



Best Practice Halal Integrity Management In The Logistic Chain Scheme: Analysis Of Opportunities And Challenges

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Abstract. Nowadays, consumers are increasingly aware and concerned about halal status, and activities in the supply chain are truly halal guaranteed for them to buy. This article aims to explore the development of halal logistics, analyze the opportunity and challenge factors in its development stage, and create a best practice scheme to realize halal integrity. This research method uses a Systematic Literature Review (SLR) using secondary data from several previous studies discussing halal logistics and halal integrity in the supply chain. From this study, it is known that countries in Southeast Asia have shown a positive response to the existence of a halal logistics scheme as an innovation in the supply chain. Several opportunities known for the development of halal logistics mainly lie in the high demand for halal products, the positive growth of the sharia economy, the use of information technology, and the strengthening of the halal ecosystem. Meanwhile, regarding challenges, there needs to be a special regulation regulating halal logistics, common stakeholder knowledge about halal, a need for more experts and researchers, and the absence of a particular infrastructure that handles halal products. In the end, the author develops a halal integrity scheme in the supply chain with a logistics management approach. This article can better understand halal integrity in the supply chain. Further research can empirically test the relationship between logistics management and halal integrity.

Keywords: Halal Integrity, Supply Chain, Halal Logistics, Management, Best Practices

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INTRODUCTION

As a country with the most significant Muslim majority, Indonesia has the potential to become a pivot in the development of the halal industry in the world (Musyafah1 et al., 2020). The need for halal products has become a characteristic of Indonesian people's consumption, both halal in *lidzatihi* (type of substance) or *lighairihi* (how to get it) (Hasanah et al., 2021). In the description State of the Global Islamic Economic Report (SGIE) 2022, Indonesia's halal food index continues to increase every year; Indonesia is ranked second after Malaysia in the world. Other categories include Modest Fashion Pharmacy and Cosmetics; Indonesia ranks third and

ninth (Southeast Asia, 2022). This report shows that Indonesia has experienced significant Islamic economy and Halal Industry growth. Currently, the halal industry is starting to take on a role in national economic development, significantly opening up market opportunities not only to meet the needs of the domestic market but also to spread to the broader world market (Sungkawaningrum, 2019).

More than efforts to realize halal integrity are needed for products, but halal services are also essential for building a Halal brand (Majid et al., 2015). The products circulating in the community are not all guaranteed to be halal (Selim et al., 2019). So far, the halal production distribution chain has yet to be monitored by the agency that handles halal in Indonesia (Sayuti et al., 2021). Therefore, the halal scheme in the logistics industry is essential to ensure halal integrity maintenance from producers to consumers. Types of halal and non-halal products have been declared halal following Islamic law (Mirsa Astuti, 2020; Selim et al., 2019). In order to ensure the assurance of *Halalan-Toyibban* products to consumers, all parts of the supply chain must be carried out following Halal practices, including an essential part of an industry, namely logistics.

Studies on logistics with a halal supply chain scheme have emerged in Indonesia. This issue began to emerge along with the development of discourse regarding the halal industry in the Islamic economics family. However, not many have investigated the effect of halal logistics in the Southeast Asian region, such as Malaysia, Brunei Darussalam, Singapore, Thailand, and Vietnam. This article explores the urgency of studying halal logistics in Indonesia as part of the Halal Supply Chain. This article will examine several aspects, namely the conditions for developing halal logistics in Southeast Asian countries and the concepts, opportunities, and challenges of implementing halal logistics in Indonesia. The author's closing section presents relevant best practices for developing the halal logistics industry sector.

