors within the tourism industry may find it very difficult to apply the principles of halal production which are very strict. These difficulties can be caused by factors from both inside and outside. The factor inside the institutions that hinder their efforts to meet the halal standards is the lack of knowledge and awareness of the business in the tourism sector (Wan-Hassan & Awang, 2009). There are still many people who are directly involved in the food supply in the tourism industry are lacking of knowledge on the ingredients that are forbidden in Islam, even though they are Muslims. It is also inseparable from the rapid development of food science and technology. From outside the institution, the absence of a halal standard that is recognized around the world led to confusion among businesses. Halal recognition they get from a certification body may not be recognized by institutions in other countries (Bon & Hussain, 2010; Wan-Hassan, 2007).

Political barrier is the most complex factors to be solved and it can be dated back in Indonesian history. The Dutch colonial period which took 350 years long, had a catastrophic impact on the Muslim community not only with the downfall of Islamic Kingdom but on rigorous efforts to replace Islamic law with Dutch law (Daniels, 2009). As a result, during Suharto's regime, religious seem not attractive value for his tenure. Suharto depicted as strong Javanese or secularist convictions and created "ideology of tolerance" which weakened Islam in the Indonesian political scenario. Now, it can be understood that although Muslim in Indonesia are the majority (87.18%),but only 21.95% (123 out of 560) of them are the representatives in the legislative and the rest are secularist (Othman, 2002). It is easily understood as Henderson (2010) wrote that Indonesia "has shown little interest in cultivating the Islamic tourism market and no comments seem to have been made by the Ministry of Culture and Tourism" when compared to Brunei, Indonesia, Malaysia and Singapore in developing tourism in the Muslim world.

Halal as the main domain in the religion of Islam is often interpreted narrowly to defeat the great potential of the economy and the fulfillment of an obligation for Muslims to consume halal products and services. Such concerns led to a variety of halal socializing which are not implemented in an optimal, integrated and sustainable in Indonesia. MUI issued halal certificates but is not able to pursue legal action

enforcing or prosecuting various offenses relating to false claims of halal. In the institutional structure of the Republic of Indonesia, MUI is outside the government system. MUI is an organization for Islamic scholars from various schools of thought and Islamic organizations in Indonesia. With this condition, MUI does not have the legal power to punish in the event of violation, as stated above. However, social sanctions incurred by the MUI fatwa against the violation of lawful issue cannot be underestimated. The Indonesian people have strong confidence in the fatwa issued by MUI.

7. Conclusion

Halal culinary business shows increasing demand. Islamic tourism in the world is gaining importance as the number of Muslim tourists will continue to rise. Muslim countries are potential and profitable markets for halal culinary. Muslim tourists and travelers deserved policy, insurance, and protection in better practicing their religion, more specifically in obtaining halal products. The Indonesian government should encourage the various stakeholders in the culinary industry to provide a range of halal friendly environment to suite needs of Muslim populations including tourists and travelers.

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