LITERATURE REVIEW

Previous Studies

Several studies discuss halal logistics. A survey by Ashari (2021) revealed that the most critical aspect of the halal logistics system is the integrity of halal products, which is focused on preventing contamination of non-halal products with knowledge management and blockchain technology innovation. Efforts to develop a halal logistics implementation model are carried

out (Dwiputranti, 2020) with the Business Model Canvas (BMC) approach. It is known that four elements can be applied at PT Iron Bird, namely: Customer, Value Propositions, Resources, and financials. Research at the Slaughterhouse by Sayuti et al. (2021) shows that animal prototyping in Karawang is categorized as halal, even though it still needs halal certification from the local government. The measurement uses a checklist of halal standards that apply to abattoirs. Assessing awareness and knowledge of food and beverage companies regarding halal logistics, research (Nordin et al., 2016) revealed that the company's knowledge and understanding of the importance of implementing the halal scheme in the supply chain are still low, and a small number of companies know well about implementing the halal logistics system. Fast food processed food sold in the school environment is a concern to determine the level of halalness (Hutami et al., 2017). It is known that the distribution channels used in marketing meatballs, sausages, and tapioca starch meat-filled are zero-level channels, three-level channels, and four-level channels, respectively. This situation means that the longer the distribution channel, the more logistics activities are carried out, and the greater the potential for contamination of halal products with non-halal ingredients.

Compared with Malaysia, Indonesia's halal supply chain is still in the unfinished discourse to become a concept. Even though halal logistics has high market prospects, policies regarding halal logistics need to be observed before being implemented (Saribanon et al., 2019). During the Covid-19 Pandemic, the need for logistics services tends to increase, in research (Sofyan Wahyudi, 2022) examines the effectiveness of halal logistics during the pandemic on the distribution of food products. It is known that Semarang, Manado, and Medan are categorized as efficient in distributing food to the destination city, besides that Denpasar and Makassar are considered ineffective. In addition, research (Nugroho et al., 2020) explains that the best decisions in assessing a market are based on the considerations of consumers, producers, and authorities. Because, in general, the products that are thrown into the market follow consumer demand based on needs and consumer tastes.

Therefore, this article seeks to fill the research void related to the development model of halal logistics. Based on assessing the factors that become opportunities and challenges, the authors then try to develop a Best Practice model regarding halal integrity schemes that can be applied in logistics companies. This research can help the government formulate a policy package for creating halal logistics in the future. This research will also become an insight for companies to provide better halal logistics services.

Theoretical Backgrounds

In recent years, the definition of what should be considered halal has become broader through the inclusion of other aspects of the production process (e.g., storage, display, preparation, hygiene, and sanitation), as well as high sustainability and environmental friendliness. The Indonesian Government Regulation No. 39 of 2021 discussed implementing the Halal Product Assurance sector. Halal products are goods or services related to food, beverages, drugs, cosmetics, chemical products, biological products, genetically engineered products, and goods used, used, or utilized by the public that has been declared halal by sharia.

Over the decades, various logistics and operations businesses experienced rapid industrial development and innovation, contributing to countless national growth in Asia and worldwide (Sheffi, 2013). In line with that, one of the many logistics innovations is the emergence of halal logistics. Today, halal logistics is an integral part of the halal economy and critical to the integrity of the supply chain (Nugroho et al., 2020). The halal industry needs a supply chain to maintain halal integrity (Nugroho et al., 2020). Halal integrity is a guarantee from the production process distribution to the hands of consumers related to product traceability, asset specificity, quality control, trust & commitment to contamination prevention (Lukito, 2022; Yusaini H. et al., 2016). This integrity must be applied to the logistics business to develop new and valuable logistics services that benefit service providers and users (Chu et al., 2018). Currently, Indonesia only has 8 (eight) halal-certified LSP companies consisting of 1 (one) company engaged in transportation and 7 (seven) companies involved in warehousing to serve 267 million people (BPS, 2020).

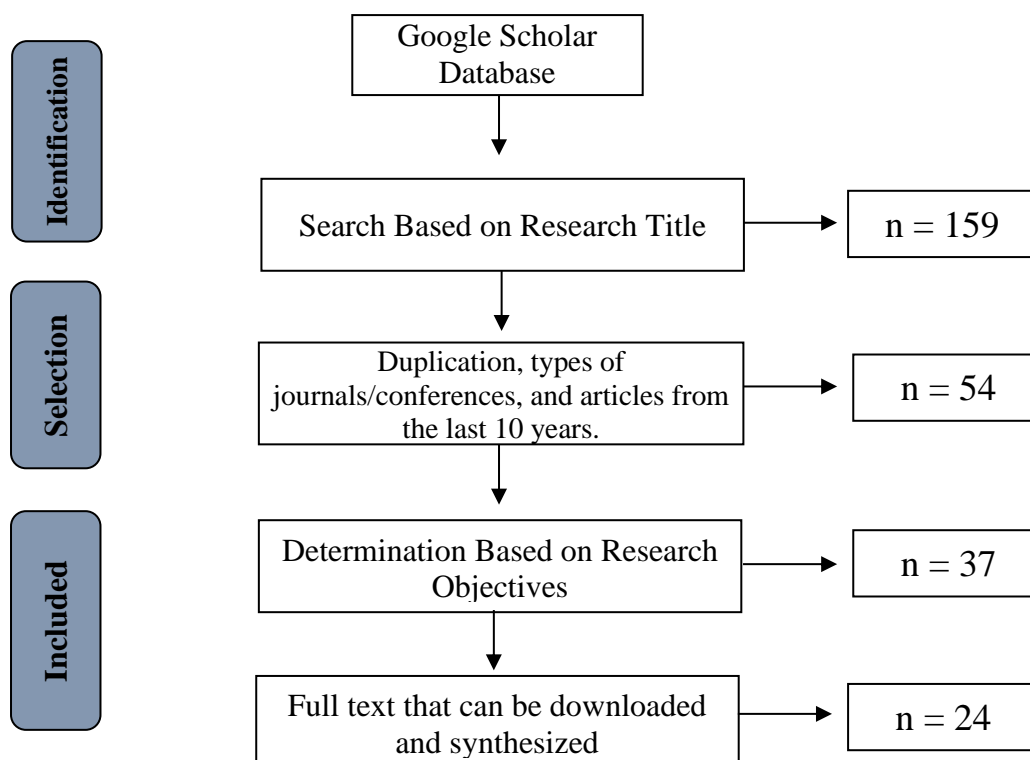
The term halal logistics, refers to the process of managing the procurement, movement, storage, and handling of materials, spare parts, livestock, semi-finished or finished supplies, both food and non-food, and the associated information and documentation flow through the organization and supply chain in compliance with the general principles of Sharia (Ab Talib, 2020). This definition signifies that halal logistics is a typical description of logistics but emphasizes conformity to Shariah principles. Similarly, logistics is the application of sharia principles in all supply chain activities. All activities ranging from supply sourcing, storage, transportation, manufacturing, handling, and distribution must comply with sharia principles (Jaafar et al., 2011). This provision means that halal products must not be mixed with non-halal products in all logistics activities to ensure that the product's halal status can be maintained.

METHOD

This study uses the systematic literature review (SLR) method to get a clearer picture of halal integrity management in the logistics supply chain. Snyder interprets SLR as a research methodology and process for collecting many research papers, identifying and analyzing data from research that has been collected, and even conducting a critical review of the research data collected (Snyder, 2019). SLR is considered an efficient way to summarize various literature in answering research questions raised by researchers (Hanif et al., 2022; Y. Hassan, 2022).

The research flow can be seen in Figure 1. This study used four stages. *First*, identify (identification). In this section, the writer tries to determine the research problem, which is derived in the form of keywords. Then keywords are used to search for articles on Google Scholar. The *second* stage was conducting data screening. In this section, the author consistently screens the found data. The criteria needed are only journal or conference articles, articles from the last 10 years, eliminating duplicate reports, and can be accessed in full text. The *third* stage is eligibility. This section selects pieces according to the research objectives. Stage *four* is data finding or conclusion. This section is characterized by many articles found from searches on Google Scholar and Garuda on research problems and n articles are obtained.

Figure 1. Research Flow Using PRISMA Standards



RESULTS AND DISCUSSION

The Development of the Halal Logistics Industry in Southeast Asia

In some Muslim countries, the existence of the halal logistics industry is starting to get a place in society. The halal logistics industry in various countries tends to be different. Currently, the country that is recognized as a role model in the halal industry is a neighboring country, Malaysia (Ab Talib & Wahab, 2021). It is recognized for halal certification, halal standards, auditing standards, halal research, and halal training (Selim et al., 2019). This is understandable; the reason for the progress of Malaysia's halal logistics industry is increasing. One of the leading indicators is getting strong support from the Malaysian government. Halal logistics is an innovation in logistics services (Jaafar et al., 2011). The halal logistics approach is expected to provide opportunities for new markets, resulting in better services to create a corporate image. The halal industry has become an economic pillar in certain Muslim countries, such as Brunei Darussalam, making the halal industry a national growth agenda. Brunei's consumption of halal food is very high, and halal tourism, halal pharmaceuticals and cosmetics, and the halal transportation sector; as a developing country, Brunei shows its attention to the promising potential of the halal industry (Ab Talib, 2020).

The potential of the halal market can be closely linked to the prospects contributed by the influx of Muslim tourists in Vietnam. The regulation of halal was pioneered by the Vietnam-Malaysia Halal Center (VMCH), and the active role of Vietnam's Halal Certification Agency (HCA) as a forum for improving and observing the halal integrity process as a form of the country's seriousness in developing this industry (Norliza et al., 2021). Halal logistics in Vietnam uses *and-to-and* monitoring schemes to avoid leaks and contamination that might cast doubt on the halal status of products. Four actors are involved in halal logistics: suppliers, manufacturers, retailers, and customers. Each of the four actors is supported by four main streams: physical flow, promotion flow, information flow, and halal certification observation flow (Norliza et al., 2021).

In Indonesia, the halal industry is worth around USD 560 billion per year (Hendra Manurung, 2019). It has expanded from the food sector to cosmetics, drugs; Islamic finance; spa and halal tourism; halal medical devices; and logistics, including halal transportation and storage. The rapid development of halal in Indonesia is an exciting trigger and a new lifestyle trend in Muslim circles, even non-Muslims. The 2017/2018 Global Islamic Economy Report shows

that Indonesia is a Muslim country in SEA with the highest food and beverage spending in 2016, which was US\$169.7 billion. However, Indonesia has several problems and challenges. The main challenges for the Indonesian halal industry are inadequate regulations related to the halal sector, lack of public awareness and literacy about halal products and services, lack of training among Islamic organizations, inefficient halal management teams, suboptimal use of technology, and various other challenges (Norliza et al., 2021).

Another famous country in the Southeast Asia (SEA) region is Singapore. Last time, the development of the halal industry in Singapore was quite promising. The increasing demand for halal products and services among Muslims and non-Muslims, including travelers to Singapore, has demonstrated the importance of focusing on developing the halal business. The location of Singapore is quite strategic, being in the heart of Southeast Asia, close to Malaysia and Indonesia. A recent article published in Malay Mail reported that Singapore would become Southeast Asia's most advanced Halal Hub in 2021. In general, the development of halal logistics in Singapore is divided into four areas: namely, halal logistics hub, halal logistics routes, halal logistics management, and halal transportation logistics.

The development of the halal industry is increasing every year, not only in Muslim-based countries such as Dubai, Saudi Arabia, and Turkey. Even non-Muslim countries are starting to show interest, such as Thailand, Singapore, Japan, America, and Australia, making their products to meet the demands of the world market (Johnson, 2015). Each country develops its halal industry: for example, Thailand specializes in the production, while Malaysia is an expert in marketing.

Halal Logistics Development Opportunities and Challenges

Opportunity Aspect

Indonesia is a country with the largest Muslim population in the world. This fact is an opportunity for Indonesia to become a new axis in the halal trade stage. The halal industry is a potential market that can benefit countries with a majority Muslim population (Ab Talib & Hamid, 2014; Zailani et al., 2017a). Based on data from the Directorate General of Population and Civil Registration of the Ministry of Home Affairs, it is explained that the total population of Indonesia will be 272.23 million people in June 2021. Of this number, as many as 236.53 million people (86.88%) are Muslims. Then to the *World Population Review* data, Indonesia had the largest Muslim population in 2021, 231 million people. The growth of the Muslim

population in Indonesia and around the world will create great potential for the halal industry, especially considering the current demand for halal products (S. E. Hidayat et al., 2021). This phenomenon strongly impacts the consumptive style of society as a whole, which requires consuming halal and suitable products. Halal consumption in question is an act of using or utilizing products that are halal and permitted by syar'i. Through this growth, we can improve Indonesia's halal industry in various sectors by providing halal products, halal certification services, and standardization of food delivery (halal logistics).

The Islamic economy in Indonesia is ranked fourth in the world in 2021, with a score of 91.2 on the Global Islamic Economy Index (GIEI). Indonesia ranks fourth after Malaysia at 290.2, Saudi Arabia at 155.1, and the UAE at 133. This ranking is supported by the increasingly focused national sharia economic development policy. One of them is marked by the stipulation of Presidential Regulation Number 28 of 2020 concerning the National Committee for Islamic Economy and Finance (KNEKS). The increase in the sharia economic sector encourages halal industrial activities in the community. This increase can then be read as an opportunity to open the halal market in the community, and the massive sharia economic activity is a stimulus to increase halal preferences. According to M. K. Hassan et al. (2021), to create a halal ecosystem in an industrial environment, halal logistics companies use financing at Islamic financial institutions as capital to carry out production.

Indonesia's vision to realize a global halal ecosystem can be realized through the efforts of all stakeholders in line with strengthening the Indonesian Islamic economic and financial ecosystem. This halal ecosystem is an excellent opportunity for Indonesia to become a global producer. Along with the improvement and development of the real sector of the sharia economy, or the so-called halal industry, Indonesia must strengthen the entire halal value chain from upstream to downstream. In addition to the Halal Assurance System, it is also necessary to integrate the Halal Traceability System into the supply chain to maintain the integrity of Halal products. This traceability will attract foreign consumers when buying a product from Indonesia.

The widespread use of information technology in logistics cannot be denied. Businesses across the halal supply chain are adopting IT for monitoring, tracking, and identification purposes (Ladesi & Rizki Nur Ichwan, 2019). The expansion and adoption of IT, especially using blockchain technology and the Internet of Things (IoT), presents excellent opportunities for halal logistics. Blockchain technology can provide better customer and logistics company

relationships, asset management, integration, and higher efficiency. In addition, the emergence of the Internet of Things will allow businesses to explore many technologies to maintain the integrity of the halal supply chain, including halal logistics and operations (Ab Talib & Wahab, 2021). Therefore, Indonesian Halal Logistics must take advantage of the increased use of IT through appropriate investments in adapting technology according to needs.

Challenge Aspect

In several opportunities described above, some challenges and problems become homework that must be completed. **First**, there is no special regulation regarding halal logistics (Zailani et al., 2017b). No law explicitly regulates halal logistics in Indonesia, and the existing regulations still refer to the Indonesian Government Regulation No. 39 of 2021 concerning implementing the Halal Product Assurance sector. This regulation is sufficient as a reference in carrying out production with a halal scheme but does not explicitly cover the supply chain and distribution of goods to consumers. As in the study, the Indonesian Ulema Council (MUI), the board of religious organizations that focuses on providing halal certificates in Indonesia, has yet to issue the concept and regulation of halal logistics. Law is essential to establish an internationally recognized body to set standards for its implementation and provide the enforcement and harmonization required for the performance of halal logistics in Indonesia.

Second is the need for stakeholder knowledge about halal logistics. The halal practice of a product does not stop after the product is produced. This is because halal products can quickly lose their status if they are contaminated during shipping and storage. Therefore, companies need to have knowledge of halal schemes in the logistics process in the field. However, what happens is that many companies, both from the manufacturing sector and logistics in the supply chain (i.e., suppliers, manufacturers, wholesalers, and retailers), still understand that halal products are only related to product certification; the logistics process does not need to be certified. This understanding is due to the company's need for more knowledge about halal logistics and product assurance (JPH). Hidayat et al. (2021) explained that stakeholders from both the logistics industry and the public need to be aware of Law Number 33 of 2014 concerning Halal Product Guarantee (JPH) and Government Regulation Number 31 of 2019 concerning JPH Implementation Regulations. A lack of knowledge about the causes of contamination and proper precautions can lead to inefficient and useless behavior.

The third is the need for more experts and researchers in halal logistics. Experts are one of the essential factors in the development of an industry. The ability of experts not qualified in logistics services with halal schemes impacts customer satisfaction, service innovation, and the company's competitive advantage. Halal logistics requires professional experts who understand the essence of Halal practice and logistics operations. However, active logistics professionals in Indonesia still need to qualify as designated Halal professionals. In this case, the government needs to contribute to developing and improving halal logistics in Indonesia by strengthening special education on halal logistics. As Talib et al. (2014) reported, the need for more professional halal logistics will hinder the growth of this sector. In addition, the company also participates in encouraging the growth of Halal logistics by training staff with knowledge of Halal logistics standards. Educating employees and management about the benefits and reasons for adopting Halal logistics is also essential.

The need for a particular infrastructure has to get government attention. The government's role is needed in this effort by helping to provide support for halal logistics infrastructure. Adequate infrastructure is crucial to support halal logistics implementation (Haleem & Khan, 2017). Halal logistics infrastructure, such as halal transportation operators, specialized warehouses and storage units, and ports and terminals, are essential components in the halal supply chain. Unique infrastructure already exists in Indonesia, including a halal port. Halal ports will make the halal industry ecosystem a necessary process for the efficient and effective implementation of halal logistics.

Table 1. Opportunities and Challenges for the Development of Indonesian Halal Logistics

Opportunities	Sources
Muslim Population Growth	Ab Talib & Hamid (2014); Zailani et al. (2017a)
Global Halal demand is increasing	S. E. Hidayat et al. (2021)
Strengthening the Islamic economy and finance sector	M. K. Hassan et al. (2021)
<i>Blockchain</i> technology support and <i>the Internet of Things</i>	Ladesi & Rizki Nur Ichwan (2019)
Challenges	
There is no special regulation regarding halal logistics	Zailani et al. (2017b)
Lack of knowledge of stakeholders and the company	Hidayat et al. (2021)

Lack of experts and researchers	Talib et al. (2014)
There has yet to be a unique infrastructure.	Haleem & Khan (2017)

Halal Logistics Development Best Practice

Halal in logistics is based on efforts to control supply chains in crucial sectors. Integrity in the supply chain cycle needs to be traced through separating halal products, starting from ingredients, production processes, packaging, and distribution and storage so as not to mix with non-halal ingredients. Halal integrity is built in inter-country or domestic trade routes through transparency in product provision, policy-making, product certification, and the certification body itself (Ashari, 2021).

The supply chain concept in realizing halal integrity includes four factors, namely traceability, asset specificity, quality assurance, and trust & commitment (Zulfakar et al., 2012). These factors enable halal integrity to be achieved rationally, measurably, and empirically. This scheme is designed to realize halal integrity in the supply chain. From traceability of products delivered, specificity of assets owned, quality assurance regarding product quality control, and trust & commitment from service providers. Furthermore, halal can be pursued in integral management, which allows stakeholders to monitor and control the existing logistics process. The advantage of supply chain management lies in the power of information during moving, storing, and warehousing.

Yunos explained that the supply chain in modern logistics lies in an integral unit between the controlling process during the production process, the implementation of halal certification (*actuating*), and the halal monitoring system itself (controlling) (Yunos et al., 2014). The primary thing that is emphasized in a supply chain is the traceability of the materials used, in the production process with adequate segregation, before proceeding to distribution activities domestically and between countries. This section requires experts, such as companions or halal supervisors. A particular infrastructure (*assets specificity*) is also needed to accommodate halal schemes that can be appropriately used and measured. The following are Best Practices for realizing halal integrity in the supply chain.

Figure 2. Best Practice of Halal Integrity Management in the Logistics Chain

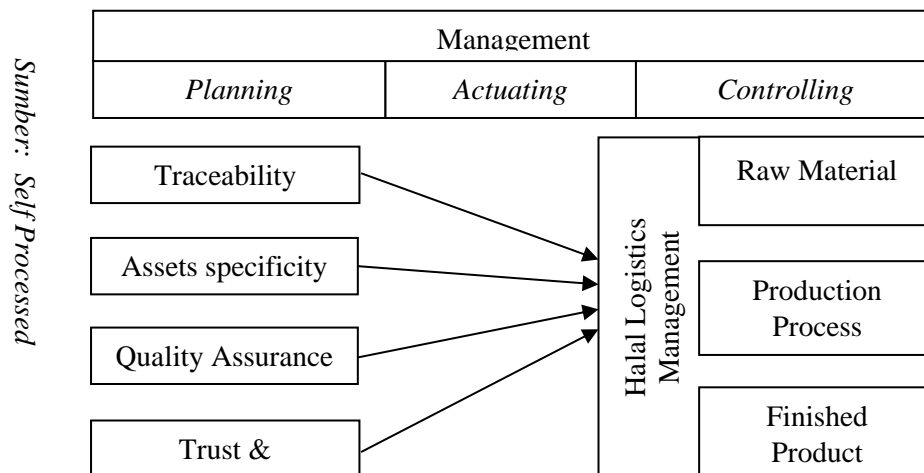


Figure 2 is a concept for realizing halal integration in the supply chain. The integration efforts launched are challenging to implement due to various indications that cause Halal ineffectiveness to manifest in the logistics process. In some conditions, the implementation of Halal can be realized in Indonesia because the demand for halal products and halal services continues to experience significant growth every year. This condition was further pushed during the Covid-19 (Coronavirus Disease 19) pandemic through social distancing, causing all transactions to be carried out digitally (Raharja & Natari, 2021).

The concept of halal integration in the supply chain is an integral part of the production process, providing raw materials, transferring them to the production process, and processing them into finished goods (Hayati & Fitriyah, 2015). This integration is the primary management process taken to make a product. The halal scheme in the supply chain starts with the selection of raw materials and periodic segregation. Separating raw materials is a crucial activity in the halal scheme, avoiding haram contamination caused by non-halal raw materials. From the perspective of the halal food industry, traceability can be used to track the halal status of a particular food product at each stage of the supply chain. This traceability includes all information regarding the activities that halal food products have gone through, including the activities involved before producing certain food products, such as material/animal origin. Critical Halal control points can be fully monitored by having a traceability system in place. Suppose a product is suspected of being cross-contaminated with non-Halal elements. Detailed information can be retrieved to identify cross-contamination points and take further action (Zulfakar et al., 2014).

In this section, accurate information is needed on the raw materials used, and halal integrity is closely related to the strength of the information possessed by the product. One aspect that requires accurate information is inventory control, an activity of material flow that is very important for the company. If there is a shortage of inventory in the material warehouse, which can disrupt the production process, emergency procurement costs may become more expensive (Karlina W.P. & Wicaksono, 2014). Therefore, the power of information on products is closely related to realizing halal integrity. In the logistics management cycle, this section goes into planning activities before moving on to production activities (*Actuating*).

Assets specificity is closely related to distribution, storage, and warehousing. Realizing halal integrity in the supply chain is possible with the physical segregation of non-halal goods. According to (Zulfakar et al., 2012), illicit contamination of the product can be drinkable or close to zero if the manufacturer has its transportation fleet. Allows manufacturers to fully control the goods sent or stored. In this condition, halal integrity is likely to be realized.

An accredited body should issue halal integrity assurance on a product to guarantee halal quality (**Quality Assurance**). The particular agency that regulates halal assurance is initiated by the Halal Product Assurance Organizing Agency (BPJPH), which carries out its function as the executor and organizer of the halal product guarantee (JPH), which is directly responsible to the Ministry of Religion. Furthermore, BPJPH is assisted by the Halal Inspection Agency (LPH), formed by either the government or the community, to maximize product inspections (Athief et al., 2014). In line with that, Muhammad said that halal integrity requires support from reputable institutions to check and provide guarantees for declared halal products, especially in the supply chain sector (Nik Muhammad et al., 2009). One way to gain consumer confidence is to include the halal certification on products, allowing everyone to find halal easily. However, halal certification should also provide certainty of halal integrity in the supply chain, separation of non-halal products, and guarantees that there will be no haram contamination during the logistics process. The logistics sector requires a particular standard with Halal Standard Operating Procedure (SOP).

Halal standards are an essential part of halal logistics. Halal standards, whether in the form of certifications, licenses, or logos, form the basis of Halal logistics because they represent a sign of trust and quality, uncompromising halal logistics services. Currently, Indonesia does not have a specific standard on halal logistics or global halal standards. Specific standards for halal logistics and supply chains are essential in setting guidelines for best practices and important

aspects of Shariah-compliant logistics operations. With halal logistics standards in place, any potential "grey areas" and gaps can be addressed, and standard practices can be established throughout the logistics chain. However, the government still needs to issue a standard for halal logistics services, and this is one of the weaknesses of the Indonesian logistics industry (Khoiriyah, 2021).

Integrity in the supply chain requires stakeholder commitment to implementing halal and controlling to encourage consumer confidence in the products they choose (Trust & Commitment). Trust is an essential indicator in attracting rational consumers, and this may be flawed if producers fail to maintain halal integrity during distribution. Segregation of non-halal products is not only about the relevance of sharia, but halal is attached as a symbol of cleanliness, sanitation, and security. The market built in the halal distribution chain not only attracts Islamic consumers but can also further become a preference for consumers of other religions (Johan, 2018).

CONCLUSION

Based on the literature that examines the topic of halal logistics, Indonesia has an opportunity to become a leading producer of halal products and a provider of halal services. The main strength lies in the large and broad segment of the Muslim market. The development of halal logistics in Malaysia receives strong support from the local government. Brunei Darussalam's halal sector is part of the national development agenda. Vietnam uses the and-to-and method to guard against leakages and threats, and Singapore seeks to develop the most advanced halal hub equipment in Southeast Asia. The potential of the global halal market currently requires the attention of the Government of Indonesia. There are several opportunities as well as challenges that require the attention of all parties. The success of halal logistics cannot be realized in just one entity. Instead, it requires the cooperation of all sectors in supply chaos, and the support of the government and society, in general, is also needed. The joint commitment of various parties to maintain halal procedures during trade operations is a crucial success. The best practice is to realize halal integrity in the supply chain, namely through collaborative logistics management with halal indicators, halal procedures reach industrial processes from upstream to downstream, and halal information linked in every line of supply chain procedures is essential to maintain the integrity of halal products. This research is based on literature that specifically discusses halal logistics, a recommendation for future researchers is that they can

make empirical observations of the implementation of halal logistics in companies engaged in the service sector.

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